

**Comprehensive Annual
Financial Report
of the
Rochelle Park School District
Fiscal Year Ended June 30, 2008**

**ROCHELLE PARK SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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Comprehensive Annual
Financial Report
of the
Rochelle Park School District

INTRODUCTORY SECTION

**ROCHELLE PARK BOARD OF EDUCATION
300 ROCHELLE AVENUE
ROCHELLE PARK, NEW JERSEY 07662**

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

Dear Board Members:

The comprehensive annual financial report of the Rochelle Park School District for the fiscal year ended June 30, 2008, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Rochelle Park Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the district. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. REPORTING ENTITY AND ITS SERVICES: The Rochelle Park School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Rochelle Park Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular as well as special education for handicapped youngsters.

**ROCHELLE PARK BOARD OF EDUCATION
300 ROCHELLE AVENUE
ROCHELLE PARK, NEW JERSEY 07662**

2. **ECONOMIC CONDITION AND OUTLOOK:** The Rochelle Park area is substantially developed which both residential and industrial taxpayers. The situation is expected to continue, which suggests that its tax base will remain stable.

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

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

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

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

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

5. **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the district is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

**ROCHELLE PARK BOARD OF EDUCATION
300 ROCHELLE AVENUE
ROCHELLE PARK, NEW JERSEY 07662**

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

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

8. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Di Maria & Di Maria LLP, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

C. Lauren Schoen
Superintendent

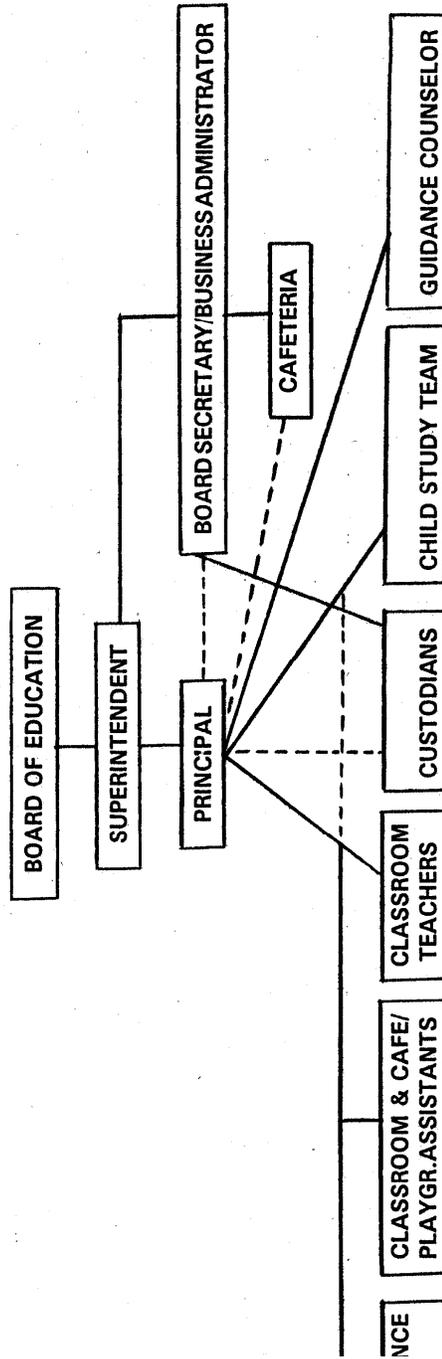
Theresa H. Guastello
Board Secretary/Business Administrator

ROCHELLE PARK SCHOOL DISTRICT
 Organizational Chart
 Fiscal Year Ended June 30, 2008

File Code: 2120

ark Board of Education
 ark, New Jersey 07662

ORGANIZATION CHART



————— Line Relationship
 - - - - - Staff Relationship

ROCHELLE PARK SCHOOL DISTRICT

Roster of Officials

Fiscal Year Ended June 30, 2008

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Robert Verhasselt	2009
Robert Esposito	2009
Francis Madden	2010
Patricia Dee Bilka	2010
Sam Allos	2011
Teresa Cravello	2011
Barbara Ann Gleeson Maurer	2011

Other Officials

C. Lauren Schoen	Superintendent
Theresa H. Guastello	Board Secretary/School Business Administrator
Peter Bellani	Treasurer of School Monies
Stephen Fogarty, Esq.	Board Attorney
Di Maria & Di Maria LLP	Board Auditor
Paul Keshishian M.D.	Medical Inspector
Chief Richard Zavinski	Attendance Officer

ROCHELLE PARK SCHOOL DISTRICT

Consultants and Advisors

Fiscal Year Ended June 30, 2008

Independent Audit Firm
Di Maria & Di Maria, LLP
245 Union Street
Lodi, New Jersey 07644

Attorney
Fogarty & Hara, Esq.

Official Depositories
Commerce Bank
TDBankNorth

Comprehensive Annual
Financial Report
of the
Rochelle Park School District
Fiscal Year Ended June 30, 2008

FINANCIAL SECTION

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Independent Auditors' Report

The Honorable President and Members of the Board of Education
Rochelle Park School District County of Bergen, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Board of Education of the Rochelle Park School District, in the County of Bergen, 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 Rochelle Park 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 Rochelle Park Board of Education, in the County of Bergen, 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 November 5, 2008 on our consideration of the Rochelle Park 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.

Independent Auditors' Report (Continued)

The Management Discussion and Analysis and Budgetary Comparison Information on pages 11 through 12 and 51 through 82 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 Rochelle Park 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.

DI MARIA & DI MARIA LLP
Public Accountants and Consultants

Frank R. Di Maria

Frank R. Di Maria
Licensed Public School Accountant
PSA No. CS 01168

November 5, 2008

REQUIRED SUPPLEMENTAL INFORMATION - PART I

**ROCHELLE PARK SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

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

Using this Generally Accepted Accounting Principals Report (GAAP)

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

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

**ROCHELLE PARK SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2007?" 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 companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the school district as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. No-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are reported including, but not limited to, instruction, support services, operating and maintenance of plant facilities, pupil transportation and extracurricular activities. The School District does not have any business like activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The Analysis of the School District's major funds begins with Exhibit A-1. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

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

The School District's Funds

Information about the School District's major funds starts with Exhibit B-1. These funds are accounted for using the modified accrual basis of accounting.

General Fund Budgeting Highlights

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

During the course of the fiscal 2007 year, the School District did not amend its General Fund budget. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the Future

The School District is presently in sound financial condition. 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 and state funding is decreased.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator.

SECTION "A" - DISTRICT WIDE FINANCIAL STATEMENTS

ROCHELLE PARK SCHOOL DISTRICT
STATEMENT OF NET ASSETS

	Governmental Activities	Business-Type Activities	Total 2008	2007
<u>ASSETS</u>				
Cash	\$ 1,181,260	\$ 1,590	\$ 1,182,850	\$ 830,454
Receivables, (Net)	75,158	16,745	91,903	84,698
Restricted Assets:				
Capital Reserve Account	43,247	-	43,247	41,817
Capital Assets, (Net)	2,018,520	45,475	2,063,995	2,160,375
Total Assets	\$ 3,318,185	\$ 63,810	\$ 3,381,995	\$ 3,117,344
<u>LIABILITIES</u>				
Accounts Payable	\$ 503,307	\$ 177	\$ 503,484	\$ 212,632
Deferred Revenue	47,317	-	47,317	33,166
Non-Current Liabilities:				
Due Within One Year	195,000	-	195,000	190,000
Due Beyond One Year	1,885,490	-	1,885,490	2,082,337
Total liabilities	\$ 2,631,114	\$ 177	\$ 2,631,291	\$ 2,518,135
<u>NET ASSETS</u>				
Invested in Capital Assets, Net of Related Debt	\$ 218,520	\$ 45,475	\$ 263,995	\$ 195,375
Restricted for:				
Encumbrances	-	-	-	11,123
Debt Service	5,893	-	5,893	6,809
Capital Projects	206,157	-	206,157	105,645
Other	-	-	-	316,924
Unrestricted	256,501	18,158	274,659	(36,667)
Total Net Assets	\$ 687,071	\$ 63,633	\$ 750,704	\$ 599,209

ROCHELLE PARK SCHOOL DISTRICT
STATEMENT OF ACTIVITIES

Functions/Programs	Program Expenses				Program Revenues				Net (Expense) Revenue & Changes in Net Assets			
	Budgetary Basis	Adjustments	Depreciation	Total	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	Total	Governmental Activities	Business-type Activities	Total 2008	Total 2007
Governmental Activities:												
Current Expense:												
Instruction:												
Regular Programs	\$ 2,593,706	\$ -	\$ -	\$ 2,593,706	\$ -	\$ -	\$ -	\$ -	\$ (2,593,706)	\$ -	\$ (2,593,706)	\$ (2,430,970)
Special Education	549,376	-	-	549,376	-	467,054	-	467,054	(82,322)	-	(82,322)	(79,392)
Basic Skills/Remedial	126,695	-	-	126,695	-	-	-	-	(126,695)	-	(126,695)	(113,296)
Bilingual Education	42,662	-	-	42,662	-	12,866	-	12,866	(29,796)	-	(29,796)	(35,506)
School Sponsored Cocurricular Activities	30,319	-	-	30,319	-	-	-	-	(30,319)	-	(30,319)	(15,979)
School Sponsored Athletics	15,430	-	-	15,430	-	-	-	-	(15,430)	-	(15,430)	(20,165)
Other Instructional Program	-	-	-	-	-	-	-	-	-	-	-	-
Undistributed Expenditures:												
Instruction	2,616,313	-	-	2,616,313	-	-	-	-	(2,616,313)	-	(2,616,313)	(2,426,990)
Attendance and Social Work	24,258	-	-	24,258	-	-	-	-	(24,258)	-	(24,258)	(21,497)
Health Services	52,239	-	-	52,239	-	-	-	-	(52,239)	-	(52,239)	(78,263)
Other Support Services - Students Related Services	112,972	-	-	112,972	-	-	-	-	(112,972)	-	(112,972)	(93,409)
Other Support Services - Students Extraordinary Services	90,266	-	-	90,266	-	-	-	-	(90,266)	-	(90,266)	(98,822)
Other Support Services - Students Regular	98,235	-	-	98,235	-	-	-	-	(98,235)	-	(98,235)	(93,357)
Other Support Services - Students Special	262,765	-	-	262,765	-	-	-	-	(262,765)	-	(262,765)	(244,360)
Improvement of Instruction Services	-	-	-	-	-	-	-	-	-	-	-	-
Educational Media Services/School Library	192,985	-	-	192,985	-	-	-	-	(192,985)	-	(192,985)	(195,520)
Instructional Staff Training Services	-	-	-	-	-	-	-	-	-	-	-	(91)
Support Services - General Administration	325,172	-	-	325,172	-	-	-	-	(325,172)	-	(325,172)	(307,529)
Support Services - School Administration	163,224	-	-	163,224	-	-	-	-	(163,224)	-	(163,224)	(158,644)
Business and Other Support Services	195,992	-	-	195,992	-	-	-	-	(195,992)	-	(195,992)	(78,717)
Required Maintenance for School Facilities	86,737	-	-	86,737	-	-	-	-	(86,737)	-	(86,737)	(454,088)
Operation and Maintenance of Plant Services	482,547	-	-	482,547	-	-	-	-	(482,547)	-	(482,547)	(402,433)
Student Transportation Services	364,024	-	-	364,024	-	220,066	-	220,066	(143,958)	-	(143,958)	49,437
Unallocated Employee Benefits	1,107,678	(1,847)	-	1,105,831	-	-	-	-	(1,105,831)	-	(1,105,831)	(1,129,692)
TPAF Pension	514,593	-	-	514,593	-	514,593	-	514,593	-	-	-	-
TPAF Social Security	266,420	-	-	266,420	-	266,420	-	266,420	-	-	-	-
Capital Outlay:												
Increase In Capital Reserve	99,082	-	-	99,082	-	-	-	-	(99,082)	-	(99,082)	-
Interest Deposit to Capital Reserve	1,429	-	-	1,429	-	-	-	-	(1,429)	-	(1,429)	-
Equipment	11,700	(16,854)	100,600	95,446	-	-	-	-	(95,446)	-	(95,446)	(174,422)
Facilities Acquisition and Construction Services	5,500	-	-	5,500	-	-	-	-	(5,500)	-	(5,500)	-
Debt Service:												
Interest on Early Retirement Bonds	9,810	-	-	9,810	-	-	-	-	(9,810)	-	(9,810)	-
Redemption of Principal - Early Retirement Bonds	25,000	(25,000)	-	-	-	-	-	-	-	-	-	-
Interest on Bonds	81,154	-	-	81,154	-	-	-	-	(81,154)	-	(81,154)	(98,886)
Redemption of Bond Principal	165,000	(165,000)	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	\$ 10,713,283	\$ (208,701)	\$ 100,600	\$ 10,605,182	\$ -	\$ 1,480,999	\$ -	\$ 1,480,999	\$ (9,124,183)	\$ -	\$ (9,124,183)	\$ (8,702,591)
Business-Type Activities:												
Food Service	\$ 155,147	\$ -	\$ 5,796	\$ 160,943	\$ 98,428	\$ 29,425	\$ -	\$ 127,853	\$ -	\$ (33,090)	\$ (33,090)	\$ (34,147)
Total Primary Government	\$ 10,868,430	\$ (208,701)	\$ 106,396	\$ 10,766,125	\$ 98,428	\$ 1,510,424	\$ -	\$ 1,608,852	\$ (9,124,183)	\$ (33,090)	\$ (9,157,273)	\$ (8,736,738)
General Revenues:												
Local Tax Levy									9,069,666	-	9,069,666	8,719,028
Tuition									-	-	-	-
Interest Earned on Capital Reserve Funds									1,429	-	1,429	2,011
Unrestricted Miscellaneous Revenues									58,575	569	59,144	106,954
Unrestricted State Aid									30,048	-	30,048	96,459
Unrestricted Federal Aid									148,481	-	148,481	-
Transfers									(26,022)	26,022	-	-
Fixed Asset Additions									-	-	-	-
Fixed Asset Disposals									-	-	-	-
Fixed Asset Adjustments									-	-	-	-
Change in Net Assets									\$ 157,994	\$ (6,499)	\$ 151,495	\$ 187,714
Net Assets—Beginning									529,077	70,132	599,209	411,495
Net Assets—Ending									\$ 687,071	\$ 63,633	\$ 750,704	\$ 599,209

SECTION "B" - FUND FINANCIAL STATEMENTS

**ROCHELLE PARK SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total 2008	2007
ASSETS						
Cash	\$ 1,005,785	\$ 105,754	\$ 66,013	\$ 3,708	\$ 1,181,260	\$ 874,862
Intergovernmental Receivable	72,973	-	-	-	72,973	62,971
Interfunds Receivable	-	-	-	2,185	2,185	7,094
Capital Reserve Account	43,247	-	-	-	43,247	41,817
Total Assets	\$ 1,122,005	\$ 105,754	\$ 66,013	\$ 5,893	\$ 1,299,665	\$ 986,744
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 442,685	\$ 23,401	\$ -	\$ -	\$ 466,086	\$ 188,159
Interfunds Payable	-	-	2,185	-	2,185	7,094
Intergovernmental Payable	-	-	-	-	-	14,402
Deferred Revenue:						
Local Tax Levy	-	-	-	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-
State Programs	-	33,926	-	-	33,926	44,775
Federal Programs	-	48,427	-	-	48,427	33,166
Total Liabilities	\$ 442,685	\$ 105,754	\$ 2,185	\$ -	\$ 550,624	\$ 287,596
Fund Balances:						
Reserve for Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,883
Capital Reserve - Account	43,247	-	-	-	43,247	41,817
Capital Reserve - Authorized	99,082	-	-	-	99,082	-
Excess Surplus - 2010	111,557	-	-	-	111,557	-
Excess Surplus - 2009	112,920	-	-	-	112,920	112,920
Excess Surplus - 2008	-	-	-	-	-	179,082
Designated for Subsequent Years	37,559	-	-	3,708	41,267	-
Undesignated	274,955	-	63,828	2,185	340,968	322,446
Total Fund Balances	\$ 679,320	\$ -	\$ 63,828	\$ 5,893	\$ 749,041	\$ 699,148
Total Liabilities and Fund Balances	\$ 1,122,005	\$ 105,754	\$ 66,013	\$ 5,893	\$ 1,299,665	\$ 986,744

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

\$ 749,041

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (Note 3)

2,018,520

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Note 5).

