MONMOUTH REGIONAL HIGH SCHOOL DISTRICT

Monmouth regional high school
board of education
Tinton falls, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2008

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INTRODUCTORY SECTION

MONMOUTH REGIONAL HIGH SCHOOL BOARD OF EDUCATION
Eatontown * Shrewsbury Township * Tinton Falls

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Maria Anne Parry, CPA, PSA
School Business Administrator/
Secretary to the Board

September 30, 2008

Honorable President and
Members of the Board of Education
Monmouth Regional High School District
County of Monmouth
Tinton Falls, New Jersey

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report of the Monmouth Regional High School District (District) for the fiscal year ended June 30, 2008 is hereby submitted in accordance with Governmental Accounting Standards Board Statement 34 and 44. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Monmouth Regional High School Board of Education (Board). To the best of our knowledge and belief, 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 of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections as follows:

- The Introductory Section includes this transmittal letter, the District's organizational chart, a list of principal officials, and a list of consultants and advisors.

- The Financial Section includes the basic financial statements and schedules, as well as the auditor's report thereon.

- The Statistical Section includes selected financial and demographic information, generally presented on a multi year basis.

- The Single Audit Section which states that the District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

SCHOOL DISTRICT ORGANIZATION

The Monmouth Regional High School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14 and Statement 34. All funds and account groups of the district as included in this report. The Monmouth Regional High School Board of Education constitutes the district's reporting entity.

The district provides a full range of educational services appropriate to grade levels 9 through 12. These include regular and vocational as well as special education for handicapped students. The District completed the 2007-2008 fiscal year with an enrollment of 1,218 students. Enrollment is defined as students on roll and students placed out of district. Established in 1961, the district is one building which encompasses over 79 acres, 9 wings, 2 floors, 2 gymnasiums, full service cafeteria and state of the art fitness and performing arts centers comprise the district's school facilities.

The district receives students from three towns: Shrewsbury Township, Eatontown and Tinton Falls. In addition to the three towns, the district serves the students of Naval Weapons Station Earle and Fort Monmouth. Shrewsbury Township is the smallest of the three sending towns, spanning only about a few blocks in length. Eatontown is the next largest township and Tinton Falls has the largest square miles of the sending towns.

The Board of Education is comprised of members from all three sending districts. Four members are from Tinton Falls, four are from Eatontown and one is from Shrewsbury Township. All receive equal weight votes and three are elected to three-year terms each April. The Board of Education meets on the first and third Tuesday of the month for regular board meetings. The meetings held on the third Tuesday are more financial in nature than on the first Tuesday of the month. The Board of Education also has two student representatives with non-voting rights on the board. A Junior Class Representative and a Senior Class Representative are selected to sit on the board and give reports at each meeting. During its meetings the board determines district goals and priorities and conducts the business of the Board of Education. All Board meetings are open to the public and begin at 7:45 p.m.

The Monmouth Regional PTSA is very active in the District and provides community support for a variety of programs and activities for the students. There are active booster clubs for the athletic teams, band, and performing arts faction of the school. Additionally there are fourteen private scholarship funds graduating students. All associations/clubs and scholarships are very supportive to the students and the district. In September 2007, a family donated monies towards a summer internship program in the technology department. This internship, funded for a minimum of five years, allows a current or recently graduated Monmouth Regional student to work in the district's information technology department. This same family also donated funds to purchase a $25,000 projector which now is housed in the PAC. The Monmouth Regional High School Board of Education is very grateful to this family for their generousity.

To maintain effective communications, the newsletter named ***The Regional Reporter*** is published four times each year. A district newsletter is mailed home four times a year. Information about the budget is mailed in a special newsletter to all members of the community during the budget review process. The students publish a student newspaper entitled ***The Falconaire*** which is published approximately eight times during the school year. Both newsletters are also shown on the district's website: www.monmouthregional.net which houses various pieces of information about the district and has contact information for a user to navigate to. In the 2007-2008 school year, the *Falconaire Newspaper* went online and began to publish an online expanded version of the school newspaper. This has proven to be very successful for both students and the school.

The current district website of www.monmouthregional.net was expanded to include public information and continues to be a source of all information for any individual who as internet access.

EDUCATIONAL PROGRAM / REPORTING ENTITY AND ITS SERVICES

As stated earlier, the District completed the 2007-2008 fiscal year with an enrollment of 1,218 students. Enrollment is defined as students on roll and students placed out of district. The following details the changes in the student enrollment of the District over the last five years.

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2007-2008	1,173.2	.23%
2006-2007	1,170.4	(4.22)%
2005-2006	1,222.0	1.28%
2004-2005	1,206.5	2.13%
2003-2004	1,181.3	6.50%

(Mural of Monmouth Regional High School by Grace Chung, Class of 2006)

The District provides a full range of educational services appropriate to grade levels 9 through 12. The school follows the district-wide goals and educational approaches to the teaching of children, while maintaining a unique personality that make up that particular school. All curricula in our district have been aligned to the New Jersey Core Curriculum Content Standards.

High School: The building has one Principal, two Assistant-Principals, and two school nurses. The rest of the administrative team is made up of the following individuals:

A. Supervisors:
    a. Applied Technology
    b. English
    c. Math
    d. Physical Education
    e. Science
    f. Social Sciences/World Language/ESL
    g. Music/Library (supervised by Assistant Principal)
    h. Special Education Instructional Supervision
B. Director of Athletics
C. Director of Guidance
D. Director of Special Services
    a. Child Study Team
    b. Special Education Instructional Supervisor
    c. Basic Skills Instruction
    d. Special Education Department

In August 2008, the positions of Math Supervisor and Science Supervisor were combined into one position due to a retirement and the continuing effort of the Administration to consolidate positions. Additionally, due to another retirement in February 2008, the positions of Supervisor of CST and Supervisor of Special Education were also combined, creating future savings for the 2009-2010 budget year.

The school can be best described as a warm, friendly and full of school spirit environment.

Monmouth Regional High School offers a comprehensive educational program that was developed to meet the needs of all students, whether they are in the need of advanced placement courses, remedial instruction, or something in between.

The English Department presents a variety of activities within its course content. Reading discussions in both large and small group settings, short story and poetry writing, dramatic recitation, audio and video presentations, and other techniques enhance class format. Teachers have utilized the team teaching practice, implemented higher level thinking skills in its teaching practice, and developed longitudinal portfolios to support college application trends. The English Department has instituted a drop-in computer lab that is staffed by an English teacher.

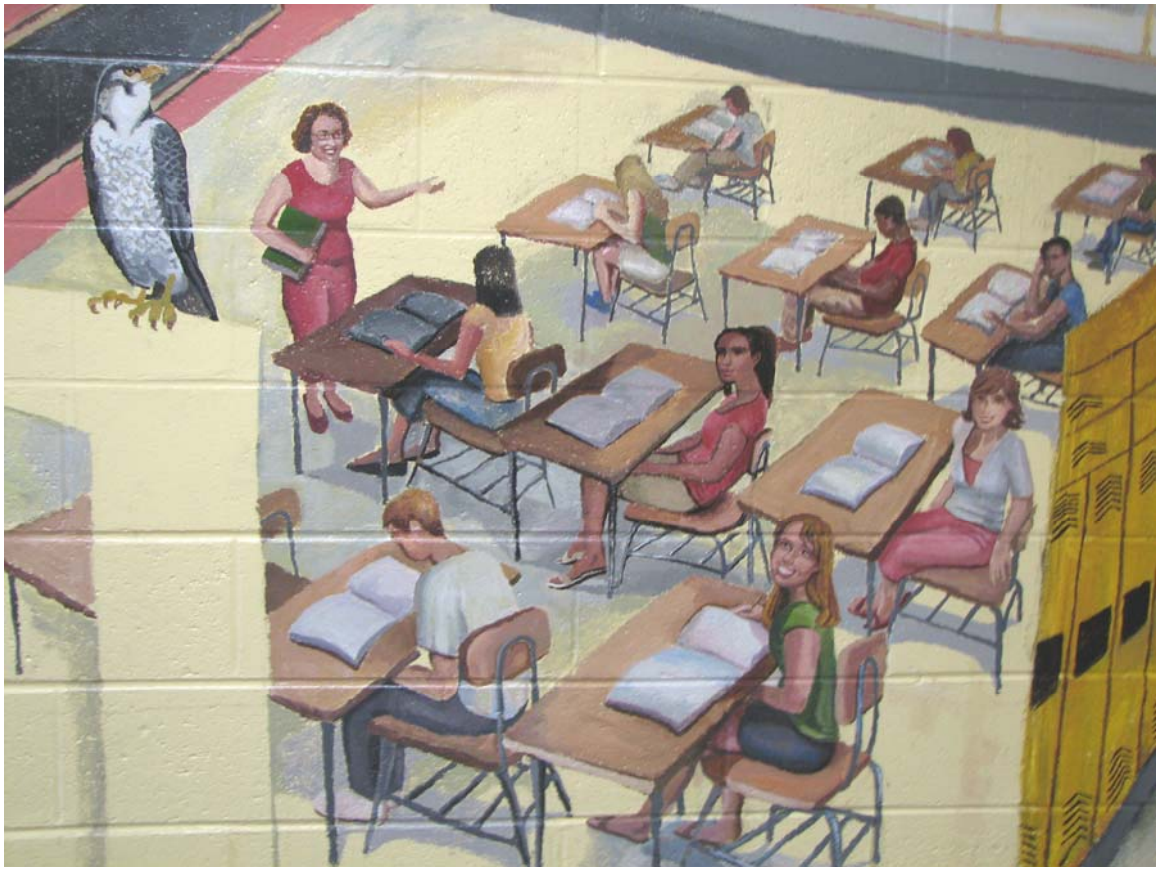
The Mathematics Department offers a wide variety of courses, both in mathematics and computer science, to meet the needs of the students. To meet this need, the staff incorporates small group instruction as well as peer-to-peer tutoring. A two-year Algebra 1 course was added to give all students access to algebra. An additional course of study in Flash Technology was added in 2007-2008 due to the student's requests for the program. Students are given the opportunity to see mathematics in real-life applications through the addition of a Probability and Statistics course. The department is committed to excellence in mathematics education and its desire to enlighten the students on the power of mathematics.

The Science Department offers courses at different levels allowing students of diverse abilities to enroll in science classes. The students are engaged in cooperative learning activities as well as research projects as part of their science experience. Innovative Forensics and Med-Tech programs meet the needs of students of all ability levels.

The Social Studies Department offers a wide variety of courses including World History, America Since 1945, Sociology, Psychology, and African American Studies. The curricula incorporate human rights issues along with tolerance for all. The department supports clubs such as "Adopt a Survivor", "Heifer International", "As One (support for Uganda students)" and "Support the Troops" that reinforce the students' skills and course content.

The Special Education Department at Monmouth Regional High School is all-inclusive and consists of two separate child study teams. It offers a curriculum which has established priorities, objectives, and goals for all courses and units within the program that are based on clearly defined expectations for all students. The learning expectations of the special education curriculum address the diverse learning needs of the students without compromising the essential knowledge and skills students are expected to learn. The Special Education Department employs a multi-sensory and teacher-centered format for the learning disabled student. Individualized programs such as the Wilson Reading Program, Study Island, and the Career Training Program are used to address the unique needs of our classified high school students. In addition, an effective inclusion program was developed that gives all students an opportunity to be integrated into the school community.

The school's World Language Department offers programs that provide a core curriculum in four language skills: listening, speaking, reading, and writing. Its wide range of offerings promotes tolerance and embrace diversity. Students are encouraged to think beyond their own backgrounds and value the differences within the world community.



(Mural of Monmouth Regional High School by Grace Chung, Class of 2006)

The Physical Education Department offers a wide variety of activities that allow students to develop socially, emotionally, cognitively, and physically. Students are involved in many activities including the use of the fitness center and the Adventure Training course. The low elements course was built in 2005 while the high elements course was erected in 2006. Students are taught teamwork, problem-solving, and motivational techniques throughout these activities. Included as part of the Physical Education Department are drivers' education and health. Additional equipment was purchased in 2008 to add to the fitness center to expand the healthy lifestyle program. The Health curriculum was designed to teach students life skills. Activities in the classes foster communication skills and cooperative learning that teach, among other things, respect.

The Business Department identifies elective courses including vocational cooperative marketing and life skills designed to encourage problem-solving, critical thinking and intellectual inquiry. This is an extensive, practical program grounded in accomplishing the goals set before them. Students are afforded the opportunity to express themselves creatively and develop their own imagination while gaining a broad appreciation of the business world.

The Family and Consumer Science Department offers courses across four areas: foods, child development, clothing, and fashion design. These programs were designed to prepare students for the working world as well as providing life skills for the students. The program accommodates students from all ability levels. The learning is student-centered with the teacher in the role of facilitator.

The Industrial Arts Department offers courses, strongly emphasizing and concentrating on current technology, in the fields of graphic arts, photography, electronics technology, and engineering graphics. The curricula are determined by skill level rather than grade level. The Cisco Networking Academy, housed under this department, teaches students to design, build, and maintain computer networks. Upon completion of Cisco II, students have the opportunity to take the Cisco Certified Network Association exam and receive certification upon passing. Students successfully completing Cisco I and II are also eligible for up to 16 credits at Brookdale Community College in Networking.

The Music program at Monmouth Regional High School offers courses in band, entertainment techniques, chorus, and music theory. All curricula cover music of various cultures, eras, and styles. Both vocal and instrumental students are afforded the opportunity to receive individual instrumental lessons for more selective ensembles.

Core Curriculum Contents Standards

Our district is in line with the New Jersey Core Curriculum Contents Standards. All district curricula have been aligned with the Standards.

Staff Development

The Monmouth Regional High School District provides its teaching staff with many opportunities for professional development.

New teachers have an additional day dedicated to new teacher training. A teacher's manual is given to all new teachers as well as an assigned mentor to provide support throughout the school year.

In the beginning of the year, one full day is dedicated to staff development. The teachers meet in the morning for sessions, have lunch, and then in the afternoon have breakout sessions regarding the training.

During the year there is another full day dedicated to staff development. The topics can range from bullying, character education, diversification and assessment. The teachers spend the morning in workshops, have lunch and then in the afternoon have break out sessions to work on their assessments.

Throughout the school year teachers are afforded the opportunity for professional days as well as after school programs taught in-district.

Technology

Monmouth Regional's Enterprise class computer network contains many features that surpass most small and medium sized companies. Our 100+ Administrative computers provide electronic student records, payroll, and budget capabilities, as well as Internet access for all employees. Our 300 student network machines provides all Monmouth Regional students with access to the Internet as well as the newest high tech software programs in our nine computer labs. Each faculty member and student has access to his/her own personal network account. Each user has their own network directory to save, store and retrieve files. By logging into any computer in the building, users are automatically given access to their folders and can work with them from any location. The Citrix Metaframe (ClassLink) servers enables student and staff access to a majority of the district's software as well as their own personal work from anywhere in the world.

General Network Specifications:

Wiring:

- Complete Redundant 2 Gigabit Fiber Optic Backbone.
- Gigabit Managed Network Switches.
- Cat-5 wiring to every classroom.

Servers:

- 15 Domain Controllers / File Servers.
- Eight Citrix Metaframe Servers for the Student Network
- In House Mail Server, featuring faculty and staff web mail access.

Internet Connection:

- 20 Megabit Cable Modem Service

Network Security:

- Administrator determined user rights on each student workstation, restricting access to system configuration.
- Firewall provides protection from external Internet sites from entering into the system.
- Secure School Internet Filter provides protection against access to sites deemed inappropriate by the C.I.P.A.Law, Administration and the Board of Education.

System Maintenance:

- One full time professional network administrator and one full time technician maintain and support our network.
- Centralized remote software distribution.

Here Is a General Breakdown of Our Computer Labs:

Computer Aided Drafting Lab

Our Computer aided design and drafting lab, contains Dell percision workstations, featuring Intel Core 2 Duo Processors, 2 Gigabytes of RAM, 80 Gigabyte Hard Drives, and 256 Megabyte Video Cards. Each workstation is equipped with Autodesk Design Academy, Microsoft Office 2003 Professional. The lab also includes a professional Hewlett Packard plotter, Overhead LCD Projector with a Smart Board and 3 networked Laser/Ink Jet Printers by Hewlett-Packard. Students learn professional industrial drafting techniques, desktop publishing and real world computerized problem solving in the architectural field.

Business Education Lab

Our Business Education lab contains Televideo Thin Client Devices. They connect to the central server farm and provide access to all of the software installed on the ClassLink system. This lab also has networked laser and color printers, and an Overhead LCD Projector. Students learn fundamental operational concepts, keyboarding/typing, word processing, and database/spreadsheet development.

Video / Film and Robotics

In our video / film classroom, students are able to produce, edit video movies using Adobe Premiere. These machines contain dual core Processors, 512 Megabytes of RAM and video capture devices. Our electronics classroom contains computers to aid in the design and programing of robotic modules.

Computer Science Lab

Our Computer Science Lab houses Dell workstations with Intel Pentium IV 3 GHz processors, with 1 Gigabyte of RAM and 80 Gigabyte hard drives. Our students program in a variety of languages including Quick Basic, Visual Basic, HTML, Java, and C++. Senior students also have the opportunity to explorer computer science topics of their choice, including advance programming, and Advanced Web Page Development. Software includes Microsoft Visual Studio, Microsoft Front Page, and Office 2003. The lab is also equipped with a Overhead LCD Projector, Networked Laser printer and a scanner.

103 Lab

Monmouth Regional's 103 Computer Lab features 28 Televideo Thin Clients, Overhead LCD Projector and Laser Printer. Teacher and Supervisors sign up for use of the room and provide the software they will be using.

Cisco Networking Academy Lab

The Cisco lab features 20 HP Thin Client Workstations, notebook computers, network switches and routers for Cisco course cuircullum as well as for Internet research use. The Lab also contains a overhead LCD Projector and a networked laser printer. When the Cisco Academy is not using the lab other classes may use it. Teacher and Supervisors sign up for use of the room and provide the software they will be using.

Photography / Graphics Arts Lab

Our Photography / Graphic Arts lab contains Dell PC's, featuring Dual Core Intel Pentium Processors, 1 Gigabyte of RAM, 80 Gigabyte Hard Drives, built in multimedia card readers and 256 Megabyte Video Cards. Students create graphical images, professional publications, and industrial artwork using Adobe Creative Suite. The lab also features 2 color scanners, a networked laser printer, 2 networked photo quality InkJet printers, one professional Epson Stylus for printing final product and a overhead LCD Projector.

Media Center Lab

Our Media Center lab contains Hewlett Packard thin client computers. They provide various resources including, Internet research as well as a place for our students to put the finishing touches on a report. Every computer has access to the ClassLink system and all of the standard district applications. The students also have access both a standard black and white as well as a color laser printer. Sagebrush Software produces Winnebago, our electronic card catalog software. There is also an overhead LCD projector avalable for use.

Writing Lab / Drop in center

Our writing lab and drop in center offer all Monmouth Regional students access to Televideo Thin Client workstations for writing, editing and drafting reports and term papers. This lab uses Microsoft Office for word processing, each lab is connected to a networked laser printer. The drop in center is staffed before school and throughout the day.

Business Office

The business office is comprised of the following individuals: School Business Administrator, the Business Administrator Intern, Secretary to the Business Administrator, Accounts Payable, Payroll, Transportation Supervisor and Transportation Secretary. This office is responsible for financially running the school district. Increased workload due to challenges faced from State and Federal mandates, while maintaining current staff levels, continues to be a challenge. The office is continually looking to streamline costs and find new opportunities for the district.

The office continues to be a hard working component of the entire district.

(Mural of Monmouth Regional High School by Grace Chung, Class of 2006)

ECONOMIC CONDITION AND OUTLOOK

In Tinton Falls, residential housing will increase for the next several years due to new communities being built and opened over the next few years. A new "premium outlet" shopping center is set to open in November 2008, increasing opportunities for individuals to live in Tinton Falls, Eatontown and Shrewsbury Township. The percent of share, the calculation based upon current enrollments for determining how Monmouth Regional High School's tax levy is split, has stayed relatively the same from 2007-2008 to 2008-2009.

While smaller geographically than Tinton Falls, Eatontown has a larger population and is more densely populated. Eatontown is 90% developed and has fewer than fifty lots available for residential development. Eatontown is the home of Fort Monmouth, which is one of the military installations designated by the BRAC (Base Realignment and Closure) commission that may close by 2012. The closure of the Base could have a significant impact on the enrollments of military dependents and children of civilian support staff in the future. Monmouth Regional High School Board of Education has already seen a large impact on the district revenues due to a $300,000 loss in Federal Impact Aid.

Shrewsbury Township has no development planned and all shifts in enrollment are a result of family dynamics.

Future enrollment at Monmouth Regional High School is something that cannot be accurately predicted due to the impending Fort closure, the economic conditions of the State, Nation and the overall slumping housing market.

MAJOR INITIATIVES

PUPIL PERFORMANCE OBJECTIVES – 2007-2008

Goal 1 2007-2008 Target Goal

By June 2008, 80% of the total eleventh grade student population will score proficient or advanced proficient range on the mathematics sections of the HSPA. Additionally, all subgroups as measured under NCLB legislation will make safe harbor in the mathematics sections of the HSPA. (10% fewer partially proficient) This will be accomplished through:

i. Early identification of students requiring remediation by using an in-house test, GEPA scores, and teacher recommendation. Ninth grade students will be placed in the remedial mathematics course, Number Sense to address mathematical deficiencies.
ii. Provide each teacher with a copy of the curriculum infused with HSPA skills. Teachers will use this document as a "working curriculum".
iii. Provide each teacher with a breakdown of HSPA skills in order to help them incorporate such skills in each lesson.
iv. Introduce a new software package, Study Island, to all sophomore and junior students which can be used in class and at home to reinforce HSPA skills.

This goal addresses District Goal #2 (To equip students with literacy and skills to function in a rapidly changing technological society by incorporating problem solving skills, the ability to think critically and perform critical analysis.) and Core Curriculum Content Standards Mathematics 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 4.11, 4.12, 4.13, 4.14.

