PARAMUS BOARD OF EDUCATION

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2010

Paramus, New Jersey

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Paramus Board of Education

Paramus, New Jersey

For The Fiscal Year Ended June 30, 2010

Prepared by

Paramus Board of Education
Business Department

PARAMUS BOARD OF EDUCATION
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INTRODUCTORY SECTION

Excellence in Education

PARAMUS PUBLIC SCHOOLS

145 Spring Valley Road, Paramus, New Jersey 07652-5390
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Steven J. Cea
Business Administrator/
Board Secretary
scea@paramus.k12.nj.us

October 28, 2010

Honorable President and
Members of the Board of Education
Paramus School District
County of Bergen, New Jersey

Dear Board Members:

State Department of Education statutes require that all School District's prepare a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of the Paramus Board of Education for the fiscal year ended June 30, 2010.

This report consists of management's representations concerning the finances of the Paramus Board of Education. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Paramus Board of Education has established a comprehensive internal control framework that is designed both to protect the school district's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Paramus Board of Education's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Paramus Board of Education's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Paramus Board of Education's financial statements have been audited by Lerch, Vinci & Higgins, LLP, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Paramus Board of Education for the fiscal year ended June 30, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors' concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Paramus Board of Education's financial statements for the fiscal year ended June 30, 2010 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Paramus Board of Education was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards and state financial assistance. These reports are available in the Single Audit Section of the Paramus Board of Education's CAFR.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Paramus Board of Education's MD&A can be found immediately following the report of the independent auditors'.

1. REPORTING ENTITY AND ITS SERVICES: Paramus School District is an independent reporting entity with in the criteria adopted by the GASB as established by NCGA statement No. 14. All funds of the District are included in this report. The Paramus Board of Education and all its schools constitute the District's reporting entity.

The district provides a full range of educational services appropriate to grade levels pre-K through 12. These include regular, as well as special education for handicapped youngsters. The district completed 2009-2010 fiscal year with an enrollment of 4,245 students, which is 181 students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Fiscal Year	Student Enrollment	Percent Change
2009-2010	4,245	(4.09%)
2008-2009	4,426	1.49%
2007-2008	4,361	.11%
2006-2007	4,356	(1.18%)
2005-2006	4,408	.03%
2004-2005	4,394	.01%
2003-2004	4,344	.03%
2002-2003	4,331	1.05%
2001-2002	4,286	.85%
2000-2001	4,250	.87%

2. ECONOMIC CONDITION AND OUTLOOK

The Borough of Paramus is located in west central Bergen County about 18 miles west of New York City. Surrounding towns include Ridgewood, Washington Township, Fair Lawn, Rochelle Park, Maywood, River Edge, Oradell, Emerson and Hackensack. The Borough was incorporated in 1922; government for the Borough consists of a mayor and six councilmen elected for overlapping terms.

The Borough of Paramus is primarily suburban residential in character with extensive and expanding industrial and commercial development. Over 95% of all housing units are single family residences. About 91 % are owner occupied: local zoning does not permit apartment development.

2. ECONOMIC CONDITION AND OUTLOOK (Continued)

Comprising about 10 square miles, the Borough has excellent transportation facilities. The principle route joining Bergen and Passaic Counties to New York City via the George Washington Bridge is NJ Route 4. NJ Route 17 is a major four-lane highway running north-south through Bergen and Hudson Counties, connecting southern New York State with the Lincoln Tunnel to New York City. The limited access Garden State Parkway runs through the Borough into southern New Jersey. Since the completion of Interstate 80, consumers in western New Jersey have access to the Bergen County retail stores. Together with these highways, four bus companies offer transportation to and from the Borough.

Bergen County is one of the largest counties in the State, and the Borough of Paramus has become a major retail trade center. Currently about 46% of the Borough tax revenues are generated by its commercial and industrial complexes which are experiencing continual growth. The population of the Borough has leveled off (1980 U.S. Census 26,474) and the Borough Master Plan indicates that the period of rapidly accelerating demand for municipal service facilities is past.

Approximately 85% of the retail trade comes from people living outside the Borough, primarily customers being drawn from Bergen and Passaic Counties and from New York City and Rockland and Orange Counties in New York State. A secondary purchasing market includes Sullivan and Ulster Counties in New York State and Essex, Morris, Sussex and Union Counties in New Jersey. The Garden State Plaza, the Bergen Mall, the Paramus Fashion Center and Paramus Park are the major shopping complexes located in the Borough. The Borough is also home to Ikea, BJ's Wholesale Club, two Sports Authority's, two Home Depots, two Toys R Us stores, three Barnes & Noble Stores, 14 movie theaters, as well as many other retail businesses, all of which are easily accessible.

Industrial development in Paramus has expanded along with commercial development. The Paramus Industrial park contains 232 acres zoned for business and light industry. A second industrial part occupies 115 acres west of NJ 17; a third, 15 acres east of NJ 17.

New housing in the area is largely single family residences in the $600,000 to $800,000 range, and older housing continues to show healthy value appreciation.

3. MAJOR INITIATIVES:

The Paramus School District has been recognized for educational excellence by several New Jersey Education Commissioners and by the United States Department of Education's Blue Ribbon Panel. Over the past several years, Paramus has been the recipient of eight Best Practice Awards, a Star School Award from the New Jersey Department of Education, a Service Learning Award from the United States Department of Education, and an award for Outstanding Middle School Technology Program in New Jersey.

Supporting these awards for excellence, the New Jersey State Report Card favorably compares our schools to schools throughout the state, including the following statistics and notations:

- Standardized test scores in all grades are significantly higher than state average.
- Scholastic Assessment Test (SAT) scores are also higher than the state average.

3. MAJOR INITIATIVES: (Continued)

- A significant number of students are involved in many Advanced Placement courses and score at a level meriting potential college credit.
- Our district boasts a 99.4% high school graduation rate.
- Approximately 93.8% of our students are involved in post-secondary education.
- Student attendance is excellent.
- The District offers a wide range of programs that meet the diverse needs of youngsters during and after the school day.

Additionally, a vast majority of our students are involved in extra-curricular, athletic, voluntary and community activities. Staff development focuses on the implementation of the state core curriculum content standards and the best ways to implement them in instruction at all levels. We have integrated technology into all aspects of the curriculum. Every classroom setting is equipped with at least one computer that is connected to local and wide area networks with the capability of utilizing high-speed voice, video and data communications. The District has implemented a new software packages for student database management, student performance & test tracking including state testing results, visitor management software and staff/student ID program, special education software for IEP purposes and NJ Smart reporting.

It is our goal that every student who receives a diploma from Paramus High School will graduate confident in his or her ability to learn and with the knowledge, understanding, skills, and attitudes that will enable each graduate to lead productive and fulfilling lives in a complex and rapidly changing society. Specifically, each graduate will have had appropriate and adequate opportunities to learn and be able to: communicate an idea, opinion or perspective in a variety of ways; solve problems analytically and creatively; contribute as citizens in an ever-shrinking global community with an appreciation for the diversity and interdependence of all people; embrace the concepts of emotional and physical wellness; work independently and cooperatively as a member of a group; and to embrace the ideal of lifelong learning.

Our success is the result of a team effort between the Board of Education, faculty, administration, staff, parents and community. We could not have achieved this high level of results without parent involvement and support. Thank you for being active participants in our schools and for helping our children obtain the quality education they deserve.

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

As recipient of federal and state financial assistance, the District also is responsible for ensuring compliance with applicable laws and regulations related to federal and state financial assistance programs, as well as to determine that the District 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 is amended for the fiscal year is reflected in the financial section.

5. BUDGETARY CONTROLS: (Continued)

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

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. These funds are explained in "Notes to the Basic Financial Statements".

7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements". The District has adopted a cash management plan which is 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, where the funds are secured in accordance with the Act.

8. RISK MANAGEMENT: The Board carries various forms of insurance including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds, school board errors and omissions, boiler and machinery, and worker's compensation.

9. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci and Higgins, LLP was selected by the Board's finance committee. 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 and the related OMB Circular A-133 and State Treasury Circular Letter 04-04. The auditors' report on the basic financial statements and schedules are included in the financial section of the report. The auditors' reports relating specifically to the Single Audit are included in the Single Audit Section of this report.

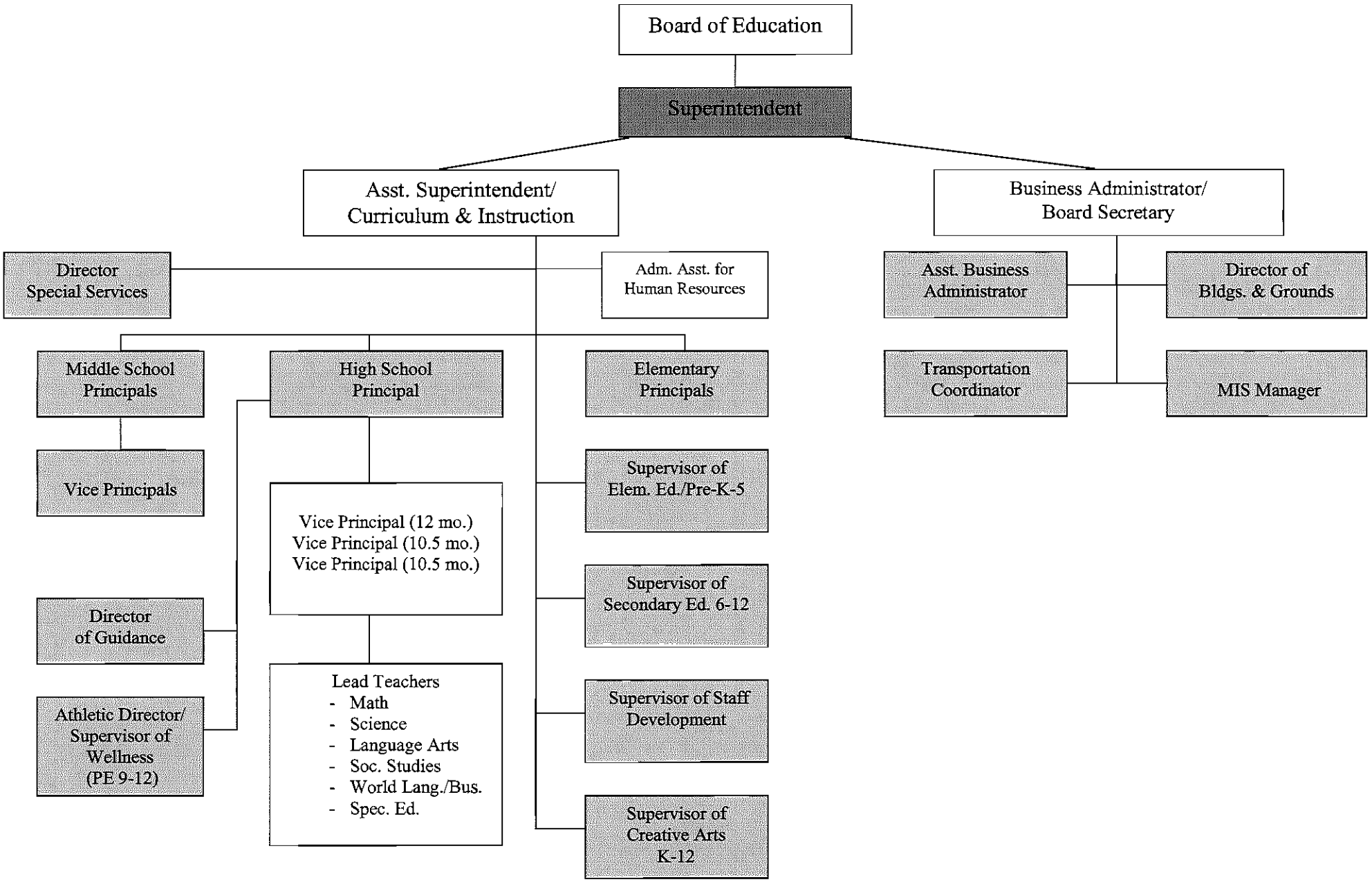
10. ACKNOWLEDGEMENTS:

We would like to express our appreciation to the members of the Paramus 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,

Steven Cea
Business Administrator/Board Secretary

PARAMUS PUBLIC SCHOOLS ORGANIZATION CHART



VI.

PARAMUS BOARD OF EDUCATION
PARAMUS, NEW JERSEY

ROSTER OF OFFICIALS
AS OF JUNE 30, 2010

Members of the Board of Education	Term Expires
Anthony Feorenzo, Jr., President	2012
Bernadette McCausland, Vice President	2012
Sheila Criscione	2011
Sharon Bower	2013
Joanne Bergmann	2011
Ralph Amato	2011
Anthony Balestrieri	2013
Frank Straka	2012
Ace Antonio	2013

Other Officials

Dr. James Montesano, Superintendent of Schools

Gary S. Lane, Assistant Superintendent/Business Administrator/Board Secretary (7/1/09-6/26/10)

Mattea Field, Acting Business Administrator (6/27/10-6/30/10)

Deborah Carpino, Treasurer

PARAMUS BOARD OF EDUCATION
PARAMUS, NEW JERSEY

CONSULTANTS AND ADVISORS
AS OF JUNE 30, 2010

Architect

Shive/Spinelli/Perantoni & Assoc.
148 West End Avenue
P.O. Box 758
Somerville, New Jersey 08876

Audit Firm

Lerch, Vinci & Higgins, LLP
17-17 Route 208N
Fair Lawn, New Jersey 07410

Attorney

Adams, Stern, Gutierrez & Lattiboudere, LLC
1037 Raymond Boulevard, Suite 710
Newark, New Jersey 07102

Official Depository

Bank of America
Forest Avenue
Paramus, New Jersey 07652

FINANCIAL SECTION

LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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FAIR LAWN, NJ 07410
TELEPHONE (201) 791-7100
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GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ANDREW PARENTE, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH KOZAK, CPA, PSA
DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
RALPH M. PICONE, CPA, RMA, PSA

INDEPENDENT AUDITORS' REPORT

Honorable President and Members
of the Board of Trustees
Paramus Board of Education
Paramus, New Jersey

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in the 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Paramus Board of Education's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 Paramus Board of Education as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 28, 2010 on our consideration of the Paramus Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Paramus Board of Education's basic financial statements. The accompanying introductory section, combining fund financial statements, financial schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Additionally, the accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and New Jersey OMB's Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid", and are not a required part of the basic financial statements. The combining fund financial statements and schedules of expenditures of federal awards and state financial assistance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Lerch, Vinci & Higgins, LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Gary W. Higgins

Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
October 28, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by $30,712,073 (net assets).

- General revenues accounted for $69,948,803 or 85 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for $12,302,508 or 15 percent of total revenues of $82,251,311.

- Total net assets of governmental activities amounted to $30,406,504 as of June 30, 2010.

- The District had $79,518,287 in expenses related to governmental activities; only $11,260,075 were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of $69,948,803 were adequate to provide for these programs.

- Among governmental funds, the General Fund had $74,452,695 in revenues and other financing sources and $73,621,664 in expenditures. The General Fund's fund balance increased $831,031 over the fiscal year ended June 30, 2009.

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

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

Reporting the District as a Whole

One of the most important questions asked about the District is "How did we do financially during the fiscal year ended June 30, 2010?" The *Statement of Net Assets* and the *Statement of Activities*, which appear first in the District's financial statements, report information on the District as a whole and its activities in such a way as to answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental Activities – most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extra-curricular activities.

Reporting the District as a Whole (Continued)

- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods and services provided. The District's food service program is reported as a business-type activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in statements for the District as a whole.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

The District as a Whole

The *Statement of Net Assets* provides the perspectives of the District as a whole, showing assets, liabilities and the difference between them (net assets). Net assets may serve over time as a useful indicator of a government's financial position.

Table 1 provides a summary of the District's net assets as of June 30, 2010 and 2009.

Table 1
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current Assets	$ 18,266,231	$ 18,506,808	$ 154,254	$ 184,791	$ 18,420,485	$ 18,691,599
Capital Assets	53,144,645	53,332,086	180,679	193,417	53,325,324	53,525,503
Total Assets	71,410,876	71,838,894	334,933	378,208	71,745,809	72,217,102
Long-Term Liabilities	27,626,291	28,894,428			27,626,291	28,894,428
Other Liabilities	13,378,081	14,228,553	29,364	89,901	13,407,445	14,318,454
Total Liabilities	41,004,372	43,122,981	29,364	89,901	41,033,736	43,212,882
Net Assets						
Invested in capital assets, net of related debt	25,187,220	24,274,128	180,679	193,417	25,367,899	24,467,545
Restricted	3,720,473	2,258,123			3,720,473	2,258,123
Unrestrieted	1,498,811	2,183,662	124,890	94,890	1,623,701	2,278,552
Total Net Assets	$ 30,406,504	$ 28,715,913	$ 305,569	$ 288,307	$ 30,712,073	$ 29,004,220

The District's combined net assets were $30,712,073 and $29,004,220 at June 30, 2010 and 2009, respectively. This was an increase of 6 percent from the prior year. This is primarily due to the net effect of debt issued versus debt and an increase in restricted assets for future capital projects.

Table 2 shows changes in net assets for fiscal years ended June 30, 2010 and 2009

Table 2
Change in Net Assets

	Governmental Aetivities		Business-Type Activitics		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program Revenues						
Charges for Services	$ 332,987	$ 250,252	$ 898,306	$ 872,584	$ 1,231,293	$ 1,122,836
Operating Grants and Contributions	10,927,088	10,235,531	144,127	120,225	11,071,215	10,355,756
Capital Grants and Contributions		618,048			-	618,048
General Revenues						
Property Taxes	67,718,884	64,987,547			67,718,884	64,987,547
State Aid	619,471	801,450			619,471	801,450
Other	1,610,448	3,058,450	-	1,167	1,610,448	3,059,617
Total Revenues	81,208,878	79,951,278	1,042,433	993,976	82,251,311	80,945,254
Expenses						
Instruction						
Regular	30,961,268	29,293,503			30,961,268	29,293,503
Special Education	13,159,168	11,516,883			13,159,168	11,516,883
Other Instruction	1,491,638	1,667,956			1,491,638	1,667,956
School Sponsored Activities and Athletics	1,436,961	1,366,944			1,436,961	1,366,944
Community Services	16,134	17,021			16,134	17,021
Support Services						
Student and Instruction Related Services	8,702,798	9,663,427			8,702,798	9,663,427
General Administration Services	1,243,442	1,186,849			1,243,442	1,186,849
School Administration Services	4,867,499	4,084,367			4,867,499	4,084,367
Plant Operations and Maintenance	10,655,154	9,372,675			10,655,154	9,372,675
Pupil Transportation	3,327,788	3,508,598			3,327,788	3,508,598
Central Services	2,393,804	2,584,293			2,393,804	2,584,293
Interest on Debt	1,262,633	1,351,094			1,262,633	1,351,094
Food Services	-	-	1,025,171	982,326	1,025,171	982,326
Total Expenses	79,518,287	75,613,610	1,025,171	982,326	80,543,458	76,595,936
Change in Net Assets	1,690,591	4,337,668	17,262	11,650	1,707,853	4,349,318
Net Assets, Beginning of Year	28,715,913	24,378,245	288,307	276,657	29,004,220	24,654,902
Net Assets, End of Year	$ 30,406,504	$ 28,715,913	$ 305,569	$ 288,307	$ 30,712,073	$ 29,004,220

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the District operations. The District's total revenues were $81,208,878 and $79,951,278 for the years ended June 30, 2010 and 2009, respectively. Property taxes made up 83 and 81 percent of revenues for governmental activities for the Paramus School District for fiscal years ended June 30, 2010 and 2009, respectively. Federal, state and local grants accounted for another 14 and 15 percent of revenues for the years ended June 30, 2010 and 2009, respectively.

The total cost of all programs and services was $79,518,287 and $75,613,610 for the fiscal years ended June 30, 2010 and 2009, respectively. Instruction comprises 59 and 58 percent of governmental program expenses for fiscal years ended June 30, 2010 and 2009, respectively. Support services expenses make up 39 and 40 percent of governmental expenses for the fiscal years ended June 30, 2010 and 2009, respectively. The *Statement of Activities* shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services 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
Total and Net Cost of Services

	Total Cost of Services		Net Cost of Services	
	2010	2009	2010	2009
Instruction				
Regular	$ 30,961,268	$ 29,293,503	$ 27,623,195	$ 23,766,720
Special Education	13,159,168	11,516,883	7,503,463	8,742,156
Other Instruction	1,491,638	1,667,956	1,371,506	1,524,920
School Sponsored Activities and Athletics	1,436,961	1,366,944	1,320,916	1,258,031
Community Services	16,134	17,021	16,134	17,021
Support Services				
Student and Instruction Related Services	8,702,798	9,663,427	7,869,872	8,787,185
General Administration Services	1,243,442	1,186,849	1,243,442	1,186,849
School Administration Services	4,867,499	4,084,367	4,528,603	3,815,538
Plant Operations and Maintenance	10,655,154	9,372,675	10,446,862	8,754,627
Pupil Transportation	3,327,788	3,508,598	2,677,782	2,721,345
Central Services	2,393,804	2,584,293	2,393,804	2,584,293
Interest on Debt	1,262,633	1,351,094	1,262,633	1,351,094
Total	$ 79,518,287	$ 75,613,610	$ 68,258,212	$ 64,509,779

The dependence of tax revenues and state subsidies for governmental activities is apparent.

Business-Type Activities

The only business-type activity is the food service operation. The program had revenues of $1,042,433 and $993,976 expenses of $1,025,171 and $982,326 in fiscal years ended June 30, 2010 and 2009, respectively. Of the revenues, $898,306 and $872,584 was charges for services paid by patrons for daily food service, $144,127 and $120,225 was from State and Federal reimbursements and $1,167 was from interest earnings for the fiscal year ended June 30, 2009..

