SCHOOL DISTRICT
OF
CRANFORD TOWNSHIP

CRANFORD TOWNSHIP
BOARD OF EDUCATION

COUNTY OF UNION
CRANFORD, NEW JERSEY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR
ENDED JUNE 30, 2009

CRANFORD SCHOOL DISTRICT
COUNTY OF UNION, NEW JERSEY

COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2009

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Introductory Section

Cranford
Public School District

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October 30, 2009

Honorable President and
Members of the Board of Education
Cranford Township Public School District
Cranford, NJ 07016

Dear Board Members:

The comprehensive annual financial (CAFR) of the Cranford Township Public School District (District) for the fiscal year ended June 30, 2009, 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 Board of Education (Board). 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 District has implemented Statement No. 34 of the Governmental Accounting Standards Board (GASB) entitled *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This standard, issued in June 1999, creates a new reporting model of financial information and disclosure. The reader will notice that the two main basic financial statements created by this standard, the Statement of Net Assets and the Statement of Activities, do not contain numerous columns for various funds that have been seen in past governmental financial statements. These two statements consolidate much of the information contained in fund based financial statements of the past into statements which tend to answer the question: "Is the District better or worse off financially than it was in the previous year?" A comparison of net assets should help the reader in answering that question.

Also required as part of "Required Supplementary Information" by GASB Statement No. 34 is a "Management's Discussion and Analysis" (MD&A) which allows the district to explain in layman's terms its financial position and results of operations of the past fiscal year. Financial data is presented for both the current and immediately preceding school years to facilitate a meaningful analysis of the changes in financial position and operating results during this two year period.

This comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this letter of transmittal, an organization chart and a list of principal officials. The financial section includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), the basic financial statements and notes, supplemental information and the combining individual fund schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year comparative basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended, and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and the New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to

this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

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

1. REPORTING ENTITY AND ITS SERVICES: The Cranford Township Public School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds and account groups of the District are included in this report. The Cranford Township 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 K through 12. These include regular education as well as special education for handicapped youngsters. The District completed the 2008-2009 fiscal year with an enrollment of 3,807 students, which is 77 students above the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

Fiscal Year	Student Enrollment	Percent Change
2008-2009	3,807	2.06%
2007-2008	3,730	0.99%
2006-2007	3,745	1.01%
2005-2006	3,704	1.01%
2004-2005	3,664	1.03%

2. ECONOMIC CONDITION AND OUTLOOK: Cranford is experiencing a period in which development is not expanding and business ratables appear to be stable. Enrollment in most cases, however, is on the increase. Apparently as our larger senior population relocates, younger families are moving in.

3. MAJOR INITIATIVES: Student performance results for the 2008/2009 school year in grades three-eight, and eleven are as follows:

Grade 3: NJ ASK 3

- 74% of students scored proficient or higher on the language arts literacy section
- 85% of students scored proficient or higher on the mathematics section

Grade 4: NJ ASK 4

- 78% of students scored proficient or higher on the language arts literacy section
- 77% of students scored proficient or higher on the mathematics section
- 96% of students scored proficient or higher on the science section

Grade 5: NJ ASK 5

- 78% of students scored proficient or higher on the language arts literacy section
- 86% of students scored proficient or higher on the mathematics section

Grade 6: NJ ASK 6

- 77% of students scored proficient or higher on the language arts literacy section
- 86% of students scored proficient or higher on the mathematics section

Grade 7: NJ ASK 7

- 88% of students scored proficient or higher on the language arts literacy section
- 87% of students scored proficient or higher on the mathematics section

Grade 8: NJ ASK 8/GEPA

- 95% of students scored proficient or higher on the language arts literacy section
- 87% of students scored proficient or higher on the mathematics section
- 95% of students scored proficient or higher on the science section

Grade 11: HSPA

- 94% of students scored proficient or higher on the language arts literacy section
- 85% of students scored proficient or higher on the mathematics section

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining internal control 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). Internal control 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 awards and state financial assistance, the District also is responsible for ensuring that an adequate internal controls are 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. Since grant periods differ in their prescribed fiscal years, representations are made prior to the end of the fiscal year for those grants having fiscal years other than July 1 through June 30.

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

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for capital improvements and are accounted for in the capital projects fund. The original and 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 reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2009.

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Government Accounting Standards Board (GASB), as explained in the "Notes to the Financial Statements," Note 1.

7. FINANCIAL INFORMATION AT FISCAL YEAR END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2009 and the amount and percentage of increases/decreases in relation to prior year revenues.

Revenue	Amount	Percent of Total	Increase/ (Decrease) From 2008	Percent of Increase (Decrease)
Local Sources	$46,469,346.74	84.96%	$1,234,297.82	2.73%
State Sources	8,073,190.82	14.76%	(785,363.82)	(8.87%)
Federal Sources	153,482.24	0.28%	(822,522.77)	(84.27%)
Total	$54,696,019.80	100.00%	$ (373,588.77)	(0.68%)

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2009 and the percentage of increases/decreases in relation to prior year amounts.

Expenditures	Amount	Percent of Total	Increase/ (Decrease) From 2008	Percent of Increase (Decrease)
Current Expense:				
Instruction	$24,331,379.67	44.69%	$ 1,150,761.95	4.96%
Undistributed Expend.	28,347,642.28	52.07%	(1,961,955.52)	(6.47%)
Capital Outlay	75,970.80	0.14%	(221,856.60)	(74.49%)
Special Schools	111,575.20	0.20%	8,460.84	8.21%
Special Revenue	1,219,813.82	2.24%	(118,856.02)	(8.88%)
Debt Service:				
Principal	250,000.00	0.46%	20,000.00	8.70%
Interest	108,370.26	0.20%	(7,863.50)	(6.77%)
Total	$54,444,752.03	100.00%	$(1,131,308.85)	(2.04%)

8. DEBT ADMINISTRATION: At June 30, 2009, the District reported outstanding debt of $2,852,000 of general obligation bonds. On September 15, 2002 the Board of Education of the Township of Cranford issued school bonds in the amount of $4,172,000. The bonds are dated September 15, 2002 and shall bear interest with payments made semi-annually beginning on September 15, 2003. The Bonds have been authorized and are issued pursuant to Title 18A, Chapter 24 on the New Jersey Statues. Proceeds of the bonds are being issued for various construction projects which were approved by the voters on April 16, 2002 in a School Board Referendum. The total cost of the project is $6,271,785 and will be funded in part through the issuance of the bonds for a portion of the Board's local share of the project, in part, by a grant in the amount of $2,099,527 to be received from the State of New Jersey pursuant to the Educational Facilities Construction and Financing Act, 2000 N.J. Laws c. 72.

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

10. RISK MANAGEMENT: 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. Management and the Board of Education continue to explore innovative ways to contain insurance costs while still minimizing risks.

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

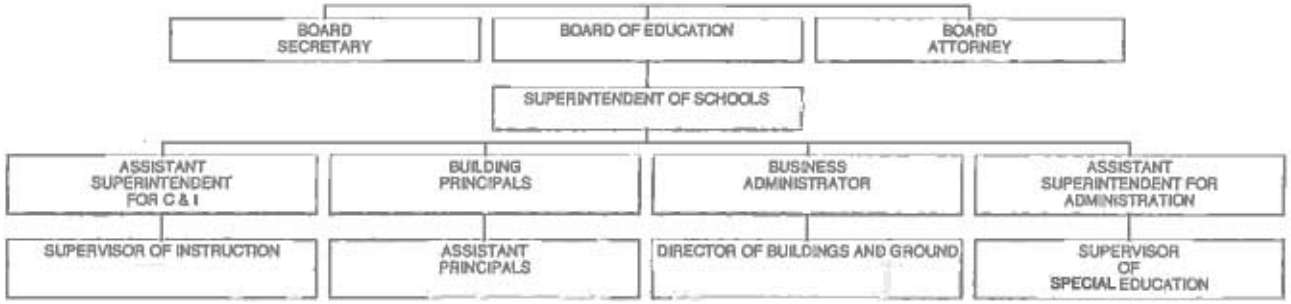
12. ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Cranford Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance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

Respectfully submitted,

Gayle M. Carrick, Ed.D.
Superintendent

Robert J. Carfagno, CPA
Business Administrator/
Board Secretary

CRANFORD PUBLIC SCHOOLS
ORGANIZATIONAL CHART
DISTRICT ADMINISTRATION



BOARD OF EDUCATION
TOWNSHIP OF CRANFORD

ROSTER OF OFFICIALS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Members of the Board of Education		Term Expires
Mary Venditti	President	2012
Mary Catherine Sudiak	Vice President	2010
Jo Ann Boyle	Member	2011
Jill Brown	Member	2011
Michael Caulfield	Member	2011
Barbara Fisher	Member	2010
Catherine Morgese	Member	2012
Camille Widdows	Member	2012
Robin Woglom	Member	2010

Other Officials

Gayle M. Carrick, Ed.D., Superintendent of Schools

Robert J. Carfagno, CPA, Business Administrator/Board Secretary

Thomas Grady, Treasurer of School Monies

BOARD OF EDUCATION
TOWNSHIP OF CRANFORD

CONSULTANTS AND ADVISORS

Audit Firm

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1102 Raritan Avenue
Highland Park, New Jersey 08904

Attorney

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Lindabury, McCormick, Estabrook & Cooper, P.C.
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Westfield, NJ 07091-2369

Official Depository

TD Bank
465 South Avenue
Cranford, New Jersey 07016

Financial Section

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JO ANN BOOS, CPA, PSA
ABHISHEK DESAI, CPA

MEMBERS OF:
AMERICAN INSTITUTE OF CPA'S
NEW JERSEY SOCIETY OF CPA'S
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Cranford School District
Cranford, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Cranford School District, in the County of Union, State of New Jersey, as of and for the fiscal year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Cranford Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *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 Cranford Board of Education, in the County of Union, State of New Jersey, as of June 30, 2009 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 October 15, 2009 on our consideration of the Cranford Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management Discussion and Analysis and Budgetary Comparison Information as noted in the table of contents 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 performed for the purpose of forming an opinion on the financial statements that collectively comprise the Cranford 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.

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
Certified Public Accountants
Public School Accountants

Robert S. Morrison

Robert S. Morrison
Public School Accountant
PSA # 871

Highland Park, New Jersey
October 15, 2009

REQUIRED SUPPLEMENTARY INFORMATION

PART I

Cranford Township School District
Cranford, New Jersey
Union County

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(Unaudited)
June 30, 2009

This section of the district's annual financial report presents a discussion and analysis of the district's financial performance during the fiscal year ending June 30, 2009. It should be read in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 - *Basic Financial Statement—and Management's Discussion and Analysis—for State and Local Governments* issued June 1999 and amended by GASB Statement No. 37. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

The key financial highlights for the 2008-2009 fiscal year include the following:

Total net assets for governmental activities are reported at $44,209,979 at June 30, 2009 (see Exhibit A-1). This represents a decrease of $101,418 or 0.23% over the prior year reported net assets. This decrease was due to numerous factors, primarily the result of capitalized asset activity that occurred during the reporting period. Governmental funds reported a total fund balance of $1,199,322 (see Exhibit B-1), which is a 127% increase over last year's total governmental fund balance of $948,054. This increase was due to numerous factors, including unexpended budget appropriations resulting from decreased spending offset by the decrease in budget revenues realized. The general or operating fund balance was reported at $1,100,288 of which $385,000 was appropriated toward the 2009-2010 budget. The unrestricted general fund balance is reported at $612,227. The ending fund balance was impacted by the non-recognition, on a GAAP basis, of net State Aid payments deferred to July 2009 in the amount of $270,621 in the general fund, that were due at June 30, 2009. Total spending for all governmental funds was $54,788,636 (see Exhibit B-2). Total revenues were $54,696,020, resulting in an excess of expenditures over revenues of $92,616 for the year. Please note proceeds from the sale of financings are not included in revenues whereas the spending related to the capital projects are included in the expenditures reported. Revenues included $8,226,673 in state and federal aid and $43,323,880 in local taxes.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

The ($2,187,543) in unrestricted net assets of governmental activities represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today including all of our non-capital liabilities (compensated absences for example), we would have ($2,187,543) left.

The results of this year's operations for the school district Governmental Activities as a whole are reported in the Statement of Activities (see Exhibit A-2). Figure A-4, below, takes the information from that Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues and expenses for the year.

This decrease in net assets is due to numerous factors, but primarily the result of miscellaneous revenues realized being less than what occurred during the prior period. Also, the large decrease in state grants was the result of a lower TPAF pension contribution that was made by the state on the district's behalf, offset by a large decrease in unallocated benefit expenses related to the same item.