Descriptive Statement

By June 2008, students in the eleventh grade, including all subgroups, will develop the skills necessary to pass the HSPA that will be administered in March 2008. At a minimum, all subgroups will meet state benchmarks or safe harbor as required by NCLB.

Cumulative Progress Indicators

Students in the remedial mathematics sections will have teacher assessments through prescriptive instruction during each marking period as well as formal evaluation each marking period. Successful grades in the mathematics courses and in-house assessments will indicate a high potential for success on the HSPA.

Goal 2 2007-2008

Students learn best when they are active participants in their education. Students need to be present for instruction. To that end, by June 2008, Monmouth Regional will note a 10% decrease in the total number of individual class cuts compared to the total number class cuts (1268) during the 2006-2007 school year. This will be accomplished through:

i. Increased awareness of school policy and student behavior expectations by addressing the seriousness of class truancies.
ii. The Assistant Principal will address each incident of class cutting rather than using a "teacher disciplinarian".
iii. Increased parent involvement to change student behavior.
iv. Efficiently utilize the school software program (STI) in which period by period attendance will be tracked. This should diminish the amount of class period cuts.

This goal addresses District Goal IE, IF, V, VIC, VID and Core Content Standards 9.2.12 A1, A4, C, D5, F.

Descriptive Statement

By June 2008, students will develop self-discipline and learn the importance of attending classes daily in order to enrich their education.

Cumulative Progress Indicator

Students will learn the importance of attending classes daily and how such behavior enriches their education. The number individual class cuts will be reviewed in January 2008 to serve as a mid year progress report for comparison purposes.

INTERNAL CONTROLS

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

As a recipient of state and federal awards, the district is also responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws, regulations, contracts and grants related to those programs. This internal control system 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 adequacy of the internal control system, including that portion related to federal and state financial assistance programs, as well as to determine that the district has complied with applicable laws and regulations.

BUDGETARY CONTROLS

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance at fiscal year end. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2008.

ACCOUNTING SYSTEM AND REPORTS

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements", Note 1.

DEBT ADMINISTRATION

As of June 30, 2008 the District has $2,870,000 in outstanding general obligation bonds.

CASH MANAGEMENT

The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. 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 institute in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where they funds are secured in accordance with the Act.

RISK MANAGEMENT

The Board carried 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.

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of O'Neill and Lang was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet requirements of the Single Audit Act of 1984, as amended and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

ACKNOWLEDGEMENTS

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

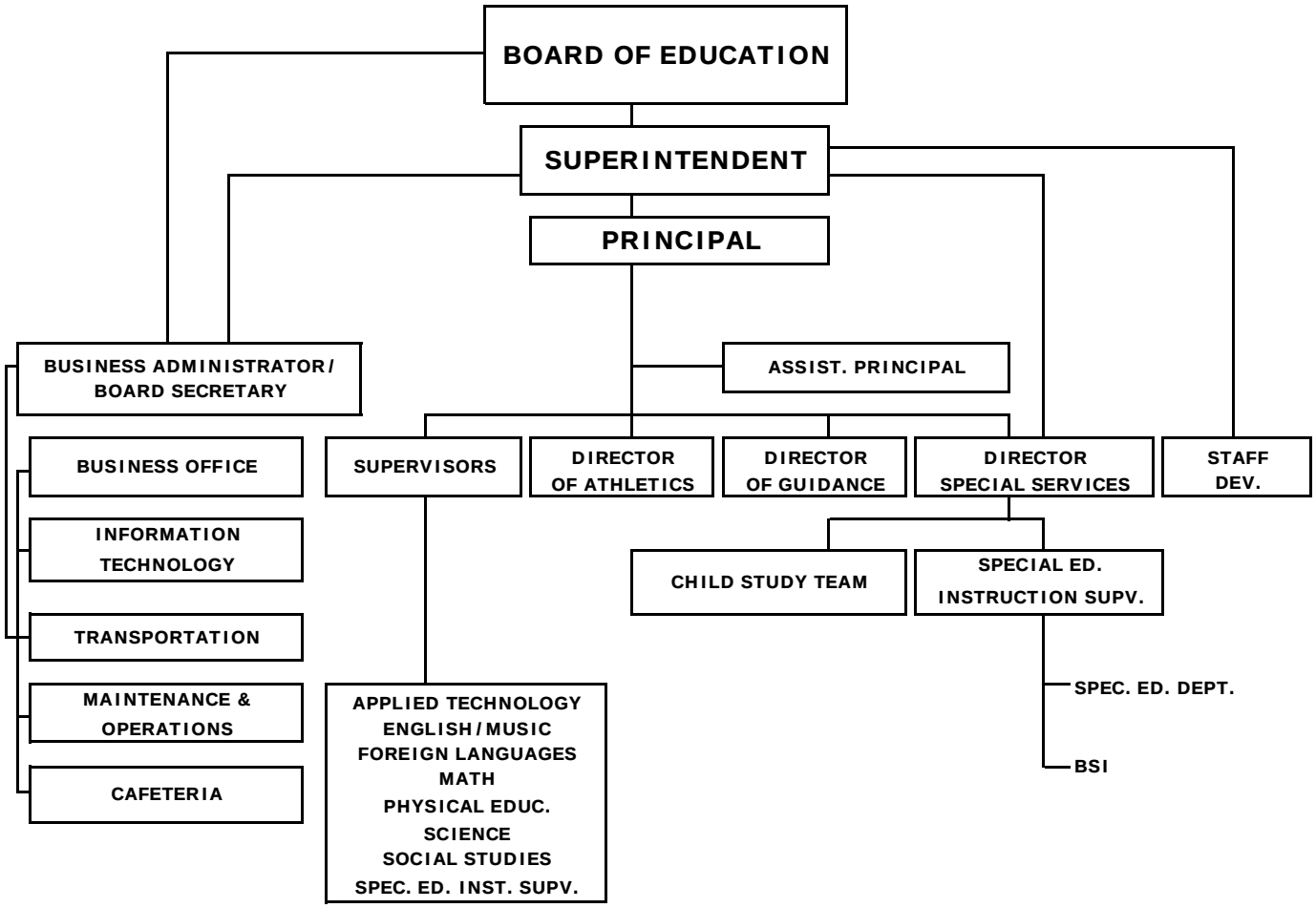
Respectfully submitted,

Mr. James W. Cleary
Superintendent of Schools

Mrs. Maria Parry, CPA, PSA
School Business Administrator/
Secretary to the Board

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT

ORGANIZATIONAL CHART



MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
TINTON FALLS, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2008

Members of the Board of Education	Term Expires
Anthony Schaible, President	2010
Joseph P. Gaetano, Vice President	2011
Yvonne H. Bova	2009
Jonathan Cohen	2009
Mary Anne Linder	2010
Thomas C. Neff	2010
Steven B. Seavey	2011
Linda Thatcher	2009
Joellen L. Wernikowski	2011

Other Officials

James W. Cleary, Superintendent

Maria A. Parry, CPA, PSA, School Business Administrator/Board Secretary

Jean W. Foulke, Treasurer

Martin M. Barger, Esq., Solicitor

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Consultants and Advisors

Attorney

Martin M. Barger, Esq.
Reussille, Mausner, Carotenuto, Barger & Steel
365 Broad Street
P. O. Box 580
Red Bank, NJ 07701

Audit Firm

O'Neill and Lang
Certified Public Accountants
528 Rahway Avenue
Woodbridge, NJ 07095

Official Depositories

Bank of America
Eatontown, NJ 07724

Bank of New York/National Community Division
Shrewsbury, NJ 07702

N. J. Cash Management Fund
Jersey City, NJ 07311-3977

Commerce Bank
656 Shrewsbury Avenue
Tinton Falls, NJ 07701

First Union
P. O. Box 396
New Brunswick, NJ 08903

FINANCIAL SECTION

O'NEILL AND LANG

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

528 RAHWAY AVENUE
WOODBRIDGE, NEW JERSEY 07095
(732) 636-9300
FAX: (732) 636-9347

TERANCE O'NEILL, CPA, RMA, PSA
GEORGE J. LANG, CPA, RMA, PSA

MEMBERS OF:
AMERICAN INSTITUTE OF CPAs
NEW JERSEY SOCIETY OF CPAs

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Monmouth Regional High School District
County of Monmouth
Tinton Falls, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Monmouth Regional High School District, in the County of Monmouth, State of New Jersey, as of and for the fiscal year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Monmouth Regional High School Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Monmouth Regional High School Board of Education, in the County of Monmouth, State of New Jersey, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 2008 on our consideration of the Monmouth Regional High School Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management Discussion and Analysis and Budgetary Comparison Information on pages 21 through 29 and 67 through 76 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

GEORGE J. LANG
LICENSED PUBLIC SCHOOL ACCOUNTANT
NO. 1096
O'NEILL AND LANG

September 18, 2008

REQUIRED SUPPLEMENTARY INFORMATION

PART 1

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
UNAUDITED

The discussion and analysis of Monmouth Regional High School District's financial performance provides an overall review of Monmouth Regional's financial activities for the fiscal year ended June 30, 2008. The intent of this discussion and analysis is to look at Monmouth Regional High School's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the Monmouth Regional High School's financial performance.

The Management's Discussion and Analysis (MD&A) is a new element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* issued in June 1999.

Financial Highlights

Key financial highlights for 2008 are as follows:

In total, net assets increased $1,136,698, which represents a 16.11 percent increase from 2007.

General revenues accounted for $23,996,632 in revenue or 87.30 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for $3,492,154 or 12.70 percent of total revenues of $27,488,786.

Total assets of governmental activities increased by $619,757 as cash and cash equivalents and investments increased by $163,514, receivables decreased by $612,049, and capital assets increased by $1,068,292.

Monmouth Regional High School had $26,352,088 in expenses; only $3,492,154 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of $23,996,632 and fund balance were adequate to provide for these programs.

Among governmental funds, the General Fund had $25,938,296 in revenues and $26,454,187 in expenditures. The General Fund's fund balance decreased $399,042 over 2007.

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

This annual report consists of three parts—management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of Monmouth Regional High School:

District-Wide Financial Statements (Statement of Net Assets and Statement of Activities)

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the Monmouth Regional's overall financial status.

Fund Financial Statements

- The remaining statements are fund financial statements that focus on individual parts of Monmouth Regional, reporting Monmouth Regional's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services like regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short and long-term financial information about the activities Monmouth Regional operates like businesses, such as food services.
- Fiduciary funds statements provide information about the financial relationships in which Monmouth Regional High School acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of Monmouth Regional High School Board of Education's budget for the year.

Figure A-1
Major Features of District-Wide and Fund Financial Statements

		Fund Financial Statements		
	District-wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial statements	•Statement of net assets •Statement of activities	•Balance sheet •Statement of revenues, expenditures, and changes in fund balances	•Statement of net assets •Statement of revenues, expenses, and changes in fund net assets •Statement of cash flows	•Statement of fiduciary net assets •Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of assets/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term, and long-term. Monmouth Regional's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions, during the year, regardless of when cash is received or paid

Figure A-1 summarizes the major features of Monmouth Regional High School's financial statements, including the portion of Monmouth Regional's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Continued

Fund Financial Statements (Continued)

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

Reporting the School District as a Whole
Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by Monmouth Regional to provide programs and activities, the view of Monmouth Regional High School, as a whole looks at all financial transactions and asks the question, "How did we do financially during 2008?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the financial position of Monmouth Regional High School 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 Percent of Share property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, Monmouth Regional High School is divided into two district kinds of activities:

Governmental activities – All of Monmouth Regional High School'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 Monmouth Regional High School's Most Significant Funds
Fund Financial Statements

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

Governmental Funds

The District's activities are reported in governmental funds, which focus on how money flows in 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 Monmouth Regional

Continued

Governmental Funds (Continued)

District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

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

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

Recall that the Statement of Net Assets provides the perspective of Monmouth Regional High School as a whole. Net assets may serve over time as a useful indicator of a government's financial position. Monmouth Regional'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 Monmouth Regional High School's net assets for 2008 with comparative amounts for 2007.

Table A-1
Summary of Net Assets

	MRHS Total 2008	MRHS Total 2007	Increase (Decrease) From 2007	Total Percentage Change 2007-2008
Current and Other Assets	$ 5,113,219	$ 5,514,421	$ (401,202)	(7.28)%
Capital Assets	7,319,348	6,251,056	1,068,292	17.09%
Total Assets	$ 12,432,567	$ 11,765,477	$ 667,090	5.67%
Long-Term Debt Outstanding	$ 4,079,883	$ 4,553,534	$ (473,651)	(10.40)%
Other Liabilities	159,446	155,403	4,043	2.60%
Total Liabilities	$ 4,239,329	$ 4,708,937	$ (469,608)	(9.97)%
Net Assets:				
Invested in capital assets, net of related debt	$ 4,247,559	$ 2,711,255	$ 1,536,304	56.66%
Restricted	4,402,357	4,485,916	(83,559)	(1.86)%
Unrestricted	(456,678)	(140,631)	(316,047)	(224.73)%
Total Net Assets	$ 8,193,238	$ 7,056,540	$ 1,136,698	16.11%

Continued

The School District as a Whole (Continued)

Table 2 shows changes in net assets for fiscal year 2008 with comparative amounts for 2007.

Table A-2
Summary of Changes in Net Assets

	MRHS Total 2008	MRHS Total 2007	Increase (Decrease) From 2007	Total Percentage Change 2007-2008
REVENUES				
Program Revenues:				
Charges for Services	$ 692,427	$ 693,794	$ (1,367)	(0.20)%
Federal and State Categorical Grants	2,799,727	2,848,322	(48,595)	(1.71)%
General Revenues:				
Property Taxes	19,022,935	18,314,306	708,629	3.87%
State Formula Aid	4,539,297	4,395,192	144,105	3.28%
Other	434,400	429,023	5,377	1.25%
Total Revenues	$ 27,488,786	$ 26,680,637	$ 808,149	3.03%
EXPENSES				
Instruction	$ 13,463,644	$ 12,987,130	$ 476,514	3.67%
Student Support Services	12,403,329	12,247,097	156,232	1.28%
Other	485,115	556,933	(71,818)	(12.90)%
Total Liabilities	$ 26,352,088	$ 25,791,160	$ 560,928	2.17%
Increase (Decrease) in Net Assets	$ 1,136,698	$ 889,477	$ 247,221	27.79%

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek over approval for Monmouth Regional High School District operations. Property taxes made up 70.05 percent of revenues for governmental activities for Monmouth Regional High School District for fiscal year 2008. Monmouth Regional's total revenues were $27,156,683 for the year ended June 30, 2008. Federal, state, and local grants and state aid accounted for another 26.54 percent of revenue.

Business-Type Activities

Revenues for Monmouth Regional's business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.

Food service expenses exceeded revenues by $13,784.

Charges for services represent $249,130 of revenue. This represents amounts paid by patrons for daily food service.

Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was $77,398.

Continued

Governmental Activities

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

Table A-3
Cost of Services vs Net Cost of Services

	Total Cost of Services 2008	Net Cost of Services 2008	Total Cost of Services 2007	Net Cost of Services 2007
Instruction	$ 13,463,644	$ 11,693,343	$ 12,987,130	$ 11,289,820
Support Services:				
Pupil and Instructional Staff	5,893,776	5,342,448	5,876,834	5,213,087
Administration	2,157,714	1,945,424	1,914,390	1,728,336
Operation and Maintenance of Facilities	2,297,511	2,163,457	2,216,572	2,093,710
Pupil Transportation	2,054,328	1,556,675	2,239,301	1,779,708
Interest on Long Term Debt	139,228	139,228	223,135	151,432
Total Expenses	$ 26,006,201	$ 22,840,575	$ 25,457,362	$ 22,256,093

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 Monmouth Regional High School 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 Monmouth Regional High School District.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to $27,039,834 and expenditures were $27,555,728. The net change in fund balance for the year was most significant in the General Fund, a decrease of $399,042.

As demonstrated by the various statements and schedules included in the financial section of this report, Monmouth Regional High School continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2008, and the amount and percentage of increases and decreases in relation to prior year revenues.

Continued

The School District's Funds (Continued)

Table A-4
Summary of Revenues-Governmental Funds

Revenue	Amount	Percent of Total	Increase (Decrease) from 2007	Percent of Increase (Decrease)
Local Sources	$ 19,778,208	73.14%	$ 661,178	3.46%
State Sources	6,869,606	25.41%	273,669	4.15%
Federal Sources	392,020	1.45%	(181,881)	(31.69)%
Total	$ 27,039,834	100.00%	$ 752,966	2.86%

The increase in Local Sources is attributed to an increase in the Local Tax Levy of $708,629, a decrease in Tuition of $16,371, a decrease in Miscellaneous Revenues of $64,125 and an increase in Transportation Fees of $33,045.

The increase in State Sources is attributed to increases in state aid totaling $302,183 and decreases in various restricted state grants totaling $28,514.

The decrease in Federal Sources is due to a decrease in P.L. 81-874 (Impact Aid) of $120,740 and net decreases in grant awards of $61,141.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2008 and the percentage of increases and decreases in relation to prior year amounts.

Table A-5
Summary of Expenditures-Governmental Funds

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2007	Percent of Increase (Decrease)
Current Expense:				
Instruction	$ 9,192,169	33.36%	$ 434,500	4.96%
Undistributed Expenditures	16,394,442	59.50%	582,323	3.68%
Capital Outlay	1,302,305	4.73%	541,989	71.28%
Debt Service	666,812	2.41%	(151)	(0.02)%
Total	$ 27,555,728	100.00%	$ 1,558,661	6.00%

Changes in expenditures were the results of varying factors. Current expense increased due to additional staff and students, and increased health benefits and utility costs.

Continued

General Fund Budgeting Highlights

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

Over the course of the year, Monmouth Regional High School revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- Extraordinary aid, which is state aid for special education students whose individual program cost exceeds $40,000 per year, was not anticipated as there is no guarantee from the Department of Education that these funds would be available.

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.

- Tuition for special education students is budgeted based on the existing and known incoming students at the time the budget is submitted. Students move into and out of the District during the summer as well as the school year which necessitates transferring funds to the appropriate account to pay these special education costs.

- Student transportation is provided using a blend of in-house and vendor services. Depending on the type of service, transfers to various accounts were needed to pay these costs.

Capital Assets

At the end of the fiscal year 2008 the School District had $15,142,352 invested in land, building, furniture and equipment, and vehicles. Table A-6 shows fiscal year 2008 balances compared to 2007.

Table A-6
Summary of Capital Assets
(Net of Depreciation)

	MRHS Total 2008	MRHS Total 2007	Increase (Decrease) From 2007	Total Percentage Change 2007-2008
Land	$ 120,340	$ 120,340	$ -	-
Site Improvements	194,118	217,297	(23,179)	(10.67)%
Buildings	6,247,218	5,327,713	919,505	17.26%
Machinery and Equipment	757,672	585,706	171,966	29.36%
Total	$ 7,319,348	$ 6,251,056	$ 1,068,292	17.09%

Continued

Debt Administration

At June 30, 2008, Monmouth Regional High School had $4,079,883 of outstanding debt. Of this amount $1,061,682 is for compensated absences; $148,201 for various capital leases; and $2,870,000 of serial bonds for school construction.

Table A-7
Summary of Outstanding Long-Term Debt

	MRHS 2008	MRHS 2007	Total Percentage Change 2007-2008
General Obligation Bonds (Financed with Property Taxes)	$ 2,870,000	$ 3,390,000	(15.34)%
Other	1,209,883	1,163,534	3.98%
Total	$ 4,079,883	$ 4,553,534	(10.40)%

For the Future

The Monmouth Regional High 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 continued enrollment growth of the District with the increased reliance on local property taxes. However, future finances are not without challenges as the community continues to grow with State and Federal funding on the decline.

In conclusion, the Monmouth Regional High 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. Monmouth Regional High School District plans to continue its sound fiscal management to meet the challenge 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 Monmouth Regional High School District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Mrs. Maria Parry, School Business Administrator, at Monmouth Regional High School, Administration Building, 1 Norman J. Field Way, Tinton Falls, NJ 07724. Please visit our website at www.monmouthregional.net.