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to $81,103,402 and $79,898,353 and expenditures were $81,249,781 and $78,947,505 for the fiscal years ended June 30, 2010 and 2009, respectively.

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 schedules present a summary of the revenues of the governmental funds for the fiscal years ending June 30, 2010 and 2009.

	Year Ended		Amount of Increase	Percent Increase
	2010	2009	(Decrease)	(Decrease)
Loeal Sources	$ 69,617,644	$ 68,298,675	$ 1,318,969	2%
State Sourees	9,034,170	10,112,058	(1,077,888)	-11%
Federal Sources	2,451,588	1,487,620	963,968	65%
Total Revenues	$ 81,103,402	$ 79,898,353	$ 1,205,049	2%

The following schedule represents a summary of the governmental funds expenditures for the fiscal years ending June 30, 2010 and 2009.

	Year Ended		Amount of Increase	Percent Increase
	2010	2009	(Decrease)	(Decrease)
Current:				
Instruction	$ 45,416,304	$ 42,393,093	$ 3,023,211	7%
Support Services	30,774,353	30,078,448	695,905	2%
Capital Outlay	1,910,475	3,064,375	(1,153,900)	-38%
Debt Service:				
Principal	1,911,107	2,093,984	(182,877)	-9%
Interest on Other Charges	1,237,542	1,317,605	(80,063)	-6%
Total Expenditures	$ 81,249,781	$ 78,947,505	$ 2,302,276	3%

General Fund Budgeting Highlights

The 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 budget fund is the General Fund.

During the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over-expenditures in specific line item accounts.

Capital Assets

At the end of fiscal years 2010 and 2009, the District had $53,144,645 and $53,525,503 invested in land, construction in progress, buildings, site improvements, furniture and equipment and vehicles net of depreciation. Overall capital assets net of accumulated depreciation decreased $200,179 from fiscal year 2009 to fiscal year 2010. Table 4 shows capital assets net of depreciation at June 30, 2010 and 2009.

Table 4
Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	$ 400,645	$ 400,645			$ 400,645	$ 400,645
Construction in Progress	226,741	101,572			226,741	101,572
Buildings and Building Improvements	71,641,883	70,969,091	$ 145,725	$ 145,725	71,787,608	71,114,816
Machinery and Equipment	4,692,269	4,155,105	185,019	182,319	4,877,288	4,337,424
Site Improvements	1,013,972	1,013,972	-	-	1,013,972	1,013,972
	77,975,510	76,640,385	330,744	328,044	78,306,254	76,968,429
Less Accumulated Depreciation	24,830,865	23,308,299	150,065	134,627	24,980,930	23,442,926
Total	$ 53,144,645	$ 53,332,086	$ 180,679	$ 193,417	$ 53,325,324	$ 53,525,503

Additional information on Paramus Board of Education's capital assets can be found in Note 3 of this report.

Long-Term Liabilities

At June 30, 2010 and 2009, the District had $27,626,291 and $28,894,428 of long-term liabilities, respectively. Of this amount, $770,644 and $704,551 is for compensated absences, $26,095,876 and $27,878,224 of net bonds payable for school construction and $759,771 and $311,653 for capital leases.

Additional information on Paramus Board of Education's long-term liabilities can be found in Note 3 of this report.

For the Future

As with all public school districts in New Jersey, the Paramus School District is facing difficult financial times due to state budget caps, essentially stagnant state aid, lower return on investments, increased costs for energy, health benefits, supplies, equipment and manpower. There are higher expectations for educational needs as well as non-educational needs such as security, infrastructure, and maintenance yet fewer dollars available to meet these expectations. State changes in rules, law and process have made the administration of the District more difficult and restricted the District's ability to acquire the resources to achieve these new or revised standards.

Fortunately, the Paramus Community has a tradition of supporting their schools and there is cooperation between the School and the Borough on several fronts. The District's major bond issue of 2005 ($37 million) is coming to closure and the District has begun dedicating funds to the Capital Projects Fund in order to assuage future costs for projects.

The most difficult matter which lies ahead is the limited financial resources available to the District to meet the needs of the District. The hard cap on tax levy recently imposed by the state has very much had and continues to have a negative effect on our ability to provide the tools needed to provide a superior educational program. Of concern over time is the ability to attract and retain quality staff members due to these issues. Nonetheless, the District is committed to continuing and improving its tradition of fiscal vigilance, planning, budgeting and internal controls to address the dynamic challenges ahead.

Contacting the District's Financial Management

This financial report is designed to provide the citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the revenues it receives. If you have questions about this report or need additional information, contact the Business Administrator/Board Secretary at Paramus Board of Education, 145 Spring Valley Road, Paramus, NJ 07652.

BASIC FINANCIAL STATEMENTS

PARAMUS BOARD OF EDUCATION
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2010

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 3,141,339	$ 137,921	$ 3,279,260
Investments	1,153,627		1,153,627
Receivables, net			
Receivables from Other Governments	10,120,285	7,584	10,127,869
Other	41,760	578	42,338
Inventory		8,171	8,171
Deferred Charges	88,869		88,869
Restricted Assets			
Capital Reserve Account - Cash	3,720,351		3,720,351
Capital Assets			
Not Being Depreciated	627,386		627,386
Being Depreciated, Net	52,517,259	180,679	52,697,938
Total Assets	71,410,876	334,933	71,745,809
LIABILITIES			
Accounts Payable and Other Current Liabilities	255,724	28,558	284,282
Payable to State Government	30,477		30,477
Accrued Interest Payable	263,683		263,683
Notes Payable	11,820,510		11,820,510
Unearned Revenue	1,007,687	806	1,008,493
Noncurrent Liabilities			
Due within one year	2,053,826		2,053,826
Due beyond one year	25,572,465	-	25,572,465
Total Liabilities	41,004,372	29,364	41,033,736
NET ASSETS			
Invested in Capital Assets, net of related debt	25,187,220	180,679	25,367,899
Restricted for			
Debt Service	122		122
Capital Projects	3,720,351		3,720,351
Unrestricted	1,498,811	124,890	1,623,701
Total Net Assets	$ 30,406,504	$ 305,569	$ 30,712,073

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

PARAMUS BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-type Activities	Net (Expense) Revenue and Changes in Net Assets: Total
Governmental Activities							
Instruction							
Regular	$ 30,961,268		$ 3,338,073		$ (27,623,195)		$ (27,623,195)
Special Education	13,159,168	$ 332,987	5,322,718		(7,503,463)		(7,503,463)
Other Instruction	1,491,638		120,132		(1,371,506)		(1,371,506)
School Sponsored Activities and Athletics	1,436,961		116,045		(1,320,916)		(1,320,916)
Community Services	16,134				(16,134)		(16,134)
Support Services							
Student and Instruction Related Services	8,702,798		832,926		(7,869,872)		(7,869,872)
School Administration Services	4,867,499		338,896		(4,528,603)		(4,528,603)
General Administration Services	1,243,442				(1,243,442)		(1,243,442)
Plant Operations and Maintenance	10,655,154		208,292		(10,446,862)		(10,446,862)
Pupil Transportation	3,327,788		650,006		(2,677,782)		(2,677,782)
Central Serviees	2,393,804				(2,393,804)		(2,393,804)
Interest on Long-Term Debt	1,262,633	-	-	-	(1,262,633)	-	(1,262,633)
Total Governmental Activities	79,518,287	332,987	10,927,088	-	(68,258,212)	-	(68,258,212)
Business-Type Activities							
Food Service	1,025,171	898,306	144,127	-	-	$ 17,262	17,262
Total Business-Type Activities	1,025,171	898,306	144,127	-	-	17,262	17,262
Total Primary Government	$ 80,543,458	$ 1,231,293	$ 11,071,215	$ -	(68,258,212)	17,262	(68,240,950)

Continued

Thc aecompanying Notcs to the Basic Financial Statements are an integral part of this statement.

PARAMUS BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Net (Expense) Revenue and Changes in Net Assets		
	Governmental Activities	Business-type Activities	Total
General Revenues, Special Items and Transfers			
Property Taxes Levied for General Purposes	$ 64,898,985		$ 64,898,985
Property Taxes Levied for Debt Service	2,819,899		2,819,899
Interest Earnings	263		263
Miscellaneous Income	1,504,709		1,504,709
Debt Service Type II Aid	619,471		619,471
Capital Lease Cancelled	220,546		220,546
Loss on Trade-In of Assets	(115,070)	-	(115,070)
Total General Revenues, Special Items and Transfers	69,948,803	-	69,948,803
Change in Net Assets	1,690,591	$ 17,262	1,707,853
Net Assets, Beginning of Year	28,715,913	288,307	29,004,220
Net Assets, End of Year	$ 30,406,504	$ 305,569	$ 30,712,073

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

FUND FINANCIAL STATEMENTS

PARAMUS BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2010

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 981,799		$ 2,159,418	$ 122	$ 3,141,339
Investments	57,272		1,096,355		1,153,627
Other Accounts Receivable	32,374	$ 9,386			41,760
Due from Other Funds	1,542,197				1,542,197
Receivables from Other Governments	35,768	779,991	9,304,526		10,120,285
Restricted Cash and Cash Equivalents	3,720,351	-	-	-	3,720,351
Total Assets	$ 6,369,761	$ 789,377	$ 12,560,299	$ 122	$ 19,719,559
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	$ 116,272	$ 72,842	$ 66,610		$ 255,724
Notes Payable			11,820,510		11,820,510
Dne to Other Funds		448,863	1,093,334		1,542,197
Payable to State Government		30,477			30,477
Deferred Revenue	-	237,195	770,492	-	1,007,687
Total Liabilities	116,272	789,377	13,750,946	-	14,656,595
Fund Balances					
Reserved for					
Eneumbranees	584,461		227,668		812,129
Excess Surplus	400,000				400,000
Capital Reserve Account	3,720,351				3,720,351
Excess Surplns Designated for					
Subsequent Year's Expenditnres	500,000				500,000
Undesignated, Reported in					
General Fund	1,048,677				1,048,677
Capital Projects Fund			(1,418,315)		(1,418,315)
Debt Service Fund	-	-	-	$ 122	122
Total Fnnd Balanees	6,253,489	-	(1,190,647)	122	5,062,964
Total Liabilities and Fund Balances	$ 6,369,761	$ 789,377	$ 12,560,299	$ 122	

The aceompanying Notes to the Basie Financial Statements arc an Integral Part of this Statement

Continued

PARAMUS BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2010

Amounts reported for *governmental activities* in the statement of net assets (A-1) 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 $77,975,510 and the accumulated depreciation is $24,830,865.			$ 53,144,645
The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is:			(263,683)
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 . These Items are as follows:			
	Bonds Payable, net	$ (26,095,876)	
	Add - Deferred Charge for Bond Issuance Cost	88,869	
	Capital Leases Payable	(759,771)	
	Compensated Absences Payable	(770,644)	(27,537,422)
Net Assets of Governmental Activities			$ 30,406,504

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources					
Property Tax Levy	$ 64,898,985			$ 2,819,899	$ 67,718,884
Tuition	332,987				332,987
Interest	131		$ 132		263
Miscellaneous	1,497,389	$ 68,121	-	-	1,565,510
Total - Local Sources	66,729,492	68,121	132	2,819,899	69,617,644
State Sources	6,955,980	1,458,719		619,471	9,034,170
Federal Sources	7,320	2,444,268	-	-	2,451,588
Total Revenues	73,692,792	3,971,108	132	3,439,370	81,103,402
EXPENDITURES					
Current					
Regular Instruction	28,495,517	830,031			29,325,548
Special Education Instruction	10,324,450	2,824,893			13,149,343
Other Instruction	1,489,949				1,489,949
School-Sponsored Activities and Athletics	1,435,348				1,435,348
Community Services	16,116				16,116
Support Services					
Student and Instruction Related Services	8,338,568	285,872			8,624,440
School Administration Services	4,830,253				4,830,253
General Administration Services	1,226,520				1,226,520
Plant Operations and Maintenance	10,488,342				10,488,342
Pupil Transportation	3,206,809	5,909			3,212,718
Central Services	2,392,080				2,392,080
Debt Service					
Principal	91,107			1,820,000	1,911,107
Interest and Other Charges	14,772			1,222,770	1,237,542
Capital Outlay	1,271,833	24,403	614,239	-	1,910,475
Total Expenditures	73,621,664	3,971,108	614,239	3,042,770	81,249,781
Excess (Deficiency) of Revenues Over Expenditures	71,128	-	(614,107)	396,600	(146,379)
Other Financing Sources (Uses)					
Transfers In	132		396,600		396,732
Transfers Out			(132)	(396,600)	(396,732)
Capital Lease Proceeds	759,771	-	-	-	759,771
Total Other Financing Sources (Uses)	759,903	-	396,468	(396,600)	759,771
Net Change in Fund Balances	831,031	-	(217,639)	-	613,392
Fund Balance (Deficit), Beginning of Year	5,422,458	-	(973,008)	122	4,449,572
Fund Balance (Deficit), End of Year	$ 6,253,489	$ -	$ (1,190,647)	$ 122	$ 5,062,964

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

EXHIBIT B-3

PARAMUS BOARD OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Total net change in fund balances - governmental funds (Exhibit B-2)		$ 613,392
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.		
Capital Outlay	$ 1,910,475	
Depreciation Expense	(1,982,846)	
		(72,371)
In the statement of activities, costs related to the issuance of long term debt are deferred and amortized over the term of the debt. In the governmental funds, the issuance costs are reported upon issuance of the debt. This amount represents the current year amortization of the costs related to the issuance of long term debt in previous years.		
Original Issue Premium	4,646	
Debt Issuance Costs	(16,058)	
Deferred Amount on Refunding	(42,298)	
		(53,710)
In the statement of activities, certain operating expenses - compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):		
Compensated Absences		(66,093)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Debt Issued		
Capital Lease		(759,771)
Principal Repayments		
Bonds Paid	1,820,000	
Capital Leases Paid	91,107	
		1,911,107
Capital Lease Cancelled		220,546
The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in of capital assets.		(115,070)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		
Decrease in accrued interest		12,561
Change in net assets of governmental activities (Exhibit A-2)		$ 1,690,591

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

EXHIBIT B-4

PARAMUS BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2010

	Business- Type Activities Enterprise Fund Food Service
ASSETS	
Current Assets	
Cash and Cash Equivalents	$ 137,921
Intergovernmental Receivable	
State	536
Federal	7,048
Other Account Receivable	578
Inventory	8,171
Total Current Assets	154,254
Capital Assets	
Equipment	330,744
Less: Accumulated Depreciation	(150,065)
Total Capital Assets, Net of Accumulated Depreciation	180,679
Total Assets	334,933
LIABILITIES	
Current Liabilities	
Accounts Payable	28,558
Unearned Revenue	806
Total Current Liabilities	29,364
Total Liabilities	29,364
NET ASSETS	
Invested in Capital Assets Net of Related Debt	180,679
Unrestricted	124,890
Total Net Assets	$ 305,569

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

PARAMUS BOARD OF EDUCATION
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business- Type Activities Enterprise Fund Food Service
OPERATING REVENUES	
Charges for Services	
Daily Sales	$ 881,451
Other Sales	16,855
Total Operating Revenues	898,306
OPERATING EXPENSES	
Cost of Sales	406,602
Salaries and Employee Benefits	415,760
Supplies and Materials	67,242
Management Fee	42,403
Other Purchased Services	66,562
Depreciation	15,438
Repairs and Maintenance	9,878
Miscellaneous	1,286
Total Operating Expenses	1,025,171
Operating Loss	(126,865)
NONOPERATING REVENUES	
State Sources	
School Lunch Program	7,588
Federal Sources	
National School Lunch Program	113,899
School Milk Program	22,640
Total Nonoperating Revenues	144,127
Changes in Net Assets	17,262
Total Net Assets, Beginning of Year	288,307
Total Net Assets, End of Year	$ 305,569

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

EXHIBIT B-6

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

	Business- Type Activities Enterprise Fund Food Service
Cash Flows from Operating Activities	
Cash Received from Customers	$ 898,306
Cash Payments for Employees' Salaries and Benefits	(415,760)
Cash Payments to Suppliers for Goods and Services	(614,585)
Net Cash Used by Operating Activities	(132,039)
Cash Flows from Noncapital Financing Activities	
Cash Received from State and Federal Subsidy Reimbursements	105,306
Net Cash Provided by Noncapital Financing Activities	105,306
Cash Flows from Capital and Related Financing Activities	
Acquisition of Capital Assets	(2,700)
Net Cash Used by Capital and Related Financing Activities	(2,700)
Net Decrease in Cash and Cash Equivalents	(29,433)
Cash and Cash Equivalents, Beginning of Year	167,354
Cash and Cash Equivalents, End of Year	$ 137,921
Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Operating Loss	$ (126,865)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities	
Depreciation	15,438
Non-Cash Federal Assistance Food Distribution - National School Lunch Programs	40,883
Change in Assets and Liabilities	
Increase/(Decrease) in Accounts Payable	(60,679)
(Increase)/Decrease in Inventory	(816)
Total Adjustments	(5,174)
Net Cash Used by Operating Activities	$ (132,039)
Non-Cash Financing Activities	
National School Lunch (Food Distribution)	$ 41,025

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

PARAMUS BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
AS OF JUNE 30, 2010

	Unemployment Compensation Trust Fund	Agency Fund
ASSETS		
Cash and Cash Equivalents	$ 259,246	$ 329,485
Total Assets	259,246	$ 329,485
LIABILITIES		
Intergovernmental Payable	22,735	
Due to Student Groups	-	$ 329,485
Total Liabilities	22,735	$ 329,485
NET ASSETS		
Held in Trust for Unemployment Claims and Other Purposes	$ 236,511	

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

EXHIBIT B-8

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

	Unemployment Compensation Trust Fund
ADDITIONS	
Contributions	$ 111,436
Total Additions	111,436
DEDUCTIONS	
Unemployment Claims and Contributions	178,166
Total Deductions	178,166
Change in Net Assets	(66,730)
Net Assets, Beginning of the Year	303,241
Net Assets, End of the Year	$ 236,511

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Paramus Board of Education (the "Board" or the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Paramus Board of Education this includes general operations, food service and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. District-wide and Fund Financial Statements

The district-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. For the most part, the effect of interfund activity has been removed from these statements. Governmental 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. District-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The District considers all of its governmental and enterprise funds to be major funds.

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

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the Agency Fund which does not have a measurement focus. All assets and all liabilities associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Assets. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. 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 are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due.

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal and state financial programs, with the exception of grants for major capital projects and the school milk and lunch programs.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focns, Basis of Accounting and Financial Statement Presentation (Continued)

The *capital projects fund* accounts for the proceeds from the sale of bonds, lease purchases and other revenues used for the acquisition or construction of major capital facilities and other capital assets.

The *debt service fund* accounts for the accumulation of resources for and the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary fund which is organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for teachers and special events.

Additionally, the government reports the following fund type:

The *fiduciary trust fund* is used to account for resources legally held in trust for the state unemployment insurance claims, payroll related activities and student related activities which are supported and controlled by student organizations and clubs. All resources of the fund, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

Private-sector standards of accounting and financial reporting issued by the Financial Accounting Standards Board (FASB) prior to December 1, 1989, generally are followed in both the district-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Board has elected not to follow FASB guidance issued subsequent to December 1, 1989.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2008-2009 and 2009-2010 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

2. Receivables and Payables (Continued)

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenue is recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred revenues. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities at year-end is reported as unearned revenue.

4. Restricted Assets

Certain assets are classified as restricted on the balance sheet because their use is limited by state or county regulations for capital projects and/or Lease-Purchase Agreements for capital projects.

5. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of $2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost if purchased or estimated historical cost if constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

5. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government, as well as the component units is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Site Improvements	20
Buildings and Building Improvements	40
Machinery, Equipment and Vehicles	10-20
Office Equipment and Furniture	10-20
Computer Equipment	5

6. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations.

7. Long-term obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Gains and losses resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and refunding gains or losses. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

8. Fund Equity

Reservations of fund balances of governmental funds are created to either (1) satisfy legal covenants that require a portion of the fund balance to be segregated or (2) identify the portion of the fund balance that is appropriated for future expenditures.

Reserved for Encumbrances - This reserve was created to represent encumbrances outstanding at the end of the year based on purchase orders and contracts awarded for which the goods or services have not yet been received at June 30.

Reserved for Excess Surplus – Designated for Subsequent Year's Expenditures - This reserve was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2009 audited excess surplus that was appropriated in the 2010/2011 original budget certified for taxes.

Reserved for Excess Surplus – This reserve was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2010 audited excess surplus that is required to be appropriated in the 2011/2012 original budget certified for taxes.

Reserved for Capital Reserve Account – This reserve was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2.)

9. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education ("the Department"), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent and is voted upon at the annual school election on the third Tuesday in April. Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account 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.2(m)1. The Board approved several budget transfers during 2009/2010. During 2009/2010 the Board increased the original budget by $3,824,195. The increase was funded by additional grant awards and the reappropriation of prior year general fund encumbrances.

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 which are reappropriated and honored during the subsequent fiscal year.

B. Deficit Fund Equity

The District has an accumulated deficit of $1,190,647 in the Capital Projects Fund as of June 30, 2010. This deficit is the result of the District utilizing temporary financing to fund expenditures for certain capital projects. As the District permanently finances these appropriations the District will realize as revenues the proceeds of the financing. This deficit does not indicate that the District is facing financial difficulties and is permitted practice under accounting principles generally accepted in the United States of America.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve Account

A capital reserve account was established by the District on October 15, 2000. The accumulation of funds will be used for 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 appropriate 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 fiscal year ended June 30, 2010 is as follows:

Beginning balance, July 1, 2009	$ 2,258,001
Increases:	
Deposits Approved by Board Resolution	1,462,350
Ending balance, June 30, 2010	$ 3,720,351

The District included a withdrawal from the capital reserve account in the 2010/11 budget in the amount of $2,045,169 to fund certain capital projects in the Capital Projects Fund.

D. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, 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 in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2010 is $900,000. Of this amount, $500,000 was designated and appropriated in the 2010/2011 original budget certified for taxes and the remaining amount of $400,000 will be appropriated in the 2011/2012 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge plus collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds for all deposits not covered by the FDIC.

Bank balances are insured up to $250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of $250,000 for each failed brokerage firm. At June 30, 2010, the book value of the Board's deposits was 7,588,342 and bank balances of the Board's cash and deposits amounted to $9,370,079. The Board's deposits which are displayed on the balance sheets and statement of net assets as "cash and cash equivalents" are categorized as:

Depository Account	Bank Balance
Insured	$ 9,370,079

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2010 none of the Board's deposits were exposed to custodial credit risk.

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2010, the Board had the following investments:

	Fair Value
Investment Type:	
Investment in M.B.I.A. Class Account-U.S. Government Securities	$ 57,272
Money Market Treasury Mutual Fund	1,096,355
	$ 1,153,627

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments (Continued)

Investments (Continued)

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial risk. As of June 30, 2010, $1,153,627 of the Board's investments was exposed to custodial credit risk as follows:

	Fair Value
Uninsured and Collateralized:	
Collateral held by pledging financial institution's trust department or agent but not in the Board's name	$ 1,153,627

Interest Rate Risk – The Board does not have a formal investment policy that limits investment maturities as a means of managing it's exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

B. Receivables

Receivables as of year-end for the district's individual major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Special Revenue	Capital Projects	Food Service	Total
Receivables:					
Accounts	$ 32,374	$ 9,386		$ 578	$ 42,338
Intergovernmental	35,768	779,991	$ 9,304,526	7,584	10,127,869
Gross Receivables	68,142	789,377	9,304,526	8,162	10,170,207
Less: Allowance for Uncollectibles	-	-	-	-	-
Net Total Receivables	$ 68,142	$ 789,377	$ 9,304,526	$ 8,162	$ 10,170,207

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables (Continued)

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	Unearned
Special Revenue Fund	
Unencumbered grant draw downs	$ 65,186
Grant draw downs reserved for encumbrances	172,009
	237,195
Capital Projects Fund	
School Development Authority School Facility Grants	770,492
Total deferred revenue for governmental funds	$ 1,007,687

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

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

	Balance, July 1, 2009	Increases	Decreases	Transfers	Balance, June 30, 2010
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 400,645				$ 400,645
Construction in Progress	101,572	$ 226,741	-	$ (101,572)	226,741
Total capital assets, not being depreciated	502,217	226,741	-	(101,572)	627,386
Capital assets, being depreciated:					
Buildings and Building Improvements	70,969,091	571,220		101,572	71,641,883
Site Improvements	1,013,972				1,013,972
Machinery and Equipment	4,155,105	1,112,514	$ 575,350	-	4,692,269
Total capital assets being depreciated	76,138,168	1,683,734	575,350	101,572	77,348,124
Less accumulated depreciation for:					
Buildings and Building Improvements	(19,497,911)	(1,529,911)			(21,027,822)
Site Improvements	(328,646)	(41,715)			(370,361)
Machinery and Equipment	(3,481,742)	(411,220)	460,280	-	(3,432,682)
Total accumulated depreciation	(23,308,299)	(1,982,846)	460,280	-	(24,830,865)
Total capital assets, being depreciated, net	52,829,869	(299,112)	115,070	101,572	52,517,259
Government activities capital assets, net	$ 53,332,086	$ (72,371)	$ 115,070	$ -	$ 53,144,645
Business-Type activities:					
Capital assets, being depreciated:					
Buildings and Building Improvements	$ 145,725				$ 145,725
Machinery and Equipment	182,319	$ 2,700	-	-	185,019
Total capital assets being depreciated	328,044	2,700	-	-	330,744
Less accumulated depreciation for:					
Buildings and Building Improvements	(7,166)	(3,583)			(10,749)
Machinery and Equipment	(127,461)	(11,855)	-	-	(139,316)
Total accumulated depreciation	(134,627)	(15,438)	-	-	(150,065)
Total capital assets, being depreciated, net	193,417	(12,738)	-	-	180,679
Business-type activities capital assets, net	$ 193,417	$ (12,738)	$ -	$ -	$ 180,679

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Instruction	
Regular	$ 1,600,852
Total Instruction	1,600,852
Support Services	
Student Instruction	68,871
General Administration	426
School Administration	32,268
Operations and Maintenance of Plant	165,359
Student Transportation	115,070
Total Support Services	381,994
Total Government Funds	$ 1,982,846
Business-Type Activities:	
Food Service Fund	$ 15,438
Total Depreciation Expense-Business-Type Activities	$ 15,438

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2010, is as follows:

Due to/from other funds

Receivable Fund	Payable Fund	Amount
General Fund	Capital Projects Fund	$ 1,093,334
General Fund	Special Revenue Fund	448,863
		$ 1,542,197

The above balances between the General and Capital Projects Funds are the result of revenues earned in one fund which are due to another fund. The balance between General and Special Revenue Funds is to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

Interfund transfers

	Transfer In:		
	General	Capital Projects	Total
Transfer Out:			
Capital Projects Fund	$ 132		$ 132
Debt Service	-	$ 396,600	396,600
Total transfers out	$ 132	$ 396,600	$ 396,732

The above transfers are the result of funds being raised in the Debt Service Fund to finance expenditures in the Capital Projects Fund and interest earnings received in the Capital Projects Fund and owed to the General Fund.

E. Leases

Capital Leases

The District is leasing ten school buses totaling $759,771 under capital leases. The leases are for terms of 6 years.

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Leases (Continued)

Capital Leases (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2010 were as follows:

Year Ending June 30	Governmental Activities
2011	$ 104,266
2012	104,266
2013	104,266
2014	104,266
2015	104,266
2016	334,315
Total minimum lease payments	855,645
Less: amount representing interest	95,874
Present value of minimum lease payments	$ 759,771

F. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2010 are comprised of the following issues:

$23,372,000, 2004 Bonds, due in annual installments of $725,000 to $1,140,000 through April 1, 2029, interest at 4.25% to 4.750%	$19,577,000
$7,955,000, 2005 Refunding Bonds, due in annual installments of $750,000 to $795,000 through May 1, 2018, interest at 3.75% to 4.00%	6,245,000
$2,642,000, 2006 Bonds, due in annual installments of $400,000 through June 15, 2011, interest at 4.00%	400,000
	$26,222,000

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Debt (Continued)

Governmental Activities:

Year Ending June 30,	Serial Bonds Principal	Interest	Total
2011	$ 1,875,000	$ 1,150,070	$ 3,025,070
2012	1,535,000	1,075,133	2,610,133
2013	1,600,000	1,013,720	2,613,720
2014	1,665,000	947,696	2,612,696
2015	1,735,000	878,896	2,613,896
2016-2020	7,575,000	3,305,640	10,880,640
2021-2025	5,680,000	1,883,664	7,563,664
2026-2029	4,557,000	540,931	5,097,931
	$ 26,222,000	$ 10,795,750	$ 37,017,750

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2010 was as follows:

4% of Equalized Valuation Basis (Municipal)	$ 367,696,850
Less: Net Debt (Including Unfunded Authorizations)	27,016,701
Remaining Borrowing Power	$ 340,680,149

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Debt (Continued)

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2010, was as follows:

	Balance, July 1, 2009	Additions	Reductions	Balance, June 30, 2010	Due Within One Year
Governmental activities:					
Bonds payable	$ 28,042,000		$ 1,820,000	$ 26,222,000	$ 1,875,000
Add:					
Unamortized Premium	37,172		4,646	32,526	
Less:					
Unamortized Amount on Refunding	(200,948)	-	(42,298)	(158,650)	-
	27,878,224	-	1,782,348	26,095,876	1,875,000
Capital Leases Payable	311,653	$ 759,771	311,653	759,771	101,762
Compensated Absences Payable	704,551	66,093	-	770,644	77,064
Government Activity Long-Term Liabilities	$ 28,894,428	$ 825,864	$ 2,094,001	$ 27,626,291	$ 2,053,826

For the governmental activities, compensated absences are generally liquidated by the general fund.

G. Short-Term Debt

Project Notes/Grant Anticipation Notes/Loans Payable

The Board issues Grant Anticipation Notes to interim finance capital projects funded by the State Development Authority's Facility construction grants. The Board's short-term debt activity for the year ended June 30, 2010 was as follows:

Purpose	Balance, July 1, 2009	Increases	Decreases	Balance, June 30, 2010
4/16/02 - Various Improvements	$ 695,161	$ 695,161	$ 695,161	$ 695,161
4/10/03 - Various Improvements	696,149	696,149	696,149	696,149
1/27/04 - Various Improvements	9,636,000	9,636,000	9,636,000	9,636,000
4/17/07 - Various Improvements	1,189,800	793,200	1,189,800	793,200
	$ 12,217,110	$ 11,820,510	$ 12,217,110	$ 11,820,510

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

The District is a member of the School Alliance Insurance Fund (SAIF) and South Bergen Workers Compensation Fund (SBWC). The Funds are a risk sharing public entity pool, established for the purpose of insuring against purposes set forth on the insurance schedule, Exhibit J-20, and worker's compensation claims, respectively.

The relationship between the Board and the insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the funds, to report claims on a timely basis, cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which they were a member.

The Funds provide its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the respective insurance funds are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

The District has elected to fund its 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 District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's fiduciary trust fund for the current and previous two years:

Year Ended June 30,	Employee Contributions	Amount Reimbursed	Ending Balance
2010	$ 111,436	$ 178,166	$ 236,511
2009	98,749	107,180	303,241
2008	94,727	98,897	309,310

NOTE 4 OTHER INFORMATION (Continued)

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

In another matter, there is a personal injury/tort matter filed by several individuals who were in some way associated with the Westbrook School during the 2006/2007 school year and who claim to have been injured by the soil contamination discovered on or about December of 2006. The insurance carrier for the District has disclaimed coverage and the Board Attorney has been handling the defense for the District. A third party complaint was recently filed seeking declaratory judgement against the insurance provider. If successful, in this application the carrier will be ordered to provide a defense and to indemnify the District. The District will also be able to recoup litigation costs expended to date. At this juncture, the case is moving through the discovery phase. Answers to interrogatories will be exchanged by the parties shortly and then depositions will begin. At the present time the probable outcome is unknown.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2010, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2010, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all eligible Board employees:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for the system.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Basis of Accounting

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund, Common Pension Fund A, Common Pension Fund B, Common Pension Fund D and Common Pension Fund E. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Significant Legislation

P.L. 2009, c. 19, effective March 17, 2009 provided an option for local employers to contribute 50 percent of the normal and accrued liability contribution amounts certified by the PERS for payments due in State fiscal year 2009. This law also provided that a local employer may pay 100 percent of the required contribution. Such an employer was credited with the full payment and any such amounts were not to be included in their unfunded liability. The actuaries for PERS will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the State fiscal year ending June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

P.L. 2008, c. 89, effective November 1, 2008, increased the TPAF and PERS eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008; changed the early retirement provisions; increased the minimum annual compensation required for membership eligibility for new members on or after the effective date of this law.

P.L. 2007, c. 103, certain parts effective July 1, 2007, provided for the following: changed contribution rates of TPAF, PERS, and Defined Contribution Retirement Program (DCRP) to 5.5 percent of annual compensation; imposed an annual maximum wage contribution base and a new retirement age to new employees; implemented changes to State Health Benefits Program (SHBP) which included the creation of the School Employees' Health Benefit Program (SEHBP) and established an employee contribution of 1.5 percent of the employee's base salary.

Funding Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the aggregate funded ratio for all the State administered retirement systems including TPAF and PERS, is 72.6 percent with an unfunded actuarial accrued liability of $34.4 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 69.6 percent and $23.0 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and PFRS is 77.2 percent and $11.4 billion.

The funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are snbject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financing reporting purposes does not explicitly incorporate the potential effects of legal or contractual limitations on the pattern of cost sharing between the employer and members in the future.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Actuarial Methods and Assumptions

In the June 30, 2008 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (1) 8.25 percent for investment rate of return for the retirement systems and (2) 5.45 percent for projected salary increases for the PERS and 5.74 percent for TPAF.

Employer and Employee Peusion Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 5.5% for PERS, 5.5% for TPAF and 5.5% for DCRP of the employee's annual compensation.

Annual Pension Costs (APC)

Per the requirements of GASB Statement No. 27 for the year ended June 30, 2010 for TPAF, which is a cost sharing plan with special funding situations, annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

During the years ended June 30, 2010, 2009 and 2008 the Board was required to contribute for PERS and the State of New Jersey was required to contribute for TPAF for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Year Ended June 30,	PERS	On-behalf TPAF
2010	$ 698,200	$ 104,414
2009	590,393	96,229
2008	431,265	2,099,275

During 2009/2010 and 2008/2009 school years, the State of New Jersey did not contribute to the TPAF for normal cost and accrued liability. The State only contributed $104,414 and $96,229 during 2009/2010 and 2008/2009, respectively, for the NCGI premium.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board $2,162,258 during 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, along with the on-behalf TPAF pension contribution, has been included in the district-wide financial statements and the fund financial statements as a revenue and expenditure in accordance with GASB No. 24.

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plans for school districts. The Plans are cost sharing multiple employer defined benefit plans.

As a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), and the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other employee Benefit Trust Funds in the State's Comprehensive Annual Financial Report (CAFR). Specifically, SHBP-State, PDP-State, and the PRM of the PERS are combined and reported as a Health Benefits Program Fund – State classified as a single employer plan. The SHBP-Local, PDP-Local, and the PRM of the TPAF are combined and reported as Health Benefits Program Fund –Local Government classified as a cost-sharing multiple-employer plan in the State's CAFR. The post-retirement benefit programs had a total of 484 state and local participating employers and contributing entities for Fiscal Year 2009.

The State of New Jersey sponsors and administers the following health benefit programs covering certain state and local government employees, including those Board employees and retirees eligible for coverage.

Health Benefits Program Fund (HBPF) – Local Education (including Prescription Drug Program Fund) – The State of New Jersey provides free coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides free coverage to members of the Public Employees' Retirement System and Alternate Benefits Program who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the PDP coverage after 60 days of employment.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Basis of Accounting

The financial statements of the health benefit programs are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the health benefit programs. Benefits or refunds are recognized when due and payable in accordance with the terms of the health benefit programs.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Funded Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the State had a $55.9 billion unfunded actuarial accrued liability for other postemployment benefits (OPEB) which is made up to $19.8 billion for state active and retired members and $36.1 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

The funded status and funding progress of the OPEB is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events in the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the June 30, 2008, actuarial valuation, the projected unit credit was used as the actuarial cost method, and the market value was used as asset valuation method for the OPEB. The actuarial assumptions included 4.50 percent for investment rate of return for the OPEB.

Post-Retirement Medical Benefits Contributions

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2009, there were 84,590 retirees receiving post-retirement medical benefits and the State contributed $837.7 million on their behalf. The cost of these benefits is funded through contributions by the State and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education 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 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Post-Retirement Medical Benefits Contributions (Continned)

The State sets the contribution rate based on a pay as you go basis and not on the *annual required contribution of the employers (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the years ended June 30, 2010, 2009 and 2008 were $1,961,048, $1,835,810 and $2,547,228, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

BUDGETARY COMPARISON SCHEDULES

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources					
Local Tax Levy	$ 64,898,985		$ 64,898,985	$ 64,898,985	
Tuition from Individuals	227,400		227,400	207,010	$ (20,390)
Tuition from Other LEAs	116,524		116,524	125,977	9,453
Interest Earned on Capital Reserve	750		750	-	(750)
Miscellaneous	1,407,000		1,407,000	1,497,389	90,389
Interest	70,325	-	70,325	131	(70,194)
Total Local Sources	66,720,984	-	66,720,984	66,729,492	8,508
State Sources					
Transportation Aid	964,864		964,864	627,162	(337,702)
Special Education Aid	2,268,413		2,268,413	1,694,238	(574,175)
Security Aid	321,316		321,316	208,855	(112,461)
NonPublic Transportation Aid				28,448	28,448
Extraordinary Special Ed. Costs Aid	111,600		111,600	136,866	25,266
Reimbursed TPAF Social Security Contribution (Non Budgeted)				2,162,258	2,162,258
On Behalf TPAF Pension System Contribution-NCGI (Non Budgeted)				104,414	104,414
On Behalf TPAF Pension System Contribution Post Retirement Medical Contribution(Non Budgeted)	-	-	-	1,961,048	1,961,048
Total State Sources	3,666,193	-	3,666,193	6,923,289	3,257,096
Federal Sources					
Medicaid Reimbursement	7,320	-	7,320	7,320	
Total Federal Sources	7,320	-	7,320	7,320	
Total Revenues	70,394,497	-	70,394,497	73,660,101	3,265,604
EXPENDITURES					
CURRENT EXPENSE					
Instruction - Regular Programs					
Salaries of Teachers					
Preschool	263,956	$ 1,500	265,456	265,365	91
Kindergarten	855,618	(1,500)	854,118	779,766	74,352
Grades 1-5	6,538,031	(127,163)	6,410,868	6,360,121	50,747
Grades 6-8	4,314,279	(6,700)	4,307,579	4,238,132	69,447
Grades 9-12	5,924,016	(129,490)	5,794,526	5,764,229	30,297
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	1,582,234	72,820	1,655,054	1,650,894	4,160
Other Purchased Services	206,600	(200,000)	6,600	6,600	
General Supplies	847,447	614,211	1,461,658	1,068,531	393,127
Textbooks	159,967	31,310	191,277	69,383	121,894
Total Regular Programs	20,692,148	254,988	20,947,136	20,203,021	744,115
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	558,956	99,000	657,956	657,061	895
Other Salaries for Instruction	207,312	(87,649)	119,663	118,038	1,625
Other Purchased Services	550	300	850	227	623
General Supplies	11,909	(49)	11,860	8,691	3,169
Textbooks	8,642	-	8,642	2,469	6,173
Total Learning and/or Language Disabilities	787,369	11,602	798,971	786,486	12,485

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT EXPENSE					
Special Education (Continued)					
Behavioral Disabilities					
Salaries of Teachers	$ 81,821	$ 75	$ 81,896	$ 81,896	
Other Salaries for Instruction	14,465	(75)	14,390	14,190	$ 200
Other Purchased Services	550		550		550
General Supplies	2,105		2,105	124	1,981
Textbooks	1,750	-	1,750	-	1,750
Total Behavioral Disabilities	100,691	-	100,691	96,210	4,481
Multiple Disabilities					
Other Salaries for Instruction	14,150	-	14,150	13,018	1,132
Total Multiple Disabilities	14,150	-	14,150	13,018	1,132
Resource Room/Resource Center					
Salaries of Teachers	2,743,676	87,000	2,830,676	2,830,126	550
Other Purchased Services	500		500	73	427
General Supplies	10,200	(38)	10,162	4,882	5,280
Textbooks	5,600	(3,163)	2,437	-	2,437
Total Resource Room	2,759,976	83,799	2,843,775	2,835,081	8,694
Autism					
Salaries of Teachers	55,903		55,903	53,946	1,957
Other Salaries for Instruction	480,705	166,000	646,705	646,620	85
General Supplies	5,000	-	5,000	5,000	-
Total Autism	541,608	166,000	707,608	705,566	2,042
Preschool Disabilities - Part - Time					
Salaries of Teachers	214,494	57,000	271,494	270,975	519
Other Salaries for Instruction	13,207	(13,207)			
General Supplies	2,000	-	2,000	2,000	-
Total Preschool Disabilities - Part - Time	229,701	43,793	273,494	272,975	519
Preschool Disabilities - Full - Time					
Salaries of Teachers	58,235	(50,700)	7,535		7,535
Other Salaries for Instruction	42,070	-	42,070	41,819	251
Total Preschool Disabilities - Full - Time	100,305	(50,700)	49,605	41,819	7,786
Home Instruction					
Salaries of Teachers	327,000	344,340	671,340	670,439	901
Purchased Professional-Educational Services	4,500	1,255	5,755	5,716	39
Other Purchased Services	1,000	(56)	944	-	944
Total Home Instruction	332,500	345,539	678,039	676,155	1,884
Total Special Education	4,866,300	600,033	5,466,333	5,427,310	39,023
Basic Skills/Remedial					
Salaries of Teachers	62,392	-	62,392	62,392	-
Total Basic Skills/Remedial	62,392	-	62,392	62,392	-
Bilingual Education					
Salaries of Teachers	450,224	(100,837)	349,387	349,387	-
Other Salaries for Instruction	18,019	(1,593)	16,426	10,393	6,033
Total Bilingual Education	468,243	(102,430)	365,813	359,780	6,033