Figure A-4
Activity Results for Years Ended

	June 30, 2008	June 30, 2009	Increase/ -Decrease
Revenues:			
Program revenue			
State grants & entitlements	$5,658,417	$3,626,570	$ -2,031,847
General Revenue			
Local tax levy	41,924,700	43,323,880	1,399,180
Federal and State aid	4,362,045	4,667,317	305,272
Miscellaneous revenues (Incl. Special items & Transfers)	3,144,949	3,078,253	-66,697
Total Revenues	$55,090,112	$54,696,020	$-394,092
Functions/Program Expenses:			
Instruction			
Regular programs	16,705,922	17,468,570	762,648
Special programs	5,347,088	5,760,933	413,845
Other Instructional programs	1,531,386	1,625,609	94,223
Support Services			
Student services	5,891,903	6,204,579	312,676
Tuition	1,942,965	2,036,291	93,326
Instructional staff support			
General administration and Business services	1,870,228	1,857,216	-13,012
School administration	2,478,508	2,661,709	183,201
Plant services	4,740,620	4,645,676	-94,944
Student transportation services	1,436,527	1,437,595	1,068
Unallocated benefits	12,920,495	10,799,639	-2,120,856
Unallocated depreciation and amortization	55,741	82,081	26,340
Community services programs	103,114	111,575	8,461
Interest on long-term debt	114,054	105,964	-8,090
Total Expenses	$55,138,551	$54,797,438	$-341,113
Increase/-decrease in net assets	$-48,439	$-101,418	$-52,979

Cranford Township School District
Cranford, New Jersey
Union County

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
(Unaudited)
June 30, 2009

This section of the district's annual financial report presents a discussion and analysis of the district's financial performance during the fiscal year ending June 30, 2009. It should be read in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 - *Basic Financial Statement—and Management's Discussion and Analysis—for State and Local Governments* issued June 1999 and amended by GASB Statement No. 37. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

The key financial highlights for the 2008-2009 fiscal year include the following:

Total net assets for governmental activities are reported at $44,209,979 at June 30, 2009 (see Exhibit A-1). This represents a decrease of $101,418 or 0.23% over the prior year reported net assets. This decrease was due to numerous factors, primarily the result of capitalized asset activity that occurred during the reporting period. Governmental funds reported a total fund balance of $1,199,322 (see Exhibit B-1), which is a 127% increase over last year's total governmental fund balance of $948,054. This increase was due to numerous factors, including unexpended budget appropriations resulting from decreased spending offset by the decrease in budget revenues realized. The general or operating fund balance was reported at $1,100,288 of which $385,000 was appropriated toward the 2009-2010 budget. The unrestricted general fund balance is reported at $612,227. The ending fund balance was impacted by the non-recognition, on a GAAP basis, of net State Aid payments deferred to July 2009 in the amount of $270,621 in the general fund, that were due at June 30, 2009. Total spending for all governmental funds was $54,788,636 (see Exhibit B-2). Total revenues were $54,696,020, resulting in an excess of expenditures over revenues of $92,616 for the year. Please note proceeds from the sale of financings are not included in revenues whereas the spending related to the capital projects are included in the expenditures reported. Revenues included $8,226,673 in state and federal aid and $43,323,880 in local taxes.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the district's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1

Organization of the School District Annual Financial Report

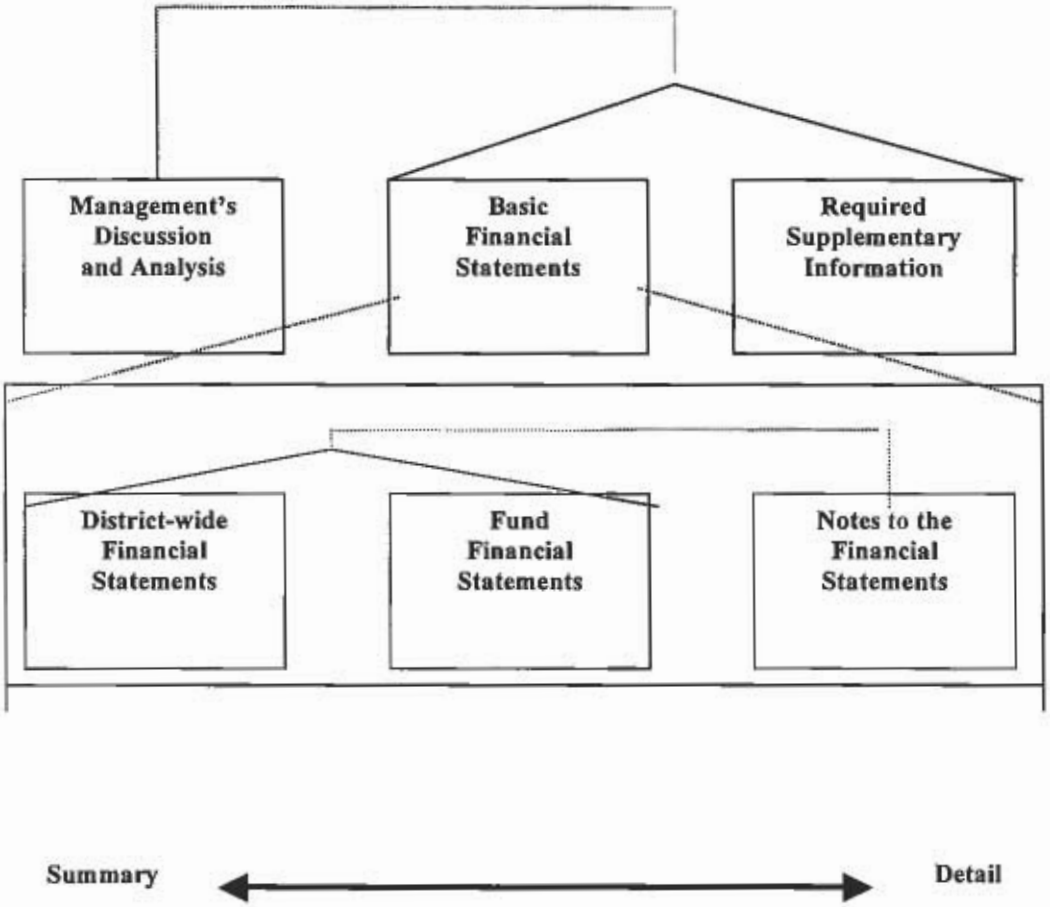

Figure A-2 summarizes the major features of the district's financial statements, including the portion of the district's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

Figure A-2
Major Features of the District-Wide and Fund Financial Statements

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

District-wide Statements

The district-wide statements report information about the district as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the district's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the district's net assets and how they have changed. Net assets - the difference between the district's assets and liabilities - is one way to measure the district's financial health or position.

- Over time, increases or decreases in the district's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.

- To assess the district's overall health, you need to consider that the school district's goal is to provide services to students, not to generate profit as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the district.

In the district-wide financial statements, the district's activities are divided into two categories:

- Governmental activities: Most of the district's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.

- Business-type activities: The district charges fees to help it cover the costs of certain services it provides. The district's food services and reading academy are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the district's funds, focusing on its most significant or "major" funds – not the district as a whole. Funds are accounting devices the district uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.

- The district establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The district has three kinds of funds:

- Governmental funds: Most of the district's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.

- Proprietary funds: Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The district's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows.

- Fiduciary funds: The district is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The district is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The district excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The school district's Governmental Activities net assets were $44,209,979 at June 30, 2009 (see Exhibit – A-1). Of this amount, ($2,187,543) was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the school district's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets (Figure A-3) and change in net assets (Figure A-4) of the school district's governmental activities.

Figure A-3
Net Assets

	Governmental Activities 2008	Governmental Activities 2009	% Increase -Decrease
Current and other assets	$ 1,962,164	$ 2,397,077	22.16
Capital assets	49,332,057	49,131,408	-0.41
Total assets	$51,294,221	$51,528,485	0.46
Current and other liabilities	$ 1,498,988	$ 1,991,911	32.88
Long-term liabilities	5,483,836	5,326,585	-2.87
Total liabilities	6,982,824	7,318,496	4.81
Net assets:			
Invested in capital assets, net of debt	46,230,057	46,279,408	0.11
Restricted	250,887	118,114	-52.92
Unrestricted	(2,169,547)	(2,187,543)	0.83
Total net assets	$44,311,397	$44,209,979	-0.23

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

The ($2,187,543) in unrestricted net assets of governmental activities represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today including all of our non-capital liabilities (compensated absences for example), we would have ($2,187,543) left.

The results of this year's operations for the school district Governmental Activities as a whole are reported in the Statement of Activities (see Exhibit A-2). Figure A-4, below, takes the information from that Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues and expenses for the year.

This decrease in net assets is due to numerous factors, but primarily the result of miscellaneous revenues realized being less than what occurred during the prior period. Also, the large decrease in state grants was the result of a lower TPAF pension contribution that was made by the state on the district's behalf, offset by a large decrease in unallocated benefit expenses related to the same item.

Figure A-4
Activity Results for Years Ended

	June 30, 2008	June 30, 2009	Increase/ -Decrease
Revenues:			
Program revenue			
State grants & entitlements	$5,658,417	$3,626,570	$ -2,031,847
General Revenue			
Local tax levy	41,924,700	43,323,880	1,399,180
Federal and State aid	4,362,045	4,667,317	305,272
Miscellaneous revenues (Incl. Special items & Transfers)	3,144,949	3,078,253	-66,697
Total Revenues	$55,090,112	$54,696,020	$-394,092
Functions/Program Expenses:			
Instruction			
Regular programs	16,705,922	17,468,570	762,648
Special programs	5,347,088	5,760,933	413,845
Other Instructional programs	1,531,386	1,625,609	94,223
Support Services			
Student services	5,891,903	6,204,579	312,676
Tuition	1,942,965	2,036,291	93,326
Instructional staff support			
General administration and Business services	1,870,228	1,857,216	-13,012
School administration	2,478,508	2,661,709	183,201
Plant services	4,740,620	4,645,676	-94,944
Student transportation services	1,436,527	1,437,595	1,068
Unallocated benefits	12,920,495	10,799,639	-2,120,856
Unallocated depreciation and amortization	55,741	82,081	26,340
Community services programs	103,114	111,575	8,461
Interest on long-term debt	114,054	105,964	-8,090
Total Expenses	$55,138,551	$54,797,438	$-341,113
Increase/-decrease in net assets	$-48,439	$-101,418	$-52,979

Governmental Activities

As reported in the Statement of Activities (see Exhibit A-2), the cost of all our governmental activities this year was $54,797,438. These costs were financed by $43,323,880 in local property school taxes $8,226,673 in federal and state aid and $3,145,467 in miscellaneous revenues including interest, general entitlements, special items and transfers.

In Figure A-5, below, we have presented the cost of each of the school district's seven largest functions as listed below. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by the function.

Figure A-5
Governmental Activities
Total Cost of Services

	Year Ended June 30, 2008	Year Ended June 30, 2009
Regular programs instruction	$16,705,922	$17,468,570
Unallocated benefits	12,920,495	10,799,639
Student services	5,891,903	6,204,579
Special Program instruction	5,347,088	5,760,933
Plant services	4,740,620	4,645,676
School Administration	2,478,508	2,661,709
All others	7,054,015	7,256,331
Total	$55,138,551	$54,797,438

Financial Analysis of the District's Funds

As we noted earlier, the school district uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the school district is being accountable for the resources provided to it, and also, gives more insight into the school district's overall financial health.

As the school district completed this year, our governmental funds reported a combined fund balance of $1,199,322, which is a increase of $251,268 from last year. This increase was due to numerous factors, but primarily unexpended budget appropriations resulting from decreased spending offset by the decrease in budget revenues realized. Also, as noted previously, the reported governmental fund balance is impacted by the non-recognition, on a GAAP basis, of State Aid payments deferred to July 2009 in the combined amount of $270,621.

General Fund Budgetary Highlights

Over the course of the year, the school district revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. Budget changes/transfers are approved by the Board of Education throughout the year. Although the district's projected budget for the general fund anticipated that revenues and expenditures would be roughly equal, the actual results for the year show a deficit.

Actual revenues reflect a positive variance of $3.6 million. This was primarily due to the non-budgeted employer on-behalf TPAF pension and social security contributions made by the State of New Jersey, net of decreases in anticipated local revenues realized.

Actual expenditures reflect a negative variance of ($2.9) million even though several budget lines show a positive variance. This was primarily due to the non-budgeted employer on-behalf TPAF pension and social security contributions made by the State of New Jersey, net of unexpended budget appropriations.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2009, the school district had $119,398,893 invested in a broad range of capital assets, including land, buildings, building improvements, other improvements and furniture and equipment. This amount represents a net increase (includes additions and deductions) of $182,795, or 0.15%, from last year.

Figure A-6
Capital Assets at Year-End

Governmental Activities	2008	2009
Land	$41,197,641	$41,197,641
Construction in Progress	6,345,450	1,599,777
Buildings and Improvements	68,072,233	71,952,202
Furniture, Equipment and Vehicles	3,600,774	4,649,273
Total	$119,216,098	$119,398,893

As noted above, this year's net additions/deletions are reported at $182,795. Of major significance is the transfer of cost from construction in progress to buildings and improvements of $3,879,969.42, and Machinery, Equipment, Furniture & Vehicles of $1,285,558.23. Anticipated completion for the balance of construction projects in progress is during 2009-2010.

Additional information on the district's capital assets can be found in the notes to the financial statements.

Long-Term Debt

At the end of this year, the school district had $3,595,910 in bonds and capital leases outstanding versus $3,692,055 the previous year – a decrease of $96,145 or 2.60%. The long-term debt at of the District consisted of:

Figure A-7
Outstanding Debt, at Year-End

Governmental Activities	2008	2009
Capital leases	$ 590,055	$ 743,910
General obligation bonds	3,102,000	2,852,000
Total	$3,692,055	$3,595,910

The school district's general obligation bond rating continues to be above investment grade. The state limits the amount of general obligation debt that Districts can issue to 4% (for K through 12 districts) of the most recent three-year average state equalized assessed value of the taxable property within the school district's corporate limits. The school district's outstanding and authorized but not issued general obligation debt of $2,852,000 at June 30, 2009, is significantly below the $166,454,060 statutorily-imposed limit.

