Glassboro Board of Education
Comprehensive Annual Financial Report
For the Year Ended June 30, 2014

SCHOOL DISTRICT

OF

GLASSBORO, NEW JERSEY

Glassboro Board of Education
Glassboro, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2014

COMPREHENSIVE ANNUAL FINANCIAL REPORT

of the

Glassboro Board of Education
Glassboro, New Jersey

For the Fiscal Year Ended June 30, 2014

Prepared by:

Glassboro Board of Education Administration

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INTRODUCTORY SECTION

Glassboro Public Schools

560 Joseph Bowe Boulevard
Glassboro, New Jersey 08028

www.glassboro.k12.nj.us

Phone: 856-652-2700
Fax: 856-881-0884

Danielle Sochor
Director of Curriculum & Personnel

Walter S. Pudelko III, CPA
Business Administrator

Mark J. Silverstein, Ed.D, Superintendent of Schools

August 21, 2014

Honorable President and
Members of the Board of Education
Glassboro School District
560 Joseph Bowe Boulevard
Glassboro, New Jersey 08028

Dear Members of the Board,

Please accept, for your review, the comprehensive annual financial report for the Glassboro Public Schools covering the year ending June 30, 2014. Responsibility for the accuracy of the data, completeness and fairness of presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Government and Non-Profit Organizations," and the New Jersey OMB's Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

The Glassboro School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14. All funds and account groups of the District are included in this report. The Glassboro 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 and vocational as well as special education for handicapped students. The District's average daily enrollment for 2013-2014 fiscal year was 2,195 students, which is 14 students more than the previous year's average daily enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Fiscal Year	Average Daily Enrollment Student Enrollment
2013-14	2,195
2012-13	2,181
2011-12	2,222
2010-11	2,217
2009-10	2,115
2008-09	2,215
2007-08	2,248
2006-07	2,375
2005-06	2,347
2004-05	2,324

2. ECONOMIC CONDITIONS AND OUTLOOK

The Borough of Glassboro continues to experience development and expansion. This trend is expected to continue with the successes of the Economic Redevelopment Authority, Rowan University, and the community growth potentials. Over the past ten school years, the District's Average Daily Enrollment has decreased by 129 students or 6%.

3. MAJOR INITIATIVES

J. Harvey Rodgers School

Provide all resident 5 year olds with a full day Kindergarten programming, provide all resident 4 year olds with a half day Pre-K programming and integrate student with disabilities with typically developing peers to the fullest extent possible.

Continue the implementation of a Balanced Literacy Model, as well as Everyday Math, with a focus on differentiated small group instructional routines with the goal of increasing student achievement on benchmark assessments.

Continue the implementation of Creative Curriculum in all Pre-K classrooms with the goal of developing pro-social behaviors and academic growth through structured play routines.

Implement all "universal" routines for School wide Positive Behavior Support (PBS) with the goal of addressing student behavior through proactive, systemic procedures.

Continue with all PLC initiatives including data review meetings, book studies, action research and “in-house” professional development.

Dorothy L. Bullock School
Grades 1-3

Dorothy L. Bullock School teachers and administration continue to strengthen School Leadership Teams and Professional Learning Communities to build school culture. The teams were able to look at student data to make appropriate instructional decisions for student success and to review research based readings for improving instruction. The teams used diagnostic tools such as, DIBELS, STAR Math and STAR Reading, Benchmarks and MAP. Teachers continue to implement Accelerated Reading and Accelerated Math into their program to differentiate instruction meeting the needs of advanced learners as well as at-risk students. Teachers also continue to strengthen student writing with the new implementation of the Lucy Calkins Program; Units of Study. Students participate in an end of year culminating activity to share their most special writing pieces of the year. The Bullock staff continues to be committed to meeting the needs of all Students through a very well planned I&RS committee and are using strategies from the much acclaimed work of Ruby Payne; Understanding Poverty.

Thomas E. Bowe School
Grades 4-6

Thomas E. Bowe School has established a School Improvement Team (SIT). The functions of the SIT are the following: sharing information, empowering staff and students, providing a venue to support and monitor progress. The School Improvement Team will work to review curriculum standards and data to make suggestions for instructional change. Data will be reviewed and disaggregated to provide accurate information for teachers to reflect and increase pupil performance. Everyday Math has been implemented in 6th grade. Teachers will utilize various forms of instructional data such as benchmarks and unit tests to guide their instruction. Map, Star Reading and Accelerated Reader are some of the technological tools to support student growth. Guided reading, Writer’s Workshop and The Science of Teaching and Learning are powerful tools to assist as we look to educate the whole child. Bowe School has a Renaissance Program that provides incentive for positive academic and behavioral outcomes. Parental improvement through the PTO and various other components are essential to Bowe School. The PTO conducts fundraisers and special activities to support the school.

Intermediate School
Grades 7-8

Lion’s Quest, a Character Education Program, which is implemented in through our health classes and supported throughout the other disciplines. The purpose remains to promote a peaceful school through lessons, assemblies, monthly slogans, positive values and spirit days.

The Character Education Program is further supported by the Days of Peace and Respect initiative where each grade level competes against each other to reach the benchmarks rewards for no fights or bullying. As we strive to maintain an environment where our students feel safe, they can then focus on their academic achievement. To encourage academic success, the Renaissance Program has been reinstated.

Intermediate School also has a School Leadership team which shares information and empowers staff to make collaborative decisions benefitting the entire school community. This team has and will continue to work in making suggestions for instructional change. Data will be reviewed and disaggregated to provide accurate information for teachers to reflect and increase

pupil performance. Teachers will utilize various forms of instructional data such as benchmarks and unit tests, Map, and Study Island to support growth. Guided reading, Writer's Workshop and The Science of Teaching and Learning are powerful tools assisting staff as we work towards educating the whole child.

Glassboro High School
Grades 9-12

Core Plus Program has been shown to enhance students' mathematical achievement and attitudes toward mathematics. Each course advances students' understanding of mathematics along interwoven strands of algebra and functions, statistics and probability, geometry and trigonometry, and discrete mathematics. Our teachers continue to receive professional development through outside consultants and our Math Coach.

Freshman Mentoring/Transition: A major component of Freshman Transition is the Mentoring Program. Over fifty juniors and seniors volunteered to be freshman mentors. The students are assigned mentors and provide freshmen with mentoring sessions including themes of respect, responsibility, and tolerance.

The Science of Teaching and Learning highlights and educates the participants to the hidden rules that govern how each of us behaves in our social class. Teachers are working diligently in delivering instruction in a diversified format with concrete models to enhance student comprehension and retention. Teachers have learned to be culturally aware in the classroom utilizing strategies to enhance instruction and ultimately bridge the achievement gap in our school.

PLC initiatives including data review meetings, book studies, action research and "in-house" professional development will continue throughout the school year utilizing delayed openings and half day schedules for collaboration.

Read 180 is built on scientifically based research and collaboration of reading experts. Developed in clinical land classroom settings, Read 180 brings together the essential building blocks of effective reading intervention to break the cycle of failure, accelerate instruction, and allow struggling readers to experience success. Students complete instructional software geared toward expanding reading fluency, reading comprehension and retention, along with writing techniques that will help students succeed in high school and beyond.

4. INTERNAL ACCOUNTING CONTROLS

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

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

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

5. BUDGETARY CONTROLS

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2014.

6. ACCOUNTING SYSTEM AND REPORTS

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards (GASB). The accounting system of the District is organized on the basis of funds and account groups.

7. DEBT ADMINISTRATION

At June 30, 2014, the District's outstanding debt issues included $8,200,000 of general obligation bonds.

On December 19, 2006, bonds in the 2001 and 2002 series were refinanced for an amount of $9,500,000. The current outstanding balance is $7,180,000 and the bonds mature in 2018. The rate of interest will fluctuate from 4% to 5%.

On September 10, 2009, bonds in the 2004 series were refinanced for an amount of $4,095,000. The current outstanding balance is $1,020,000 and the bonds mature in 2017. The rate of interest is 4%.

8. CASH MANAGEMENT

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

9. RISK MANAGEMENT

The Board carries various forms of insurance, including, but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

10. OTHER INFORMATION

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Petroni & Associates LLC was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996, and the related OMB Circular No. A-133 and New Jersey State Treasury Circular Letter 04-04. The auditor's report on the basic financial statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGEMENTS

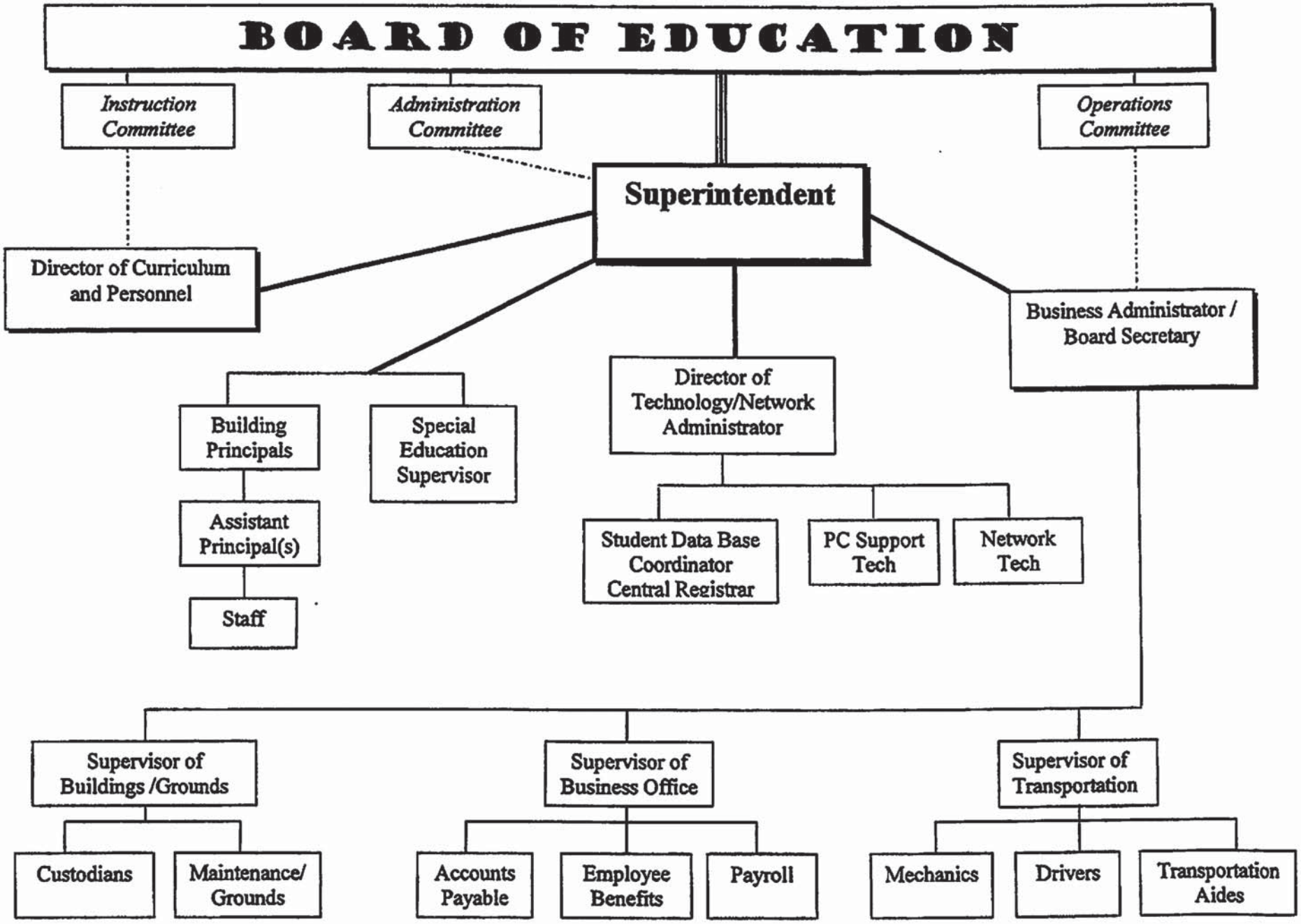
We would like to express our appreciation to the members of the Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation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

Respectfully submitted,

Mark J. Silverstein, MBA, Ed.D.
Superintendent of Schools

Walter S. Pudelko, III, CPA
Business Administrator/
Board Secretary

GLASSBORO SCHOOL DISTRICT ORGANIZATIONAL CHART



GLASSBORO BOARD OF EDUCATION
Glassboro, NJ 08028

ROSTER OF OFFICIALS
June 30, 2014

MEMBERS OF THE BOARD OF EDUCATION	Term Expires
Peter J. Calvo, President	2016
Christine Kane, Vice President	2015
Susette Jones	2014
Edward Keith	2015
June H. Longley	2014
Anthony Marino	2016
Melvin McDonald	2015
Ben Stephens	2016
Elizabeth Volz	2014

OTHER OFFICIALS

Dr. Mark J. Silverstein, Superintendent
Walter S. Pudelko III, CPA, Business Administrator/Board Secretary
Karyn Paccione, Treasurer

GLASSBORO BOARD OF EDUCATION
Glassboro, NJ 08028

CONSULTANTS AND ADVISORS

ARCHITECTS

Fraytak Veisz Hopkins Duthie, P.C.
1515 Lower Ferry Road
P.O. Box 7371
Trenton, NJ 08628

AUDIT FIRM

Petroni & Associates LLC
102 West High Street, Suite 100
Glassboro, NJ 08028

ATTORNEY

Parker McCay P.A.
9000 Midlantic Drive, Suite 300
Mt. Laurel, NJ 08054

OFFICIAL DEPOSITORY

TD Bank
Delsea Drive & Dalton Road
Glassboro, NJ 08028

Susquehanna Bank
600 North Delsea Drive
Glassboro, NJ 08028

FINANCIAL SECTION

PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants
102 West High Street, Suite 100 • P.O. Box 279 • Glassboro, NJ 08028
(856) 881-1600 • Fax (856) 881-6860

MEMBER: AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Nick L. Petroni, CPA, RMA

Mary A. Carey, RMA
Wendy G. Fama, CPA
Denise R. Nevico, CPA
Deanna L. Roller, CPA, RMA

INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Glassboro School District
560 Joseph Bowe Boulevard
Glassboro, New Jersey 08028

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Glassboro School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the

financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Glassboro Board of Education as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Glassboro Board of Education's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments*, *and Non-Profit Organizations*, the schedule of state financial assistance as required by NJ OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and the schedule of state financial assistance as required by NJ OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid,* is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and the schedule of state financial assistance as required by NJ OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid,* is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated August 21, 2014, on our consideration of the Glassboro Board of Education's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Government Auditing Standards* in considering Glassboro Board of Education's internal control over financial reporting and compliance.

PETRONI & ASSOCIATES LLC

Nick L. Petroni
Certified Public Accountant
Licensed Public School Accountant #542

August 21, 2014

Required Supplementary Information – Part I

GLASSBORO SCHOOL DISTRICT
GLASSBORO, NEW JERSEY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
UNAUDITED

The discussion and analysis of Glassboro School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB's) Statement No. 34 - Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued in June 1999. Certain comparative information between the current year (2013-2014) and the prior year (2012-2013) is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for 2014 are as follows:

* General revenues accounted for $39,316,341 in revenue or 93 percent of all revenues.

* Program specific revenues, in the form of charges for services and grants and contributions, accounted for $3,069,535 or 7 percent of total revenues of $42,385,876.

* The School District had $42,743,876 in expenses; only $3,069,535 of these expenses offset by program specific charges for services, grants or contributions.

* Among governmental funds, the General Fund had $37,571,126 in revenues and the General Fund's fund balance decreased $640,334 over 2013.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Glassboro Public 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 Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending.

The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Glassboro School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial

Statement of Net Position and the Statement of Activities (Continued)
transactions and ask the question, "How did we do financially during 2014?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

* Governmental Activities - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

* Business-Type Activity - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service Enterprise Fund is reported as a business activity.

Reporting the School District's Most Significant Funds

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

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

The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

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

Notes to the 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 School District as a Whole
The Statement of Net Position provides the perspective of the School District as a whole. Net positions may serve over time as a useful indicator of a government's financial position.

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

Table 1 provides a summary of the School District's net position for 2014, with comparative data from 2013.

Table 1
Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current & other assets	$ 2,079,063	$ 2,561,842	$ 200,723	$ 237,478	$ 2,279,786	$ 2,799,320
Capital assets	20,361,222	20,884,229	47,269	64,944	20,408,491	20,949,173
Total assets	22,440,285	23,446,071	247,992	302,422	22,688,277	23,748,493
Long-term liabilities	11,189,739	11,976,522			11,189,739	11,976,522
Other liabilities	593,834	440,809		68,458	593,834	509,267
Total liabilities	11,783,573	12,417,331		68,458	11,783,573	12,485,789
Net position:						
Invested in capital assets, net of debt	10,784,196	10,594,644	10,260	21,625	10,794,456	10,616,269
Restricted	2,244,902	2,892,083			2,244,902	2,892,083
Unrestricted	(2,372,386)	(2,457,987)	237,732	212,339	(2,134,654)	(2,245,648)
Total net position	$ 10,656,712	$ 11,028,740	$ 247,992	$ 233,964	$ 10,904,704	$ 11,262,704

The District's combined net position was $10,904,704 on June 30, 2014. This was a decrease from the prior year.

Table 2 shows changes in net position for fiscal year 2014 with comparative data from 2013.