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT EXPENSE:					
School Sponsored Co-Curricular Activities					
Salaries	$ 371,821	$ 160,720	$ 532,541	$ 522,522	$ 10,019
Supplies and Materials	6,200		6,200	2,216	3,984
Other Objects	107,550	(14,306)	93,244	47,191	46,053
Total School Sponsored Co-Curricular Activities	485,571	146,414	631,985	571,929	60,056
School Sponsored Athletics - Instruction					
Salaries	438,944	(41,805)	397,139	363,896	33,243
Purchased Services	76,500	(19,305)	57,195	54,544	2,651
Supplies and Materials	53,500	(3,932)	49,568	49,428	140
Other Objects	37,000	907	37,907	37,907	-
Total School Sponsored Athletics - Instruction	605,944	(64,135)	541,809	505,775	36,034
Community Services Programs/Operations					
Salaries	9,300	340	9,640	9,640	
Other Objects	2,500	(340)	2,160	1,955	205
Total Community Services Programs/Operations	11,800	-	11,800	11,595	205
Total - Instruction	27,192,398	834,870	28,027,268	27,141,802	885,466
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State - Special	416,548		416,548	273,925	142,623
Tuition to County Voc. School Dist.-Regular	408,560		408,560	383,592	24,968
Tuition to County Voc. School Dist.-Special	125,000		125,000	125,000	
Tuition to CSSD & Reg. Day Schools	1,025,480	(134,000)	891,480	891,027	453
Tuition to Private Schools - Disabled W/I State	1,527,675	(1,000)	1,526,675	1,275,388	251,287
Tuition to Private Schools - Disabled & Other LEA Out of State	47,520	30,000	77,520	76,939	581
Tuition - State Facilities	22,771		22,771		22,771
Tuition - Other	75,850	(72,000)	3,850	-	3,850
Total Undistributed Expenditures - Instruction	3,649,404	(177,000)	3,472,404	3,025,871	446,533
Attendance and Social Work Services					
Salaries	1,000	2,780	3,780	3,778	2
Total Attendance and Social Work Services	1,000	2,780	3,780	3,778	2
Health Services					
Salaries	611,055	27,534	638,589	628,000	10,589
Purchased Professional and Technical Services	40,500	7,870	48,370	47,857	513
Supplies and Materials	12,000	14,785	26,785	22,866	3,919
Total Health Services	663,555	50,189	713,744	698,723	15,021
Other Supp. Serv. Students - Related Services					
Salaries	956,056	60,000	1,016,056	1,015,382	674
Purchased Professional/Educational Services	550,000	(75,514)	474,486	473,586	900
Supplies and Materials	6,250	(1,157)	5,093	3,463	1,630
Total Other Supp. Serv. Students - Related Services	1,512,306	(16,671)	1,495,635	1,492,431	3,204
Other Supp. Serv. Students - Extra Services					
Salaries	187,847	-	187,847	93,976	93,871
Purchased Professional/Educational Services	200,000	(38,284)	161,716	103,519	58,197
Total Other Supp. Serv. Students - Extra Services	387,847	(38,284)	349,563	197,495	152,068

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT EXPENSE (Continued)					
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	$ 892,102		$ 892,102	$ 808,862	$ 83,240
Salaries of Secretarial and Clerical Assistants	132,247		132,247	132,247	
Other Salaries for Instruction	9,000		9,000		9,000
Other Objects	77,079	$ 4,780	81,859	69,213	12,646
Total Other Support Services - Students - Regular	1,110,428	4,780	1,115,208	1,010,322	104,886
Other Support Services - Students - Child Study Teams					
Salaries of Other Professional Staff	1,232,564		1,232,564	1,203,998	28,566
Salaries of Secretarial and Clerical Assistants	146,598	47,690	194,288	131,353	62,935
Supplies and Materials	7,100	3,283	10,383	10,383	-
Total Other Support Services - Students - Child Study Teams	1,386,262	50,973	1,437,235	1,345,734	91,501
Improvement of Instruction Services/ Other Support Services-Instructional Staff					
Salaries of Supervisors of Instruction	354,821	(123,090)	231,731	118,867	112,864
Salaries of Other Professional Staff	26,000		26,000	20,333	5,667
Salaries of Secretarial and Clerical	248,674	21,180	269,854	213,817	56,037
Salaries of Facilitators, Math/Literacy Coaches and Masters		40,100	40,100	40,093	7
Other Purchased Professional and Technical	4,500	3,500	8,000	3,995	4,005
Other Purchased Services	6,000	(1,940)	4,060	4,060	
Supplies and Materials	115,520	3,579	119,099	98,113	20,986
Total Improvement of Instruction Services/ Other Support Services-Instructional Staff	755,515	(56,671)	698,844	499,278	199,566
Educational Media Services/School Library					
Salaries	843,311		843,311	801,605	41,706
Supplies and Materials	115,192	2,668	117,860	96,327	21,533
Total Educational Media Services/School Library	958,503	2,668	961,171	897,932	63,239
Instructional Staff Training Services					
Purchased Professional- Educational Services	42,025	250	42,275	8,392	33,883
Other Purchased Services	31,474	(1,300)	30,174	10,045	20,129
Supplies and Materials	8,500	-	8,500	3,657	4,843
Total Instructional Staff Training Services	81,999	(1,050)	80,949	22,094	58,855
Support Services General Administration					
Salaries	299,485		299,485	299,485	
Tuition Reimbursement		1,000	1,000	1,000	
Legal Services	100,000	(55,000)	45,000	44,893	107
Audit Fees	53,000	(12,000)	41,000	39,340	1,660
Architectural/Engineering Services	30,000	39,170	69,170	35,581	33,589
Other Purchased Professional Services	8,000	33,630	41,630	27,945	13,685
Communications/Telephone	208,453	(10,000)	198,453	168,129	30,324
BOE Other Purchased Services	30,000		30,000	20,685	9,315
Miscellaneous Purchased Services	428,023	(51,000)	377,023	367,231	9,792
General Supplies	20,000	5,617	25,617	20,465	5,152
Judgements Against the School District	11,600	8,400	20,000	20,000	
Miscellaneous Expenditures		600	600	525	75
BOE Membership Dues and Fees	44,000	(2,434)	41,566	40,772	794
Total Support Services General Administration	1,232,561	(42,017)	1,190,544	1,086,051	104,493
Support Services School Administration					
Salaries of Principals/Asst. Principals	1,760,012	(32,000)	1,728,012	1,724,482	3,530
Salaries of Other Professional Staff	559,527	307,100	866,627	864,208	2,419
Salaries of Secretarial and Clerical Assistants	788,524	22,900	811,424	811,072	352
Other Purchased Services	5,300		5,300	385	4,915
Supplies and Materials	16,700	(971)	15,729	5,225	10,504
Total Support Services School Administration	3,130,063	297,029	3,427,092	3,405,372	21,720

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT EXPENSE (Continued)					
Undistributed Expenditures - Central Services					
Salaries	$ 800,473	$ 112,528	$ 913,001	$ 838,736	$ 74,265
Purchased Technical Services	9,000	(9,000)			
Misc. Purchased Services	65,700	(20,000)	45,700	25,593	20,107
Supplies and Materials	40,000	9,900	49,900	47,714	2,186
Interest on Bond Anticipation Notes	369,655	-	369,655	342,765	26,890
Miscellaneous Expenditures	8,000	(2,259)	5,741	4,514	1,227
Total Undistributed Expenditures - Central Services	1,292,828	91,169	1,383,997	1,259,322	124,675
Undistributed Expenditures - Admin. Info. Tech.					
Salaries	360,600	(21,807)	338,793	338,793	
Purchased Professional Services	40,000	18,101	58,101	47,803	10,298
Other Purchased Services	141,000	(4,562)	136,438	114,707	21,731
Purchased Technical Services	103,000	45,555	148,555	79,154	69,401
Total Undistributed Expenditures - Admin. Info. Tech.	644,600	37,287	681,887	580,457	101,430
Required Maintenance For School Facilities					
Salaries	931,282	-	931,282	832,931	98,351
Cleaning, Repair, and Maintenance Services	738,910	98,997	837,907	708,685	129,222
General Supplies	147,149	57,271	204,420	183,638	20,782
Total Required Maintenance For School Facilities	1,817,341	156,268	1,973,609	1,725,254	248,355
Custodial Services					
Salaries	2,976,798	(22,614)	2,954,184	2,881,529	72,655
Purchased Professional and Technical Services	15,000		15,000		15,000
Cleaning, Repair, and Maintenance Services	513,732	(5,520)	508,212	475,998	32,214
Other Purchased Property Services	70,100	13,400	83,500	83,436	64
General Supplies	322,815	64,698	387,513	381,085	6,428
Energy (Electricity)	467,500	1,433,395	1,900,895	1,807,762	93,133
Energy (Natural Gas)	2,337,500	(1,350,965)	986,535	890,165	96,370
Energy (Oil)	97,904	50,000	147,904	135,140	12,764
Other Objects	17,600	(2,316)	15,284	9,310	5,974
Total Custodial Services	6,818,949	180,078	6,999,027	6,664,425	334,602
Care & Upkeep of Grounds					
Cleaning, Repair, and Maintenance Services	20,000	-	20,000	19,734	266
Total Care & Upkeep of Grounds	20,000	-	20,000	19,734	266
Security					
Salaries	70,888	1,300	72,188	72,174	14
Purchased Professional and Technical Services	20,500	213,121	233,621	230,697	2,924
Total Security	91,388	214,421	305,809	302,871	2,938
Student Transportation Services					
Salaries for Pupil Transportation					
(Non-Instructional Aides)	31,260	(1,300)	29,960	26,894	3,066
(Between Home and School) - Regular	368,794	24,000	392,794	392,702	92
(Between Home and School) - Spec Ed	15,000	(14,421)	579	579	
Other Purchased Professional and Technical Services	10,000	(1,768)	8,232	6,834	1,398
Cleaning, Repair and Maintenance Services	2,300	(510)	1,790	806	984
Lease Purchase Payments - School Buses	105,880		105,880	105,879	1
Contracted Services (Between Home and School) - Vendors	1,195,392	83,910	1,279,302	1,275,477	3,825
Contracted Services (Other Than Between Home and School) - Vendors	34,247	(1,505)	32,742	29,629	3,113
Contracted Services (Special Ed Students)-Vendors	908,475	(344,462)	564,013	564,013	
Contracted Services (Special Ed Students)-Joint Agreements		485,029	485,029	477,916	7,113
Contracted Services (Regular Ed Students)-ESCs	60,222	823	61,045	61,045	
Contracted Services - Aid in Lieu of Payments	135,000	3,162	138,162	138,153	9
Contracted Services (Special Ed Students)-ESCs	397,000	(393,400)	3,600		3,600
Miscellaneous Purchased Services - Transportation	2,600	321	2,921	2,920	1
Supplies and Materials	1,100	1,563	2,663	2,503	160
Transportation Supplies	49,000	-	49,000	28,577	20,423
Other Objects	2,000	(96)	1,904	1,685	219
Total Student Transportation Services	3,318,270	(158,654)	3,159,616	3,115,612	44,004

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT EXPENSE (Continued)					
Unallocated Benefits					
Group Insurance	$ 1,000		$ 1,000		$ 1,000
Social Security Contributions	874,000	$ 74,712	948,712	$ 948,712	
Other Retirement Contributions - Regular	701,000		701,000	698,200	2,800
Workers' Compensation	310,000		310,000	259,523	50,477
Health Benefits	11,668,598	(564,479)	11,104,119	10,826,983	277,136
Tuition Reimbursement	76,000	18,328	94,328	94,328	
Other Employee Benefits	36,550	(15,913)	20,637	10,547	10,090
Total Employee Benefits	13,667,148	(487,352)	13,179,796	12,838,293	341,503
On Behalf TPAF Pension System Contribution- NCGI (Non Budgeted)				104,414	(104,414)
On Behalf TPAF Pension System Contribution Post Retirement Medical Contribution(Non Budgeted)				1,961,048	(1,961,048)
Reimbursed TPAF Social Security Contribution (Non Budgeted)	-	-	-	2,162,258	(2,162,258)
Total	-	-	-	4,227,720	(4,227,720)
Total Undistributed Expenditures	42,539,967	109,943	42,649,910	$ 44,418,769	$ (1,768,859)
Total Expenditures - Current Expense	69,732,365	944,813	70,677,178	71,560,571	(883,393)
EXPENDITURES					
CAPITAL OUTLAY					
Interest Deposit to Capital Reserve	750	-	750	-	750
Equipment					
Regular Programs - Instruction					
Grades 6-8	3,160	(3,160)			
Grades 9-12	2,975		2,975		2,975
Buses Acquired Under Capital Lease (Non-Budget)				759,771	(759,771)
Special Education - Instruction					
Auditory Impairments	5,000		5,000	2,357	2,643
Undistributed Expenditures					
Central Services	62,000	42,794	104,794	97,050	7,744
Admin. Info. Tech.	50,000	20,997	70,997	70,997	
Required Maint for School Facilities	150,000	54,891	204,891	114,917	89,974
Total Equipment	273,135	115,522	388,657	1,045,092	(656,435)
Facilities Acquisition and Construction Services					
Purchased Professional/Technical Services	50,000	-	50,000	37,409	12,591
Construction Services	150,000	64,688	214,688	189,332	25,356
Total Facilities Acquis. and Const. Services	200,000	64,688	264,688	226,741	37,947
Total Capital Outlay	473,885	180,210	654,095	1,271,833	(617,738)

Continued

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Adjustments/ Budget Transfers	Final Budget	Actual	Variance Final To Actual
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	$ 66,292	$ 33,600	$ 99,892	$ 99,378	$ 514
General Supplies	1,000	263	1,263	1,038	225
Total Summer School - Instruction	67,292	33,863	101,155	100,416	739
Total Summer School	67,292	33,863	101,155	100,416	739
Adult Education -Local - Instruction					
Salaries of Teachers	432,798	29,333	462,131	452,783	9,348
Purchased Professional and Technical Services	145,655	(8,490)	137,165	125,331	11,834
General Supplies	62,327	(2,774)	59,553	57,656	1,897
Total Adult Education -Local - Instruction	640,780	18,069	658,849	635,770	23,079
Adult Education In-Local - Support Services					
Salaries	105,175	(51,400)	53,775	53,074	701
Total Adult Education-In-Local - Support Services	105,175	(51,400)	53,775	53,074	701
Total Adult Education	745,955	(33,331)	712,624	688,844	23,780
Total Special Schools	813,247	532	813,779	789,260	24,519
Total Expenditures	71,019,497	1,125,555	72,145,052	73,621,664	(1,476,612)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(625,000)	(1,125,555)	(1,750,555)	38,437	1,788,992
Other Financing Sources/Uses					
Capital Lease Proceeds (Non-Budget)				759,771	759,771
Operating Transfers In	-	-	-	132	132
Total Other Financing Sources	-	-	-	759,903	759,903
Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Sources	(625,000)	(1,125,555)	(1,750,555)	798,340	2,548,895
Fund Balances, Beginning of Year	5,832,870	-	5,832,870	5,832,870	
Fund Balances, End of Year	$ 5,207,870	$ (1,125,555)	$ 4,082,315	$ 6,631,210	$ 2,548,895
Reconciliation of Governmental Fund Statements (GAAP):					
Reserve for Encumbrances				$ 584,461	
Capital Reserve Account				3,720,351	
Excess Surplus				400,000	
Excess Surplus - Designated for Subsequent Year's Expenditures				500,000	
Unreserved					
Undesignated				1,426,398	
Total				6,631,210	
Reconciliatinn to Government Fund Statements(GAAP)					
Less: State Aid Payments not Recognized on GAAP Basis				(377,721)	
Fund Balance per Governmental Funds(GAAP)				$ 6,253,489	

PARAMUS BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Intergovernmental					
State	$ 1,368,906	$ 116,000	$ 1,484,906	$ 1,462,216	$ (22,690)
Federal	1,563,811	2,501,643	4,065,454	2,538,050	(1,527,404)
Local Sources					
Miscellaneous	38,000	80,997	118,997	67,635	(51,362)
Total Revenues	2,970,717	2,698,640	5,669,357	4,067,901	(1,601,456)
EXPENDITURES					
Instruction					
Salaries of Teachers		176,119	176,119	123,060	53,059
Purchased Prof. and Technical Services	316,074	(150,451)	165,623	99,511	66,112
Tuition	1,247,737	(564,421)	683,316	683,316	-
Other Purchased Services		28,907	28,907	15,860	13,047
General Supplies	38,000	1,068,731	1,106,731	878,324	228,407
Textbooks	190,000	52,404	242,404	237,795	4,609
Total Instruction	1,791,811	611,289	2,403,100	2,037,866	365,234
Support Services					
Salaries of Teachers		35,695	35,695	9,175	26,520
Personal Services-Employee Benefits		81,189	81,189	27,669	53,520
Purchased Professional/Educational Services		-		-	-
Purchased Professional and Technical Services		2,345,708	2,345,708	1,901,317	444,391
Other Purchased Services	1,033,906	(876,087)	157,819	14,290	143,529
Travel		26	26	26	-
General Supplies	145,000	(101,676)	43,324	31,219	12,105
Textbooks		109	109		109
Other Objects	-	-	-	-	-
Total Support Services	1,178,906	1,484,964	2,663,870	1,983,696	680,174
Facilities Acquisition and Construction					
Buildings		550,000	550,000	36,900	513,100
Instructional Equipment	-	52,387	52,387	9,439	42,948
Total Facilities Acq. & Construction	-	602,387	602,387	46,339	556,048
Total Expenditures	2,970,717	2,698,640	5,669,357	4,067,901	1,601,456
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -	$ -

PARAMUS BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Formal budgetary integration into the accounting system is employed as a management control deviee during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of Ameriea, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of eneumbranees in the special revenue fund as deseribed below. Encumbrance accounting is also employed as an extension of formal budgetary integration of 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 prescntation of GAAP basis financial reports.

The following presents a reconciliation of the General and Special Revenue Fund from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Speeial Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (Exhibits C-1 and C-2)	$ 73,660,101	$ 4,067,901
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the rclated revenue is recognized.		
June 30, 2010 Encumbrances		(172,009)
June 30, 2009 Encumbrances, Net		75,216
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements.(2008-2009)	410,412	
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements.(2009-2010)	(377,721)	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	$ 73,692,792	$ 3,971,108
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	$ 73,621,664	$ 4,067,901
Differences - Budget to GAAP		
Encumbranees for supplies and equipment ordered but not reeeived are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for financial reporting purposes.		
June 30, 2010 Encumbrances		(172,009)
June 30, 2009 Encumbrances, Net	-	75,216
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	$ 73,621,664	$ 3,971,108

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

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

	Nonpublic Textbooks	Nonpublic Nursing Services	Nonpublic Compensatory Education	Nonpublic ESL	Nonpublic Suppl. Inst.	Nonpublic Trans.	Nonpublic Exam. and Class.	Nonpublic Home Instruction	Nonpublic Corrective Speech	Other Local Grants	Total Exhibit E-1A	Total 2010
REVENUES												
Intergovernmental												
State	$ 237,795	$ 285,872	$ 235,702	$ 30,754	$ 157,270	$ 5,909	$ 296,443	$ 13,730	$ 198,741			$ 1,462,216
Federal											$ 2,538,050	2,538,050
Other	-	-	-	-	-	-	-	-	-	$ 67,635	-	67,635
Total Revenues	$ 237,795	$ 285,872	$ 235,702	$ 30,754	$ 157,270	$ 5,909	$ 296,443	$ 13,730	$ 198,741	$ 67,635	$ 2,538,050	$ 4,067,901
EXPENDITURES												
Instruction												
Salaries of Teachers											$ 123,060	$ 123,060
Purchased Prof. and Tech. Services											99,511	99,511
Tuition											683,316	683,316
Other Purchased Services											15,860	15,860
General Supplies										$ 37,861	840,463	878,324
Textbooks	$ 237,795	-	-	-	-	-	-	-	-	-	-	237,795
Total Instruction	237,795	-	-	-	-	-	-	-	-	37,861	1,762,210	2,037,866
Support Services												
Salaries of Teachers											9,175	9,175
Personal Services Employee-Benefits											27,669	27,669
Travel											26	26
Purchased Prof. Ed. Services											-	-
Purchased Prof. & Tech. Services		$ 285,872	$ 235,702	$ 30,754	$ 157,270	$ 5,909	$ 296,443	$ 13,730	$ 198,741		676,896	1,901,317
Other Purchased Services											14,290	14,290
General Supplies										29,774	1,445	31,219
Other Objects	-	-	-	-	-	-	-	-	-	-	-	-
Total Support Services	-	285,872	235,702	30,754	157,270	5,909	296,443	13,730	198,741	29,774	729,501	1,983,696
Facilities Acquisition & Construction												
Buildings											36,900	36,900
Instructional Equipment	-	-	-	-	-	-	-	-	-	-	9,439	9,439
Total Facilities Acquisition & Construction	-	-	-	-	-	-	-	-	-	-	46,339	46,339
Total Expenditures	$ 237,795	$ 285,872	$ 235,702	$ 30,754	$ 157,270	$ 5,909	$ 296,443	$ 13,730	$ 198,741	$ 67,635	$ 2,538,050	$ 4,067,901

EXHIBIT E-1A

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

	Title I	Title II Part - A	Title II Part - D	Title III	Title IV	IDEIA Basic	IDEIA Basic ARRA	IDEIA Preschool ARRA	IDEIA Preschool	Total Exhibit E-1A
REVENUES										
Intergovernmental										
Federal	$ 203,393	$ 165,559	$ 1,135	$ 170,319	$ 11,060	$ 1,419,371	$ 536,633	$ 28,900	$ 1,680	$ 2,538,050
Total Revenues	$ 203,393	$ 165,559	$ 1,135	$ 170,319	$ 11,060	$ 1,419,371	$ 536,633	$ 28,900	$ 1,680	$ 2,538,050
EXPENDITURES										
Instruction										
Salaries of Teachers	$ 123,060									$ 123,060
Purchased Prof. & Tech. Services	4,295	$ 86,157		$ 5,578	$ 3,481					99,511
Other Purchased Services		14,860		1,000						15,860
Tuition						$ 683,316				683,316
General Supplies	48,522	55,998	$ 797	149,566	4,028	82,718	$ 469,934	$ 28,900	-	840,463
Total Instruction	175,877	157,015	797	156,144	7,509	766,034	469,934	28,900	-	1,762,210
Support Services										
Salaries of Teachers				7,175	2,000					9,175
Personal Services-Employee Benefits	27,516				153					27,669
Travel					26					26
General Supplies		1,344			101					1,445
Purchased Prof. Ed. Services										-
Purchased Prof. & Tech. Services				4,000	294	641,123	29,799		$ 1,680	676,896
Other Purchased Services		4,045	338	3,000	977	5,930				14,290
Other Objects	-	-	-	-	-	-	-	-	-	-
Total Support Services	27,516	5,389	338	14,175	3,551	647,053	29,799	-	1,680	729,501
Facilities Acquisition & Construction										
Buildings							36,900			36,900
Instructional Equipment	-	3,155	-	-	-	6,284	-	-	-	9,439
Total Facilities Aequisition & Construction	-	3,155	-	-	-	6,284	36,900	-	-	46,339
Total Expenditures	$ 203,393	$ 165,559	$ 1,135	$ 170,319	$ 11,060	$ 1,419,371	$ 536,633	$ 28,900	$ 1,680	$ 2,538,050