Concluded

BASIC FINANCIAL STATEMENTS

Exhibit A-1

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Assets
June 30, 2008

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 1,694,780	$ 105,962	$ 1,800,742
Investments	3,014,778	-	3,014,778
Receivables, Net	158,457	4,652	163,109
Inventory	-	5,530	5,530
Restricted Assets:			
Cash and Cash Equivalents	129,060	-	129,060
Capital Assets:			-
Land	120,340	-	120,340
Site Improvements, Net	194,118	-	194,118
Buildings and Building Improvements, Net	6,247,218	-	6,247,218
Machinery and Equipment, Net	757,672	-	757,672
Total Assets	$ 12,316,423	$ 116,144	$ 12,432,567
LIABILITIES			
Accounts Payable	$ 26,550	$ -	$ 26,550
Interfund Payable	3,062	(3,062)	-
Payable to State Government	17,407	-	17,407
Deferred Revenue	61,901	-	61,901
Accrued Interest Payable	53,588		53,588
Noncurrent Liabilities:			
Due Within One Year	585,764	-	585,764
Due Beyond One Year	3,494,119		3,494,119
Total Liabilities	$ 4,242,391	$ (3,062)	$ 4,239,329
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	$ 4,247,559	$ -	$ 4,247,559
Restricted For:			
Debt Service	1	-	1
Special Revenue Fund	(1,341)	-	(1,341)
Other Purposes	4,403,697	-	4,403,697
Unrestricted	(575,884)	119,206	(456,678)
Total Net Assets	$ 8,074,032	$ 119,206	$ 8,193,238

See accompanying Notes to the Basic Financial Statements.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2008

Functions/Programs	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Assets: Governmental Activities	Net (Expenses) Revenue and Changes in Net Assets: Business-type Activities	Net (Expenses) Revenue and Changes in Net Assets: Total
Governmental Activities:							
Instruction:							
Regular	$ 9,018,054	$ 20,677	$ 1,259,391	$ -	$ (7,737,986)	$ -	$ (7,737,986)
Special Education	2,839,990	-	328,957	-	(2,511,033)	-	(2,511,033)
Other Instruction	1,605,600	-	161,276	-	(1,444,324)	-	(1,444,324)
Support Services:							
Tuition	2,089,522	-	-	-	(2,089,522)	-	(2,089,522)
Student and Instruction Related Services	3,804,254	-	551,328	-	(3,252,926)	-	(3,252,926)
School Administrative Services	867,239	-	98,138	-	(769,101)	-	(769,101)
General Administrative Services	637,000	-	43,922	-	(593,078)	-	(593,078)
Central Services	510,349	-	53,530	-	(456,819)	-	(456,819)
Administrative Information Technology	143,126	-	16,700	-	(126,426)	-	(126,426)
Plant Operations and Maintenance	2,297,511	-	134,054	-	(2,163,457)	-	(2,163,457)
Pupil Transportation	2,054,328	422,620	75,033	-	(1,556,675)	-	(1,556,675)
Interest on Long-Term Debt	139,228	-	-	-	(139,228)	-	(139,228)
Total Governmental Activities	$ 26,006,201	$ 443,297	$ 2,722,329	$ -	$ (22,840,575)	$ -	$ (22,840,575)
Business-type Activities:							
Food Service	$ 345,887	$ 249,130	$ 77,398	$ -	$ -	$ (19,359)	$ (19,359)
Total Business-type Activities	$ 345,887	$ 249,130	$ 77,398	$ -	$ -	$ (19,359)	$ (19,359)
Total Primary Government	$ 26,352,088	$ 692,427	$ 2,799,727	$ -	$ (22,840,575)	$ (19,359)	$ (22,859,934)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					$ 18,427,809	$ -	$ 18,427,809
Taxes Levied for Debt Service					595,126	-	595,126
Federal and State Aid Not Restricted					4,539,297	-	4,539,297
Interest on Investments					198,297	-	198,297
Miscellaneous					113,679	5,575	119,254
Capital Leases					116,849	-	116,849
Total General Revenues, Special Items, Extraordinary Items and Transfers					$ 23,991,057	$ 5,575	$ 23,996,632
Changes in Net Assets					$ 1,150,482	$ (13,784)	$ 1,136,698
Net Assets - Beginning of Fiscal Year					6,923,550	132,990	7,056,540
Net Assets - End of Fiscal Year					$ 8,074,032	$ 119,206	$ 8,193,238

See accompanying Notes to the Basic Financial Statements.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2008

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 1,619,164	$ 75,615	$ 1	$ 1,694,780
Investments	3,014,778	-	-	3,014,778
Receivables, Net	3,164	17,407	-	20,571
Receivables from Other Governments	126,391	11,495	-	137,886
Restricted Cash and Cash Equivalents	129,060	-	-	129,060
Total Assets	$ 4,892,557	$ 104,517	$ 1	$ 4,997,075
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ -	$ 26,550	$ -	$ 26,550
Interfund Payable	3,062	-	-	3,062
Payable to State Government	-	17,407	-	17,407
Deferred Revenue	-	61,901	-	61,901
Total Liabilities	$ 3,062	$ 105,858	$ -	$ 108,920
Fund Balances:				
Reserved for:				
Encumbrances	$ 1,336,300	$ -	$ -	$ 1,336,300
Capital Reserve Account	79,060	-	-	79,060
Maintenance Reserve Account	50,000	-	-	50,000
Excess Surplus	1,462,009	-	-	1,462,009
Excess Surplus - Designated for Subsequent Year's Expenditures	1,476,328	-	-	1,476,328
Unreserved, Reported In:				
General Fund	485,798	-	-	485,798
Special Revenue Fund	-	(1,341)	-	(1,341)
Debt Service Fund	-	-	1	1
Total Fund Balances	$ 4,889,495	$ (1,341)	$ 1	$ 4,888,155
Total Liabilities and Fund Balances	$ 4,892,557	$ 104,517	$ 1	

Amounts reported for *governmental activities* in the Statement of Net Assets (A-1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the net assets is $15,142,352 and the accumulated depreciation is $7,823,004.	7,319,348
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.	
Long-Term Liabilities Payable	(4,079,883)
Accrued Interest on Bonds	(53,588)
Net Assets of Governmental Activities	$ 8,074,032

See accompanying Notes to the Basic Financial Statements.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2008

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	$ 18,427,809	$ -	$ 595,126	$ 19,022,935
Transportation Fees from Other LEA's	406,631	-	-	406,631
Transportation Fees - Other	15,989	-	-	15,989
Tuition from Other LEA's	20,677	-	-	20,677
Interest Earned on Capital Reserve Funds	1,281	-	-	1,281
Miscellaneous	285,900	24,795	-	310,695
Total - Local Sources	$ 19,158,287	$ 24,795	$ 595,126	$ 19,778,208
State Sources	6,739,841	58,079	71,686	6,869,606
Federal Sources	40,168	351,852	-	392,020
Total Revenues	$ 25,938,296	$ 434,726	$ 666,812	$ 27,039,834
EXPENDITURES				
Current:				
Regular Instruction	$ 5,891,156	$ 293,565	$ -	$ 6,184,721
Special Education Instruction	1,874,966	-	-	1,874,966
Other Instruction	1,132,482	-	-	1,132,482
Support Services and Undistributed Costs:				
Tuition	2,089,522	-	-	2,089,522
Student and Instruction Related Services	2,484,624	116,369	-	2,600,993
School Administrative Services	579,343	-	-	579,343
General Administrative Services	508,151	-	-	508,151
Central Services	353,314	-	-	353,314
Administrative Information Technology	94,137	-	-	94,137
Plant Operations and Maintenance	1,904,253	-	-	1,904,253
Pupil Transportation	1,834,211	-	-	1,834,211
Personal Services - Employee Benefits	6,430,518	-	-	6,430,518
Debt Service:				
Principal	-	-	520,000	520,000
Interest and Other Charges	-	-	146,812	146,812
Capital Outlay	1,277,510	24,795	-	1,302,305
Total Expenditures	$ 26,454,187	$ 434,729	$ 666,812	$ 27,555,728
Excess (Deficiency) of Revenues Over Expenditures	$ (515,891)	$ (3)	$ -	$ (515,894)
Other Financing Sources:				
Capital Leases (Non-Budgeted)	$ 116,849	$ -	$ -	$ 116,849
Total Other Financing Sources	$ 116,849	$ -	$ -	$ 116,849
Net Change in Fund Balances	$ (399,042)	$ (3)	$ -	$ (399,045)
Fund Balance - Beginning of Fiscal Year	5,288,537	(1,338)	1	5,287,200
Fund Balance - End of Fiscal Year	$ 4,889,495	$ (1,341)	$ 1	$ 4,888,155

See accompanying Notes to the Basic Financial Statements.

MONMOUTH REGIONAL HIGH 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, 2008

Total Net Change in Fund Balances - Governmental Funds (From B-2)		$ (399,045)
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	$ (417,656)	
Capital Asset Additions	1,632,506	
Capital Asset Decreases	(146,558)	
		1,068,292
Repayments of bond principal, capital lease principal and early retirement incentive are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		460,428
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		13,223
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due.		7,584
Change in Net Assets of Governmental Activities		$ 1,150,482

See accompanying Notes to the Basic Financial Statements.

Exhibit B-4

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Assets
Proprietary Funds
June 30, 2008

	Business-type Activities - Enterprise Funds	
	Food Service	Totals
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 105,962	$ 105,962
Accounts Receivable:		
State	137	137
Federal	2,159	2,159
Interfund	3,062	3,062
Other	2,356	2,356
Inventories:		
Commodities	2,670	2,670
Regular	2,860	2,860
Total Current Assets	$ 119,206	$ 119,206
Total Assets	$ 119,206	$ 119,206
NET ASSETS		
Unrestricted	$ 119,206	$ 119,206
Total Net Assets	$ 119,206	$ 119,206

See accompanying Notes to the Basic Financial Statements.

Exhibit B-5

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
June 30, 2008

	Business-type Activities - Enterprise Funds	
	Food Service	Totals
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	$ 74,461	$ 74,461
Daily Sales - Non-reimbursable Programs	174,669	174,669
Miscellaneous	5,575	5,575
Total Operating Revenues	$ 254,705	$ 254,705
Operating Expenses:		
Salaries	$ 115,246	$ 115,246
Employee Benefits	15,678	15,678
Purchased Professional and Technical Services	8,000	8,000
Purchased Property Services	9,964	9,964
Supplies and Materials	6,814	6,814
Cost of Sales	172,057	172,057
Miscellaneous Expenditures	18,128	18,128
Total Operating Expenses	$ 345,887	$ 345,887
Operating Income (Loss)	$ (91,182)	$ (91,182)
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	$ 4,043	$ 4,043
Federal Sources:		
National School Lunch Program	61,934	61,934
Food Distribution Program	11,421	11,421
Total Nonoperating Revenues (Expenses)	$ 77,398	$ 77,398
Income (Loss) Before Contributions and Transfers	$ (13,784)	$ (13,784)
Change in Net Assets	$ (13,784)	$ (13,784)
Total Net Assets - Beginning of Fiscal Year	132,990	132,990
Total Net Assets - End of Fiscal Year	$ 119,206	$ 119,206

See accompanying Notes to the Basic Financial Statements.

Exhibit B-6

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2008

	Business-type Activities - Enterprise Funds	
	Food Service	Totals
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	$ 262,204	$ 262,204
Payments to Suppliers	(333,656)	(333,656)
Net Cash Provided By (Used For) Operating Activities	$ (71,452)	$ (71,452)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Local Sources	$ 64,179	$ 64,179
State Sources	3,906	3,906
Federal Sources	59,775	59,775
Net Cash Provided By (Used For) Non-capital Financing Activities	$ 127,860	$ 127,860
Net Increase (Decrease) in Cash and Cash Equivalents	$ 56,408	$ 56,408
Balances - Beginning of Fiscal Year	49,554	49,554
Balances - End of Fiscal Year	$ 105,962	$ 105,962
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:		
Operating Income (Loss)	$ (91,182)	$ (91,182)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:		
Food Distribution Program	$ 11,421	$ 11,421
(Increase) Decrease in Inventories	1,803	1,803
(Increase) Decrease in Accounts Receivable	6,506	6,506
Total Adjustments	$ 19,730	$ 19,730
Net Cash Provided By (Used For) Operating Activities	$ (71,452)	$ (71,452)

See accompanying Notes to the Basic Financial Statements.

Exhibit B-7

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2008

	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Other Trust	Agency Fund
ASSETS				
Cash and Cash Equivalents	$ 306,642	$ 73,051	$ 12,231	$ 82,508
Total Current Assets	$ 306,642	$ 73,051	$ 12,231	$ 82,508
LIABILITIES				
Payable to Student Groups	$ -	$ -	$ -	$ 80,322
Payroll Deductions and Withholdings	2,239	-	-	2,186
Total Liabilities	$ 2,239	$ -	$ -	$ 82,508
NET ASSETS				
Held in Trust for Unemployment Claims and Other Purposes	$ 304,403			
Reserved for Scholarships		$ 73,051		
Reserved for Other Trust			$ 12,231	

See accompanying Notes to the Basic Financial Statements.

Exhibit B-8

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2008

	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Other Trust
ADDITIONS			
Contributions:			
Plan Member	$ 27,436	$ -	$ -
Other	-	12,405	15,000
Total Contributions	$ 27,436	$ 12,405	$ 15,000
Investment Earnings:			
Interest	$ 9,984	$ 1,375	$ 125
Net Investment Earnings	$ 9,984	$ 1,375	$ 125
Total Additions	$ 37,420	$ 13,780	$ 15,125
DEDUCTIONS			
Quarterly Contribution Reports	$ 7,964	$ -	$ -
Unemployment Claims	45,208	-	-
Scholarships Awarded	-	13,485	-
Miscellaneous	-	-	3,000
Total Deductions	$ 53,172	$ 13,485	$ 3,000
Change in Net Assets	$ (15,752)	$ 295	$ 12,125
Net Assets - Beginning of Fiscal Year	320,155	72,756	106
Net Assets - End of Fiscal Year	$ 304,403	$ 73,051	$ 12,231

See accompanying Notes to the Basic Financial Statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of Monmouth Regional High School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Significant changes in the Statement include the following:

> A Management's Discussion and Analysis (MD&A) providing an analysis of the District's overall financial position and results of operations.
>
> Financial statements prepared using full-accrual accounting for all of the District's activities.

A. Reporting Entity:

The Monmouth Regional High School District is a Type II district located in the County of Monmouth, 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 9-12. The Monmouth Regional High School District had an approximate enrollment at June 30, 2008 of 1,173 students.

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements:

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

The statement of activities demonstrates the degree to which the direct expense of a given function or segment are offset by program revenues. Direct *expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

GOVERNMENTAL FUNDS

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 noninstructional equipment, which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the District includes 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.

Continued

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements: (Continued)

GOVERNMENTAL FUNDS (Continued)

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

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). 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 Proprietary Fund measurement is based upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise Funds - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

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

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

Continued

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements: (Continued)

PROPRIETARY FUNDS (Continued)

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

FIDUCIARY FUNDS

Trust Funds - The 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/or other funds.

Private Purpose Scholarship Fund – A Private Purpose Scholarship Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. A Private Purpose Scholarship Fund accounts for assets where both the principal and interest may be spent. The Private Purpose Scholarship Fund includes the following scholarship funds:

Creekman Scholarship Fund	Cori Nicholson Scholarship Fund
Pratt Scholarship Fund	Joseph Provanzano Scholarship Fund
Virginia Hand Scholarship Fund	Cohen Scholarship Fund
Fleishman Scholarship Fund	Student Activist Scholarship Fund
Preschool Scholarship Fund	Falcon Ambassador Scholarship Fund
Finkel Scholarship Fund	Suzanne C. Grant Scholarship Fund

Agency Funds - Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Continued

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the District receives cash.

The District reports the following major governmental funds:

- General Fund
- Special Revenue Fund
- Debt Service Fund

Additionally, the District reports the following fund types:

- Enterprise Fund
- Unemployment Compensation Trust Fund
- Private Purpose Scholarship Fund
- Other Trust Fund (Hall of Fame)
- Student Activities Agency Fund
- Payroll Agency Fund

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

Continued

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Amounts reported as *program revenues* include 1) charges to students for tuition, fees, rental, material, supplies, or services, provided 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

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

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

D. 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 voted upon at the annual school election on the third Tuesday in April. 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 *N.J.A.C.* 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal 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 last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Continued

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgets/Budgetary Control: (Continued)

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

E. Encumbrances:

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

Open encumbrances in the special revenue fund, for which the 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.

F. Cash, Cash Equivalents and Investments:

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 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 funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

Continued

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash, Cash Equivalents and Investments: (Continued)

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

G. Tuition Receivable:

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

H. Tuition Payable:

Tuition charges for the fiscal years 2007-2008 and 2006-2007 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

I. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund are recorded as an expenditure during the year of purchase.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2008.

J. Short-term Interfund Receivables/Payables:

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

Continued

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets:

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than $2,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Buildings and improvements and furniture and equipment of the District are depreciated using the straight-line method over the following estimated lives:

Assets	Years
Site Improvements	10-25
Buildings	50
Outdoor Recreation Equipment	20
Athletic Equipment	10
Audio Visual Equipment	10
Communications Equipment	10
Multi Media Materials	5
Business Machines	10
Photocopiers	5
Data Processing Equipment	5
Computers	5
Printers	5
Machinery and Tools	15
Appliances/Food Service Equipment	15
Lab/Science/Engineering Equipment	10
Furniture and Accessories	20
Stage and Auditorium	20
Grounds/Agricultural Equipment	15
Licensed Vehicles	8
Construction Equipment	10
Roadways	30
Drainage System	50
Underground Sewer Lines	50
Hydrants	20

Continued

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Compensated Absences:

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

M. Deferred Revenue:

Deferred revenue in the special revenue fund represents cash that has been received but not yet earned.

N. Long-term Obligations:

In the government-wide financial statements and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

The District has no arbitrage rebate liability as of June 30, 2008.

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

Continued

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Fund Equity:

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

The District's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires all banks doing business in the State of New Jersey to maintain additional collateral in the amount of 5% of the average public deposits and to deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

Bank balances are insured up to $100,000 in the aggregate by the FDIC for each bank. At June 30, 2008, the book value of the District's deposits was $2,176,039 and the bank balance of the District's deposits was $2,979,937. Of the bank balances $200,000 was covered by FDIC and $2,779,937 was covered by GUDPA.

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

The New Jersey Cash Management Fund is a common trust fund administered by the New Jersey Department of the Treasury, Division of Investment. Securities in the Fund are insured, registered or held by the Division or its agent in the Fund's name. At June 30, 2008, the District had $943,192 on deposit with the New Jersey Cash Management Fund.

As of June 30, 2008, the District had the following investments:

U.S. Treasury Obligations	$2,299,879

As of June 30, 2008, the District has implemented the disclosure requirements of Governmental Accounting Standards Board Statement No. 40 "Deposit and Investment Risk Disclosures" ("GASB 40") and accordingly the District has assessed the Custodial Risk, the Concentration of Credit Risk, Credit Risk and Interest Rate Risk of its cash and investments.

Continued

NOTE 2. CASH AND INVESTMENTS (Continued)

(a) Custodial Credit Risk – The District's deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are: uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name. The deposit risk is that, in the event of the failure of a depository financial institution, the District will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The District's investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the District and are held by either: the counterparty or the counterparty's trust department or agent but not in the District's name. The investment risk is that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of the investment or collateral securities that are in possession of an outside party.

As of June 30, 2008, the District's bank balance was not exposed to custodial credit risk since the full amount was covered by either FDIC insurance or GUDPA. The New Jersey Cash Management Fund which is administered by the New Jersey Department of the Treasury invests pooled monies from various State and non-State agencies in primarily short-term investments. These investments include: U.S. Treasuries, Short-Term Commercial Paper, U.S. Government Agency Bonds, Corporate Bonds and Certificates of Deposits. Agencies that are part of the Fund typically earn returns that mirror short-term interest rates. The Fund is considered an investment pool and as such is not exposed to custodial credit risk. The District does not have a formal policy for deposit custodial credit risk other than to maintain sufficient funds in the checking account to cover checks that have not cleared the account as of a specific date.

As of June 30, 2008, the District's investments were comprised of U.S. Treasuries in the amount of $2,299,879. Since the investments are not registered in the District's name and were not held by the counterparty they are exposed to custodial credit risk. The District does not have a formal policy for investment securities custodial credit risk other than to maintain a safekeeping account for the securities at a financial institution.

(b) Concentration of Credit Risk – This is the risk associated with the amount of investments the District has with any one issuer that exceeds 5 percent or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

Continued

NOTE 2. CASH AND INVESTMENTS (Continued)

(c) Credit Risk – GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In general, the District does not have an investment policy regarding Credit Risk except to the extent previously outlined under the District's investment policy. All U.S. Agency obligations as of June 30, 2008 had a rating of Aaa by Moody's. The New Jersey Cash Management Fund is not rated.

(d) Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. 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 interest rate fluctuations. As of June 30, 2008, the U.S. Treasury obligations all had short term maturities.

NOTE 3. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Monmouth Regional Board of Education by inclusion of $1.00 on October 3, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A.* 19:60-2. Pursuant to *N.J.A.C.* 6A:23-2.13(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2007 to June 30, 2008 fiscal year is as follows:

Balance, June 30, 2007	$ 77,779
Increased by:	
Budgeted Increase	-
Interest Earned	1,281
Balance, June 30, 2008	$ 79,060

Continued

NOTE 4. CAPITAL ASSETS

	Beginning Balance	Increases	Decreases / Adjustments	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 120,340	$ -	$ -	$ 120,340
Total Capital Assets, Not Being Depreciated	$ 120,340	$ -	$ -	$ 120,340
Capital Assets, Being Depreciated:				
Site Improvements	$ 751,435	$ -	$ -	$ 751,435
Buildings and Building Improvements	9,714,405	1,126,993	-	10,841,398
Machinery and Equipment	3,205,778	505,513	(282,112)	3,429,179
Total Capital Assets, Being Depreciated	$ 13,671,618	$ 1,632,506	$ (282,112)	$ 15,022,012
Accumulated Depreciation For:				
Site Improvements	$ (534,138)	$ (23,179)	$ -	$ (557,317)
Buildings and Building Improvements	(4,386,692)	(207,488)	-	(4,594,180)
Machinery and Equipment	(2,620,072)	(186,989)	135,554	(2,671,507)
Total Accumulated Depreciation	$ (7,540,902)	$ (417,656)	$ 135,554	$ (7,823,004)
Total Capital Assets, Being Depreciated, Net	$ 6,130,716	$ 1,214,850	$ (146,558)	$ 7,199,008
Governmental Activities Capital Assets, Net	$ 6,251,056	$ 1,214,850	$ (146,558)	$ 7,319,348

Continued

NOTE 4. CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions of the District as follows:

Governmental Activities:	
Instruction:	
Regular Instruction	$ 176,334
Special Education Instruction	60,059
Other Instruction	29,445
Support Services:	
Student and Instruction Related Services	74,886
School Administrative Related Services	17,917
General Administrative Services	8,019
Central Services	9,773
Administrative Information Technology	3,049
Plant Operations and Maintenance	24,475
Pupil Transportation	13,699
Total Depreciation Expense, Governmental Activities	$ 417,656

NOTE 5. GENERAL LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2008 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
General:					
Obligation Bonds	$ 3,390,000	$ -	$ 520,000	$ 2,870,000	$ 535,000
Obligations Under Capital Leases	88,629	116,849	57,277	148,201	50,764
Compensated Absences Payable	1,074,905	-	13,223	1,061,682	-
Total Governmental Activity Long Term Liabilities	$ 4,553,534	$ 116,849	$ 590,500	$ 4,079,883	$ 585,764

Continued

NOTE 5. GENERAL LONG-TERM DEBT (Continued)

A. Bonds Payable -- 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 District are general obligation bonds.

Principal and interest due on bonds outstanding is as follows:

	Principal	Interest	Total
Year ending June 30,			
2009	$ 535,000	$ 128,613	$ 663,613
2010	550,000	109,887	659,887
2011	575,000	82,387	657,387
2012	600,000	53,638	653,638
2013	610,000	23,637	633,637
	$ 2,870,000	$ 398,162	$ 3,268,162

Advance Refunding:

The District adopted a resolution on August 6, 2002 for the purpose of issuing Refunding School Bonds to refund a portion of outstanding bonds dated February 1, 1997 issued in the original principal amount of $6,995,000.