The School District as a Whole (Continued)

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	$ 4,000	$ 7,000	$ 251,268	$ 297,364	$ 255,268	$ 304,364
Operating grants & contributions	2,196,841	2,049,157	617,426	624,095	2,814,267	2,673,252
General revenues:						
Property taxes	18,893,576	18,972,464			18,893,576	18,972,464
Grants & entitlements	19,497,952	19,261,387			19,497,952	19,261,387
Other	923,307	616,992	1,506	1,478	924,813	618,470
Total revenues	41,515,676	40,907,000	870,200	922,937	42,385,876	41,829,937
Expenses:						
Instruction	15,663,604	14,951,021			15,663,604	14,951,021
Support services	23,830,452	23,439,465			23,830,452	23,439,465
Capital outlay	1,048,753	210,156			1,048,753	210,156
Transfer to charter schools	85,764	58,539			85,764	58,539
Unallocated depreciation	877,168	969,265			877,168	969,265
Interest on debt	381,963	438,307			381,963	438,307
Food service			856,172	912,712	856,172	912,712
Total expenses	41,887,704	40,066,753	856,172	912,712	42,743,876	40,979,465
Change in net position	(372,028)	840,247	14,028	10,225	(358,000)	850,472
Beginning net position	11,028,740	10,188,493	233,964	223,739	11,262,704	10,412,232
Ending net position	$ 10,656,712	$ 11,028,740	$ 247,992	$ 233,964	$ 10,904,704	$ 11,262,704

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Property taxes made up 46 percent of revenues for governmental activities for the Glassboro School District for fiscal year 2014. The District's total revenues were $41,515,676 for the year ended June 30, 2014. Federal, state, and local grants accounted for another 52 percent of revenue.

The total cost of all programs and services was $41,887,704. Instruction comprises 37 percent of District expenses.

Business-Type Activities

Revenues for the District's business-type activity (food service program) was comprised of charges for services and federal and state reimbursements.

* Food service income exceeded expenditures by $14,028.
* Charges for services represent $251,268 of food service revenue.
* Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was $617,426.

Statement of Activities
The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for the year 2014, with comparative data for 2013. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3

	Total Cost of Services		Net Cost of Services	
	2014	2013	2014	2013
Instruction	$15,663,604	$ 14,951,021	$ 14,197,005	$ 13,483,618
Support services:				
Pupil & instructional staff	6,065,337	6,024,512	5,331,095	5,443,293
General administration, school administration & business operation	3,051,326	3,001,336	3,051,326	3,001,336
Operation & maintenance of facilities	3,085,931	2,849,602	3,085,931	2,849,602
Pupil transportation	2,171,642	2,081,236	2,171,642	2,081,236
Interest	381,963	438,307	381,963	438,307
Other	11,467,901	10,720,739	11,467,901	10,713,204
	$41,887,704	$ 40,066,753	$ 39,686,863	$ 38,010,596

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

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

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

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

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

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

"Other" includes special schools and unallocated depreciation.

The School District's Funds
All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to $41,574,929 and expenditures were $43,439,716.

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

General Fund Budgeting Highlights (Continued)
During the course of the fiscal 2014 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control program budgets but provide flexibility for program management.

For the General Fund, the final budget basis revenue and other financing sources, not including non-budgeted state contributions, was $34,857,818, which was $770,641 more than original budgeted estimates of $34,087,177.

The General Fund expenditures exceeded the revenues and other financing sources of the School District for the year by $558,000.

Capital Assets
At the end of the fiscal year 2014 the School District had $20,408,491 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2014 balances compared to 2013.

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

	2014	2013
Sites	$ 235,104	$ 235,104
Site improvements	649,334	702,580
Building & building improvements	18,088,544	18,602,307
Machinery & equipment	1,435,509	1,409,182
	$ 20,408,491	$ 20,949,173

Overall capital assets decreased $540,682 from fiscal year 2013 to fiscal year 2014. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration
At June 30, 2014, the School District had $11,189,739 of outstanding debt. Of this amount, $1,612,713 is for compensated absences; $1,377,026 is for various capital leases; and $8,200,000 is for serial bonds for school construction.

Table 5
Outstanding Serial Bonds at June 30,

	2014	2013
Refunding Bonds of 2006	$ 7,180,000	$ 8,230,000
Refunding Bonds of 2009	1,020,000	1,395,000
	$ 8,200,000	$ 9,625,000

For more detailed information, please refer to the Notes to the Financial Statements.

For the Future
The Glassboro School District is in good financial condition presently. The School District is proud of its community support of the public schools. A major concern is the sustained enrollment of the District with the increased reliance on local property taxes. However, future finances are not without challenges as the community continues to grow and State funding is decreased.

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

Contacting the School District's Financial Management
This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Mr. Walter S. Pudelko III, CPA, Business Administrator/Board Secretary at Glassboro Board of Education, George Beach Administration Building, 560 Joseph Bowe Boulevard, Glassboro, New Jersey 08028. Please visit our website at www.glassboroschools.us.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

EXHIBIT A-1

GLASSBORO SCHOOL DISTRICT
Statement of Net Position
June 30, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 1,303,064	$ 77,089	$ 1,380,153
Receivables, net	950,184	110,081	1,060,265
Inventory		13,553	13,553
Sites	235,104		235,104
Other capital assets, net	20,126,118	47,269	20,173,387
Total Assets	22,614,470	247,992	22,862,462
LIABILITIES			
Cash deficit	174,185		174,185
Accounts payable	514,231		514,231
Payable to state government	12,452		12,452
Deferred revenue	67,151		67,151
Noncurrent liabilities:			
Due within one year	1,902,121		1,902,121
Due beyond one year	9,287,618		9,287,618
Total liabilities	11,957,758		11,957,758
NET POSITION			
Invested in capital assets, net of related debt	10,784,196	10,260	10,794,456
Restricted for:			
Other purposes	2,244,902		2,244,902
Unrestricted	(2,372,386)	237,732	(2,134,654)
Total net position	$ 10,656,712	$ 247,992	$ 10,904,704

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2014

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 Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	$ 9,702,464				$ (9,702,464)		$ (9,702,464)
Special education	5,025,765		$ 1,466,599		(3,559,166)		(3,559,166)
Other special instruction	490,921				(490,921)		(490,921)
School sponsored activities	417,677				(417,677)		(417,677)
Other instruction	26,777				(26,777)		(26,777)
Support services:							
Tuition	2,209,226				(2,209,226)		(2,209,226)
Student & instructional related services	3,856,111	$ 4,000	730,242		(3,121,869)		(3,121,869)
General administration	701,738				(701,738)		(701,738)
School administrative services	1,388,360				(1,388,360)		(1,388,360)
Central services	629,882				(629,882)		(629,882)
Administrative information technology	331,346				(331,346)		(331,346)
Plant operations & maintenance	3,085,931				(3,085,931)		(3,085,931)
Pupil transportation	2,171,642				(2,171,642)		(2,171,642)
Unallocated benefits	9,456,216				(9,456,216)		(9,456,216)
Capital outlay	1,048,753				(1,048,753)		(1,048,753)
Transfer to Charter Schools	85,764				(85,764)		(85,764)
Interest on long-term debt	381,963				(381,963)		(381,963)
Unallocated depreciation	877,168				(877,168)		(877,168)
Total governmental activities	41,887,704	4,000	2,196,841		(39,686,863)		(39,686,863)
Business-type activities:							
Food Service	856,172	251,268	617,426			$ 12,522	12,522
Total business-type activities	856,172	251,268	617,426			12,522	12,522
Total primary government	$ 42,743,876	$ 255,268	$ 2,814,267		$ (39,686,863)	$ 12,522	$ (39,674,341)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					$ 17,231,596		$ 17,231,596
Taxes levied for debt service					1,661,980		1,661,980
Other local government units					14,836		14,836
Federal and state aid not restricted					19,497,952		19,497,952
Tuition received					390,457		390,457
Transportation fees					188,726		188,726
Investment earnings					30,440	$ 1,506	31,946
Miscellaneous Income					362,124		362,124
Prior year payable canceled					4,042		4,042
Prior year receivable canceled					(4,859)		(4,859)
Loss on retirement of asset					(62,459)		(62,459)
Total general revenues, special items, extraordinary items and transfers					39,314,835	1,506	39,316,341
Change in net position					(372,028)	14,028	(358,000)
Net position - beginning					11,028,740	233,964	11,262,704
Net position - end					$ 10,656,712	$ 247,992	$ 10,904,704

See accompanying notes to the basic financial statements.

FUND FINANCIAL STATEMENTS

EXHIBIT B-1

GLASSBORO SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2014

	Major Funds			
	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 1,301,363			$ 1,301,363
Receivables from other governments	302,488	$ 334,917		637,405
Other - tuition	119,350			119,350
Other - transportation	186,615			186,615
Other - refunds	6,814			6,814
Total assets	$ 1,916,630	$ 334,917		$ 2,251,547
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash deficit		$ 174,185		$ 174,185
Accounts payable	$ 401,702	112,529		514,231
Payable to state government		12,452		12,452
Deferred revenue		67,151		67,151
Total liabilities	401,702	366,317		768,019
Fund balances:				
Restricted for:				
Excess surplus - designated for subsequent year's expenditures	1,205,775			1,205,775
Excess surplus	978,338			978,338
Assigned to:				
Year-end encumbrances	60,789			60,789
Unassigned:				
General fund	(729,974)			(729,974)
Special revenue fund		(31,400)		(31,400)
Total fund balances	1,514,928	(31,400)		1,483,528
Total liabilities and fund balances	$ 1,916,630	$ 334,917		

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 assets is $37,776,885 and the accumulated depreciation is $17,415,663 (See Note 7).	20,361,222
Internal service funds are used by management to charge the cost of certain activities to individual funds. Assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	1,701
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Note 8).	(11,189,739)
Net position of governmental activities	$ 10,656,712

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

	Major Funds			
	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
REVENUES:				
Local sources:				
Local tax levy	$ 17,231,596		$1,661,980	$ 18,893,576
Other local government units restricted	14,836			14,836
Tuition charges	390,457			390,457
Transportation fees	188,726			188,726
Miscellaneous	392,541	$ 1,676		394,217
	18,218,156	1,676	1,661,980	19,881,812
State sources	19,314,705	495,286	144,982	19,954,973
Federal sources	38,265	1,699,879		1,738,144
Total revenues	37,571,126	2,196,841	1,806,962	41,574,929
EXPENDITURES:				
Current:				
Regular instruction	9,719,620			9,719,620
Special education instruction	3,231,690	1,794,075		5,025,765
Other special instruction	490,921			490,921
School sponsored activities	417,677			417,677
Other instruction	26,777			26,777
Support:				
Tuition	2,209,226			2,209,226
Student & instruction related services	3,154,059	730,242		3,884,301
General administration	701,738			701,738
School administrative services	1,410,148			1,410,148
Central services	629,882			629,882
Administrative information technology	331,346			331,346
Plant operations and maintenance	3,085,931			3,085,931
Pupil transportation	2,171,642			2,171,642
Unallocated benefits	9,456,216			9,456,216
Debt Service:				
Principal			1,425,000	1,425,000
Interest			381,963	381,963
Capital outlay	1,985,799			1,985,799
Transfer to charter schools	85,764			85,764
Total expenditures	39,108,436	2,524,317	1,806,963	43,439,716
Excess (deficiency) of revenues over expenditures	(1,537,310)	(327,476)	(1)	(1,864,787)
Other financing sources (uses):				
Capital leases (non-budgeted)	1,232,867			1,232,867
Transfers in	4,042	335,074		339,116
Transfers out	(339,933)			(339,933)

See accompanying notes to the basic financial statements.

EXHIBIT B-2
(Continued)

GLASSBORO SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

	Major Funds			
	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
Total other financing sources (uses)	896,976	335,074		1,232,050
Net change in fund balances	(640,334)	7,598	(1)	(632,737)
Fund balance - July 1	2,155,262	(38,998)	1	2,116,265
Fund balance - June 30	$ 1,514,928	$ (31,400)		$ 1,483,528

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2014

Total net change in fund balances - governmental funds (from B-2)		$ (632,737)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation expense	$ (877,168)	
Capital outlays	416,620	
Loss on retirement of asset	(62,459)	
		(523,007)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
Bond principal		1,425,000
Capital lease obligation principal		520,426
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.		
Capital lease proceeds		(1,232,867)
Internal service funds are used by management to charge the costs of certain activities to individual funds. Net revenue (expense) of internal service funds if reported with governmental activities.		(3,067)
In the statement of activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount the difference is an addition to the reconciliation.		74,224
Change in net position of governmental activities		$ (372,028)

See accompanying notes to the basic financial statements.

EXHIBIT B-4

GLASSBORO SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2014

	Business-type Activities Enterprise Funds		
	Major Fund Food Service	Totals	Governmental Activities - Internal Service Fund
ASSETS			
Current assets:			
Cash and cash equivalents	$ 77,089	$ 77,089	$ 1,701
Receivables, net	110,081	110,081	
Inventory	13,553	13,553	
Total current assets	200,723	200,723	1,701
Noncurrent assets:			
Furniture, machinery & equipment	430,720	430,720	
Less accumulated depreciation	383,451	383,451	
Total noncurrent assets	47,269	47,269	
Total assets	$ 247,992	$ 247,992	$ 1,701
NET POSITION			
Invested in capital assets net of related debt	$ 10,260	$ 10,260	
Unrestricted	237,732	237,732	$ 1,701
Total net position	$ 247,992	$ 247,992	$ 1,701

See accompanying notes to the basic financial statements.

EXHIBIT B-5

GLASSBORO SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2014

	Business-type Activities Enterprise Funds		
	Major Fund		Governmental Activities - Internal Service Fund
	Food Service	Totals	
Operating revenues:			
Charges for services:			
Daily sales - non-reimbursable programs	$ 225,182	$ 225,182	
Special functions	26,086	26,086	
Workers' compensation contributions			$ 4,000
Total operating revenues	251,268	251,268	4,000
Operating expenses:			
Cost of sales	414,291	414,291	
Salaries	247,744	247,744	
Employee benefits	68,545	68,545	
Contracted services	38,627	38,627	
Operations and maintenance	10,263	10,263	
Supplies and materials	44,626	44,626	
Miscellaneous expenditures	14,401	14,401	
Claims expense			7,090
Depreciation	17,675	17,675	
Total operating expenses	856,172	856,172	7,090
Operating income (loss)	(604,904)	(604,904)	(3,090)
Non-operating revenues (expenses):			
Interest earned	1,506	1,506	23
State sources:			
State school lunch program	10,339	10,339	
Federal sources:			
School breakfast program	104,026	104,026	
National school lunch program	419,695	419,695	
Performance based lunch program	13,156	13,156	
Food distribution program	70,210	70,210	
Total non-operating revenues (expenses)	618,932	618,932	23
Change in net position	14,028	14,028	(3,067)
Total net position - beginning	233,964	233,964	4,768
Total net position - ending	$ 247,992	$ 247,992	$ 1,701

See accompanying notes to the basic financial statements.

EXHIBIT B-6

GLASSBORO SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2014

	Business-type Activities Enterprise Funds		
	Major Fund		Governmental Activities - Internal Service Fund
	Food Service	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	$ 246,443	$ 246,443	
Receipts for internal service activities			$ 4,000
Payments to employees	(247,744)	(247,744)	
Payments for employee benefits	(68,545)	(68,545)	
Payments to suppliers	(454,350)	(454,350)	
Payment for claims			(7,090)
Net cash provided by (used for) operating activities	(524,196)	(524,196)	(3,090)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
State Sources	9,023	9,023	
Federal Sources	467,010	467,010	
Net cash provided by (used for) non-capital financing activities	476,033	476,033	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest earned	1,506	1,506	23
Net cash provided by investing activities	1,506	1,506	23
Net increase (decrease) in cash and cash equivalents	(46,657)	(46,657)	(3,067)
Balances - beginning of year	123,746	123,746	4,768
Balances - end of year	$ 77,089	$ 77,089	$ 1,701
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (604,904)	$ (604,904)	$ (3,090)
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	17,675	17,675	
Food distribution program	70,210	70,210	
(Increase) decrease in accounts receivable	(4,826)	(4,826)	
(Increase) decrease in inventory	(2,351)	(2,351)	
Net cash provided by (used for) operating activities	$ (524,196)	$ (524,196)	$ (3,090)

See accompanying notes to the basic financial statements.

EXHIBIT B-7

GLASSBORO SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	Unemployment Compensation Trust	Agency Fund
ASSETS		
Cash and cash equivalents	$ 92,657	$ 648,738
Total assets	92,657	648,738
LIABILITIES		
Payroll deductions and withholdings		245,343
Accrued salaries and wages		254,652
Due to student groups		148,743
Total liabilities		648,738
NET POSITION		
Held in trust for unemployment claims	$ 92,657	

EXHIBIT B-8

GLASSBORO SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2014

	Unemployment Compensation Trust
ADDITIONS:	
Interest earned	$ 3,298
DEDUCTIONS:	
Unemployment claims	72,588
Transfer to Board of Education	256,995
Total deductions	329,583
Change in net position	(326,285)
Net position - beginning of year	418,942
Net position - end of year	$ 92,657

See accompanying notes to the basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The Glassboro School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials who are 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.

The financial statements of the Board of Education of Glassboro School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to Governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing Governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in (GAAP) and used by the District are discussed below.

A. Reporting Entity

The Glassboro School District is a Type II District located in the County of Gloucester, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12.

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

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

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

B. Basic Financial Statements – District-Wide Statements

The District's basic financial statements include both district-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds.) Both the district-wide and fund financial statements categorize primary activities as either governmental or business-type. The District's general, special revenue, capital projects and debt service are classified as governmental activities. The District's food service program is classified as a business-type activity. Fiduciary funds are excluded from the government-wide financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basic Financial Statements – District-Wide Statements (Continued)

In the district-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts: invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The district-wide Statement of Activities reports both the gross and net costs of each of the District's functions and business-type activities (food service). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenue, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, special education, student and instruction related services, etc.) or business-type activities. Operating grants include operating specific and discretionary (either operating or capital) grants while the capital grants column reflects capital specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, tuition, interest income, etc.).

The District does not allocate indirect costs such as depreciation expense, on-behalf TPAF Pension contributions, and reimbursed TPAF Social Security Contributions.