(2,080,490)

Net assets of governmental activities

\$ 687,071

ROCHELLE PARK SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

	General	Special Revenue	Capital Projects	Debt Service	Total 2008	2007
REVENUES						
Local Sources:						
Local Tax Levy	\$ 8,791,803	\$ -	\$ -	\$ 277,863	\$ 9,069,666	\$ 8,719,028
Tuition	-	-	-	-	-	12,810
Interest Earned on Capital Reserve Funds	1,429	-	-	-	1,429	2,011
Unrestricted Miscellaneous Revenues	56,390	-	-	2,185	58,575	113,056
Total Local Sources	\$ 8,849,622	\$ -	\$ -	\$ 280,048	\$ 9,129,670	\$ 8,846,905
State Sources	1,480,344	30,703	-	-	1,511,047	1,459,207
Federal Sources	-	148,481	-	-	148,481	150,734
Total Revenues	\$ 10,329,966	\$ 179,184	\$ -	\$ 280,048	\$ 10,789,198	\$ 10,456,846
EXPENDITURES						
Current Expense:						
Instruction:						
Regular Programs	\$ 2,543,321	\$ 50,385	\$ -	\$ -	\$ 2,593,706	\$ 2,481,065
Special Education	420,577	128,799	-	-	549,376	509,318
Basic Skills/Remedial	126,695	-	-	-	126,695	113,296
Bilingual Education	42,662	-	-	-	42,662	48,372
School Sponsored Cocurricular Activities	30,319	-	-	-	30,319	15,979
School Sponsored Athletics	15,430	-	-	-	15,430	20,165
Other Instructional Program	-	-	-	-	-	-
Undistributed Expenditures:	-	-	-	-	-	-
Instruction	2,616,313	-	-	-	2,616,313	2,426,990
Attendance and Social Work	24,258	-	-	-	24,258	21,497
Health Services	52,239	-	-	-	52,239	78,263
Other Support Services - Students Related Services	112,972	-	-	-	112,972	93,409
Other Support Services - Students Extraordinary Services	90,266	-	-	-	90,266	98,822
Other Support Services - Students Regular	98,235	-	-	-	98,235	93,357
Other Support Services - Students Special	262,765	-	-	-	262,765	244,360
Improvement of Instruction Services	-	-	-	-	-	550
Educational Media Services/School Library	192,985	-	-	-	192,985	195,520
Instructional Staff Training Services	-	-	-	-	-	91
Support Services - General Administration	325,172	-	-	-	325,172	307,529
Support Services - School Administration	163,224	-	-	-	163,224	158,644
Central Services	195,992	-	-	-	195,992	170,629
Required Maintenance for School Facilities	86,737	-	-	-	86,737	78,717
Operation and Maintenance of Plant Services	482,547	-	-	-	482,547	454,088
Student Transportation Services	364,024	-	-	-	364,024	402,433
Unallocated Employee Benefits	1,107,678	-	-	-	1,107,678	1,108,480
TPAF Pension	514,593	-	-	-	514,593	534,683
TPAF Social Security	266,420	-	-	-	266,420	260,936
Capital Outlay:						
Increase In Capital Reserve	99,082	-	-	-	99,082	-
Interest Deposit to Capital Reserve	1,429	-	-	-	1,429	-
Equipment	11,700	-	-	-	11,700	45,281
Facilities Acquisition and Construction Services	5,500	-	-	-	5,500	40,500
Debt Service:						
Interest on Early Retirement Bonds	-	-	-	9,810	9,810	-
Redemption of Principal - Early Retirement Bonds	-	-	-	25,000	25,000	-
Interest on Bonds	-	-	-	81,154	81,154	98,886
Redemption of Bond Principal	-	-	-	165,000	165,000	180,000
Total Expenditures	\$ 10,253,135	\$ 179,184	\$ -	\$ 280,964	\$ 10,713,283	\$ 10,281,860
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 76,831	\$ -	\$ -	\$ (916)	\$ 75,915	\$ 174,986
OTHER FINANCING SOURCES (USES)						
Operating Transfers	(26,022)	-	-	-	(26,022)	(27,050)
Net Change In Fund Balances	\$ 50,809	\$ -	\$ -	\$ (916)	\$ 49,893	\$ 147,936
Fund Balances - July 1	628,511	-	63,828	6,809	699,148	551,212
Fund Balances - June 30	\$ 679,320	\$ -	\$ 63,828	\$ 5,893	\$ 749,041	\$ 699,148

ROCHELLE PARK 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 (B-2) \$ 49,893

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	(100,600)
Capital Outlays	16,854

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities	190,000
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Compensated absences is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities	1,847
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Change in net assets of governmental activities	\$ 157,994
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**ROCHELLE PARK SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS
PROPRIETARY FUND**

	2008	2007	2006	2005	2004
ASSETS					
Current Assets:					
Cash (Overdrawn)	\$ 1,590	\$ 7,205	\$ 5,782	\$ 14,737	\$ (7,893)
Interfund Receivable	13,162	13,162	13,162	10,346	13,466
Intergovernmental Receivable - State	262	103	115	292	227
Intergovernmental Receivable - Federal	3,321	1,368	1,399	4,083	2,486
Total Current Assets	\$ 18,335	\$ 21,838	\$ 20,458	\$ 29,458	\$ 8,286
Non-Current Assets:					
Machinery and Equipment, (Net)	\$ 45,475	\$ 51,271	\$ 57,549	\$ 63,067	\$ 65,493
Total Assets	\$ 63,810	\$ 73,109	\$ 78,007	\$ 92,525	\$ 73,779
LIABILITIES					
Accounts Payable	\$ 177	\$ 2,977	\$ 1,514	\$ -	\$ -
NET ASSETS					
Invested in Capital Assets	\$ 45,475	\$ 51,271	\$ 57,549	\$ 63,067	\$ 65,493
Unrestricted	18,158	18,861	18,944	29,458	8,286
	\$ 63,633	\$ 70,132	\$ 76,493	\$ 92,525	\$ 73,779

**ROCHELLE PARK SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUND**

	2008	2007	2006	2005	2004
<u>OPERATING REVENUES</u>					
Sales	\$ 98,428	\$ 92,184	\$ 102,273	\$ 89,588	\$ 92,975
Interest Earned	569	736	620	171	-
Other Income	-	-	-	326	-
	<u>\$ 98,997</u>	<u>\$ 92,920</u>	<u>\$ 102,893</u>	<u>\$ 90,085</u>	<u>\$ 92,975</u>
<u>OPERATING EXPENSES</u>					
Salaries	\$ 26,022	\$ 27,050	\$ 24,559	\$ 31,522	\$ 26,005
Other Purchased Services	122,362	106,486	132,817	87,583	112,643
Supplies and Materials	-	-	-	418	653
Miscellaneous	-	6,523	-	-	-
Cost of Sales (Food Distribution Program)	6,763	4,515	7,785	6,839	5,183
Depreciation	5,796	6,278	5,518	2,752	5,866
	<u>\$ 160,943</u>	<u>\$ 150,852</u>	<u>\$ 170,679</u>	<u>\$ 129,114</u>	<u>\$ 150,350</u>
Operating Income (Loss)	<u>\$ (61,946)</u>	<u>\$ (57,932)</u>	<u>\$ (67,786)</u>	<u>\$ (39,029)</u>	<u>\$ (57,375)</u>
<u>NON-OPERATING REVENUES</u>					
State Sources:					
State School Lunch Program	\$ 1,557	\$ 1,456	\$ 1,395	\$ 1,330	\$ 1,287
Federal Sources:					
National School Lunch Program	18,833	16,687	16,390	15,889	11,701
Special Milk Program	2,272	1,863	1,625	2,090	1,931
Food Distribution Program	6,763	4,515	7,785	6,839	5,183
Prior Period Adjustment - Machinery and Equipment, (Net)	-	-	-	-	-
	<u>\$ 29,425</u>	<u>\$ 24,521</u>	<u>\$ 27,195</u>	<u>\$ 26,148</u>	<u>\$ 20,102</u>
Excess/(Deficit) in Revenues					
Over/(Under) Expenditures	<u>\$ (32,521)</u>	<u>\$ (33,411)</u>	<u>\$ (40,591)</u>	<u>\$ (12,881)</u>	<u>\$ (37,273)</u>
<u>OTHER FINANCING SOURCES/(USES)</u>					
Operating Transfers:					
General Fund	\$ 26,022	\$ 27,050	\$ 24,559	\$ 31,627	\$ 26,658
Change in Net Assets	<u>\$ (6,499)</u>	<u>\$ (6,361)</u>	<u>\$ (16,032)</u>	<u>\$ 18,746</u>	<u>\$ (10,615)</u>
Total Net Assets - Beginning	70,132	76,493	92,525	73,779	84,394
Total Net Assets - Ending	<u>\$ 63,633</u>	<u>\$ 70,132</u>	<u>\$ 76,493</u>	<u>\$ 92,525</u>	<u>\$ 73,779</u>

**ROCHELLE PARK SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUND**

	2008	2007	2006	2005	2004
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
Receipts from Operations	\$ 98,997	\$ 92,920	\$ 102,893	\$ 89,759	\$ 92,975
Payments for Salaries	-	-	-	(31,522)	(26,005)
Payments for Food Service Management	(125,212)	(106,486)	(143,212)	(87,583)	(112,643)
Payments for Supplies and Materials	-	-	-	(418)	(653)
Payments for Miscellaneous Expenses	-	(5,075)	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (26,215)</u>	<u>\$ (18,641)</u>	<u>\$ (40,319)</u>	<u>\$ (29,764)</u>	<u>\$ (46,326)</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>					
State Sources	\$ 1,398	\$ 1,483	\$ 1,557	\$ 1,265	-
Federal Sources	19,202	18,581	20,699	16,382	-
Local Sources	-	-	-	31,627	26,658
Interfund	-	-	9,108	3,120	-
Net Cash Provided (Used) by Financing Activities	<u>\$ 20,600</u>	<u>\$ 20,064</u>	<u>\$ 31,364</u>	<u>\$ 52,394</u>	<u>\$ 26,658</u>
Net Increase (Decrease) in Cash	<u>\$ (5,615)</u>	<u>\$ 1,423</u>	<u>\$ (8,955)</u>	<u>\$ 22,630</u>	<u>\$ (19,668)</u>
Balances - Beginning of Year	7,205	5,782	14,737	(7,893)	11,775
Balances - End of Year	<u>\$ 1,590</u>	<u>\$ 7,205</u>	<u>\$ 5,782</u>	<u>\$ 14,737</u>	<u>\$ (7,893)</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income	\$ (61,946)	\$ (57,932)	\$ (67,786)	\$ (39,029)	\$ (57,375)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities					
Cost of Sales	6,763	4,515	7,785	6,839	5,183
Depreciation	5,796	6,278	5,518	2,752	5,866
Other	23,172	28,498	14,164	(326)	-
Net Cash Provided by (used for) Operating Activities	<u>\$ (26,215)</u>	<u>\$ (18,641)</u>	<u>\$ (40,319)</u>	<u>\$ (29,764)</u>	<u>\$ (46,326)</u>

**ROCHELLE PARK SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS**

	2008	2007	2006	2005	2004
<u>ASSETS</u>					
Cash	\$ 47,210	\$ 37,958	\$ 30,404	\$ 16,501	\$ 10,302
<u>LIABILITIES</u>					
Due to Student Groups	\$ 16,183	\$ 17,516	\$ 15,259	\$ 10,859	\$ 8,581
Payroll, Deductions and Withholdings	24,608	14,119	8,983	5,618	701
Total Liabilities	\$ 40,791	\$ 31,635	\$ 24,242	\$ 16,477	\$ 9,282
<u>NET ASSETS</u>					
Held in Trust for Scholarship Recipients	\$ 6,419	\$ 6,323	\$ 6,162	\$ 24	\$ 1,020

**ROCHELLE PARK SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS**

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>ADDITIONS</u>					
Contributions	\$ 6,000	\$ 6,000	\$ 12,000	\$ 6,000	\$ -
Interest Earned	96	131	168	4	15
	<u>\$ 6,096</u>	<u>\$ 6,131</u>	<u>\$ 12,168</u>	<u>\$ 6,004</u>	<u>\$ 15</u>
<u>DEDUCTIONS</u>					
Scholarships	\$ 6,000	\$ 6,000	\$ 6,000	\$ 7,000	\$ 5,000
Change in Net Assets	\$ 96	\$ 131	\$ 6,168	\$ (996)	\$ (4,985)
Net Assets - Beginning	6,323	6,192	24	1,020	6,005
Net Assets - Ending	<u>\$ 6,419</u>	<u>\$ 6,323</u>	<u>\$ 6,192</u>	<u>\$ 24</u>	<u>\$ 1,020</u>

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Board of Education (Board) of the Rochelle Park 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.

A. Reporting Entity

The Rochelle Park School District is a Type II School District located in Bergen County, New Jersey. As a Type II District, the School District functions independently through a Board of Education. The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The District includes one school facility, all located in the Township of Rochelle Park which supports the following programs:

Regular Programs:

- Pre-K through K
- Grades 1 through 5
- Grades 6 through 8

Special Education Program:

- Learning and/or Language Disabilities
- Preschool Disabled - Part Time

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 the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds and account groups of the District over which the Board exercises operating control.

There were no additional entities required to be included in the reporting entity under the criteria, as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 1 - Summary of Significant Accounting Policies (Continued)

B. Fund Accounting

The accounts of the district are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental Fund Types --

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

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

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

Proprietary Fund Type --

Enterprise (Food Service) Fund: The enterprise fund accounts for all revenues and expenses pertaining to cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Fiduciary Fund Types --

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of others as their agent. Agency funds are custodial in nature and do not involve a measurement of results of operations.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

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 recorded in the accounting period in which they are earned and expenses are recorded at the time liabilities 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 and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments must be approved by School Board resolution. There were no budget amendments during the year ended June 30, 2008.

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 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.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 1 - Summary of Significant Accounting Policies (Continued)

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. Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represents 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.

G. 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.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in first-out (FIFO) method.

H. Fixed Assets

General Fixed Assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed prior to June 30, 1999, are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company.

General fixed assets are reflected as expenditures in the applicable governmental funds, and the related assets are reported in the general fixed assets account group. Expenditures that enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the fixed asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 1 - Summary of Significant Accounting Policies (Continued)

I. Accrued Salaries and Wages

Certain District employees, who provide services to the District over the ten month academic year, have the option to have their salaries evenly disbursed during the entire twelve month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2008, the amount earned by these employees but not disbursed was \$0.

J. Deferred Revenue

Deferred revenue in the special revenue fund represents cash which has been received but not yet earned. See note 1(e) regarding the special revenue fund.

K. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

L. 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 appropriatable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

M. Memorandum Only - Total Columns

Total columns are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund elimination's have not been made in the aggregation of this data.

N. Comparative Data

Comparative total data for the prior year has been presented in order to provide an understanding of changes on the District's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 2 - Cash and Cash Equivalents and Investments

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, and short term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

Deposits --

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the daily balance of collected public funds on deposit.

The market value of the collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments --

New Jersey statutes permit the Board to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the school district.

As of June 30, 2008, cash and cash equivalents and investments of the District consisted of the following:

	<u>Cash</u>	<u>Investments</u>
Checking/Money Market Accounts		
2008	\$ 1,182,850	\$ -
2007	830,454	-
2006	566,596	-

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 3 - Fixed Assets

The following schedule is a summarization of the changes in general fixed assets by source for the fiscal year ended June 30, 2008:

	Beginning Balance	Additions	Disposals	Adjustments	Ending Balance
<i>Governmental Activities --</i>					
Capital Assets not being Depreciated:					
Sites	\$ 15,740	\$ -	\$ -	\$ -	\$ 15,740
Construction in Progress	-	-	-	-	-
	<u>\$ 15,740</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,740</u>
Capital Assets being Depreciated:					
Site Improvements	\$ 291,265	\$ -	\$ -	\$ -	\$ 291,265
Building Improvements	2,762,391	-	-	-	2,762,391
Machinery and Equipment	588,926	11,700	(32,552)	-	568,074
	<u>\$ 3,642,582</u>	<u>\$ 11,700</u>	<u>\$ (32,552)</u>	<u>\$ -</u>	<u>\$ 3,621,730</u>
	<u>\$ 3,658,322</u>	<u>\$ 11,700</u>	<u>\$ (32,552)</u>	<u>\$ -</u>	<u>\$ 3,637,470</u>
Less Accumulated Depreciation For:					
Site Improvements	\$ (198,108)	\$ (8,865)	\$ -	\$ -	\$ (206,973)
Building Improvements	(961,677)	(42,328)	-	-	(1,004,005)
Machinery and Equipment	(389,433)	(49,407)	30,868	-	(407,972)
	<u>\$ (1,549,218)</u>	<u>\$ (100,600)</u>	<u>\$ 30,868</u>	<u>\$ -</u>	<u>\$ (1,618,950)</u>
Net Assets for Governmental Activities	<u>\$ 2,109,104</u>	<u>\$ (88,900)</u>	<u>\$ (1,684)</u>	<u>\$ -</u>	<u>\$ 2,018,520</u>

Business Type Activities --

	Beginning Balance	Additions	Disposals	Adjustments	Ending Balance
Capital Assets being Depreciated:					
Machinery and Equipment	\$ 136,999	\$ -	\$ -	\$ -	\$ 136,999
Less Accumulated Depreciation For:					
Machinery and Equipment	\$ (85,728)	\$ (5,796)	\$ -	\$ -	\$ (91,524)
Net Assets for Business Type Activities	<u>\$ 51,271</u>	<u>\$ (5,796)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,475</u>

**ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008**

Note 4 - Operating Leases and Other Commitments

In accordance with GAAP, the District does not include non-capitalized (operating) leases or other similar commitments in the financial statements. As of June 30, 2008, the District had not entered into any such agreements which would be considered material for subsequent year's obligation disclosure. The District has entered into such agreements which have been deemed immaterial to the financial statements for small office equipment, etc. Detailed information concerning these insignificant obligations is on file with the School Business Office.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 5 - Long-Term Debt

During the fiscal year ended June 30, 2008, the following changes occurred in general long-term debt:

	Balance June 30, 2007	Issued	Retired	Adjustments	Balance June 30, 2008
Bonds Payable	\$ 2,145,000	\$ -	\$ (190,000)	\$ -	\$ 1,955,000
Compensated Absences Payable	127,337	5,003	(6,850)	-	125,490
	<u>\$ 2,272,337</u>	<u>\$ 5,003</u>	<u>\$ (196,850)</u>	<u>\$ -</u>	<u>\$ 2,080,490</u>

	Balance June 30, 2007	Amounts Due within One Year	Long-term Portion
Bonds Payable	\$ 1,955,000	\$ 195,000	\$ 1,760,000
Compensated Absences	125,490	-	125,490
	<u>\$ 2,080,490</u>	<u>\$ 195,000</u>	<u>\$ 1,885,490</u>

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. As of June 30, 2008, the Board had not authorized the issuance of any additional bonds.