On September 1, 2002, the District issued $4,925,000 in Refunding School Bonds with interest rates ranging between 1.50% and 5.00%. The District issued the bonds to advance refund $4,800,000 of the outstanding School Bonds dated February 1, 1997 with interest rates ranging between 5.10% and 5.20%. The District used the net proceeds to purchase U.S. Government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the bond issue noted above. As a result, that portion of the bond issue noted above is considered defeased, and the District has removed the liability from its accounts.

The advance refunding resulted in an economic gain (difference between the present value of bond payments for the prior issues and the debt service payments for the Refunding School Bonds, discounted at the effective interest rate) of $189,874.49 which resulted in a net present value cost savings of 3.86% (economic gain divided by the outstanding bonds under the refunded issue.)

Continued

NOTE 5. GENERAL LONG-TERM DEBT (Continued)

B. Bonds Authorized But Not Issued -- As of June 30, 2008, the District had no authorized but not issued bonds.

C. Capital Leases – The District is leasing photo copiers and school buses totaling $276,202 under capital leases. The following is a schedule of the future minimum lease payments under these capital leases and the net minimum lease payments at June 30, 2008.

	Principal	Interest	Total
Year ending June 30,			
2009	$ 50,764	$ 6,342	$ 57,106
2010	36,579	4,274	40,853
2011	34,103	2,525	36,628
2012	26,755	1,023	27,778
	$148,201	$ 14,164	$162,365

NOTE 6. PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January, 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related 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.

Continued

NOTE 6. PENSION PLANS (Continued)

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

Vesting and Benefit Provisions – The vesting and benefit provisions for PERS are set by *N.J.S.A*. 43:15A and 43.3B, and *N.J.S.A.* 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

Significant Legislation - During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by 1/2 of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

Continued

NOTE 6. PENSION PLANS (Continued)

Contribution Requirements - The contribution policy is set by *N.J.S.A.* 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.* 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2008	$137,491	80%	$ - 0 -
June 30, 2007	$ 76,971	60%	$ - 0 -
June 30, 2006	$ 40,900	40%	$ - 0 -

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

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2008	$1,561,651	100%	$ - 0 -
June 30, 2007	$1,497,944	100%	$ - 0 -
June 30, 2006	$ 848,407	100%	$ - 0 -

Continued

NOTE 6. PENSION PLANS (Continued)

Contribution Requirements (Continued)

In accordance with *N.J.S.A.* 18A:66-66 the State of New Jersey reimbursed the District $725,952 during the year ended June 30, 2007 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund statements and schedules as a revenue and expenditure in accordance with GASB 27.

Legislation enacted during 1991 (1993) provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1992 (1994) fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional $500 per month for two years for employees at least age 60 with 10 but less than 20 years of service. The District assumed the increased cost for the early retirement.

NOTE 7. POST-RETIREMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2007, there were 75,860 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994 c. 62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994 with an additional contribution beginning in Fiscal Year 1996 to maintain a medical reserve of one half of one percent of the active State payroll.

The State made post-retirement (PRM) contributions of $592.7 million for TPAF and $224.3 million for PERS in Fiscal Year 2007.

The State is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid $110.3 million toward Chapter 126 benefits for 11,747 eligible retired members in Fiscal Year 2007.

Continued

NOTE 8. COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability balance of compensated absences.

NOTE 9. 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, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment Planning, Inc.
Valic
Equitable

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Insurance coverage was maintained in amounts consistent with prior years. The District did not have any claims that exceeded coverage.

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

Continued

NOTE 10. RISK MANAGEMENT (Continued)

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. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years:

Fiscal Year	Interest Earned	Refund	Employee Contributions	Amount Reimbursed	Ending Balance
2007-2008	$ 9,984	$ -	$ 27,436	$ 53,172	$304,403
2006-2007	$ 15,488	$ -	$ 25,455	$ 32,887	$320,155
2005-2006	$ 11,826	$ -	$ 25,746	$ 29,969	$312,099

NOTE 11. INVENTORY

Inventory in the Food Service Fund at June 30, 2008 consisted of the following:

Food-Commodities	$ 2,670
Food-Regular	2,317
Non Food - Regular	543
	$ 5,530

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

Continued

NOTE 12. DEFICIT FUND BALANCES

The District has a deficit fund balance of $1,341 in the Special Revenue Fund as of June 30, 2007 as reported in the fund statements (modified accrual basis). *N.J.S.A.* 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment 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 last state aid payment in the subsequent fiscal year, the school district can not recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to *N.J.S.A.* 18A:22-44.2 any negative unreserved, undesignated fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP funds statements of $1,341 is equal to the last state aid payment.

NOTE 13. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) – Of the $4,889,495 General Fund fund balance at June 30, 2008, $1,336,300 is reserved for encumbrances; $79,060 has been reserved in the Capital Reserve Account; $50,000 has been reserved in the Maintenance Reserve Account; $2,938,337 is reserved as excess surplus in accordance with *N.J.S.A.* 18A:7F-7 ($1,476,328 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2009); $109,355 has been appropriated and included as anticipated revenue for the year ending June 30, 2009; and $376,443 is unreserved and undesignated.

Debt Service Fund – Of the $1 Debt Service Fund fund balance at June 30, 2008, $1 is unreserved and undesignated.

NOTE 14. CALCULATION OF EXCESS SURPLUS

In accordance with *N.J.S.A.* 18A:7F-7, as amended, the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance 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, 2008 is $1,462,009.

Continued

NOTE 15. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2008:

Fund	Interfund Receivable	Interfund Payable
General Fund	$ -	$ 3,062
Enterprise Fund (Food Service)	3,062	-
	$ 3,062	$ 3,062

The interfund is a result of reimbursements for the National School Lunch Program not being remitted to the Food Service Fund in a timely manner.

NOTE 16. CONTINGENCIES

In the opinion of the Board Attorney, there is no pending or threatened litigation which would have a material impact upon the Board.

The Board receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2007-2008 fiscal year were subject to the Single Audit Act of 1984 and New Jersey OMB Circular 04-04 which mandates that grant revenues and the expenditures be audited in conjunction with the Board's annual audit. Substantially, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The Board management does not believe such an audit would result in material amounts of disallowed costs.

Concluded

REQUIRED SUPPLEMENTARY INFORMATION

PART II

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2008

REVENUES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Local Sources:					
Local Tax Levy	$ 18,427,809	$ -	$ 18,427,809	$ 18,427,809	$ -
Transportation Fees from Other LEA's	435,000	-	435,000	406,631	(28,369)
Transportation Fees - Other	-	-	-	15,989	15,989
Tuition from Other LEA's	-	-	-	20,677	20,677
Interest Earned on Capital Reserve Funds	100	-	100	1,281	1,181
Miscellaneous	148,359	-	148,359	285,900	137,541
Total - Local Sources	$ 19,011,268	$ -	$ 19,011,268	$ 19,158,287	$ 147,019
State Sources:					
Core Curriculum Standards Aid	$ 914,959	$ -	$ 914,959	$ 914,959	$ -
Transportation Aid	558,167	-	558,167	558,167	-
Special Education Aid	674,233	-	674,233	674,233	-
Bilingual Education	9,380	-	9,380	9,380	-
Stabilization Aid	1,720,160	-	1,720,160	1,720,160	-
Consolidated Aid	188,414	-	188,414	207,073	18,659
Additional Formula Aid	247,353	-	247,353	247,353	-
Above Average Enrollment Growth	-	-	-	60,151	60,151
Nonpublic Transportation Costs	-	-	-	11,175	11,175
Teacher Quality Mentoring	-	-	-	2,728	2,728
On-Behalf TPAF Pension Contributions (Non-Budgeted)	-	-	-	730,694	730,694
On-Behalf TPAF Postretirement Contributions (Non-Budgeted)	-	-	-	830,957	830,957
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	725,952	725,952
Extraordinary Aid	-	-	-	52,833	52,833
Total - State Sources	$ 4,312,666	$ -	$ 4,312,666	$ 6,745,815	$ 2,433,149
Federal Sources:					
Impact Aid	$ 350,000	$ -	$ 350,000	$ 40,168	$ (309,832)
Total - Federal Sources	$ 350,000	$ -	$ 350,000	$ 40,168	$ (309,832)
Total Revenues	$ 23,673,934	$ -	$ 23,673,934	$ 25,944,270	$ 2,270,336

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2008
(Continued from prior page)

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENSE					
Regular Programs - Instruction					
Grades 9-12 - Salaries of Teachers	$ 5,358,985	$ (128,002)	$ 5,230,983	$ 5,123,800	$ 107,183
Regular Programs - Home Instruction					
Salaries of Teachers	16,800	36,640	53,440	53,440	-
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	151,030	27,181	178,211	174,482	3,729
Other Purchased Services (400-500 Series)	2,000	-	2,000	900	1,100
General Supplies	386,167	31,721	417,888	378,535	39,353
Textbooks	81,192	2,000	83,192	75,463	7,729
Other Objects	98,795	-	98,795	84,536	14,259
Total Regular Programs - Instruction	$ 6,094,969	$ (30,460)	$ 6,064,509	$ 5,891,156	$ 173,353
SPECIAL EDUCATION - INSTRUCTION:					
Learning and/or Language Disabilities					
Salaries of Teachers	$ 1,687,382	$ (21,148)	$ 1,666,234	$ 1,642,706	$ 23,528
Other Salaries for Instruction	218,977	(29,869)	189,108	157,627	31,481
Purchased Technical Services	1,000	-	1,000	350	650
General Supplies	7,650	1,500	9,150	6,708	2,442
Textbooks	9,600	(100)	9,500	8,525	975
Other Objects	700	100	800	-	800
Total Learning and/or Language Disabilities	$ 1,925,309	$ (49,517)	$ 1,875,792	$ 1,815,916	$ 59,876
Behavioral Disabilities					
Salaries of Teachers	$ -	$ 47,760	$ 47,760	$ 47,760	$ -
Other Salaries for Instruction	-	11,000	11,000	11,000	-
Purchased Technical Services	-	1,100	1,100	290	810
General Supplies	-	500	500	-	500
Total Behavioral Disabilities	$ -	$ 60,360	$ 60,360	$ 59,050	$ 1,310
Total Special Education - Instruction	$ 1,925,309	$ 10,843	$ 1,936,152	$ 1,874,966	$ 61,186

Continued

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2008
(Continued from prior page)

EXPENDITURES: (Continued)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENSE (Continued)					
Basic Skills/Remedial - Instruction					
Salaries of Teachers	$ 153,809	$ -	$ 153,809	$ 153,809	$ -
Total Basic Skills/Remedial - Instruction	$ 153,809	$ -	$ 153,809	$ 153,809	$ -
Bilingual Education - Instruction					
Salaries of Teachers	$ 42,142	$ 258	$ 42,400	$ 42,400	$ -
Purchased Technical Services	500	-	500	300	200
General Supplies	2,000	-	2,000	1,078	922
Total Bilingual Education - Instruction	$ 44,642	$ 258	$ 44,900	$ 43,778	$ 1,122
School-Sponsored Cocurricular Activities - Instruction					
Salaries	$ 229,000	$ (3,906)	$ 225,094	$ 207,057	$ 18,037
Purchased Services (300-500 Series)	13,500	15,206	28,706	23,139	5,567
Supplies and Materials	5,000	2,686	7,686	7,686	-
Other Objects	41,552	5,730	47,282	32,422	14,860
Total School-Sponsored Cocurricular Activities - Instruction	$ 289,052	$ 19,716	$ 308,768	$ 270,304	$ 38,464
School-Sponsored Athletics - Instruction					
Salaries	$ 464,620	$ -	$ 464,620	$ 427,028	$ 37,592
Purchased Services (300-500 Series)	68,500	-	68,500	56,098	12,402
Supplies and Materials	79,370	-	79,370	71,366	8,004
Other Objects	52,291	-	52,291	28,425	23,866
Total School-Sponsored Athletics - Instruction	$ 664,781	$ -	$ 664,781	$ 582,917	$ 81,864
Other Instructional Programs - Instruction					
Salaries	$ 82,656	$ -	$ 82,656	$ 81,100	$ 1,556
Supplies and Materials	700	(100)	600	574	26
Total Other Instructional Programs - Instruction	$ 83,356	$ (100)	$ 83,256	$ 81,674	$ 1,582
Total Instruction	$ 9,255,918	$ 257	$ 9,256,175	$ 8,898,604	$ 357,571

Continued

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2008
(Continued from prior page)

EXPENDITURES: (Continued)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENSE (Continued)					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State - Regular	$ 373,160	$ 81,050	$ 454,210	$ 288,890	$ 165,320
Tuition to Other LEAs Within the State - Special	134,555	(45,700)	88,855	61,649	27,206
Tuition to County Vocational School District-Regular	500,460	(25,430)	475,030	475,030	-
Tuition to County Vocational School District-Special	208,368	6,432	214,800	203,809	10,991
Tuition to Private Schools for the Disabled Within State	1,468,976	(306,411)	1,162,565	978,125	184,440
Tuition to Private Schools for the Disabled and Other LEA's - Special - Outside of State	146,081	(57,254)	88,827	10,944	77,883
Tuition - State Facilities	32,775	-	32,775	32,775	-
Tuition - Other	-	38,300	38,300	38,300	-
Total Undistributed Expenditures - Instruction	$ 2,864,375	$ (309,013)	$ 2,555,362	$ 2,089,522	$ 465,840
Undistributed Expenditures - Attendance and Social Work Services					
Salaries	$ 79,705	$ -	$ 79,705	$ 77,625	$ 2,080
Supplies and Materials	4,355	(200)	4,155	2,718	1,437
Other Objects	100	-	100	-	100
Total Undistributed Expenditures - Attendance and Social Work Services	$ 84,160	$ (200)	$ 83,960	$ 80,343	$ 3,617
Undistributed Expenditures - Health Services					
Salaries	$ 111,380	$ (4,841)	$ 106,539	$ 106,185	$ 354
Other Purchased Services (400-500 Series)	1,000	3,229	4,229	4,191	38
Supplies and Materials	1,411	1,597	3,008	250	2,758
Other Objects	1,775	15	1,790	1,322	468
Total Undistributed Expenditures - Health Services	$ 115,566	$ -	$ 115,566	$ 111,948	$ 3,618
Undistributed Expenditures - Other Support Services Students - Related Services					
Salaries	$ 37,341	$ 39,759	$ 77,100	$ 77,100	$ -
Total Undistributed Expenditures - Other Support Services Students - Related Services	$ 37,341	$ 39,759	$ 77,100	$ 77,100	$ -

Continued

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2008
(Continued from prior page)

EXPENDITURES: (Continued)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENSE (Continued)					
Undistributed Expenditures - Other Support Services Students - Regular					
Salaries of Other Professional Staff	$ 408,539	$ 2,868	$ 411,407	$ 410,050	$ 1,357
Salaries of Sec. and Clerical Assistants	199,688	(11,105)	188,583	178,016	10,567
Other Purchased Professional and Technical Services	7,900	-	7,900	6,856	1,044
Other Purchased Services (400-500 Series)	2,680	-	2,680	1,353	1,327
Supplies and Materials	20,396	7,038	27,434	25,583	1,851
Other Objects	23,899	(2,930)	20,969	15,328	5,641
Total Undistributed Expenditures - Other Support Services Students - Regular	$ 663,102	$ (4,129)	$ 658,973	$ 637,186	$ 21,787
Undistributed Expenditures - Other Support Services Students - Special					
Salaries of Other Professional Staff	$ 584,167	$ (3,815)	$ 580,352	$ 489,983	$ 90,369
Salaries of Sec. and Clerical Assistants	56,825	(16,576)	40,249	20,199	20,050
Purchased Professional - Educational Services	125,080	(1,176)	123,904	42,683	81,221
Misc. Purch. Services (400-500 series o/than Resid. Costs)	5,000	-	5,000	1,786	3,214
Supplies and Materials	9,000	236	9,236	6,043	3,193
Other Objects	5,850	(60)	5,790	4,029	1,761
Total Undistributed Expenditures - Other Support Services Students - Special	$ 785,922	$ (21,391)	$ 764,531	$ 564,723	$ 199,808
Undistributed Expenditures - Improvement of Instructional Services					
Salaries of Supervisor of Instruction	$ 687,724	$ 16,576	$ 704,300	$ 672,603	$ 31,697
Salaries of Other Professional Staff	105,270	-	105,270	95,158	10,112
Other Objects	1,000	-	1,000	-	1,000
Total Undistributed Expenditures - Improvement of Instructional Services	$ 793,994	$ 16,576	$ 810,570	$ 767,761	$ 42,809
Undistributed Expenditures - Educational Media Serv./School Library					
Salaries	$ 159,695	$ 8,884	$ 168,579	$ 167,068	$ 1,511
Other Purchased Services (400-500 Series)	800	-	800	131	669
Supplies and Materials	68,105	(7,338)	60,767	58,828	1,939
Other Objects	500	-	500	360	140
Total Undistributed Expenditures - Educational Media Serv./School Library	$ 229,100	$ 1,546	$ 230,646	$ 226,387	$ 4,259

Continued

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2008
(Continued from prior page)

EXPENDITURES: (Continued)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENSE (Continued)					
Undistributed Expenditures - Instructional Staff Training Services					
Salaries of Supervisors of Instruction	$ 4,300	$ -	$ 4,300	$ 3,500	$ 800
Other Purchased Services (400-500 Series)	31,095	200	31,295	15,264	16,031
Supplies and Materials	1,000	-	1,000	412	588
Other Objects	200	-	200	-	200
Total Undistributed Expenditures - Instructional Staff Training Services	$ 36,595	$ 200	$ 36,795	$ 19,176	$ 17,619
Undistributed Expenditures - Support Services - General Administration					
Salaries	$ 243,527	$ 4,299	$ 247,826	$ 247,793	$ 33
Legal Services	26,500	(1,910)	24,590	24,590	-
Audit Fees	23,000	(1,912)	21,088	21,000	88
Other Purchased Professional Services	67,461	47,924	115,385	92,285	23,100
Communications/Telephone	42,640	(1,090)	41,550	31,490	10,060
BOE Other Purchased Services	7,235	-	7,235	4,438	2,797
Other Purchased Services (400-500)	42,598	9,602	52,200	47,640	4,560
General Supplies	3,675	1,425	5,100	4,674	426
BOE In-House Training/Meeting Supplies	9,500	(1,425)	8,075	3,389	4,686
Miscellaneous Expenditures	28,786	(1,251)	27,535	17,021	10,514
BOE Membership Dues and Fees	12,581	1,250	13,831	13,831	-
Total Undistributed Expenditures - Support Services - General Administration	$ 507,503	$ 56,912	$ 564,415	$ 508,151	$ 56,264
Undistributed Expenditures - Support Services - School Administration					
Salaries of Principals/Asst. Principals	$ 197,388	$ 4,470	$ 201,858	$ 199,921	$ 1,937
Salaries of Other Professional Staff	239,130	(5,946)	233,184	233,178	6
Salaries of Sec. and Clerical Assistants	125,220	(2,644)	122,576	122,086	490
Other Purchased Services (400-500 Series)	1,200	(911)	289	288	1
Supplies and Materials	13,000	4,334	17,334	17,115	219
Other Objects	8,860	(1,822)	7,038	6,755	283
Total Undistributed Expenditures - Support Services - School Administration	$ 584,798	$ (2,519)	$ 582,279	$ 579,343	$ 2,936

Continued

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2008
(Continued from prior page)

EXPENDITURES: (Continued)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENSE (Continued)					
Undistributed Expenditures - Central Services					
Salaries	$ 300,292	$ 2,224	$ 302,516	$ 301,994	$ 522
Purchased Professional Services	-	-	-	-	-
Miscellaneous Purchased Services (400-500 Series)	28,900	(10,031)	18,869	14,216	4,653
Sale/Lease-Back Payments	18,000	3,721	21,721	21,721	-
Supplies and Materials	13,700	5,255	18,955	15,248	3,707
Miscellaneous Expenditures	-	135	135	135	-
Total Undistributed Expenditures - Central Services	$ 360,892	$ 1,304	$ 362,196	$ 353,314	$ 8,882
Undistributed Expenditures - Admin. Info. Technology					
Salaries	$ 93,767	$ 49	$ 93,816	$ 93,816	$ -
Other Purchased Services (400-500 Series)	1,000	(49)	951	321	630
Total Undistributed Expenditures - Admin. Info Technology	$ 94,767	$ -	$ 94,767	$ 94,137	$ 630
Undistributed Expenditures - Required Maint. For School Facilities					
Salaries	$ 204,309	$ 41,833	$ 246,142	$ 245,191	$ 951
Cleaning, Repair, and Maintenance Services	361,293	19,589	380,882	322,246	58,636
General Supplies	153,532	20,080	173,612	157,664	15,948
Other Objects	2,300	(1,882)	418	418	-
Total Undistributed Expenditures - Required Maint. For School Facilities	$ 721,434	$ 79,620	$ 801,054	$ 725,519	$ 75,535
Undistributed Expenditures - Other Oper. and Maint. of Plant Services					
Salaries	$ 537,421	$ (20,761)	$ 516,660	$ 512,903	$ 3,757
Cleaning, Repair and Maintenance Services	13,600	(1,096)	12,504	8,025	4,479
Other Purchased Property Services	51,600	(5,919)	45,681	23,241	22,440
Insurance	90,610	-	90,610	77,067	13,543
General Supplies	85,729	(9,711)	76,018	74,277	1,741
Energy (Heat and Electricity)	791,603	(43,091)	748,512	456,908	291,604
Other Objects	17,000	11,460	28,460	26,313	2,147
Total Undistributed Expenditures - Other Oper. and Maint. of Plant Services	$ 1,587,563	$ (69,118)	$ 1,518,445	$ 1,178,734	$ 339,711