PARAMUS BOARD OF EDUCATION
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS

NOT APPLICABLE

CAPITAL PROJECTS FUND

EXHIBIT F-1

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

Year	Project	Appropriation	Additions	Expenditures to Date Prior Year	Expenditures to Date Current Year	Balance, June 30, 2010
2002	Various Improvements	$ 2,022,211	$ 60,000	$ 2,082,061		$ 150
2003	Various Improvements	1,908,400		1,508,824	$ 136,627	262,949
2004	Various Improvements	37,200,000		37,184,179		15,821
2006	Various Improvements	2,000,000		1,996,553		3,447
2007	Various Improvements	1,983,603	-	1,413,812	477,612	92,179
		$ 45,114,214	$ 60,000	$ 44,185,429	$ 614,239	374,546
		Less: Unfunded Authorizations				
		2004 Various Improvements				
		Local Share				(901)
		4/17/07 Various Improvements				
		Local Share				(793,800)
		Fund Balance, June 30, 2010 - Budgetary Basis				(420,155)
		Deferred Revenue				(770,492)
		Fund Balance (GAAP Basis), June 30, 2010				$ (1,190,647)

SCHEDULE F-2

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

Revenues and Other Financing Sources	
Transfer from Debt Service Fund	$ 396,600
Interest	132
Total Revenues and Other Financing Sources	396,732
Expenditures and Other Financing Uses	
Purchased Professional and Technical Services	-
Construction Services	614,239
Transfers to General Fund	132
Total Expenditures and Other Financing Uses	614,371
Excess (Deficiency) of Revenue Over Expenditures	(217,639)
Fund Balance, July 1, 2009	(202,516)
Fund Balance, June 30, 2010	$ (420,155)

SCHEDULE F-2a

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
2002 REFERENDUM
RIDGE RANCH ELEMENTARY SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 137,250	-	$ 137,250	$ 137,250
Total Revenues	137,250	-	137,250	137,250
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	19,524		19,524	19,520
Construction Services	65,650	-	65,650	117,730
Total Expenditures	85,174	-	85,174	137,250
Excess (Deficit) of Revenue Over Expenditures	$ 52,076	$ -	$ 52,076	$ -

Additional Project Information:

Project Number	3930-060-02-0577
Grant Date	10/29/2002
Bond Authorization Date	4/16/2002
Bonds Authorized	$ 137,250
Bonds Issued	$ -
Original Authorized Cost	$ 137,250
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 137,250
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/01/2003
Revised Target Completion Date	2/28/2004

SCHEDULE F-2b

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2002 REFERENDUM
WEST BROOK MIDDLE SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 133,030		$ 133,030	$ 133,030
Transfer from Debt Service Fund	199,545	-	199,545	199,545
Total Revenues	332,575	-	332,575	332,575
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	24,664		24,664	24,664
Construction Services	290,944	-	290,944	307,911
Total Expenditures	315,608	-	315,608	332,575
Excess (Deficit) of Revenue Over Expenditures	$ 16,967	$ -	$ 16,967	$ -

Additional Project Information:

Project Number	3930-060-02-0576
Grant Date	10/29/2002
Bond Authorization Date	4/16/2002
Bonds Authorized	$ 199,545
Bonds Issued	$ -
Original Authorized Cost	$ 332,575
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 332,575
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/01/2003
Revised Target Completion Date	03/01/2004

SCHEDULE F-2c

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2002 REFERENDUM
HIGH SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 562,135		$ 562,135	$ 562,135
Transfer from Capital Outlay	60,000		60,000	60,000
Bond Proceeds	157,550		157,550	157,550
Transfer from Debt Service Fund	832,705	-	832,705	832,701
Total Revenues	1,612,390	-	1,612,390	1,612,386
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	111,373		111,373	106,320
Construction Services	1,569,910	-	1,569,910	1,506,066
Total Expenditures	1,681,283	-	1,681,283	1,612,386
Excess (Deficit) of Revenue Over Expenditures	$ (68,893)	$ -	$ (68,893)	$ -

Additional Project Information:

Project Number	3930-060-02-0575
Grant Date	10/29/2002
Bond Authorization Date	4/16/2002
Bonds Authorized	$ 990,251
Bonds Issued	$ 157,550
Original Authorized Cost	$ 1,552,386
Additional Authorized Cost	$ 60,000
Revised Authorized Cost	$ 1,612,386
Percentage Increase Over Original Authorized Cost	3.87%
Percentage Completion	100.00%
Original Target Completion Date	01/01/2004
Revised Target Completion Date	09/15/2005

SCHEDULE F-2d

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2003 REFERENDUM
PARKWAY ELEMENTARY SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revennes and Other Financing Sources				
State Sources - SDA Grant	$ 31,200		$ 31,200	$ 31,200
Bond Proceeds	17,256		17,256	17,256
Transfer from Debt Service Fund	29,544	-	29,544	29,544
Total Revenues	78,000	-	78,000	78,000
Expenditures and Other Financing Uses				
Construction Services	46,618	-	46,618	78,000
Total Expenditures	46,618	-	46,618	78,000
Excess (Deficit) of Revenue Over Expenditures	$ 31,382	$ -	$ 31,382	$ -

Additional Project Information:

Project Number	3930-100-03-0762
Grant Date	11/6/2003
Bond Authorization Date	4/16/2003
Bonds Authorized	$ 46,800
Bonds Issued	$ 17,256
Original Authorized Cost	$ 78,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 78,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2005
Revised Target Completion Date	11/30/2005

SCHEDULE F-2e

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2003 REFERENDUM
MEMORIAL ELEMENTARY SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 59,200		$ 59,200	$ 59,200
Bond Proceeds	37,884		37,884	37,884
Transfer from Debt Service Fund	50,916	-	50,916	50,916
Total Revenues	148,000	-	148,000	148,000
Expenditures and Other Financing Uses				
Construction Services	52,727	-	52,727	148,000
Total Expenditures	52,727	-	52,727	148,000
Excess of Revenue Over Expenditures	$ 95,273	$ -	$ 95,273	$ -

Additional Project Information:	
Project Number	3930-080-03-0765
Grant Date	11/6/2003
Bond Authorization Date	4/16/2003
Bonds Authorized	$ 88,800
Bonds Issued	$ 37,884
Original Authorized Cost	$ 148,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 148,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2005
Revised Target Completion Date	10/08/2004

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2003 REFERENDUM
STONY LANE ELEMENTARY SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Bond Proceeds	$ 28,359		$ 28,359	$ 28,359
Transfer from Debt Service Fund	43,641	-	43,641	43,641
Total Revenues	72,000	-	72,000	72,000
Expenditures and Other Financing Uses				
Construction Services	72,000	-	72,000	72,000
Total Expenditures	72,000	-	72,000	72,000
Excess (Deficit) of Revenue Over Expenditures	$ -	$ -	$ -	$ -

Additional Project Information:

Project Number	3930-130-03-0760
Grant Date	11/6/2003
Bond Authorization Date	4/16/2003
Bonds Authorized	$ 72,000
Bonds Issued	$ 28,359
Original Authorized Cost	$ 72,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 72,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2003
Revised Target Completion Date	11/01/2003

SCHEDULE F-2g

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
2003 REFERENDUM
RIDGE RANCH ELEMENTARY SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 36,000		$ 36,000	$ 36,000
Bond Proceeds	24,906		24,906	24,906
Transfer from Debt Service Fund	29,094	-	29,094	29,094
Total Revenues	90,000	-	90,000	90,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	7,011		7,011	7,011
Construction Services	74,450	-	74,450	82,989
Total Expenditures	81,461	-	81,461	90,000
Excess (Deficit) of Revenue Over Expenditures	$ 8,539	$ -	$ 8,539	$ -

Additional Project Information:

Project Number	3930-110-03-0761
Grant Date	11/6/2003
Bond Authorization Date	4/16/2003
Bonds Authorized	$ 54,000
Bonds Issued	$ 24,906
Original Authorized Cost	$ 90,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 90,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2005
Revised Target Completion Date	6/01/2005

SCHEDULE F-2h

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2003 REFERENDUM
WEST BROOK MIDDLE SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 103,680		$ 103,680	$ 103,680
Bond Proceeds	60,963		60,963	60,963
Transfer from Debt Service Fund	94,557	-	94,557	94,557
Total Revenues	259,200	-	259,200	259,200
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	7,590		7,590	7,590
Construction Services	118,293	$ 136,627	254,920	251,610
Total Expenditures	125,883	136,627	262,510	259,200
Excess (Deficit) of Revenue Over Expenditures	$ 133,317	$ (136,627)	$ (3,310)	$ -

Additional Project Information:

Project Number	3930-060-03-0759
Grant Date	11/6/2003
Bond Authorization Date	4/16/2003
Bonds Authorized	$ 155,520
Bonds Issued	$ 60,963
Original Authorized Cost	$ 259,200
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 259,200
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2005
Revised Target Completion Date	03/31/2005

SCHEDULE F-2i

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2003 REFERENDUM
EAST BROOK MIDDLE SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Bond Proceeds	$ 20,181		$ 20,181	$ 20,181
Transfer from Debt Service Fund	21,819	-	21,819	21,819
Total Revenues	42,000	-	42,000	42,000
Expenditures and Other Financing Uses				
Construction Services	18,255	-	18,255	42,000
Total Expenditures	18,255	-	18,255	42,000
Excess (Deficit) of Revenue Over Expenditures	$ 23,745	$ -	$ 23,745	$ -

Additional Project Information:	
Project Number	3930-065-03-0766
Grant Date	11/6/2003
Bond Authorization Date	4/16/2003
Bonds Authorized	$ 42,000
Bonds Issued	$ 20,181
Original Authorized Cost	$ 42,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 42,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2003
Revised Target Completion Date	11/01/2003

SCHEDULE F-2j

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2003 REFERENDUM
MIDLAND ELEMENTARY SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 120,000		$ 120,000	$ 120,000
Bond Proceeds	70,896		70,896	70,896
Transfer from Debt Service Fund	109,104	-	109,104	109,104
Total Revenues	300,000	-	300,000	300,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	18,016		18,016	18,016
Construction Services	222,163	-	222,163	281,984
Total Expenditures	240,179	-	240,179	300,000
Excess (Deficit) of Revenue Over Expenditures	$ 59,821	$ -	$ 59,821	$ -

Additional Project Information:

Project Number	3930-090-03-0764
Grant Date	11/6/2003
Bonod Authorization Date	4/16/2003
Bonds Authorized	$ 180,000
Bonds Issued	$ 70,896
Original Authorized Cost	$ 300,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 300,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2005
Revised Target Completion Date	3/01/2005

SCHEDULE F-2k

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2003 REFERENDUM
HIGH SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 346,066		$ 346,066	$ 346,067
Bond Proceeds	224,005		224,005	224,005
Transfer from Debt Service Fund	349,128	-	349,128	349,128
Total Revenues	919,199	-	919,199	919,200
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	41,342		41,342	38,644
Construction Services	830,358	-	830,358	880,556
Total Expenditures	871,700	-	871,700	919,200
Excess (Deficit) of Revenue Over Expenditures	$ 47,499	$ -	$ 47,499	$ -

Additional Project Information:

Project Number	3930-050-03-0763
Grant Date	11/6/2003
Bond Authorization Date	4/16/2003
Bonds Authorized	$ 573,133
Bonds Issued	$ 224,005
Original Authorized Cost	$ 919,200
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 919,200
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2005
Revised Target Completion Date	6/30/2006

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2004 REFERENDUM
PARKWAY ELEMENTARY SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 688,000		$ 688,000	$ 688,000
Bond Proceeds	1,032,000	-	1,032,000	1,032,000
Total Revenues	1,720,000	-	1,720,000	1,720,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	175,617		175,617	88,208
Construction Services	1,938,267	-	1,938,267	1,631,792
Total Expenditures	2,113,884	-	2,113,884	1,720,000
Excess (Deficit) of Revenue Over Expenditures	$ (393,884)	$ -	$ (393,884)	$ -

Additional Project Information:

Project Number	3930-100-03-1424
Grant Date	10/23/2003
Bond Authorization Date	1/27/2004
Bonds Authorized	$ 1,032,000
Bonds Issued	$ 1,032,000
Original Authorized Cost	$ 1,720,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 1,720,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2005
Revised Target Completion Date	11/30/2005

SCHEDULE F-2m

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2004 REFERENDUM
MEMORIAL ELEMENTARY SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 560,000		$ 560,000	$ 560,000
Bond Proceeds	840,000	-	840,000	840,000
Total Revenues	1,400,000	-	1,400,000	1,400,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	145,001		145,001	75,074
Construction Services	1,385,662	-	1,385,662	1,324,926
Total Expenditures	1,530,663	-	1,530,663	1,400,000
Excess of Revenue Over Expenditures	$ (130,663)	$ -	$ (130,663)	$ -

Additional Project Information:	
Project Number	3930-080-03-1422
Grant Date	10/23/2003
Bond Authorization Date	1/27/2004
Bonds Authorized	$ 840,000
Bonds Issued	$ 840,000
Original Authorized Cost	$ 1,400,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 1,400,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2005
Revised Target Completion Date	11/30/2005

SCHEDULE F-2n

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2004 REFERENDUM
STONY LANE ELEMENTARY SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 572,000		$ 572,000	$ 572,000
Bond Proceeds	858,000	-	858,000	858,000
Total Revenues	1,430,000	-	1,430,000	1,430,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	134,585		134,585	64,659
Construction Services	1,125,235	-	1,125,235	1,365,341
Total Expenditures	1,259,820	-	1,259,820	1,430,000
Excess of Revenue Over Expenditures	$ 170,180	$ -	$ 170,180	$ -

Additional Project Information:

Project Number	3930-180-03-1426
Grant Date	10/23/2003
Bond Authorization Date	1/27/2004
Bonds Authorized	$ 858,000
Bonds Issued	$ 858,000
Original Authorized Cost	$ 1,430,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 1,430,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2005
Revised Target Completion Date	11/30/2005

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2004 REFERENDUM
MIDLAND ELEMENTARY SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 352,000		$ 352,000	$ 352,000
Bond Proceeds	528,000	-	528,000	528,000
Total Revenues	880,000	-	880,000	880,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	81,251		81,251	42,202
Construction Services	421,689	-	421,689	837,798
Total Expenditures	502,940	-	502,940	880,000
Excess of Revenue Over Expenditures	$ 377,060	$ -	$ 377,060	$ -

Additional Project Information:

Project Number	3930-090-03-1423
Grant Date	10/23/2003
Bond Authorization Date	1/27/2004
Bonds Authorized	$ 528,000
Bonds Issued	$ 528,000
Original Authorized Cost	$ 880,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 880,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2005
Revised Target Completion Date	11/30/2005

SCHEDULE F-2p

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2004 REFERENDUM
RIDGE RANCH ELEMENTARY SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sonrces				
State Sources - SDA Grant	$ 500,000		$ 500,000	$ 500,000
Bond Proceeds	750,000	-	750,000	750,000
Total Revenues	1,250,000	-	1,250,000	1,250,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	128,773		128,773	64,659
Construction Services	1,201,524	-	1,201,524	1,185,341
Total Expenditures	1,330,297	-	1,330,297	1,250,000
Excess of Revenue Over Expenditures	$ (80,297)	$ -	$ (80,297)	$ -

Additional Project Information:

Project Number	3930-110-03-1425
Grant Date	10/23/2003
Bond Authorization Date	1/27/2004
Bonds Authorized	$ 750,000
Bonds Issued	$ 750,000
Original Authorized Cost	$ 1,250,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 1,250,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2005
Revised Target Completion Date	11/30/2005

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2004 REFERENDUM
WEST BROOK MIDDLE SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sonrces				
State Sources - SDA Grant	$ 2,368,000		$2,368,000	$ 2,368,000
Bond Proceeds	3,552,000	-	3,552,000	3,552,000
Total Revenues	5,920,000	-	5,920,000	5,920,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	476,104		476,104	192,309
Construction Services	5,715,439	-	5,715,439	5,727,691
Total Expenditures	6,191,543	-	6,191,543	5,920,000
Excess of Revenue Over Expenditures	$ (271,543)	$ -	$ (271,543)	$ -

Additional Project Information:	
Project Number	3930-060-03-1420
Grant Date	10/23/2003
Bond Authorization Date	1/27/2004
Bonds Authorized	$ 3,552,000
Bonds Issued	$ 3,552,000
Original Authorized Cost	$ 5,920,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 5,920,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2007
Revised Target Completion Date	9/01/2007

SCHEDULE F-2r

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2004 REFERENDUM
EAST BROOK MIDDLE SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 1,659,820		$1,659,820	$ 1,660,000
Bond Proceeds	2,490,000	-	2,490,000	2,490,000
Total Revenues	4,149,820	-	4,149,820	4,150,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	248,722		248,722	52,336
Construction Services	4,516,448	-	4,516,448	4,097,664
Total Expenditures	4,765,170	-	4,765,170	4,150,000
Excess of Revenue Over Expenditures	$ (615,350)	$ -	$ (615,350)	$ -

Additional Project Information:	
Project Number	3930-065-03-1421
Grant Date	10/23/2003
Bond Authorization Date	1/27/2004
Bonds Authorized	$ 2,490,000
Bonds Issued	$ 2,490,000
Original Authorized Cost	$ 4,150,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 4,150,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/01/2006
Revised Target Completion Date	9/01/2006

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2004 REFERENDUM
HIGH SCHOOL PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SDA Grant	$ 7,127,099		$ 7,127,099	$ 7,127,099
Bond Proceeds	13,322,000	-	13,322,000	13,322,901
Total Revenues	20,449,099	-	20,449,099	20,450,000
Expenditures and Other Finaneing Uses				
Purchased Professional and Technical Services	1,316,786		1,316,786	371,635
Construction Services	18,172,896	-	18,172,896	20,078,365
Total Expenditures	19,489,682	-	19,489,682	20,450,000
Excess of Revenue Over Expenditures	$ 959,417	$ -	$ 959,417	$ -

Additional Project Information:	
Project Number	3930-050-03-1419
Grant Date	10/23/2003
Bond Authorization Date	1/27/2004
Bonds Authorized	$ 13,322,901
Bonds Issued	$ 13,322,000
Original Authorized Cost	$ 20,450,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 20,450,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	95.30%
Original Target Completion Date	9/01/2007
Revised Target Completion Date	9/01/2008

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2006 REFERENDUM
ROOF REPLACEMENT AT PARKWAY ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revennes and Other Financing Sources				
Bond Proceeds	$ 260,000	-	$ 260,000	$ 260,000
Total Revenues	260,000	-	260,000	260,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	5,097		5,097	32,500
Construction Services	297,909	-	297,909	227,500
Total Expenditures	303,006	-	303,006	260,000
Excess (Deficit) of Revenue Over Expenditures	$ (43,006)	$ -	$ (43,006)	$ -

Additional Project Information:

Project Number	3930-100-06-1000
Grant Date	3/23/2006
Bond Authorization Date	4/18/2006
Bonds Authorized	$ 260,000
Bonds Issued	$ 260,000
Original Authorized Cost	$ 260,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 260,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2006
Revised Target Completion Date	12/31/2006

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2006 REFERENDUM
ROOF REPLACEMENT AT RIDGE RANCH ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Bond Proceeds	$ 270,000	-	$ 270,000	$ 270,000
Total Revenues	270,000	-	270,000	270,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	5,097		5,097	36,000
Construction Services	273,551	-	273,551	234,000
Total Expenditures	278,648	-	278,648	270,000
Excess (Deficit) of Revenue Over Expenditures	$ (8,648)	$ -	$ (8,648)	$ -

Additional Project Information:

Project Number	3930-110-06-1000
Grant Date	3/23/2006
Bond Authorization Date	4/18/2006
Bonds Authorized	$ 270,000
Bonds Issued	$ 270,000
Original Authorized Cost	$ 270,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 270,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2006
Revised Target Completion Date	12/31/2006

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2006 REFERENDUM
ROOF REPLACEMENT AT STONY LANE ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Bond Proceeds	$ 175,000	-	$ 175,000	$ 175,000
Total Revenues	175,000	-	175,000	175,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	5,097		5,097	25,000
Construction Services	147,140	-	147,140	150,000
Total Expenditures	152,237	-	152,237	175,000
Excess (Deficit) of Revenue Over Expenditures	$ 22,763	$ -	$ 22,763	$ -

Additional Project Information:

Project Number	3930-130-06-1000
Grant Date	3/23/2006
Bond Authorization Date	4/18/2006
Bonds Authorized	$ 175,000
Bonds Issued	$ 175,000
Original Authorized Cost	$ 175,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 175,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2006
Revised Target Completion Date	12/31/2006