B. 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 and contractual obligations. Upon termination, employees are paid for accrued vacation. The District's policy permits employees who are paid by the District for the unused sick leave in accordance with agreements with the various employee unions. The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group. 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.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 6 - Long-Term Debt Service to Maturity

The annual debt service requirement for long-term obligation requirements to maturity, including principal and interest as of June 30, 2008 are as follows:

Year Ended June 30,	08/15/01 School Bonds		2003 Pension Refunding Bonds		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 170,000	\$ 74,202	\$ 25,000	\$ 8,448	\$ 195,000	\$ 82,650
2010	180,000	66,807	25,000	7,086	205,000	73,893
2011	185,000	59,051	25,000	5,724	210,000	64,775
2012	195,000	50,976	25,000	4,360	220,000	55,336
2013	205,000	23,416	25,000	2,998	230,000	26,414
2014	210,000	35,720	30,000	1,636	240,000	37,356
2015	215,000	25,733	-	-	215,000	25,733
2016	220,000	15,510	-	-	220,000	15,510
2017	220,000	5,170	-	-	220,000	5,170
	<u>\$ 1,800,000</u>	<u>\$ 356,585</u>	<u>\$ 155,000</u>	<u>\$ 30,252</u>	<u>\$ 1,955,000</u>	<u>\$ 386,837</u>

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 7 - Retirement Plans

Those employees who are eligible for pension coverage are enrolled in either the Public Employees Retirement System of New Jersey (PERS) or the Teachers' Pension and Annuity Fund of New Jersey (TPAF). The systems are cost-sharing multiple-employer contributory defined benefit pension plans, and are component units of the State of New Jersey. Each retirement system has a Board of Trustees which is responsible for its organization and administration.

A. Plan Descriptions, Contribution Information and Funding Policies

Public Employees' Retirement System (PERS)

Description of the System - The State of New Jersey Public Employees' Retirement System (the System; PERS) is a cost-sharing multiple employer contributory defined benefit plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The System is included along with other state-administered pension trust and agency funds in the basic financial statements of the State of New Jersey.

At June 30, 2003 and June 30, 2002, the dates of the most recent actuarial valuations, participating employers consisted of the following:

	<u>2003</u>	<u>2002</u>
State of New Jersey	1	1
County Agencies	65	66
Municipalities	576	578
School Districts	560	561
Other Public Agencies	459	466
Total	<u>1,661</u>	<u>1,672</u>

The System's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System 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 pension fund or local jurisdiction's pension fund. The System's Board of Trustees is primarily responsible for the administration of the System.

According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 7 - Retirement Plans (Continued)

A. Plan Descriptions, Contribution Information and Funding Policies (Continued)

Public Employees' Retirement System (PERS) (Continued)

Vesting and Benefit Provisions - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The System provides retirement, death and disability benefits, as well as medical benefits for certain qualified members. All benefits vest after eight to ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the System. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of 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 service credit, as defined, or they may elect deferred retirement after achieving eight to ten years of service credit, in which case benefits would begin the first day of the month after the member attains normal retirement age.

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

Eligible retirees receiving monthly benefits are entitled to cost-of-living increases equal to 60% of the change in the average consumer price index for the calendar year in which the pensioner retired as compared to the average consumer price index for a 12-month period ending with each August 31st immediately preceding the year in which the adjustment becomes payable. The regular retirement allowance is multiplied by the 60% factor as developed and results in a dollar amount of the adjustment payable. Retired members become eligible for pension adjustment benefits after 24 months of retirement.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 7 - Retirement Plans (Continued)

A. Plan Descriptions, Contribution Information and Funding Policies (Continued)

Public Employees' Retirement System (PERS) (Continued)

Significant Legislation - Chapter 108, P.L. 2003, effective July 1, 2003, provided that the State Treasurer will reduce local employer PERS normal and accrued liability contributions to be a percentage of the amount certified annually by the

PERS as follows: 20% for payments due in State fiscal year 2005; not more than 40% in fiscal year 2006; not more than 60% in fiscal year 2007; and not more than 80% in fiscal year 2008. According to the Budget Appropriations Act of 2004, the State as well will pay pension obligations through a five-year phase-in. In fiscal year 2004, the State paid 20% of the normal and accrued liability pension costs by using the benefit enhancement fund.

Chapter 42, P.L. 2002 permitted local government units to issue refunding bonds to retire an unfunded accrued liability resulting from early retirement benefits, effective July 12, 2002.

Chapter 23, P.L. 2002 provided early retirement incentive benefits to State employees who meet specified age and service requirements and who retire within a specified time period that generally extended from February 1, 2002 to July 1, 2002. The incentive benefits include an additional three years of service credit to employees who are at least 50 years of age with at least 25 years of service credit; State paid health care benefits to employees who are at least 60 years of age with at least 20, but less than 25, years of service credit; and an additional monthly benefit of \$500 per month for 24 months following the date of retirement to employees who are at least 60 years of age with at least 10, but not more than 20, years of service credit. For those eligible for veterans' retirement benefit, the incentive is an additional pension of 3/55 of the compensation upon which the retirement benefit is based to employees who are at least 55 years of age with 25 or more years of service credit.

Chapter 11, P.L. 2002, effective March 26, 2002, allowed the State to use net assets in post-retirement medical (PRM) fund to cover required pay-as-you-go medical premiums. This legislation also suspended in fiscal years 2002 and 2003 the additional PRM contribution to increase the fund balance by 1/2 of 1% of active member salaries for the valuation period.

ROCHELLE PARK SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 Year Ended June 30, 2008

Note 7 - Retirement Plans (Continued)

A. Plan Descriptions, Contribution Information and Funding Policies (Continued)

Public Employees' Retirement System (PERS) (Continued)

Membership in the System consisted of the following at June 30, 2003 and 2002, the dates of the most recent actuarial valuations:

2003	Pension Benefits	Post-Retirement Medical Benefits
Retirees and beneficiaries currently receiving benefits and employees entitled to benefits but not yet receiving them	116,545	18,805
Active Members:		
Vested	152,259	9,221
Non-Vested	142,888	78,358
Total Active Members	295,147	87,579
Total	411,692	106,384

2002	Pension Benefits	Post-Retirement Medical Benefits
Retirees and beneficiaries currently receiving benefits and employees entitled to benefits but not yet receiving them	109,546	14,779
Active Members:		
Vested	155,861	11,118
Non-Vested	135,108	77,438
Total Active Members	290,969	88,556
Total	400,515	103,335

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 7 - Retirement Plans (Continued)

A. Plan Descriptions, Contribution Information and Funding Policies (Continued)

Teachers' Pension and Annuity Fund

Description of the Fund - The State of New Jersey Teachers' Pension and Annuity Fund (the Fund; TPAF) is a cost-sharing contributory defined benefit plan with a special funding situation which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The Fund is included along with other state administered pension trust and agency funds in the basic financial statements of the State of New Jersey.

The Fund's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the Fund 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. The Fund's Board of Trustees is primarily responsible for the administration of the Fund.

According to the State of New Jersey Administrative Code, all obligations of the Fund will be assumed by the State of New Jersey should the Fund terminate.

Vesting and Benefit Provisions - The vesting and benefit provisions are set by N.J.S.A. 18A:66. The Fund provides retirement, death and disability benefits, as well as medical benefits for certain qualified members. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the Fund. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of 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 service credit, as defined, or they may elect deferred retirement after achieving ten years of service credit, in which case benefits would begin the first day of the month after the member attains normal retirement age.

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.

Eligible retirees receiving monthly benefits are entitled to cost-of-living increases equal to 60% of the change in the average consumer price index for the calendar year in which the pensioner retired as compared to the average consumer price index for a 12-month period ending with each August 31st immediately preceding the year in which the adjustment becomes payable. The regular retirement allowance is multiplied by the 60% factor as developed and results in a dollar amount of the adjustment payable. Retired members become eligible for pension adjustment benefits (COLA) after 24 months of retirement.

**ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008**

Note 7 - Retirement Plans (Continued)

A. Plan Descriptions, Contribution Information and Funding Policies (Continued)

Teachers' Pension and Annuity Fund (Continued)

Significant Legislation - Chapter 42, P.L. 2002 permitted local government units to issue refunding bonds to retire an unfunded accrued liability resulting from early retirement benefits, effective July 12, 2002.

Chapter 23, P.L. 2002 provided early retirement incentive benefits to State employees who meet specified age and service requirements and who retire within a specified time period that generally extended from February 1, 2002 to July 1, 2002. The incentive benefits include an additional three years of service credit to employees who are at least 50 years of age with at least 25 years of service credit; State paid health care benefits to employees who are at least 60 years of age with at least 20, but less than 25, years of service credit; and an additional monthly benefit of \$500 per month for 24 months following the date of retirement to employees who are at least 60 years of age with at least 10, but not more than 20, years of service credit. For those eligible for veterans' retirement benefit, the incentive is an additional pension of 3/55 of the compensation upon which the retirement benefit is based to employees who are at least 55 years of age with 25 or more years of service credit.

Chapter 11, P.L. 2002 allowed the State to use net assets in post-retirement medical (PRM) fund to cover required pay-as-you-go medical premiums. This legislation also suspended in fiscal years 2002 and 2003 the additional PRM contribution to increase the fund balance by 1/2 of 1% of active member salaries for the valuation period.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 7 - Retirement Plans (Continued)

A. Plan Descriptions, Contribution Information and Funding Policies (Continued)

Teachers' Pension and Annuity Fund (Continued)

Membership - Membership and contributing employers of the Fund consisted of the following at June 30:

2003	Pension Benefits	Post-Retirement Medical Benefits
Retirees and beneficiaries currently receiving benefits and employees entitled to benefits but not yet receiving them	60,361	42,744
Active Members:		
Vested	76,378	28,948
Non-Vested	69,504	116,934
Total Active Members	145,882	145,882
Total	206,243	188,626
Contributing Employers	107	1
2002	Pension Benefits	Post-Retirement Medical Benefits
Retirees and beneficiaries currently receiving benefits and employees entitled to benefits but not yet receiving them	57,398	39,714
Active Members:		
Vested	77,054	29,287
Non-Vested	65,106	112,873
Total Active Members	142,160	142,160
Total	199,558	181,874
Contributing Employers	114	1

ROCHELLE PARK SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 Year Ended June 30, 2008

Note 7 - Retirement Plans (Continued)

B. Trend Information

Historical trend information showing the plan's progress in accumulating sufficient assets to pay benefits when due are presented in the State of New Jersey's PERS and TPAF financial reports. Those reports may be obtained by writing to the State of New Jersey, Department of Treasury Division of Pensions & Benefits P.O. Box 295, Trenton, New Jersey 08625-0295 (609) 292-7524.

Contributions required by the District were as follows:

Public Employees Retirement System:

<u>Year</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
2004-05	-	100%	-
2003-04	-	100%	-
2002-03	-	100%	-
2001-02	-	100%	-
2000-01	-	100%	-

Teachers' Pension and Annuity Fund:

<u>Year</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation</u>
2004-05	\$ 132,252	100%	- (On-Behalf)
2003-04	115,681	100%	- (On-Behalf)
2002-03	77,402	100%	- (On-Behalf)
2001-02	-	100%	- (On-Behalf)
2000-01	41,368	100%	- (On-Behalf)

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 8 - 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, 2004, there were 64,628 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994 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 \$424.8 million for TPAF and \$168.7 million for PERS in Fiscal Year 2004. The State did not make a contribution to the PERS and TPAF in Fiscal Year 2002 toward the cost of post-retirement medical benefits in accordance with P.L. 2002, c.11 which allowed the State to use available reserves in the Post-Retirement Medical Reserve Funds to cover required pay-as-you-go medical premiums. This legislation also suspends in Fiscal Years 2002 and 2003 the additional post retirement medical contribution to increase the fund balance by one half of one percent of active member salaries for the valuation period.

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 \$74.0 million toward Chapter 126 benefits for 9,138 eligible retired members in Fiscal Year 2004.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 9 - 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.

**ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008**

Note 10 - Deferred Compensation

The Board offers its employees a choice of deferred compensation plans created in accordance with Internal Revenue Code Section 457 and 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.

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 11 - Capital Reserve Account

A capital reserve account was established 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) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the department, a district may deposit funds into the capital reserve at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Pursuant to N.J.A.C. 6:23A-5.1(d) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Capital reserve account activity for fiscal years ended June 30 were as follows:

	<u>2008</u>	<u>2007</u>
Beginning Balance	\$ 41,817	\$ 39,806
Interest Earned	1,430	2,011
Contributions	-	-
Withdrawals	-	-
Ending Balance	<u>\$ 43,247</u>	<u>\$ 41,817</u>

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 12 - Risk Management

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

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund 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.

Note 13 - Interfund Receivables and Payables

Interfund balances as of June 30 were as follows:

	2008		2007	
	Interfund Receivable	Interfund Payable	Interfund Receivable	Interfund Payable
General Fund	\$ -	\$ -	\$ -	\$ 3,386
Special Revenue Fund	-	-	-	-
Capital Projects Fund	-	2,185	3,386	3,708
Debt Service Fund	2,185	-	3,708	-
Enterprise Fund	-	-	-	-
Trust and Agency Fund	-	-	-	-
	\$ 2,185	\$ 2,185	\$ 7,094	\$ 7,094
		-		-

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008

Note 14 - Retained Earnings - Enterprise Funds

The Enterprise Funds has a cumulative retained earnings at June 30 as follows:

	<u>2008</u>	<u>2007</u>
Retained Earnings	<u>\$ 63,633</u>	<u>\$ 70,132</u>

Note 15 - Fund Balance Appropriated

General Fund -- The following is an analysis of the General Fund balance at June 30:

	<u>2008</u>	<u>2007</u>
Reserve for Encumbrances	\$ -	\$ 11,123
Capital Reserve - Account	43,247	41,817
Capital Reserve - Authorized	99,082	
Excess Surplus - 2010	111,557	
Excess Surplus - 2009	112,920	137,842
Excess Surplus - 2008	-	179,082
Designated for Subsequent Years	37,559	-
Undesignated	274,955	251,809
	<u>\$ 679,320</u>	<u>\$ 621,673</u>

Note 16 - Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, the designation for Reserved Fund Balance -- Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act 1996 (CEIFA). New Jersey school districts are required to reserve General 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 years' budget. The excess fund balance at June 30 was as follows:

	<u>2008</u>	<u>2007</u>
Excess Fund Balance	<u>\$ 111,557</u>	<u>\$ 112,920</u>

Note 17 - Reconciliation of Budgetary Basis General Fund Balance to GAAP Basis General Fund Balance

	<u>2008</u>	<u>2007</u>
Total Fund Balance, June 30 - Budgetary Basis	\$ 702,304	\$ 657,423
Less: Final Delayed State Aid Payment	(22,984)	(35,750)
Total Fund Balance, June 30 - GAAP Basis	<u>\$ 679,320</u>	<u>\$ 621,673</u>

**ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2008**

Note 18 - Contingent Liabilities

The Board is not involved in any claims and lawsuits incidental to its operations.