The district-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

C. Basic Financial Statements - Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASB 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education (NJDOE) has elected to require New Jersey Districts to treat each governmental fund as a major fund in accordance with the option in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

The District's fiduciary funds are presented in the fiduciary fund financial statement by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the district-wide statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basic Financial Statements - Fund Financial Statements (Continued)

The District reports the following Governmental funds:

GOVERNMENTAL FUNDS

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and change in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the capital outlay sub fund.

As required by the New Jersey State Department of Education, the District included budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

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

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

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

PROPRIETARY FUNDS

The focus of the Proprietary funds measurement is upon the determination of operating income, changes in net assets, financial position and cash flows. The generally accepted accounting principles applicable are those similar to business in the private sector. The following are descriptions of the proprietary funds of the District:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basic Financial Statements - Fund Financial Statements (Continued)
PROPRIETARY FUNDS (CONTINUED)

Enterprise Funds - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services on a continuing basis are financed or recovered primarily through user charges.

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

Internal Service Fund - The Internal Service Fund accounts for the financing of services provided by one department to other departments of the School District, or to other governments on a cost-reimbursement basis.

FIDUCIARY FUNDS
The fiduciary fund category is comprised of trust and agency funds. Trust funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and therefore are not available to support District's programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. Basis of Accounting
Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported on the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Both governmental and business-type activities in the District-wide financial statements and the Proprietary and Fiduciary Fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are reported on the modified accrual basis of accounting. Under this method, revenues are recorded when they become both susceptible to accrual; i.e. both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenue from federal, state, or other grants designated for payment of specific school district expenditures is recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, claims and judgments, and compensated absences, are recorded when due.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue and Debt Service Funds. The budgets are submitted to the county office for approval and are approved as long as the District budget is within State mandated CAP's, there is no public vote on the budget. If the budget exceeds State mandated CAP's, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in NJAC 6:23-2(g). Budget amendments/transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and, under certain circumstances, require approval by the County Superintendent of Schools. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

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

F. Encumbrances

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

Open encumbrances in the Special Revenue Fund, for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Cash and Cash Equivalents

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

For purposes of determining cash equivalents the District considers all investments with an original maturity of three months or less as cash equivalents.

New Jersey School Districts are limited to the types of investments and types of financial institutions they may invest in. New Jersey statute (NJSA 18A:20-37) provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of 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.

NJSA 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value of at least 5% of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

H. Inventories

Inventories, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Inventories in the Enterprise Fund are recorded at cost, computed on a first-in, first-out method. In the fund based financial statements, commodities received form the U.S. Department of Agriculture are recorded as deferred revenue until consumed.

I. Interfund Transactions

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

On fund financial statements, short-term interfund loans are classified as interfund receivables/ payables. These amounts are eliminated in the Statement of Net Assets, except for amounts due between governmental and business-type activities or governmental and agency funds, which are presented as internal balances.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the assets' lives are not capitalized. The capitalization threshold used by school districts in the State of New Jersey is $2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the estimated useful lives;

Asset Class	Estimated Useful Lives
Site improvements	20
Building & improvements	20-50
Machinery & equipment	7-20

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and underground pipes. Such items are considered to be part of the cost of buildings or other improvable property.

K. Compensated Absences

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy and negotiated agreement with the various employee unions.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the Scholl District's past experience of making termination payments. Salary-based payments for the employer's share of social security and Medicare taxes are included.

For the district-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the fund financial statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and district-wide presentations.

L. Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the district-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources; are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

N. Net Position

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

The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted funds are available.

O. Fund Balance

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Non-spendable - The non-spendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Balance (Continued)

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

Unassigned - The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

P. Revenues

Substantially all governmental fund revenue is accrued. Property taxes are susceptible to accrual and under New Jersey State statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable." Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue based on GASB No. 33. In applying GASB No. 33 to grant revenues, the provider recognizes liabilities and expenses and recipient recognizes receivables and revenue when the applicable eligibility requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

Q. Expenditures

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

R. Accrued Salaries and Wages

Certain school district employees who provide services the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

S. Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Allocation of Indirect Expenses (Continued)

to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence.

U. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

V. Recent Accounting Pronouncements Not Yet Effective

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 "Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27." This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the District's financial reporting.

In January 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 69 "Government Combinations and Disposals of Government Operations." This statement, which is effective for fiscal periods beginning after December 15, 2013, will not have any effect on the District's financial reporting.

In November 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68." This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the District's financial reporting.

NOTE 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's policy is based on New Jersey statutes requiring cash to be deposited only in New Jersey banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA), or in qualified investments established in NJSA 18A:20-37 that are treated as cash equivalents. The carrying amount of the District's cash and cash equivalents at June 30, 2014 and 2013, was $1,947,363 and $2,529,265. As of June 30, 2014 and 2013, $0 of the District's bank balance of $2,485,477 and $2,883,724, respectively, was exposed to Custodial Credit Risk.

NOTE 3: INVESTMENTS

As of June 30, 2014, the District did not have any investments.

Interest Rate Risk - The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, NJSA 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk - NJSA 18A:20-37 limits District investments to those specified in the Statutes. The type of allowable investments are: Bonds of the United States of America or of the District or the local units in which the District is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

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

NOTE 4: RECEIVABLES

Receivables at June 30, 2014, consisted of Intergovernmental and other receivables. All receivables are considered collectible in full. A summary of the principal items of the receivables are as follows:

	Governmental Activities	Business-Type Activities
State aid	$ 302,488	$ 1,936
Federal aid	334,917	102,093
Other	312,779	6,052
	$ 950,184	$ 110,081

NOTE 5: INTERFUND RECEIVABLES AND PAYABLES

As of June 30, 2014, the District had no interfund receivables or payables.

NOTE 6: INVENTORY

Inventory in the Food Service Fund at June 30, 2014, consisted of the following:

Food	$ 8,485
Supplies	5,068
	$ 13,553

NOTE 7: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014, was as follows:

	Balance July 1, 2013	Additions	Disposals	Balance June 30, 2014
Governmental activities:				
Sites	$ 235,104			$ 235,104
Site improvements	1,892,289			1,892,289
Building & building improvements	30,820,483	$ 76,498	$ 67,281	30,829,700
Machinery & equipment	4,479,670	340,122		4,819,792
Totals at historical cost	37,427,546	416,620	67,281	37,776,885
Less: accumulated depreciation for:				
Site improvements	1,189,709	53,247		1,242,956
Building & building improvements	12,218,176	527,800	4,822	12,741,154
Machinery & equipment	3,135,432	296,121		3,431,553
Total accumulated depreciation	16,543,317	877,168	4,822	17,415,663
Governmental activities capital assets, net	$ 20,884,229	$ (460,548)	$ 62,459	$ 20,361,222
Business-type activities:				
Machinery & equipment	$ 430,719			$ 430,719
Less: accumulated depreciation	365,775	$ 17,675		383,450
Business-type capital assets, net	$ 64,944	$ (17,675)		$ 47,269

Depreciation was charged as an unallocated expense since it could not be specifically identified to one program/function for governmental activities.

NOTE 8: GENERAL LONG-TERM DEBT

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

Permanently funded debt as of June 30, 2014, consisted of the following:

$9,500,000 General Obligation Refunding Bonds dated December 19, 2006, payable in annual installments through August 15, 2018. Interest is paid semi-annually at the rates of 4% to 5% per annum. The balance remaining at June 30, 2014, was $7,180,000.

$4,096,000 General Obligation Refunding Bonds dated September 1, 2009, payable in annual installments through May 15, 2017. Interest is paid semi-annually at the rate of 4% per annum. The balance remaining at June 30, 2014, was $1,020,000.

NOTE 8: GENERAL LONG-TERM DEBT (CONTINUED)

Long-term Obligation Activity

Changes in long-term obligations for the fiscal year ended June 30, 2014, are as follows:

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014	Due Within One Year
Bonds payable	$ 9,625,000		$ 1,425,000	$ 8,200,000	$ 1,470,000
Capital leases	664,585	$ 1,232,867	520,426	1,377,026	432,121
Compensated absences	1,686,937	1,769,688	1,843,912	1,612,713	
	$ 11,976,522	$ 3,002,555	$ 3,789,338	$ 11,189,739	$ 1,902,121

Bonds Payable

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

Year Ended June 30	Principal	Interest	Total
2015	$ 1,470,000	$ 330,700	$ 1,800,700
2016	1,535,000	264,350	1,799,350
2017	1,615,000	188,300	1,803,300
2018	1,755,000	108,100	1,863,100
2019	1,825,000	36,500	1,861,500
	$ 8,200,000	$ 927,950	$ 9,127,950

Bonds Authorized but Not Issued

As of June 30, 2014, the Board had no authorized but not issued debt.

Other

Interest paid on debt issued by the District is exempt from federal income tax. Because of this, bond holders are willing to accept a lower interest rate than they would on taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the federal government based on the requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally allowable returns.

Rebatable arbitrage liabilities related to District debt are not recorded in governmental funds. There is no recognition in the balance sheet or income statement until rebatable amounts are due and payable to the federal government. Thus, rebatable arbitrage liabilities related to governmental debt will be accrued as incurred at least annually (at fiscal yearend) on the District-wide financial statements.

For the year ended June 30, 2014, it is not necessary for the Board to establish a liability for arbitrage rebate.

NOTE 8: GENERAL LONG-TERM DEBT (CONTINUED)

Capital Lease Payable

The District has entered into lease purchase agreements for the acquisition of school buses, computers, copiers and TV studio upgrades. The lease agreements range from four to ten years and carry interest rates ranging from 2.14% to 6.29%. The following is a schedule of future minimum lease payments under capital leases, together with the net present value of the minimum lease payments, as of June 30, 2014:

Year Ended June 30	Principal	Interest	Total
2015	$ 432,121	$ 43,402	$ 475,523
2016	362,665	29,469	392,134
2017	319,687	18,039	337,726
2018	262,553	8,044	270,597
	$ 1,377,026	$ 98,954	$ 1,475,980

NOTE 9: PENSION FUNDS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System, (PERS) or the Teachers' Pension and Annuity Fund (TPAF), cost-sharing, multiple-employer defined benefit pension plans, which have been established by state statute and is administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees' Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625 or can be accessed on the internet at http://www.state.nj.us/treasury/pensions/actuarial-rpts.shtml.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of NJSA 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing, multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of NJSA 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing, multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

NOTE 9: PENSION FUNDS (CONTINUED)

Funding Policy - The contribution policy is set by NJSA 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997, and NJSA 18:66 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Effective with the first payroll to be paid on or after October 1, 2011, the employee contributions for TPAF and PERS increased from 5.5% of employee's annual compensation, as defined, to 6.5%. Subsequent increases will be phased in over 7 years (each July 1) to bring the total pension contribution rate to 7.5% as of July 1, 2018. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for, cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The current TPAF and PERS rate is 6.78% of covered payroll. The District's contributions to PERS for the years ending June 30, 2014, 2013 and 2012, were $495,947, $477,918 and $566,815, respectively, equal to the required contributions for each year.

During the fiscal year ended June 30, 2014, the State of New Jersey contributed $1,623,289 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the District $1,172,353 during the year ended June 30, 2014, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. These amounts have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB 27.

The District's total payroll for the years ended June 30, 2014, 2013 and 2012, were $22,157,906, $21,640,158 and $20,857,301, respectively. Covered payroll was $4,654,401, $5,083,199 and $4,886,266 for PERS and $16,504,908, $15,556,407 and $15,066,038 for TPAF, for the same years.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program (DCRP) is a cost-sharing, multiple-employer defined contribution pension fund which was established on July 1, 2007, under provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (NJAC 43:15C-1 et. seq.). The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provision are established by NJSA 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right, under the current law, to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contributes amounts for each pay period to Prudential Financial, not later than the fifth business day after the date on which the employee is paid for that pay period. The School District's contributions for the years ending June 30, 2014, 2013 and 2012, were $10,560, $7,453 and $6,058 for covered employees.

NOTE 10: POST-RETIREMENT BENEFITS

P.L. 1987, c.384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2013, there were 100,134 retirees eligible for post-retirement medical benefits and the State contributed $1.07 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical 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 employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid $173.8 million toward Chapter 126 benefits for 17,356 eligible retired members in Fiscal Year 2013.

NOTE 11: DEFERRED COMPENSATION

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

AXA Equitable Tax Shelter	Lincoln Investment Planning, Inc.
Metropolitan Life Insurance	MG Trust Company/Aspire Financial

NOTE 12: COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy and negotiated agreements with the various employee unions.

The liability for vested compensated absences is recorded in the district-wide *Statement of Net Position*. The current portion of the compensated absence balance is not considered material to the governmental funds total liabilities and, is therefore not shown separately from the amount due in more than one year.

NOTE 13: LABOR CONTRACTS

As of June 30, 2014, the District has a total of approximately 446 employees. Of this total, approximately 373 employees are represented by unions as follows:

Glassboro Education Association (GEA) – 260 employees
Glassboro Principals and Supervisors Association (GPSA) – 14 employees
Glassboro Educational Support Professional Association (GESPA) – 100 employees.

All union agreements will expire on June 30, 2016.

NOTE 14: RISK MANAGEMENT

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

Property and Liability Insurance:
The District maintains commercial insurance coverage for property, liability, student accidents and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. Any potential liability of the District, with respect to loss claims, would be equal to the deductibles associated with policies and events which may exceed coverage limits. There have been no significant reductions in insurance coverage amounts.

New Jersey Unemployment Compensation Insurance:
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. This 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 expendable trust fund for the current and previous two years:

Year Ended June 30	District Contribution	Employee Contribution	Amount Reimbursed	Ending Balance
2015	None	None	$ 72,588	$ 92,657
2016	$ 866	$ 28,476	40,869	418,942
2017	3,032	34,244	38,861	426,333

NOTE 15: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Glassboro Board of Education by inclusion of $75,000 on June 30, 2003, for the accumulation of funds, for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual

NOTE 15: CAPITAL RESERVE ACCOUNT (CONTINUED)

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 NJSA 19:60-2. Pursuant to NJAC 6A: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.

There was no activity in the capital reserve fund during the year.

NOTE 16: FUND BALANCE APPROPRIATED

Restrictions of fund balances of Governmental funds are established 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 not appropriate for future expenditures.

The District follows the State of New Jersey's minimum fund balance policy for New Jersey Public School Districts (NJSA 18A:7F-7). Pursuant to that policy, an undesignated fund balance of 2% of the general fund budget or $250,000, whichever is greater may be maintained.

Specific classifications of fund balance are summarized below:

Restricted
General Fund – In accordance with NJSA 18A:7F-7, $2,184,113 is restricted as excess surplus ($1,205,775 of the total restricted amount has been appropriated and included as anticipated revenue for the year ending June 30, 2015).

Assigned
General Fund – As of June 30, 2014, the District had $60,789 of encumbrances outstanding for purchase orders and contracts signed by the District, but not completed, as of the close of the fiscal year.

Unassigned
General Fund – As of June 30, 2014, a deficit of $729,974 of fund balance was unassigned.

Special Revenue Fund – As of June 30, 2014, the fund balance was a deficit of $31,400, thus resulting in the fund balance classification of unassigned

NOTE 17: CALCULATION OF EXCESS SURPLUS

The designation of Reserve Fund Balance - Excess surplus is a required calculation pursuant NJSA 18A:7F-7, as amended. New Jersey School Districts are required to reserve General Fund - fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2014, is $2,184,113.

NOTE 18: DEFICIT FUND BALANCES

The District has a deficit fund balance of $729,974 in the General Fund and $31,400 in the Special Revenue Fund as of June 30, 2014, as reported in the fund statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other Government recognizes a liability. Since the state is recording the June state aid payment(s) in the subsequent fiscal year, the School District cannot recognize the June state aid payment(s) on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General and Special Revenue Fund balance deficit does not alone indicate that the District is facing financial difficulties.

Pursuant to NJSA 18A:22-44.2, any negative unassigned general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP statements of $729,974 is less than the last state aid payments.

NOTE 19: CONTINGENT LIABILITIES

The District participates in federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

It is the opinion of the administration and legal counsel, that there exists no litigation or contingent liability that may be pending against the Glassboro School District that would have a material or adverse effect on the Board or the financial position of the District.

NOTE 20: ECONOMIC DEPENDENCY

The District is heavily reliant on state aid and local tax levy to fund the District's operations. State sources accounted for approximately 52% of the District's 2013-2014 general fund revenue, while local tax levy accounted for approximately 46%.

NOTE 21: SUBSEQUENT EVENTS

On July 23, 2014, the Board authorized a bond ordinance in the amount not to exceed $26,900,450. This ordinance would allow the District to undertake capital improvement programs at the various schools. A special election of the legal voters of the District will be held on September 30, 2014, to obtain approval of the proposed project.