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2006 REFERENDUM
BOILER REPLACEMENT AT PARAMUS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Bond Proceeds	$ 1,065,000	-	$ 1,065,000	$ 1,065,000
Total Revenues	1,065,000	-	1,065,000	1,065,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	17,342		17,342	140,000
Construction Services	1,219,189	-	1,219,189	925,000
Total Expenditures	1,236,531	-	1,236,531	1,065,000
Excess (Deficit) of Revenue Over Expenditures	$ (171,531)	$ -	$ (171,531)	$ -

Additional Project Information:

Project Number	3930-050-06-1000
Grant Date	3/23/2006
Bond Authorization Date	4/18/2006
Bonds Authorized	$ 1,065,000
Bonds Issued	$ 1,065,000
Original Authorized Cost	$ 1,065,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 1,065,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2006
Revised Target Completion Date	12/31/2006

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2006 REFERENDUM
AUDITORIUM UPGRADES AT WEST BROOK MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Bond Proceeds	$ 115,000	-	$ 115,000	$ 115,000
Total Revenues	115,000	-	115,000	115,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	8,274		8,274	15,000
Construction Services	4,937	-	4,937	100,000
Total Expenditures	13,211	-	13,211	115,000
Excess (Deficit) of Revenue Over Expenditures	$ 101,789	$ -	$ 101,789	$ -

Additional Project Information:

Project Number	3930-060-06-1000
Grant Date	3/23/2006
Bond Authorization Date	4/18/2006
Bonds Authorized	$ 115,000
Bonds Issued	$ 115,000
Original Authorized Cost	$ 115,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 115,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	11.49%
Original Target Completion Date	12/31/2006
Revised Target Completion Date	12/31/2006

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2006 REFERENDUM
AUDITORIUM UPGRADES AT EAST BROOK MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Bond Proceeds	$ 115,000	-	$ 115,000	$ 115,000
Total Revenues	115,000	-	115,000	115,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	7,983		7,983	15,000
Construction Services	4,937	-	4,937	100,000
Total Expenditures	12,920	-	12,920	115,000
Excess (Deficit) of Revenue Over Expenditures	$ 102,080	$ -	$ 102,080	$ -

Additional Project Information:

Project Number	3930-065-06-1000
Grant Date	3/23/2006
Bond Authorization Date	4/18/2006
Bonds Authorized	$ 115,000
Bonds Issued	$ 115,000
Original Authorized Cost	$ 115,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 115,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	11.23%
Original Target Completion Date	12/31/2006
Revised Target Completion Date	12/31/2006

SCHEDULE F-2z

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
ROOF IMPROVEMENTS AT PARAMUS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 15,995	$ 31,971	$ 47,966	$ 191,500
Total Revenues	15,995	31,971	47,966	191,500
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services				
Construction Services	190,800	-	190,800	191,500
Total Expenditures	190,800	-	190,800	191,500
Excess (Deficit) of Revenue Over Expenditures	$ (174,805)	$ 31,971	$ (142,834)	$ -

Additional Project Information:	
Project Number	3930-050-07-1000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 191,500
Bonds Issued	$ -
Original Authorized Cost	$ 191,500
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 191,500
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	6/30/2010

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
SYSTEMS IMPROVEMENTS AT PARAMUS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 21,294	$ 21,294	$ 42,588	$ 52,500
Total Revenues	21,294	21,294	42,588	52,500
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	20,390	101,470	121,860	52,500
Total Expenditures	20,390	101,470	121,860	52,500
Excess (Deficit) of Revenue Over Expenditures	$ 904	$ (80,176)	$ (79,272)	$ -

Additional Project Information:

Project Number	3930-050-07-2000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 52,500
Bonds Issued	$ -
Original Authorized Cost	$ 52,500
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 52,500
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	57.50%
Original Target Completion Date	12/30/2008
Revised Target Completion Date	6/30/2010

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
SYSTEMS IMPROVEMENTS AT WEST BROOK MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 19,994	$ 19,994	$ 39,988	$ 100,000
Total Revenues	19,994	19,994	39,988	100,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	10,234	61,329	71,563	100,000
Total Expenditures	10,234	61,329	71,563	100,000
Excess (Deficit) of Revenue Over Expenditures	$ 9,760	$ (41,335)	$ (31,575)	$ -

Additional Project Information:	
Project Number	3930-060-07-1000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 100,000
Bonds Issued	$ -
Original Authorized Cost	$ 100,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 100,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	6/30/2010

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
SYSTEMS IMPROVEMENTS AT EAST BROOK MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 26,229	$ 26,229	$ 52,458	$ 131,183
Total Revenues	26,229	26,229	52,458	131,183
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	10,234	61,256	71,490	131,183
Total Expenditures	10,234	61,256	71,490	131,183
Excess (Deficit) of Revenue Over Expenditures	$ 15,995	$ (35,027)	$ (19,032)	$ -

Additional Project Information:	
Project Number	3930-065-07-1000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 131,183
Bonds Issued	$ -
Original Authorized Cost	$ 131,183
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 131,183
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	6/30/2010

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
TOILET FACILITIES IMPROVEMENTS AT MEMORIAL ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 12,796	$ 12,796	$ 25,592	$ 132,200
Total Revenues	12,796	12,796	25,592	132,200
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	83,303	-	83,303	132,200
Total Expenditures	83,303	-	83,303	132,200
Excess (Deficit) of Revenue Over Expenditures	$ (70,507)	$ 12,796	$ (57,711)	$ -

Additional Project Information:

Project Number	3930-080-07-1000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 132,200
Bonds Issued	$ -
Original Authorized Cost	$ 132,200
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 132,200
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	6/30/2010

SCHEDULE F-2ee

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
SYSTEMS IMPROVEMENTS AT MEMORIAL ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 39,988	$ 24,012	$ 64,000	$ 64,000
Total Revenues	39,988	24,012	64,000	64,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	19,781	36,744	56,525	64,000
Total Expenditures	19,781	36,744	56,525	64,000
Excess (Deficit) of Revenue Over Expenditures	$ 20,207	$ (12,732)	$ 7,475	$ -

Additional Project Information:	
Project Number	3930-080-07-2000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 64,000
Bonds Issued	$ -
Original Authorized Cost	$ 64,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 64,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	6/30/2010

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
ROOF IMPROVEMENTS AT RIDGE RANCH ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 154,737	$ 50,529	$ 205,266	$ 260,520
Total Revenues	154,737	50,529	205,266	260,520
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services				
Construction Services	260,500	-	260,500	260,520
Total Expenditures	260,500	-	260,500	260,520
Excess (Deficit) of Revenue Over Expenditures	$ (105,763)	$ 50,529	$ (55,234)	$ -

Additional Projeet Information:	
Project Number	3930-110-07-1000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 260,520
Bonds Issued	$ -
Original Authorized Cost	$ 260,520
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 260,520
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	6/30/2010

SCHEDULE F-2gg

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
SYSTEMS IMPROVEMENTS AT RIDGE RANCH ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 15,795	$ 15,795	$ 31,590	$ 79,000
Total Revenues	15,795	15,795	31,590	79,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	10,233	54,134	64,367	79,000
Total Expenditures	10,233	54,134	64,367	79,000
Excess (Deficit) of Revenue Over Expenditures	$ 5,562	$ (38,339)	$ (32,777)	$ -

Additional Project Information:	
Project Number	3930-110-07-2000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 79,000
Bonds Issued	$ -
Original Authorized Cost	$ 79,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 79,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	6/30/2010

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
SYSTEMS IMPROVEMENTS AT MIDLAND ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 11,596	$ 11,596	$ 23,192	$ 58,000
Total Revenues	11,596	11,596	23,192	58,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	10,233	49,146	59,379	58,000
Total Expenditures	10,233	49,146	59,379	58,000
Excess (Deficit) of Revenue Over Expenditures	$ 1,363	$ (37,550)	$ (36,187)	$ -

Additional Project Information:	
Project Number	3930-090-07-1000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 58,000
Bonds Issued	$ -
Original Authorized Cost	$ 58,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 58,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	6/30/2010

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
SYSTEMS IMPROVEMENTS AT PARKWAY ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 18,194	$ 18,194	$ 36,388	$ 91,000
Total Revenues	18,194	18,194	36,388	91,000
Expenditures and Other Finaneing Uses				
Purchased Professional and Technical Services			-	
Construction Services	10,233	61,729	71,962	91,000
Total Expenditures	10,233	61,729	71,962	91,000
Excess (Deficit) of Revenue Over Expenditures	$ 7,961	$ (43,535)	$ (35,574)	$ -

Additional Projeet Information:	
Project Number	3930-090-07-1000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 91,000
Bonds Issued	$ -
Original Authorized Cost	$ 91,000
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 91,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	6/30/2010

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
ROOF IMPROVEMENTS AT PARKWAY ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 277,964	$ 92,636	$ 370,600	$ 463,320
Total Revenues	277,964	92,636	370,600	463,320
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services				
Construction Services	462,086	-	462,086	463,320
Total Expenditures	462,086	-	462,086	463,320
Excess (Deficit) of Revenue Over Expenditures	$ (184,122)	$ 92,636	$ (91,486)	$ -

Additional Project Information:	
Project Number	3930-100-07-2000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 463,320
Bonds Issued	$ -
Original Authorized Cost	$ 463,320
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 463,320
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	12/31/2008

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
SYSTEMS IMPROVEMENTS AT STONY LANE ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 9,797	$ 9,797	$ 19,594	$ 44,800
Total Revenues	9,797	9,797	19,594	44,800
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	10,234	51,804	62,038	44,800
Total Expenditures	10,234	51,804	62,038	44,800
Excess (Deficit) of Revenue Over Expenditures	$ (437)	$ (42,007)	$ (42,444)	$ -

Additional Project Information:	
Project Number	3930-130-07-1000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 44,800
Bonds Issued	$ -
Original Authorized Cost	$ 44,800
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 44,800
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	12/31/2008

PARAMUS BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
2007 REFERENDUM
ROOF IMPROVEMENTS AT STONY LANE ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Transfer from Debt Service Fund	$ 168,824	$ 61,757	$ 230,581	$ 315,580
Total Revenues	168,824	61,757	230,581	315,580
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services				
Construction Services	315,551	-	315,551	315,580
Total Expenditures	315,551	-	315,551	315,580
Excess (Deficit) of Revenue Over Expenditures	$ (146,727)	$ 61,757	$ (84,970)	$ -

Additional Project Information:	
Project Number	3930-130-07-2000
Grant Date	N/A
Bond Authorization Date	4/17/2007
Bonds Authorized	$ 315,580
Bonds Issued	$ -
Original Authorized Cost	$ 315,580
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 315,580
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/2008
Revised Target Completion Date	12/31/2008

ENTERPRISE FUNDS

EXHIBIT G-1

PARAMUS BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING STATEMENT OF NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

EXHIBIT H-1

PARAMUS BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF NET ASSETS
AS OF JUNE 30, 2010

	Student Activity	Payroll	Total Agency Funds
ASSETS			
Cash and Cash Equivalents	$ 329,485	$ -	$ 329,485
Total Assets	$ 329,485	$ -	$ 329,485
LIABILITIES			
Due to Student Groups	$ 329,485	$ -	$ 329,485
Total Liabilities	$ 329,485	$ -	$ 329,485

EXHIBIT H-2

COMBINING STATEMENT OF CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOT APPLICABLE

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

	Balance, July 1, 2009	Additions	Deletions	Balance, June 30, 2010
ELEMENTARY & MIDDLE SCHOOL				
Eastbrook	$ 56,832	$ 102,136	$ 97,179	$ 61,789
Westbrook	44,612	110,480	119,516	35,576
Elementary	28,527	19,951	16,852	31,626
Midland Playground	265			265
HIGH SCHOOLS				
High School Activity	207,755	297,391	304,917	200,229
High School Athletic	-	85,650	85,650	-
Total	$ 337,991	$ 615,608	$ 624,114	$ 329,485

EXHIBIT H-4

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

	Balance, July 1, 2009	Additions	Deletions	Balance, June 30, 2010
ASSETS				
Cash	$ (5,146)	$ 70,692,181	$ 70,687,035	$ -
Total Assets	$ (5,146)	$ 70,692,181	$ 70,687,035	$ -
LIABILITIES				
Payroll Deductions and Withholdings (Deficit)	$ (5,676)	44,431,128	44,425,452	-
Accrued Salaries and Wages		26,261,053	26,261,053	
Due to Other Funds	530	-	530	-
Total Liabilities	$ (5,146)	$ 70,692,181	$ 70,687,035	$ -

LONG-TERM DEBT

PARAMUS BOARD OF EDUCATION
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance, July 1, 2009	Retired	Balance, June 30, 2010
Improvements and Renovations to All Schools	4/1/2004	$ 23,372,000	4/1/2011	$ 725,000	4.25%			
			4/1/2012	770,000	4.25%			
			4/1/2013	810,000	4.25%			
			4/1/2014	880,000	4.25%			
			4/1/2015	955,000	4.25%			
			4/1/16-4/1/18	1,000,000	4.25-4.50%			
			4/1/19-20	1,100,000	4.50%			
			4/1/2021	1,120,000	4.50%			
			4/1/22-28	1,140,000	4.625-4.75%			
			4/1/2029	1,137,000	4.75%	$ 20,267,000	$ 690,000	$ 19,577,000
Refunding Bonds	5/1/2005	7,955,000	5/1/2011	750,000	3.75%			
			5/1/2012	765,000	3.75%			
			5/1/2013	790,000	4.00%			
			5/1/2014	785,000	4.00%			
			5/1/2015	780,000	4.00%			
			5/1/2016-17	795,000	4.00%			
			5/1/2018	785,000	4.00%	6,975,000	730,000	6,245,000
Improvements and Renovations to All Schools	8/3/2006	2,642,000	6/15/2011	400,000	4.00%	800,000	400,000	400,000
						$ 28,042,000	$ 1,820,000	$ 26,222,000

PARAMUS BOARD OF EDUCATION
SCHEDULE OF CAPITAL LEASES PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Series	Interest Rate Payable	Amount of Original Issue	Amount Outstanding Juue 30, 2009	Issued Cnrrent Year	Retired Current Year	Amount Outstanding June 30, 2010
2006 Ten - School Buses	4.74%	$664,179	$ 311,653		$ 311,653	
2010 Ten - School Buses	3.88%	759,771	-	$ 759,771	-	$ 759,771
			$ 311,653	$ 759,771	$ 311,653	$ 759,771
				Paid by Budget	$ 91,107	
				Cancelled	220,546	
					$ 311,653	

EXHIBIT 1-3

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

	2010				
	Original Budget	Transfers	Modified Budget	Actual	Variance Favorable (Unfavorable)
REVENUES					
Local Sources					
Local Tax Levy	$ 2,819,899		$ 2,819,899	$ 2,819,899	
Intergovernmental					
Debt Service Aid Type II	619,471	-	619,471	619,471	-
Total Revenues	3,439,370	-	3,439,370	3,439,370	-
EXPENDITURES					
Regular Debt Service					
Interest	1,222,770		1,222,770	1,222,770	
Redemption of Principal	1,820,000	-	1,820,000	1,820,000	-
Total Expenditures	3,042,770	-	3,042,770	3,042,770	-
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	396,600	-	396,600	396,600	-
Other Financing Sources					
Operating Transfers Out-Capital Projects	(396,600)	-	(396,600)	(396,600)	-
Total Other Financing Sources	(396,600)	-	(396,600)	(396,600)	-
Excess (Deficiency) of Revenues Over/ (Under) Expenditures and Other Financing Sources	-	-	-	-	-
Fund Balance, Beginning of Year	122	-	122	122	-
Fund Balance, End of Year	$ 122	$ -	$ 122	$ 122	$ -

STATISTICAL SECTION

This part of the Paramus Board of Education's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Exhibits
Financial Trends	
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	J-1 to J-5
Revenue Capacity	
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	J-6 to J-9
Debt Capacity	
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	J-14 and J-15
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	J-16 to J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

PARAMUS BOARD OF EDUCATION
NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities								
Invested in capital assets, net of related debt	$ 2,449,423	$ 3,959,912	$ 6,135,285	$ 12,630,899	$ 16,014,888	$ 22,554,914	$ 24,274,128	$ 25,187,220
Restricted	1,162	62,244	11,651	97,487	5,856,154	455,979	2,258,123	3,720,473
Unrestricted	1,103,439	714,252	2,169,250	714,849	(3,749,575)	1,367,352	2,183,662	1,498,811
Total governmental activities net assets	$ 3,554,024	$ 4,736,408	$ 8,316,186	$ 13,443,235	$ 18,121,467	$ 24,378,245	$ 28,715,913	$ 30,406,504
Business-type activities								
Invested in capital assets, net of related debt	$ 66,034	$ 77,589	$ 86,879	$ 80,474	$ 74,761	$ 206,230	$ 193,417	$ 180,679
Restricted								
Unrestricted	107,528	112,205	121,865	165,072	196,379	70,427	94,890	124,890
Total business-type activities net assets	$ 173,562	$ 189,794	$ 208,744	$ 245,546	$ 271,140	$ 276,657	$ 288,307	$ 305,569
District-wide								
Invested in capital assets, net of related debt	$ 2,515,457	$ 4,037,501	$ 6,222,164	$ 12,711,373	$ 16,089,649	$ 22,761,144	$ 24,467,545	$ 25,367,899
Restricted	1,162	62,244	11,651	97,487	5,856,154	455,979	2,258,123	3,720,473
Unrestricted	1,210,967	826,457	2,291,115	879,921	(3,553,196)	1,437,779	2,278,552	1,623,701
Total district net assets	$ 3,727,586	$ 4,926,202	$ 8,524,930	$ 13,688,781	$ 18,392,607	$ 24,654,902	$ 29,004,220	$ 30,712,073

Note:
GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only eight years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

PARAMUS BOARD OF EDUCATION
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
Governmental activities								
Instruction								
Regular	$ 23,282,180	$ 26,196,586	$ 26,348,811	$ 27,978,574	$ 30,816,193	$ 31,310,405	$ 29,293,503	$ 30,961,268
Special education	8,050,113	8,542,554	8,552,769	8,806,699	10,482,650	10,895,845	11,516,883	13,159,168
Community services	19,911		14,200	18,978	12,900	15,451	17,021	16,134
Other instruction	901,728	862,482	1,794,633	1,858,686	1,788,835	1,848,426	1,667,956	1,491,638
School Sponsored Activities and Athletics	885,338	960,540	1,203,045	1,264,768	1,339,423	1,405,460	1,366,944	1,436,961
Support Services:								
Student and instruction related services	8,461,611	8,830,923	8,883,304	9,467,649	10,424,642	10,404,679	9,663,427	8,702,798
School Administration services	3,147,444	3,329,071	3,638,057	3,849,826	3,964,334	4,153,026	4,084,367	4,867,499
General administration services	1,229,693	1,411,118	1,053,007	1,096,309	1,206,406	1,425,957	1,186,849	1,243,442
Plant operations and maintenance	6,581,879	7,483,565	7,702,682	8,650,521	9,799,100	9,936,619	9,372,675	10,655,154
Pupil transportation	2,862,690	3,052,393	3,066,958	3,156,209	3,576,557	3,485,174	3,508,598	3,327,788
Central services	1,069,247	1,181,655	1,650,775	1,764,534	1,719,412	1,900,573	2,584,293	2,393,804
Interest on long-term debt	563,926	642,113	1,340,780	1,454,816	1,511,477	1,444,206	1,351,094	1,262,633
Total governmental activities expenses	57,055,760	62,493,000	65,249,021	69,367,569	76,641,929	78,225,821	75,613,610	79,518,287
Business-type activities:								
Food service	796,378	891,039	900,717	913,324	967,804	990,885	982,326	1,025,171
Total business-type activities expense	796,378	891,039	900,717	913,324	967,804	990,885	982,326	1,025,171
Total district expenses	$ 57,852,138	$ 63,384,039	$ 66,149,738	$ 70,280,893	$ 77,609,733	$ 79,216,706	$ 76,595,936	$ 80,543,458
Program Revenues								
Governmental activities:								
Charges for services:								
Instruction		$ 8,411	$ 32,367					
Special education	$ 241,776	284,031	204,694	$ 220,665	$ 153,841	$ 267,891	$ 250,252	$ 332,987
Operating grants and contributions	8,753,717	9,128,844	9,505,754	10,147,406	12,927,734	12,892,233	10,235,531	10,927,088
Capital grants and contributions	-	934,880	520,003	3,682,785	4,615,771	4,072,955	618,048	-
Total governmental activities program revenues	8,995,493	10,356,166	10,262,818	14,050,856	17,697,346	17,233,079	11,103,831	11,260,075
Business-type activities:								
Food service								
Charges for services	$ 751,870	$ 824,149	$ 824,835	$ 847,649	$ 891,001	$ 882,988	$ 872,584	$ 898,306
Operating grants and contributions	63,898	82,513	90,919	95,696	90,815	103,607	120,225	144,127
Total business type activities program revenues	815,768	906,662	915,754	943,345	981,816	986,595	992,809	1,042,433
Total district program revenues	$ 9,811,261	$ 11,262,828	$ 11,178,572	$ 14,994,201	$ 18,679,162	$ 18,219,674	$ 12,096,640	$ 12,302,508
Net (Expense)/Revenue								
Governmental activities	$ (48,060,267)	$ (52,136,834)	$ (54,986,203)	$ (55,316,713)	$ (58,944,583)	$ (60,992,742)	$ (64,509,779)	$ (68,258,212)
Business-type activities	19,390	15,623	15,037	30,021	14,012	(4,290)	10,483	17,262
Total district-wide net expense	$ (48,040,877)	$ (52,121,211)	$ (54,971,166)	$ (55,286,692)	$ (58,930,571)	$ (60,997,032)	$ (64,499,296)	$ (68,240,950)
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Property taxes levied for general purposes	$ 47,075,109	$ 49,764,822	$ 53,049,823	$ 54,958,278	$ 57,512,840	$ 59,813,354	$ 62,402,870	$ 64,898,985
Property taxes levied for debt service	1,125,605	1,390,849	2,749,834	2,570,413	3,331,654	3,678,959	2,584,677	2,819,899
Unrestricted grants and contributions		472,121	574,116	577,309	581,312	679,694	94,224	
Restricted state aid	56,811							
Debt service Type II aide		306,231	308,086	306,389	230,235	724,707	707,226	619,471
Investment earnings	61,834	79,978	609,108	944,662	745,175	447,739	66,625	263
Miscellaneous income	1,187,928	1,305,620	1,265,704	1,269,597	1,221,599	1,855,150	2,938,900	1,504,709
Other items		(403)	9,310	(182,886)	-	49,917	52,925	105,476
Total governmental activities	49,507,287	53,319,218	58,565,981	60,443,762	63,622,815	67,249,520	68,847,447	69,948,803
Business-type activities:								
Investment earnings		609	3,913	6,781	11,582	9,807	1,167	-
Total business-type activities	-	609	3,913	6,781	11,582	9,807	1,167	-
Total district-wide	$ 49,507,287	$ 53,319,827	$ 58,569,894	$ 60,450,543	$ 63,634,397	$ 67,259,327	$ 68,848,614	$ 69,948,803
Change in Net Assets								
Governmental activities	$ 1,447,020	$ 1,182,384	$ 3,579,778	$ 5,127,049	$ 4,678,232	$ 6,256,778	$ 4,337,668	$ 1,690,591
Business-type activities	19,390	16,232	18,950	36,802	25,594	5,517	11,650	17,262
Total district	$ 1,466,410	$ 1,198,616	$ 3,598,728	$ 5,163,851	$ 4,703,826	$ 6,262,295	$ 4,349,318	$ 1,707,853