REQUIRED SUPPLEMENTAL INFORMATION - PART II

ROCHELLE PARK SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 Fiscal Year Ended June 30, 2008

	Original Budget	Prior Year Encumbrances	Transfers	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	(Memo Only) Encumbered
REVENUES							
Local Sources:							
Local Tax Levy	\$ 8,791,803	\$ -	\$ -	\$ 8,791,803	\$ 8,791,803	\$ -	-
Tuition	-	-	-	-	-	-	-
Interest Earned on Capital Reserve Funds	100	-	-	100	1,429	1,329	-
Unrestricted Miscellaneous Revenues	23,692	-	-	23,692	56,390	32,698	-
Total Local Sources	\$ 8,815,595	\$ -	\$ -	\$ 8,815,595	\$ 8,849,622	\$ 34,027	-
State Sources:							
Transportation Aid	\$ 220,066	\$ -	\$ -	\$ 220,066	\$ 220,066	\$ -	-
Special Education Aid	297,023	-	-	297,023	297,023	-	-
Bilingual Education Aid	12,866	-	-	12,866	12,866	-	-
Consolidated Aid	70,550	-	-	70,550	70,550	-	-
Additional Formula Aid	37,780	-	-	37,780	37,780	-	-
Teacher Quality Mentoring	-	-	-	-	-	341	341
Extraordinary Aid	-	-	-	-	47,939	47,939	-
TPAF Pension (On-Behalf - Non-Budgeted)	-	-	-	-	514,593	514,593	-
TPAF Social Security (Reimbursed - Non-Budget)	-	-	-	-	266,420	266,420	-
Total State Sources	\$ 638,285	\$ -	\$ -	\$ 638,285	\$ 1,467,578	\$ 829,293	-
Total Revenues	\$ 9,453,880	\$ -	\$ -	\$ 9,453,880	\$ 10,317,200	\$ 863,320	-

ROCHELLE PARK SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 Fiscal Year Ended June 30, 2008

	Original Budget	Prior Year Encumbrances	Transfers	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	(Memo Only) Encumbered
EXPENDITURES							
General Current Expense							
Regular Programs - Instruction:							
Pre-School - Salaries	\$ 119,724	\$ -	\$ (397)	\$ 119,327	\$ 117,123	\$ 2,204	
Kindergarten - Salaries of Teachers	51,815	-	11,660	63,475	59,257	4,218	\$ -
Grades 1-5 - Salaries of Teachers	1,205,559	-	(3,941)	1,201,618	1,138,830	62,788	-
Grades 6-8 - Salaries of Teachers	913,943	-	35,822	949,765	949,765	-	-
Regular Programs - Home Instruction:							
Salaries of Teachers	2,000	-	(1,664)	336	336	-	-
Regular Programs - Undistributed Instruction:							
Other Salaries for Instruction	101,360	-	19,366	120,726	120,726	-	-
Purchased Professional - Education Services	1,500	-	(140)	1,360	1,360	-	-
Purchased Technical Services	11,765	-	(9,885)	1,880	1,879	1	-
Other Purchased Services	15,875	-	1,252	17,127	17,127	-	-
General Supplies	65,630	-	56,132	121,762	121,762	-	-
Textbooks	5,045	-	7,886	12,931	12,931	-	-
Other Objects	5,000	-	(2,775)	2,225	2,225	-	-
Total Regular Programs	\$ 2,499,216	\$ -	\$ 113,316	\$ 2,612,532	\$ 2,543,321	\$ 69,211	\$ -
Special Education - Instruction - Learning and/or Language Disabilities:							
Salaries of Teachers	\$ 65,678	\$ -	\$ 7,582	\$ 73,260	\$ 65,741	\$ 7,519	\$ -
Other Salaries for Instruction	-	-	-	-	-	-	-
Purchased Professional - Education Services	-	-	-	-	-	-	-
General Supplies	2,643	-	(702)	1,941	1,665	276	-
	\$ 68,321	\$ -	\$ 6,880	\$ 75,201	\$ 67,406	\$ 7,795	\$ -
Special Education - Instruction - Resource Room/Resource Center:							
Salaries of Teachers	\$ 312,821	\$ -	\$ 10,278	\$ 323,099	\$ 316,060	\$ 7,039	\$ -
Other Salaries for Instruction	12,717	-	1,108	13,825	13,825	-	-
General Supplies	9,529	-	(3,385)	6,144	6,144	-	-
	\$ 335,067	\$ -	\$ 8,001	\$ 343,068	\$ 336,029	\$ 7,039	\$ -
Special Education - Instruction - Preschool Disabled - Part Time:							
Salaries of Teachers	\$ 4,200	\$ -	\$ 14,236	\$ 18,436	\$ 15,605	\$ 2,831	\$ -
General Supplies	1,607	-	566	2,173	1,537	636	-
	\$ 5,807	\$ -	\$ 14,802	\$ 20,609	\$ 17,142	\$ 3,467	\$ -
Total Special Education - Instruction	\$ 409,195	\$ -	\$ 29,683	\$ 438,878	\$ 420,577	\$ 18,301	\$ -
Basic Skills/Remedial - Instruction:							
Salaries of Teachers	\$ 96,237	\$ -	\$ 28,915	\$ 125,152	\$ 124,056	\$ 1,096	\$ -
General Supplies	1,967	-	672	2,639	2,639	-	-
	\$ 98,204	\$ -	\$ 29,587	\$ 127,791	\$ 126,695	\$ 1,096	\$ -
Bilingual Education - Instruction:							
Salaries of Teachers	\$ 51,769	\$ -	\$ (6,259)	\$ 45,510	\$ 41,413	\$ 4,097	\$ -
General Supplies	711	-	918	1,629	1,249	380	-
Textbooks	-	-	-	-	-	-	-
	\$ 52,480	\$ -	\$ (5,341)	\$ 47,139	\$ 42,662	\$ 4,477	\$ -
School Sponsored Cocurricular Activities - Instruction:							
Salaries	\$ 20,128	\$ -	\$ 5,084	\$ 25,212	\$ 25,212	\$ -	\$ -
Purchased Services	-	-	161	161	161	-	-
Supplies and Materials	6,362	-	(1,315)	5,047	4,946	101	-
	\$ 26,490	\$ -	\$ 3,930	\$ 30,420	\$ 30,319	\$ 101	\$ -
School Sponsored Athletics - Instruction:							
Salaries	\$ 12,170	\$ -	\$ (330)	\$ 11,840	\$ 11,834	\$ 6	\$ -
Purchased Services	1,000	-	(450)	550	550	-	-
Supplies and Materials	10,098	-	(1,693)	8,405	3,046	5,359	-
	\$ 23,268	\$ -	\$ (2,473)	\$ 20,795	\$ 15,430	\$ 5,365	\$ -
Total - Instruction	\$ 3,108,853	\$ -	\$ 168,702	\$ 3,277,555	\$ 3,179,004	\$ 98,551	\$ -

**ROCHELLE PARK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Fiscal Year Ended June 30, 2008**

	Original Budget	Prior Year Encumbrances	Transfers	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	(Memo Only) Encumbered
<u>EXPENDITURES (Continued)</u>							
<u>General Current Expense (Continued)</u>							
Undistributed Expenditures - Instruction:							
Tuition to Other LEAs Within the State - Regular	\$ 1,733,840	\$ -	\$ (32,956)	\$ 1,700,884	\$ 1,700,884	\$ -	\$ -
Tuition to Other LEAs Within the State - Special	270,140	-	(72,477)	197,663	180,977	16,686	-
Tuition to County Vocational School District - Reg	210,000	-	2,526	212,526	212,526	-	-
Tuition to County Vocational School District - Spe	100,000	-	(2,526)	97,474	95,317	2,157	-
Tuition to CSSD & Regional Day Schools	139,600	-	(78,400)	61,200	61,200	-	-
Tuition to Private Schools for the Handicapped - (427,721	-	(62,312)	365,409	365,409	-	-
Tuition to Private Schools for the Handicapped - (-	-	-	-	-	-	-
Tuition - State Facilities	-	-	-	-	-	-	-
	<u>\$ 2,881,301</u>	<u>\$ -</u>	<u>\$ (246,145)</u>	<u>\$ 2,635,156</u>	<u>\$ 2,616,313</u>	<u>\$ 18,843</u>	<u>\$ -</u>
Undistributed Expenditures - Attendance and Social Work:							
Salaries	\$ 15,319	\$ -	\$ 1,865	\$ 17,184	\$ 15,327	\$ 1,857	\$ -
Purchased Professional and Technical Services	8,831	-	100	8,931	8,931	-	-
	<u>\$ 24,150</u>	<u>\$ -</u>	<u>\$ 1,965</u>	<u>\$ 26,115</u>	<u>\$ 24,258</u>	<u>\$ 1,857</u>	<u>\$ -</u>
Undistributed Expenditures - Health Services:							
Salaries	\$ 46,852	\$ -	\$ (171)	\$ 46,681	\$ 46,441	\$ 240	\$ -
Purchased Professional and Technical Services	2,100	-	1,725	3,825	3,825	-	-
Other Purchased Services	4,000	-	(1,725)	2,275	1,306	969	-
Supplies and Materials	1,531	-	(528)	1,003	667	336	-
	<u>\$ 54,483</u>	<u>\$ -</u>	<u>\$ (699)</u>	<u>\$ 53,784</u>	<u>\$ 52,239</u>	<u>\$ 1,545</u>	<u>\$ -</u>
Undistributed Expenditures - Other Support Services Students - Related Services:							
Salaries	\$ 90,377	\$ -	\$ 2,211	\$ 92,588	\$ 92,588	\$ -	\$ -
Purchased Professional - Educational Services	20,800	-	(2,262)	18,538	18,538	-	-
Supplies and Materials	1,956	-	(110)	1,846	1,846	-	-
	<u>\$ 113,133</u>	<u>\$ -</u>	<u>\$ (161)</u>	<u>\$ 112,972</u>	<u>\$ 112,972</u>	<u>\$ -</u>	<u>\$ -</u>
Undistributed Expenditures - Other Support Services Students - Extraordinary Services:							
Purchased Professional - Educational Services	\$ 50,000	\$ -	\$ 40,266	\$ 90,266	\$ 90,266	\$ -	\$ -
Supplies and Materials	-	-	-	-	-	-	-
	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 40,266</u>	<u>\$ 90,266</u>	<u>\$ 90,266</u>	<u>\$ -</u>	<u>\$ -</u>
Undistributed Expenditures - Other Support Services Students - Regular:							
Salaries of Other Professional Staff	\$ 88,373	\$ -	\$ 1,237	\$ 89,610	\$ 89,610	\$ -	\$ -
Supplies and Materials	7,929	-	978	8,907	8,625	282	-
	<u>\$ 96,302</u>	<u>\$ -</u>	<u>\$ 2,215</u>	<u>\$ 98,517</u>	<u>\$ 98,235</u>	<u>\$ 282</u>	<u>\$ -</u>
Undistributed Expenditures - Other Support Services Students - Special:							
Salaries of Other Professional Staff	\$ 220,730	\$ -	\$ 2,261	\$ 222,991	\$ 210,926	\$ 12,065	\$ -
Salaries of Secretarial and Clerical Assistants	19,613	-	9,356	28,969	28,969	-	-
Purchased Professional - Educational Services	3,000	-	15,525	18,525	17,918	607	-
Purchased Professional and Technical Services	1,300	-	(198)	1,102	1,102	-	-
Miscellaneous Purchased Services	-	-	-	-	-	-	-
Supplies and Materials	5,191	-	(523)	4,668	3,850	818	-
	<u>\$ 249,834</u>	<u>\$ -</u>	<u>\$ 26,421</u>	<u>\$ 276,255</u>	<u>\$ 262,765</u>	<u>\$ 13,490</u>	<u>\$ -</u>
Undistributed Expenditures - Improvement of Instruction Services:							
Other Objects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Undistributed Expenditures - Educational Media Services/School Library:							
Salaries	\$ 140,137	\$ -	\$ (323)	\$ 139,814	\$ 139,809	\$ 5	\$ -
Purchased Professional and Technical Services	1,000	-	(1,000)	-	-	-	-
Other Purchased Services	26,315	-	1,608	27,923	27,923	-	-
Supplies and Materials	21,286	-	(693)	20,593	18,170	2,423	-
Other Objects	5,100	-	1,983	7,083	7,083	-	-
	<u>\$ 193,838</u>	<u>\$ -</u>	<u>\$ 1,575</u>	<u>\$ 195,413</u>	<u>\$ 192,985</u>	<u>\$ 2,428</u>	<u>\$ -</u>
Undistributed Expenditures - Instructional Staff Training Services:							
Purchased Professional - Educational Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Objects	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ROCHELLE PARK SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 Fiscal Year Ended June 30, 2008

	Original Budget	Prior Year Encumbrances	Transfers	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	(Memo Only) Encumbered
<u>EXPENDITURES (Continued)</u>							
<u>General Current Expense (Continued)</u>							
Undistributed Expenditures - Support Services - General Administration:							
Salaries	\$ 199,903	\$ -	\$ (20,090)	\$ 179,813	\$ 179,756	\$ 57	\$ -
Legal Services	25,000	-	7,482	32,482	32,482	-	-
Audit Fees	25,000	-	1,798	26,798	26,798	-	-
Other Purchased Professional Services	-	-	-	-	-	-	-
Communications/Telephone	17,000	-	5,935	22,935	22,935	-	-
BOE Other Purchased Services	2,000	-	(2,000)	-	-	-	-
Other Purchased Services	7,000	-	4,079	11,079	11,079	-	-
General Supplies	5,950	-	(925)	5,025	3,817	1,208	-
Judgments Against the School District	-	37,383	-	37,383	17,654	19,729	-
Miscellaneous Expenditures	-	-	155	155	155	-	-
BOE Membership Dues and Fees	27,700	-	2,796	30,496	30,496	-	-
	<u>\$ 309,553</u>	<u>\$ 37,383</u>	<u>\$ (770)</u>	<u>\$ 346,166</u>	<u>\$ 325,172</u>	<u>\$ 20,994</u>	<u>\$ -</u>
Undistributed Expenditures - Support Services - School Administration:							
Salaries of Principals/Assistance Principals	\$ 101,558	\$ -	\$ (486)	\$ 101,072	\$ 101,072	\$ -	\$ -
Salaries of Secretarial and Clerical Assistants	44,720	-	17	44,737	44,737	-	-
Other Purchased Services	9,000	-	(99)	8,901	7,332	1,569	-
Supplies and Materials	9,450	-	1,019	10,469	10,083	386	-
Other Objects	-	-	-	-	-	-	-
	<u>\$ 164,728</u>	<u>\$ -</u>	<u>\$ 451</u>	<u>\$ 165,179</u>	<u>\$ 163,224</u>	<u>\$ 1,955</u>	<u>\$ -</u>
Undistributed Expenditures - Central Services:							
Salaries	\$ 142,669	\$ -	\$ 935	\$ 143,604	\$ 143,600	\$ 4	\$ -
Purchased Professional Services	26,500	-	8,797	35,297	35,297	-	-
Purchased Technical Services	8,000	-	(4,780)	3,220	3,155	65	-
Miscellaneous Purchased Services	-	-	829	829	829	-	-
Supplies and Materials	4,000	-	6,276	10,276	10,276	-	-
Interest for Lease Purchase Agreements	1,500	-	(673)	827	827	-	-
Miscellaneous Expenditures	2,500	-	(492)	2,008	2,008	-	-
	<u>\$ 185,169</u>	<u>\$ -</u>	<u>\$ 10,892</u>	<u>\$ 196,061</u>	<u>\$ 195,992</u>	<u>\$ 69</u>	<u>\$ -</u>
Undistributed Expenditures - Required Maintenance for School Facilities:							
Salaries	\$ 21,845	\$ -	\$ -	\$ 21,845	\$ 21,647	\$ 198	\$ -
Cleaning, Repair and Maintenance Services	45,000	-	111	45,111	45,111	-	-
General Supplies	16,500	-	3,479	19,979	19,979	-	-
	<u>\$ 83,345</u>	<u>\$ -</u>	<u>\$ 3,590</u>	<u>\$ 86,935</u>	<u>\$ 86,737</u>	<u>\$ 198</u>	<u>\$ -</u>
Undistributed Expenditures - Other Operations and Maintenance of Plant Services:							
Salaries	\$ 182,934	\$ -	\$ 18,775	\$ 201,709	\$ 201,709	\$ -	\$ -
Purchased Professional and Technical Services	27,500	-	1,223	28,723	28,723	-	-
Cleaning, Repair and Maintenance Services	16,000	-	6,463	22,463	22,463	-	-
Other Purchased Property Services	4,000	-	(456)	3,544	2,960	584	-
Insurance	63,000	-	(16,813)	46,187	46,187	-	-
General Supplies	10,000	-	149	10,149	10,149	-	-
Energy (Heat and Electricity)	140,000	-	30,356	170,356	170,356	-	-
	<u>\$ 443,434</u>	<u>\$ -</u>	<u>\$ 39,697</u>	<u>\$ 483,131</u>	<u>\$ 482,547</u>	<u>\$ 584</u>	<u>\$ -</u>
Undistributed Expenditures - Student Transportation Services:							
Salaries for Pupil Transportation (Between Home	\$ 9,856	\$ -	\$ (2,006)	\$ 7,850	\$ 7,286	\$ 564	\$ -
Contracted Services (Between Home and School	78,516	-	6,211	84,727	84,727	-	-
Contracted Services (Other Than Between Home	2,000	-	(1,085)	915	915	-	-
Contracted Services (Special Education Students	14,455	-	3,442	17,897	17,603	294	-
Contracted Services (Regular Students) - ESCs &	27,932	-	(5,198)	22,734	12,917	9,817	-
Contracted Services (Special Education Students	165,000	-	18,620	183,620	183,620	-	-
Contracted Services - Aid in Lieu of Payments	61,864	-	(3,134)	58,730	56,956	1,774	-
	<u>\$ 359,623</u>	<u>\$ -</u>	<u>\$ 16,850</u>	<u>\$ 376,473</u>	<u>\$ 364,024</u>	<u>\$ 12,449</u>	<u>\$ -</u>

ROCHELLE PARK SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 Fiscal Year Ended June 30, 2008

	Original Budget	Prior Year Encumbrances	Transfers	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	(Memo Only) Encumbered
<u>EXPENDITURES (Continued)</u>							
<u>General Current Expense (Continued)</u>							
Unallocated Benefits - Employee Benefits:							
Social Security Contributions	\$ 54,580	\$ -	\$ 8,242	\$ 62,822	\$ 62,822	\$ -	-
Other Retirement Contributions - Regular	10,000	-	30,192	40,192	40,192	-	-
Other Retirement Contributions - ERIP	-	-	-	-	-	-	-
Unemployment Compensation	17,000	-	(17,000)	-	-	-	-
Workmen's Compensation	40,000	-	(1,019)	38,981	38,981	-	-
Health Benefits	957,145	-	(61,803)	895,342	889,557	5,785	-
Tuition Reimbursement	35,000	-	-	35,000	35,000	-	-
Other Employee Benefits	42,690	-	(1,564)	41,126	41,126	-	-
	\$ 1,156,415	\$ -	\$ (42,952)	\$ 1,113,463	\$ 1,107,678	\$ 5,785	\$ -
TPAF Pension (On-Behalf - Non-Budgeted)	\$ -	\$ -	\$ -	\$ -	\$ 514,593	\$ (514,593)	\$ -
TPAF Social Security (Reimbursed - Non-Budgeted)	\$ -	\$ -	\$ -	\$ -	\$ 266,420	\$ (266,420)	\$ -
Total Undistributed Expenditures	\$ 6,365,308	\$ 37,383	\$ (146,805)	\$ 6,255,886	\$ 6,956,420	\$ (700,534)	\$ -
Total Expenditures - Current Expense	\$ 9,474,161	\$ 37,383	\$ 21,897	\$ 9,533,441	\$ 10,135,424	\$ (601,983)	\$ -

ROCHELLE PARK SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 Fiscal Year Ended June 30, 2008