Continued

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2008
(Continued from prior page)

EXPENDITURES: (Continued)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENSE (Continued)					
Undistributed Expenditures - Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Regular	$ 342,985	$ (27,431)	$ 315,554	$ 308,089	$ 7,465
Salaries for Pupil Transportation (Between Home and School) - Special Ed.	70,000	-	70,000	41,443	28,557
Salaries for Pupil Transportation (Other Than Between Home and School)	99,630	(6,057)	93,573	74,051	19,522
Cleaning, Repair and Maint. Services	85,000	-	85,000	75,563	9,437
Lease Purchase Payments - School Buses	-	25,284	25,284	25,283	1
Contracted Services (Between Home and School) - Vendors	587,100	(49,312)	537,788	536,282	1,506
Contracted Services (Other Than Between Home and School) - Vendors	29,958	2,863	32,821	18,150	14,671
Contracted Services (Special Ed. Students) - Vendors	11,228	-	11,228	11,228	-
Contracted Services (Regular Students) - ESCs and CTSAs	364,000	142,684	506,684	308,112	198,572
Contracted Services (Special Ed. Students) - ESCs and CTSAs	333,400	(103,396)	230,004	202,442	27,562
Contracted Services-Aid in Lieu Payments	159,347	11,134	170,481	155,425	15,056
Supplies and Materials	58,350	11,105	69,455	66,575	2,880
Other Objects	8,180	4,092	12,272	11,568	704
Total Undistributed Expenditures - Student Transportation Services	$ 2,149,178	$ 10,966	$ 2,160,144	$ 1,834,211	$ 325,933
UNALLOCATED BENEFITS					
Social Security Contributions	$ 260,000	$ 20,000	$ 280,000	$ 277,393	$ 2,607
Other Retirement Contributions - Regular	123,298	14,194	137,492	137,491	1
Workmen's Compensation	162,307	36,682	198,989	198,988	1
Health Benefits	3,891,666	(410,546)	3,481,120	3,332,424	148,696
Tuition Reimbursement	22,000	2,002	24,002	24,002	-
Other Employee Benefits	65,000	109,668	174,668	172,617	2,051
Total Unallocated Benefits	$ 4,524,271	$ (228,000)	$ 4,296,271	$ 4,142,915	$ 153,356
On-Behalf TPAF Pension Contributions (Non-Budgeted)	$ -	$ -	$ -	$ 730,694	$ (730,694)
On-Behalf TPAF Postretirement Contributions (Non-Budgeted)	$ -	$ -	$ -	$ 830,957	$ (830,957)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	$ -	$ -	$ -	$ 725,952	$ (725,952)
Total On-Behalf Contributions	$ -	$ -	$ -	$ 2,287,603	$ (2,287,603)
Total Personal Services - Employee Benefits	$ 4,524,271	$ (228,000)	$ 4,296,271	$ 6,430,518	$ (2,134,247)

Continued

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2008
(Continued from prior page)

EXPENDITURES: (Continued)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
CURRENT EXPENSE (Continued)					
TOTAL UNDISTRIBUTED EXPENDITURES	$ 16,140,561	$ (427,487)	$ 15,713,074	$ 16,278,073	$ (564,999)
TOTAL GENERAL CURRENT EXPENSE	$ 25,396,479	$ (427,230)	$ 24,969,249	$ 25,176,677	$ (207,428)
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures - Instruction	$ -	$ -	$ -	$ -	$ -
Undistributed Expenditures - Operation and Maint. Of Plant Serv.	-	15,000	15,000	14,542	458
School Buses - Regular	68,000	(68,000)	-	-	-
Undistributed Expenditures - Non-Instructional Services	-	2,230	2,230	2,230	-
Total Equipment	$ 68,000	$ (50,770)	$ 17,230	$ 16,772	$ 458
Facilities Acquisition and Construction Services					
Construction Services	$ 1,527,512	$ 478,000	$ 2,005,512	$ 1,143,889	$ 861,623
Total Facilities Acquisition and Construction Services	$ 1,527,512	$ 478,000	$ 2,005,512	$ 1,143,889	$ 861,623
Assets Acquired Under Capital Leases (Non-Budgeted)					
School Buses - Regular	$ -	$ -	$ -	$ 116,849	$ (116,849)
Total Assets Acquired Under Capital Leases (Non-Budgeted)	$ -	$ -	$ -	$ 116,849	$ (116,849)
TOTAL CAPITAL OUTLAY	$ 1,595,512	$ 427,230	$ 2,022,742	$ 1,277,510	$ 745,232
TOTAL EXPENDITURES	$ 26,991,991	$ -	$ 26,991,991	$ 26,454,187	$ 537,804
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (3,318,057)	$ -	$ (3,318,057)	$ (509,917)	$ 2,808,140
Other Financing Sources:					
Capital Leases (Non-Budgeted)	$ -	$ -	$ -	$ 116,849	$ 116,849
Total Other Financing Sources	$ -	$ -	$ -	$ 116,849	$ 116,849

Continued

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2008
(Continued from prior page)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources	$ (3,318,057)	$ -	$ (3,318,057)	$ (393,068)	$ 2,924,989
Fund Balances, Beginning of Fiscal Year	5,491,291	-	5,491,291	5,491,291	-
Fund Balances, End of Fiscal Year	$ 2,173,234	$ -	$ 2,173,234	$ 5,098,223	$ 2,924,989

Recapitulation:

Reserve for Encumbrances	$ 1,336,300
Excess Surplus	1,462,009
Excess Surplus Designated for Subsequent Year's Expenditures	1,476,328
Capital Reserve	79,060
Maintenance Reserve	50,000
Unreserved-Designated for Subsequent Year's Expenditures	109,355
Unreserved-Undesignated	585,171
	$ 5,098,223
Reconciliation to Governmental Fund Statements (GAAP):	
Last State Aid Payment not recognized on GAAP Basis	(208,728)
Fund Balance per Governmental Funds (GAAP)	$ 4,889,495

Concluded

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2008

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
REVENUES:					
State Sources	$ 60,269	$ 15,220	$ 75,489	$ 58,082	$ (17,407)
Federal Sources	420,173	(6,626)	413,547	351,852	(61,695)
Other Sources	-	25,000	25,000	24,795	(205)
Total Revenues	$ 480,442	$ 33,594	$ 514,036	$ 434,729	$ (79,307)
EXPENDITURES					
Instruction:					
Salaries of Teachers	$ 350,749	$ (225,029)	$ 125,720	$ 110,857	$ 14,863
Purchased Professional and Technical Services	-	60,000	60,000	60,000	-
Other Purchased Services (400-500 Series)	5,786	96,803	102,589	96,803	5,786
General Supplies	23,448	7,958	31,406	20,655	10,751
Textbooks	9,793	7,062	16,855	4,000	12,855
Other Objects	1,000	250	1,250	1,250	-
Total Instruction	$ 390,776	$ (52,956)	$ 337,820	$ 293,565	$ 44,255
Support Services:					
Salaries of Other Professional Staff	$ 1,300	$ -	$ 1,300	$ 1,300	$ -
Salaries of Secretaries and Clerical Assistants	-	20,000	20,000	20,000	-
Other Salaries	1,000	-	1,000	-	1,000
Personal Services - Employee Benefits	12,128	13,904	26,032	20,817	5,215
Purchased Professional Ed. Services	1,287	6,626	7,913	7,913	-
Purchased Technical Services	19,718	-	19,718	3,345	16,373
Other Purchased Services (400-500 Series)	51,572	21,020	72,592	61,237	11,355
Supplies and Materials	2,661	-	2,661	1,757	904
Total Support Services	$ 89,666	$ 61,550	$ 151,216	$ 116,369	$ 34,847

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2008
(Continued from prior page)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES (Continued)					
Facilities Acquisition and Construction Services:					
Instructional Equipment	$ -	$ 25,000	$ 25,000	$ 24,795	$ 205
Total Facilities Acquisition and Construction Services	$ -	$ 25,000	$ 25,000	$ 24,795	$ 205
Total Expenditures	$ 480,442	$ 33,594	$ 514,036	$ 434,729	$ 79,307
Total Outflows	$ 480,442	$ 33,594	$ 514,036	$ 434,729	$ 79,307
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ -

Concluded

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Notes to Required Supplementary Information
Budgetary Comparison Schedule

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	$ 25,944,270	$ 434,729
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	-
State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	202,754	1,338
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(208,728)	(1,341)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	$ 25,938,296	$ 434,726
Uses/Outflows of Resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	$ 26,454,187	$ 434,729
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.	-	-
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	-	-
Net transfers (outflows) to general fund.	-	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$ 26,454,187	$ 434,729

OTHER SUPPLEMENTARY INFORMATION

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Combining Schedule of Revenues and Expenditures
Special Revenue Fund
Budgetary Basis
For the Fiscal Year Ended June 30, 2008

	Local	State (Exh. E-1 (a))	Federal (Exh. E-1 (b))	Total
REVENUES:				
Local Sources	$ 24,795	$ -	$ -	$ 24,795
State Sources	-	58,082	-	58,082
Federal Sources	-	-	351,852	351,852
Total Revenues	$ 24,795	$ 58,082	$ 351,852	$434,729
EXPENDITURES:				
Instruction:				
Salaries of Teachers	$ -	$ -	$ 110,857	$110,857
Other Salaries for Instruction	-	-	-	-
Purchased Professional and Technical Services	-	-	60,000	60,000
Other Purchased Services	-	-	96,803	96,803
General Supplies	-	9,190	11,465	20,655
Textbooks	-	-	4,000	4,000
Other Objects	-	-	1,250	1,250
Total Instruction	$ -	$ 9,190	$ 284,375	$293,565
Support Services:				
Salaries of Other Professional Staff	$ -	$ -	$ 1,300	$ 1,300
Salaries of Secretarial and Clerical Assists.	-	-	20,000	20,000
Other Salaries	-	-	-	-
Personal Services-Employee Benefits	-	-	20,817	20,817
Purchased Professional - Ed Services	-	-	7,913	7,913
Purchased Technical Services	-	-	3,345	3,345
Other Purchased Professional Services	-	-	525	525
Rentals	-	-	-	-
Travel	-	-	-	-
Other Purchased Services	-	48,892	11,820	60,712
Supplies and Materials	-	-	1,757	1,757
Total Support Services	$ -	$ 48,892	$ 67,477	$116,369
Facilities Acquisition and Construction Services:				
Instructional Equipment	$ 24,795	$ -	$ -	$ 24,795
Non-Instructional Equipment	-	-	-	-
Total Facilities Acquisition and Construction Services	$ 24,795	$ -	$ -	$ 24,795
Total Expenditures	$ 24,795	$ 58,082	$ 351,852	$434,729

Exhibit E-1a

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Combining Schedule of Revenues and Expenditures
Special Revenue Fund
Budgetary Basis
For the Fiscal Year Ended June 30, 2008

	Instructional Supplement Aid	Non-Public (Exh. E-1(c))	Total State
REVENUES:			
State Sources	$ 26,822	$ 31,260	$ 58,082
Federal Sources	-	-	-
Total Revenues	$ 26,822	$ 31,260	$ 58,082
EXPENDITURES:			
Instruction:			
Salaries of Teachers	$ -	$ -	$ -
Other Salaries for Instruction	-	-	-
Purchased Professional and Technical Services	-	-	-
Other Purchased Services	-	-	-
General Supplies	-	9,190	9,190
Textbooks	-	-	-
Other Objects	-	-	-
Total Instruction	$ -	$ 9,190	$ 9,190
Support Services:			
Salaries of Other Professional Staff	$ -	$ -	$ -
Salaries of Secretarial and Clerical Assists.	-	-	-
Other Salaries	-	-	-
Personal Services-Employee Benefits	-	-	-
Purchased Professional - Ed Services	-	-	-
Other Purchased Professional Services	-	-	-
Rentals	-	-	-
Travel	-	-	-
Other Purchased Services	26,822	22,070	48,892
Supplies and Materials	-	-	-
Total Support Services	$ 26,822	$ 22,070	$ 48,892
Facilities Acquisition and Construction Services:			
Instructional Equipment	$ -	$ -	$ -
Total Facilities Acquisition and Construction Services	$ -	$ -	$ -
Total Expenditures	$ 26,822	$ 31,260	$ 58,082

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Combining Schedule of Revenues and Expenditures
Special Revenue Fund
Budgetary Basis
For the Fiscal Year Ended June 30, 2008

	Title I	Title I Summer	Title I - SIA	Title II-A	Title II-D	Title III	Title IV	Title V	I.D.E.A. - Part B Basic	I.D.E.A. - Part B Basic Summer	Total Federal
REVENUES:											
State Sources	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Federal Sources	31,270	169	2,621	30,909	350	3,635	2,880	1,290	261,441	17,287	351,852
Total Revenues	$ 31,270	$ 169	$ 2,621	$ 30,909	$ 350	$ 3,635	$ 2,880	$ 1,290	$ 261,441	$ 17,287	$ 351,852
EXPENDITURES:											
Instruction:											
Salaries of Teachers	$ 20,900	$ -	$ 1,913	$ 24,000	$ -	$ -	$ 1,000	$ -	$ 47,044	$ 16,000	$ 110,857
Other Salaries for Instruction	-	-	-	-	-	-	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-	-	-	-	60,000	-	60,000
Other Purchased Services	-	-	-	-	-	-	-	-	96,803	-	96,803
General Supplies	2,293	-	-	-	-	3,635	-	1,290	4,247	-	11,465
Textbooks	-	-	-	-	-	-	-	-	4,000	-	4,000
Other Objects	-	-	-	-	-	-	1,000	-	250	-	1,250
Total Instruction	$ 23,193	$ -	$ 1,913	$ 24,000	$ -	$ 3,635	$ 2,000	$ 1,290	$ 212,344	$ 16,000	$ 284,375
Support Services:											
Salaries of Other Professional Staff	$ -	-	$ -	$ 1,300	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,300
Salaries of Secretarial and Clerical Assists.	-	-	-	-	-	-	-	-	20,000	-	20,000
Other Salaries	-	-	-	-	-	-	-	-	-	-	-
Personal Services - Employee Benefits	4,732	-	-	5,434	-	-	-	-	10,651	-	20,817
Purchased Professional - Educational Services	-	-	-	-	-	-	-	-	6,626	1,287	7,913
Purchased Technical Services	3,345	-	-	-	-	-	-	-	-	-	3,345
Other Purchased Professional Services	-	-	-	175	350	-	-	-	-	-	525
Rentals	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-	11,820	-	11,820
Supplies and Materials	-	169	708	-	-	-	880	-	-	-	1,757
Total Support Services	$ 8,077	$ 169	$ 708	$ 6,909	$ 350	$ -	$ 880	$ -	$ 49,097	$ 1,287	$ 67,477
Facilities Acquisition and Construction Services:											
Non-Instructional Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Facilities Acquisition and Construction Services	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ 31,270	$ 169	$ 2,621	$ 30,909	$ 350	$ 3,635	$ 2,880	$ 1,290	$ 261,441	$ 17,287	$ 351,852

Exhibit E-1c

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Combining Schedule of Revenues and Expenditures
Special Revenue Fund
Budgetary Basis - Non-Public Aid
For the Fiscal Year Ended June 30, 2008

	Handicapped Services Chapter 193				
	Exam and Classification	Supplementary Instruction	Technology Initiative	Nursing	Total Non-Public
REVENUES:					
State Sources	$ 7,204	$ 1,652	$ 9,190	$ 13,214	$ 31,260
Federal Sources	-	-	-	-	-
Total Revenues	$ 7,204	$ 1,652	$ 9,190	$ 13,214	$ 31,260
EXPENDITURES:					
Instruction:					
Salaries of Teachers	$ -	$ -	$ -	$ -	$ -
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
General Supplies	-	-	9,190	-	9,190
Textbooks	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Instruction	$ -	$ -	$ 9,190	$ -	$ 9,190
Support Services:					
Salaries of Other Professional Staff	$ -	$ -	$ -	$ -	$ -
Salaries of Secretarial and Clerical Assists.	-	-	-	-	-
Other Salaries	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Professional Services	-	-	-	-	-
Rentals	-	-	-	-	-
Travel	-	-	-	-	-
Other Purchased Services	7,204	1,652	-	13,214	22,070
Supplies and Materials	-	-	-	-	-
Total Support Services	$ 7,204	$ 1,652	$ -	$ 13,214	$ 22,070
Facilities Acquisition and Construction Services:					
Instructional Equipment	$ -	$ -	$ -	$ -	$ -
Total Facilities Acquisition and Construction Services	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ 7,204	$ 1,652	$ 9,190	$ 13,214	$ 31,260

Exhibit E-5

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Schedule of Instructional Supplement Aid
Special Revenue Fund
Budgetary Basis
For the Fiscal Year Ended June 30, 2008

EXPENDITURES:	Budgeted	Actual	Variance
Support Services:			
Other Purchased Services (400-500 Series)	$ 26,822	$ 26,822	$ -
Total Support Services	$ 26,822	$ 26,822	$ -
Total Expenditures	$ 26,822	$ 26,822	$ -

CALCULATION OF BUDGET AND CARRYOVER

Total Revised 2007-08 Instructional Supplement Aid Allocation	$ 26,822
Actual Instructional Supplement Carryover (June 30, 2007)	-
Total Instructional Supplement Aid Available for 2007-08 Budget	$ 26,822
Less: 2007-08 Budgeted Instructional Supplement Aid (Including Prior Year Budgeted Carryover)	(26,822)
Available and Unbudgeted ISA Funds as of June 30, 2008	$ -
Add: 2007-08 Unexpended ISA	-
2007-08 Carryover Available for Transfer to the General Fund	$ -
2007-08 ISA Carryover Budgeted in 2008-2009	$ -

Exhibit G-1

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Combining Schedule of Net Assets
Proprietary Funds
Enterprise Fund
June 30, 2008

	Business-type Activities - Enterprise Funds	
	Food Service	Totals
ASSETS:		
Current Assets:		
Cash and Cash Equivalents	$ 105,962	$ 105,962
Accounts Receivable:		
State	137	137
Federal	2,159	2,159
Other	2,356	2,356
Interfund	3,062	3,062
Inventories:		
Commodities	2,670	2,670
Regular	2,860	2,860
Total Current Assets	$ 119,206	$ 119,206
Total Assets	$ 119,206	$ 119,206
NET ASSETS		
Unrestricted	$ 119,206	$ 119,206
Total Net Assets	$ 119,206	$ 119,206

Exhibit G-2

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
Enterprise Fund
For the Year Ended June 30, 2008

	Business-type Activities - Enterprise Funds	
	Food Service	Total Enterprise
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	$ 74,461	$ 74,461
Daily Sales - Non-Reimbursable Programs	174,669	174,669
Miscellaneous	5,575	5,575
Total Operating Revenues	$ 254,705	$ 254,705
Operating Expenses:		
Salaries	$ 115,246	$ 115,246
Employee Benefits	15,678	15,678
Purchased Professional/Technical Services	8,000	8,000
Purchased Property Services	9,964	9,964
Supplies and Materials	6,814	6,814
Cost of Sales	172,057	172,057
Miscellaneous Expenditures	18,128	18,128
Total Operating Expenses	$ 345,887	$ 345,887
Operating (Loss)	$ (91,182)	$ (91,182)
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	$ 4,043	$ 4,043
Federal Sources:		
National School Lunch Program	61,934	61,934
Food Distribution Program	11,421	11,421
Total Nonoperating Revenues (Expenses)	$ 77,398	$ 77,398
Income (Loss) Before Contributions and Transfers	$ (13,784)	$ (13,784)
Change in Net Assets	$ (13,784)	$ (13,784)
Total Net Assets - Beginning of Fiscal Year	132,990	132,990
Total Net Assets - End of Fiscal Year	$ 119,206	$ 119,206

Exhibit G-3

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Combining Schedule of Cash Flows
Proprietary Funds
Enterprise Fund
For the Year Ended June 30, 2008

	Business-type Activities - Enterprise Funds	
	Food Service	Total Enterprise
Cash Flows Provided From Operating Activities:		
Receipts from Customers	$ 262,204	$ 262,204
Payments to Suppliers	(333,656)	(333,656)
Net Cash Provided by (Used For) Operating Activities	$ (71,452)	$ (71,452)
Cash Flows From Noncapital Financing Activities:		
Local Sources	$ 64,179	$ 64,179
State Sources	3,906	3,906
Federal Sources	59,775	59,775
Net Cash Provided By (Used For) Non-Capital Financing Activities	$ 127,860	$ 127,860
Net Increase (Decrease) in Cash and Cash	$ 56,408	$ 56,408
Balances - Beginning of Fiscal Year	49,554	49,554
Balances - End of Fiscal Year	$ 105,962	$ 105,962
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:		
Operating Income (Loss)	$ (91,182)	$ (91,182)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:		
Food Distribution Program	$ 11,421	$ 11,421
(Increase) Decrease in Inventories	1,803	1,803
(Increase) Decrease in Accounts Receivable	6,506	6,506
Total Adjustments	$ 19,730	$ 19,730
Net Cash Provided By (Used For) Operating Activities	$ (71,452)	$ (71,452)

Exhibit H-1

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2008

	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Other Trust	Agency Fund	Total
ASSETS					
Cash and Cash Equivalents	$ 306,642	$ 73,051	$ 12,231	$ 82,508	$ 474,432
Total Assets	$ 306,642	$ 73,051	$ 12,231	$ 82,508	$ 474,432
LIABILITIES					
Payable to Student Groups	$ -	$ -	$ -	$ 80,322	$ 80,322
Payroll Deductions and Withholdings	2,239	-	-	2,186	4,425
Total Liabilities	$ 2,239	$ -	$ -	$ 82,508	$ 84,747
NET ASSETS					
Held in Trust for Unemployment Claims and Other Purposes	$ 304,403	$ -	$ -		$ 304,403
Reserved for Scholarships	-	73,051	-		73,051
Reserved for Other Trust	-	-	12,231		12,231
Total Net Assets	$ 304,403	$ 73,051	$ 12,231		$ 389,685