Other obligations include accrued vacation pay and sick leave. We present more detailed information about our long-term liabilities in the notes to the financial statements.

FACTORS AFFECTING THE DISTRICT'S FUTURE

- The financial position of the district remains stable despite the difficult economic times. Maintaining existing programs with increased enrollment, provisions of the multitude of programs/services legally required for special needs pupils, unfunded federal and state mandates and the cost of employee benefits place a great demand on the district's resources. As a result, careful management of expenses remains essential for the district to sustain its financial health.

- Even though state aid to the district was increased the last two years under the new state school funding formula after many years of flat funding, there is no guarantee, based upon the current economic conditions that state aid will continue to increase in 2010-2011. Also, even with the increases in aid the state currently only funds approximately 7% of the district budget. The incremental effect of the continued under funding of education, including unfunded federal and state mandates, will necessitate a need to increase local tax revenues to sustain the existing educational programs.

- The State of New Jersey has provided capital improvement funding under the "Educational Facilities Construction and Financing Act" in which "Regular Operating Districts" (ROD) are eligible. The district has applied for funding under this act and has received notification of 40% grant funding in the amount of $7,992,506 for capital projects that improve health and safety at all eight district schools. The district has made arrangements to submit a ballot question to the school district voters at a special school district election to be held on December 8, 2009 to undertake district-wide roof /energy efficiency improvements including roof replacement, boiler replacement and heating/ventilation upgrades. The State grants will reduce the taxpayers' share of the project costs to 60%, or $11,988,763, which will be funded through the issuance of school bonds.

- The largest expenditure in the school budget is for employee salaries and benefits. The collective bargaining agreement with the local teachers association expired on June 30, 2009 and is currently still being negotiated and is unresolved. The settlement of that agreement will have a large impact on future budget cycles.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, 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 received. If you have questions about this report or wish to request additional financial information, contact Robert J. Carfagno, CPA, Business Administrator/Board Secretary, at 132 Thomas Street, Cranford, New Jersey, 07016.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

SECTION - A

Exhibit A-1

CRANFORD SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2009

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 770,618.16	$ 92,720.68	$ 863,338.84
Receivables, net	1,601,977.60	17,831.65	1,619,809.25
Inventory		9,832.98	9,832.98
Unamortized issuance costs on refinancing	24,481.41		24,481.41
Capital assets, net (Note 3):	49,131,407.94	93,875.34	49,225,283.28
Total Assets	51,528,485.11	214,260.65	51,742,745.76
LIABILITIES			
Accounts payable	790,053.33	91.31	790,144.64
Accrued interest payable	30,405.16		30,405.16
Accrued Salaries	347,766.87		347,766.87
Deferred revenue	35,453.69	5,466.09	40,919.78
Other Liabilities			
Noncurrent liabilities (Note 4):			
Due within one year	788,231.47		788,231.47
Due beyond one year	5,326,585.33		5,326,585.33
Total liabilities	7,318,495.85	5,557.40	7,324,053.25
NET ASSETS			
Invested in capital assets, net of related debt	46,279,407.94	93,875.34	46,373,283.28
Restricted for:			
Debt service	0.81		0.81
Capital projects	15,053.26		15,053.26
Other purposes	103,059.85		103,059.85
Unrestricted (Deficit)	(2,187,542.57)	114,827.91	(2,072,714.66)
Total net assets	$ 44,209,979.29	$ 208,703.25	$ 44,418,682.54

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

CRANFORD SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-type Activities	Net (Expense) Revenue and Changes in Net Assets: Total
Governmental activities:							
Instruction:							
Regular	$17,468,570.13				($17,468,570.13)		($17,468,570.13)
Special education	5,760,933.35				(5,760,933.35)		(5,760,933.35)
Other special instruction	300,568.16				(300,568.16)		(300,568.16)
Other instruction	1,325,040.37				(1,325,040.37)		(1,325,040.37)
Support services:							
Tuition	2,036,291.07				(2,036,291.07)		(2,036,291.07)
Student & instruction related services	6,204,579.28				(6,204,579.28)		(6,204,579.28)
School administrative services	2,661,708.55				(2,661,708.55)		(2,661,708.55)
General and business administrative services	1,857,216.27				(1,857,216.27)		(1,857,216.27)
Plant operations and maintenance	4,645,676.06				(4,645,676.06)		(4,645,676.06)
Pupil transportation	1,437,594.93				(1,437,594.93)		(1,437,594.93)
Unallocated benefits	10,799,639.09		3,626,570.25		(7,173,068.84)		(7,173,068.84)
Special schools	111,575.20				(111,575.20)		(111,575.20)
Interest on long-term debt	105,964.01				(105,964.01)		(105,964.01)
Unallocated depreciation and amortization	82,080.76				(82,080.76)		(82,080.76)
Total governmental activities	54,797,437.23		3,626,570.25		(51,170,866.98)		(51,170,866.98)
Business-type activities:							
Food Service	845,492.34	677,979.18	126,502.59			(41,010.57)	(41,010.57)
CSDA	46,770.80		43,064.00			(3,706.80)	(3,706.80)
Total business-type activities	892,263.14	677,979.18	169,566.59			(44,717.37)	(44,717.37)
Total primary government	$55,689,700.37	$677,979.18	$3,796,136.84		($51,170,866.98)	($44,717.37)	($51,215,584.35)

General revenues:	Governmental Activities	Business-type Activities	Total
Taxes:			
Property taxes, levied for general purposes,net	$43,323,880.00		$43,323,880.00
Federal and State aid not restricted	3,447,503.20		3,447,503.20
Federal and State aid restricted	1,219,813.82		1,219,813.82
Tuition received	2,865,802.59		2,865,802.59
Investment Earnings	31,818.76	785.53	32,604.29
Miscellaneous Income	180,631.18		180,631.18
Special item(s)—Disposal of assets, debt refinancing, Transfer to Charter School, and Elimination of deferred charge			
Total general revenues, special items, extraordinary items and transfers	51,069,449.55	785.53	51,070,235.08
Change in Net Assets	(101,417.43)	(43,931.84)	(145,349.27)
Net Assets—beginning	44,311,396.72	252,635.09	44,564,031.81
Net Assets—ending	$44,209,979.29	$208,703.25	$44,418,682.54

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

FUND FINANCIAL STATEMENTS

SECTION - B

GOVERNMENTAL FUNDS

CRANFORD SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	$ 613,195.26	$ 157,401.36	$ 20.38	$ 0.19	$ 770,617.19
Receivables, net					
Due from other funds	693,704.93			83,979.62	777,684.55
Receivables from other governments	807,759.17	239,071.93	478,362.50		1,525,193.60
Other	1,500.00	75,283.00		1.00	76,784.00
Restricted cash and cash equivalents	1.00				1.00
Total Assets	2,116,160.36	471,756.29	478,382.88	83,980.81	3,150,280.34
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	655,357.48	76,092.09			731,449.57
Intergovernmental Payable		58,603.76			58,603.76
Accrued Salaries and Benefits	345,815.05	1,951.82			347,766.87
Interfund Payable		314,354.93	463,329.62		777,684.55
Deferred Revenue	14,700.00	20,753.69			35,453.69
Total Liabilities	1,015,872.53	471,756.29	463,329.62		1,950,958.44
Fund Balances:					
Reserved for:					
Encumbrances	103,059.85		7,500.00		110,559.85
Capital Reserve Account	1.00				1.00
Unreserved, reported in:					
Designated for subsequent year's expenditures	385,000.00			83,980.00	468,980.00
General Fund	612,226.98				612,226.98
Debt Service Fund				0.81	0.81
Capital Projects Fund			7,553.26		7,553.26
Total Fund Balances	1,100,287.83		15,053.26	83,980.81	1,199,321.90
Total Liabilities and Fund Balances	$ 2,116,160.36	$ 471,756.29	$ 478,382.88	$ 83,980.81	$ 3,150,280.34

CRANFORD SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2009

Amounts reported for *governmental activites* in the statement of net assets (A-1) are different because:	$ 1,199,321.90
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $119,319,954.92 and the accumulated depreciation is $70,267,484.93	49,131,407.94
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.	(6,114,826.80)
Short-term liabilities, including accrued interest on long-term debt, are not due payable in the current period and therefore are not reported as liabilities in the funds.	(30,405.16)
Transactions related to a current refunding of long-term debt, refinancing of lease agreement are not reported in the funds. Cost of issuance, net of amortization	24,481.41
Net assets of governmental activities.	$ 44,209,979.29

Exhibit B-2

CRANFORD SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local tax levy	$ 42,965,510.00	$	$	$ 358,370.00	$ 43,323,880.00
Tuition charges	2,865,802.59				2,865,802.59
Miscellaneous	212,449.94				212,449.94
Local sources		67,214.21			67,214.21
State sources	7,074,073.45	999,117.37			8,073,190.82
Federal sources		153,482.24			153,482.24
Total revenues	53,117,835.98	1,219,813.82		358,370.00	54,696,019.80
EXPENDITURES					
Current:					
Regular instruction	17,026,545.41	290,449.93			17,316,995.34
Special education instruction	5,722,873.57				5,722,873.57
Other special instruction	300,568.16				300,568.16
Other instruction	1,281,392.53				1,281,392.53
Support services and undistributed costs:					
Tuition	1,316,260.36	720,030.71			2,036,291.07
Student & instruction related services	5,908,201.10	209,333.18			6,117,534.28
School administrative services	2,612,116.26				2,612,116.26
Other administrative services	1,848,734.36				1,848,734.36
Plant operations and maintenance	4,425,674.18				4,425,674.18
Pupil transportation	1,437,016.93				1,437,016.93
Unallocated Benefits	10,799,639.09				10,799,639.09
Special schools	111,575.20				111,575.20
Debt service:					
Principal				250,000.00	250,000.00
Interest and other charges				108,370.26	108,370.26
Capital outlay	419,854.80				419,854.80
Total expenditures	53,210,451.95	1,219,813.82		358,370.26	54,788,636.03
Excess (Deficiency) of revenues over expenditures	(92,615.97)			(0.26)	(92,616.23)
OTHER FINANCING SOURCES (USES):					
Capital Leases	343,884.00				343,884.00
Operating Transfers:					
Unexpended Bond Proceeds from Capital Projects Fund to Debt Service Fund			(83,979.62)	83,979.62	
Total other financing sources and uses	343,884.00		(83,979.62)	83,979.62	343,884.00
Net change in fund balances	251,268.03		(83,979.62)	83,979.36	251,267.77
Fund balance—July 1	849,019.80		99,032.88	1.45	948,054.13
Fund balance—June 30	$ 1,100,287.83	$	$ 15,053.26	$ 83,980.81	$ 1,199,321.90

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

CRANFORD SCHOOL DISTRICT
RECONCILATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30,2009

Total net change in fund balances - governmental funds (from B-2)		$	251,267.77
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	(567,928.27)		
Capital outlays	419,854.80		(148,073.47)
Repayment of bond and lease obligation (long-term debt)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.			440,029.03
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets. Capital lease proceeds			(343,884.00)
In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed. (-)			(52,575.29)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)			2,406.25
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-);when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).			(247,590.00)
Amortization Expenses - Net			(2,997.72)
Change in net assets of governmental activities		$	(101,417.43)

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

PROPRIETARY FUNDS

CRANFORD SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009

	Business-type Activities - Enterprise Funds		
	Food Service	CSDA	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	$ 51,565.62	$ 41,155.06	$ 92,720.68
Accounts receivable	17,831.65		17,831.65
Inventories	9,832.98		9,832.98
Total current assets	79,230.25	41,155.06	120,385.31
Noncurrent assets:			
Furniture, machinery & equipment	215,110.01		215,110.01
Less accumulated depreciation	(121,234.67)		(121,234.67)
Total noncurrent assets	93,875.34		93,875.34
Total assets	173,105.59	41,155.06	214,260.65
LIABILITIES			
Current liabilities:			
Accounts payable	91.31		91.31
Deferred revenue	5,466.09		5,466.09
Total current liabilities	5,557.40		5,557.40
Total liabilities	5,557.40		5,557.40
NET ASSETS			
Invested in capital assets net of related debt	93,875.34		93,875.34
Unrestricted (Deficit)	73,672.85	41,155.06	114,827.91
Total net assets	$ 167,548.19	$ 41,155.06	$ 208,703.25

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

CRANFORD SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Business-type Activities - Enterprise Funds		Total Enterprise Funds
	Food Service	CSDA	
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	$ 354,973.40	$	$ 354,973.40
Daily sales - non-reimbursable programs	323,005.78		323,005.78
Total operating revenues	677,979.18		677,979.18
Operating expenses:			
Purchased property services	17,978.49		17,978.49
Other purchased services	804,878.83		804,878.83
Salaries		42,853.15	42,853.15
Employee benefits		3,278.26	3,278.26
Depreciation	20,247.50		20,247.50
General supplies	2,387.52	639.39	3,026.91
Total Operating Expenses	845,492.34	46,770.80	892,263.14
Operating income (loss)	(167,513.16)	(46,770.80)	(214,283.96)
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	8,016.08		8,016.08
Federal sources:			
National school lunch program	82,987.28		82,987.28
Food distribution program	35,499.23		35,499.23
Program Donations		43,064.00	43,064.00
Interest and investment revenue	522.18	263.35	785.53
Total nonoperating revenues (expenses)	127,024.77	43,327.35	170,352.12
Income (loss) before transfers	(40,488.39)	(3,443.45)	(43,931.84)
Change in net assets	(40,488.39)	(3,443.45)	(43,931.84)
Total net assets—beginning	208,036.58	44,598.51	252,635.09
Total net assets—ending	$ 167,548.19	$ 41,155.06	$ 208,703.25