	Original Budget	Prior Year Encumbrances	Transfers	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)	(Memo Only) Encumbered
<u>EXPENDITURES (Continued)</u>							
<u>Capital Outlay</u>							
Increase in Capital Reserve	\$ 99,082	\$ -	\$ -	\$ 99,082	\$ 99,082	\$ -	\$ -
Interest Deposit to Capital Reserve	\$ 100	\$ -	\$ -	\$ 100	\$ 1,429	\$ (1,329)	\$ -
Equipment:							
Grades 1-5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grades 6-8	-	-	-	-	-	-	-
Undistributed Expenditures - Instruction	-	-	-	-	-	-	-
Undistributed Expenditures - General Administrat	-	-	-	-	-	-	-
Undistributed Expenditures - School Administratic	-	-	-	-	-	-	-
Undistributed Expenditures - Operation and Main	40,000	-	(28,300)	11,700	11,700	-	-
Undistributed Expenditures - Business/Other Sup	-	-	-	-	-	-	-
	\$ 40,000	\$ -	\$ (28,300)	\$ 11,700	\$ 11,700	\$ -	\$ -
Facilities Acquisition and Construction Services:							
Other Purchased Professional and Technical Ser	\$ -	\$ 5,500	\$ -	\$ 5,500	\$ 5,500	\$ -	\$ -
Construction Services	-	-	-	-	-	-	-
Lease Purchase Agreements - Principal	-	-	-	-	-	-	-
	\$ -	\$ 5,500	\$ -	\$ 5,500	\$ 5,500	\$ -	\$ -
Total Capital Outlay	\$ 139,182	\$ 5,500	\$ (28,300)	\$ 116,382	\$ 117,711	\$ (1,329)	\$ -
Total Expenditures	\$ 9,613,343	\$ 42,883	\$ (6,403)	\$ 9,649,823	\$ 10,253,135	\$ (603,312)	\$ -
Excess (Deficiency) of Revenues Over (Under) Exp	\$ (159,463)	\$ (42,883)	\$ 6,403	\$ (195,943)	\$ 64,065	\$ 260,008	\$ -
Other Financing Sources (Uses):							
Operating Transfers:							
Food Service Enterprise Fund	\$ (19,619)	\$ -	\$ (6,403)	\$ (26,022)	\$ (26,022)	\$ -	\$ -
Excess (Deficiency) of Revenues Over (Under) Expenditures and Expenditures and Other Financing Uses	\$ (179,082)	\$ (42,883)	\$ -	\$ (221,965)	\$ 38,043	\$ 260,008	
Fund Balances, July 1	664,261	-	-	664,261	664,261	-	
Fund Balances, June 30	\$ 485,179	\$ (42,883)	\$ -	\$ 442,296	\$ 702,304	\$ 260,008	
<u>Recapitulation of Excess (Deficiency) of Revenues Under Expenditures:</u>							
Adjustment for Prior Year Encumbrances	\$ -	\$ (42,883)	\$ -	\$ (42,883)	\$ (42,883)	\$ -	
Budgeted Fund Balance - Original	(179,082)	-	-	(179,082)	(179,082)	-	
Budgeted Fund Balance - Additional	-	-	-	-	260,008	260,008	
	\$ (179,082)	\$ (42,883)	\$ -	\$ (221,965)	\$ 38,043	\$ 260,008	

ROCHELLE PARK SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 Fiscal Years Ended June 30, 2008

	Original Budget	Transfers	Final Budget	Actual	Variance to Final Favorable / (Unfavorable)
REVENUES					
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources	135,949	-	135,949	135,949	-
State Sources	4,342	-	4,342	4,342	-
Total Revenues	\$ 140,291	\$ -	\$ 140,291	\$ 140,291	\$ -
EXPENDITURES					
Instruction:					
Salaries of Teachers	\$ 9,500	\$ -	\$ 9,500	\$ 9,500	\$ -
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional & Technical Services	4,149	-	4,149	4,149	-
Other Purchased Services	117,943	-	117,943	117,943	-
General Supplies	542	-	542	542	-
Texbooks	-	-	-	-	-
Other Objects	4,342	-	4,342	4,342	-
Total Instruction	\$ 136,476	\$ -	\$ 136,476	\$ 136,476	\$ -
Support Services:					
Salaries of Program Directors	\$ -	\$ -	\$ -	\$ -	\$ -
Personal Services - Employee Benefits	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Professional Services	-	-	-	-	-
Purchased Technical Services	3,815	-	3,815	3,815	-
Rentals	-	-	-	-	-
Contracted Services - Transportation (Wrap Around Serv	-	-	-	-	-
Contracted Services - Transportation (Field Trips)	-	-	-	-	-
Travel	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Support Services	\$ 3,815	\$ -	\$ 3,815	\$ 3,815	\$ -
Facilities Acquisition and Construction Services:					
Buildings	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional Equipment	-	-	-	-	-
Total Facilities Acquisition and Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	140,291	-	140,291	140,291	-

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended June 30, 2008

**Note 1 Explanation of Differences between Budgetary Inflows and Outflows and
GAAP Revenues and Expenditures**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-1)	\$ 10,317,200	\$ 140,291
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 purposes, not recognized for budgetary statements	35,750	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements	(22,984)	-
 Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds (B-2)	 <u>\$ 10,329,966</u>	 <u>\$ 140,291</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 10,253,135	\$ 140,291
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	-
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	 <u>\$ 10,253,135</u>	 <u>\$ 140,291</u>

**ROCHELLE PARK SCHOOL DISTRICT
COMBINING BALANCE SHEET
GENERAL FUND**

Not Applicable

**ROCHELLE PARK SCHOOL DISTRICT
BLENDED RESOURCE FUND - SCHEDULE OF EXPENDITURES TO BE ALLOCATED
BETWEEN RESOURCE TYPE
GENERAL FUND**

Not Applicable

**ROCHELLE PARK SCHOOL DISTRICT
BLENDED RESOURCE FUND - SCHEDULE OF BLENDED EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND**

Not Applicable

ROCHELLE PARK SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
 SPECIAL REVENUE FUND
 Fiscal Years Ended June 30, 2008

FY 2008 Awards

	Title I	Title II - Part A	Title II - Part D	Title IV	Title V
REVENUES					
Federal Sources	\$ 9,500	\$ 3,815	\$ -	\$ 542	\$ -
State Sources	-	-	-	-	-
Local Sources	-	-	-	-	-
Total Revenues	<u>\$ 9,500</u>	<u>\$ 3,815</u>	<u>\$ -</u>	<u>\$ 542</u>	<u>\$ -</u>
EXPENDITURES					
Instruction:					
Salaries of Teachers	\$ 9,500	\$ -	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional & Technical Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
General Supplies	-	-	-	542	-
Textbooks	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Instruction	<u>\$ 9,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 542</u>	<u>\$ -</u>
Support Services:					
Salaries of Supervisors of Instruction	\$ -	\$ -	\$ -	\$ -	\$ -
Personal Services - Employee Benefits	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Professional Services	-	-	-	-	-
Purchased Technical Services	-	3,815	-	-	-
Rentals	-	-	-	-	-
Contracted Services - Transportation (Wrap Around Service)	-	-	-	-	-
Contracted Services - Transportation (Field Trips)	-	-	-	-	-
Travel	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Support Services	<u>\$ -</u>	<u>\$ 3,815</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Facilities Acquisition and Construction Services:					
Land and Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional Equipment	-	-	-	-	-
Total Facilities Acquisition and Construction Services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 9,500</u>	<u>\$ 3,815</u>	<u>\$ -</u>	<u>\$ 542</u>	<u>\$ -</u>

ROCHELLE PARK SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
 SPECIAL REVENUE FUND
 Fiscal Years Ended June 30, 2008

FY 2008 Awards

I.D.E.A. Part B (Handicapped)

	<u>Basic</u>	<u>Preschool</u>
<u>REVENUES</u>		
Federal Sources	\$ 117,943	\$ 4,149
State Sources	-	-
Local Sources	-	-
Total Revenues	<u>\$ 117,943</u>	<u>\$ 4,149</u>
<u>EXPENDITURES</u>		
Instruction:		
Salaries of Teachers	\$ -	\$ -
Other Salaries for Instruction	-	-
Purchased Professional & Technical Services	-	4,149
Other Purchased Services	117,943	-
General Supplies	-	-
Textbooks	-	-
Other Objects	-	-
Total Instruction	<u>\$ 117,943</u>	<u>\$ 4,149</u>
Support Services:		
Salaries of Supervisors of Instruction	\$ -	\$ -
Personal Services - Employee Benefits	-	-
Purchased Professional - Educational Services	-	-
Other Purchased Professional Services	-	-
Purchased Technical Services	-	-
Rentals	-	-
Contracted Services - Transportation (Wrap Around Service)	-	-
Contracted Services - Transportation (Field Trips)	-	-
Travel	-	-
Other Purchased Services	-	-
Supplies and Materials	-	-
Other Objects	-	-
Total Support Services	<u>\$ -</u>	<u>\$ -</u>
Facilities Acquisition and Construction Services:		
Land and Improvements	\$ -	\$ -
Instructional Equipment	-	-
Total Facilities Acquisition and Construction Services	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 117,943</u>	<u>\$ 4,149</u>

ROCHELLE PARK SCHOOL DISTRICT
 COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
 SPECIAL REVENUE FUND
 Fiscal Years Ended June 30, 2008

FY 2008 Awards

	Instructional Supplement			
	Aid	2008	2007	2006
REVENUES				
Federal Sources	\$ -	\$ 135,949	\$ 150,734	\$ 147,746
State Sources	4,342	4,342	19,454	7,715
Local Sources	-	-	40,500	-
Total Revenues	<u>\$ 4,342</u>	<u>\$ 140,291</u>	<u>\$ 210,688</u>	<u>\$ 155,461</u>
EXPENDITURES				
Instruction:				
Salaries of Teachers	\$ -	\$ 9,500	\$ 20,340	\$ 5,496
Other Salaries for Instruction	-	-	-	-
Purchased Professional & Technical Services	-	4,149	4,960	2,200
Other Purchased Services	-	117,943	98,715	111,918
General Supplies	-	542	467	2,463
Textbooks	-	-	-	-
Other Objects	4,342	4,342	-	158
Total Instruction	<u>\$ 4,342</u>	<u>\$ 136,476</u>	<u>\$ 124,482</u>	<u>\$ 122,235</u>
Support Services:				
Salaries of Supervisors of Instruction	\$ -	\$ -	\$ 13,825	\$ -
Personal Services - Employee Benefits	-	-	9,021	-
Purchased Professional - Educational Services	-	-	10,706	7,715
Other Purchased Professional Services	-	-	-	-
Purchased Technical Services	-	3,815	-	23,643
Rentals	-	-	-	-
Contracted Services - Transportation (Wrap Around Service)	-	-	-	-
Contracted Services - Transportation (Field Trips)	-	-	-	-
Travel	-	-	-	-
Other Purchased Services	-	-	12,154	-
Supplies and Materials	-	-	-	1,868
Other Objects	-	-	-	-
Total Support Services	<u>\$ -</u>	<u>\$ 3,815</u>	<u>\$ 45,706</u>	<u>\$ 33,226</u>
Facilities Acquisition and Construction Services:				
Land and Improvements	\$ -	\$ -	\$ 40,000	\$ -
Instructional Equipment	-	-	500	-
Total Facilities Acquisition and Construction Services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,500</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 4,342</u>	<u>\$ 140,291</u>	<u>\$ 210,688</u>	<u>\$ 155,461</u>

**ROCHELLE PARK SCHOOL DISTRICT
DEMONSTRABLY EFFECTIVE PROGRAM AID STATEMENT OF EXPENDITURES - BUDGETARY BASIS
SPECIAL REVENUE FUND**

Not Applicable

ROCHELLE PARK SCHOOL DISTRICT
EARLY CHILDHOOD PROGRAM AID STATEMENT OF EXPENDITURES - BUDGETARY BASIS
SPECIAL REVENUE FUND

Not Applicable

ROCHELLE PARK SCHOOL DISTRICT
DISTANCE LEARNING NETWORK AID STATEMENT OF EXPENDITURES - BUDGETARY BASIS
SPECIAL REVENUE FUND

Not Applicable

ROCHELLE PARK SCHOOL DISTRICT
INSTRUCTIONAL SUPPLEMENT AID STATEMENT OF EXPENDITURES - BUDGETARY BASIS
SPECIAL REVENUE FUND
Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance
EXPENDITURES			
Instruction:			
Salaries of Teachers	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	-	-
Purchased Professional & Technical Services	-	-	-
Other Purchased Services	-	-	-
General Supplies	-	-	-
Textbooks	-	-	-
Other Objects	-	-	-
Total Instruction	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Support Services:			
Salaries of Program Directors	\$ 13,825	\$ -	\$ 13,825
Personal Services - Employee Benefits	5,629	-	5,629
Purchased Professional - Educational Services	-	-	-
Other Purchased Professional Services	-	-	-
Purchased Technical Services	-	-	-
Rentals	-	-	-
Contracted Services - Transportation (Wrap Around Services)	-	-	-
Contracted Services - Transportation (Field Trips)	-	-	-
Travel	-	-	-
Other Purchased Services	-	-	-
Supplies and Materials	-	-	-
Other Objects	-	-	-
Total Support Services	<u>\$ 19,454</u>	<u>\$ -</u>	<u>\$ 19,454</u>
Facilities Acquisition and Construction Services:			
Buildings	\$ -	\$ -	\$ -
Instructional Equipment	-	-	-
Non-Instructional Equipment	-	-	-
Total Facilities Acquisition and Construction Services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	<u><u>\$ 19,454</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 19,454</u></u>

ROCHELLE PARK SCHOOL DISTRICT
SUMMARY STATEMENT OF PROJECT EXPENDITURES
CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2008

Issue/Project Title	Appropriations	Expenditures to Date		Unexpended Balance
		Prior Years	Current Year	
Addition and Alterations to Midland School	\$ 4,190,000	\$ 4,126,172	\$ -	\$ 63,828

**ROCHELLE PARK SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS
PROPRIETARY FUND**

	2008	2007	2006	2005	2004
ASSETS					
Current Assets:					
Cash (Overdrawn)	\$ 1,590	\$ 7,205	\$ 5,782	\$ 14,737	\$ (7,893)
Interfund Receivable	13,162	13,162	13,162	10,346	13,466
Intergovernmental Receivable - State	262	103	115	292	227
Intergovernmental Receivable - Federal	3,321	1,368	1,399	4,083	2,486
Total Current Assets	\$ 18,335	\$ 21,838	\$ 20,458	\$ 29,458	\$ 8,286
Non-Current Assets:					
Machinery and Equipment, (Net)	\$ 45,475	\$ 51,271	\$ 57,549	\$ 63,067	\$ 65,493
Total Assets	\$ 63,810	\$ 73,109	\$ 78,007	\$ 92,525	\$ 73,779
LIABILITIES					
Accounts Payable	\$ 177	\$ 2,977	\$ 1,514	\$ -	\$ -
NET ASSETS					
Invested in Capital Assets	\$ 45,475	\$ 51,271	\$ 57,549	\$ 63,067	\$ 65,493
Unrestricted	18,158	18,861	18,944	29,458	8,286
	\$ 63,633	\$ 70,132	\$ 76,493	\$ 92,525	\$ 73,779

**ROCHELLE PARK SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUND**

	2008	2007	2006	2005	2004
<u>OPERATING REVENUES</u>					
Sales	\$ 98,428	\$ 92,184	\$ 102,273	\$ 89,588	\$ 92,975
Interest Earned	569	736	620	171	-
Other Income	-	-	-	326	-
	<u>\$ 98,997</u>	<u>\$ 92,920</u>	<u>\$ 102,893</u>	<u>\$ 90,085</u>	<u>\$ 92,975</u>
<u>OPERATING EXPENSES</u>					
Salaries	\$ 26,022	\$ 27,050	\$ 24,559	\$ 31,522	\$ 26,005
Other Purchased Services	122,362	106,486	132,817	87,583	112,643
Supplies and Materials	-	-	-	418	653
Miscellaneous	-	6,523	-	-	-
Cost of Sales (Food Distribution Program)	6,763	4,515	7,785	6,839	5,183
Depreciation	5,796	6,278	5,518	2,752	5,866
	<u>\$ 160,943</u>	<u>\$ 150,852</u>	<u>\$ 170,679</u>	<u>\$ 129,114</u>	<u>\$ 150,350</u>
Operating Income (Loss)	<u>\$ (61,946)</u>	<u>\$ (57,932)</u>	<u>\$ (67,786)</u>	<u>\$ (39,029)</u>	<u>\$ (57,375)</u>
<u>NON-OPERATING REVENUES</u>					
State Sources:					
State School Lunch Program	\$ 1,557	\$ 1,456	\$ 1,395	\$ 1,330	\$ 1,287
Federal Sources:					
National School Lunch Program	18,833	16,687	16,390	15,889	11,701
Special Milk Program	2,272	1,863	1,625	2,090	1,931
Food Distribution Program	6,763	4,515	7,785	6,839	5,183
Prior Period Adjustment - Machinery and Equipment, (Net)	-	-	-	-	-
	<u>\$ 29,425</u>	<u>\$ 24,521</u>	<u>\$ 27,195</u>	<u>\$ 26,148</u>	<u>\$ 20,102</u>
Excess/(Deficit) in Revenues					
Over/(Under) Expenditures	<u>\$ (32,521)</u>	<u>\$ (33,411)</u>	<u>\$ (40,591)</u>	<u>\$ (12,881)</u>	<u>\$ (37,273)</u>
<u>OTHER FINANCING SOURCES/(USES)</u>					
Operating Transfers:					
General Fund	\$ 26,022	\$ 27,050	\$ 24,559	\$ 31,627	\$ 26,658
Change in Net Assets	<u>\$ (6,499)</u>	<u>\$ (6,361)</u>	<u>\$ (16,032)</u>	<u>\$ 18,746</u>	<u>\$ (10,615)</u>
Total Net Assets - Beginning	70,132	76,493	92,525	73,779	84,394
Total Net Assets - Ending	<u>\$ 63,633</u>	<u>\$ 70,132</u>	<u>\$ 76,493</u>	<u>\$ 92,525</u>	<u>\$ 73,779</u>