Exhibit H-2

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2008

	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Other Trust	Total
ADDITIONS:				
Contributions:				
Plan Member	$ 27,436	$ -	$ -	$ 27,436
Other	-	12,405	15,000	27,405
Total Contributions	$ 27,436	$ 12,405	$ 15,000	$ 54,841
Investment Earnings:				
Interest	$ 9,984	$ 1,375	$ 125	$ 11,484
Net Investment Earnings	$ 9,984	$ 1,375	$ 125	$ 11,484
Total Additions	$ 37,420	$ 13,780	$ 15,125	$ 66,325
DEDUCTIONS:				
Quarterly Contribution Reports	$ 7,964	$ -	$ -	$ 7,964
Unemployment Claims	45,208	-	-	45,208
Scholarships Awarded	-	13,485	-	13,485
Miscellaneous	-	-	3,000	3,000
Total Deductions	$ 53,172	$ 13,485	$ 3,000	$ 69,657
Change in Net Assets	$ (15,752)	$ 295	$ 12,125	$ (3,332)
Net Assets - Beginning of Fiscal Year	320,155	72,756	106	393,017
Net Assets - End of Fiscal Year	$ 304,403	$ 73,051	$ 12,231	$ 389,685

Exhibit H-3

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Schedule of Receipts and Disbursements
Fiduciary Funds
Student Activity Agency Fund
For the Fiscal Year Ended June 30, 2008

	Balance July 1,2007	Receipts	Disbursements	Balance June 30,2008
ASSETS:				
Cash and Cash Equivalents	$ 67,584	$ 367,555	$ 354,817	$ 80,322
Total Assets	$ 67,584	$ 367,555	$ 354,817	$ 80,322
LIABILITIES:				
Due to Student Groups	$ 67,584	$ 367,555	$ 354,817	$ 80,322
Total Liabilities	$ 67,584	$ 367,555	$ 354,817	$ 80,322

Exhibit H-3a

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Schedule of Receipts and Disbursements
Fiduciary Funds
Student Activity Agency Fund
For the Fiscal Year Ended June 30, 2008

	Balance July 1,2007	Cash Receipts	Cash Disbursements	Balance June 30,2008
High School	$ 67,584	$ 367,555	$ 354,817	$ 80,322
Total All Schools	$ 67,584	$ 367,555	$ 354,817	$ 80,322

Exhibit H-4

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Schedule of Receipts and Disbursements
Fiduciary Funds
Payroll Agency Fund
For the Fiscal Year Ended June 30, 2008

	Balance July 1,2007	Additions	Deletions	Balance June 30,2008
ASSETS:				
Cash and Cash Equivalents	$ 3,766	$14,360,493	$14,362,073	$ 2,186
Total Assets	$ 3,766	$14,360,493	$14,362,073	$ 2,186
LIABILITIES:				
Net Payroll	$ -	$ 7,928,572	$ 7,928,572	$ -
Payroll Deductions and Withholdings	3,766	6,431,921	6,433,501	2,186
Total Liabilities	$ 3,766	$14,360,493	$14,362,073	$ 2,186

Exhibit I-1

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Schedule of Serial Bonds
Long-Term Debt
June 30, 2008

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1,2007	Issued	Retired	Balance June 30,2008
School Refunding Bonds	09/01/02	$4,925,000	02/01/09	$ 535,000	3.500%	$3,390,000	$ -	$520,000	$2,870,000
			02/01/10	550,000	5.000%				
			02/01/11	575,000	5.000%				
			02/01/12	600,000	5.000%				
			02/01/13	610,000	3.875%				

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Schedule of Obligations Under Capital Leases
Long-Term Debt
June 30, 2008

Series	Interest Rate Payable	Amount of Original Issue	Balance July 1,2007	Issued Current Year	Retired Current Year	Amount Outstanding June 30,2008
2003 Savin Digital Copier	7.00%	$ 17,764	$ 4,066	$ -	$ 4,066	$ -
2004 Xerox Copiers	3.13%	90,168	40,806	-	18,491	22,315
2006 Savin Digital Copier	8.88%	9,420	7,161	-	1,776	5,385
2007 Savin Digital Copier	7.00%	42,001	36,596	-	7,661	28,935
2008 Type "C" Conventional School Bus	4.00%	71,449	-	71,449	15,432	56,017
2008 Type "B" School Bus	4.25%	45,400	-	45,400	9,851	35,549
Total		$276,202	$ 88,629	$116,849	$ 57,277	$ 148,201

Exhibit I-3

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2008

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 595,126	$ -	$ 595,126	$ 595,126	$ -
State Sources:					
Debt Service Aid Type II	71,686	-	71,686	71,686	-
Total Revenues	$ 666,812	$ -	$ 666,812	$ 666,812	$ -
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds	$ 146,813	$ -	$ 146,813	$ 146,812	$ 1
Redemption of Principal	520,000	-	520,000	520,000	-
Total Expenditures	$ 666,813	$ -	$ 666,813	$ 666,812	$ 1
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (1)	$ -	$ (1)	$ -	$ 1
Fund Balance, Beginning of Fiscal Year	1	-	1	1	-
Fund Balance, End of Fiscal Year	$ -	$ -	$ -	$ 1	$ 1
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	$ (1)	$ -	$ (1)	$ -	$ 1

STATISTICAL SECTION

Exhibit J-1

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Net Assets By Component
Last Six Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,					
	2003	2004	2005	2006	2007	2008
Governmental Activities:						
Invested in capital assets, Net of Related Debt	$ 2,360,658	$ 2,137,027	$ 2,258,434	$ 2,436,515	$ 2,711,255	$ 4,247,559
Restricted	1,321,253	648,500	2,897,117	4,200,619	4,485,916	4,402,357
Unrestricted	1,250,047	1,412,531	390,360	(585,091)	(273,621)	(575,884)
Total Governmental Activities Net Assets	$ 4,931,958	$ 4,198,058	$ 5,545,911	$ 6,052,043	$ 6,923,550	$ 8,074,032
Business-type Activities:						
Invested in Capital Assets, Net of Related Debt	$ 1,981	$ 520	$ 173	$ -	$ -	$ -
Unrestricted	66,901	75,593	99,145	115,020	132,990	119,206
Total Business-type Activities Net Assets	$ 68,882	$ 76,113	$ 99,318	$ 115,020	$ 132,990	$ 119,206
District-wide:						
Invested in Capital Assets, Net of Related Debt	$ 2,362,639	$ 2,137,547	$ 2,258,607	$ 2,436,515	$ 2,711,255	$ 4,247,559
Restricted	1,321,253	648,500	2,897,117	4,200,619	4,485,916	4,402,357
Unrestricted	1,316,948	1,488,124	489,505	(470,071)	(140,631)	(456,678)
Total District Net Assets	$ 5,000,840	$ 4,274,171	$ 5,645,229	$ 6,167,063	$ 7,056,540	$ 8,193,238

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Changes in Net Assets
Last Six Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,					
	2003	2004	2005	2006	2007	2008
Expenses						
Governmental Activities:						
Instruction:						
Regular	$ 7,532,424	$ 7,619,856	$ 7,615,418	$ 8,437,052	$ 8,828,801	$ 9,018,054
Special Education	1,337,039	1,670,930	1,913,775	2,212,270	2,459,015	2,839,990
Other Instruction	1,614,581	1,860,311	1,508,588	1,599,308	1,699,314	1,605,600
Support Services:						
Tuition	1,757,710	1,631,432	2,019,376	1,996,831	1,780,109	2,089,522
Student and Instruction Related Services	3,252,532	3,886,169	3,699,439	4,031,389	4,096,725	3,804,254
School Administration Services	755,938	924,244	808,563	905,227	800,748	867,239
General Administration	831,968	986,551	634,807	751,521	606,823	637,000
Central Services	-	-	355,179	495,210	493,650	510,349
Plant Operations and Maintenance	1,656,857	1,719,225	1,820,511	2,137,660	2,216,572	2,297,511
Administrative information technology	-	-	8,722	511	13,169	143,126
Pupil Transportation	1,731,563	1,848,896	1,945,682	2,045,766	2,239,301	2,054,328
Interest on Long-Term Debt	243,651	210,303	188,262	176,512	223,135	139,228
Unallocated depreciation	82,321	-	-	-	-	-
Total Governmental Activities - Expenses	$ 20,796,584	$ 22,357,917	$ 22,518,322	$ 24,789,257	$ 25,457,362	$ 26,006,201
Business-type Activities:						
Food Service	$ 292,370	$ 310,460	$ 315,624	$ 345,209	$ 333,798	$ 345,887
Total Business-type Activities - Expenses	$ 292,370	$ 310,460	$ 315,624	$ 345,209	$ 333,798	$ 345,887
Total District Expenses	$ 21,088,954	$ 22,668,377	$ 22,833,946	$ 25,134,466	$ 25,791,160	$ 26,352,088
Program Revenues						
Governmental Activities:						
Changes for Services:						
Instruction (Tuition)	$ 28,799	$ 34,105	$ 62,843	$ 55,167	$ 37,048	$ 20,677
Pupil Transportation	385,407	322,102	413,995	478,101	389,575	422,620
Operating Grants and Contributions	1,446,707	1,931,985	1,713,579	1,988,494	2,774,646	2,722,329
Total Governmental Activities - Program Revenues	$ 1,860,913	$ 2,288,192	$ 2,190,417	$ 2,521,762	$ 3,201,269	$ 3,165,626
Business-type Activities:						
Changes for Services:						
Food Service	$ 255,266	$ 253,367	$ 256,815	$ 282,096	$ 267,171	$ 249,130
Operating Grants and Contributions	54,730	64,324	69,695	68,469	73,676	77,398
Total Business-type Activities - Program Revenues	$ 309,996	$ 317,691	$ 326,510	$ 350,565	$ 340,847	$ 326,528
Total District Program Revenues	$ 2,170,909	$ 2,605,883	$ 2,516,927	$ 2,872,327	$ 3,542,116	$ 3,492,154

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Changes in Net Assets
Last Six Fiscal Years
(Accrual Basis of Accounting)
(Continued from prior page)

	Fiscal Year Ending June 30,					
	2003	2004	2005	2006	2007	2008
Net (Expense) Revenue						
Governmental Activities	$ (18,935,671)	$ (20,069,725)	$ (20,327,905)	$ (22,267,495)	$ (22,256,093)	$ (22,840,575)
Business-type Activities	17,626	7,231	10,886	5,356	7,049	(19,359)
Total District-wide Net Expense	$ (18,918,045)	$ (20,062,494)	$ (20,317,019)	$ (22,262,139)	$ (22,249,044)	$ (22,859,934)
General Revenues and Other Changes in Net Assets						
Governmental Activities:						
Property Taxes Levied for General Purposes, Net	$ 12,893,477	$ 13,547,671	$ 16,201,462	$ 17,335,926	$ 17,719,047	$ 18,427,809
Taxes Levied for Debt Service	597,703	601,725	562,278	590,396	595,259	595,126
Unrestricted Grants and Contributions	4,463,814	5,084,775	4,676,705	4,556,128	4,395,192	4,539,297
Investment Earnings	83,812	42,461	107,824	205,383	302,010	198,297
Miscellaneous Income	106,674	59,193	127,489	85,794	116,092	230,528
Total Governmental Activities	$ 18,145,480	$ 19,335,825	$ 21,675,758	$ 22,773,627	$ 23,127,600	$ 23,991,057
Business-type Activities:						
Miscellaneous Income	$ 836	$ -	$ 12,319	$ 10,346	$ 10,921	$ 5,575
Total Business-type Activities	$ 836	$ -	$ 12,319	$ 10,346	$ 10,921	$ 5,575
Total District-wide	$ 18,146,316	$ 19,335,825	$ 21,688,077	$ 22,783,973	$ 23,138,521	$ 23,996,632
Change in Net Assets						
Governmental Activities	$ (790,191)	$ (733,900)	$ 1,347,853	$ 506,132	$ 871,507	$ 1,150,482
Business-type Activities	18,462	7,231	23,205	15,702	17,970	(13,784)
Total District	$ (771,729)	$ (726,669)	$ 1,371,058	$ 521,834	$ 889,477	$ 1,136,698

Concluded

Exhibit J-3

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Six Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,					
	2003	2004	2005	2006	2007	2008
General Fund:						
Reserved	$ 1,296,640	$ 624,623	$ 2,898,457	$ 4,201,953	$ 4,487,253	$ 4,403,697
Unreserved	2,420,551	2,506,671	1,411,795	754,779	801,284	485,798
Total General Fund	$ 3,717,191	$ 3,131,294	$ 4,310,252	$ 4,956,732	$ 5,288,537	$ 4,889,495
All Other Governmental Funds:						
Unreserved, Reported In:						
Special Revenue Fund	$ (3,672)	$ (1,341)	$ (1,341)	$ (1,336)	$ (1,338)	$ (1,341)
Debt Service Fund	28,285	25,218	1	2	1	1
Total All Other Governmental Funds	$ 24,613	$ 23,877	$ (1,340)	$ (1,334)	$ (1,337)	$ (1,340)

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Tax Levy	$ 10,079,804	$ 10,279,696	$ 12,083,032	$ 13,439,480	$ 13,491,180	$ 14,149,396	$ 16,763,740	$ 17,926,322	$ 18,314,306	$ 19,022,935
Tuition Charges	63,894	107,608	95,445	85,595	28,799	34,105	62,843	55,167	37,048	20,677
Transportation Fees	245,975	352,829	375,488	315,787	385,407	322,102	413,995	478,101	389,575	422,620
Interest Earnings	319,906	256,100	246,638	103,163	84,008	42,576	108,115	205,383	302,010	198,297
Miscellaneous	27,377	32,311	14,049	33,349	23,651	59,078	39,004	76,374	74,091	113,679
State Sources	5,285,414	5,285,660	4,658,591	4,559,480	4,988,776	5,782,461	5,635,940	5,856,655	6,595,937	6,869,606
Federal Sources	916,441	758,664	715,371	1,045,969	921,142	1,234,299	752,370	688,215	573,901	392,020
Total Revenues	$ 16,938,811	$ 17,072,868	$ 18,188,614	$ 19,582,823	$ 19,922,963	$ 21,624,017	$ 23,776,007	$ 25,286,217	$ 26,286,868	$ 27,039,834
Expenditures										
Instruction:										
Regular Instruction	$ 4,756,785	$ 4,825,987	$ 4,883,050	$ 5,080,739	$ 5,239,928	$ 5,386,901	$ 5,420,498	$ 5,782,102	$ 5,967,499	$ 6,184,721
Special Education Instruction	722,546	672,437	734,255	809,470	972,470	1,147,565	1,338,101	1,474,077	1,604,167	1,874,966
Other Instruction	366,969	393,566	363,264	362,448	290,448	422,148	161,812	189,539	195,256	197,587
School Sponsored/Other Instructional	654,771	797,484	816,652	876,663	928,036	912,136	950,392	950,944	990,747	934,895
Support Services:										
Tuition	1,547,316	1,613,255	1,454,927	1,597,994	1,757,710	1,631,432	2,019,376	1,996,831	1,780,109	2,089,522
Student and Instruction Related Services	2,197,251	2,315,985	2,354,847	2,471,048	2,477,745	2,795,780	2,656,890	2,770,981	2,792,728	2,600,993
General Administration	277,892	325,826	321,935	347,435	372,205	378,963	395,750	496,017	473,816	508,151
School Administrative Services	457,964	491,432	493,122	529,967	557,219	644,193	569,506	604,860	529,388	579,343
Central Services	-	-	-	-	-	-	355,179	350,117	337,919	353,314
Admin. Information Technology	-	-	-	-	-	-	8,722	511	8,490	94,137
Plant Operations and Maintenance	1,002,551	1,086,080	1,129,624	1,247,908	1,364,045	1,427,993	1,545,699	1,788,291	1,843,619	1,904,253
Pupil Transportation	1,206,511	1,338,147	1,345,166	1,425,078	1,523,710	1,709,935	1,800,104	1,841,490	2,026,759	1,834,211
Other Support Services	235,918	258,473	269,141	278,628	292,281	366,404	-	-	-	-
Employee Benefits	2,642,198	2,501,466	2,851,484	2,920,338	3,825,669	4,563,239	4,716,640	5,213,712	6,019,291	6,430,518
Capital Outlay	3,110,614	700,814	559,056	374,082	270,290	148,658	115,503	528,167	760,316	1,302,305
Debt Service:										
Principal	310,000	340,000	360,000	375,000	420,000	465,000	470,000	485,000	505,000	520,000
Interest and Other Charges	358,700	342,890	325,550	307,190	243,651	210,303	188,262	176,512	161,963	146,812
Total Expenditures	$ 19,847,986	$ 18,003,842	$ 18,262,073	$ 19,003,988	$ 20,535,407	$ 22,210,650	$ 22,712,434	$ 24,649,151	$ 25,997,067	$ 27,555,728
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (2,909,175)	$ (930,974)	$ (73,459)	$ 578,835	$ (612,444)	$ (586,633)	$ 1,063,573	$ 637,066	$ 289,801	$ (515,894)

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Continued from prior page)

	Fiscal Year Ending June 30,									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Other Financing Sourses (Uses)										
Capital Leases (Non-budgeted)	$ 78,949	$ -	$ 8,865	$ -	$ 78,476	$ -	$ 90,168	$ 9,420	$ 42,001	$ 116,849
Proceeds from Bond Issue	-	-	-	-	-	-	-	-	-	-
Proceeds from Refunding	-	-	-	-	5,126,207	-	-	-	-	-
Payments to Escrow Agent	-	-	-	-	(5,120,417)	-	-	-	-	-
Adjustment	-	60,397	-	-	-	-	-	-	-	-
Transfers In	114,717	21,026	11,928	3,067	14	-	-	-	-	-
Transfers Out	(129,589)	(22,944)	(11,928)	(3,067)	(850)	-	-	-	-	-
Total Other Financing Sources (Uses)	$ 64,077	$ 58,479	$ 8,865	$ -	$ 83,430	$ -	$ 90,168	$ 9,420	$ 42,001	$ 116,849
Net Change in Fund Balances	$ (2,845,098)	$ (872,495)	$ (64,594)	$ 578,835	$ (529,014)	$ (586,633)	$ 1,153,741	$ 646,486	$ 331,802	$ (399,045)
Debt Service as a Percentage of Noncapital Expenditures	4.00%	3.95%	3.87%	3.87%	3.27%	3.06%	2.91%	2.74%	2.64%	2.54%

Source: District Records

Note: Noncapital expenditures are total expenditures less capital outlay.
Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005
Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services

Concluded

Exhibit J-5

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Fiscal Year Ended June 30,	Rentals	Prior Year Refunds	Miscellaneous	Annual Totals
1999	$ 2,205	$ 19,540	$ 5,632	$ 27,377
2000	9,002	14,477	8,832	32,311
2001	1,812	5,570	6,667	14,049
2002	3,743	15,273	14,333	33,349
2003	3,217	7,700	12,734	23,651
2004	400	9,262	49,416	59,078
2005	475	18,042	20,487	39,004
2006	50,644	8,454	17,276	76,374
2007	36,065	1,572	36,454	74,091
2008	39,344	4,351	69,984	113,679

Source: District Records

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

EATONTOWN BOROUGH

	Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities [a]	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate [b]
	1999	$ 37,817,600	$ 373,566,200	$ 588,600	$ 15,100	$ 359,528,700	$ 90,118,800	$ 85,635,100	$ 947,270,100	$ 9,822,724	$ 957,092,824	$ 1,062,326,912	0.574
	2000	35,703,500	377,989,700	588,600	15,100	398,664,800	87,934,800	85,580,100	986,476,600	6,235,773	992,712,373	1,096,936,630	0.649
	2001	28,998,700	382,807,200	588,600	15,000	418,266,700	86,742,600	85,580,100	1,002,998,900	6,820,420	1,009,819,320	1,108,778,005	0.689
	2002	30,335,600	382,563,300	588,600	15,000	438,270,600	99,731,100	84,750,100	1,036,254,300	7,098,203	1,043,352,503	1,172,265,673	0.648
	2003	41,564,500	390,195,300	588,600	15,000	441,350,500	96,117,600	84,344,300	1,054,175,800	7,096,275	1,061,272,075	1,234,043,703	0.637
	2004	32,556,000	400,939,000	429,700	15,000	425,224,900	113,924,600	85,001,900	1,058,091,100	5,517,345	1,063,608,445	1,563,900,081	0.750
	2005	28,217,800	408,337,700	429,700	15,000	433,482,900	110,972,100	83,336,400	1,064,791,600	5,036,939	1,069,828,539	1,716,918,062	0.734
RV	2006	47,920,000	1,109,601,700	416,900	16,300	1,026,271,900	236,549,600	205,659,700	2,626,436,100	7,876,282	2,634,312,382	2,130,183,972	0.308
	2007	50,434,200	1,103,387,000	416,900	16,300	938,918,200	213,318,200	176,808,300	2,483,299,100	7,581,892	2,490,880,992	2,368,717,720	0.333
	2008	41,936,400	1,111,379,400	416,900	16,300	907,558,600	211,999,300	175,227,100	2,448,534,000	8,154,843	2,456,688,843	2,419,254,321	0.348