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

CRANFORD SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Business-type Activities - Enterprise Funds		Total Enterprise Funds
	Food Service	CSDA	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts from customers	$ 677,979.18	$	$ 677,979.18
Payments to employees		(42,853.15)	(42,853.15)
Payments for employee benefits		(3,278.26)	(3,278.26)
Payments to suppliers	(784,329.55)	(639.39)	(784,968.94)
Net cash provided by (used for) operating activities	(106,350.37)	(46,770.80)	(153,121.17)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Federal and State Sources	76,361.50		76,361.50
Program Donations		43,064.00	43,064.00
Net cash provided by (used for) non-capital financing activities	76,361.50	43,064.00	119,425.50
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(6,380.00)		(6,380.00)
Net cash provided by (used for) capital and related financing activities	(6,380.00)		(6,380.00)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest	522.18	263.35	785.53
Net cash provided by (used for) investing activities	522.18	263.35	785.53
Net increase (decrease) in cash and cash equivalents	(35,846.69)	(3,443.45)	(39,290.14)
Balances—beginning of year	87,412.31	44,598.51	132,010.82
Balances—end of year	$ 51,565.62	$ 41,155.06	$ 92,720.68
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (167,513.16)	$ (46,770.80)	$ (214,283.96)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation	20,247.50		20,247.50
(Increase) decrease in accounts receivable, net	2,200.00		
Food distribution program	35,499.23		35,499.23
(Increase) decrease in inventories	1,898.34		1,898.34
Increase (decrease) in accounts payable	91.31		91.31
Increase (decrease) in deferred revenue	1,226.41		1,226.41
Total adjustments	61,162.79		58,962.79
Net cash provided by (used for) operating activities	$ (106,350.37)	$ (46,770.80)	$ (155,321.17)

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

FIDUCIARY FUNDS

Exhibit B-7

CRANFORD SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY NET ASSETS
JUNE 30, 2009

	Unemployment Compensation Trust	Agency Fund
ASSETS		
Cash and Cash Equivalents	$361,788.05	$784,155.52
Total Assets	361,788.05	784,155.52
LIABILITIES		
Accounts Payable	8,510.67	
Payroll deductions and withholdings		3,126.01
Accrued Salaries and Wages		573,296.72
Payable to Student Groups		207,732.79
Total Liabilities	8,510.67	$784,155.52
NET ASSETS		
Held in Trust for Unemployment Claims and Other Purposes	$353,277.38	

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

Exhibit B-8

CRANFORD SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Unemployment Compensation Trust
ADDITIONS	
Contributions:	
Plan member	$ 56,201.35
Total Contributions	56,201.35
Investment earnings:	
Interest	1,858.57
Net investment earnings	1,858.57
Total additions	58,059.92
DEDUCTIONS	
Quarterly Contributions Reports	117,106.19
Total deductions	117,106.19
Change in net assets	(59,046.27)
Net assets—beginning of the year	412,323.65
Net assets—end of the year	$ 353,277.38

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of the Township of Cranford 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 GASB has issued codification of governmental accounting and financial reporting standards dated June 30, 2005. This codification and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles for state and local governments. This financial report has been prepared in conformity with GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, issued in June 1999.

The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Township of Cranford School District is a Type II district located in the County of Union, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-12. The Township of Cranford School District had an enrollment at June 30, 2009 of 3,807 students.

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

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

Based on the aforementioned criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Basic Financial Statement Presentation

The District-wide financial statements (i.e. the Statement of Net Assets and the Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary funds. The Fiduciary Funds are only reported in the Statements of Fiduciary Net Assets at the Fund Financial Statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charge to customers or applicants who purchase, use or directly benefit form goods, services, or privileges provided by a given function or segment and

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Basic Financial Statement Presentation (Cont'd):

grants and contributions that are restricted to meeting the operational; or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The District applies restricted resources first when an expense is incurred for purpose for which both restricted and unrestricted net assets are available. Depreciation expense can be specifically identified by function and is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. The effect of interfund activity has been removed from these statements. Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the District-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Internal Service Fund is presented in the proprietary fund financial statements. Because the principal user of the internal services are the District's governmental activities, the financial statement of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

Proprietary funds distinguish operating revenues and expenses from non operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's internal service fund are charges to customers for service. Operating expenses for the internal service fund include the cost of services. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fiduciary funds are presented in the fiduciary fund financial statements by type (agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the District-wide statements.

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 in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting (Cont'd):

GOVERNMENTAL FUNDS

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

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

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

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

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

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

Permanent Fund – The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the District's programs.

PROPRIETARY FUNDS

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

PROPRIETARY FUNDS (CONT'D)

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

The District's Enterprise Fund is comprised of the Food Service Fund and Cranford School District Academy.

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

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

Food Service Fund:	
Equipment	12 Years
Light Trucks and Vehicle	4 Years
Heavy Trucks and Vehicle	6 Years

FIDUCIARY FUNDS

Agency Fund – The Agency Fund is used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

Employee Benefit Trust (Unemployment Insurance) – Employee Benefit Trust should be used to report resources that are required to be held in trust for members and beneficiaries of employee benefit plans.

Private Purpose Scholarship Trust – The Private Purpose Scholarship Trust should be used to report all trust arrangements under which principal and income benefit individuals, private organizations or other governments.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Basis of Accounting and Measurement Focus:

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner:

Revenue Recognition – Revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. Federal revenue is recorded in the year in which the related expenditure is made. Other revenue is considered available is collected within one year.

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

Recording of Expenditures – Expenditures are generally recorded when a liability is incurred. The exception to this general rule is that interest and principal expenditures in the Debt Service Fund are recognized on their due dates.

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

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m) 1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Budgets/Budgetary Control (Cont'd):

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

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

The following presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types.

Explanation of differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures:

	General Fund	Special Revenue Fund
Sources/inflows of resources Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	$53,251,840.98	$1,219,813.82
Difference- budget to GAAP: The last State Aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33).	(270,621.00)	
State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	136,616.00	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance – governmental funds.	$53,117,835.98	$1,219,813.82
Uses/Outflows of resources Actual amounts (budgetary basis) "total outflows" From the budgetary comparison schedule	$53,210,451.95	$1,219,813.82
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds.	$53,210,451.195	$1,219,813.82

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Reserve for Encumbrances:

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

Open encumbrances in the special revenue fund, for which the District has received advances, are reflected in the balance sheet as deferred revenues at fiscal year end.

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

F. Cash, Cash Equivalents and Investments:

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

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

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

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

G. Tuition Payable

Tuition charges for the fiscal years 2007-2008 and 2008-2009 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

H. Inventories and Prepaid Expenses:

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

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2009.

I. Short-Term Interfund Receivables/Payables:

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

J. Capital Assets:

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of $2,000.00 or more for capitalizing capital assets. The system for accumulation of fixed assets cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated costs.

Capital assets are recorded in the District-wide financial statements, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purpose. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

Capital assets not being depreciated include land and construction in progress.

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

K. Accounts Receivable State – Capital Projects Fund

The District received approval for EDA grants in the amount of $2,099,527.00 to make improvements to various school buildings in the District. The EDA participation in the project represents 40% of $6,271,527.00 of costs deemed eligible out of a total project cost of $6,271,527.00. The EDA has also established a fixed schedule for the submission of reimbursement vouchers which is based upon the achievement of certain percentage of completion.

The District recognizes EDA grant revenue as earned, i.e., as eligible expenditures are incurred, at the rate of 40% of said expenditures. It is assumed that project completion will continue at a pace that will permit the filing of reimbursement vouchers within a time frame which meets the availability criterion for revenue recognition under GAAP. Through June 30, 2009, the District has recognized a total of $2,059,793.29 in EDA grant revenue, of which $478,362.50 has not been received.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

L. Compensated Absences:

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that related to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. The School District reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences".

The entire compensated absences liability is reported on the government-wide financial statements. For governmental funds, the current portion of unpaid compensated absences in the amount expected to be paid using expendable available resources. The non-current portion of the liability is not reported.

M. Deferred Revenue:

Deferred revenue in the general fund consists of summer school payments that have been received as of June 30, 2009. Special revenue fund deferred revenue represents cash that has been received but not yet earned.

N. Long-term Obligations:

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

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

O. Fund Equity:

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

P. Restricted Assets

Restricted assets are cash and cash equivalents whose use is limited by legal requirements such as capital reserve requirements and proceeds from the issuing of the bonds and leases related to the capital project.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Q. Net Assets:

Net assets represent the difference between assets and liabilities in the District-wide financial statements. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted in the District-wide financial statement when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

R. Estimates:

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

S. Costs of Issuance/Premium/Deferred Amount on Refunding

Issuance costs, bond premiums and deferred amounts on refunding/refinancing are deferred and amortized over the term of the bonds/leases using the straight-line method. Unamortized issuance costs are recorded as other assets, whereas unamortized bond premiums and deferred amounts on refunding are presented as additions and reductions of outstanding bond principal.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Cranford Board of Education had the following depository accounts. All deposits are carried at cost plus accrued interest. The government does not have a deposit policy.

Depository Account	Bank Balance
Insured - FDIC	$ 250,000.00
Insured – NJGUDPA (N.J.S.A.17:9-41)	1,995,620.81
Total Deposits	$ 2,245,620.81

Custodial Credit Risk – Deposits- Custodial credit risk is the risk that in the event of a bank failure, the board's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2009, none of the Board's bank balance of $2,245,620.81 was exposed to custodial risk. (See Note 1-F. relating to statutory mitigation of custodial risk in the event of a bank failure).

New Jersey Cash Management Fund – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

As of June 30, 2009, the District had $47,861.91 on deposit with the New Jersey Cash Management Fund and $372,441.46 with TD Bank Cash Management Fund.

NOTE 3. FIXED ASSETS

CRANFORD SCHOOL DISTRICT
CAPITAL ASSETS NOTE DISCLOSURE
DISCLOSURE OF INFORMATION ABOUT CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets That Are Not Being Depreciated:				
Land	$ 41,197,641.00	$	$	$ 41,197,641.00
Construction in Progress	6,345,449.81	78,938.00	4,824,610.85	1,599,776.96
Total Capital Assets Not Being Depreciated	47,543,090.81	78,938.00	4,824,610.85	42,797,417.96
Building and Building Improvements	67,647,834.00	3,879,969.42		71,527,803.42
Improvements other than Buildings	424,399.00			424,399.00
Machinery, Equipment, Furniture & Vehicles	3,600,774.29	1,285,558.23	237,059.98	4,649,272.54
Totals at Historical Cost	71,673,007.29	5,165,527.65	237,059.98	76,601,474.96
Less Accumulated Depreciation For:				
Building and Building Improvements	(67,165,711.11)	(166,838.52)		(67,332,549.63)
Improvements other than Buildings	(319,141.44)	(17,495.75)		(336,637.19)
Equipment, Furniture, and Vehicles	(2,399,188.85)	(383,594.00)	(184,484.69)	(2,598,298.16)
Total Accumulated Depreciation	(69,884,041.40)	(567,928.27)	(184,484.69)	(70,267,484.98)
Total Capital Assets Being Depreciated (Net of Accumulated Depreciation)	1,788,965.89	4,597,599.38	52,575.29	6,333,989.98
Government Activities Capital Assets, Net	$ 49,332,056.70	$ 4,676,537.38	$ 4,877,186.14	$ 49,131,407.94
Business-type Activities				
Equipment	208,730.01	6,380.00		215,110.01
Less Accumulated Depreciation for:				
Equipment	(100,987.17)	(20,247.50)		(121,234.67)
Business-type Activities Capital Assets, Net	$ 107,742.84	$ (13,867.50)	$	$ 93,875.34

* Depreciation expense was charged to governmental functions as follows:

Instruction	$ 258,356.31
Direct expense of various functions	309,571.96
Total deprecation expense	$ 567,928.27

NOTE 4: LONG-TERM LIABILITIES

CRANFORD SCHOOL DISTRICT
LONG TERM DEBT DISCLOSURE
DISCLOSURE OF INFORMATION ABOUT LONG TERM LIABILITIES

Long-term debt liability activity for the year ended June 30, 2009 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Debt	$ 3,102,000.00	$	$ 250,000.00	$ 2,852,000.00	$ 260,000.00
Total Bonds Payable	3,102,000.00		250,000.00	2,852,000.00	260,000.00
Other Liabilities:					
Obligations Under Capital Lease	590,054.83	343,884.00	190,029.03	743,909.80	494,595.27
Compensated Absences Payable	2,271,327.00	358,202.09	110,612.09	2,518,917.00	33,636.20
Total Other Liabilities	2,861,381.83	702,086.09	300,641.12	3,262,826.80	528,231.47
Total Liabilities	$ 5,963,381.83	$ 702,086.09	$ 550,641.12	$ 6,114,826.80	$ 788,231.47

NOTE 4. GENERAL LONG-TERM DEBT (CONT'D):