NOTE 21: SUBSEQUENT EVENTS (CONTINUED)

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2014 and August 21, 2014, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

EXHIBIT C-1

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	$ 17,231,596		$ 17,231,596	$ 17,231,596	
Other local government units - restricted	18,500		18,500	14,836	$ (3,664)
Tuition	145,674		145,674	390,457	244,783
Transportation fees	31,500		31,500	188,726	157,226
Rents and royalties	10,000		10,000	25,309	15,309
Miscellaneous	90,000		90,000	367,232	277,232
Total - local sources	17,527,270		17,527,270	18,218,156	690,886
State sources:					
School choice aid	115,088		115,088	115,088	
Extraordinary aid	100,212		100,212	169,122	68,910
Categorical special education aid	1,173,519		1,173,519	1,173,519	
Equalization aid	14,747,822		14,747,822	14,747,822	
Categorical security aid	259,267		259,267	259,267	
Categorical transportation aid	108,428		108,428	108,428	
Reimbursed nonpublic school transportation costs				20,570	20,570
Other programs				7,581	7,581
TPAF - post retirement medical (on-behalf non-budgeted)				614,970	614,970
Teachers' pension & annuity fund (on-behalf non-budgeted)				1,008,319	1,008,319
Reimbursed TPAF social security contributions (non-budgeted)				1,172,353	1,172,353
Total - state sources	16,504,336		16,504,336	19,397,039	2,892,703
Federal sources:					
Medical assistance program	55,571		55,571	38,265	(17,306)
Total - federal sources	55,571		55,571	38,265	(17,306)
Total revenues	$ 34,087,177		$ 34,087,177	$ 37,653,460	$ 3,566,283

EXHIBIT C-1
(Continued)

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Current expense:					
Regular programs - instruction:					
Kindergarten - salaries of teachers	$ 801,904	$ 18,095	$ 819,999	$ 819,998	$ 1
Grades 1-5 - salaries of teachers	2,996,740	19,821	3,016,561	3,016,500	61
Grades 6-8 - salaries of teachers	1,874,753	(48,196)	1,826,557	1,826,454	103
Grades 9-12 - salaries of teachers	3,087,602	68,922	3,156,524	3,156,384	140
Regular programs - home instruction:					
Salaries of teachers	45,500	3,827	49,327	49,326	1
Purchased professional - educational services	30,500	49,100	79,600	75,644	3,956
Regular programs - undistributed instruction:					
Other salaries for instruction	61,529	20,676	82,205	82,204	1
Other purchased services	379,305	(243,828)	135,477	124,778	10,699
General supplies	322,110	169,629	491,739	465,047	26,692
Textbooks	123,939	(20,119)	103,820	100,437	3,383
Other objects	2,755	460	3,215	2,848	367
Total regular programs - instruction	9,726,637	38,387	9,765,024	9,719,620	45,404
Special education instruction:					
Learning and/or language disabilities:					
Salaries of teachers	662,602	(86,739)	575,863	575,676	187
Other salaries for instruction	176,241	(30,473)	145,768	145,767	1
General supplies	12,200	(1,200)	11,000	10,621	379
Other objects	100	1,811	1,911	1,911	
Total learning and/or language disabilities	851,143	(116,601)	734,542	733,975	567

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Behavioral disabilities:					
Salaries of teachers	20,935	(1,929)	19,006	18,795	211
General supplies	500		500		500
Textbooks	500		500		500
Other objects	500		500		500
Total behavioral disabilities	22,435	(1,929)	20,506	18,795	1,711
Multiple disabilities:					
Salaries of teachers	57,005	409	57,414	57,414	
Other salaries for instruction	15,200		15,200	14,200	1,000
General supplies	780		780	692	88
Textbooks	500		500		500
Other objects	500		500		500
Total multiple disabilities	73,985	409	74,394	72,306	2,088
Resource room/resource center:					
Salaries of teachers	2,012,127	165,257	2,177,384	2,177,384	
Other salaries for instruction	89,668	12,730	102,398	101,936	462
General supplies	24,330	489	24,819	24,371	448
Other objects		170	170	167	3
Total multiple disabilities	2,126,125	178,646	2,304,771	2,303,858	913
Preschool disabilities - part time:					
Salaries of teachers	82,994	(1,035)	81,959	81,959	
Other salaries for instruction	20,811	(372)	20,439	19,842	597
General supplies	1,000		1,000	955	45
Total preschool disabilities - part time	104,805	(1,407)	103,398	102,756	642
Total special education - instruction	3,178,493	59,118	3,237,611	3,231,690	5,921

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Basic skills/remedial - instruction:					
Salaries of teachers	399,324	(72,199)	327,125	327,125	
Bilingual education - instruction:					
Salaries of teachers	158,617	5,145	163,762	163,761	1
Other objects		35	35	35	
Total bilingual education - instruction	158,617	5,180	163,797	163,796	1
School-sponsored co-curricular activities - inst.:					
Salaries	76,513	(46)	76,467	74,914	1,553
School-sponsored co-curricular athletics - inst.:					
Salaries	220,901	1,025	221,926	221,926	
Purchased services	74,747	(5,135)	69,612	67,295	2,317
Supplies and materials	29,673	23,097	52,770	48,657	4,113
Other objects	6,005	(1,000)	5,005	4,885	120
Total school-sponsored co-curricular athletics - inst.	331,326	17,987	349,313	342,763	6,550
Summer school - instruction:					
Salaries of teachers	11,100	942	12,042	12,041	1
Other purchased services	5,000	3,580	8,580	8,580	
Total summer school - instruction	16,100	4,522	20,622	20,621	1
Summer school - support:					
Salaries	4,000	(550)	3,450	3,449	1
Total summer school	20,100	3,972	24,072	24,070	2

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other supplemental/at-risk programs - instruction:					
General supplies	2,707		2,707	2,707	
Total other supplemental/at-risk programs	2,707		2,707	2,707	
Total instruction and at-risk programs	13,893,717	52,399	13,946,116	13,886,685	59,431
Undistributed expenditures - instruction:					
Tuition to other LEA's within the state - regular	96,820	(39,615)	57,205	57,192	13
Tuition to other LEA's within the state - special	54,835	2,500	57,335	57,334	1
Tuition to county voc. school district - regular	94,500	4,080	98,580	97,414	1,166
Tuition to county voc. school district - special		7,420	7,420	6,572	848
Tuition to CSSD & regional day schools	967,649	(210,876)	756,773	728,355	28,418
Tuition to private schools for the disabled - within state	1,089,748	62,811	1,152,559	1,152,559	
Tuition to private schools for the disabled - outside state		109,800	109,800	109,800	
Total undistributed expenditures - instruction	2,303,552	(63,880)	2,239,672	2,209,226	30,446
Undistributed expenditures - attendance and social work:					
Salaries	81,513	3,764	85,277	84,757	520
Purchased professional and technical services	9,667	(906)	8,761	8,761	
Other purchased services	475	(165)	310	153	157
Supplies and materials	1,800	428	2,228	1,780	448
Total undistributed expenditures - attendance and social work	93,455	3,121	96,576	95,451	1,125

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - health services:					
Salaries	320,240	16,376	336,616	336,590	26
Purchased professional and technical services	5,300	(6)	5,294	3,551	1,743
Other purchased services	1,500	(1,500)			
Supplies and materials	7,800	2,762	10,562	10,238	324
Other objects	500		500	428	72
Total undistributed expenditures - health services	335,340	17,632	352,972	350,807	2,165
Undistributed expenditures - speech, OT, PT & related services:					
Salaries	295,575	(3,841)	291,734	290,282	1,452
Purchased professional - educational services	54,400	8,514	62,914	57,129	5,785
Supplies and materials		6,300	6,300	5,533	767
Total undistributed expenditures - speech, OT, PT & related services	349,975	10,973	360,948	352,944	8,004
Undistributed expenditures - other supp. serv. students - extra. serv.:					
Salaries	189,354	(65,465)	123,889	123,189	700
Purchased professional - educational services	146,100	29,123	175,223	173,628	1,595
Total Undistributed expenditures - other supp. serv. students - extra. serv.	335,454	(36,342)	299,112	296,817	2,295
Undistributed expenditures - guidance:					
Salaries of other professional staff	564,695	(16,120)	548,575	546,641	1,934
Salaries of secretarial and clerical assistants	131,295	5,262	136,557	136,556	1
Purchased professional - educational services	5,100	(1,600)	3,500	2,795	705
Purchased professional and technical services	30,667	(906)	29,761	27,151	2,610
Other purchased services	2,400	(2,400)			
Supplies and materials	8,966	2,266	11,232	6,113	5,119
Other objects	1,505	(50)	1,455	100	1,355
Total undistributed expenditures - guidance	744,628	(13,548)	731,080	719,356	11,724

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - child study team:					
Salaries of other professional staff	710,460	(13,241)	697,219	692,249	4,970
Salaries of secretarial and clerical assistants	103,594	895	104,489	104,489	
Purchased professional - educational services	30,000	(18,500)	11,500	9,817	1,683
Purchased professional and technical services	16,800		16,800	16,291	509
Other purchased services	5,300	(5,300)			
Miscellaneous purchased services	3,600	(1,191)	2,409	451	1,958
Supplies and materials	6,300	6,697	12,997	12,235	762
Other objects	800	20	820	820	
Total undistributed expenditures - child study team	876,854	(30,620)	846,234	836,352	9,882
Undistributed expenditures - improvement of inst. services:					
Salaries of supervisors of instruction	111,353	71,940	183,293	183,292	1
Salaries of other professional staff	25,000	7,587	32,587	32,586	1
Salaries of secretaries and clerical assistants	83,333	(9,069)	74,264	73,950	314
Salaries of facilitators, math and literacy coaches	138,124	(59,644)	78,480	78,479	1
Purchased professional - technical services	30,678	(2,866)	27,812	27,812	
Other purchased services	800	435	1,235	845	390
Supplies and materials	9,450	(2,984)	6,466	6,258	208
Other objects		2,040	2,040	1,068	972
Total undistributed expenditures - improvement of inst. services	398,738	7,439	406,177	404,290	1,887
Undistributed expenditures - eddo. media serv./sch. library:					
Salaries	113,943	(35,519)	78,424	77,994	430
Purchased professional and technical services	6,000	(589)	5,411	5,410	1
Supplies and materials	7,800	(1,150)	6,650	5,638	1,012
Total Undistributed expenditures - eddo. media serv./sch. library	127,743	(37,258)	90,485	89,042	1,443
Undistributed expenditures - instructional staff training					
Purchased professional - educational services	4,700	3,820	8,520	8,519	1
Other purchased services	2,300	(1,366)	934	481	453
Total undistributed expenditures - instructional staff training	7,000	2,454	9,454	9,000	454

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - supp. serv. - general administration:					
Salaries	241,023	(16,305)	224,718	224,716	2
Legal services	102,000	18,443	120,443	120,433	10
Audit fees	32,500	(93)	32,407	31,413	994
Architectural/engineering services	18,750	(12,500)	6,250	6,250	
Other purchased professional services	10,000	3,547	13,547	13,546	1
Communications/telephone	100,370	2,239	102,609	91,250	11,359
BOE other purchased services	1,500		1,500	1,473	27
Other purchased services	166,260	9,429	175,689	172,157	3,532
General supplies	4,000	548	4,548	2,570	1,978
Judgments against the school district	25,000	15,000	40,000	12,500	27,500
Miscellaneous expenditures	11,400	(201)	11,199	10,651	548
BOE membership dues and fees	16,000		16,000	14,779	1,221
Total Undistributed expenditures - supp. serv. - general administration	728,803	20,107	748,910	701,738	47,172
Undistributed expenditures - supp. serv. - school administration:					
Salaries of principals/assistant principals/program directors	1,011,582	(73,723)	937,859	937,076	783
Salaries of secretarial and clerical assistants	383,633	(17,019)	366,614	366,191	423
Purchased professional and technical services	9,666	60,295	69,961	69,961	
Other purchased services	9,500	(6,129)	3,371	2,652	719
Supplies and materials	11,980	7,160	19,140	15,887	3,253
Other objects	20,510	560	21,070	18,381	2,689
Total undist. expend. - supp. serv. - school administration	1,446,871	(28,856)	1,418,015	1,410,148	7,867
Undist. expend. - central services					
Salaries	505,289	3,614	508,903	508,537	366
Purchased professional services	75,649	1,936	77,585	55,973	21,612
Purchased technical services	25,000	624	25,624	25,624	
Miscellaneous purchased services	14,100	9,175	23,275	23,123	152
Supplies and materials	9,000	1,588	10,588	10,221	367
Miscellaneous expenditures	4,300	2,595	6,895	6,404	491
Total undistributed expenditures - central services	633,338	19,532	652,870	629,882	22,988

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - admin. info. tech.					
Salaries	201,275	12,250	213,525	213,414	111
Purchased technical services	5,000	(1,527)	3,473	3,472	1
Other purchased services	92,351	28,116	120,467	97,600	22,867
Supplies and materials	5,000	11,040	16,040	16,040	
Other objects	800	20	820	820	
Total undistributed expenditures - admin. info. tech.	304,426	49,899	354,325	331,346	22,979
Undistributed expenditures - required maintenance for school facilities:					
Salaries	127,766		127,766	125,909	1,857
Cleaning, repair and maintenance services	97,405	44,914	142,319	139,282	3,037
General supplies	35,700	(8,654)	27,046	27,042	4
Total undistributed expenditures - required maintenance for school facilities	260,871	36,260	297,131	292,233	4,898
Undistributed expenditures - custodial services:					
Salaries	1,205,692	(5,964)	1,199,728	1,195,289	4,439
Salaries of non-instructional aides	106,767	3,195	109,962	108,290	1,672
Purchased professional and technical services	98,400	1,345	99,745	99,745	
Cleaning, repair and maintenance services	25,502	15,835	41,337	37,702	3,635
Other purchased property services	59,200	7,264	66,464	66,421	43
Insurance	117,700	7,373	125,073	125,072	1
Miscellaneous purchased services	2,245	(952)	1,293	1,292	1
General supplies	65,542	(152)	65,390	65,365	25
Energy (natural gas)	250,000	19,806	269,806	269,322	484
Energy (electricity)	539,000	(24,698)	514,302	514,298	4
Energy (oil)	3,225	(3,225)			
Energy (gasoline)	12,000	5,960	17,960	17,959	1
Other objects	1,000	1,734	2,734	2,734	
Total undistributed expenditures - custodial services	2,486,273	27,521	2,513,794	2,503,489	10,305
Undistributed expenditures - care and upkeep of grounds:					
Salaries	189,307	(297)	189,010	159,522	29,488
Cleaning, repair and maintenance services	17,000	8,388	25,388	25,388	
General supplies	9,000	3,625	12,625	12,325	300
Total undistributed expenditures - care and upkeep of grounds	215,307	11,716	227,023	197,235	29,788

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - security:					
Purchased professional and technical services	91,000	(1,000)	90,000	90,000	
General supplies	2,000	329	2,329	2,319	10
Other objects		655	655	655	
Total undistributed expenditures - security	93,000	(16)	92,984	92,974	10
Total undistributed expenditures - oper. & maint. of plant services	3,055,451	75,481	3,130,932	3,085,931	45,001
Undistributed expenditures - student transportation services:					
Salaries of non-instructional aides	187,890	20,129	208,019	205,883	2,136
Salaries for pupils trans. (bet. home & school) - regular	681,923	26,270	708,193	708,191	2
Salaries for pupils trans. (bet. home & school) - special	297,182	(11,549)	285,633	281,245	4,388
Salaries for pupils trans. (other than bet. home & school)	75,349	(19,353)	55,996	54,688	1,308
Salaries for pupils trans. (bet. home & school) - nonpublic school	84,028	(18,127)	65,901	59,541	6,360
Management fee - ESC & CSA trans. program	600	8	608	607	1
Other purchased professional/technical services	1,890		1,890	1,890	
Cleaning, repair and maintenance services	20,000	(5,500)	14,500	12,629	1,871
Contract services - aid in lieu of payments -nonpublic schools	93,704	(14,807)	78,897	78,897	
Contract services - aid in lieu of payments - charter schools		4,675	4,675	4,651	24
Contract services - aid in lieu of payments - choice schools		7,072	7,072	7,072	
Contract services (bet. home & school) joint agreements		900	900	884	16
Contract services (special. ed students) joint agreements		12,708	12,708	12,708	
Contract services (regular students) ESC's & CTSA's	81,000	(50,918)	30,082	30,082	
Contract services (special ed. students) ESC's & CTSA's	209,917	157,446	367,363	367,128	235
Miscellaneous purchased services - transportation	53,600	405	54,005	54,005	
General supplies	16,500	387	16,887	16,518	369
Transportation supplies	258,349	15,301	273,650	270,020	3,630
Other objects	6,850	(994)	5,856	5,003	853
Total undistributed expenditures - student transportation services:	2,068,782	124,053	2,192,835	2,171,642	21,193

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Unallocated benefits - employee benefits:					
Group insurance	41,000		41,000	39,052	1,948
Social security contributions	510,855	(26,835)	484,020	473,294	10,726
Other retirement contributions - PERS	526,000	(22,072)	503,928	502,390	1,538
Other retirement contributions - regular	5,000	9,543	14,543	10,560	3,983
Unemployment compensation	1,000	(79)	921	872	49
Workmen's compensation	239,000	13,875	252,875	252,875	
Health benefits	5,473,709	(115,103)	5,358,606	5,323,304	35,302
Tuition reimbursement	40,000	10,270	50,270	49,905	365
Other employee benefits	96,329	(87,766)	8,563	8,322	241
Total unallocated benefits - employee benefits	6,932,893	(218,167)	6,714,726	6,660,574	54,152
On-behalf contributions:					
On-behalf TPAF pensions contributions (non-budgeted)				614,970	(614,970)
On-behalf TPAF OPEB (post retirement medical) contributions (non-budgeted)				1,008,319	(1,008,319)
Reimbursed TPAF social security contributions (non-budgeted)				1,172,353	(1,172,353)
Total on-behalf contributions				2,795,642	(2,795,642)
Total personal services - employee benefits	6,932,893	(218,167)	6,714,726	9,456,216	(2,741,490)
Total undistributed expenditures	20,743,303	(97,980)	20,645,323	23,150,188	(2,504,865)
Total general current expense	34,637,020	(45,581)	34,591,439	37,036,873	(2,445,434)

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Capital outlay:					
Equipment:					
Preschool	5,958		5,958	5,957	1
Kindergarten	21,122	(5,734)	15,388	15,387	1
Grades 1 to 5	58,928	(3,702)	55,226	55,225	1
Grades 6 to 8	40,884	(4,800)	36,084	36,068	16
Grades 9 to 12	101,867	25,570	127,437	121,012	6,425
School sponsored and other instructional program	15,000	(15,000)			
Undistributed - central services	7,074		7,074	7,074	
Undistributed - admin. info. tech.	44,120		44,120	44,094	26
Undistributed - care and upkeep of grounds	30,000	15,290	45,290	43,666	1,624
School buses - regular	176,558		176,558	176,379	179
School buses - special	49,654		49,654	49,653	1
Total equipment	551,165	11,624	562,789	554,515	8,274
Facilities acquisition and construction services:					
Construction services	69,200	7,298	76,498	76,497	1
Assessment for debt service	121,920		121,920	121,920	
Total facilities acquisition and construction services	191,120	7,298	198,418	198,417	1
Assets acquired under capital leases (non-budgeted)					
Undistributed expenditures:					
Computer equipment				1,143,664	(1,143,664)
TV studio upgrade				89,203	(89,203)
				1,232,867	(1,232,867)
Total assets acquired under capital leases (non-budgeted)					
Total capital outlay	742,285	18,922	761,207	1,985,799	(1,224,592)
Transfer to charter schools	59,105	26,659	85,764	85,764	
Total expenditures	35,438,410		35,438,410	39,108,436	(3,670,026)
Excess (deficiency) of revenues over (under) expenditures	(1,351,233)		(1,351,233)	(1,454,976)	(103,743)