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

[a] Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

[b] Tax rates are per $100

RV Revaluation

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

TINTON FALLS BOROUGH

	Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities [a]	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate [b]
	1999	$ 45,861,800	$ 732,637,000	$ 6,189,300	$ 348,500	$ 166,226,743	$ 19,414,800	$ -	$ 970,678,143	$ 3,372,965	$ 974,051,108	$ 1,054,547,268	0.480
	2000	33,936,400	771,278,143	6,532,500	340,400	176,506,400	19,214,800	19,990,400	1,027,799,043	2,926,461	1,030,725,504	1,130,903,027	0.533
	2001	30,915,400	800,771,043	6,355,000	371,300	180,509,700	19,843,800	28,587,600	1,067,353,843	2,761,400	1,070,115,243	1,244,413,744	0.593
	2002	40,757,400	809,161,243	4,317,700	296,300	185,472,800	16,381,300	48,296,400	1,104,683,143	2,701,822	1,107,384,965	1,372,032,306	0.596
	2003	39,243,604	809,801,143	3,693,000	275,500	189,507,400	16,401,300	79,192,400	1,138,114,347	2,677,578	1,140,791,925	1,547,449,448	0.633
	2004	34,382,304	853,176,443	3,368,100	275,500	191,618,300	16,401,300	88,104,800	1,187,326,747	2,262,675	1,189,589,422	1,841,184,680	0.725
	2005	36,489,704	897,285,943	3,108,800	209,000	190,298,500	16,401,300	99,635,200	1,243,428,447	1,860,866	1,245,289,313	2,243,103,930	0.793
	2006	42,013,900	909,550,000	2,938,700	198,100	189,808,700	17,596,900	97,242,400	1,259,348,700	1,546,453	1,260,895,153	2,542,770,410	0.797
	2007	41,155,900	930,617,300	2,938,700	198,100	191,731,300	15,274,600	97,242,400	1,279,158,300	1,444,988	1,280,603,288	2,929,583,421	0.824
RV	2008	119,373,500	2,097,157,300	6,307,800	239,200	439,797,200	36,222,500	219,667,600	2,918,765,100	3,722,499	2,922,487,599	3,226,755,881	0.369

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

[a] Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

[b] Tax rates are per $100

RV Revaluation

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

SHREWSBURY TOWNSHIP

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities [a]	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate [b]
1999	$ -	$ 9,103,800	$ -	$ -	$ -	$ -	$ 18,134,300	$ 27,238,100	$ 137,445	$ 27,375,545	$ 27,050,997	0.413
2000	-	9,103,800	-	-	-	-	18,134,300	27,238,100	80,354	27,318,454	27,503,526	0.538
2001	-	9,103,800	-	-	-	-	18,134,300	27,238,100	162,158	27,400,258	28,836,012	0.502
2002	-	9,103,800	-	-	-	-	18,134,300	27,238,100	122,476	27,360,576	34,005,593	0.504
2003	-	9,103,800	-	-	-	-	18,134,300	27,238,100	26,496	27,264,596	37,465,222	0.614
2004	-	9,103,800	-	-	-	-	18,134,300	27,238,100	50,501	27,288,601	44,934,301	0.623
2005	-	9,103,800	-	-	-	-	18,134,300	27,238,100	66,336	27,304,436	55,164,789	0.724
2006	-	9,103,800	-	-	-	-	18,134,300	27,238,100	47,361	27,285,461	63,041,570	0.568
2007	-	9,103,800	-	-	-	-	18,134,300	27,238,100	40,437	27,278,537	75,269,951	0.715
[RV] 2008	-	24,964,700	-	-	-	-	47,611,500	72,576,200	140,814	72,717,014	79,684,044	0.322

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

[a] Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

[b] Tax rates are per $100

[RV] Revaluation

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per $100 of assessed value)

EATONTOWN BOROUGH

	Monmouth Regional High School District Direct Rate				Overlapping Rates		
Fiscal Year Ended June 30,	Basic Rate [a]	General Obligation Debt Service [b]	(From J-6) Total Direct School Tax Rate	Local School Rate	Eatontown Borough	Monmouth County	Total Direct and Overlapping Tax Rate
1999	0.555	0.019	0.574	0.836	0.852	0.532	2.794
2000	0.628	0.021	0.649	0.930	0.832	0.519	2.930
2001	0.666	0.023	0.689	0.975	0.813	0.505	2.982
2002	0.627	0.021	0.648	0.984	0.813	0.492	2.937
2003	0.616	0.021	0.637	1.008	0.857	0.481	2.983
2004	0.725	0.025	0.750	1.076	0.911	0.549	3.286
2005	0.710	0.024	0.734	1.112	0.946	0.530	3.322
2006	0.298	0.010	0.308	0.482	0.414	0.237	1.441
2007	0.323	0.010	0.333	0.569	0.472	0.241	1.615
2008	0.337	0.011	0.348	0.573	0.513	0.244	1.678

Source: Municipal Tax Collector

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

[a] The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

[b] Rates for debt service are based on each year's requirements.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per $100 of assessed value)

TINTON FALLS BOROUGH

	Monmouth Regional High School District Direct Rate				Overlapping Rates		
Fiscal Year Ended June 30,	Basic Rate [a]	General Obligation Debt Service [b]	(From J-6) Total Direct School Tax Rate	Regional Elementary School Rate	Tinton Falls Borough	Monmouth County	Total Direct and Overlapping Tax Rate
1999	0.464	0.016	0.480	1.345	0.488	0.512	2.825
2000	0.515	0.018	0.533	1.380	0.525	0.516	2.954
2001	0.573	0.020	0.593	1.359	0.508	0.539	2.999
2002	0.576	0.020	0.596	1.376	0.537	0.543	3.052
2003	0.612	0.021	0.633	1.398	0.617	0.563	3.211
2004	0.701	0.024	0.725	1.498	0.611	0.579	3.413
2005	0.767	0.026	0.793	1.412	0.611	0.600	3.416
2006	0.771	0.026	0.797	1.411	0.785	0.597	3.590
2007	0.798	0.026	0.824	1.447	0.785	0.627	3.683
2008	0.357	0.012	0.369	0.644	0.383	0.283	1.679

Source: Municipal Tax Collector

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

[a] The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

[b] Rates for debt service are based on each year's requirements.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per $100 of assessed value)

SHREWSBURY TOWNSHIP

	Monmouth Regional High School District Direct Rate				Overlapping Rates		
Fiscal Year Ended June 30,	Basic Rate [a]	General Obligation Debt Service [b]	(From J-6) Total Direct School Tax Rate	Regional Elementary School Rate	Shrewsbury Township	Monmouth County	Total Direct and Overlapping Tax Rate
1999	0.399	0.014	0.413	1.298	1.393	0.476	3.580
2000	0.520	0.018	0.538	1.319	1.387	0.474	3.718
2001	0.485	0.017	0.502	1.249	1.388	0.487	3.626
2002	0.487	0.017	0.504	1.420	1.450	0.546	3.920
2003	0.594	0.020	0.614	1.517	1.501	0.572	4.204
2004	0.602	0.021	0.623	1.670	1.580	0.614	4.487
2005	0.700	0.024	0.724	1.806	1.760	0.675	4.965
2006	0.549	0.019	0.568	1.927	1.915	0.685	5.095
2007	0.692	0.023	0.715	1.933	2.143	0.744	5.535
2008	0.312	0.010	0.322	0.715	0.859	0.280	2.176

Source: Municipal Tax Collector

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

[a] The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

[b] Rates for debt service are based on each year's requirements.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago

EATONTOWN BOROUGH

	2008			1999		
	Taxable Assessed Value	Rank	% of Total Direct Net Assessed Value	Taxable Assessed Value	Rank	% of Total Direct Net Assessed Value
Monmouth Mall	$ 202,500,000	1	8.24%	$ 116,900,000	1	12.48%
IWW Townsend Tycom	46,000,000	2	1.87%			
Eatontown Co-Ops	32,450,000	3	1.32%	14,575,000	2	1.56%
Laurel Gardens Co-Ops	26,488,400	4	1.08%			
Macy's	25,000,000	5	1.02%	12,246,000	4	1.31%
Wallkill-Eatoncrest Apts.	24,720,000	6	1.01%	13,200,000	3	1.41%
Eatontown 36 LLC - Pathmark Plus	22,500,000	7	0.92%	11,417,400	5	1.22%
Country Club Apts.	22,000,000	8	0.90%	11,152,000	6	1.19%
Pacific Concord Sheraton	22,000,000	9	0.90%	9,700,000	9	1.04%
Stony Hill Apts.	21,000,000	10	0.85%	10,600,000	8	1.13%
J C Penney	-	-	-	11,066,000	7	1.18%
Lord and Taylor	-	-	-	9,228,500	10	0.99%
Total	$ 444,658,400		18.11%	$ 220,084,900		23.51%

Source: Municipal Tax Assessor

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago

TINTON FALLS BOROUGH

	2008			1999		
	Taxable Assessed Value	Rank	% of Total Direct Net Assessed Value	Taxable Assessed Value	Rank	% of Total Direct Net Assessed Value
Tinton Falls Campus/Seabrook	$ 194,755,600	1	6.66%	$ -	-	-
Stavola Realty Company	26,636,700	2	0.91%	17,608,100	1	1.86%
Mid-Mon Realty Assoc.	25,272,600	3	0.86%	14,146,800	2	1.49%
Landsource Holding Co. LLC	23,520,000	4	0.80%	-	-	-
Reidhass, LP et al	18,476,600	5	0.63%	-	-	-
Hovsons, Inc.	18,253,300	6	0.62%	7,033,400	5	0.74%
Kapson TF Corp.	15,623,600	7	0.53%	-	-	-
XPD LLC - WP Carey and Co. LLC	15,367,100	8	0.53%	-	-	-
BT - Newyo, LLC	15,250,600	9	0.52%	-	-	-
New Plan Realty Trust	15,165,900	10	0.52%	-	-	-
Matrix/AEW Cecom L.L.C.	-	-	-	12,000,000	3	1.27%
Edison Corporation (UPS)	-	-	-	10,500,000	4	1.11%
T.F. Associates	-	-	-	6,171,300	8	0.65%
Tinton Pines Construction	-	-	-	6,493,200	6	0.69%
Shrewsbury/35 Associates, LLC	-	-	-	6,446,400	7	0.68%
HPTY Corp. (Marriott)	-	-	-	5,880,600	9	0.62%
Capstar Tinton Falls Partners (Holiday Inn)	-	-	-	5,800,000	10	0.61%
Total	$ 368,322,000		12.58%	$ 92,079,800		9.72%

Source: Municipal Tax Assessor

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago

SHREWSBURY TOWNSHIP

	2008			1999		
	Taxable Assessed Value	Rank	% of Total Direct Net Assessed Value	Taxable Assessed Value	Rank	% of Total Direct Net Assessed Value
Alfred Vail Mutual	$ 35,650,000	1	49.03%	$ 13,264,600	1	48.54%
Coolidge Shrewsbury, LLC	11,961,500	2	16.45%	-	-	-
Individual Taxpayer #1	219,700	3	0.30%	77,900	3	0.29%
Individual Taxpayer #2	219,700	4	0.30%	77,900	4	0.29%
Individual Taxpayer #3	219,700	5	0.30%	77,900	5	0.29%
Individual Taxpayer #4	219,700	6	0.30%	77,900	6	0.29%
Individual Taxpayer #5	219,700	7	0.30%	77,900	7	0.29%
Individual Taxpayer #6	219,700	8	0.30%	77,900	8	0.29%
Individual Taxpayer #7	219,700	9	0.30%	77,900	9	0.29%
Individual Taxpayer #8	219,700	10	0.30%	77,900	10	0.29%
Shrewsbury Urban Renewal Corp.	-	-	-	4,800,000	2	17.56%
Total	$ 49,369,100		67.88%	$ 18,687,800		68.42%

Source: Municipal Tax Assessor

Exhibit J-9

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years

EATONTOWN BOROUGH

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy [a]		Collections in Subsequent Years
		Amount	Percentage of Levy	
1999	$ 5,325,976	$ 5,325,976	100.00%	$ -
2000	5,490,617	5,490,617	100.00%	-
2001	6,444,044	6,444,044	100.00%	-
2002	6,955,535	6,955,535	100.00%	-
2003	6,755,426	6,755,426	100.00%	-
2004	6,767,074	6,764,074	100.00%	-
2005	7,971,427	7,329,422	91.95%	642,005
2006	7,853,616	7,853,616	100.00%	-
2007	8,116,150	7,461,787	91.94%	654,363
2008	8,020,557	8,020,557	100.00%	-

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

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

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years

TINTON FALLS BOROUGH

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy [a]		Collections in Subsequent Years
		Amount	Percentage of Levy	
1999	$ 4,581,047	$ 4,581,047	100.00%	$ -
2000	4,676,071	4,676,071	100.00%	-
2001	5,492,028	5,492,028	100.00%	-
2002	6,346,564	6,346,564	100.00%	-
2003	6,597,802	6,597,802	100.00%	-
2004	7,217,861	7,217,861	100.00%	-
2005	8,622,453	8,622,453	100.00%	-
2006	9,874,967	9,874,967	100.00%	-
2007	10,043,313	10,043,313	100.00%	-
2008	10,218,413	10,218,413	100.00%	-

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

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

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years

SHREWSBURY TOWNSHIP

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy [a]		Collections in Subsequent Years
		Amount	Percentage of Levy	
1999	$ 172,781	$ 172,781	100.00%	$ -
2000	113,008	113,008	100.00%	-
2001	146,960	146,960	100.00%	-
2002	137,382	137,382	100.00%	-
2003	137,952	137,952	100.00%	-
2004	167,462	167,462	100.00%	-
2005	169,860	169,860	100.00%	-
2006	197,740	197,740	100.00%	-
2007	154,842	154,842	100.00%	-
2008	188,839	188,839	100.00%	-

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

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

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

EATONTOWN BOROUGH

Fiscal Year Ended June 30,	Governmental Activities					
	General Obligation Bonds [b]	Capital Leases	Compensated Absences Payable	Total District	Percentage of Personal Income [a]	Per Capita [a]
1999	$ 3,388,052	$ 51,718	$ 232,090	$ 3,671,860	0.71%	$265
2000	3,151,355	38,918	190,488	3,380,761	0.62%	241
2001	2,872,800	29,491	284,475	3,186,766	0.53%	227
2002	2,692,800	17,092	473,975	3,183,867	0.52%	227
2003	2,406,101	41,117	488,770	2,935,988	0.49%	209
2004	2,123,330	26,778	479,014	2,629,122	0.43%	186
2005	2,042,832	55,696	476,397	2,574,925	0.39%	182
2006	1,706,399	40,865	586,997	2,334,261	0.34%	166
2007	1,494,312	39,068	473,818	2,007,198	0.30%	143
2008	1,212,575	62,615	448,561	1,723,751	0.24%	122

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

[a] See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

[b] Includes Early Retirement Incentive Plan (ERIP) refunding

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

TINTON FALLS BOROUGH

Fiscal Year Ended June 30,	Governmental Activities					
	General Obligation Bonds [b]	Capital Leases	Compensated Absences Payable	Total District	Percentage of Personal Income [a]	Per Capita [a]
1999	$ 3,408,728	$ 52,034	$ 233,506	$ 3,694,268	0.67%	$249
2000	3,206,812	39,602	193,841	3,440,255	0.59%	229
2001	2,992,500	30,720	296,328	3,319,548	0.52%	220
2002	2,805,000	17,804	493,724	3,316,528	0.49%	214
2003	2,837,679	48,493	576,440	3,462,612	0.52%	223
2004	2,662,165	33,573	600,573	3,296,311	0.49%	212
2005	2,284,608	62,288	532,780	2,879,676	0.39%	181
2006	2,145,755	51,386	738,134	2,935,275	0.35%	172
2007	1,848,228	48,320	586,038	2,482,586	0.30%	145
2008	1,617,532	83,526	598,364	2,299,422	0.23%	120

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

[a] See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

[b] Includes Early Retirement Incentive Plan (ERIP) refunding

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

SHREWSBURY TOWNSHIP

Fiscal Year Ended June 30,	Governmental Activities: General Obligation Bonds [b]	Governmental Activities: Capital Leases	Governmental Activities: Compensated Absences Payable	Total District	Percentage of Personal Income [a]	Per Capita [a]
1999	$ 95,108	$ 1,452	$ 6,515	$ 103,075	0.25%	$94
2000	90,277	1,115	5,457	96,849	0.23%	88
2001	119,700	1,229	11,853	132,782	0.28%	121
2002	112,200	712	19,748	132,660	0.28%	121
2003	71,220	1,217	14,467	86,904	0.18%	79
2004	64,505	813	14,553	79,871	0.17%	73
2005	52,560	1,433	12,258	66,251	0.13%	61
2006	42,846	1,026	14,739	58,611	0.11%	54
2007	47,460	1,241	15,049	63,750	0.12%	59
2008	39,893	2,060	14,757	56,710	0.10%	53

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

[a] See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

[b] Includes Early Retirement Incentive Plan (ERIP) refunding

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

EATONTOWN BOROUGH

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
1999	$ 3,388,052	$ -	$ 3,388,052	0.35%	$245
2000	3,151,355	-	3,151,355	0.32%	225
2001	2,872,800	-	2,872,800	0.28%	205
2002	2,692,800	-	2,692,800	0.26%	191
2003	2,406,101	-	2,406,101	0.23%	171
2004	2,123,330	-	2,123,330	0.20%	149
2005	2,042,832	-	2,042,832	0.19%	143
2006	1,706,399	-	1,706,399	0.06%	120
2007	1,494,312	-	1,494,312	0.06%	105
2008	1,212,575	-	1,212,575	0.05%	86

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

[a] See Exhibit J-6 for property tax data.

[b] Population data can be found in Exhibit J-14.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

TINTON FALLS BOROUGH

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
1999	$ 3,408,728	$ -	$ 3,408,728	0.35%	$229
2000	3,206,812	-	3,206,812	0.31%	213
2001	2,992,500	-	2,992,500	0.28%	198
2002	2,805,000	-	2,805,000	0.25%	181
2003	2,837,679	-	2,837,679	0.25%	183
2004	2,662,165	-	2,662,165	0.22%	171
2005	2,284,608	-	2,284,608	0.18%	144
2006	2,145,755	-	2,145,755	0.17%	125
2007	1,848,228	-	1,848,228	0.14%	108
2008	1,617,532	-	1,617,532	0.06%	84

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

[a] See Exhibit J-6 for property tax data.

[b] Population data can be found in Exhibit J-14.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

SHREWSBURY TOWNSHIP

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
1999	$ 95,108	$ -	$ 95,108	0.35%	$87
2000	90,277	-	90,277	0.33%	82
2001	119,700	-	119,700	0.44%	109
2002	112,200	-	112,200	0.41%	102
2003	71,220	-	71,220	0.26%	65
2004	64,505	-	64,505	0.24%	58
2005	52,560	-	52,560	0.19%	48
2006	42,846	-	42,846	0.16%	39
2007	47,460	-	47,460	0.17%	44
2008	39,893	-	39,893	0.05%	37

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

[a] See Exhibit J-6 for property tax data.

[b] Population data can be found in Exhibit J-14.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2008

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [a]	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes:			
Eatontown Borough	$ 9,388,836	100.000%	$ 9,388,836
Tinton Falls Borough	18,744,062	100.000%	18,744,062
Shrewsbury Township	1,253,057	100.000%	1,253,057
Monmouth County General Obligation Debt	437,944,340	4.519%	19,790,125
Subtotal, Overlapping Debt			$ 49,176,080
Monmouth Regional High School District Direct Debt			2,870,000
Total Direct and Overlapping Debt			$ 52,046,080

Source: Assessed value data used to estimate applicable percentages provided by the Monmouth County Board of Taxation.

Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Monmouth Regional. This process recognizes that, when considering the District's ability to issue and replay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for replaying the debt, of each overlapping payment.

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

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2008

Year	Total	Eatontown Borough	Tinton Falls Borough	Shrewsbury Township
2007	$ 5,725,694,206	$ 2,419,254,321	$ 3,226,755,881	$ 79,684,004
2006	5,373,571,092	2,368,717,720	2,929,583,421	75,269,951
2005	4,015,186,781	1,716,918,062	2,243,103,930	55,164,789
	$ 15,114,452,079	$ 6,504,890,103	$ 8,399,443,232	$ 210,118,744
Average Equalized Valuation of Taxable Property	$ 5,038,150,693	$ 2,168,296,701	$ 2,799,814,411	$ 70,039,581
Debt Limit (3% of Average Equalization Value)	$ 151,144,521 [a]			
Legal Debt Margin	$ 151,144,521			

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	$ 59,385,255	$ 61,252,215	$ 64,771,752	$ 68,859,170	$ 74,883,180	$ 85,521,602	$ 99,682,438	$ 102,841,642	$ 128,387,769	$ 151,144,521
Total Net Debt Applicable to Limit	6,685,000	6,345,000	5,985,000	5,610,000	5,315,000	4,850,000	4,380,000	3,895,000	3,390,000	2,870,000
Legal Debt Margin	$ 52,700,255	$ 54,907,215	$ 58,786,752	$ 63,249,170	$ 69,568,180	$ 80,671,602	$ 95,302,438	$ 98,946,642	$ 124,997,769	$ 148,274,521
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	12.13%	11.26%	10.36%	9.24%	8.15%	7.10%	5.67%	4.39%	3.79%	1.90%

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

[a] Limit set by NJSA 18A:24-19 for a 9 through 12 district; other percent limits would be applicable for other district types.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

EATONTOWN BOROUGH

Year	Population [a]	Personal Income [b]	Per Capita Personal Income [c]	Unemployment Rate [d]
1998	13,849	$ 515,044,310	$ 37,190	3.70%
1999	14,008	541,423,208	38,651	3.70%
2000	14,046	599,005,716	42,646	3.00%
2001	14,082	611,679,834	43,437	3.40%
2002	14,102	603,833,538	42,819	4.90%
2003	14,219	610,876,678	42,962	4.90%
2004	14,277	657,684,282	46,066	4.10%
2005	14,255	680,305,620	47,724	4.00%
2006	14,177	729,477,535	51,455	4.00%
2007	14,109	725,978,595	51,455	3.70%

Source:

[a] Population information provided by the NJ Dept. of Labor and Workforce Development.

[b] Personal income has been estimated based upon the municipal population and per capita personal income presented.