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

Principal and interest due on bonds outstanding as at June 30, 2009 is as follows:

Year ending June 30,	Principal	Interest	Total
2010	260,000.00	99,858.75	359,858.75
2011	270,000.00	90,915.00	360,915.00
2012	285,000.00	81,549.38	366,549.38
2013	300,000.00	71,640.00	371,640.00
2014	315,000.00	60,870.00	375,870.00
2015	330,000.00	49,095.00	379,095.00
2016	345,000.00	36,435.00	381,435.00
2017	365,000.00	22,580.00	387,580.00
2018	382,000.00	7,640.00	389,640.00
	$ 2,852,000.00	$ 520,583.13	$ 3,372,583.13

B. Bonds Authorized But Not Issued -- As of June 30, 2009, the District had no bonds authorized but not issued.

C. Capital Leases -- The District is leasing copier equipment, playground equipment, and school bus under capital leases. Following are schedules of the future lease payments under the respective capital leases, and the present value of net minimum lease payments at June 30, 2009:

Lease Purchase Agreements – Playground Equipment:

Year ending June 30,	Principal	Interest	Total
2010	$ 36,791.77	$ 8,676.70	$ 45,468.47
2011	43,537.53	6,508.94	50,046.47
2012	45,080.76	4,965.71	50,046.47
2013	46,679.69	3,367.78	50,046.47
2014	48,333.25	1,713.22	50,046.47
	$220,423.00	$ 25,232.35	$245,655.35

Lease Purchase Agreements – School Bus:

Year ending June 30,	Principal	Interest	Total
2011	$14,498.88	$ 3,386.44	$17,876.32
2012	15,111.5	2,764.82	17,876.32
2013	15,759.78	2,116.54	17,876.32
2014	16,435.87	1,440.45	17,876.32
2015	17,140.97	735.35	17,876.32
	$78,938.00	$10,443.60	$89,381.60

NOTE 4. GENERAL LONG-TERM DEBT (CONT'D):

B. Capital Leases (Cont'd)

Lease Purchase Agreements – Copiers:

Year ending June 30,	Principal & Interest	Total
2010	$173,365.61	$173,365.61
2011	138,832.76	138,832.76
2012	99,551.66	99,551.66
2013	29,110.57	29,110.57
2014	3,688.20	3,688.20
	$444,548.80	$444,548.80

D. Bond Referendum

On March 11, 2002, the District held a School Board Referendum. The School District voters approved the referendum, which consisted of the following:

> Construction of additional classrooms to Walnut Avenue K-2 Elementary School and various renovations, upgrades and improvements to various school facilities within the School District in an amount not to exceed $6,271,785, and authorizing the issuance of bonds in the amount of $4,172,000.

Of the total amount of $6,271,785, School District Bonds dated September 15, 2002 were issued in the amount of $4,172,000.

Furthermore, the Board of Education has received grant approval from the State of New Jersey Economic Development Authority in the amount of $2,099,527.

NOTE 5. PENSION PLANS

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

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

NOTE 5. PENSION PLANS (CONT'D):

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

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

Vesting and Benefit Provisions (Cont'd) - 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.

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

Three-Year Trend Information for PERS (Paid by District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/09	$ 404,125	100 %	$ 0
6/30/08	299,958	80	0
6/30/07	176,022	60	0

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

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/09	$ 0	100 %	$ 0
6/30/08	1,746,819	100	0
6/30/07	1,660,748	100	0

NOTE 5. PENSION PLANS (CONT'D):

Contribution Requirements (Cont'd.)

In accordance with N.J.S.A. 18A: 66-66 the State of New Jersey reimbursed the District $1,983,890.25 during the year ended June 30, 2009 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

NOTE 6. POST-RETIREMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and Public Employee's Retirement System (PERS), respectively, to fund postretirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2008, there were 80,181 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State made post-retirement (PRM) contributions of $592.7 million for TPAF and $224.3 million for PERS in Fiscal Year 2008.

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired form a board of education or county college with 25 years of service. The State paid $116.0 million toward Chapter 126 benefits for 12,545 eligible retired members in Fiscal Year 2008.

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

Year Funding	Annual Post Retirement Medical Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/09	$ 1,642,680	100 %	$ 0
6/30/08	1,995,752	100	0
6/30/07	1,660,748	100	0

NOTE 7. 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.

NOTE 7. COMPENSATED ABSENCES (Cont'd)

District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. Upon retirement and who have not less than ten (10) years of service in the District, the District shall pay the employee for unused sick leave in accordance with the Districts' agreements with the various employee unions. Unused vacation leave may be accumulated and carried forward to subsequent years in accordance with the District's agreements with various employee unions.

In the district-wide *Statement of Net Assets,* the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in more than one year.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2009, no liability existed for compensated absences in the District Enterprise funds.

NOTE 8. 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, along with other school districts, is a member of the Diploma Joint Insurance Fund for commercial insurance coverage for property, liability and surety bonds. The Fund is organized and operated pursuant to the regulatory authority of the Department of Banking and Insurance, State of New Jersey and provides for a pooling of risks, subject to established limits and deductibles. In addition, the Fund has obtained excess liability coverages for participants. 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. The following is a summary of employee contributions and interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and prior two years:

Fiscal Year	Contributions/Interest	Amount Reimbursed	Ending Balance
2008-2009	$ 58,059.92	$ 117,106.19	$ 353,227.38
2007-2008	61,317.14	46,200.93	412,323.65
2006-2007	64,611.64	35,855.41	397,207.44

The District, along with other school districts, is a member of the Diploma Joint Insurance Fund for Workers' Compensation Insurance Coverage. The Fund is organized and operated pursuant to the regulatory authority of the Department of Banking and Insurance, State of New Jersey and provides for a pooling of risks, subject to established limits and deductibles. In addition, the Fund has obtained excess liability coverages for participants.

At June 30, 2008, the last available audit report, the Fund reported a surplus of $2,527,800.

NOTE 9. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2009:

Fund	Interfund Receivable	Interfund Payable
General Fund	$ 693,704.93	$
Special Revenue Fund		314,354.93
Capital Projects Fund		463,329.62
Debt Service Fund	83,979.62	
Total	$ 777,684.55	$ 777,684.55

NOTE 10. INVENTORY

Inventory in the Food Service Fund at June 30, 2009 consisted of the following:

Food	$ 5,466.09
Supplies	4,366.89
	$ 9,832.98

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

NOTE 11. FUND BALANCE APPROPRIATED

General Fund - Of the $1,100,287.83 General Fund balance at June 30, 2009, $103,059.85 is reserved for encumbrances; $385,000.00 has been appropriated and included as anticipated revenue for the year ending June 30, 2010 and $612,226.98 is unreserved and undesignated and $1.00 is in capital reserve fund.

Debt Service Fund - Of the $83,980.81 Debt Service Fund fund balance at June 30, 2009, $83,980.00 has been appropriated and included as anticipated revenue for the year ending June 30, 2010; and $0.81 is unreserved and undesignated.

Capital Projects Fund - Of the $15,053.26 fund balance at June 30, 2009, $7,500.00 is reserved for encumbrances and $7,553.26 is unreserved and undesignated.

NOTE 12. CALCULATION OF EXCESS SURPLUS

In accordance with *N.J.S.A.* 18A:7F-7, as amended by P.L. 2004, c.73 (S1701). The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance a the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District did not have any excess fund balance at June 30, 2009.

NOTE 13. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Cranford Township Board of Education by inclusion of $1.00 on September 25, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP) 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 projects in its approved LRFP.

NOTE 14. DEFICIT FUND BALANCES

The District did not have any deficit fund balances at June 30, 2009 that would have been reported in the fund statements (modified accrual basis). P.L. 2003 c.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is not recording the last state aid payment on their GAAP financial statements until the year the State records the payable, the District cannot realize this revenue on their GAAP financial statements for the current school year.

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

NOTE 15. LITIGATION

As at the date of this report, there was no litigation pending which, in the event of an adverse or unfavorable outcome, would materially impair the financial position of the Cranford School District.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

BUDGETARY COMPARISON SCHEDULES

SECTION - C

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
REVENUES:					
Local Sources:					
Local Tax Levy	$ 42,965,510.00	$	$ 42,965,510.00	$ 42,965,510.00	$
Tuition	3,006,875.00		3,006,875.00	2,865,802.59	(141,072.41)
Miscellaneous	319,900.00		319,900.00	212,449.94	(107,450.06)
Total - Local Sources	46,292,285.00		46,292,285.00	46,043,762.53	(248,522.47)
State Sources:					
Extraordinary Aid	439,433.00		439,433.00	544,151.00	104,718.00
Categorical Special Education Aid	1,982,149.00		1,982,149.00	1,982,149.00	
Equalization Aid	727,842.00	(172,185.00)	555,657.00	555,657.00	
Categorical Security Aid	263,780.00		263,780.00	263,780.00	
Categorical Transportation Aid	212,974.00		212,974.00	212,974.00	
Other State Aid				22,797.20	22,797.20
On-behalf TPAF Post-medical Contributions (non-budgeted)				1,642,680.00	1,642,680.00
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,983,890.25	1,983,890.25
Total - State Sources	3,626,178.00	(172,185.00)	3,453,993.00	7,208,078.45	3,754,085.45
Total Revenues	49,918,463.00	(172,185.00)	49,746,278.00	53,251,840.98	3,505,562.98
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool/Kindergarten	350,981.00	9,727.00	360,708.00	360,455.26	252.74
Grades 1- 5	6,269,667.00	(380,847.00)	5,888,820.00	5,850,847.55	37,972.45
Grades 6- 8	3,416,944.00	65,755.00	3,482,699.00	3,461,568.89	21,130.11
Grades 9-12	5,740,730.00	23,023.00	5,763,753.00	5,726,793.50	36,959.50

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Regular Programs - Home Instruction:					
Salaries of Teachers	$ 33,596.00	$	$ 33,596.00	$ 25,860.75	$ 7,735.25
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	174,530.00	102,000.00	276,530.00	274,470.13	2,059.87
Purchased Professional - Educational Services	550.00	1,725.00	2,275.00	2,075.00	200.00
Other Purchased Services	290,704.85	(30,899.55)	259,805.30	235,228.96	24,576.34
General Supplies	911,446.57	44,180.20	955,626.77	930,022.49	25,604.28
Textbooks	166,544.00	(7,373.78)	159,170.22	158,823.04	347.18
Other Objects	1,125.00	(721.22)	403.78	399.84	3.94
Total Regular Programs - Instruction	17,356,818.42	(173,431.35)	17,183,387.07	17,026,545.41	156,841.66
Cognitive Mild:					
Salaries of Teachers	52,088.00	6,688.00	58,776.00	58,776.00	
Other Salaries for Instruction	74,984.00	3,687.00	78,671.00	78,371.16	299.84
Total Cognitive Mild	127,072.00	10,375.00	137,447.00	137,147.16	299.84
Learning and/or Language Disabilities:					
Salaries of Teachers	271,118.00	4,955.00	276,073.00	276,072.65	0.35
Other Salaries for Instruction	184,474.00	(3,931.00)	180,543.00	180,542.69	0.31
General Supplies	3,800.00	(187.61)	3,612.39	3,414.59	197.80
Textbooks	500.00	(500.00)			
Total Learning and/or Language Disabilities	459,892.00	336.39	460,228.39	460,029.93	198.46
Visual Impairments:					
Purchased Professional - Educational Services	9,200.00	(9,200.00)			
Total Visual Impairments	9,200.00	(9,200.00)			

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Special Education (Cont'd.):					
Behavioral Disabilities:					
Salaries of Teachers	$ 1,230,905.00	$ 8,466.00	$ 1,239,371.00	$ 1,239,365.06	$ 5.94
Other Salaries for Instruction	401,203.00	(2,478.44)	398,724.56	371,103.54	27,621.02
Other Purchased Services	15,300.00	(5,686.00)	9,614.00	8,728.37	885.63
General Supplies	41,804.00	14,908.73	56,712.73	54,687.90	2,024.83
Textbooks	6,000.00	(2,128.40)	3,871.60	3,833.95	37.65
Other Objects	11,657.00	(900.00)	10,757.00	9,434.12	1,322.88
Total Behavioral Disabilities	1,706,869.00	12,181.89	1,719,050.89	1,687,152.94	31,897.95
Multiple Disabilities					
Salaries of Teachers	62,006.00	(3,911.00)	58,095.00	58,094.50	0.50
Other Salaries for Instruction	43,183.00	9,837.89	53,020.89	53,020.24	0.65
General Supplies	1,500.00	(500.00)	1,000.00	962.30	37.70
Total Multiple Disabilities	106,689.00	5,426.89	112,115.89	112,077.04	38.85
Resource Room/Resource Center:					
Salaries of Teachers	2,494,320.00	143,661.00	2,637,981.00	2,632,464.32	5,516.68
Other Salaries for Instruction	104,053.00	(104,052.00)	1.00		1.00
General Supplies	23,055.00	(81.94)	22,973.06	22,248.83	724.23
Textbooks	9,057.00	(4,086.38)	4,970.62	4,970.62	
Total Resource Room/Resource Center	2,630,485.00	35,440.68	2,665,925.68	2,659,683.77	6,241.91
Autism:					
Salaries of Teachers	47,898.00	(47,898.00)			
Other Salaries for Instruction	45,723.00	(45,723.00)			
Purchased Professional - Educational Services	57,520.00	(57,520.00)			
General Supplies	5,000.00	(5,000.00)			
Total Autism	156,141.00	(156,141.00)			