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other financing sources:					
Operating transfer in:					
Prior year payables canceled				4,042	4,042
Operating transfer out:					
Transfer to special revenue fund - preschool program	(335,074)		(335,074)	(335,074)	
Prior year receivables canceled				(4,859)	(4,859)
Capital leases (non-budgeted)				1,232,867	1,232,867
Total other financing sources	(335,074)		(335,074)	896,976	1,232,050
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	(1,686,307)		(1,686,307)	(558,000)	1,128,307
Fund balance - July 1	3,600,682		3,600,682	3,600,682	
Fund balance - June 30	$ 1,914,375		$ 1,914,375	$ 3,042,682	$ 1,128,307

Recapitulation:	
Restricted fund balance:	
Excess surplus designated for subsequent year's expenditures	$ 1,205,775
Excess surplus - current year	978,338
Assigned fund balance:	
Year-end encumbrances	60,789
Unassigned fund balance	797,780
	3,042,682
Reconciliation to governmental fund statements (GAAP):	
Last state aid payment not recognized on GAAP basis	(1,527,754)
Fund balance per governmental funds (GAAP)	$ 1,514,928

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State sources	$ 531,156		$ 531,156	$ 487,688	$ (43,468)
Federal sources	1,897,570		1,897,570	1,606,384	(291,186)
Other sources	2,176		2,176	1,676	(500)
Total Revenues	2,430,902		2,430,902	2,095,748	(335,154)
EXPENDITURES:					
Instruction:					
Salaries of teachers	1,096,714	$ 4,877	1,101,591	990,927	110,664
Other salaries for instruction	114,817		114,817	114,817	
Purchased professional - educational services	67,197		67,197	53,392	13,805
Purchased services	16,454	58	16,512	13,424	3,088
Other purchased services	551,393	(1,351)	550,042	550,042	
General supplies	106,190	(2,748)	103,442	67,815	35,627
Textbooks	5,101		5,101	3,050	2,051
Other objects	625		625	608	17
Total instruction	1,958,491	836	1,959,327	1,794,075	165,252
Support services:					
Salaries of program directors	134,289	3,531	137,820	132,339	5,481
Salaries of other professional staff	28,057		28,057	28,057	
Salaries of secretaries and clerical assistants	30,083	(121)	29,962	29,961	1
Personal services - employee benefits	406,550	716	407,266	374,805	32,461
Purchased professional and technical services	126,502	(3,046)	123,456	53,269	70,187
Other purchased services	76,805	(1,630)	75,175	14,526	60,649
Supplies and materials	5,199	(286)	4,913	3,790	1,123
Total support services	807,485	(836)	806,649	636,747	169,902
Total expenditures	2,765,976		2,765,976	2,430,822	335,154
Other financing sources:					
Transfer in from general fund	335,074		335,074	335,074	
Total outflows	$ 2,430,902		$ 2,430,902	$ 2,095,748	$ 335,154

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT C-3

GLASSBORO SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to RSI
For the Fiscal Year Ended June 30, 2014

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

	General Fund	Special Revenue Fund
Sources/inflows of resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule.	$ 37,653,460	$ 2,095,748
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		93,495
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,445,420	38,998
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the following year.	(1,527,754)	(31,400)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - Governmental Funds.	$ 37,571,126	$ 2,196,841
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	$ 39,108,436	$ 2,095,748
Difference - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		93,495
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - Governmental Funds.	$ 39,108,436	$ 2,189,243

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

	Total Brought Forward (Exhibit E-1a)	Title I	Title I (2012-2013)	Title II Part A	Title III	Total 2014
REVENUES:						
Federal sources	$ 792,924	$ 734,415	$ 27,513	$ 29,127	$ 22,405	$ 1,606,384
State sources	487,688					487,688
Other sources	1,676					1,676
Total revenues	$ 1,282,288	$ 734,415	$ 27,513	$ 29,127	$ 22,405	$ 2,095,748
EXPENDITURES:						
Instruction:						
Salaries of teachers	$ 458,959	$ 503,949	$ 17,612		$ 10,407	$ 990,927
Other salaries for instruction	114,817					114,817
Purchased professional educational services	53,392					53,392
Purchased services	4,370	500	8,554			13,424
Other purchased services	550,042					550,042
General supplies	40,988	22,043			4,784	67,815
Textbooks	3,050					3,050
Other objects	608					608
Total instruction	1,226,226	526,492	26,166		15,191	1,794,075
Support services:						
Salaries of program directors	126,104	3,940		$ 1,000	1,295	132,339
Salaries of other professional staff	28,057					28,057
Salaries of secretarial and clerical asst.	29,961					29,961
Personal services-employees benefits	167,798	200,295	1,347	77	5,288	374,805
Purchased professional and technical services	32,919			20,350		53,269
Other purchased services	4,699	1,496		7,700	631	14,526
Supplies and materials	1,598	2,192				3,790
Total support services	391,136	207,923	1,347	29,127	7,214	636,747
Total expenditures	1,617,362	734,415	27,513	29,127	22,405	2,430,822
Other financing sources						
Transfer in from general fund	335,074					335,074
Total outflows	$ 1,282,288	$ 734,415	$ 27,513	$ 29,127	$ 22,405	$ 2,095,748

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

	Total Brought Forward (Exhibit E-1b)	Title III (2012-2013)	IDEA Basic	IDEA Basic (2012-2013)	IDEA Preschool	Total Carried Forward
REVENUES:						
Federal sources	$ 92,695	$ 384	$ 588,802	$ 86,994	$ 24,049	$ 792,924
State sources	487,688					487,688
Other sources	1,676					1,676
Total revenues	$ 582,059	$ 384	$ 588,802	$ 86,994	$ 24,049	$ 1,282,288
EXPENDITURES:						
Instruction:						
Salaries of teachers	$ 424,539			$ 34,420		$ 458,959
Other salaries for instruction	114,817					114,817
Purchased professional educational services	53,392					53,392
Purchased services	4,370					4,370
Other purchased services	3,698		$ 522,295		$ 24,049	550,042
General supplies	40,604	$ 384				40,988
Textbooks	3,050					3,050
Other objects	608					608
Total instruction	645,078	384	522,295	34,420	24,049	1,226,226
Support services:						
Salaries of program directors	47,850		39,768	38,486		126,104
Salaries of other professional staff	28,057					28,057
Salaries of secretarial and clerical asst.	22,055			7,906		29,961
Personal services-employees benefits	158,574		3,042	6,182		167,798
Purchased professional and technical services	12,579		20,340			32,919
Other purchased services	2,940		1,759			4,699
Supplies and materials			1,598			1,598
Total support services	272,055		66,507	52,574		391,136
Total expenditures	917,133	384	588,802	86,994	24,049	1,617,362
Other financing sources						
Transfer in from general fund	335,074					335,074
Total outflows	$ 582,059	$ 384	$ 588,802	$ 86,994	$ 24,049	$ 1,282,288

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

	Total Brought Forward (Exhibit E-1c)	Genesis	Perkins Basic Entitlement	ELAM	Nonpublic Textbook	Total Carried Forward
REVENUES:						
Federal sources		$ 40,000	$ 19,002	$ 33,693		$ 92,695
State sources	$ 484,638				$ 3,050	487,688
Other sources	1,676					1,676
Total revenues	$ 486,314	$ 40,000	$ 19,002	$ 33,693	$ 3,050	$ 582,059
EXPENDITURES:						
Instruction:						
Salaries of teachers	$ 391,029	$ 32,520		$ 990		$ 424,539
Other salaries for instruction	114,817					114,817
Purchased professional educational services	53,392					53,392
Purchased services			$ 4,370			4,370
Other purchased services			3,698			3,698
General supplies	11,306		9,250	20,048		40,604
Textbooks					$ 3,050	3,050
Other objects			608			608
Total instruction	570,544	32,520	17,926	21,038	3,050	645,078
Support services:						
Salaries of program directors	47,850					47,850
Salaries of other professional staff	27,057		1,000			28,057
Salaries of secretarial and clerical asst.	22,055					22,055
Personal services-employees benefits	150,942	7,480	76	76		158,574
Purchased professional and technical services				12,579		12,579
Other purchased services	2,940					2,940
Total support services	250,844	7,480	1,076	12,655		272,055
Total expenditures	821,388	40,000	19,002	33,693	3,050	917,133
Other financing sources						
Transfer in from general fund	335,074					335,074
Total outflows	$ 486,314	$ 40,000	$ 19,002	$ 33,693	$ 3,050	$ 582,059

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

	Total Brought Forward (Exhibit E-1d)	Non-public Handicapped Services			Non-public Auxiliary Services		Total Carried Forward
		Corr. Speech	Exam & Class	Supp. Inst.	Comp. Ed.	Transp.	
REVENUES:							
State sources	$ 438,426	$ 9,921	$ 10,990	$ 6,661	$ 12,239	$ 6,401	$ 484,638
Other sources	1,676						1,676
Total revenues	$ 440,102	$ 9,921	$ 10,990	$ 6,661	$ 12,239	$ 6,401	$ 486,314
EXPENDITURES:							
Instruction:							
Salaries of teachers	$ 391,029						$ 391,029
Other salaries for instruction	114,817						114,817
Purchased professional educational services	7,180	$ 9,921	$ 10,990	$ 6,661	$ 12,239	$ 6,401	53,392
General supplies	11,306						11,306
Total instruction	524,332	9,921	10,990	6,661	12,239	6,401	570,544
Support services:							
Salaries of program directors	47,850						47,850
Salaries of other professional staff	27,057						27,057
Salaries of secretarial and clerical asst.	22,055						22,055
Personal services-employees benefits	150,942						150,942
Other purchased services	2,940						2,940
Total support services	250,844						250,844
Total expenditures	775,176	9,921	10,990	6,661	12,239	6,401	821,388
Other financing sources							
Transfer in from general fund	335,074						335,074
Total outflows	$ 440,102	$ 9,921	$ 10,990	$ 6,661	$ 12,239	$ 6,401	$ 486,314

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

	Exxon/ Mobil	Preschool Education Aid (Exhibit E-2)	Non-public Nursing Services	Non-public Technology Service	Total Carried Forward
REVENUES:					
State sources		$ 429,398	$ 7,180	$ 1,848	$ 438,426
Other sources	$ 1,676				1,676
Total revenues	$ 1,676	$ 429,398	$ 7,180	$ 1,848	$ 440,102
EXPENDITURES:					
Instruction:					
Salaries of teachers		$ 391,029			$ 391,029
Other salaries for instruction		114,817			114,817
Purchased professional educational services			$ 7,180		7,180
General supplies	$ 1,676	7,782		$ 1,848	11,306
Total instruction	1,676	513,628	7,180	1,848	524,332
Support services:					
Salaries of program directors		47,850			47,850
Salaries of other professional staff		27,057			27,057
Salaries of secretarial and clerical asst.		22,055			22,055
Personal services-employees benefits		150,942			150,942
Other purchased services		2,940			2,940
Total support services		250,844			250,844
Total expenditures	1,676	764,472	7,180	1,848	775,176
Other financing sources					
Transfer in from general fund		335,074			335,074
Total outflows	$ 1,676	$ 429,398	$ 7,180	$ 1,848	$ 440,102

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Preschool Education Aid Schedules(s) of Expenditures -
Budgetary Basis
For the Fiscal Year Ended June 30, 2014

DISTRICT-WIDE TOTAL

	Total		
	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of teachers	$ 414,424	$ 391,029	$ 23,395
Other salaries for instruction	114,817	114,817	
General supplies	14,343	7,782	6,561
Total instruction	543,584	513,628	29,956
Support services:			
Salaries of program directors	47,850	47,850	
Salaries of other professional staff	27,057	27,057	
Salaries of secretarial and clerical asst.	22,055	22,055	
Personal services - employees benefits	150,942	150,942	
Other purchased services	4,000	2,940	1,060
Total support services	251,904	250,844	1,060
Total expenditures	$ 795,488	$ 764,472	$ 31,016

CALCULATION OF BUDGET & CARRYOVER

Total revised 2013-14 Preschool Education Aid Allocation	$ 450,170
Add: Actual Preschool Education Aid Carryover (June 30, 2013)	45,879
Add: Budgeted Transfer from General Fund	335,074
Total Preschool Education Aid Funds available for 2013-14 Budget	831,123
Less: 2013-14 Budgeted Preschool Education Aid (including prior year budgeted carryover)	(795,488)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2014	35,635
Add: June 30, 2014 Unexpended Preschool Education Aid	31,016
2013-14 Carryover - Preschool Education Aid/Preschool Programs	$ 66,651
2013-14 Preschool Education Aid Carryover Budgeted for Preschool Programs 2014-15	$ 35,635

PROPRIETARY FUNDS

EXHIBIT G-1

GLASSBORO SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Net Position
For the Fiscal Year Ended June 30, 2014

	Food Service Fund	Total Enterprise Fund
ASSETS		
Cash and cash equivalents	$ 77,089	$ 77,089
Receivables, net	110,081	110,081
Inventory	13,553	13,553
Capital assets, net	47,269	47,269
Total assets	247,992	247,992
NET POSITION		
Investment in capital assets, net of related debt	10,260	10,260
Unrestricted	237,732	237,732
Total net position	$ 247,992	$ 247,992

EXHIBIT G-2

GLASSBORO SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Revenues, Expenses,
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2014

	Food Service Fund	Total Enterprise Fund
Operating Revenues:		
Charges for Services:		
Daily sales - non-reimbursable programs	$ 225,182	$ 225,182
Special functions	26,086	26,086
Total operating revenue	251,268	251,268
Operating Expenses		
Cost of sales	414,291	414,291
Salaries	247,744	247,744
Employee benefits	68,545	68,545
Contracted services	38,627	38,627
Operations and maintenance	10,263	10,263
Supplies and materials	44,626	44,626
Miscellaneous expenditures	14,401	14,401
Depreciation	17,675	17,675
Total operating expenses	856,172	856,172
Operating income (loss)	(604,904)	(604,904)
Non-operating revenues (expenses):		
Interest earned	1,506	1,506
State sources:		
State school lunch program	10,339	10,339
Federal sources:		
School breakfast program	104,026	104,026
National school lunch program	419,695	419,695
Performance based lunch program	13,156	13,156
Food distribution program commodities	70,210	70,210
Total non-operating revenues (expenses)	618,932	618,932
Change in net position	14,028	14,028
Total net position - beginning	233,964	233,964
Total net position - ending	$ 247,992	$ 247,992

GLASSBORO SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2014

	Food Service Fund	Total Enterprise Fund
Cash flows from operating activities:		
Receipts from customers	$ 246,443	$ 246,443
Payments to employees	(247,744)	(247,744)
Payments for employee benefits	(68,545)	(68,545)
Payments to suppliers	(454,350)	(454,350)
Net cash provided by (used for) operating activities	(524,196)	(524,196)
Cash flows from non-capital financing activities:		
State sources	9,023	9,023
Federal sources	467,010	467,010
Net cash provided by non-capital financing activities	476,033	476,033
Cash flows from investing activities		
Interest earned	1,506	1,506
Net cash provided by investing activities	1,506	1,506
Net increase (decrease) in cash and cash equivalents	(46,657)	(46,657)
Balance - beginning of year	123,746	123,746
Balance - end of year	$ 77,089	$ 77,089
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (604,904)	$ (604,904)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	17,675	17,675
Food distribution program	70,210	70,210
(Increase) decrease in accounts receivable	(4,826)	(4,826)
(Increase) decrease in inventory	(2,351)	(2,351)
Net cash provided by (used for) operating activities	$ (524,196)	$ (524,196)

EXHIBIT G-4

GLASSBORO SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Net Position
For the Fiscal Year Ended June 30, 2014

	Workmen's Compensation Fund
ASSETS	
Cash and cash equivalents	$ 1,701
NET POSITION	
Unrestricted	$ 1,701

EXHIBIT G-5

GLASSBORO SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Revenues, Expenses,
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2014

	Workmen's Compensation Fund
Operating revenue:	
Workers' compensation contributions	$ 4,000
Operating expenses:	
Claims expense	7,090
Operating income (loss)	(3,090)
Non-operating revenues (expenses):	
Interest earned	23
Net income (loss)	(3,067)
Total net position - beginning	4,768
Total net position - ending	$ 1,701

EXHIBIT G-6

GLASSBORO SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2014

	Workmen's Compensation Fund
Cash flows from operating activities:	
Receipts for internal service activities	$ 4,000
Payments for claims	(7,090)
Net cash provided by (used for) operating activities	(3,090)
Cash flows from investing activities:	
Interest earned	23
Net cash provided by investing activities	23
Balance - beginning of year	4,768
Balance - end of year	$ 1,701
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	$ (3,090)
Net cash provided by (used for) operating activities	$ (3,090)

FIDUCIARY FUNDS

EXHIBIT H-1

GLASSBORO SCHOOL DISTRICT
Combining Statement of Fiduciary Net Position
For the Fiscal Year Ended June 30, 2014

	Unemployment Compensation Trust	Agency Funds	Total 2014
ASSETS			
Cash and cash equivalents	$ 92,657	$ 648,738	$ 741,395
Total assets	92,657	648,738	741,395
LIABILITIES			
Payroll deductions and withholdings		245,343	245,343
Accrued salaries and wages		254,652	254,652
Due to student groups		148,743	148,743
Total liabilities		648,738	648,738
NET POSITION			
Held in trust for unemployment claims	92,657		92,657
Total net position	$ 92,657		$ 92,657