**ROCHELLE PARK SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUND**

	2008	2007	2006	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Operations	\$ 98,997	\$ 92,920	\$ 102,893	\$ 89,759	\$ 92,975
Payments for Salaries	-	-	-	(31,522)	(26,005)
Payments for Food Service Management	(125,212)	(106,486)	(143,212)	(87,583)	(112,643)
Payments for Supplies and Materials	-	-	-	(418)	(653)
Payments for Miscellaneous Expenses	-	(5,075)	-	-	-
Net Cash Provided (Used) by Operating Activities	\$ (26,215)	\$ (18,641)	\$ (40,319)	\$ (29,764)	\$ (46,326)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
State Sources	\$ 1,398	\$ 1,483	\$ 1,557	\$ 1,265	-
Federal Sources	19,202	18,581	20,699	16,382	-
Local Sources	-	-	-	31,627	26,658
Interfund	-	-	9,108	3,120	-
Net Cash Provided (Used) by Financing Activities	\$ 20,600	\$ 20,064	\$ 31,364	\$ 52,394	\$ 26,658
Net Increase (Decrease) in Cash	\$ (5,615)	\$ 1,423	\$ (8,955)	\$ 22,630	\$ (19,668)
Balances - Beginning of Year	7,205	5,782	14,737	(7,893)	11,775
Balances - End of Year	\$ 1,590	\$ 7,205	\$ 5,782	\$ 14,737	\$ (7,893)
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income	\$ (61,946)	\$ (57,932)	\$ (67,786)	\$ (39,029)	\$ (57,375)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities					
Cost of Sales	6,763	4,515	7,785	6,839	5,183
Depreciation	5,796	6,278	5,518	2,752	5,866
Other	23,172	28,498	14,164	(326)	-
Net Cash Provided by (used for) Operating Activities	\$ (26,215)	\$ (18,641)	\$ (40,319)	\$ (29,764)	\$ (46,326)

**ROCHELLE PARK SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUND**

Not Applicable

**ROCHELLE PARK SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
INTERNAL SERVICE FUND**

Not Applicable

**ROCHELLE PARK SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND**

Not Applicable

**ROCHELLE PARK SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS**

	2008	2007	2006	2005	2004
<u>ASSETS</u>					
Cash	\$ 47,210	\$ 37,958	\$ 30,404	\$ 16,501	\$ 10,302
<u>LIABILITIES</u>					
Due to Student Groups	\$ 16,183	\$ 17,516	\$ 15,259	\$ 10,859	\$ 8,581
Payroll, Deductions and Withholdings	24,608	14,119	8,983	5,618	701
Total Liabilities	\$ 40,791	\$ 31,635	\$ 24,242	\$ 16,477	\$ 9,282
<u>NET ASSETS</u>					
Held in Trust for Scholarship Recipients	\$ 6,419	\$ 6,323	\$ 6,162	\$ 24	\$ 1,020

ROCHELLE PARK SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>ADDITIONS</u>					
Contributions	\$ 6,000	\$ 6,000	\$ 12,000	\$ 6,000	\$ -
Interest Earned	96	131	168	4	15
	<u>\$ 6,096</u>	<u>\$ 6,131</u>	<u>\$ 12,168</u>	<u>\$ 6,004</u>	<u>\$ 15</u>
<u>DEDUCTIONS</u>					
Scholarships	\$ 6,000	\$ 6,000	\$ 6,000	\$ 7,000	\$ 5,000
Change in Net Assets	\$ 96	\$ 131	\$ 6,168	\$ (996)	\$ (4,985)
Net Assets - Beginning	6,323	6,192	24	1,020	6,005
Net Assets - Ending	<u>\$ 6,419</u>	<u>\$ 6,323</u>	<u>\$ 6,192</u>	<u>\$ 24</u>	<u>\$ 1,020</u>

ROCHELLE PARK SCHOOL DISTRICT
 STUDENT ACTIVITY AGENCY FUND
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	Balance	Cash		Balance
	July 1, 2007	Receipts	Disbursements	June 30, 2008
Midland School Student Activities	\$ 17,516	\$ 32,288	\$ 33,621	\$ 16,183

**ROCHELLE PARK SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS**

	<u>Balance</u> <u>July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
Payroll Agency Account	\$ 14,119	\$ 4,646,021	\$ 4,635,532	\$ 24,608

**ROCHELLE PARK SCHOOL DISTRICT
 SCHEDULE OF SERIAL BONDS
 GENERAL LONG-TERM DEBT ACCOUNT GROUP
 Fiscal Year Ended June 30, 2008**

<u>Issue</u>	<u>Amount Outstanding June 30, 2007</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2008</u>
08/15/01 \$2,670,000 School Bonds (Addition and Alterations to Midland School)	\$ 1,965,000	\$ -	\$ 165,000	\$ 1,800,000
3/15/2003 \$260,000 2003 Pension Refunding Bonds	\$ 180,000	\$ -	\$ 25,000	\$ 155,000
	<u>\$ 2,145,000</u>	<u>\$ -</u>	<u>\$ 190,000</u>	<u>\$ 1,955,000</u>

**ROCHELLE PARK SCHOOL DISTRICT
SCHEDULE OF OBLIGATION UNDER CAPITAL LEASES
GENERAL LONG-TERM DEBT ACCOUNT GROUP**

Not Applicable

ROCHELLE PARK SCHOOL DISTRICT
DEBT SERVICE FUND BUDGET COMPARISON SCHEDULE
DEBT SERVICE FUND
Fiscal Year Ended June 30, 2008

		Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable / (Unfavorable)
REVENUES						
Local Sources:						
Local Tax Levy	40-1210	\$ 277,863	\$ -	\$ 277,863	\$ 277,863	\$ -
Miscellaneous		-	-	-	2,185	2,185
Total Revenues		<u>\$ 277,863</u>	<u>\$ -</u>	<u>\$ 277,863</u>	<u>\$ 280,048</u>	<u>\$ 2,185</u>
EXPENDITURES						
Regular Debt Service						
Interest on Bonds	40-701-510-834	\$ 90,964	\$ -	\$ 90,964	\$ 90,964	\$ -
Redemption of Bond Principal	40-701-510-910	190,000	-	190,000	190,000	-
Total Expenditures		<u>\$ 280,964</u>	<u>\$ -</u>	<u>\$ 280,964</u>	<u>\$ 280,964</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues						
Over (Under) Expenditures		(3,101)	-	(3,101)	(916)	2,185
Fund Balances, July 1		6,809	-	6,809	6,809	-
Fund Balances, June 30		<u>\$ 3,708</u>	<u>\$ -</u>	<u>\$ 3,708</u>	<u>\$ 5,893</u>	<u>\$ 2,185</u>

Comprehensive Annual
Financial Report
of the
Rochelle Park School District

STATISTICAL SECTION

ROCHELLE PARK SCHOOL DISTRICT
NET ASSETS BY COMPONENT (District)
(Unaudited)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 218,520	\$ 144,104	\$ 95,915	\$ 22,872
Restricted	212,050	440,501	112,392	328,403
Unrestricted	256,501	(55,528)	126,695	275,217
Total governmental activities	\$ 687,071	\$ 529,077	\$ 335,002	\$ 626,492
Business-type activities				
Invested in capital assets, net of related debt	\$ 45,475	\$ 51,271	\$ 57,549	\$ 63,067
Restricted	-	-	-	-
Unrestricted	18,158	18,861	18,944	29,458
Total business-type activities	\$ 63,633	\$ 70,132	\$ 76,493	\$ 92,525
District-wide				
Invested in capital assets, net of related debt	\$ 263,995	\$ 195,375	\$ 153,464	\$ 85,939
Restricted	212,050	440,501	112,392	328,403
Unrestricted	274,659	(36,667)	145,639	304,675
Total district-wide	\$ 750,704	\$ 599,209	\$ 411,495	\$ 719,017

ROCHELLE PARK SCHOOL DISTRICT
CHANGES IN NET ASSETS (District)
(Unaudited)

	<u>2008</u>
Expenses	
Governmental Activities:	
Instruction	
Regular Programs	\$ 2,593,706
Special Education	549,376
Basic Skills/Remedial	126,695
Bilingual Education	42,662
School Sponsored Cocurricular Activities	30,319
School Sponsored Athletics	15,430
Other Instructional Program	-
Undistributed Expenditures:	
Instruction	2,616,313
Attendance and Social Work	24,258
Health Services	52,239
Other Support Services - Students Related Services	112,972
Other Support Services - Students Extraordinary Services	90,266
Other Support Services - Students Regular	98,235
Other Support Services - Students Special	262,765
Improvement of Instruction Services	-
Educational Media Services/School Library	192,985
Instructional Staff Training Services	-
Support Services - General Administration	325,172
Support Services - School Administration	163,224
Business and Other Support Services	195,992
Required Maintenance for School Facilities	86,737
Operation and Maintenance of Plant Services	482,547
Student Transportation Services	364,024
Unallocated Employee Benefits	1,105,831
TPAF Pension	514,593
TPAF Social Security	266,420
Capital Outlay	201,457
Debt Service	90,964
Total Governmental Activities Expenses	<u>\$ 10,605,182</u>
Business-Type Activities:	
Food Service	<u>\$ 160,943</u>
Total District Expenses	<u>\$ 10,766,125</u>

**ROCHELLE PARK SCHOOL DISTRICT
CHANGES IN NET ASSETS (District)
(Unaudited)**

	<u>2008</u>
Program Revenues	
Governmental Activities:	
Charges for Services	\$ -
Operating Grants and Contributions	1,480,999
Capital Grants and Contributions	-
Total Governmental Activities Program Revenues	<u>\$ 1,480,999</u>
Business-Type Activities:	
Charges for Services	\$ 98,428
Operating Grants and Contributions	29,425
Capital Grants and Contributions	-
Total Business-Type Activities Program Revenues	<u>\$ 127,853</u>
Total District Program Revenues	<u>\$ 1,608,852</u>
Net (Expense)/Revenue	
Governmental Activities	\$ (9,124,183)
Business-Type Activities	(33,090)
Total District-Wide	<u>\$ (9,157,273)</u>
General Revenues and Other Changes in Net Assets	
Governmental activities:	
Local Tax Levy	\$ 9,069,666
Interest Earned on Capital Reserve Funds	1,429
Unrestricted Miscellaneous Revenues	58,575
State Sources	30,048
Federal Sources	148,481
Transfers	(26,022)
Total Governmental Activities	<u>\$ 9,282,177</u>
Business-Type Activities:	
Unrestricted Miscellaneous Revenues	\$ 569
Transfers	26,022
Total business-type activities	<u>\$ 26,591</u>
Total District-Wide	<u>\$ 9,308,768</u>
Change in Net Assets	
Governmental Activities	\$ 157,994
Business-Type Activities	(6,499)
Total District	<u>\$ 151,495</u>
Net Assets - Beginning	599,209
Net Assets - Ending	<u>\$ 750,704</u>

ROCHELLE PARK SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS (District)
(Unaudited)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund:				
Reserved	\$ 366,806	\$ 376,702	\$ 222,888	\$ 80,922
Unreserved	312,514	251,809	259,738	591,420
Total General Fund	<u>\$ 679,320</u>	<u>\$ 628,511</u>	<u>\$ 482,626</u>	<u>\$ 672,342</u>
All Other Governmental Funds				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, Reported in:				
Special Revenue Fund	-	-	-	-
Capital Projects Fund	63,828	63,828	63,828	63,828
Debt Service Fund	5,893	6,809	4,758	226,255
Permanent Fund	-	-	-	-
Total all Other Governmental Funds	<u>\$ 69,721</u>	<u>\$ 70,637</u>	<u>\$ 68,586</u>	<u>\$ 290,083</u>
Total Governmental Funds	<u>\$ 749,041</u>	<u>\$ 699,148</u>	<u>\$ 551,212</u>	<u>\$ 962,425</u>

ROCHELLE PARK SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS (District)
(Unaudited)

	<u>2008</u>
<u>REVENUES</u>	
Local Sources	\$ 9,129,670
State Sources	1,511,047
Federal Sources	148,481
Total Revenue	<u>\$ 10,789,198</u>
<u>EXPENDITURES</u>	
Current Expense:	
Instruction:	
Regular Programs	\$ 2,593,706
Special Education	549,376
Basic Skills - Remedial Instruction	126,695
Bilingual Education	42,662
School Sponsored Cocurricular Activities	30,319
School Sponsored Athletics	15,430
Other Instructional Programs	-
Support Services:	
Instruction	2,616,313
Attendance and Social Work	24,258
Health Services	52,239
Other Support Services - Students Related Services	112,972
Other Support Services - Students Extraordinary Services	90,266
Other Support Services - Students Special	98,235
Improvement of Instructional Services	262,765
Educational Media Services/School Library	-
Instructional Staff Training Services	192,985
Support Services - General Administration	-
Support Services - School Administration	325,172
Central Services	163,224
Required Maintenance for School Facilities	195,992
Operation and Maintenance of Plant Services	86,737
Student Transportation Services	482,547
Instruction - Employee Benefits	364,024
Unallocated Employee Benefits	1,107,678
TPAF Pension	514,593
TPAF Social Security	266,420
Sub-Total	<u>\$ 10,314,608</u>
Capital Outlay	117,711
Debt Service	280,964
Total Expenditures	<u>\$ 10,713,283</u>
Excess (Deficiency) of revenues over (under) expenditures	\$ 75,915

ROCHELLE PARK SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS (District)
(Unaudited)

	<u>2008</u>
Other Financing Sources (Uses)	\$ (26,022)
Net Change in Fund Balances	<u>\$ 49,893</u>
Debt service as a percentage of noncapital expenditures	2.72%

ROCHELLE PARK SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE (District)
(Unaudited)

Fiscal Year Ended June 30,	Prior Year Refunds	Interest on Investments	Interest Earned on Capital Reserve Funds	Tuition	Other	Total
2008	13,436	42,954	1,429	-	-	57,819
2005	39,570	28,772	837	-	-	69,179
2004	95,104	25,774	400	-	-	121,278
2003	72	6,191	358	2,830	113,182	122,633
2002	133	33,655	-	52,262	6,892	92,942
2001	-	59,206	-	39,200	60,044	158,450
2000	-	50,723	-	28,450	96,055	175,228
1999	-	63,389	-	30,690	2,755	96,834
1998	12,028	60,832	-	32,145	2,848	107,853
1997	81,324	53,837	-	46,920	11,598	193,679
1996	121,119	46,369	-	23,139	4,491	195,118
1995	86,196	42,585	-	52,000	82,485	263,266

ROCHELLE PARK SCHOOL DISTRICT
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (Municipality)
 (Unaudited)

Description	2007		2006		2005		2004		2003	
	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value	# of Parcels	Value
NET VALUATIONS TAXABLE										
Vacant Land	53	\$ 8,087,901	135	\$ 12,977,700	57	\$ 9,564,400	60	\$ 10,046,800	62	\$ 10,116,700
Residential	1802	415,706,800	1720	391,636,200	1721	391,230,600	1723	391,040,200	1726	375,882,400
Farm (Regular)	0	-	0	-	0	-	0	-	0	-
Farm (Qualified)	0	-	0	-	0	-	0	-	0	-
Commercial	127	216,896,300	129	221,900,500	130	221,611,800	130	222,469,000	131	221,022,700
Industrial	23	24,498,800	23	24,498,800	23	24,498,800	23	25,616,100	23	26,308,600
Apartments	5	23,899,100	4	21,730,100	4	21,730,100	4	21,730,100	4	21,830,100
Sub-Total	<u>2010</u>	689,088,901	<u>2011</u>	672,743,300	<u>1935</u>	668,635,700	<u>1940</u>	670,902,200	<u>1946</u>	655,160,500
Personal Property		17,789,752		20,322,987		25,603,194		25,730,836		27,745,594
Net Valuations Taxable		<u>706,878,653</u>		<u>693,066,287</u>		<u>694,238,894</u>		<u>696,633,036</u>		<u>682,906,094</u>
Bergen County Equalization Adjustment		330,569,476		194,812,860		99,223,292		67,629,120		14,454,981
Bergen County Equalized Valuations		<u>\$ 1,037,448,129</u>		<u>\$ 887,879,147</u>		<u>\$ 793,462,186</u>		<u>\$ 764,262,156</u>		<u>\$ 697,361,075</u>
County Equalization Ratio		<u>67.92%</u>		<u>77.99%</u>		<u>87.63%</u>		<u>91.42%</u>		<u>98.52%</u>
Average Improved Residential Assessment		<u>\$ 230,692</u>		<u>\$ 227,695</u>		<u>\$ 227,327</u>		<u>\$ 226,953</u>		<u>\$ 217,777</u>

**Revaluation Year

ROCHELLE PARK SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES (Municipality)
(Unaudited)

	2007	2006	2005	2004	2003
<u>TAX REQUIREMENTS</u>					
County	\$ 1,744,716	\$ 1,568,336	\$ 1,491,221	\$ 1,516,623	\$ 1,441,980
County Open Space	103,745	88,788	79,346	76,426	34,868
Local School	8,889,109	8,541,714	7,696,191	7,728,009	7,532,294
Municipal	6,794,598	6,280,447	5,852,866	5,529,907	5,025,908
Total Tax Requirements	<u>\$ 17,532,168</u>	<u>\$ 16,479,285</u>	<u>\$ 15,119,624</u>	<u>\$ 14,850,965</u>	<u>\$ 14,035,050</u>