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Special Education (Cont'd.):					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	$ 238,543.00	$ 1,747.00	$ 240,290.00	$ 240,289.50	$ 0.50
Other Salaries for Instruction	176,042.00	(13,500.00)	162,542.00	150,984.16	11,557.84
Purchased Professional - Educational Services	54,000.00	(54,000.00)			
General Supplies	5,000.00	(820.00)	4,180.00	4,179.29	0.71
Total Preschool Disabilities - Part-Time	473,585.00	(66,573.00)	407,012.00	395,452.95	11,559.05
Preschool Disabilities - Full-Time:					
Salaries of Teachers		62,136.00	62,136.00	62,135.50	0.50
Other Salaries for Instruction		74,842.00	74,842.00	74,591.48	250.52
Purchased Professional - Educational Services		58,915.00	58,915.00	55,203.75	3,711.25
General Supplies		5,000.00	5,000.00	4,956.14	43.86
Total Preschool Disabilities - Full-Time		200,893.00	200,893.00	196,886.87	4,006.13
Special Education - Home Instruction:					
Salaries of Teachers	50,515.00	7,226.00	57,741.00	57,740.17	0.83
Purchased Professional - Educational Services	23,000.00		23,000.00	16,702.74	6,297.26
Total Special Education - Home Instruction:	73,515.00	7,226.00	80,741.00	74,442.91	6,298.09
Total Special Education	5,743,448.00	39,965.85	5,783,413.85	5,722,873.57	60,540.28
Basic Skills/Remedial:					
Salaries of Teachers	266,021.00	1,046.00	267,067.00	263,217.80	3,849.20
General Supplies	4,792.00	(1,544.56)	3,247.44	3,105.13	142.31
Total Basic Skills/Remedial	270,813.00	(498.56)	270,314.44	266,322.93	3,991.51

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Bilingual Education:					
Salaries of Teachers	$ 34,138.00	$	$ 34,138.00	$ 34,138.00	$
General Supplies	200.00		200.00	107.23	92.77
Total Bilingual Education	34,338.00		34,338.00	34,245.23	92.77
School - Sponsored Cocurricular Activities:					
Salaries	335,399.00	19,219.00	354,618.00	354,617.50	0.50
Purchased Services	54,720.00	(6,332.00)	48,388.00	48,132.14	255.86
Supplies and Materials	21,280.00	(500.65)	20,779.35	19,041.24	1,738.11
Other Objects	32,175.00	(820.56)	31,354.44	29,116.60	2,237.84
Total School - Sponsored Cocurricular Activities	443,574.00	11,565.79	455,139.79	450,907.48	4,232.31
School - Sponsored Athletics:					
Salaries	582,404.00	15,630.00	598,034.00	597,087.59	946.41
Purchased Services	121,780.75	3,477.00	125,257.75	111,407.71	13,850.04
Supplies and Materials	78,000.00	(5,741.52)	72,258.48	64,685.88	7,572.60
Other Objects	20,400.00	2,553.99	22,953.99	22,953.33	0.66
Total School - Sponsored Athletics	802,584.75	15,919.47	818,504.22	796,134.51	22,369.71
Community Services Programs/Operations:					
Salaries	39,545.00		39,545.00	30,582.97	8,962.03
Purchased Services	4,500.00		4,500.00	3,767.57	732.43
Total Community Services Programs/Operations	44,045.00		44,045.00	34,350.54	9,694.46
Total Instruction	24,695,621.17	(106,478.80)	24,589,142.37	24,331,379.67	257,762.70

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAS Within the State - Special	$ 341,176.00	$ 74,860.00	$ 416,036.00	$ 390,792.10	$ 25,243.90
Tuition to County Vocational School Districts - Regular	212,000.00	(20,496.00)	191,504.00	189,250.00	2,254.00
Tuition to County Vocational School Districts - Special	30,630.00	(2,630.00)	28,000.00	28,000.00	
Tuition to Private Schools for the Disabled within State	315,550.00	(54,235.00)	261,315.00	240,769.33	20,545.67
Tuition to Private Schools for the Disabled and Other LEAS - Special, Outside the State		53,697.00	53,697.00	53,676.99	20.01
Tuition - State Facilities	22,833.00		22,833.00	22,833.00	
Tuition - Other	310,913.00	80,367.00	391,280.00	390,938.94	341.06
Total Undistributed Expend. - Instruction	1,233,102.00	131,563.00	1,364,665.00	1,316,260.36	48,404.64
Attendance and Social Work Services:					
Salaries	17,099.00	(800.00)	16,299.00	15,861.51	437.49
Purchased Professional and Technical Services	3,000.00		3,000.00	1,952.00	1,048.00
Total Attendance and Social Work Services	20,099.00	(800.00)	19,299.00	17,813.51	1,485.49

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Health Services:					
Salaries	$ 519,574.00	$ 6,196.00	$ 525,770.00	$ 525,768.86	$ 1.14
Purchased Professional and Technical Services	26,889.00	57.00	26,946.00	26,399.56	546.44
Other Purchased Services	1,000.00	(675.00)	325.00	323.80	1.20
Supplies and Materials	9,000.00	3,575.25	12,575.25	12,549.30	25.95
Total Health Services	556,463.00	9,153.25	565,616.25	565,041.52	574.73
Other Supp. Serv. - Students - Related Serv.:					
Salaries	808,812.00	(2,000.00)	806,812.00	800,138.98	6,673.02
Purchased Professional - Educational Services	109,923.00	10,267.50	120,190.50	103,191.00	16,999.50
Supplies and Materials	8,067.00	(705.41)	7,361.59	7,277.85	83.74
Total Other Supp. Serv. - Students - Related Serv.	926,802.00	7,562.09	934,364.09	910,607.83	23,756.26
Other Supp. Serv. - Students - Extra. Serv.:					
Salaries	541,113.00	172,950.00	714,063.00	714,062.03	0.97
Purchased Professional - Educational Services	85,323.50	63,085.00	148,408.50	135,731.25	12,677.25
Supplies and Materials	9,000.00	(1,218.00)	7,782.00	7,770.14	11.86
Total Other Supp. Serv. - Students - Extra. Serv.	635,436.50	234,817.00	870,253.50	857,563.42	12,690.08
Other Supp. Serv. - Students - Regular:					
Salaries of Other Professional Staff	713,054.00	(4,900.00)	708,154.00	698,701.12	9,452.88
Salaries of Secretarial and Clerical Assistants	150,931.00	(67.00)	150,864.00	138,547.65	12,316.35
Other Purchased Prof. and Tech. Services	36,000.00	(5,291.50)	30,708.50	30,029.86	678.64
Other Purchased Services	725.00	(545.00)	180.00	180.00	
Supplies and Materials	18,529.00	1,409.00	19,938.00	19,188.93	749.07
Other Objects	1,675.00	(1,315.00)	360.00	360.00	
Total Other Supp. Serv. - Students - Regular	920,914.00	(10,709.50)	910,204.50	887,007.56	23,196.94

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Other Supp. Serv. - Students - Special:					
Salaries of Other Professional Staff	$ 820,957.00	$ (23,688.00)	$ 797,269.00	$ 797,268.74	$ 0.26
Salaries of Secretarial and Clerical Assistants	166,258.00	4,732.00	170,990.00	170,989.70	0.30
Other Purchased Prof. and Tech. Services	36,400.00		36,400.00	26,681.25	9,718.75
Other Purchased Services	3,538.97	(350.00)	3,188.97	2,841.51	347.46
Misc. Purchased Services	6,950.00	4,478.00	11,428.00	10,485.81	942.19
Supplies and Materials	12,765.00	570.00	13,335.00	13,276.78	58.22
Total Other Supp. Serv. - Students - Special	1,046,868.97	(14,258.00)	1,032,610.97	1,021,543.79	11,067.18
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	817,438.00		817,438.00	787,261.16	30,176.84
Salaries of Other Professional Staff	49,932.00	(16,000.00)	33,932.00	25,345.00	8,587.00
Salaries of Secretarial and Clerical Assistants	93,179.00	40,597.00	133,776.00	133,019.18	756.82
Other Salaries	231,045.00	(88,544.00)	142,501.00	117,052.85	25,448.15
Purchased Professional - Educational Services	3,000.00		3,000.00		3,000.00
Other Purchased Services	14,400.00	(6,145.00)	8,255.00	4,027.26	4,227.74
Supplies and Materials	10,800.00	2,252.00	13,052.00	13,012.35	39.65
Other Objects	3,500.00	(1,179.00)	2,321.00	1,835.00	486.00
Total Improvement of Instructional Services	1,223,294.00	(69,019.00)	1,154,275.00	1,081,552.80	72,722.20
Educational Media Serv./School Library:					
Salaries	349,160.00	(27,967.00)	321,193.00	321,192.20	0.80
Purchased Professional and Technical Services	26,300.00		26,300.00	25,746.50	553.50
Other Purchased Services	46,746.00	2,854.23	49,600.23	45,118.90	4,481.33
Supplies and Materials	75,339.00	1,905.11	77,244.11	76,162.07	1,082.04
Total Educa. Media Serv./School Library	497,545.00	(23,207.66)	474,337.34	468,219.67	6,117.67

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Instructional Staff Training Services:					
Other Salaries	$ 39,845.00	$ (2,222.00)	$ 37,623.00	$ 37,622.90	$ 0.10
Purchased Professional - Educational Services	16,000.00	2,175.00	18,175.00	16,466.80	1,708.20
Other Purchased Services	52,702.00	(21,050.80)	31,651.20	22,047.68	9,603.52
Supplies and Materials	8,700.00	12,708.00	21,408.00	20,649.62	758.38
Other Objects	1,050.00	1,014.00	2,064.00	2,064.00	
Total Instructional Staff Training Services	118,297.00	(7,375.80)	110,921.20	98,851.00	12,070.20
Support Services - General Administration:					
Salaries	465,048.00	28,499.28	493,547.28	493,245.51	301.77
Legal Services	99,000.00	23,942.99	122,942.99	122,942.99	
Audit Fees	26,705.00		26,705.00	26,705.00	
Other Purchased Professional Services	5,000.00	26,400.00	31,400.00	29,700.00	1,700.00
Communications/Telephone	212,241.53	(12,031.00)	200,210.53	150,019.90	50,190.63
BOE Other Purchased Services	7,750.00		7,750.00	4,602.32	3,147.68
Other Purchased Services	93,961.00	(2,254.00)	91,707.00	76,981.74	14,725.26
General Supplies	22,449.00	2,020.00	24,469.00	21,734.15	2,734.85
BOE In-House Training/Meeting Supplies	3,350.00		3,350.00	2,500.00	850.00
Misc. Expenditures	8,100.00	(197.00)	7,903.00	7,792.65	110.35
BOE Membership Dues and Fees	26,721.00	(1,823.00)	24,898.00	24,461.95	436.05
Total Support Services - General Administration	970,325.53	64,557.27	1,034,882.80	960,686.21	74,196.59
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	1,454,191.00	14,966.00	1,469,157.00	1,469,156.58	0.42
Salaries of Other Professional Staff	235,508.00	566.00	236,074.00	236,073.95	0.05
Salaries of Secretarial and Clerical Assistants	838,088.00	5,819.00	843,907.00	843,905.64	1.36
Purchased Professional and Technical Services		2,500.00	2,500.00	2,500.00	
Other Purchased Services	18,800.00	1,418.00	20,218.00	16,135.88	4,082.12
Supplies and Materials	38,246.00	(1,356.74)	36,889.26	33,512.42	3,376.84
Other Objects	12,209.20	(1,124.00)	11,085.20	10,831.79	253.41
Total Support Services - School Administration	2,597,042.20	22,788.26	2,619,830.46	2,612,116.26	7,714.20

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Central Services:					
Salaries	$ 608,585.00	$ (15,923.00)	$ 592,662.00	$ 592,660.46	$ 1.54
Purchased Technical Services	39,963.00	(750.00)	39,213.00	35,427.16	3,785.84
Miscellaneous Purchased Services	73,150.00	(966.00)	72,184.00	43,484.99	28,699.01
Supplies and Materials	29,555.63	1,932.00	31,487.63	28,095.66	3,391.97
Miscellaneous Expenditures	6,050.00	(216.00)	5,834.00	4,940.60	893.40
Total Central Services	757,303.63	(15,923.00)	741,380.63	704,608.87	36,771.76
Administrative Information Technology:					
Salaries	181,671.00		181,671.00	181,107.12	563.88
Other Purchased Services	3,000.00	(201.00)	2,799.00	2,332.16	466.84
Total Administrative Information Technology	184,671.00	(201.00)	184,470.00	183,439.28	1,030.72
Required Maintenance for School Facilities:					
Salaries	213,062.00	(10,500.00)	202,562.00	189,350.90	13,211.10
Cleaning, Repair, and Maintenance Services	356,921.95	(30,649.44)	326,272.51	297,700.09	28,572.42
General Supplies	75,250.00	2,350.00	77,600.00	76,843.42	756.58
Other Objects	3,550.00		3,550.00	3,042.00	508.00
Total Required Maint. for School Facilities	648,783.95	(38,799.44)	609,984.51	566,936.41	43,048.10
Other Operation and Maint. of Plant Services:					
Salaries	2,504,224.00	(53,731.17)	2,450,492.83	2,353,924.86	96,567.97
Purchased Professional & Technical Services	10,000.00	4,784.00	14,784.00	11,925.00	2,859.00
Cleaning, Repair & Maintenance Services	182,010.00	(22,771.00)	159,239.00	138,539.01	20,699.99
Other Purchased Property Services	95,000.00	(41,847.00)	53,153.00	52,579.55	573.45
Insurance	256,140.00	(17,761.00)	238,379.00	219,893.25	18,485.75
Miscellaneous Purchased Services	2,600.00		2,600.00	2,193.26	406.74
General Supplies	172,957.00	13,275.44	186,232.44	182,605.64	3,626.80
Energy (Heat and Electricity)	1,008,800.00	(33,942.99)	974,857.01	894,608.20	80,248.81
Other Objects	2,250.00	500.00	2,750.00	2,469.00	281.00
Total Other Oper. and Maint. of Plant Services	4,233,981.00	(151,493.72)	4,082,487.28	3,858,737.77	223,749.51