EXHIBIT H-2

GLASSBORO SCHOOL DISTRICT
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2014

	Unemployment Compensation Trust	Total 2014
ADDITIONS:		
Interest earned	$ 3,298	$ 3,298
DEDUCTIONS:		
Unemployment claims	72,588	72,588
Transfer to Board of Education	256,995	256,995
Total deductions	329,583	329,583
Change in net position	(326,285)	(326,285)
Net position - beginning	418,942	418,942
Net position - end	$ 92,657	$ 92,657

EXHIBIT H-3

GLASSBORO SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2014

	Balance July 1, 2013	Cash Receipts	Cash Disbursements	Transfers	Balance June 30, 2014
ACTIVITIES:					
Dorothy L. Bullock School	$ 10,590	$ 19,793	$ 22,529	$ 185	$ 8,039
J.H. Rodgers Memorial School	1,868	3,401	3,369	92	1,992
Thomas E. Bowe School	31,464	40,332	42,472	277	29,601
Intermediate School	21,651	39,258	43,881	(86)	16,942
High School	87,571	218,728	221,830	2,655	87,124
Special Services/Other	4,894	13,205	9,931	(3,123)	5,045
	$ 158,038	$ 334,717	$ 344,012		$ 148,743

EXHIBIT H-4

GLASSBORO SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
ASSETS				
Cash and cash equivalents	$ 429,071	$ 24,865,123	$ 24,794,199	$ 499,995
Total assets	$ 429,071	$ 24,865,123	$ 24,794,199	$ 499,995
LIABILITIES				
Accrued salaries and wages	$ 213,737	$ 13,181,766	$ 13,140,851	$ 254,652
Payroll deductions and withholdings	215,334	11,683,357	11,653,348	245,343
Total liabilities	$ 429,071	$ 24,865,123	$ 24,794,199	$ 499,995

LONG-TERM DEBT

EXHIBIT I-1

GLASSBORO SCHOOL DISTRICT
Schedule of Serial Bonds
June 30, 2014

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2013	Retired	Balance June 30, 2014
Refunding School Bonds, Series 2006	12/19/06	$ 9,500,000	8/15/14	$ 1,110,000	4.000%			
			8/15/15	1,190,000	5.000%			
			8/15/16	1,300,000	5.000%			
			8/15/17	1,755,000	4.000%			
			8/15/18	1,825,000	4.000%	$ 8,230,000	$ 1,050,000	$ 7,180,000
Refunding School Bonds, Series 2009	9/10/09	4,095,000	5/15/15	360,000	4.000%			
			5/15/16	345,000	4.000%			
			5/15/17	315,000	4.000%	1,395,000	375,000	1,020,000
						$ 9,625,000	$ 1,425,000	$ 8,200,000

EXHIBIT I-2

GLASSBORO SCHOOL DISTRICT
Schedule of Obligations Under Capital Leases
For the Fiscal Year Ended June 30, 2014

Purpose	Date of Lease	Term of Lease	Amount of Original Lease Principal	Amount of Original Lease Interest	Interest Rate	Balance June 30, 2013	Issued	Retired	Balance June 30, 2014
School buses	7/30/04	10 Years	$ 121,192	$ 33,422	5.88%	$ 14,605		$ 14,605	
School buses	7/1/05	10 Years	200,100	40,831	4.17%	45,331		22,203	$ 23,128
School buses	9/13/06	10 Years	316,950	76,866	4.46%	113,252		35,041	78,211
School buses	12/19/06	10 Years	176,850	43,817	4.55%	66,548		19,441	47,107
School buses	2/21/08	10 Years	99,990	21,797	4.68%	43,508		10,143	33,365
School buses	9/12/08	10 Years	69,895	14,975	4.60%	37,152		6,777	30,375
Copiers	12/28/10	4 Years	338,273	45,247	6.29%	129,628		90,298	39,330
Network equipment	9/3/11	4 Years	79,073	5,341	3.24%	42,459		10,951	31,508
School buses	9/20/11	7 Years	81,263	7,075	2.88%	57,998		6,006	51,992
School buses	1/27/12	7 Years	44,570	3,881	2.88%	31,810		20,023	11,787
Network equipment	8/1/12	5 Years	105,285	9,669	2.14%	82,294		19,208	63,086
Computer equipment	10/16/13	5 Years	1,143,664	69,180	3.03%		$ 1,143,664	242,569	901,095
TV studio upgrade	11/15/13	4 Years	89,203	3,441	2.58%		89,203	23,161	66,042
						$ 664,585	$ 1,232,867	$ 520,426	$ 1,377,026

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	$ 1,661,980		$ 1,661,980	$1,661,980	
State sources:					
Debt service aid type II	144,982		144,982	144,982	
Total revenues	1,806,962		1,806,962	1,806,962	
EXPENDITURES:					
Regular debt service:					
Interest	381,963		381,963	381,963	
Redemption of principal	1,425,000		1,425,000	1,425,000	
Total expenditures	1,806,963		1,806,963	1,806,963	
Excess (deficiency) of revenues over (under) expenditures	(1)		(1)	(1)	
Fund balance, July 1	1		1	1	

STATISTICAL SECTION (UNAUDITED)

GLASSBORO SCHOOL DISTRICT
Statistical Section

Contents | Page

Financial Trends 99-104
These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.

Revenue Capacity 105-108
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity 109-112
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information 113-114
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information 115-119
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the district provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The District implemented GASB Statement 34 in the fiscal year ending June 30, 2003; schedules presenting district-wide information include information beginning in that year.

GLASSBORO SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
Invested in capital assets, net of related debt	$ 11,345,488	$ 6,228,177	$ 6,212,121	$ 7,185,379	$ 8,014,551	$ 8,126,925	$ 9,025,089	$ 9,878,118	$ 10,594,644	$ 10,784,196
Restricted	1,776,142	1,150,690	964,718	1,149,462	1,886,591	1,070,568	1,799,540	2,774,030	2,892,083	2,244,902
Unrestricted	(996,659)	(1,352,488)	(1,337,006)	(1,754,838)	(2,545,010)	(2,360,909)	(2,325,251)	(2,463,655)	(2,457,987)	(2,372,386)
Total governmental activities net position	$ 12,124,971	$ 6,026,379	$ 5,839,833	$ 6,580,003	$ 7,356,132	$ 6,836,584	$ 8,499,378	$ 10,188,493	$ 11,028,740	$ 10,656,712
Business-type activities:										
Invested in capital assets, net of related debt	$ 137,479	$ 122,296	$ 107,113	$ 91,930	$ 76,747	$ 61,565	$ 47,278	$ 32,990	$ 21,625	$ 10,260
Unrestricted	100,472	88,035	87,720	105,278	52,104	124,326	154,646	190,749	212,339	237,732
Total governmental activities net position	$ 237,951	$ 210,331	$ 194,833	$ 197,208	$ 128,851	$ 185,891	$ 201,924	$ 223,739	$ 233,964	$ 247,992
District-wide:										
Invested in capital assets, net of related debt	$ 11,482,967	$ 6,350,473	$ 6,319,234	$ 7,277,309	$ 8,091,298	$ 8,188,490	$ 9,072,367	$ 9,911,108	$ 10,616,269	$ 10,794,456
Restricted	1,776,142	1,150,690	964,718	1,149,462	1,886,591	1,070,568	1,800,153	2,774,030	2,892,083	2,244,902
Unrestricted	(896,187)	(1,264,453)	(1,249,286)	(1,649,560)	(2,492,906)	(2,236,583)	(2,171,218)	(2,272,906)	(2,245,648)	(2,134,654)
Total district-wide net position	$ 12,362,922	$ 6,236,710	$ 6,034,666	$ 6,777,211	$ 7,484,983	$ 7,022,475	$ 8,701,302	$ 10,412,232	$ 11,262,704	$ 10,904,704

Source: District records

GLASSBORO SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
Governmental activities:										
Instruction:										
Regular	$ 6,877,404	$ 7,094,790	$ 7,236,217	$ 7,941,161	$ 9,528,742	$ 9,786,955	$ 8,859,404	$ 8,976,002	$ 9,027,811	$ 9,702,464
Special education	5,822,337	5,876,739	5,958,477	6,181,766	2,725,660	2,890,714	3,212,700	3,188,639	4,870,826	5,025,765
Other special instruction	153,582	303,989	417,873	382,619	1,981,784	2,264,542	2,162,713	1,815,288	559,694	490,921
Other instruction	381,426	395,742	405,657	412,955	400,575	524,418	383,760	403,600	492,690	444,454
Support services:										
Tuition	1,908,293	2,127,473	2,405,530	2,375,920	2,208,288	1,962,359	1,900,756	1,995,833	2,225,349	2,209,226
Student & instructional related services	3,912,001	4,265,763	3,990,569	4,214,751	3,934,507	3,894,998	3,611,726	3,525,899	3,799,163	3,856,111
School administration services	1,168,320	1,170,793	1,264,389	1,199,725	1,326,955	1,392,744	1,349,197	1,278,562	1,400,253	701,738
General & business administrative services	1,557,927	1,583,896	1,406,119	1,387,454	1,372,823	1,476,094	1,436,766	1,512,868	1,601,083	2,349,588
Plant operations & maintenance	2,513,370	2,834,461	2,978,196	3,052,419	3,118,769	2,986,573	3,032,171	2,889,225	2,849,602	3,085,931
Pupil transportation	1,566,972	1,962,275	1,806,594	2,063,048	1,888,124	1,925,499	1,806,204	2,018,285	2,081,236	2,171,642
Employee benefits	5,333,654	5,619,361	7,077,665	7,628,471	6,935,662	7,828,318	8,221,190	8,778,641	9,482,779	9,456,216
Capital outlay	1,711,557	355,173	789,757	128,838	178,888	1,069,913	83,374	244,572	210,156	1,048,753
Special schools	97,583	110,885	119,928	107,851	124,330					
Transfer to charter school		18,609		1,957			30,665	31,661	58,539	85,764
Interest on long-term debt	816,495	784,426	600,733	687,676	644,984	528,742	531,772	493,551	438,307	381,963
Unallocated depreciation	640,201	913,832	997,395	1,018,831	1,028,800	1,027,835	975,910	1,088,023	969,265	877,168
Total governmental activities expenses	34,461,122	35,418,207	37,455,099	38,785,442	37,398,891	39,559,704	37,598,308	38,240,649	40,066,753	41,887,704
Business-type activities:										
Food service	864,934	947,715	943,211	884,958	978,790	878,870	832,884	867,873	912,712	856,172
Print shop	42,165	36,101	12,753	13,706						
Total business-type activities expenses	907,099	983,816	955,964	898,664	978,790	878,870	832,884	867,873	912,712	856,172
Total district-wide expenses	$ 35,368,221	$ 36,402,023	$ 38,411,063	$ 39,684,106	$ 38,377,681	$ 40,438,574	$ 38,431,192	$ 39,108,522	$ 40,979,465	$ 42,743,876
Program revenues:										
Governmental activities:										
Charges for services:										
General & business administrative services	$ 40,000				$ 15,000		$ 2,300	$ 7,000	$ 7,000	$ 4,000
Operating grants & contributions	4,287,305	$ 4,195,914	$ 4,114,756	$ 4,335,039	2,216,128	$ 2,418,049	2,597,744	1,937,408	2,049,157	2,196,841
Total governmental activities program revenues	4,327,305	4,195,914	4,114,756	4,335,039	2,231,128	2,418,049	2,600,044	1,944,408	2,056,157	2,200,841
Business-type activities:										
Charges for services:										
Food service	381,701	414,653	446,138	401,047	373,647	358,789	316,140	295,552	297,364	251,268
Print shop	36,578	26,471	14,825	7,999						
Operating grants & contributions	413,216	457,330	476,781	490,303	516,359	576,980	532,698	592,899	624,095	617,426
Capital grants & contributions	113,650									
Total business-type activities revenues	945,145	898,454	937,744	899,349	890,006	935,769	848,838	888,451	921,459	868,694
Total district program revenues	$ 5,272,450	$ 5,094,368	$ 5,052,500	$ 5,234,388	$ 3,121,134	$ 3,353,818	$ 3,448,882	$ 2,832,859	$ 2,977,616	$ 3,069,535
Net (expense)/revenue:										
Governmental activities	$ (30,133,817)	$ (31,222,293)	$ (33,340,343)	$ (34,450,403)	$ (35,167,763)	$ (37,141,655)	$ (34,998,264)	$ (36,296,241)	$ (38,010,596)	$ (39,686,863)
Business-type activities	38,046	(85,362)	(18,220)	685	(88,784)	56,899	15,954	20,578	8,747	12,522
Total district-wide net expense	$ (30,095,771)	$ (31,307,655)	$ (33,358,563)	$ (34,449,718)	$ (35,256,547)	$ (37,084,756)	$ (34,982,310)	$ (36,275,663)	$ (38,001,849)	$ (39,674,341)

GLASSBORO SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General revenues & other changes in net position:										
Governmental activities:										
Property taxes levied for general purposes	$ 12,238,198	$ 13,935,072	$ 15,166,787	$ 16,071,230	$ 15,480,677	$ 16,209,184	$ 16,977,715	$ 16,756,877	$ 17,377,451	$ 17,231,596
Taxes levied for debt service	1,381,574	1,463,125	1,416,064	1,295,868	1,458,054	1,462,916	1,498,557	1,464,340	1,595,013	1,661,980
Other governmental units	222,521	242,811	101,442	61,806	34,951	42,404	30,233	18,371	15,334	14,836
Unrestricted grants & contributions	14,689,267	14,898,749	15,916,503	16,687,506	18,114,603	18,287,464	17,597,793	18,955,677	19,261,387	19,497,952
Tuition received	127,730	306,216	280,458	368,546	361,318	178,711	230,822	351,180	481,604	390,457
Transportation fees	28,329	32,807	39,614	108,487	151,222	98,320	72,422	106,626	187,014	188,726
Investment earnings	70,993	117,778	123,762	80,804	20,239	19,389	3,204	35,181	37,322	30,440
Miscellaneous income	231,414	112,248	165,060	270,235	328,359	315,991	243,441	303,484	69,233	362,124
Transfers	(100,000)	(50,000)			(20,000)					
Premiums received on sale of refunding bonds			53,000							
Net proceeds refunding bond issue						30,000				
Loss on retirement of asset	(1,578)		(114,289)			(8,591)	(2,370)	(6,657)	(158,548)	(62,459)
Prior year payable canceled		30,744	42,313	45,540	15,728	459	24,366	536	2,065	4,042
Prior year receivable canceled		(7,720)	(36,917)	(4,843)	(1,259)	(14,140)	(52,279)	(259)	(17,032)	(4,859)
Capital contributed by Borough				205,394						
Contracts payable canceled							37,154			
Total governmental activities	28,888,448	31,081,830	33,153,797	35,190,573	35,943,892	36,622,107	36,661,058	37,985,356	38,850,843	39,314,835
Business-type activities:										
Investment earnings	1,546	2,742	2,722	1,690	427	141	79	1,237	1,478	1,506
Transfers	100,000	50,000			20,000					
Prior year payable canceled		5,000								
Total business-type activities	101,546	57,742	2,722	1,690	20,427	141	79	1,237	1,478	1,506
Total district-wide	$ 28,989,994	$ 31,139,572	$ 33,156,519	$ 35,192,263	$ 35,964,319	$ 36,622,248	$ 36,661,137	$ 37,986,593	$ 38,852,321	$ 39,316,341
Change in net position:										
Governmental activities	$ (1,245,369)	$ (140,463)	$ (186,546)	$ 740,170	$ 776,129	$ (519,548)	$ 1,662,794	$ 1,689,115	$ 840,247	$ (372,028)
Business-type activities	139,592	(27,620)	(15,498)	2,375	(68,357)	57,040	16,033	21,815	10,225	14,028
Total district-wide	$ (1,105,777)	$ (168,083)	$ (202,044)	$ 742,545	$ 707,772	$ (462,508)	$ 1,678,827	$ 1,710,930	$ 850,472	$ (358,000)

Source: District records

EXHIBIT J-3

GLASSBORO SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General fund:										
Restricted							$ 1,438,703	$ 2,609,121	$ 2,811,345	$ 2,184,113
Assigned							293,817	164,906	80,737	60,789
Unassigned							(647,620)	(735,302)	(736,820)	(729,974)
Reserved	$ 1,262,313	$ 874,789	$ 648,664	$ 996,598	$ 1,848,233	$ 1,012,555				
Unreserved	199,849	20,736	146,216	29,249	(739,486)	(692,331)				
Total general fund	$ 1,462,162	$ 895,525	$ 794,880	$ 1,025,847	$ 1,108,747	$ 320,224	$ 1,084,900	$ 2,038,725	$ 2,155,262	$ 1,514,928
All other governmental funds:										
Reserved	$ 17,054	$ 45,397	$ 163,463	$ 18,869	$ 7,613		$ 67,020	$ 3	$ 1	
Unreserved, reported in:										
Special revenue fund	(97,062)	(102,748)	(94,802)	(114,367)	(42,925)	$ (48,008)	(39,192)	(30,740)	(38,998)	$ (31,400)
Capital projects fund	451,378	258,847	133,722	126,382	29,611	29,611				
Debt service fund	45,397	15,978	18,869	7,613	1,134	28,402				
Total all other governmental funds	$ 416,767	$ 217,474	$ 221,252	$ 38,497	$ (4,567)	$ 10,005	$ 27,828	$ (30,737)	$ (38,997)	$ (31,400)