<u>TAX RATES</u>					
County	0.247	0.226	0.215	0.218	0.211
County Open Space	0.010	0.010	0.010	0.010	0.005
Local School	1.258	1.232	1.109	1.109	1.103
Municipal	0.975	0.912	0.846	0.803	0.741
Total Tax Rates	<u>2.49</u>	<u>2.38</u>	<u>2.18</u>	<u>2.14</u>	<u>2.06</u>

*Revaluation Year

**ROCHELLE PARK SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS (Municipality)
(Unaudited)**

<u>Taxpayer</u>	<u>2007 Assessed Valuation</u>	<u>As a Percent of Total Net Valuations \$ 706,878,653</u>
1 Mack-Cali Realty LP	\$ 30,000,000	4.24%
2 Verizon (4 Properties)	26,540,652	3.75%
3 Rochelle Park Holding LLC	14,400,000	2.04%
4 Alfieri-395 W Passaic Assoc LP	12,200,000	1.73%
5 Rochelle ACRT 1 LLC et als	11,801,000	1.67%
6 Coolidge Park 17 LLC	11,348,100	1.61%
7 SAC Realty LLC	9,678,200	1.37%
8 Town & Country Dvlprs of Rochelle Park (29 Properties)	9,671,100	1.37%
9 AT&T Communications of NJ LP	9,005,100	1.27%
10 120 Passaic Street LLC c/o Mack (2 Properties)	8,487,000	1.20%
	<u>\$ 143,131,152</u>	20.25%

ROCHELLE PARK SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS (Municipality)
(Unaudited)

	2007	2006	2005	2004	2003
<u>CURRENT YEAR % COLLECTION RATES</u>					
Current Tax Levy	\$ 17,661,990	\$ 16,959,198	\$ 15,155,978	\$ 14,921,037	\$ 14,167,596
Current Collections	\$ 17,245,107	\$ 16,561,718	\$ 15,022,193	\$ 14,693,423	\$ 13,801,689
Percentage of Collections	97.64%	97.66%	99.12%	98.47%	97.42%

DELINQUENT TAX %

Delinquent Taxes	\$ 412,508	\$ 400,432	\$ 159,134	\$ 186,349	\$ 295,317
Tax Title Liens	-	-	-	-	3,947
Total Delinquent	\$ 412,508	\$ 400,432	\$ 159,134	\$ 186,349	\$ 299,264
Tax Levy	\$ 17,661,990	\$ 16,959,198	\$ 15,155,978	\$ 14,921,037	\$ 14,167,596
Percentage of Tax Levy	2.34%	2.36%	1.05%	1.25%	2.11%

PROPERTY ACQUIRED BY MUNICIPALITY FOR NON-PAYMENT OF TAXES

Recorded at - Assessed Valuation	\$ 5,850	\$ 5,850	\$ 5,850	\$ 5,850	\$ 5,850
Number of Properties	1	1	1	1	1

ROCHELLE PARK SCHOOL DISTRICT
RATIO OF OUTSTANDING DEBT BY TYPE (District)
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities		Total District	(Exhibit J-14)		(Exhibit J-14)		Percentage of Personal Income
	General Obligation Bonds	Certificates of Participation		District Population	Outstanding Debt Per Capita	(County) Per Capita Income		
2008	\$ 1,955,000	\$ -	\$ 1,955,000	2,281	\$ 857	N/A	N/A	
2007	\$ 2,145,000	\$ -	\$ 2,145,000	6,114	\$ 351	N/A	N/A	
2006	\$ 2,325,000	\$ -	\$ 2,325,000	5,958	\$ 390	\$ 61,264	0.64%	
2005	\$ 2,495,000	\$ -	\$ 2,495,000	5,806	\$ 430	\$ 56,435	0.76%	
2004	\$ 2,410,000	\$ -	\$ 2,410,000	5,689	\$ 424	\$ 54,095	0.78%	
2003	\$ 2,670,000	\$ -	\$ 2,670,000	5,494	\$ 486	\$ 50,682	0.96%	

ROCHELLE PARK SCHOOL DISTRICT
RATIO OF GENERAL BONDED DEBT OUTSTANDING (District)
(Unaudited)

	2007	2006	2005	2005	2005
Population (Exhibit J-14)	6,114	5,958	5,806	5,689	5,494
County Equalized Valuations (Exhibit J-6)	\$ 1,037,448,129	\$ 887,879,147	\$ 793,462,186	\$ 793,462,186	\$ 764,262,156
Gross Debt (Exhibit J-10)	\$ 2,145,000	\$ 2,325,000	\$ 2,495,000	\$ 2,410,000	\$ 2,670,000
Gross Debt Per Capita	\$ 351	\$ 390	\$ 430	\$ 424	\$ 486
Ratio of Gross Debt to Equalized Valuations	0.21%	0.26%	0.31%	0.30%	0.35%

ROCHELLE PARK SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (Municipality)
(Unaudited)

DIRECT DEBT

	December 31, 2007	December 31, 2006	December 31, 2005	December 31, 2004	December 31, 2003
Municipal:					
General Purposes:					
B&N Issued and Outstanding:					
Serial Bonds	\$ 5,154,000	\$ 5,669,000	\$ 6,159,000	\$ 6,624,000	\$ 7,064,000
Bond Anticipation Notes	3,218,600	2,431,000	2,098,000	1,480,000	-
Loans	-	-	-	-	-
B&N Authorized But Not Issued	699,000	832,600	-	843	843
Credits	-	-	-	-	-
Total Municipal Debt	<u>\$ 9,071,600</u>	<u>\$ 8,932,600</u>	<u>\$ 8,257,000</u>	<u>\$ 8,104,843</u>	<u>\$ 7,064,843</u>
Local School:					
B&N Issued and Outstanding:					
Serial Bonds	\$ 2,145,000	\$ 2,325,000	\$ 2,495,000	\$ 2,410,000	\$ 2,670,000
Bond Anticipation Notes	-	-	-	-	-
Loans	-	-	-	-	-
B&N Authorized But Not Issued	-	-	-	-	-
Credits	-	-	-	-	-
Total Local School Debt	<u>\$ 2,145,000</u>	<u>\$ 2,325,000</u>	<u>\$ 2,495,000</u>	<u>\$ 2,410,000</u>	<u>\$ 2,670,000</u>
Total Direct Debt	<u>\$ 11,216,600</u>	<u>\$ 11,257,600</u>	<u>\$ 10,752,000</u>	<u>\$ 10,514,843</u>	<u>\$ 9,734,843</u>

OVERLAPPING DEBT

	December 31, 2007	December 31, 2006	December 31, 2005	December 31, 2004	December 31, 2004
(1) County Debt:					
Municipal Equalized Valuations	\$ 1,037,448,129	\$ 887,879,147	\$ 793,462,186	\$ 764,262,156	\$ 697,361,075
Total County Equalized Valuations	\$ 172,863,500,734	\$ 153,984,695,626	\$ 136,528,998,442	\$ 121,601,699,827	\$ 108,087,109,373
	0.60%	0.58%	0.58%	0.63%	0.65%
X's Outstanding County Debt	1,087,757,268	825,597,736	808,502,305	651,460,590	531,241,383
	<u>\$ 6,526,544</u>	<u>\$ 4,788,467</u>	<u>\$ 4,689,313</u>	<u>\$ 4,104,202</u>	<u>\$ 3,453,069</u>
(2) Bergen County Utilities Authority:					
Rochelle Park TWP User Fees	\$ 548,410	\$ 537,543	\$ 510,025	\$ 718,833	\$ 370,362
Total User Fees	\$ 48,210,978	\$ 45,482,055	\$ 43,399,055	\$ 40,952,069	\$ 39,151,402
	1.14%	1.18%	1.18%	1.76%	0.95%
X's Outstanding Debt	323,140,462	231,650,600	138,033,827	130,212,703	134,326,116
	<u>\$ 3,683,801</u>	<u>\$ 2,733,477</u>	<u>\$ 1,628,799</u>	<u>\$ 2,291,744</u>	<u>\$ 1,276,098</u>
Total Overlapping Debt	<u>\$ 10,210,345</u>	<u>\$ 7,521,944</u>	<u>\$ 6,318,112</u>	<u>\$ 6,395,946</u>	<u>\$ 4,729,167</u>
Total Direct and Overlapping Debt	<u>\$ 21,426,945</u>	<u>\$ 18,779,544</u>	<u>\$ 17,070,112</u>	<u>\$ 16,910,789</u>	<u>\$ 14,464,010</u>

ROCHELLE PARK SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION (Municipality and District)
(Unaudited)

	2007	2006	2005	2004	2003
State Equalized Valuation Basis	\$ 990,224,029	\$ 871,145,579	\$ 779,864,017	\$ 715,844,254	\$ 647,476,931
Municipal Borrowing Power:					
3 1/2% of Equalized Valuation Basis	\$ 34,657,841	\$ 30,490,095	\$ 27,295,241	\$ 25,054,549	\$ 22,661,693
Net Debt	9,071,600	8,932,600	8,257,000	8,104,843	8,215,750
Remaining Borrowing Power	<u>\$ 25,586,241</u>	<u>\$ 21,557,495</u>	<u>\$ 19,038,241</u>	<u>\$ 16,949,706</u>	<u>\$ 14,445,943</u>
School Borrowing Power:					
3% of Equalized Valuation Basis	\$ 29,706,721	\$ 26,134,367	\$ 23,395,921	\$ 21,475,328	\$ 19,424,308
Net School Debt	2,145,000	2,325,000	2,495,000	2,410,000	2,670,000
School Borrowing Margin Available	<u>\$ 27,561,721</u>	<u>\$ 23,809,367</u>	<u>\$ 20,900,921</u>	<u>\$ 19,065,328</u>	<u>\$ 16,754,308</u>

**ROCHELLE PARK SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS (Municipality)
 (Unaudited)**

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Average Labor Force Estimates by Municipality:								
Labor Force	2,944	2,966	3,081					
Employment	2,829	2,837	2,955					
Unemployment	115	129	126					
Unemployment Rate	3.9%	4.3%	4.1%					

Per Capital Personal Income by County	<u>Not Available</u>	<u>\$ 61,264</u>	<u>\$ 56,435</u>	<u>\$ 54,095</u>	<u>\$ 50,682</u>	<u>\$ 51,521</u>	<u>\$ 52,143</u>	<u>\$ 51,240</u>
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	<u>Estimates as of July 1,</u>							<u>Corrected Census 2000 Count</u>
Subcounty Population Estimates:								
Rochelle Park TWP	6,114	5,958	5,806	5,689	5,494	5,508	5,512	5,528
County of Bergen	895,744	893,217	893,935	895,617	893,756	892,167	889,658	884,118

**ROCHELLE PARK SCHOOL DISTRICT
PRINCIPAL EMPLOYERS (Municipality)
(Unaudited)**

Not Available

**ROCHELLE PARK SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM (District)
(Unaudited)**

Not Available

ROCHELLE PARK SCHOOL DISTRICT
 OPERATING STATISTICS (District)
 (Unaudited)

Fiscal Year	Average Daily Enrollment		(Exhibit J-4)		Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Average Daily	Student Attendance
	Enrollment	% Change	Operating Expenditures	Cost Per Pupil				Attendance	Percentage
2008	495.9	3.7%	\$ 10,314,608	20,800				472.0	95.2%
2007	478.4	0.9%		-				457.1	95.6%
2006	474.2	-2.3%		-				455.9	96.1%
2005	485.3	-5.8%		-				465.8	96.0%
2004	515.3	-0.8%		-				496.7	96.4%

**ROCHELLE PARK SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION (District)
(Unaudited)**

2008

District Building

Elementary

Midland School:

Square Feet

Capacity (Students)

Average Daily Enrollment

506.1

495.9

ROCHELLE PARK SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITY (District)
(Unaudited)

<u>School Facilities</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Midland School	\$ 86,737	80,176	83,909	99,323	85,219

**ROCHELLE PARK SCHOOL DISTRICT
INSURANCE SCHEDULE (District)
(Unaudited)**

10/28/2008 11:26 TAT

2001

Previous Policy Number
S 1525176

Policy Number
S 1525176

COMMERCIAL PROPERTY COVERAGE DECLARATION

Policy Effective Date		JULY 1, 2007		Coverage Effective Date		JULY 1, 2007	
Coverage Schedule							
Form No.	Bldg No.	Coverage	Limit of Insurance	Covered Causes of Loss	Coinurance	Deductible	Valuation Option
9	6	MACR. & EQUIP.	\$12,700	SPECIAL	100%	\$5,000	REPL. COST
		BLANKET COVERAGE:	\$2,095,972.923	SPECIAL	100%	\$5,000	AGRD VAL/RP CST
		FOR BUILDING AND					
		MISN PERS PROP					
		AS SPECIFIED ON					
		STATEMENT OF					
		VALUES ON FILE					
Business Income							
Form No.	Bldg No.	Limit of Insurance	Coinurance	Monthly Limit of Indemnity	Maximum Period of Indemnity	Potential Period of Indemnity	
Extra Expense							
Form No.	Bldg No.	Limit	Monthly Limitation	Form No.	Bldg No.	Limit	Monthly Limitation
Mortgage Holders							
Form No.	Bldg No(s)	Mortgage Holder Name and Address					
Forms and Endorsements:							
Refer to "Commercial Policy Forms and Endorsement Schedule"							

**ROCHELLE PARK SCHOOL DISTRICT
INSURANCE SCHEDULE (District)
(Unaudited)**

10/28/2008 11:38 FAX

21002

Previous Policy Number
B 6018830

Policy Number
B 6018830

SELECTIVE INSURANCE COMPANY OF AMERICA
40 WANTAGE AVE, BRANCHVILLE, NJ 07890

COMMERCIAL CRIME POLICY COMMON DECLARATIONS

Named Insured and Address

ROCHELLE PARK BOARD OF EDUCATION
300 ROCHELLE AVE
ROCHELLE PARK, NJ 07662-3915

Policy Period:

From 12:01 AM on **JULY 1, 2007** to 12:01 AM on the

(Month, Day, Year)

effective date of the cancellation or termination of this policy, Standard Time at the Principal Address as to each of said dates.

Producer:

BANK OF AMERICA CORP INS AGENCY LLC

Producer Number:

00-01020-00000

SCHEDULE OF COVERAGE

Crime Coverage

In return for payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as indicated in this schedule. Insurance is provided only for those coverages for which a specific limit is shown on the attached coverage declaration.

The Insured by the acceptance of this Policy gives notice to the Underwriter (terminating or causing prior bond(s) or policy(ies) No (s)

B 6018830

such termination or cancellation to be effective as of the time this Policy becomes effective.

RPG - 1

Total Policy Premium

(This premium may be subject to adjustment.)

Date Issued: **MAY 16, 2007**

Issuing Office: **NEW JERSEY REGION**

Authorized Representative: _____

Attorney-in-Fact

**ROCHELLE PARK SCHOOL DISTRICT
INSURANCE SCHEDULE (District)
(Unaudited)**

10/28/2009 11:28:12A

0003



ACE American Insurance Company

**ACE Advantage®
Education Legal Liability &
Employment Practices Liability
Policy Declarations**

This Policy is issued by the stock insurance company above.

THIS POLICY IS A CLAIMS MADE AND REPORTED POLICY. EXCEPT AS OTHERWISE PROVIDED HEREIN, THIS POLICY COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED AND REPORTED TO THE INSURER DURING THE POLICY PERIOD AND ARE THE RESULT OF WRONGFUL ACTS COMMITTED ON OR AFTER THE RETROACTIVE DATE BUT BEFORE THE END OF THE POLICY PERIOD. PLEASE READ THIS POLICY CAREFULLY.

THE LIMITS OF LIABILITY AVAILABLE TO PAY INSURED DAMAGES SHALL BE REDUCED BY AMOUNTS INCURRED FOR CLAIMS EXPENSES. FURTHER NOTE THAT AMOUNTS INCURRED FOR DAMAGES AND CLAIMS EXPENSES SHALL ALSO BE APPLIED AGAINST THE RETENTION AMOUNT.

TERMS THAT APPEAR IN BOLD FACE TYPE HAVE SPECIAL MEANING. PLEASE REFER TO SECTION II, DEFINITIONS.