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Student Transportation Services:					
Salaries for Pupil Transportation (Other Than Between Home & School)	$ 90,893.00	$ 642.00	$ 91,535.00	$ 91,238.51	$ 296.49
Cleaning, Repair & Maint. Services	3,000.00	5,000.00	8,000.00	3,772.72	4,227.28
Contracted Services (Between Home & School) - Vendors	70,720.00	8,735.00	79,455.00	79,394.90	60.10
Contracted Services (Other Than Between Home & School) - Vendors	276,750.00	(6,444.50)	270,305.50	248,258.10	22,047.40
Contracted Services (Special Ed. Students) - Vendors	429,438.00	(8,735.00)	420,703.00	362,332.26	58,370.74
Contracted Services (Regular Students) - ESCs	49,750.00		49,750.00	46,707.21	3,042.79
Contracted Services (Special Ed. Students) - ESCs	604,356.00	(59,727.50)	544,628.50	490,579.38	54,049.12
Contracted Services - Aid in Lieu of Payments	112,529.00		112,529.00	109,733.85	2,795.15
Supplies and Materials	5,000.00		5,000.00	5,000.00	
Total Student Transportation Services	1,642,436.00	(60,530.00)	1,581,906.00	1,437,016.93	144,889.07

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
EXPENDITURES (CONT'D.):					
Current Expense (Cont'd.):					
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	$ 635,270.00	$	$ 635,270.00	$ 630,752.36	$ 4,517.64
Other Retirement Contributions - Regular	386,364.00	17,761.00	404,125.00	404,125.00	
Workers' Compensation	329,955.00		329,955.00	320,705.00	9,250.00
Health Benefits	5,927,865.00	(216,621.37)	5,711,243.63	5,695,175.09	16,068.54
Tuition Reimbursement	94,000.00	5,865.55	99,865.55	99,055.50	810.05
Other Employee Benefits	47,048.00	(18,205.25)	28,842.75	23,255.89	5,586.86
Total Unallocated Benefits - Employee Benefits	7,420,502.00	(211,200.07)	7,209,301.93	7,173,068.84	36,233.09
Total Personal Services - Employee Benefits	7,420,502.00	(211,200.07)	7,209,301.93	7,173,068.84	36,233.09
On-behalf TPAF Post-medical Contributions (non-budgeted)				1,642,680.00	(1,642,680.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,983,890.25	(1,983,890.25)
Total Undistributed Expenditures	25,633,866.78	(133,076.32)	25,500,790.46	28,347,642.28	(2,846,851.82)
Total Expenditures - Current Expense	50,329,487.95	(239,555.12)	50,089,932.83	52,679,021.95	(2,589,089.12)
CAPITAL OUTLAY:					
Equipment:					
Regular Programs - Instruction:					
Grades 9-12		6,954.00	6,954.00	6,954.00	
School Sponsored and Other Instructional Programs		25,647.52	25,647.52	25,647.26	0.26

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
CAPITAL OUTLAY (CONT'D.):					
Equipment (Cont'd.):					
Undistributed Expenditures:					
Support Services - Related and Extra.	$	$ 3,000.00	$ 3,000.00	$ 3,000.00	$
Support Services - Instructional Staff		12,431.60	12,431.60	12,431.60	
General Administration		3,173.00	3,173.00	3,173.00	
Oper. and Maint. of Plant Services	2,900.00	21,870.00	24,770.00	24,764.94	5.06
Total Equipment	2,900.00	73,076.12	75,976.12	75,970.80	5.32
Assets Acquired Under Capital Leases:					
Equipment:					
Copiers (non-budgeted)				44,523.00	(44,523.00)
Playground Equipment (non-budgeted)				220,423.00	(220,423.00)
School Bus (non-budgeted)				78,938.00	(78,938.00)
Total Assets Acquired Under Capital Leases				343,884.00	(343,884.00)
Total Capital Outlay	2,900.00	73,076.12	75,976.12	419,854.80	(343,878.68)
SPECIAL SCHOOLS:					
Summer School - Instruction:					
Salaries of Teachers	69,978.00	(2,393.25)	67,584.75	63,964.27	3,620.48
Other Salaries for Instruction	22,160.00	2,393.25	24,553.25	24,553.25	
Purchased Professional & Technical Services	25,000.00	(5,706.00)	19,294.00	19,294.00	
Other Purchased Services	500.00		500.00	500.00	
General Supplies	2,050.00		2,050.00	85.45	1,964.55
Total Summer School - Instruction	119,688.00	(5,706.00)	113,982.00	108,396.97	5,585.03
Summer School - Support Services:					
Salaries	3,240.00		3,240.00	3,178.23	61.77
Total Summer School - Support Services	3,240.00		3,240.00	3,178.23	61.77
Total Summer School	122,928.00	(5,706.00)	117,222.00	111,575.20	5,646.80
Total Special Schools	122,928.00	(5,706.00)	117,222.00	111,575.20	5,646.80
Total Expenditures	50,455,315.95	(172,185.00)	50,283,130.95	53,210,451.95	(2,927,321.00)

CRANFORD PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE(NEGATIVE) FINAL TO ACTUAL
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (536,852.95)	$	$ (536,852.95)	$ 41,389.03	$ 578,241.98
Other Financing Sources/(Uses):					
Capital Leases (non-budgeted)				343,884.00	343,884.00
Total Other Financing Sources/(Uses)				343,884.00	343,884.00
Excess (Deficiency) of Revenues and Other Financing Sources/(Uses) Over (Under) Expenditures and Other Financing Uses	(536,852.95)		(536,852.95)	385,273.03	922,125.98
Fund Balances, July 1	985,635.80		985,635.80	985,635.80	
Fund Balances, June 30	$ 448,782.85	$	$ 448,782.85	$ 1,370,908.83	$ 922,125.98

Recapitulation:	
Reserve for Encumbrances	$ 103,059.85
Legally Restricted - Designated for Subsequent Year's Expenditures	
Capital Reserve Account	1.00
Designated for Subsequent Year's Expenditures	385,000.00
Unrestricted Fund Balance	882,847.98
	$ 1,370,908.83
Reconciliation to Governmental Funds Statement (GAAP):	
Last State Aid Payment not recognized on GAAP basis	(270,621.00)
Fund Balance per Governmental Funds (GAAP)	$ 1,100,287.83

CRANFORD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Revenue from Local Sources	$	$ 80,987.07	$ 80,987.07	$ 67,214.21	$ (13,772.86)
Total - Local Sources		80,987.07	80,987.07	67,214.21	(13,772.86)
State Sources:					
Nonpublic Aid	204,586.00	7,500.00	212,086.00	153,482.24	(58,603.76)
Total - State Sources	204,586.00	7,500.00	212,086.00	153,482.24	(58,603.76)
Federal Sources:					
I.D.E.A., Part B (Handicapped)	809,156.00	26,860.40	836,016.40	830,435.40	(5,581.00)
NCLB - Title I, Part A		66,370.00	66,370.00	7,654.56	(58,715.44)
NCLB - Title II, Part A	78,740.00	13,250.67	91,990.67	86,519.42	(5,471.25)
NCLB - Title II, Part D		542.00	542.00	536.00	(6.00)
NCLB - Title IV	7,889.00	(139.91)	7,749.09	5,949.11	(1,799.98)
NCLB - Title V	4,695.00	(4,244.58)	450.42	450.42	
Learn and Serve America		36,325.15	36,325.15	36,178.86	(146.29)
Carl D. Perkins	41,633.00	1,515.00	43,148.00	31,393.60	(11,754.40)
Total - Federal Sources	942,113.00	140,478.73	1,082,591.73	999,117.37	(83,474.36)
Total Revenues	1,146,699.00	228,965.80	1,375,664.80	1,219,813.82	(155,850.98)
EXPENDITURES:					
Instruction					
Salaries of Teachers	58,512.00	38,370.59	96,882.59	60,199.54	36,683.05
Purchased Professional and Technical Services	5,096.00	(329.00)	4,767.00	3,839.35	927.65
Other Purchased Services (400-500 series)	162,202.00	13,902.00	176,104.00	127,118.00	48,986.00

CRANFORD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Instruction (cont'd)					
General Supplies	$ 27,766.00	$ 43,262.39	$ 71,028.39	$ 57,271.80	$ 13,756.59
Textbooks	24,704.00	(512.00)	24,192.00	18,152.18	6,039.82
Other Objects	18,580.00	10,443.00	29,023.00	23,869.06	5,153.94
Total Instruction	296,860.00	105,136.98	401,996.98	290,449.93	111,547.05
EXPENDITURES (CONT'D):					
Support Services					
Salaries of Project Directors	1,024.00	176.00	1,200.00	1,200.00	
Salaries of Other Professional Staff	1,640.00	2,660.00	4,300.00	4,300.00	
Salaries of Secretarial and Clerical Assistants	625.00	(25.00)	600.00	600.00	
Other Salaries		1,000.00	1,000.00	1,000.00	
Personal Services - Employee Benefits	13,035.00	3,573.78	16,608.78	13,685.90	2,922.88
Purchased Professional - Educational Services	142,865.00	4,455.40	147,320.40	118,741.40	28,579.00
Purchased Technical Services		9,025.00	9,025.00	8,865.26	159.74
Tuition	659,558.00	60,472.71	720,030.71	720,030.71	
Other Purchased Services (400-500 series)	2,779.00	35,744.63	38,523.63	34,276.23	4,247.40
Supplies and Materials	26,738.00	5,991.30	32,729.30	26,640.39	6,088.91
Miscellaneous Expenditures	1,575.00	755.00	2,330.00	24.00	2,306.00
Total Support Services	849,839.00	123,828.82	973,667.82	929,363.89	44,303.93
Total Expenditures	1,146,699.00	228,965.80	1,375,664.80	1,219,813.82	155,850.98
Excess (Deficiency) of Revenues Over (Under) Expenditures	$	$	$	$	$

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CRANFORD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-series)	$ 53,251,840.98	$ 1,219,813.82
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 budgetary purposes, not recognized for GAAP statements.	(270,621.00)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	136,616.00	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds. (B-2)	53,117,835.98	1,219,813.82
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	53,210,451.95	1,219,813.82
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for *financial reporting* purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	$ 53,210,451.95	$ 1,219,813.82

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES

SECTION - D

SPECIAL REVENUE FUND

SECTION - E

CRANFORD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Total Brought Forward (Ex. E-1a)	IDEA Part B Basic Reg. FY 2009	IDEA Part B Preschool FY 2009	NCLB-Title I, Part A FY 2009	NCLB-Title II, Part A FY 2009	NCLB-Title II, Part A FY 2008	NCLB-Title II, Part D FY 2009	NCLB - Title IV DFS FY 2009	NCLB - Title IV DFS FY 2008	Totals 2009
REVENUES:										
State Sources	$ 153,482.24	$	$	$	$	$	$	$	$	$ 153,482.24
Federal Sources	68,022.88	805,151.40	25,284.00	7,654.56	83,791.75	2,727.67	536.00	5,767.02	182.09	999,117.37
Local Sources	67,214.21									67,214.21
Total Revenues	288,719.33	805,151.40	25,284.00	7,654.56	83,791.75	2,727.67	536.00	5,767.02	182.09	1,219,813.82
EXPENDITURES:										
Instruction:										
Salaries of Teachers	1,860.00			262.48	56,624.47	1,452.59				60,199.54
Purchased Professional & Technical Services	3,839.35									3,839.35
Other Purchased Services	127,118.00									127,118.00
General Supplies	52,731.11		295.00		2,438.28	1,163.95	40.00	494.00	109.46	57,271.80
Textbooks	18,152.18									18,152.18
Other Objects	23,869.06									23,869.06
Total Instruction	227,569.70		295.00	262.48	59,062.75	2,616.54	40.00	494.00	109.46	290,449.93
Support Services:										
Salaries of Project Directors	1,200.00									1,200.00
Salaries of Other Professional Staff	2,700.00							1,600.00		4,300.00
Salaries of Secretarial and Clerical Assistants	600.00									600.00
Other Salaries	1,000.00									1,000.00
Personal Services - Employee Benefits	486.69			20.08	12,668.00	111.13		400.00		13,685.90
Purchased Professional - Educational Services	1,216.00	74,947.40	21,649.00	7,372.00	12,061.00		496.00	1,000.00		118,741.40
Purchased Technical Services	8,865.26									8,865.26
Tuition		716,690.71	3,340.00							720,030.71
Other Purchased Services	33,254.63							1,021.60		34,276.23
Supplies and Materials	11,803.05	13,513.29						1,251.42	72.63	26,640.39
Miscellaneous Expenditures	24.00									24.00
Total Support Services	61,149.63	805,151.40	24,989.00	7,392.08	24,729.00	111.13	496.00	5,273.02	72.63	929,363.89
Total Expenditures	$ 288,719.33	$ 805,151.40	$ 25,284.00	$ 7,654.56	$ 83,791.75	$ 2,727.67	$ 536.00	$ 5,767.02	$ 182.09	$ 1,219,813.82