Source: District records

EXHIBIT J-4

GLASSBORO SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years

	Fiscal Year Ending June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Tax levy	$ 13,619,772	$ 15,398,197	$ 16,582,851	$ 17,367,098	$ 16,938,731	$ 17,672,100	$ 18,476,272	$ 18,221,217	$ 18,972,464	$ 18,893,576
Other local government units - restricted	222,521	242,811	101,442	61,806	34,951	42,404	30,233	18,371	15,334	14,836
Tuition charges	127,730	306,216	280,458	368,546	361,318	178,711	230,822	351,180	481,604	390,457
Transportation fees	28,329	32,807	39,614	108,487	151,222	98,320	72,422	106,626	187,014	188,726
Interest earnings	72,310	115,048	136,137	88,178	20,193					
Miscellaneous	229,892	114,657	165,574	267,623	340,376	356,608	264,153	352,455	133,814	394,217
State sources	17,074,723	17,189,692	18,264,328	19,453,615	18,716,904	16,130,738	18,050,221	18,830,097	19,660,761	19,954,973
Federal sources	1,901,849	1,904,971	1,743,731	1,553,782	1,601,810	4,553,547	2,127,808	2,049,184	1,622,496	1,738,144
Total revenue	33,277,126	35,304,399	37,314,135	39,269,135	38,165,505	39,032,428	39,251,931	39,929,130	41,073,487	41,574,929
Expenditures:										
Instruction:										
Regular instruction	6,842,525	7,051,020	7,208,298	7,826,444	9,486,667	9,786,955	8,810,736	8,918,629	9,033,758	9,719,620
Special education instruction	5,822,337	5,876,739	5,958,477	6,181,766	2,725,660	2,967,361	3,212,700	3,188,639	4,870,826	5,025,765
Other special instruction	153,582	303,989	417,873	382,619	1,981,784	2,264,542	2,162,713	1,815,288	559,694	490,921
Other instruction	381,426	395,742	405,657	412,955	400,575	524,418	383,760	403,600	492,690	444,454
Support services:										
Tuition	1,908,293	2,127,473	2,405,530	2,375,920	2,208,288	1,962,359	1,900,756	1,995,833	2,225,349	2,209,226
Student & instruction related services	3,912,001	4,203,444	3,960,150	4,099,478	3,888,371	3,913,014	3,604,211	3,514,360	3,816,796	3,884,301
School administrative services	1,152,566	1,161,823	1,264,389	1,199,725	1,326,955	1,392,744	1,349,197	1,278,562	1,385,088	1,410,148
Other administrative services	1,557,927	1,483,283	1,380,523	1,325,758	1,353,109	1,523,460	1,472,780	1,515,592	1,601,083	1,662,966
Plant operations & maintenance	2,513,370	2,834,461	2,978,196	3,052,419	3,118,769	2,986,573	3,032,171	2,889,225	2,849,602	3,085,931
Pupil transportation	1,566,972	1,962,275	1,806,594	2,063,048	1,888,124	1,925,499	1,806,204	2,018,285	2,081,236	2,171,642
Employee benefits	5,333,654	5,619,361	7,077,665	7,628,471	6,935,662	7,828,318	8,221,190	8,778,641	9,482,779	9,456,216
Special schools	97,583	110,885	119,928	107,851	124,330					
Transfer to charter school		18,609		1,957			30,665	31,661	58,539	85,764
Capital outlay	1,920,211	1,289,603	2,145,507	927,429	926,755	1,815,424	1,028,091	1,092,187	799,781	1,985,799
Debt services:										
Principal	1,020,000	1,055,000	1,090,000	1,135,000	1,180,000	1,280,000	1,270,000	1,305,000	1,360,000	1,425,000
Interest	816,495	784,426	600,733	687,676	644,984	528,742	531,772	493,551	438,307	381,963
Total expenditures	34,998,942	36,278,133	38,819,520	39,408,516	38,190,033	40,699,409	38,816,946	39,239,053	41,055,528	43,439,716
Excess (deficiency) of revenues over (under) expenditures	(1,721,816)	(973,734)	(1,505,385)	(139,381)	(24,528)	(1,666,981)	434,985	690,077	17,959	(1,864,787)
Other financing sources (uses):										
Capital leases (non-budgeted)	639,192	234,780	1,403,122	146,896	69,895	906,711	338,273	204,906	105,285	1,232,867
Transfers in	16,501	46,721	54,999	53,152	16,862	656	24,366	536	265,082	339,116
Transfers out	(116,501)	(73,697)	(49,603)	(12,455)	(22,393)	(14,337)	(52,279)	(259)	(280,049)	(339,933)
Contracts payable canceled							37,154			
Total other financing sources (uses)	539,192	207,804	1,408,518	187,593	64,364	893,030	347,514	205,183	90,318	1,232,050
Net change in fund balance	$ (1,182,624)	$ (765,930)	$ (96,867)	$ 48,212	$ 39,836	$ (773,951)	$ 782,499	$ 895,260	$ 108,277	$ (632,737)
Debt service as a percentage of noncapital expenditures	5.88%	5.55%	4.83%	4.97%	5.15%	4.88%	5.01%	4.95%	4.68%	4.56%

Source: District records

GLASSBORO SCHOOL DISTRICT
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Prior Year Refunds	Fees	Rentals	Tuition	Miscellaneous	Interest	Annual Totals
2005	$ 58,481	$ 13,782	$ 11,136	$ 77,558	$ 70,457		$ 231,414
2006	81,834	7,241	16,442		9,140		114,657
2007	43,317	11,118	14,769	58,333	18,654		146,191
2008	226,993	10,852	13,086		16,692		267,623
2009	294,286	9,959	17,028		19,103		340,376
2010	219,947	7,651	13,231	46,943	49,475	$ 19,361	356,608
2011	137,436	8,475	11,766	83,534	2,176	3,202	246,589
2012	129,963	9,596	13,690	146,500	74,069	35,167	408,985
2013	36,041	11,302	16,141		5,749	37,294	106,527
2014	319,872	8,101	25,309		8,842	30,417	392,541

Source: District records

GLASSBORO SCHOOL DISTRICT
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farmland	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax Exempt Property	Public Utilities	Net Valuation Taxable	Actual (County Equalized) Value	Total Direct School Tax Rate
2005	$ 19,858,200	$ 477,275,100	$ 2,317,800	$ 102,392,100	$ 8,116,200	$ 27,107,600	$ 637,067,000		$ 5,366,197	$ 642,433,197	$ 786,752,359	2.241
2006	23,327,300	488,875,300	1,838,100	102,845,600	8,116,200	28,069,100	653,071,600		4,580,500	657,652,100	918,325,985	2.414
2007	21,787,800	503,148,100	1,838,100	103,127,300	8,641,200	27,974,100	666,516,600		4,149,418	670,666,018	1,055,886,503	2.515
2008	22,372,600	506,459,500	1,963,600	103,369,100	8,641,200	28,549,700	671,355,700		3,928,717	675,284,417	1,159,972,924	2.524
2009	22,727,000	505,855,400	1,963,600	106,027,400	8,641,200	28,758,300	673,972,900		3,619,316	677,592,216	1,220,769,864	2.539
2010	21,389,800	505,513,200	2,000,800	105,460,600	8,341,200	28,817,500	671,523,100		3,637,514	675,160,614	1,245,104,896	2.677
2011	47,616,600	883,217,800	3,198,400	181,429,800	12,319,200	57,259,700	1,185,041,500		7,816,927	1,192,858,427	1,255,462,612	1.538
2012	54,928,800	883,463,400	3,198,400	182,279,800	14,400,100	54,728,000	1,192,998,500		6,250,864	1,199,249,364	1,239,822,665	1.543
2013	47,763,500	889,836,800	3,190,200	178,235,000	13,384,900	53,769,800	1,186,180,200		5,620,182	1,191,800,382	1,197,344,427	1.581
2014	44,272,900	891,128,900	2,583,200	175,876,900	13,084,900	48,249,800	1,175,196,600		5,016,335	1,180,212,935	N/A	1.629

N/A - At the time of CAFR completion, this data was not available.

Source: Municipal Tax Assessor

EXHIBIT J-7

GLASSBORO SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
(Rate Per $100 of Assessed Value)
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Glassboro School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Borough of Glassboro	Gloucester County	
2005	2.014	0.227	2.241	1.291	0.841	4.373
2006	2.185	0.229	2.414	1.388	0.885	4.687
2007	2.300	0.215	2.515	1.451	0.935	4.901
2008	2.336	0.188	2.524	1.569	1.017	5.110
2009	2.320	0.219	2.539	1.643	1.063	5.245
2010	2.455	0.222	2.677	1.643	1.089	5.409
2011	1.413	0.125	1.538	0.947	0.613	3.098
2012	1.419	0.124	1.543	0.991	0.612	3.146
2014	1.486	0.143	1.629	1.033	0.651	3.313

Source: Municipal Tax Collector

EXHIBIT J-8

GLASSBORO SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited

	2014			2005		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Park Crest Associates	$ 19,000,000	1	1.61%	$ 7,300,000	4	1.14%
Kranzco Realty Trust	17,500,000	2	1.48%	9,769,700	2	1.52%
LMX Doubletree Ctr	15,400,000	3	1.30%	10,121,500	1	1.58%
Campus - Glassboro, LLC	13,000,000	4	1.10%	7,966,000	3	1.24%
Hollybush Preservation Partners LP	9,168,800	5	0.78%			
Glassboro Plaza, LLC	8,750,000	6	0.74%	3,220,000	10	0.50%
Glassboro Properties, LLC	8,581,100	7	0.73%	4,995,000	8	0.78%
Verizon - New Jersey	5,016,335	8	0.43%	5,366,197	6	0.84%
Glassboro Associates LP	4,498,000	9	0.38%			
The Doubletree Group, LLC	4,206,000	10	0.36%			
Canglo, LLC				6,007,500	5	0.94%
Hollybush Affordable Housing Inc				5,043,900	7	0.79%
ADM Cocoa				4,149,300	9	0.65%
	$ 40,220,235		3.41%	$ 63,939,097		10.16%

Source: County Assessor

EXHIBIT J-9

GLASSBORO SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2005	$ 13,619,772	$ 13,619,772	100.00%	
2006	15,398,197	15,398,197	100.00%	
2007	16,582,851	16,582,851	100.00%	
2008	17,367,098	17,367,098	100.00%	
2009	16,938,731	16,938,731	100.00%	
2010	17,672,100	17,672,100	100.00%	
2011	18,476,272	18,476,272	100.00%	
2012	18,221,217	18,221,217	100.00%	
2013	18,972,464	18,972,464	100.00%	
2014	18,893,576	18,893,576	100.00%	

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

EXHIBIT J-10

GLASSBORO SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

	Governmental Activities						
Fiscal Year Ended June 30,	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Total District	Percentage of Personal Income	Per Capita
2005	$ 19,383,000		$ 1,321,178		$ 20,704,178	3.02%	$ 1,078
2006	18,328,000		1,292,460		19,620,460	2.69%	1,014
2007	17,185,000		2,145,849		19,330,849	2.53%	986
2008	16,050,000		1,690,551		17,740,551	2.19%	898
2009	14,870,000		1,142,577		16,012,577	1.96%	807
2010	13,560,000		1,507,732		15,067,732	1.95%	810
2011	12,290,000		1,367,777		13,657,777	1.68%	733
2012	10,985,000		1,051,848		12,036,848	1.42%	637
2013	9,625,000		664,585		10,289,585	N/A	N/A
2014	8,200,000		1,377,026		9,577,026	N/A	N/A

N/A - At the time of CAFR completion, this data was not available.

EXHIBIT J-11

GLASSBORO SCHOOL DISTRICT
Ratios of General Bonded Debt Outstanding
Last Ten 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 of Property	Per Capita
2005	$ 19,383,000		$ 19,383,000	3.02%	$ 1,009
2006	18,328,000		18,328,000	2.79%	947
2007	17,185,000		17,185,000	2.56%	877
2008	16,050,000		16,050,000	2.38%	812
2009	14,870,000		14,870,000	2.20%	749
2010	13,560,000		13,560,000	2.01%	729
2011	12,290,000		12,290,000	1.03%	660
2012	10,985,000		10,985,000	0.92%	581
2013	9,625,000		9,625,000	0.81%	N/A
2014	8,200,000		8,200,000	0.69%	N/A

N/A - At the time of CAFR completion, this data was not available.

GLASSBORO SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2014
Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Glassboro Borough	$ 40,642,589	100.00%	$ 40,642,589
Gloucester County General Obligation Debt	265,854,005	4.42%	11,750,747
Subtotal, overlapping debt			52,393,336
Glassboro District Direct Debt			8,200,000
Total direct and overlapping debt			$ 60,593,336

Sources: Debt outstanding data provided by each governmental unit.

GLASSBORO SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years
Unaudited

	Equalized valuation basis
2013	$ 1,138,587,253
2012	1,173,287,274
2011	1,200,163,561
	3,512,038,088
Average equalized valuation of taxable property	$ 1,170,679,363
Debt limit (4% of average equalized value)	$ 46,827,175
Total net debt applicable to limit	8,200,000
Legal debt margin	$ 38,627,175

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	$ 27,969,673	$ 31,069,517	$ 35,463,617	$ 40,466,500	$ 44,655,764	$ 47,435,650	$ 48,595,183	$ 48,638,352	$ 47,898,764	$ 46,827,175
Total net debt applicable to limit	19,383,000	18,328,000	17,185,000	16,050,000	14,870,000	13,560,000	12,290,000	10,985,000	9,625,000	8,200,000
Legal debt margin	$ 8,586,673	$ 12,741,517	$ 18,278,617	$ 24,416,500	$ 29,785,764	$ 33,875,650	$ 36,305,183	$ 37,653,352	$ 38,273,764	$ 38,627,175
Total net debt applicable to the limit as a percentage of debt limit	69.30%	58.99%	48.46%	39.66%	33.30%	28.59%	25.29%	22.59%	20.09%	17.51%

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

EXHIBIT J-14

GLASSBORO SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Population	Personal Income	Per Capita Personal Income *	Unemployment Rate
2004	19,187	$ 655,101,741	$ 34,143	8.00%
2005	19,212	685,753,128	35,694	5.90%
2006	19,351	728,178,130	37,630	6.40%
2007	19,603	765,536,356	39,052	5.80%
2008	19,762	808,226,276	40,898	7.40%
2009	19,841	814,909,552	41,072	10.90%
2010	18,594	774,681,822	41,663	11.60%
2011	18,626	813,173,908	43,658	11.30%
2012	18,897	847,870,596	44,868	11.50%
2013	18,953	N/A	N/A	7.90%
2014	N/A	N/A	N/A	N/A

N/A At the time of CAFR completion, this data was not available.
* Represents information for Gloucester County.

Source:
Population information provided by the NJ Department of Labor and Workforce Development.
Personal income has been estimated based upon the municipal population and per capita personal income presented.
Per capita personal income estimated based upon the Census published by the U.S. Bureau of Economic Analysis.
Unemployment data provided by the NJ Department of Labor and Workforce Development.

GLASSBORO SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago
Unaudited

	2014			2005		
Employer	Employees	Rank	% of Total Municipal Employment	Employees	Rank	% of Total Municipal Employment
Underwood Memorial Hospital	1,825	1	N/A			
Kennedy Memorial Hospital	1,675	2	N/A			
Washington Township School District	1,598	3	N/A			
Rowan University	1,483	4	N/A			
County of Gloucester	1,425	5	N/A	Information not available		
Missa Bay, LLC	950	6	N/A			
Monroe Township School District	792	7	N/A			
US Foodservices	725	8	N/A			
Exxon Mobil Research & Engineering	540	9	N/A			
LaBrea Bakery	525	10	N/A			
	11,538					

Source: Gloucester County Department of Economic Development and Employer Directly

Note: The information provided is for the County of Gloucester. Information at the municipal level is not readily available.

EXHIBIT J-16

GLASSBORO SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
Unaudited

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Instruction										
Regular	145	155.5	157	164	158	163	135	138	138.8	136
Special education	72	69	70	66	64	66	61.3	59.8	52.5	53
Other instruction	6	10.5	13	15	14	9	4.5	7.2	9.2	14.3
Support Services										
Student & instruction related services	43	47.5	47	43	47.5	50.5	38.2	39.2	40.7	38.5
General administration	2	2	2	2	3	3	2.1	2.1	2.6	2.1
School administrative services	16	17	16	18	18	18	17.5	17.0	17.0	18
Other administrative services	3	3	3	3	3	3	3	3	3	5
Central services	9	9	9	9	7	7	7	7	7	7.5
Administrative information technology	2	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3
Plant operations & maintenance	36.5	38.5	38.5	38.5	38.5	41.0	44.3	38.6	38.6	39.7
Pupil transportation	32.5	32.5	32.5	39.0	40.0	43.0	28	30	29	33
Other support services	2	2	2	2	1	1	1	1	1	
Total	369	389	392.5	402.0	396.5	407.0	344.4	345.8	341.4	350.1

Source: District Personnel Records

GLASSBORO SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio Elementary	Pupil/Teacher Ratio Middle	Pupil/Teacher Ratio High	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change Average Daily Enrollment	Student Attendance Percentage
2005	2,369	$ 31,242,236	$ 13,188	4.15%	198	12	12	12	2,324	2,197	-4.36%	95%
2006	2,405	33,149,104	13,783	4.52%	204	12	12	12	2,347	2,212	0.99%	94%
2007	2,372	34,983,280	14,748	7.00%	206	12	10	11	2,375	2,216	1.19%	93%
2008	2,334	36,658,411	15,706	6.49%	207	21	19	21	2,248	2,135	-5.35%	95%
2009	2,298	35,438,294	15,421	4.56%	199	22	22	20	2,215	2,097	-6.74%	95%
2010	2,215	37,075,243	16,738	8.54%	198	13	11	17	2,115	2,000	-4.51%	95%
2011	2,234	35,987,083	16,109	-3.76%	182	18	26	18	2,217	2,085	4.82%	94%
2012	2,212	36,348,315	16,432	2.01%	183	18	12	10	2,222	2,121	0.23%	95%
2013	2,243	38,457,440	17,146	4.34%	197	11	6	9	2,181	2,061	-1.85%	94%
2014	2,209	39,646,954	17,948	4.68%	191	13	11	11	2,195	2,074	0.64%	94%

Source: Enrollment based on annual October District count.