Policy No. F0N G21600376 002			
Item 1. Named Insured	Rochelle Park Board of Education		
Principal Address:	300 Rochelle Ave Rochelle Park NJ 078622		
Item 2. Policy Period:	From: 12:01 a.m. 07/01/2007 To: 12:01 a.m. 07/01/2008 (Local time at the address shown in Item 1)		
Item 3. Coverage(s) Purchased (RT):	<input checked="" type="checkbox"/> A. Education Legal Liability <input checked="" type="checkbox"/> B. Employment Practices Liability		
Item 4. Limits of Liability (including Claims Expenses)			
A. Limit of Liability for Coverage(s) Purchased:	Each Claim	Aggregate	
Education Legal Liability:	\$1,000,000	\$1,000,000	
Employment Practices Liability:	\$1,000,000	\$1,000,000	
U. Maximum Policy Aggregate Limit of Liability:			\$1,000,000
Item 5. Retention			
A. For Damages and Claims Expenses under Insuring Agreement IA:	\$10,000 each Claim		

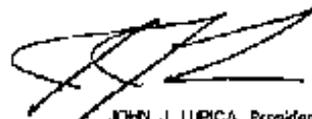
ROCHELLE PARK SCHOOL DISTRICT
INSURANCE SCHEDULE (District)
(Unaudited)

10/26/2006 11:28 FAX

0104

3.	For Damages and Claims Expenses Under Insuring Agreement IB, if purchased: \$16,000 each Claim						
Item 6.	Notice to Insurer: <table border="0"> <tr> <td>A.</td> <td>Notices of Claim or Wrongful Act: Director of Professional Liability Claims ACE USA - Professional Risk 140 Broadway, 40th Floor New York, New York 10005</td> </tr> <tr> <td>B.</td> <td>All other notices: Chief Underwriting Officer ACE USA - Professional Risk 140 Broadway, 41st Floor New York, New York 10005</td> </tr> </table>	A.	Notices of Claim or Wrongful Act: Director of Professional Liability Claims ACE USA - Professional Risk 140 Broadway, 40 th Floor New York, New York 10005	B.	All other notices: Chief Underwriting Officer ACE USA - Professional Risk 140 Broadway, 41 st Floor New York, New York 10005		
A.	Notices of Claim or Wrongful Act: Director of Professional Liability Claims ACE USA - Professional Risk 140 Broadway, 40 th Floor New York, New York 10005						
B.	All other notices: Chief Underwriting Officer ACE USA - Professional Risk 140 Broadway, 41 st Floor New York, New York 10005						
Item 7.	Policy Premium: NJ Property/Liability Ins Guar. Total Amount Due:						
Item 8.	Optional Extended Reporting Period: <table border="0"> <tr> <td>A.</td> <td>Additional Premium:</td> <td>100% of Annual Premium</td> </tr> <tr> <td>B.</td> <td>Additional Period:</td> <td>12 Month</td> </tr> </table>	A.	Additional Premium:	100% of Annual Premium	B.	Additional Period:	12 Month
A.	Additional Premium:	100% of Annual Premium					
B.	Additional Period:	12 Month					
Item 9.	Retroactive Date: Full Prior Acts						

IN WITNESS WHEREOF, the Insurer has caused this Policy to be countersigned by a duly authorized representative of the Insurer.



JOHN J. LUPICA, President

DATE: July 12, 2007

Authorized Representative

Comprehensive Annual
Financial Report
of the
Rochelle Park School District

SINGLE AUDIT SECTION

Di Maria & Di Maria LLP
Public Accountants and Consultants

245 Union Street
Lodi, New Jersey 07644
Voice 973.779.6890
Facsimile 973.779.6891
url: www.dimariaanddimaria.com

**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in
Accordance With *Government Auditing Standards***

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

We have audited the financial statements of the Board of Education of the Rochelle Park School District, in the County of Bergen, State of New Jersey, as of and for the fiscal year ended June 30, 2008, and have issued our report thereon dated November 5, 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 Rochelle Park 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 Rochelle Park Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Rochelle Park 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 a 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.

Di Maria & Di Maria LLP

**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 (Continued)**Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Rochelle Park 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.

We noted certain matters that we reported to the Board of Education of the Rochelle Park School District in a separate report entitled, *Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* dated November 5, 2008.

This report is intended solely for the information and use of the audit committee, management, the Rochelle Park 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.

DI MARIA & DI MARIA LLP
Public Accountants and Consultants

Frank R. Di Maria

Frank R. Di Maria
Licensed Public School Accountant
PSA No. CS 01168

November 5, 2008

Di Maria & Di Maria LLP
Public Accountants and Consultants

245 Union Street
Lodi, New Jersey 07644
Voice 973.779.6890
Facsimile 973.779.6891
url: www.dimariaanddimaria.com

**Report on Compliance With Requirements Applicable to Each Major
Program and Internal Control Over Compliance in Accordance With
New Jersey OMB Circular 04-04**

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

Compliance

We have audited the compliance of the Board of Education of the Rochelle Park School District, in the County of Bergen, State of New Jersey, with the types of compliance requirements described in the *New Jersey State Aid/Grant Compliance Supplement* that are applicable to each of its major state program for the fiscal year ended June 30, 2008. The Rochelle Park 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 Rochelle Park Board of Education's management. Our responsibility is to express an opinion on the Rochelle Park 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; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, 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 Rochelle Park 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 Rochelle Park Board of Education's compliance with those requirements.

In our opinion, the Board of Education of the Rochelle Park School District, in the County of Bergen, 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.

Di Maria & Di Maria LLP

Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance New Jersey OMB Circular 04-04 (Continued)Internal Control Over Compliance

The management of the Board of Education of the Rochelle Park School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to state programs. In planning and performing our audit, we considered Rochelle Park Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major 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 Rochelle Park 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 state 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 state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a 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 a material noncompliance with a type of compliance requirement of a 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. Rochelle Park Board of Education's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Rochelle Park Board of Education's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, the Rochelle Park Board of Education, the New Jersey State Department of Education, and other 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.

DI MARIA & DI MARIA LLP
Public Accountants and Consultants

Frank R. Di Maria

Frank R. Di Maria
Licensed Public School Accountant
PSA No. CS 01168

November 5, 2008

ROCHELLE PARK SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Fiscal Year Ended June 30, 2008

K-3
 Schedule A

Catalog of Federal Domestic Assistance Program Title	Federal C.F.D.A.		State Project Number	Award Amount	Grant Period		Balance June 30, 2007	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of	(Accounts	Deferred	Due to
	Number	State Aid/Grant			Program Titles	From						To	Prior Years	Receivable)	Revenue
	Number	State Aid/Grant	Program Titles	Amount	From	To	June 30, 2007	Amount	Received	Expenditures	Adjustments	Balances	June 30, 2008	June 30, 2008	June 30, 2008
Special Revenue Fund															
Title I Grants to Local Educational Agencies	84.01A	Title I	NCLB 447008	\$ 13,238	09/01/07	08/31/08	\$ -	\$ -	\$ 13,238	\$ (9,500)	\$ -	\$ -	\$ -	\$ 3,738	\$ -
Improving Teacher Quality State Grants	84.367A	Title II, Part A	NCLB 447008	11,506	09/01/07	08/31/08	-	-	11,506	(3,815)	-	-	-	7,691	-
Improving Teacher Quality State Grants	84.367A	Title II, Part D	NCLB 447008	98	09/01/07	08/31/08	-	-	98	-	-	-	-	98	-
Safe and Drug-Free Schools and Communities	84.186A	Title IV, Part A	NCLB 447008	1,119	09/01/07	08/31/08	-	-	1,119	(542)	-	-	-	577	-
Innovative Education Program Strategies	84.298A	Title V, Part A	NCLB 447008	513	09/01/07	08/31/08	-	-	513	-	-	-	-	513	-
Title I Grants to Local Educational Agencies	84.01A	Title I	NCLB 447007	25,668	09/01/06	08/31/07	2,148	-	-	-	-	-	-	2,148	-
Improving Teacher Quality State Grants	84.367A	Title II, Part A	NCLB 447007	11,208	09/01/06	08/31/07	4,766	-	-	(4,766)	-	-	-	-	-
Improving Teacher Quality State Grants	84.367A	Title II, Part D	NCLB 447007	114	09/01/06	08/31/07	114	-	-	-	-	-	-	114	-
Safe and Drug-Free Schools and Communities	84.186A	Title IV, Part A	NCLB 447007	1,235	09/01/06	08/31/07	556	-	-	(556)	-	-	-	-	-
Innovative Education Program Strategies	84.298A	Title V, Part A	NCLB 447007	595	09/01/06	08/31/07	595	-	-	(503)	-	-	-	92	-
Title I Grants to Local Educational Agencies	84.01A	Title I	NCLB 447006	19,876	09/01/05	08/31/06	14,724	-	-	-	-	-	-	14,724	-
Improving Teacher Quality State Grants	84.367A	Title II, Part A	NCLB 447006	11,177	09/01/05	08/31/06	1,585	-	-	-	-	-	-	1,585	-
Improving Teacher Quality State Grants	84.367A	Title II, Part D	NCLB 447006	365	09/01/05	08/31/06	365	-	-	-	-	-	-	365	-
Safe and Drug-Free Schools and Communities	84.186A	Title IV, Part A	NCLB 447006	1,348	09/01/05	08/31/06	346	-	-	-	-	-	-	346	-
Innovative Education Program Strategies	84.298A	Title V, Part A	NCLB 447006	957	09/01/05	08/31/06	957	-	-	-	-	-	-	957	-
Special Education - Grants to States	84.027A	I.D.E.A. Part B - Basic	IDEA 447008	117,943	09/01/07	08/31/08	-	-	117,943	(117,943)	-	-	-	-	-
Special Education - Grants to States	84.027A	I.D.E.A. Part B - Preschool	IDEA 447008	4,923	09/01/07	08/31/08	-	-	4,923	(4,149)	-	-	-	774	-
Special Education - Grants to States	84.027A	I.D.E.A. Part B - Basic	IDEA 447007	117,428	09/01/06	08/31/07	7,010	-	-	(6,707)	-	-	-	303	-
Special Education - Grants to States	84.027A	I.D.E.A. Part B - Preschool	IDEA 447007	4,960	09/01/06	08/31/07	-	-	-	-	-	-	-	-	-
Special Education - Grants to States	84.027A	I.D.E.A. Part B - Basic	IDEA 447006	121,340	09/01/05	08/31/06	4,079	-	-	-	-	-	-	4,079	-
Special Education - Grants to States	84.027A	I.D.E.A. Part B - Preschool	IDEA 447006	8,191	09/01/05	08/31/06	-	-	-	-	-	-	-	-	-
Special Education - Grants to States	84.027A	I.D.E.A. Part B - Basic	IDEA 447005	121,341	09/01/04	08/31/05	10,323	-	-	-	-	-	-	10,323	-
							\$ 47,568	\$ -	\$ 149,340	\$ (148,481)	\$ -	\$ -	\$ -	\$ 48,427	\$ -
Enterprise Fund															
Food Distribution Program	10.550	Food Distribution Program	N/A	\$ 6,763	09/01/07	06/30/08	\$ -	\$ -	\$ 6,763	\$ (6,763)	\$ -	\$ -	\$ -	\$ -	\$ -
National School Lunch Program	10.555	National School Lunch Program	N/A	18,833	09/01/07	06/30/08	-	-	15,928	(18,833)	-	-	(2,905)	-	-
National School Lunch Program	10.555	National School Lunch Program	N/A	16,687	09/01/06	06/30/07	(1,269)	-	1,269	-	-	-	-	-	-
Special Milk Program for Children	10.556	Special Milk Program for Children	N/A	2,272	09/01/07	06/30/08	-	-	1,856	(2,272)	-	-	(416)	-	-
Special Milk Program for Children	10.556	Special Milk Program for Children	N/A	1,863	09/01/06	06/30/07	(149)	-	149	-	-	-	-	-	-
							\$ (1,418)	\$ -	\$ 25,965	\$ (27,868)	\$ -	\$ -	\$ (3,321)	\$ -	\$ -
Total Federal Financial Awards							\$ 46,150	\$ -	\$ 175,305	\$ (176,349)	\$ -	\$ -	\$ (3,321)	\$ 48,427	\$ -

*Expenditures less than \$500,000; U.S. Office of Management and Budget (OMB) Circular A-133 Audit not applicable.

ROCHELLE PARK SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 For the Fiscal Year Ended June 30, 2008

K-4
 Schedule B

State Grantor / Program Title	Grant or State Project Number	Award Amount	Grant Period		Balance June 30, 2007	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of	(Accounts	Deferred	Due to
			From	To						Prior Years Balances	Receivable) June 30, 2008	Revenue June 30, 2008	Grantor at June 30, 2008
General Fund													
Transportation Aid	08-495-034-5120 -014	\$ 220,066	09/01/07	06/30/08	\$ -	\$ -	\$ 220,066	\$ (220,066) *	\$ -	\$ -	\$ -	\$ -	\$ -
Special Education Aid	08-495-034-5120 -011	297,023	09/01/07	06/30/08	-	-	297,023	(297,023) *	-	-	-	-	-
Bilingual Education Aid	08-495-034-5120 -008	12,866	09/01/07	06/30/08	-	-	12,866	(12,866) *	-	-	-	-	-
Consolidated Aid	08-495-034-5120 -057	70,550	09/01/07	06/30/08	-	-	70,550	(70,550) *	-	-	-	-	-
Additional Formula Aid	08-100-034-5120 -058	37,780	09/01/07	06/30/08	-	-	37,780	(37,780) *	-	-	-	-	-
Extraordinary Special Education Costs	08-100-034-5120 -473	47,939	09/01/07	06/30/08	-	-	-	(47,939) *	-	-	(47,939)	-	-
Extraordinary Special Education Costs	07-495-034-5120 -044	64,545	09/01/06	06/30/07	(64,545)	-	64,545	-	-	-	-	-	-
Teacher's Pension and Annuity Fund	08-495-034-5095 -006	267,170	09/01/07	06/30/08	-	-	267,170	(267,170) *	-	-	-	-	-
Teacher's Pension and Annuity Fund	08-495-034-5095 -001	247,423	09/01/07	06/30/08	-	-	247,423	(247,423) *	-	-	-	-	-
Social Security Tax	08-495-034-5095 -002	266,420	09/01/07	06/30/08	-	-	241,386	(266,420) *	-	-	(25,034)	-	-
Social Security Tax	07-100-034-5095 -051	260,936	09/01/06	06/30/07	(25,412)	-	25,412	-	-	-	-	-	-
					\$ (89,957)	\$ -	\$ 1,484,221	\$ (1,467,237)	\$ -	\$ -	\$ (72,973)	\$ -	\$ -
Special Revenue Fund													
Instructional Supplement Aid	08-495-034-5120 -029	\$ 19,854	09/01/07	06/30/08	\$ -	\$ -	\$ 19,854	\$ (4,342) *	\$ -	\$ -	\$ -	\$ 15,512	\$ -
Instructional Supplement Aid	07-495-034-5120 -029	19,854	09/01/06	06/30/07	400	-	-	(400) *	-	-	-	-	-
Instructional Supplement Aid	06-495-034-5120 -029	19,854	09/01/05	06/30/06	19,854	-	-	(19,854) *	-	-	-	-	-
Instructional Supplement Aid	05-495-034-5120 -029	19,854	09/01/04	06/30/05	19,854	-	-	(6,107) *	-	-	-	13,747	-
Character Education	06-495-034-5120 -053	4,000	09/01/05	06/30/06	2,093	-	-	-	-	-	-	2,093	-
Character Education	05-495-034-5120 -053	4,000	09/01/04	06/30/05	2,574	-	-	-	-	-	-	2,574	-
					\$ 44,775	\$ -	\$ 19,854	\$ (30,703)	\$ -	\$ -	\$ -	\$ 33,926	\$ -
Enterprise Fund													
State School Lunch Program	08-100-010-3350 -021	\$ 1,557	09/01/07	06/30/08	\$ -	\$ -	\$ 1,295	\$ (1,557) *	\$ -	\$ -	\$ (262)	\$ -	\$ -
State School Lunch Program	07-100-010-3360 -067	1,456	09/01/06	06/30/07	(103)	-	103	-	-	-	-	-	-
					\$ (103)	\$ -	\$ 1,398	\$ (1,557)	\$ -	\$ -	\$ (262)	\$ -	\$ -
Total State Financial Assistance					\$ (45,285)	\$ -	\$ 1,505,473	\$ (1,499,497)	\$ -	\$ -	\$ (73,235)	\$ 33,926	\$ -

* Indicates Major Program

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
For the Fiscal Year Ended 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, Rochelle Park 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 General-Purpose 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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$12,766 for the general fund and \$0 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 as presented on the following page:

ROCHELLE PARK SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
For the Fiscal Year Ended June 30, 2008

Note 3 - Relationship to General-Purpose Financial Statements (Continued)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 1,467,237	\$ 1,467,237
Special Revenue Fund	148,481	30,703	179,184
Debt Service Fund	-	-	-
Enterprise Fund	27,868	1,557	29,425
Total Awards and Financial Assistance	<u>\$ 176,349</u>	<u>\$ 1,499,497</u>	<u>\$ 1,675,846</u>

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 - Federal and State Loans Outstanding

The District did not have any federal and state loans outstanding at of June 30, 2008.

Note 6 - Other

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

ROCHELLE PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Fiscal Year Ended June 30, 2008

Section I -- Summary of Auditors' Results

Financial Statements

A) Type of auditors' report issued:	Unqualified	
B) Internal control over financial reporting:		
1. Material weakness(es) identified?	_____ yes	_____ X _____ no
2. Reportable condition(s) identified that are not considered to be material weakness(es)?	_____ yes	_____ X _____ none reported
C) Noncompliance material to financial statements noted?	_____ yes	_____ X _____ no

**ROCHELLE PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Fiscal Year Ended June 30, 2008**

Section I -- Summary of Auditors' Results (Continued)

Federal Awards

*****Not Applicable - Expenditures Under \$500,000*****

A) Internal control over major programs:

- 1. Material weakness(es) identified? _____ yes _____ no
- 2. Reportable condition(s) identified that are not considered to be material weakness(es)? _____ yes _____ none reported

B) Type of auditors' report issued on compliance for major program Unqualified

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

D) Identification of major programs:

<u>Name of Program</u>	<u>CFDA Number</u>
------------------------	------------------------

E) Dollar threshold used to distinguish between type A and type B programs: \$ -

F) Auditee qualified as low-risk auditee? _____ yes _____ no

**ROCHELLE PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Fiscal Year Ended June 30, 2008**

Section II -- Financial Statement Findings

There were no matters identified.

**ROCHELLE PARK SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Fiscal Year Ended June 30, 2008**

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

Current Year

Federal Awards:

There were no matters identified.

State Awards:

There were no matters identified.

ROCHELLE PARK SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Fiscal Year Ended June 30, 2008

Not Applicable - No Prior Audit Findings