[c] Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

[d] Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

TINTON FALLS BOROUGH

Year	Population [a]	Personal Income [b]	Per Capita Personal Income [c]	Unemployment Rate [d]
1998	14,858	$ 552,569,020	$ 37,190	2.90%
1999	16,053	620,464,503	38,651	2.90%
2000	16,733	713,595,518	42,646	2.30%
2001	17,172	745,900,164	43,437	2.60%
2002	17,270	739,484,130	42,819	3.80%
2003	17,358	745,734,396	42,962	3.80%
2004	17,712	815,920,992	46,066	3.20%
2005	19,013	907,376,412	47,724	4.00%
2006	18,961	975,638,255	51,455	4.10%
2007	19,158	985,774,890	51,455	3.70%

Source:

[a] Population information provided by the NJ Dept. of Labor and Workforce Development.

[b] Personal income has been estimated based upon the municipal population and per capita personal income presented.

[c] Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

[d] Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

SHREWSBURY TOWNSHIP

Year	Population [a]	Personal Income [b]	Per Capita Personal Income [c]	Unemployment Rate [d]
1998	1,099	$ 40,871,810	$ 37,190	3.60%
1999	1,098	42,438,798	38,651	3.60%
2000	1,101	46,953,246	42,646	3.00%
2001	1,102	47,867,574	43,437	3.20%
2002	1,103	47,229,357	42,819	4.80%
2003	1,104	47,430,048	42,962	4.80%
2004	1,102	50,764,732	46,066	4.00%
2005	1,094	52,210,056	47,724	7.20%
2006	1,085	55,828,675	51,455	7.20%
2007	1,076	55,365,580	51,455	6.60%

Source:

[a] Population information provided by the NJ Dept. of Labor and Workforce Development.

[b] Personal income has been estimated based upon the municipal population and per capita personal income presented.

[c] Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

[d] Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

EATONTOWN BOROUGH

	2008		1999	
Employer	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment
J. C. Penney, Company, Inc.	300	N/A	N/A	N/A
Boscov's Dept. Stores, LLC	250	N/A	N/A	N/A
Macy's - Store #52	240	N/A	N/A	N/A
Booz Allen and Hamilton, Inc.	207	N/A	N/A	N/A
Lord and Taylor - Store #57	200	N/A	N/A	N/A
CDW Corporation	200	N/A	N/A	N/A
Mitre Corporation	187	N/A	N/A	N/A
Sheraton Eatontown Hotel	150	N/A	N/A	N/A
Electric Concepts, Inc.	144	N/A	N/A	N/A
Spirent Communications of Eatontown	140	N/A	N/A	N/A
Total	2,018	N/A	N/A	N/A

Source: Eatontown Borough

N/A - Not Available

Exhibit J-15a

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

TINTON FALLS BOROUGH

	2008		1999	
Employer	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment
Fort Monmouth	5,500	N/A	N/A	N/A
Tinton Falls Board of Educ.	230	N/A	N/A	N/A
Monmouth Regional Board of Educ.	215	N/A	N/A	N/A
Tinton Falls Borough	130	N/A	N/A	N/A
Patcock Construction	101	N/A	N/A	N/A
Total	6,176	N/A	N/A	N/A

Source: Visitmonmouth.com - Economic Development, Tinton Falls CFO, Tinton Falls BOE

N/A - Not Available

Exhibit J-15b

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

SHREWSBURY TOWNSHIP

	2008		1999	
Employer	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment
Shrewsbury Township	15	N/A	16	N/A
Total	15	N/A	16	N/A

Source: Shrewsbury Township Payroll

N/A - Not Available

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Instruction:										
Regular	81	82	80	80	85	87	89	90	89.0	115.4
Special Education	18	19	21	21	26	25	26	26	27.0	26.2
Support Services:										
Student and Instruction Related Services	23	24	26	21	20	28	25	25	22.0	15.0
General Administration	2	2	2	2	2	2	2	2	2.0	2.0
School Administrative Services	8	9	9	8	10	10	10	10	9.0	9.2
Other Administrative Services	2	2	2	2	2	1	1	1	2.0	2.2
Central Services	24	21	18	19	20	22	22	22	22.0	24.5
Administrative Information Technology	4	4	4	4	4	3	3	3	3.5	3.5
Plant Operations and Maintenance	15	16	17	17	20	20	21	21	22.0	15.0
Pupil Transportation	15	16	17	17	20	20	21	21	17.0	16.0
Total	192	195	196	191	209	218	220	221	216	229

Source: District Personnel Records
Fall Report and Certified Staff Report

Exhibit J-17

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures [a]	Cost Per Pupil	Percentage Change	Teaching Staff [b]	Pupil/Teacher Ratio: Elementary	Pupil/Teacher Ratio: Middle School	Pupil/Teacher Ratio: Senior High School	Average Daily Enrollment (ADE) [c]	Average Daily Attendance (ADA) [c]	% Change in Average Daily Enrollment	Student Attendance Percentage
1999	972	$ 16,068,672	$16,540	24.25%	128.00	-	-	7.6	1,020.8	962.0	(11.57)%	94.24%
2000	1,027	16,620,138	16,191	(2.11)%	128.00	-	-	8.0	1,056.5	1,018.0	3.50%	96.36%
2001	1,031	17,017,467	16,514	1.99%	130.00	-	-	7.9	1,015.8	966.2	(3.85)%	95.12%
2002	1,062	17,947,716	16,900	2.34%	137.00	-	-	7.7	986.9	938.4	(2.85)%	95.09%
2003	1,113	19,601,466	17,611	4.21%	126.00	-	-	8.8	1,108.8	1,050.9	12.35%	94.78%
2004	1,152	21,386,689	18,565	5.41%	119.00	-	-	9.7	1,181.3	1,123.6	6.54%	95.12%
2005	1,185	21,938,669	18,514	(0.28)%	112.00	-	-	10.5	1,206.5	1,148.5	2.13%	95.19%
2006	1,222	23,459,472	19,198	3.69%	115.00	-	-	10.6	1,197.6	1,173.6	(0.74)%	98.00%
2007	1,170	24,569,788	20,999	9.38%	116.00	-	-	10.1	1,170.4	1,115.4	(2.27)%	95.30%
2008	1,173	25,586,611	21,813	3.88%	141.60	-	-	8.3	1,173.2	1,117.0	0.24%	95.21%

Source: District Records.

Note: Enrollment based on annual October District count.

[a] Operating expenditures equal total expenditures less debt service and capital outlay

[b] Teaching staff includes only full-time equivalents of certificated staff.

[c] Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

District Building	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
High School:										
Monmouth Regional High School (1959)										
Square Feet	192,441	192,441	192,441	192,441	192,441	192,441	192,441	192,441	192,441	192,441
Capacity (students)	1,241	1,241	1,241	1,241	1,241	1,241	1,241	1,241	1,241	1,241
Enrollment	1,020	1,027	1,031	1,062	1,113	1,152	1,185	1,190	1,170	1,173

Number of Schools at June 30, 2008:
Senior High School = 1

Source: District Facilities Office

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

Exhibit J-19

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Schedule of Required Maintenance
Last Eight Fiscal Years

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

	*School Facilities Project # (s)	Monmouth Regional High School
2001		$ 192,239
2002		353,653
2003		408,060
2004		440,792
2005		467,834
2006		528,495
2007	3270-050-07-1000, 3270-050-07-2000	661,992
2008	3270-050-08-1000	725,519
Total School Facilities		$ 3,778,584

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

Source: District Records

Exhibit J-20

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Insurance Schedule
June 30, 2008

	Coverage	Deductible
School Package Policy - Utica National Insurance Company		
Commercial Property	$43,248,325	$ 1,000
General Liability	3,000,000	-
Inland Marine Coverage	1,597,666	500
Crime Coverage	100,000	-
Automobile	1,000,000	-
School Leaders Errors and Omissions Policy - NJSBAIG	5,000,000	5,000
Commercial Umbrella Liability - Utica National Insurance Company	10,000,000	10,000
Workers' Compensation - MOCSSIF/NJSBAIG Fund	2,000,000	-
Public Officials Faithful Performance Bonds - Selective Insurance		
Business Administrator	300,000	-
Treasurer of School Monies	300,000	-

Source: District Records.

SINGLE AUDIT SECTION

O'NEILL AND LANG
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

The Honorable President and
Members of the Board of Education
Monmouth Regional High School District
County of Monmouth
Tinton Falls, New Jersey

We have audited the financial statements of the Board of Education of the Monmouth Regional High School District, in the County of Monmouth, State of New Jersey, as of and for the fiscal year ended June 30, 2008, and have issued our report thereon dated September 18, 2008. 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 Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Monmouth Regional High School Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. However, we noted certain matters that we reported to the Board of Education of the Monmouth Regional High School District in a separate report entitled *Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance* dated September 18, 2008.

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

GEORGE J. LANG
LICENSED PUBLIC SCHOOL ACCOUNTANT
NO. 1096
O'NEILL AND LANG

September 18, 2008

O'NEILL AND LANG
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REGISTERED MUNICIPAL ACCOUNTANTS

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

The Honorable President and
Members of the Board of Education
Monmouth Regional High School District
County of Monmouth
Tinton Falls, New Jersey

Compliance

We have audited the compliance of the Board of Education of the Monmouth Regional High School District, in the County of Monmouth, State of New Jersey, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that are applicable to each of its major state programs for the fiscal year ended June 30, 2008. Monmouth Regional High School Board of Education's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of the Monmouth Regional High School Board of Education's management. Our responsibility is to express an opinion on the Monmouth Regional High School Board of Education's compliance based on our audit.

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

In our opinion, the Board of Education of the Monmouth Regional High School District, in the County of Monmouth, State of New Jersey, complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the fiscal year ended June 30, 2008.

Internal Control Over Compliance

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

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

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

GEORGE J. LANG
LICENSED PUBLIC SCHOOL ACCOUNTANT
NO. 1096
O'NEILL AND LANG

September 18, 2008

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2008

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 at June 30, 2007	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Accounts Receivable	Deferred Revenue June 30,2008	Due to Grantor
U.S. Department of Education														
General Fund:														
Impact Aid P.L. 81-874	84.041		$ 40,168	07/01/07	06/30/08	$ -	$ -	$ 40,168	$ (40,168)	$ -	$ -	$ -	$ -	$ -
U.S. Department of Education Passed-Through State Department of Education														
Special Revenue Fund:														
Title I	84.010A	NCLB327008	$ 64,548	09/01/07	08/31/08	$ -	$ 13,069	$ 51,479	$ (31,270)	$ -	$ -	$ -	$ 33,278	$ -
Title I, Summer	84.010A	NCLB327007	51,479	09/01/06	08/31/07	13,238	(13,069)	-	(169)	-	-	-	-	-
Title I, SIA	84.010A	NCLB327008	15,772	09/01/07	08/31/08	-	4,817	-	(2,621)	-	-	(10,955)	13,151	-
Title I, SIA, Summer	84.010A	NCLB327007	4,817	09/01/06	08/31/07	4,817	(4,817)	-	-	-	-	-	-	-
Title II, Part A	84.367A	NCLB327008	31,952	09/01/07	08/31/08	-	378	31,574	(30,909)	-	-	-	1,043	-
Title II, Part A, Summer	84.367A	NCLB327007	31,441	09/01/06	08/31/07	378	(378)	-	-	-	-	-	-	-
Title II, Part D	84.318X	NCLB327008	578	09/01/07	08/31/08	-	228	350	(350)	-	-	-	228	-
Title II, Part D, Summer	84.318X	NCLB327007	228	09/01/06	08/31/07	228	(228)	-	-	-	-	-	-	-
Title III	84.365A		3,738	09/01/07	08/31/08	-	-	3,738	(3,635)	-	-	-	103	-
Title IV	84.287C	NCLB327008	3,130	09/01/07	08/31/08	-	-	3,130	(2,880)	-	-	-	250	-
Title V	84.298A	NCLB327008	1,398	09/01/07	08/31/08	-	108	1,290	(1,290)	-	-	-	108	-
Title V, Summer	84.298A	NCLB327007	1,474	09/01/06	08/31/07	108	(108)	-	-	-	-	-	-	-
I.D.E.I.A. Part B	84.027	IDEIA327008	274,975	09/01/07	08/31/08	-	-	274,975	(261,441)	-	-	-	13,534	-
I.D.E.I.A. Part B, Basic, Summer	84.027	IDEIA327007	284,225	09/01/06	08/31/07	17,287	-	-	(17,287)	-	-	-	-	-
Total Special Revenue Fund						$ 36,056	$ -	$ 366,536	$ (351,852)	$ -	$ -	$ (10,955)	$ 61,695	$ -
U.S. Department of Agriculture Passed-Through State Department of Education														
Enterprise Fund:														
National School Lunch Program	10.555		$ 61,934	07/01/07	06/30/08	$ -	$ -	$ 59,775	$ (61,934)	$ -	$ -	$ (2,159)	$ -	$ -
National School Lunch Program	10.555		60,136	07/01/06	06/30/07	(2,869)	-	2,869	-	-	-	-	-	-
Food Distribution Program	10.550		13,445	07/01/07	06/30/08	4,694	-	11,421	(13,445)	-	-	-	2,670	-
Total Enterprise Fund						$ 1,825	$ -	$ 74,065	$ (75,379)	$ -	$ -	$ (2,159)	$ 2,670	$ -
Total Federal Financial Awards						$ 37,881	$ -	$ 480,769	$ (467,399)	$ -	$ -	$ (13,114)	$ 64,365	$ -

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

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2008

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2007 Accounts Receivable	Balance at June 30, 2007 Deferred Revenue	Balance at June 30, 2007 Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2008 (Accounts Receivable)	Balance at June 30, 2008 Deferred Revenue	Balance at June 30, 2008 Due to Grantor	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
State Department of Education																
General Fund:																
Core Curriculum Standards Aid	08-495-034-5120-022	$ 914,959	07/01/07	06/30/08	$ -	$ -	$ -	$ -	$ 914,959	$ (914,959)	$ -	$ -	$ -	$ -	$ 44,083	$ 914,959
Special Education Aid	08-495-034-5120-011	674,233	07/01/07	06/30/08	-	-	-	-	674,233	(674,233)	-	-	-	-	32,499	674,233
Bilingual Aid	08-495-034-5120-008	9,380	07/01/07	06/30/08	-	-	-	-	9,380	(9,380)	-	-	-	-	459	9,380
Transportation Aid	08-495-034-5120-014	558,167	07/01/07	06/30/08	-	-	-	-	558,167	(558,167)	-	-	-	-	26,905	558,167
Stabilization Aid	08-495-034-5120-030	1,720,160	07/01/07	06/30/08	-	-	-	-	1,720,160	(1,720,160)	-	-	-	-	82,886	1,720,160
Consolidated Aid	08-495-034-5120-057	207,073	07/01/07	06/30/08	-	-	-	-	207,073	(207,073)	-	-	-	-	9,977	207,073
Additional Formula Aid	08-495-034-5120-058	247,353	07/01/07	06/30/08	-	-	-	-	247,353	(247,353)	-	-	-	-	11,919	247,353
Above Average Enrollment Growth	08-495-034-5120-063	60,151	07/01/07	06/30/08	-	-	-	-	60,151	(60,151)	-	-	-	-	-	60,151
Extraordinary Special Education Costs Aid	07-100-034-5120-473	40,890	07/01/06	06/30/07	(40,890)	-	-	-	40,890	-	-	-	-	-	-	40,890
Extraordinary Special Education Costs Aid	08-100-034-5120-473	52,833	07/01/07	06/30/08	-	-	-	-	-	(52,833)	-	(52,833)	-	-	-	52,833
Teacher Quality Mentoring	08-495-034-5120-052	2,728	07/01/07	06/30/08	-	-	-	-	2,728	(2,728)	-	-	-	-	-	2,728
Nonpublic Transportation Costs	07-100-034-5120-068	6,406	07/01/06	06/30/07	(6,406)	-	-	-	6,406	-	-	-	-	-	-	6,406
Nonpublic Transportation Costs	08-100-034-5120-068	11,175	07/01/07	06/30/08	-	-	-	-	-	(11,175)	-	(11,175)	-	-	-	11,175
Reimbursed TPAF Social Sec. Contrib.	07-495-034-5095-002	703,887	07/01/06	06/30/07	(35,447)	-	-	-	35,447	-	-	-	-	-	-	703,887
Reimbursed TPAF Social Sec. Contrib.	08-495-034-5095-002	725,952	07/01/07	06/30/08	-	-	-	-	690,234	(725,952)	-	(35,718)	-	-	-	725,952
On-Behalf TPAF Pension Contributions	08-495-034-5095-006	730,694	07/01/07	06/30/08	-	-	-	-	730,694	(730,694)	-	-	-	-	-	730,694
On-Behalf TPAF Postretirement Contributions	08-495-034-5095-001	830,957	07/01/07	06/30/08	-	-	-	-	830,957	(830,957)	-	-	-	-	-	830,957
Total General Fund					$ (82,743)	$ -	$ -	$ -	$ 6,728,832	$ (6,745,815)	$ -	$ (99,726)	$ -	$ -	$ 208,728	$ 7,496,998
Special Revenue Fund:																
NJ Nonpublic Aid:																
Handicapped Services:																
Supplemental Instruction	07-100-034-5120-066	$ 4,130	07/01/06	06/30/07	$ -	$ -	$ 1,652	$ -	$ -	$ -	$ (1,652)	$ -	$ -	$ -	$ -	$ 2,478
Supplemental Instruction	08-100-034-5120-066	1,652	07/01/07	06/30/08	-	-	-	-	1,652	(1,652)	-	-	-	-	-	1,652
Examination and Classification	07-100-034-5120-066	5,955	07/01/06	06/30/07	-	-	1,140	-	-	-	(1,140)	-	-	-	-	4,815
Examination and Classification	08-100-034-5120-066	7,204	07/01/07	06/30/08	-	-	-	-	7,204	(7,204)	-	-	-	-	-	7,204
Auxiliary Services:																
Compensatory Education	07-100-034-5120-067	7,270	07/01/06	06/30/07	-	-	7,270	-	-	-	(7,270)	-	-	-	-	-
Home Instruction	07-100-034-5120-067	540	07/01/06	06/30/07	(540)	-	-	-	-	-	-	(540)	-	-	-	-
Textbook Aid	07-100-034-5120-064	12,613	07/01/06	06/30/07	-	-	12,613	-	-	-	(12,613)	-	-	-	-	-
Textbook Aid	08-100-034-5120-064	12,855	07/01/07	06/30/08	-	-	-	-	12,855	-	-	-	-	12,855	-	-
Nursing Services	07-100-034-5120-070	16,781	07/01/06	06/30/07	-	-	616	-	-	-	(616)	-	-	-	-	16,165
Nursing Services	08-100-034-5120-070	17,756	07/01/07	06/30/08	-	-	-	-	17,756	(13,214)	-	-	-	4,542	-	13,214
Technology Aid	07-100-034-5120-373	9,040	07/01/06	06/30/07	-	-	22	-	-	-	(22)	-	-	-	-	9,018
Technology Aid	08-100-034-5120-373	9,200	07/01/07	06/30/08	-	-	-	-	9,200	(9,190)	-	-	-	10	-	9,190
Instructional Supplement Aid	08-495-034-5120-029	26,822	07/01/07	06/30/08	-	-	-	-	26,822	(26,822)	-	-	-	-	1,341	26,822
Total Special Revenue Fund					$ (540)	$ -	$ 23,313	$ -	$ 75,489	$ (58,082)	$ (23,313)	$ (540)	$ -	$ 17,407	$ 1,341	$ 90,558
Debt Service Fund:																
Debt Service Type II Aid	08-495-034-5120-125	$ 71,686	07/01/07	06/30/08	$ -	$ -	$ -	$ -	$ 71,686	$ (71,686)	$ -	$ -	$ -	$ -	$ -	$ 71,686
State Department of Agriculture																
Enterprise Fund:																
National School Lunch Program (State Share)	08-100-010-3350-023	$ 4,043	07/01/07	06/30/08	$ -	$ -	$ -	$ -	$ 3,906	$ (4,043)	$ -	$ (137)	$ -	$ -	$ -	$ 4,043
National School Lunch Program (State Share)	07-100-010-3350-023	3,977	07/01/06	06/30/07	(183)	-	-	-	183	-	-	-	-	-	-	3,977
Total Enterprise Fund					$ (183)	$ -	$ -	$ -	$ 4,089	$ (4,043)	$ -	$ (137)	$ -	$ -	$ -	$ 8,020
Total State Financial Assistance					$ (83,466)	$ -	$ 23,313	$ -	$ 6,880,096	$ (6,879,626)	$ (23,313)	$ (100,403)	$ -	$ 17,407	$ 210,069	$ 7,667,262

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

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Notes to Schedules of Expenditures of Awards and Financial Assistance
June 30, 2008

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, Monmouth Regional High 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*. 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 for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

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

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Notes to Schedules of Expenditures of Awards and Financial Assistance
June 30, 2008
(Continued from prior page)

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $(5,974) for the general fund and $(3) for the special revenue fund. See *Note 1* (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 presented as follows:

	Federal	State	Total
General Fund	$ 40,168	$ 6,739,841	$ 6,780,009
Special Revenue Fund	351,852	58,079	409,931
Debt Service Fund	-	71,686	71,686
Food Service Fund	73,355	4,043	77,398
Total Awards and Financial Assistance	$ 465,375	$ 6,873,649	$ 7,339,024

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2008. 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, 2008.

Concluded

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2008

Section I -- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
1. Material weakness(es) identified?	No
2. Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to basic financial statements noted?	No

State Awards

Dollar threshold used to distinguish between type A and type B programs:	$300,000
Auditee qualified as low-risk auditee?	Yes
Internal control over major programs:	
1. Material weakness(es) identified?	No
2. Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 04-04?	No

Identification of major programs:

State Grant / Project Numbers	Name of State Program
08-495-034-5120-014	Transportation Aid
08-495-034-5120-011	Special Education Aid
08-495-034-5095-002	Reimbursed TPAF Social Security Contributions
08-495-034-5120-030	Stabilization Aid
08-495-034-5120-022	Core Curriculum Standard Aid

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2008
(Continued from prior page)

Section II -- Financial Statement Findings

No matters were reported.

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

No matters were reported.

Concluded

Exhibit K-7

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings and
Questioned Costs as Prepared by Management
For the Fiscal Year Ended June 30, 2008

STATUS OF PRIOR YEAR FINDINGS

No matters were reported.