GLASSBORO SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

District Building	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Elementary										
J. Harvey Rogers (1959)										
Square feet	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192
Capacity (students)	289	289	289	289	289	289	289	289	289	289
Enrollment	291	296	343	341	341	299	338	335	326	319
Dorothy Bullock (1993)										
Square feet	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700
Capacity (students)	580	580	580	580	580	580	580	580	580	580
Enrollment	536	544	521	510	510	481	480	479	497	503
Thomas E. Bowe (1972)										
Square feet	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514
Capacity (students)	571	571	571	571	571	571	571	571	571	571
Enrollment	492	700	522	523	523	490	470	459	446	450
Middle										
Intermediate (1934)										
Square feet	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671
Capacity (students)	466	466	466	466	466	466	466	466	466	466
Enrollment	332	339	327	314	314	346	341	315	331	292
High										
Glassboro High (1966)										
Square feet	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915
Capacity (students)	765	765	765	765	765	765	765	765	765	765
Enrollment	718	726	659	646	646	599	614	624	643	631

Number of Schools at June 30, 2014
Elementary = 3
Middle = 1
High = 1

Source: District Office

GLASSBORO SCHOOL DISTRICT
General Fund
Schedule of Required Maintenance Expenditures by School Facility
Last Ten Fiscal Years Ending June 30
Unaudited

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

* School Facilities	Gross Square Footage	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Administration		$ 24,759	$ 39,001	$ 40,411	$ 26,774	$ 25,069	$ 25,743	$ 26,936	$ 25,583	$ 27,824	$ 39,007	$ 301,107
Elsmere		1,994	1,080	1,500	1,500	2,581	3,591	4,791	1,915			18,952
High School	113,915	82,302	91,914	84,786	59,154	54,168	72,096	70,906	100,072	81,889	106,177	803,464
Intermediate	60,671	53,479	59,047	47,775	39,017	43,561	40,878	44,128	67,500	46,429	53,973	495,787
Bowe	75,514	41,347	38,311	34,857	19,122	22,846	23,169	25,876	23,325	27,518	21,148	277,519
Bullock	87,700	67,838	64,054	61,322	40,341	36,408	39,850	44,110	73,998	52,863	34,680	515,464
Rodgers	39,192	40,686	42,032	37,602	22,298	21,967	22,540	20,114	32,504	20,920	37,248	297,911
Total School Facilities		$ 312,405	$ 335,439	$ 308,253	$ 208,206	$ 206,600	$ 227,869	$ 236,861	$ 324,897	$ 257,443	$ 292,233	$ 2,710,206

* School facilities as defined under EFCFA.
(NJAC 6A:26-1.2 and NJAC 6:24-1.3)

Source: District records

GLASSBORO SCHOOL DISTRICT
Insurance Schedule
June 30, 2014
Unaudited

	Coverage	Deductible
School Package Policy (Utica National Insurance Group)		
Property - Blanket Buildings & Grounds	$ 89,616,537	$ 1,000
Commercial General Liability	3,000,000	
Commercial Inland Marine - Data Processing	2,005,000	250
Commercial Crime (Western Surety Company)		
Employee Theft	50,000	
Commercial Automobile Liability (Utica National Insurance Group)	1,000,000	1,000
Workers Compensation (Educational Risk Consortium)	2,000,000	
Commercial Umbrella Liability (Utica National Insurance Group)	10,000,000	
Student Accident Coverage (AIG Life Insurance)	250,000	
Surety Bonds		
Treasurer (Western Surety Company)	259,000	
Business Administrator/Board Secretary (Selective Insurance)	50,000	

Source: District records.

SINGLE AUDIT SECTION

PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants
102 West High Street, Suite 100 • P.O. Box 279 • Glassboro, NJ 08028
(856) 881-1600 • Fax (856) 881-6860

MEMBER: AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Nick L. Petroni, CPA, RMA

Mary A. Carey, RMA
Wendy G. Fama, CPA
Denise R. Nevico, CPA
Deanna L. Roller, CPA, RMA

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

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Glassboro School District
560 Joseph Bowe Boulevard
Glassboro, New Jersey 08028

We have audited, in accordance with the auditing standards generally accepted in the United States of America and 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 Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Glassboro School District, in the County of Gloucester, State of New Jersey, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Glassboro School District's basic financial statements and have issued our report thereon dated August 21, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Glassboro School District's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Glassboro School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Glassboro School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PETRONI & ASSOCIATES LLC

Nick L. Petroni
Certified Public Accountant
Licensed Public School Accountant #542

August 21, 2014

PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants
102 West High Street, Suite 100 • P.O. Box 279 • Glassboro, NJ 08028
(856) 881-1600 • Fax (856) 881-6860

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY OMB CIRCULAR A-133 AND NEW JERSEY OMB 04-04

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Glassboro School District
560 Joseph Bowe Boulevard
Glassboro, New Jersey 08028

Report on Compliance for Each Major Federal and State Program

We have audited the Glassboro School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Glassboro School District's major federal and state programs for the year ended June 30, 2014. Glassboro School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Glassboro School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and OMB Circular A-133 and

New Jersey OMB's 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Glassboro School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Glassboro School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Glassboro School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of Glassboro School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Glassboro School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133, and New Jersey OMB's 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 Glassboro School District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and 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 and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and New Jersey OMB's 04-04. Accordingly, this report is not suitable for any other purpose.

Report on Schedules of Expenditures of Federal Awards and State Financial Assistance Required by OMB Circular A-133 and New Jersey OMB 04-04

We have audited the financial statements Glassboro School District as of and for the year ended June 30, 2014, and have issued our report thereon dated August 21, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and New Jersey OMB 04-04 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditure of federal awards and state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

PETRONI & ASSOCIATES LLC

Nick L. Petroni
Certified Public Accountant
Licensed Public School Accountant #542

August 21, 2014

SCHEDULE A
EXHIBIT K-3

GLASSBORO SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance June 30, 2013	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2014 Accounts Receivable	Balance at June 30, 2014 Deferred Revenue	Balance at June 30, 2014 Due to Grantor	Cumulative Total Expenditures
U.S. Department of Education															
General Fund:															
Medical Assistance Program (SEMI)	93.778	N/A	$ 38,265	7/1/13	6/30/14			$ 38,265	$ (38,265)						$ 38,265
Total General Fund								38,265	(38,265)						38,265
U.S. Department of Education															
Passed-through State Department of Education															
Special Revenue Fund:															
Title I, Part A	84.010	NCLB173014	868,619	9/1/13	6/30/14			580,746	(734,415)			$ (153,669)			734,415
Title I, Part A	84.010	NCLB173013	730,915	9/1/12	8/31/13	$ (102,150)		129,663	(27,513)						630,596
IDEA Part B, Basic Regular	84.027	FT173014	605,257	9/1/13	6/30/14			464,554	(588,802)			(124,248)			588,802
IDEA Part B, Basic Regular	84.027	FT173013	637,233	9/1/12	8/31/13	(257,872)		344,674	(86,994)	$ 192 a					632,573
IDEA Part B, Preschool	84.173	FT173014	26,461	9/1/13	6/30/14			19,239	(24,049)			(4,810)			24,049
IDEA Part B, Preschool	84.173	FT173013	25,552	9/1/12	8/31/13	(9,640)		9,640							23,140
Title II Part A	84.367	NCLB173014	148,597	9/1/13	6/30/14			27,617	(29,127)			(1,510)			29,127
Title II Part A	84.367	NCLB173013	172,918	9/1/12	8/31/13	(36,332)		36,332							170,849
Title III	84.365	NCLB173014	22,405	9/1/13	6/30/14			19,724	(22,405)			(2,681)			22,405
Title III	84.365	NCLB173013	20,629	9/1/12	8/31/13	(2,932)		3,316	(384)						20,629
Perkins Basic Entitlement	84.048	14-100-034-5060-027	21,339	7/1/13	6/30/14			11,223	(19,002)			(7,779)			19,002
Perkins Basic Entitlement	84.048	13-100-034-5060-027	18,711	7/1/12	6/30/13	(5,460)		5,460							18,681
ELAM	84.027A	N/A	50,000	7/1/13	8/31/14			23,717	(33,693)			(9,976)			33,693
U.S. Department of Housing and Urban Development															
Passed-through County of Gloucester															
Special Revenue Fund:															
Genesis	14.218	N/A	40,000	9/1/13	8/31/14			9,756	(40,000)			(30,244)			40,000
Genesis	14.218	N/A	50,000	9/1/12	8/31/13	(28,812)		28,812							50,000
Total Special Revenue Fund						(443,198)		1,714,473	(1,606,384)	192		(334,917)			3,037,961
U.S. Department of Agriculture															
Passed-through State Department of Education:															
Enterprise Fund:															
Food Distribution Program	10.550	N/A	70,210	7/1/13	6/30/14			70,210	(67,489)				$ 2,721		67,489
Food Distribution Program	10.550	N/A	64,279	7/1/12	6/30/13	2,079			(2,079)						62,200
School Breakfast Program	10.553	N/A	104,026	7/1/13	6/30/14			82,887	(104,026)			(21,139)			104,026
School Breakfast Program	10.553	N/A	104,963	7/1/12	6/30/13	(20,742)		20,742							104,963
National School Lunch Program	10.555	N/A	432,851	7/1/13	6/30/14			351,897	(432,851)			(80,954)			432,851
National School Lunch Program	10.555	N/A	443,781	7/1/12	6/30/13	(78,635)		78,635							443,781
Total Enterprise Fund						(97,298)		604,371	(606,445)			(102,093)	2,721		1,215,310
Total Federal Financial Awards						$ (540,496)		$ 2,357,109	$ (2,251,094)	$ 192		$ (437,010)	$ 2,721		$ 4,291,536

a = payable canceled

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

GLASSBORO SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2014

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance June 30, 2013 Deferred Revenue (Accounts Receivable)	Balance June 30, 2013 Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance June 30, 2014 Accounts Receivable	Balance June 30, 2014 Deferred Revenue/ Interfund Payable	Balance June 30, 2014 Due to Grantor	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
State Department of Education															
General Fund:															
Extraordinary Aid	14-100-034-5120-473	$ 169,122	7/1/13	6/30/14					$ (169,122)		$ (169,122)				$ 169,122
Extraordinary Aid	13-100-034-5120-473	105,038	7/1/12	6/30/13	$ (105,038)			$ 105,038							105,038
Special Education Categorical Aid	14-495-034-5120-089	1,173,519	7/1/13	6/30/14				1,173,519	(1,173,519)					$ 108,560	1,173,519
Equalization Aid	14-495-034-5120-078	14,747,822	7/1/13	6/30/14				14,747,822	(14,747,822)					108,560	14,747,822
Security Aid	14-495-034-5120-084	259,267	7/1/13	6/30/14				259,267	(259,267)					23,984	259,267
School Choice Aid	14-495-034-5120-068	115,088	7/1/13	6/30/14				115,088	(115,088)					10,647	115,088
Transportation Aid	14-495-034-5120-014	108,428	7/1/13	6/30/14				108,428	(108,428)					10,030	108,428
Reimbursement of Nonpublic Transportation	N/A	20,570	7/1/13	6/30/14					(20,570)		(20,570)				20,570
Reimbursement of Nonpublic Transportation	N/A	24,958	7/1/12	6/30/13	(24,958)			24,958							24,958
Medicaid Administrative Claiming Program	N/A	7,581	7/1/13	6/30/14				7,581	(7,581)						7,581
On-behalf TPAF Pension Contribution	14-495-034-5095-006	614,970	7/1/13	6/30/14				614,970	(614,970)						614,970
On-behalf TPAF Postretirement Contribution	14-495-034-5095-001	1,008,319	7/1/13	6/30/14				1,008,319	(1,008,319)						1,008,319
Reimbursed TPAF Social Security Aid	14-495-034-5095-002	1,172,353	7/1/13	6/30/14				1,172,353	(1,172,353)						1,172,353
Reimbursed TPAF Social Security Aid	13-495-034-5095-002	1,120,643	7/1/12	6/30/13	(54,838)			54,838							1,120,643
Total General Fund					(184,834)			19,392,181	(19,397,039)		(189,692)			261,781	20,647,678
Special Revenue Fund:															
Preschool Education Aid	14-495-034-5120-086	450,170	7/1/13	6/30/14			$ 10,244	450,170	(429,398)			$ 31,016		31,400	397,998
Preschool Education Aid	13-495-034-5120-086	423,738	7/1/12	6/30/13	35,635							35,635			404,759
Preschool Education Aid	12-495-034-5120-086	423,168	7/1/11	6/30/12	10,132		(10,132)								426,563
Preschool Education Aid	11-495-034-5120-086	450,508	7/1/10	6/30/11	112		(112)								433,852
NJ Nonpublic Aid:															
Textbook Aid	14-100-034-5120-064	5,101	7/1/13	6/30/14				5,101	(3,050)				$ 2,051		3,050
Textbook Aid	13-100-034-5120-064	4,703	7/1/12	6/30/13		$ 299				$ (299)					4,404
Auxiliary Services:															
Compensatory Education	14-100-034-5120-067	18,832	7/1/13	6/30/14				18,832	(12,239)				6,593		12,239
Compensatory Education	13-100-034-5120-067	34,279	7/1/12	6/30/13		15,385				(15,385)					18,894
Transportation	14-100-034-5120-067	7,475	7/1/13	6/30/14				7,475	(6,401)				1,074		6,401
Transportation	13-100-034-5120-067	7,101	7/1/12	6/30/13		2,173				(2,173)					4,928
Handicapped Services:															
Corrective Speech	14-100-034-5120-066	9,999	7/1/13	6/30/14				9,999	(9,921)				78		9,921
Corrective Speech	13-100-034-5120-066	11,718	7/1/12	6/30/13		1,562				(1,562)					10,156
Examination and Classification	14-100-034-5120-066	13,218	7/1/13	6/30/14				13,218	(10,990)				2,228		10,990
Examination and Classification	13-100-034-5120-066	14,970	7/1/12	6/30/13		4,944				(4,944)					10,026
Supplementary Instruction	14-100-034-5120-066	7,077	7/1/13	6/30/14				7,077	(6,661)				416		6,661
Supplementary Instruction	13-100-034-5120-066	8,326	7/1/12	6/30/13		902				(902)					7,424
Nursing Services Aid	14-100-034-5120-070	7,180	7/1/13	6/30/14				7,180	(7,180)						7,180
Technology Initiative	14-100-034-5120-373	1,860	7/1/13	6/30/14				1,860	(1,848)				12		1,848
Total Special Revenue Fund					45,879	25,265		520,912	(487,688)	(25,265)		66,651	12,452	31,400	1,777,294
Debt Services Fund:															
Debt Service Aid Type II	14-100-034-5120-125	144,982	7/1/13	6/30/14				144,982	(144,982)						144,982
Total Debt Service Fund								144,982	(144,982)						144,982

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

GLASSBORO SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2014

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance June 30, 2013 Deferred Revenue (Accounts Receivable)	Balance June 30, 2013 Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance June 30, 2014 Accounts Receivable	Balance June 30, 2014 Deferred Revenue/ Interfund Payable	Balance June 30, 2014 Due to Grantor	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
State Department of Agriculture															
Enterprise Fund:															
National School Lunch Program (State Share)	14-100-010-3350-023	10,339	7/1/13	6/30/14				8,403	(10,339)		(1,936)				10,339
National School Lunch Program (State Share)	13-100-010-3350-023	11,072	7/1/12	6/30/13	(1,927)			1,927							11,072
Total Enterprise Fund					(1,927)			10,330	(10,339)		(1,936)				21,411
Total State Financial Assistance					$ (140,882)	$ 25,265		$ 20,068,405	$ (20,040,048)	$ (25,265)	$ (191,628)	$ 66,651	$ 12,452	$ 293,181	$ 22,591,365

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

GLASSBORO SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2014

NOTE 1: GENERAL

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

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the 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 GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of one or more deferred June state aid payments in the current budget year, which is mandated pursuant to NJSA 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June 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, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with NJSA 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $82,334 for the general fund and $101,093 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 follows:

GLASSBORO SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2014

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

	Federal	State	Total
General fund	$ 38,265	$ 19,314,705	$ 19,352,970
Special revenue fund	1,699,879	495,286	2,195,165
Debt service fund		144,982	144,982
Food service fund	607,087	10,339	617,426
Total awards & financial assistance	$ 2,345,231	$ 19,965,312	$ 22,310,543

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: ADJUSTMENTS

The amounts reported as adjustments on Schedule B are the result of the liquidation of encumbrances charged as budgetary basis expenditures in the prior fiscal year.

NOTE 6: OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2014. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2014.

GLASSBORO SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:		Unmodified	
Internal control over financial reporting:			
1) Material weakness(es) identified?	_____ yes	X	no
2) Significant deficiencies identified?	_____ yes	X	none reported
Noncompliance material to basic financial statements noted?	_____ yes	X	no

Federal Awards

Internal Control over major programs:			
1) Material weakness(es) identified?	_____ yes	X	no
2) Significant deficiencies identified?	_____ yes	X	none reported
Type of auditor's report issued on compliance for major programs:		Unmodified	
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 programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.010	Title I, Part A

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

Auditee qualified as low-risk auditee? X yes _____ no

GLASSBORO SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Section I - Summary of Auditor's Results (continued)

State Awards

Dollar threshold used to distinguish between type A and type B programs: $601,201

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

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: Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04? ____ yes X no

Identification of major programs:

GMIS Number(s)	Name of State Program
	State Aid Public Cluster:
495-034-5120-089	Special Education Categorical Aid
495-034-5120-078	Equalization Aid
495-034-5120-084	Security Aid
495-034-5120-068	School Choice Aid
495-034-5095-002	Reimbursed TPAF Social Security Aid
495-034-5120-086	Preschool Education Aid

GLASSBORO SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs

FEDERAL AWARDS

No matters were reported.

STATE AWARDS

No matters were reported.

EXHIBIT K-7

GLASSBORO SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

No matters were reported.