Note:
GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only eight years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

PARAMUS BOARD OF EDUCATION
FUND BALANCES - GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
General Fund								
Reserved	$ 87,532	$ 447,783	$ 1,092,483	$ 1,817,343	$ 1,254,859	$ 959,181	$ 3,855,794	$ 5,204,812
Unreserved	2,245,326	1,599,147	2,106,966	1,308,085	1,544,680	1,602,565	1,566,664	1,048,677
Total general fund	$ 2,332,858	$ 2,046,930	$ 3,199,449	$ 3,125,428	$ 2,799,539	$ 2,561,746	$ 5,422,458	$ 6,253,489
All Other Governmental Funds								
Reserved	$ 1,124,079	$ 28,800	$ 1,545,023	$ 26,032,080	$ 13,011,928	$ 2,491,925	$ 696,120	$ 227,668
Unreserved	(1,355,585)	22,000,168	20,103,714	(10,264,514)	(3,987,986)	(1,607,872)	(1,669,006)	(1,418,193)
Total all other governmental funds	$ (231,506)	$ 22,028,968	$ 21,648,737	$ 15,767,566	$ 9,023,942	$ 884,053	$ (972,886)	$ (1,190,525)

Note:
GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only eight years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

PARAMUS BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,							
	2003	2004	2005	2006	2007	2008	2009	2010
Revenues								
Tax levy	$48,200,714	$ 51,155,671	$ 55,799,657	$ 57,528,691	$ 60,844,494	$ 63,492,313	$ 64,987,547	$67,718,884
Tuition charges	241,776	292,442	237,061	220,665	153,841	267,891	250,252	332,987
Interest earnings	24	79,978	609,108	944,662	745,175	447,739	66,625	263
Miscellaneous	1,315,850	1,397,061	1,281,422	1,321,532	1,257,465	1,919,646	2,994,251	1,565,510
State sources	7,400,803	9,479,824	9,597,289	13,363,444	16,455,173	16,481,341	10,112,058	9,034,170
Federal sources	1,343,633	1,270,811	1,294,952	1,256,939	1,864,013	1,823,752	1,487,620	2,451,588
Total revenue	58,502,780	63,675,787	68,819,489	74,635,933	81,320,161	84,432,682	79,898,353	81,103,402
Expenditures								
Instruction								
Regular Instruction	23,009,944	25,211,503	26,104,104	27,701,853	29,277,807	30,197,941	27,788,868	29,325,548
Special education instruction	8,027,640	8,456,578	8,534,550	8,776,504	10,487,230	10,875,886	11,542,002	13,149,343
Other instruction	1,731,170	1,636,408	1,798,061	1,859,927	1,790,163	1,843,084	1,673,677	1,489,949
School sponsored activities and athletics	837,379	960,540	1,160,475	1,210,764	1,340,366	1,401,660	1,371,469	1,435,348
Community services	19,911		14,227	19,001	12,910	15,405	17,077	16,116
Support Services:								
Student and inst. related services	7,652,357	8,728,069	8,899,986	9,474,087	10,401,935	10,335,629	9,648,061	8,624,440
General administration	3,072,645	1,378,435	1,038,202	1,043,823	1,189,589	1,414,045	1,167,280	1,226,520
School administration services	1,210,061	3,244,781	3,595,584	3,738,803	3,982,416	4,185,785	4,053,653	4,830,253
Plant operations and maintenance	6,514,459	7,401,820	7,562,535	8,594,163	9,222,133	9,826,305	9,240,737	10,488,342
Pupil transportation	2,819,549	3,030,282	3,005,997	2,971,763	3,455,032	3,363,649	3,387,072	3,212,718
Central services	1,057,931	1,134,121	1,601,143	1,686,158	1,726,852	1,919,372	2,581,645	2,392,080
Capital outlay	677,916	2,463,829	2,049,206	11,544,206	14,943,704	13,877,006	3,064,375	1,910,475
Debt service:								
Principal	930,321	890,000	1,317,520	1,263,187	1,729,290	2,193,047	2,093,984	1,911,107
Interest and other charges	584,908	597,553	1,912,677	1,412,636	1,472,247	1,411,467	1,317,605	1,237,542
Total expenditures	58,146,191	65,133,919	68,594,267	81,296,875	91,031,674	92,860,281	78,947,505	81,249,781
Excess (Deficiency) of revenues over (under) expenditures	356,589	(1,458,132)	225,222	(6,660,942)	(9,711,513)	(8,427,599)	950,848	(146,379)
Other Financing sources (uses)								
Proceeds from borrowing		23,372,000			2,642,000			
Capital Leases				664,179				759,771
Original issue premium			55,756	30,231		49,917	52,925	
Accrued interest on bonds issued		61,081	9,310					
Refund of Escrow for Refunding Bonds				11,340				
Refunding bonds issued			7,955,000					
Payment to refunded bond escrow agent			(7,473,000)					
Transfers in		326,491	976,992	1,292,904	999,252	796,170	481,360	396,732
Transfers out	-	(326,894)	(976,992)	(1,292,904)	(999,252)	(796,170)	(481,360)	(396,732)
Total other financing sources (uses)	-	23,432,678	547,066	705,750	2,642,000	49,917	52,925	759,771
Net change in fund balances	$ 356,589	$ 21,974,546	$ 772,288	$ (5,955,192)	$ (7,069,513)	$ (8,377,682)	$ 1,003,773	$ 613,392
Debt service as a percentage of noncapital expenditures	2.64%	2.37%	4.85%	3.84%	4.21%	4.56%	4.50%	3.97%

* Noncapital expenditures are total expenditures less capital outlay.

Note:
GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only eight years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

PARAMUS BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS ENDED JUNE 30

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Tuition	$ 226,556	$ 283,291	$ 241,776	$ 292,442	$ 237,061	$ 220,665	$ 153,841	$ 267,891	$ 250,252	$ 332,987
Interest Income	249,360	70,788	61,810	79,978	139,954	219,619	253,784	206,396	34,790	131
Interest on Capital Reserve		34	24		23					
Bldg. Rental	169,338	210,756	247,111	208,217	239,525	200,326	243,834	185,109	189,112	167,501
E-Rate										65,759
Refunds Prior Year		46,857							161,263	215,373
Prior Year Outstanding Checks										52,858
Phone & Copy Fees		1,402	556							
Energy Commissions		88,745	83,090							
Miscellaneous	174,230	42,842	121,310	390,713	240,133	240,863	260,372	49,343		
Special Schools Fees	770,926	728,443	697,143	706,690	786,046	786,837	717,393	886,859	888,525	886,515
Cancellation of Prior Year Accounts Payable	27,810	113,391						33,839		
Insurance Claims Refund										87,502
Insurance Premium Refund										21,881
Health Claim Reimbursements	-	-	38,718	-	-	-	-	700,000	1,700,000	-
	$ 1,618,220	$ 1,586,549	$ 1,491,538	$ 1,678,040	$ 1,642,742	$ 1,668,310	$ 1,629,224	$ 2,329,437	$ 3,223,942	$ 1,830,507

Source: School District's Financial Statements

PARAMUS BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate [a]
2001	$ 58,494,100	$ 1,696,228,050	$ 945,900	$ 22,700	$1,521,371,000	$ 73,478,800		$ 3,350,540,550	$ 5,306,578	$ 3,355,847,128	$4,310,348,840	$ 1.330
2002	54,618,700	1,751,360,300	768,400	22,700	1,512,606,800	73,794,900	$ 11,900,000	3,405,071,800	5,072,754	3,410,144,554	4,123,084,951	1.390
2003	40,990,705	1,813,897,549	768,400	19,200	1,515,769,600	73,794,900	10,900,000	3,456,140,354	4,326,139	3,460,466,493	5,304,082,803	1.440
2004 (1)	158,454,400	3,549,279,200	1,479,800	22,400	2,992,006,500	114,104,500	17,025,400	6,832,372,200	6,360,253	6,838,732,453	6,411,651,220	0.780
2005	158,796,700	3,578,172,800	1,479,800	22,400	2,955,286,100	113,790,400	17,025,400	6,824,573,600	5,733,519	6,830,307,119	7,280,878,961	0.830
2006	156,618,700	3,613,699,400	1,479,800	22,400	2,936,662,500	112,419,000	17,025,400	6,837,927,200	4,776,586	6,842,703,786	8,308,287,397	0.870
2007	155,672,300	3,673,674,200	1,479,800	22,400	2,950,830,100	89,876,200	17,025,400	6,888,580,400	5,090,171	6,893,670,571	8,981,328,259	0.900
2008 (1)	154,005,400	4,052,386,800	1,479,800	22,400	3,625,769,000	125,476,500	18,642,800	7,977,782,700	6,821,663	7,984,604,363	9,374,550,417	0.805
2009	150,553,900	4,085,384,000	1,479,800	22,400	3,628,077,100	123,055,000	18,642,800	8,007,215,000	6,375,948	8,013,590,948	9,287,253,375	0.828
2010	144,177,500	4,348,882,600	1,502,200		3,378,135,900	116,580,000	18,642,800	8,007,921,000	7,054,399	8,014,975,399	9,232,778,941	0.862

Source: County Abstract of Ratables

a Tax rates are per $100

(1) The Borough underwent a revaluation of real property which became effective January 1, 2004 and January 1, 2008.

PARAMUS BOARD OF EDUCATION
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
PER $100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)

Year Ended December 31,		Total	Local School District	Municipality	County
2001		$ 2.28	$ 1.33	$ 0.64	$ 0.31
2002		2.34	1.39	0.65	0.31
2003		2.44	1.44	0.68	0.32
2004	(1)	1.37	0.78	0.39	0.20
2005		1.47	0.83	0.43	0.21
2006		1.55	0.87	0.46	0.22
2007		1.61	0.90	0.49	0.22
2008	(1)	1.482	0.805	0.467	0.21
2009		1.545	0.828	0.494	0.22
2010		1.637	0.862	0.548	0.23

(1) The Borough underwent a revaluation of property which became effective January 1, 2004 and January 1, 2008.

Source: Tax Duplicates, Borough of Paramus

PARAMUS BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

	2010		2001	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total Distriet Net Asscssed Value
Westland GSP L.P.	$ 560,426,600	6.99%	$330,204,300	9.84%
Bergen Mall Partnership			107,892,100	3.22%
ALX of Paramus LLC	170,000,000	2.12%		
Paramus Park			71,294,600	2.12%
Vornado, Bergen Mall LLC	160,000,000	2.00%		
Maek F Properties			53,038,800	1.58%
Paramus Park Shopping Center	113,780,000	1.42%		
Faber Bros Inc NJ			44,661,400	1.33%
Westland GSP L.P.	97,069,400	1.21%		
Maek Paramus Affiliates			29,550,000	0.88%
Faber Bros Inc NJ	86,313,600	1.08%		
NT Hegeman			25,657,300	0.76%
RREEF America REIT III Corp	64,955,000	0.81%		
Paramus Road IV, LLC			25,480,000	0.76%
Paramus Park - Macy's Ine.	63,229,700	0.79%		
Mack-Cali Rcalty, L.P.			21,575,000	0.64%
Mack Paramus Affiliates	58,100,000	0.72%		
Paramus Park Inc. C/O A&S			21,300,000	0.63%
Farber, William A	48,956,500	0.61%		
	$ 1,422,830,800	17.75%	$730,653,500	21.14%

Source: Municipal Tax Assessor

N/A Not Available

PARAMUS BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Local School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2001	$ 42,833,673	$ 42,833,673	100.00%	N/A
2002	46,237,143	46,237,143	100.00%	N/A
2003	48,200,714	48,200,714	100.00%	N/A
2004	51,155,671	51,155,671	100.00%	N/A
2005	55,799,657	55,799,657	100.00%	N/A
2006	57,528,691	57,528,691	100.00%	N/A
2007	60,844,494	60,844,494	100.00%	N/A
2008	63,492,313	63,492,313	100.00%	N/A
2009	64,987,547	64,987,547	100.00%	N/A
2010	67,718,884	67,718,884	100.00%	N/A

N/A = Not Applicable

PARAMUS BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST SIX FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities				Total District	Population	Per Capita
	General Obligation Bonds	Certificates of Participation	Capital Leases	Temporary Notes			
2005	$ 32,137,000		$ 189,982	$ 3,157,340	$ 35,484,322	26,257	$ 1,351
2006	31,167,000		560,974	2,649,480	34,377,454	26,125	1,316
2007	32,159,000		481,684	3,482,620	36,123,304	26,012	1,389
2008	30,049,000		398,637	16,804,809	47,252,446	26,010	1,817
2009	28,042,000		311,653	12,217,110	40,570,763	26,015	1,560
2010	26,222,000		759,771	11,820,510	38,802,281	26,137	1,485

Source: District records

Note:
GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year 2006 only six years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present.

EXHIBIT J-11

PARAMUS BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST SIX FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2005	$ 32,137,000		$ 32,137,000	0.47%	$ 1,224
2006	31,167,000		31,167,000	0.46%	1,193
2007	32,159,000		32,159,000	0.47%	1,236
2008	30,049,000		30,049,000	0.38%	1,155
2009	28,042,000		28,042,000	0.35%	1,078
2010	26,222,000		26,222,000	0.33%	1,003

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

Note:

GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiseal year 2006 only six years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present.

PARAMUS BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
FOR THE YEAR ENDED DECEMBER 31, 2009
(Unaudited)

	Gross Debt	Deductions	Net Debt
MUNICIPAL DEBT:			
Borough of Paramus (1)	$ 50,087,422	$ 10,959,086	$ 39,128,336
Paramus School District	28,042,000	28,042,000	-
	$ 78,129,422	$ 39,001,086	39,128,336
OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY			
Bergen County:			
County of Bergen(A)			33,760,249
Bergen County Utilities Authority - Water Pollution Control (B)			14,527,280
			48,287,529
Total Direct and Overlapping Outstanding Debt			$ 87,415,865

SOURCE:
(1) Borough of Paramus 2009 Annual Debt Statement

(A) The debt for this entity was apportioned to Borough of Paramus by dividing the municipality's 2009 equalized value by the total 2009 equalized value for the County of Bergen.
(B) Overlapping debt was computed based upon municipal flow to the Authority.

PARAMUS BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2010

	Equalized valuation basis	
	2009	$ 9,223,839,419
	2008	9,147,784,314
	2007	9,205,639,984
		$27,577,263,717
Average equalized valuation of taxable property		$ 9,192,421,239
Debt limit (4 % of average equalization value)		367,696,850 a
Total Net Debt Applicable to Limit		27,016,701
Legal debt margin		$ 340,680,149

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	$153,967,620	$ 164,923,398	$184,536,253	$ 211,899,911	$ 249,121,361	$ 288,708,351	$ 322,686,600	$ 349,495,131	$ 362,202,482	$ 367,696,850
Total net debt applicable to limit	12,133,000	11,293,000	14,350,135	35,179,791	33,903,930	34,426,069	34,251,811	31,636,901	29,233,301	27,016,701
Legal debt margin	$141,834,620	$ 153,630,398	$170,186,118	$ 176,720,120	$ 215,217,431	$ 254,282,282	$ 288,434,789	$ 317,858,230	$ 332,969,181	$ 340,680,149
Total net debt applicable to the limit as a percentage of debt limit	7.88%	6.85%	7.78%	16.60%	13.61%	11.92%	10.61%	9.05%	8.07%	7.35%

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

a Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

EXHIBIT J-14

PARAMUS BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Year	Population	County Per Capita Personal Income	Unemployment Rate
2001	25,768	$ 52,102	5.50%
2002	25,841	51,931	3.00%
2003	26,082	51,291	6.60%
2004	26,243	54,669	4.10%
2005	26,257	56,963	3.30%
2006	26,125	63,021	3.40%
2007	26,012	67,113	3.50%
2008	26,010	67,696	4.00%
2009	26,015	N/A	7.40%
2010	26,137	N/A	N/A

Source: New Jersey State Department of Education

EXHIBIT J-15

PARAMUS BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

	2010		2001	
Employer	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment

INFORMATION NOT AVAILABLE

Source: The Greater Paramus Chamber of Commerce

EXHIBIT J-16

PARAMUS BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST THREE FISCAL YEARS
(Unaudited)

Function/Program	2008	2009	2010
Instruction			
Regular	264	266	264
Special education	62	65	76
Support Services:			
Student & instruction related services	143	80	71
General administration	3	3	3
School administrative services	34	33	36
Other administrative services	7	7	5
Central services	16	14	12
Administrative Information Technology	7	7	7
Plant operations and maintenance	55	118	125
Pupil transportation	22	16	18
Other support services	4	4	4
Special Schools			
Food Service			
Child Care			
Total	617	613	621

Source: District Personnel Records

Note:
GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiseal year 2006 only three years of information is available. Eaeh year thereafter, an additional year's data will be included until ten years of data is present.

PARAMUS BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Enrollment [a]	Operating Expenditures [b]	Cost Per Pupil [c]	Percentage Change	Teaching Staff	Teacher/Pupil Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2001	4,250	$ 48,135,064	$ 11,326	5.68%	370	01:15.40	01:10.99	01:13.67	4,039	3,904	-0.44%	96.66%
2002	4,286	51,080,684	11,918	5.23%	359	01:11.23	01:11.88	01:11.52	4,149	4,009	2.72%	96.63%
2003	4,331	56,079,751	12,948	8.65%	393	01:11.17	01:12.30	01:12.36	4,318	4,161	4.07%	96.36%
2004	4,344	61,188,667	14,086	8.78%	444	1:10.94	1:10.72	1:11.60	4,264	4,138	-1.25%	97.05%
2005	4,394	63,445,411	14,439	2.51%	458	1:10.67	1:10.04	1:10.99	4,278	4,157	0.33%	97.17%
2006	4,408	67,498,489	15,313	6.05%	425	1:11.07	1:11.58	1:11.28	4,296	4,183	0.42%	97.37%
2007	4,356	72,886,433	16,732	9.27%	419	1:10.06	1:10.46	1:11.42	4,326	4,215	0.70%	97.43%
2008	4,361	75,318,538	17,271	3.22%	422	1:10.47	1:09.38	1:09.32	4,361	4,239	0.81%	97.20%
2009	4,426	72,471,541	16,374	-5.19%	410	01:09.05	1:11.22	1:11.16	4,247	4,127	-2.61%	97.17%
2010	4,245	76,190,657	17,948	9.61%	419	1:10:32	1:09.80	1:09.47	4,243	4,087	-.97%	96.32%

Sources: District records

Note:
a Enrollment based on annual October district count.
b Operating expenditures equal total expenditures less debt service and capital outlay.
c Cost per pupil represents operating expenditures divided by enrollment.

EXHIBIT J-18

PARAMUS BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST EIGHT FISCAL YEARS
(Unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010
District Building								
Elementary								
Memorial								
Square Feet	48,600	48,600	48,600	48,600	48,600	48,600	49,250	49,250
Capacity (students)	365	365	365	365	365	365	365	365
Enrollment	320	343	306	303	333	336	336	334
Midland								
Square Feet	38,750	38,750	38,750	38,750	38,750	38,750	38,750	38,750
Capacity (students)	321	321	321	321	321	321	321	321
Enrollment [a]	262	273	284	286	280	271	271	244
Stony Lane								
Square Feet	30,700	30,700	30,700	30,700	30,700	30,700	30,700	30,700
Capacity (students)	270	270	270	270	270	270	270	270
Enrollment	237	238	250	239	246	247	247	219
Ridge Ranch								
Square Feet	46,430	46,430	46,430	46,430	46,430	46,430	46,430	46,430
Capacity (students)	476	476	476	476	476	476	476	476
Enrollment	372	370	366	372	390	380	380	382
Parkway								
Square Feet	52,000	52,000	52,000	52,000	52,000	52,000	52,000	52,000
Capacity (students)	476	476	476	476	476	476	476	476
Enrollment	384	384	394	390	361	351	351	274
Middle School								
East Brook								
Square Feet	115,971	115,971	115,971	115,971	115,971	115,971	115,971	115,971
Capacity (students)	876	876	876	876	876	876	876	876
Enrollment	701	696	681	632	610	634	634	649
West Brook								
Square Feet	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Capacity (students)	876	876	876	876	876	876	876	876
Enrollment	714	687	674	704	708	718	718	738
High School								
Square Feet	273,500	273,500	273,500	273,500	273,500	273,500	297,950	297,950
Capacity (students)	1,944	1,944	1,944	1,944	1,944	1,944	1,944	1,944
Enrollment	1,261	1,272	1,341	1,384	1,428	1,427	1,427	1,332

Number of Schools at June 30, 2010
Elementary = 5
Middle School = 2
Senior High School = 1

Source: District Records

Note:
GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year 2006 only eight years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present.

PARAMUS BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)

Undistributed Expenditures
Required Maintenance for School Facilities
11-000-261-xxx

School Facilities	Project Nos.	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Memorial School	N/A	$ 265,636	$ 72,807	$ 118,282	$ 145,923	$ 154,881	$ 112,052	$ 42,240	$ 46,510	$ 31,592	$ 53,384
Midland School	N/A	189,740	52,005	66,796	61,613	83,227	77,127	22,591	27,772	22,768	42,354
Parkway School	N/A	265,637	72,808	103,883	90,127	113,172	142,156	75,933	68,243	36,463	39,284
Ridge Ranch School	N/A	227,688	62,406	88,567	107,562	119,219	113,830	33,269	25,680	43,033	59,486
Stony Lane School	N/A	151,792	41,604	55,353	93,170	78,706	73,123	23,933	27,896	33,195	48,106
Paramus High School	N/A	1,404,074	384,838	726,857	622,457	793,975	751,186	1,418,111	1,055,632	1,030,870	1,240,865
East Brook Middle School	N/A	607,165	166,416	224,065	218,717	258,362	188,858	85,938	107,389	89,619	94,357
West Brook Middle School	N/A	683,063	187,218	227,979	199,102	258,862	304,800	205,204	218,248	141,018	147,418
Total School Facilities		$ 3,794,795	$ 1,040,102	$ 1,611,782	$ 1,538,671	$ 1,860,404	$ 1,763,132	$ 1,907,219	$ 1,577,370	$ 1,428,558	$ 1,725,254

Source: District Records

PARAMUS BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2010
(Unaudited)

	Coverage	Deductible
School Package Policy - School Alliance Insurance Fund		
Property - Blanket Building & Contents (Entire Membership)	$ 7,700,000,000	$ 1,000
General Liability (Aggregate)	5,000,000	
Environmental Impairment Liability	1,000,000	10,000
Business Automobile Liability	5,000,000	500
Excess Liability	10,000,000	
Boiler & Machinery	100,000,000	1,000
Public Official Bonds - The Hartford Insurance Group		
Gary Lane	200,000	
Deborah Carpino	350,000	

Source: District's records

SINGLE AUDIT SECTION

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REGISTERED MUNICIPAL ACCOUNTANTS

17 - 17 ROUTE 208

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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 Trustees
Paramus Board of Education
Paramus, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Paramus Board of Education as of and for the fiscal year ended June 30, 2010, which collectively comprise the Paramus Board of Education's basic financial statements and have issued our report thereon dated October 28, 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 Paramus 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 Paramus Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Paramus Board of Education's internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Paramus 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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

However, we noted certain matters that we have reported to management of the Paramus Board of Education in a separate report entitled, "Auditors' Management Report on Administrative Findings – Financial, Compliance and Performance" dated October 28, 2010.

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

Lerch, Vinci & Higgins LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Gary W. Higgins

Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
October 28, 2010

LERCH, VINCI & HIGGINS, LLP

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EXHIBIT K-2

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

Honorable President and Members
of the Board of Trustees
Paramus Board of Education
Paramus, New Jersey

Compliance

We have audited the Paramus Board of Education's compliance 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 OMB Circular 04-04 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of Paramus Board of Education's major federal and state programs for the fiscal year ended June 30, 2010. Paramus Board of Education'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 requirement of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Paramus Board of Education's management. Our responsibility is to express an opinion on Paramus Board of Education's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Paramus Board of Education'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 Paramus Board of Education's compliance with those requirements.

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

Internal Control Over Compliance

Management of Paramus Board of Education is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Paramus Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control over compliance.

A deficiency in 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 and correct noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected on a timely basis.

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

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

Lerch, Vinci & Higgins LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Gary W. Higgins

Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
October 28, 2010

PARAMUS BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Award Amount	Grant Period	Balance July 1, 2009	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments (1)	Refund of Prior Year Balances	Deferred Revenue June 30, 2010	(Account Receivable) June 30, 2010	Due to Grantor at June 30, 2010
U.S. Department of Education													
Passed-through State Department of Education													
General Fund													
Medicaid Reimbursement		N/A	$ 7,320	7/1/09-6/30/10	-	-	$ 7,320	$ 7,320	-	-	-	-	-
Total General Fund					-	-	7,320	7,320	-	-	-	-	-
U.S. Department of Education													
Passed-through State Department of Education													
Special Revenue Fund													
No Child Left Behind													
Title I	84.010A	NCLB393010	148,298	9/1/09-8/31/10		$ 79,619	113,355	203,393				$ (10,419)	
Title I c/o	84.010A	NCLB393009	316,074	9/1/08-8/31/09	$ 79,619	(79,619)							
Title II Part A	84.367A	NCLB393010	128,283	9/1/09-8/31/10		(24,626)	40,778	165,559				(149,407)	
Title II Part A c/o	84.367A	NCLB393009	129,852	9/1/08-8/31/09	(24,626)	24,626							
Title II Part D	84.318X	NCLB393010	1,556	9/1/09-8/31/10		1,325	635	1,135			$ 825		
Title II Part D c/o	84.318X	NCLB393009	2,577	9/1/08-8/31/09	1,325	(1,325)							
Title III	84.365A	NCLB393010	205,108	9/1/09-8/31/10		13,834	75,722	170,319				(80,763)	
Title III c/o	84.365A	NCLB393009	39,679	9/1/08-8/31/09	13,834	(13,834)							
Title IV	84.186A	NCLB393010	12,619	9/1/09-8/31/10		9,806	588	11,060				(666)	
Title IV c/o	84.186A	NCLB393009	14,997	9/1/08-8/31/09	9,806	(9,806)							
Title V c/o	84.298A	NCLB393008	8,462	9/1/07-8/31/08	567						567		
I.D.E.A. Part B													
Basic Regular	84.027	FT393010	1,286,784	9/1/09-8/31/10		(360,471)	1,420,590	1,419,371				(359,252)	
Basic Regular, Carryover	84.027	FT393009	1,247,737	9/1/08-8/31/09	(360,471)	360,471							
Basic Regular - ARRA	84.391	FT393010	1,609,755	9/1/09-8/31/10			370,879	536,633				(165,754)	
Preschool	84.173	PS393010	31,177	9/1/09-8/31/10			1,680	1,680					
Preschool, Carryover	84.173	PS393009	30,659	9/1/08-8/31/09			30,659				30,659		
Preschool, Carryover	84.173	PS393008	33,898	9/1/07-8/31/08	331						331		
Preschool - ARRA	84.392	PS393010	58,258	9/1/09-8/31/10	-	-	28,900	28,900	-	-	-	-	-
Total Special Revenue Fund					(279,615)	-	2,083,786	2,538,050	-	-	32,382	$ (766,261)	-

Continued

PARAMUS BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Award Amount	Grant Period	Balance July 1, 2009	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments (1)	Refund of Prior Year Balances	Deferred Revenue June 30, 2010	(Account Receivable) June 30, 2010	Due to Grantor at June 30, 2010
U.S. Department of Education Passed-through State Department of Education													
U.S. Department of Education Passed-through State Department of Education													
Enterprise Fund													
National School Lunch Program	10.555	N/A											
Non-Cash Assistanee (Food Distribution)			$ 41,025	7/1/09-6/30/10			$ 41,025	$ 40,219			$ 806		
Non-Cash Assistanee (Food Distribution)			14,904	7/1/08-6/30/09	$ 664			664					
Cash Assistance			73,016	7/1/09-6/30/10			67,836	73,016				$ (5,180)	
Cash Assistance			69,267	7/1/08-6/30/09	(6,277)		6,277						
Special Milk Program	10.556	N/A	22,640	7/1/09-6/30/10			20,772	22,640				(1,868)	
Special Milk Program	10.556	N/A	27,089	7/1/08-6/30/09	(2,705)	-	2,705	-	-	-	-	-	-
Total Enterprise Fund					(8,318)	-	138,615	136,539	-	-	806	(7,048)	-
Total Federal Financial Awards					$ (287,933)	$ -	$ 2,229,721	$ 2,681,909	$ -	$ -	$ 33,188	$ (773,309)	$ -

(1) Represents Cancelled Receivables and Payables

See Aecompanying Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance

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

State Grantor/Program Title	Project Number	Amount	Period	Balance July 1, 2009	Carryover Amount	Cash Received	Cash Expenditures	Encumbrance Adjustments	Refund of Prior Balance	Deferred Revenue June 30, 2010	(Accounts Receivable) June 30, 2010	Due to Grantor June 30, 2010	Memo GAAP Receivable	Memo Cumulative Total Expenditures
State Department of Education														
General Fund														
Special Education Categorical Aid	10-495-034-5120-089	$ 1,694,238	7/1/09-6/30/10			$ 1,532,963	$ 1,694,238				$ (161,275)			$ 1,694,238
Special Education Aid	09-495-034-5120-089	2,430,567	7/1/08-6/30/09	$ (156,006)		156,006								
Transportation Aid	10-495-034-5120-014	627,162	7/1/09-6/30/10			567,462	627,162				(59,700)			627,162
Transportation Aid	09-495-034-5120-014	802,374	7/1/08-6/30/09	(51,500)		51,500								
Security Aid	10-495-034-5120-084	208,855	7/1/09-6/30/10			188,975	208,855				(19,880)			208,855
Security Aid	09-495-034-5120-084	92,967	7/1/08-6/30/09	(5,967)		5,967								
NonPublic Transportation Aid	N/A	28,448	7/1/09-6/30/10				28,448				(28,448)		$ (28,448)	28,448
NonPublic Transportation Aid	N/A	28,136	7/1/08-6/30/09	(28,136)		28,136								
Extraordinary Special Ed. Costs Aid	10-100-034-5120-473	136,866	7/1/09-6/30/10				136,866				(136,866)			136,866
Extraordinary Special Ed. Costs Aid	09-100-034-5120-473	196,939	7/1/08-6/30/09	(196,939)		196,939								
On-Behalf TPAF Pension and Annuity Aid-														
NCGI	10-495-034-5095-007	104,414	7/1/09-6/30/10			104,414	104,414							104,414
Post Retirement Medical Contributions	10-495-034-5095-001	1,961,048	7/1/09-6/30/10			1,961,048	1,961,048							1,961,048
TPAF Social Security Contributions	10-495-034-5095-002	2,162,258	7/1/09-6/30/10			2,162,258	2,162,258				-			2,162,258
TPAF Social Security Contributions	09-495-034-5095-002	2,077,674	7/1/08-6/30/09	(104,263)	-	104,263	-	-	-	-	-	-	-	-
Total General Fund				(542,811)	-	7,059,931	6,923,289	-	-	-	(406,169)	-	(28,448)	6,923,289
Special Revenue Fund														
NJ Nonpublic Aid														
Textbook	10-100-034-5120-064	241,066	7/1/09-6/30/10			241,066	237,795					$ 3,271		237,795
Textbook	09-100-034-5120-064	192,902	7/1/08-6/30/09	277					$ 277					
Nursing	10-100-034-5120-070	285,872	7/1/09-6/30/10			285,872	285,872							285,872
Technology	09-100-034-5120-373	134,920	7/1/08-6/30/09	1,280					1,280					
Auxiliary														
Compensatory Education	10-100-034-5120-067	235,702	7/1/09-6/30/10			235,702	235,702							235,702
Compensatory Education	09-100-034-5120-067	195,086	7/1/08-6/30/09	4,973					4,973					
ESL	10-100-034-5120-067	33,960	7/1/09-6/30/10			33,960	30,754					3,206		30,754
ESL	09-100-034-5120-067	35,597	7/1/08-6/30/09	4,670					4,670					
Home Instruction	10-100-034-5120-067	13,730	7/1/09-6/30/10				13,730				(13,730)		(13,730)	13,730
Home Instruction	09-100-034-5120-067	7,184	7/1/08-6/30/09	(7,184)		7,184								
Transportation	10-100-034-5120-068	5,909	7/1/09-6/30/10			5,909	5,909							5,909
Handicapped														
Supplementary Instruction	10-100-034-5120-066	175,215	7/1/09-6/30/10			175,215	157,270					17,945		157,270
Supplementary Instruction	09-100-034-5120-066	179,077	7/1/08-6/30/09	26,930					26,930					
Examination and Classification	10-100-034-5120-066	297,416	7/1/09-6/30/10			297,416	296,443					973		296,443
Examination and Classification	09-100-034-5120-066	346,748	7/1/08-6/30/09	1,326					1,326					

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

Continued

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

State Grantor/Program Title	Project Number	Amount	Period	Balance July 1, 2009	Carryover Amount	Cash Received	Cash Expenditures	Encumbrance Adjustments	Refund of Prior Balance	Deferred Revenue June 30, 2010	(Accounts Receivable) June 30, 2010	Due to Grantor June 30, 2010	Memo GAAP Receivable	Memo Cumulative Total Expenditures
State Department of Education														
Handicapped (Continued)														
Corrective Speech	10-100-034-5120-066	$ 203,823	7/1/09-6/30/10			$ 203,823	$ 198,741					$ 5,082		$ 198,741
Corrective Speech	09-100-034-5120-066	167,679	7/1/08-6/30/09	$ 15,903					$ 15,903					
Character Education	06-495-034-5120-053	11,493	7/1/05-6/30/06	11,493					11,493					
Character Education	05-100-034-5120-053	11,430	7/1/04-6/30/05	275	-	-	-	-	275	-	-	-	-	-
Total Special Revenue Fund				59,943	-	1,486,147	1,462,216	-	67,127	-	$ (13,730)	30,477	$ (13,730)	1,462,216
Debt Service Fund														
Debt Service State Support	10-495-034-5120-017	619,471	7/1/09-6/30/10	-	-	619,471	619,471	-	-	-	-	-	-	619,471
Total Debt Service Fund				-	-	619,471	619,471	-	-	-	-	-	-	619,471
State Department of Agriculture														
Enterprise Fund														
State School Lunch Program	10-100-010-3350-023	7,588	7/1/09-6/30/10			7,052	7,588				(536)		(536)	7,588
State School Lunch Program	09-100-010-3350-023	7,348	7/1/08-6/30/09	(664)	-	664	-	-	-	-	-	-	-	-
Total Enterprise Fund				(664)	-	7,716	7,588	-	-	-	(536)	-	(536)	7,588
N.J. School Development Authority														
Educational Facilities Construction and Financing Act Grant														
4/16/02 Referendum														
Paramus High School	3930-050-02-0575	562,135	N/A	(559,319)							(559,319)		(559,319)	
West Brook Middle School	3930-060-02-0576	133,030	N/A	(132,370)							(132,370)		(132,370)	
4/15/03 Referendum														
Paramus High School	3930-050-03-0763	346,067	N/A	(84,763)						$ 139,991	(224,754)		(224,754)	
West Brook Middle School	3930-060-03-0759	103,680	N/A	(103,256)							(103,256)		(103,256)	
Midland Elementary School	3930-090-03-0764	120,000	N/A	(95,985)						23,524	(119,509)		(119,509)	
Memorial Elementary School	3930-080-03-0765	59,200	N/A	(22,745)						36,213	(58,958)		(58,958)	
Parkway Elementary School	3930-100-03-0762	31,200	N/A	(18,768)						12,304	(31,072)		(31,072)	
Ridge Ranch Elementary School	3930-110-03-0701	36,000	N/A	(30,486)						5,366	(35,852)		(35,852)	
11/3/03 Referendum														
Paramus High School	3930-050-03-1419	7,127,099	N/A	(6,492,059)						332,205	(6,824,264)		(6,824,264)	
Eastbrook Elementary School	3930-060-03-1421	1,660,000	N/A	(323,700)							(323,700)		(323,700)	
West Brook Middle School	3930-060-03-1420	2,368,000	N/A	(461,760)							(461,760)		(461,760)	
Ridge Ranch Elementary School	3930-110-03-1425	500,000	N/A	(15,580)							(15,580)		(15,580)	
Midland Elementary School	3930-090-03-1423	352,000	N/A	(16,006)						151,686	(167,692)		(167,692)	
Memorial Elementary School	3930-080-03-1422	560,000	N/A	(56,000)							(56,000)		(56,000)	
Stoney Lane Elementary School	3930-130-03-1426	572,000	N/A	(52,437)						69,203	(121,640)		(121,640)	
Parkway Elementary School	3930-100-03-1424	688,000	N/A	(68,800)	-	-	-	-	-	-	(68,800)	-	(68,800)	-
Total Capital Projects Fund				(8,534,034)	-	-	-	-	-	770,492	(9,304,526)	-	(9,304,526)	-
Total				$ (9,017,566)	$ -	$ 9,173,265	$ 9,012,564	$ -	$ 67,127	$ 770,492	$ (9,724,961)	$ 30,477	$ (9,347,240)	$ 9,012,564
Less On-Behalf TPAF Pension and Annuity Aid														
NCGI	10-495-034-5095-007	104,414	7/1/09-6/30/10			104,414	104,414							104,414
Post Retirement Medical Contributions	10-495-034-5095-001	1,961,048	7/1/09-6/30/10	-	-	1,961,048	1,961,048	-	-	-	-	-	-	1,961,048
				-	-	2,065,462	2,065,462	-	-	-	-	-	-	2,065,462
Total for State Financial Assistance Determination				$ (9,017,566)	$ -	$ 7,107,803	$ 6,947,102	$ -	$ 67,127	$ 770,492	$ (9,724,961)	$ 30,477	$ (9,347,240)	$ 6,947,102

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

PARAMUS BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Paramus Board of Education. The Board of Education is defined in Note 1(A) to the Board's basic financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are presented using 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 bases of accounting are described in Notes 1(C) to the Board's basic financial statements.

NOTE 3 RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain state aid payments 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, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $32,691 for the general fund and $(96,793) for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

	Federal	State	Total
General Fund	$ 7,320	$ 6,955,980	$ 6,963,300
Special Revenue Fund	2,444,268	1,458,719	3,902,987
Debt Service Fund		619,471	619,471
Food Service Fund	136,539	7,588	144,127
Total Financial Assistance	$ 2,588,127	$ 9,041,758	$ 11,629,885

PARAMUS BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the National School Lunch Program as non-cash assistance represent current year value received and current year distributions, respectively of the Federal Food Distribution Program. TPAF Social Security contributions in the amount of $2,162,258 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. The amount reported as TPAF Pension System Contributions in the amount of $104,414 and TPAF Post-Retirement Medical Benefits Contributions in the amount of $1,961,048 represents the amount paid by the State on behalf of the District for the year ended June 30, 2010.

NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's basic financial statements and the amount subject to State single audit and major program determination.

PARAMUS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Part I – Summary of Auditor's Results

Financial Statement Section

Type of auditors' report issued:	Unqualified	
Internal control over financial reporting:		
1) Material weakness(es) identified?	____ yes	X no
2) Significant deficiencies identified that are not considered to be material weaknesses?	____ yes	X none reported
Noncompliance material to the basic financial statements noted?	____ yes	X no

Federal Awards Section

Internal Control over major programs:		
1) Material weakness(es) identified?	____ yes	X no
2) Significant deficiencies identified that are not considered to be material weaknesses?	____ yes	X none reported
Type of auditor's report issued on compliance for major programs	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?	____ yes	X no

Identification of major federal programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027	IDEA - Basic
84.391	IDEA - Basic ARRA
84.173	IDEA - Preschool
84.392	IDEA - Preshool ARRA

Dollar threshold used to distinguish between Type A and Type B programs:	$ 300,000	
Auditee qualified as low-risk auditee?	X yes	____ no

PARAMUS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Part I – Summary of Auditor's Results

State Awards Section

Internal control over major programs:

1) Material weakness(es) identified: ____ yes __X__ no

2) Significant deficiencies identified that are not considered to be material weakness(es)? ____ yes __X__ not applicable

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

Any audit findings disclosed that are required to be reported in accordance with N.J. Circular Letter 04-04? ____ yes __X__ no

Identification of major state programs:

GMIS Number(s)	Name of State Program or Cluster
10-495-034-5120-089	Special Education Aid
10-495-034-5120-084	Security Aid
10-495-034-5120-014	Transportation Aid
10-495-034-5095-002	TPAF Social Security
10-495-034-5120-017	Debt Service Type II Aid
10-100-034-5120-066	Nonpublic Handicapped Aid

Dollar threshold used to distinguish between Type A and Type B programs: $ 300,000

Auditee qualified as low-risk auditee? __X__ yes ____ no

EXHIBIT K-6

PARAMUS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Part 2 – Schedule of 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.*

THERE ARE NONE

PARAMUS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

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

CURRENT YEAR FEDERAL AWARDS

THERE ARE NONE.

PARAMUS BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

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

CURRENT YEAR STATE AWARDS

THERE ARE NONE.

EXHIBIT K-7

PARAMUS BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS
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.

STATUS OF PRIOR YEAR FINDINGS

THERE WERE NONE.