CRANFORD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Total Brought Forward (Ex. E-1b)	NCLB - Title V Innovative FY 2009	NCLB - Title V Innovative FY 2008	Carl D. Perkins	Learn & Serve America - School Based (Yr. 3)	Learn & Serve America - School Based (Yr. 2)	Learn & Serve America - School Based (Yr. 1)	Nonpublic Textbooks	Nonpublic Nursing	Total Carried Forward
REVENUES:										
State Sources	$ 103,446.06	$	$	$	$	$	$	$ 18,152.18	$ 31,884.00	$ 153,482.24
Federal Sources		391.00	59.42	31,393.60	25,000.00	10,173.26	1,005.60			68,022.88
Local Sources	67,214.21									67,214.21
Total Revenues	170,660.27	391.00	59.42	31,393.60	25,000.00	10,173.26	1,005.60	18,152.18	31,884.00	288,719.33
EXPENDITURES:										
Instruction:										
Salaries of Teachers				1,860.00						1,860.00
Purchased Professional & Technical Services	600.00			1,064.35		2,175.00				3,839.35
Other Purchased Services	90,104.00			5,130.00					31,884.00	127,118.00
General Supplies	15,171.21		59.42	18,305.30	14,964.00	4,231.18				52,731.11
Textbooks								18,152.18		18,152.18
Other Objects	23,212.06			324.00		333.00				23,869.06
Total Instruction	129,087.27		59.42	26,683.65	14,964.00	6,739.18		18,152.18	31,884.00	227,569.70
Support Services:										
Salaries of Project Directors				1,200.00						1,200.00
Salaries of Other Professional Staff				200.00	2,500.00					2,700.00
Salaries of Secretarial and Clerical Assistants				600.00						600.00
Other Salaries	1,000.00									1,000.00
Personal Services - Employee Benefits				294.69	192.00					486.69
Purchased Professional - Educational Services	825.00	391.00								1,216.00
Purchased Technical Services	8,025.00			840.26						8,865.26
Tuition										
Other Purchased Services	28,673.00			1,575.00		2,001.03	1,005.60			33,254.63
Supplies and Materials	3,026.00				7,344.00	1,433.05				11,803.05
Miscellaneous Expenditures	24.00									24.00
Total Support Services	41,573.00	391.00		4,709.95	10,036.00	3,434.08	1,005.60			61,149.63
Total Expenditures	$ 170,660.27	$ 391.00	$ 59.42	$ 31,393.60	$ 25,000.00	$ 10,173.26	$ 1,005.60	$ 18,152.18	$ 31,884.00	$ 288,719.33

CRANFORD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Total Brought Forward (Ex. E-1c)	N.J. Nonpublic Auxiliary Services Ch. 192		N.J. Nonpublic Handicapped Services Ch. 193			Nonpublic Technology	Total Carried Forward
		Trans-portation	Compensatory Education	Supplemental Instruction	Examination & Classification	Corrective Speech		
REVENUES:								
State Sources	$	$ 11,894.00	$ 37,823.00	$ 8,260.00	$ 10,617.00	$ 21,510.00	$ 13,342.06	$ 103,446.06
Federal Sources								
Local Sources	67,214.21							67,214.21
Total Revenues	67,214.21	11,894.00	37,823.00	8,260.00	10,617.00	21,510.00	13,342.06	170,660.27
EXPENDITURES:								
Instruction:								
Salaries of Teachers								
Purchased Professional & Technical Services	600.00							600.00
Other Purchased Services		11,894.00	37,823.00	8,260.00	10,617.00	21,510.00		90,104.00
General Supplies	15,171.21							15,171.21
Textbooks								
Other Objects	9,870.00						13,342.06	23,212.06
Total Instruction	25,641.21	11,894.00	37,823.00	8,260.00	10,617.00	21,510.00	13,342.06	129,087.27
Support Services:								
Salaries of Project Directors								
Salaries of Other Professional Staff								
Salaries of Secretarial and Clerical Assistants								
Other Salaries	1,000.00							1,000.00
Personal Services - Employee Benefits								
Purchased Professional - Educational Services	825.00							825.00
Purchased Technical Services	8,025.00							8,025.00
Tuition								
Other Purchased Services	28,673.00							28,673.00
Supplies and Materials	3,026.00							3,026.00
Miscellaneous Expenditures	24.00							24.00
Total Support Services	41,573.00							41,573.00
Total Expenditures	$ 67,214.21	$ 11,894.00	$ 37,823.00	$ 8,260.00	$ 10,617.00	$ 21,510.00	$ 13,342.06	$ 170,660.27

CRANFORD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Total Brought Forward (Ex. E-1d)	Booster Club Donations	Soccer Club Donations	CFEE Grant	Target Grants	Prevention Links	Lowe's Toolbox for Ed. Grant	Schering-Plough Grant	Total Carried Forward
REVENUES:									
State Sources	$	$	$	$	$	$	$	$	
Federal Sources									
Local Sources	34,558.67	650.00	15,000.00	8,868.36	1,000.00	1,000.00	1,137.18	5,000.00	67,214.21
Total Revenues	34,558.67	650.00	15,000.00	8,868.36	1,000.00	1,000.00	1,137.18	5,000.00	67,214.21
EXPENDITURES:									
Instruction:									
Salaries of Teachers									
Purchased Professional & Technical Services				600.00					600.00
Other Purchased Services									
General Supplies	3,508.67			5,868.36			794.18	5,000.00	15,171.21
Textbooks									
Other Objects	9,650.00				220.00				9,870.00
Total Instruction	13,158.67			6,468.36	220.00		794.18	5,000.00	25,641.21
Support Services:									
Salaries of Project Directors									
Salaries of Other Professional Staff									
Salaries of Secretarial and Clerical Assistants									
Other Salaries						1,000.00			1,000.00
Personal Services - Employee Benefits									
Purchased Professional - Educational Services	825.00								825.00
Purchased Technical Services	8,025.00								8,025.00
Tuition									
Other Purchased Services	12,550.00		15,000.00		780.00		343.00		28,673.00
Supplies and Materials		650.00		2,376.00					3,026.00
Miscellaneous Expenditures				24.00					24.00
Total Support Services	21,400.00	650.00	15,000.00	2,400.00	780.00	1,000.00	343.00		41,573.00
Total Expenditures	$ 34,558.67	$ 650.00	$ 15,000.00	$ 8,868.36	$ 1,000.00	$ 1,000.00	$ 1,137.18	$ 5,000.00	$ 67,214.21

CRANFORD SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	School Program Donations	Pride Grant	Memorial Field Donations	Total Carried Forward
REVENUES:				
State Sources	$	$	$	$
Federal Sources				
Local Sources	20,733.67	5,500.00	8,325.00	34,558.67
Total Revenues	20,733.67	5,500.00	8,325.00	34,558.67
EXPENDITURES:				
Instruction:				
Salaries of Teachers				
Other Salaries for Instruc.				
Purchased Professional & Technical Services				
Other Purchased Services				
General Supplies	3,508.67			3,508.67
Textbooks				
Other Objects	9,650.00			9,650.00
Total Instruction	13,158.67			13,158.67
Support Services:				
Salaries of Project Directors				
Salaries of Other Professional Staff				
Salaries of Secretarial and Clerical Assistants				
Other Salaries				
Personal Services - Employee Benefits				
Purchased Professional - Educational Services	825.00			825.00
Purchased Technical Services	1,300.00		6,725.00	8,025.00
Tuition				
Other Purchased Services	5,450.00	5,500.00	1,600.00	12,550.00
Supplies and Materials				
Miscellaneous Expenditures				
Total Support Services	7,575.00	5,500.00	8,325.00	21,400.00
Total Expenditures	$ 20,733.67	$ 5,500.00	$ 8,325.00	$ 34,558.67

CAPITAL PROJECTS FUND

SECTION - F

Exhibit - F-1

CRANFORD SCHOOL DISTRICT
SUMMARY STATEMENT OF PROJECT EXPENDITURES
CAPITAL PROJECTS FUND
FISCAL YEAR ENDED JUNE 30, 2009

PROJECT TITLE / ISSUE	APPROPRIATIONS	GRANTS RECEIPTS (CANCELLED)	EXPENDITURES TO DATE PRIOR YEARS	EXPENDITURES TO DATE CURRENT YEAR	OPERATING TRANSFERS IN (OUT) CURRENT YEAR	UNEXPENDED BALANCE
Various Capital Improvements - 9/02 Issuance of School Bonds	$4,172,000.00		$4,072,967.12		($83,979.62)	15,053.26
Additional State School Building Aid - (EDA) Grants	2,099,527.00	(34,733.71)	2,059,793.29			5,000.00 *
TOTALS	$6,271,527.00	($34,733.71)	$6,132,760.41		($83,979.62)	$20,053.26

* Not recorded as revenue or receivable

CRANFORD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2009

Revenues and Other Financing Sources:	
State Sources - SCC Grant	$ (34,733.71)
Total revenues	(34,733.71)
Expenditures and Other Financing Uses:	
Operating Transfers Out:	
Unexpended Bond Proceeds to Debt Service Fund	$ (83,979.62)
Total expenditures	(83,979.62)
Excess (deficiency) of revenues over (under) expenditures	(118,713.33)
Fund balance - beginning	$ 138,766.59
Fund balance - ending	$ 20,053.26

CRANFORD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
CRANFORD HIGH SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	$ 829,519.00	$ (6,372.23)	$ 823,146.77	$ 823,146.77
Bond proceeds and transfers	1,643,723.00		1,643,723.00	1,643,723.00
Total revenues	2,473,242.00	(6,372.23)	2,466,869.77	2,466,869.77
Expenditures and Other Financing Uses				
Purchased professional and technical services	211,302.74		211,302.74	211,302.74
Construction services	2,214,387.63		2,214,387.63	2,214,387.63
Transfer to Debt Service		41,179.40	41,179.40	41,179.40
Total expenditures	2,425,690.37	41,179.40	2,466,869.77	2,466,869.77
Excess (deficiency) of revenues over (under) expenditures	$ 47,551.63	$ (47,551.63)	$	$

Additional project information:	
Project Number	SP202501
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	$1,643,981.00
Bonds Issued	$1,643,723.00
Original Authorized Cost	$2,473,500.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	100%
Original target completion date	Sep-04
Revised target completions date	Jun-08

CRANFORD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
HILLSIDE AVENUE ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	$ 108,840.00	$ (740.80)	$ 108,099.20	$ 108,099.20
Bond proceeds and transfers	163,260.00		163,260.00	163,260.00
Total revenues	272,100.00	(740.80)	271,359.20	271,359.20
Expenditures and Other Financing Uses				
Purchased professional and technical services	24,100.00		24,100.00	24,100.00
Construction services	246,148.00		246,148.00	246,148.00
Transfer to Debt Service		1,111.20	1,111.20	1,111.20
Total expenditures	270,248.00	1,111.20	271,359.20	271,359.20
Excess (deficiency) of revenues over (under) expenditures	$ 1,852.00	$ (1,852.00)	$	$

Additional project information:	
Project Number	SP202502
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	$163,260.00
Bonds Issued	$163,260.00
Original Authorized Cost	$272,100.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	100%
Original target completion date	Sep-04
Revised target completions date	Jun-08

CRANFORD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
ORANGE AVENUE ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	$ 78,880.00	$	$ 78,880.00	$ 78,880.00
Bond proceeds and transfers	118,320.00		118,320.00	118,320.00
Total revenues	197,200.00		197,200.00	197,200.00
Expenditures and Other Financing Uses				
Purchased professional and technical services	18,200.00		18,200.00	18,200.00
Construction services	179,000.00		179,000.00	179,000.00
Total expenditures	197,200.00		197,200.00	197,200.00
Excess (deficiency) of revenues over (under) expenditures	$	$	$	$

Additional project information:	
Project Number	SP202503
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	$118,320.00
Bonds Issued	$118,320.00
Original Authorized Cost	$197,200.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	100%
Original target completion date	Sep-04
Revised target completions date	Jun-08

CRANFORD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
BLOOMINGDALE AVENUE ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	$ 215,080.00	$ (15,459.58)	$ 199,620.42	$ 199,620.42
Bond proceeds and transfers	322,620.00		322,620.00	322,620.00
Total revenues	537,700.00	(15,459.58)	522,240.42	522,240.42
Expenditures and Other Financing Uses				
Purchased professional and technical services	46,700.00		46,700.00	46,700.00
Construction services	452,351.05		452,351.05	452,351.05
Transfer to Debt Service		23,189.37	23,189.37	23,189.37
Total expenditures	499,051.05	23,189.37	522,240.42	522,240.42
Excess (deficiency) of revenues over (under) expenditures	$ 38,648.95	$ (38,648.95)	$	$

Additional project information:	
Project Number	SP202504
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	$322,620.00
Bonds Issued	$322,620.00
Original Authorized Cost	$537,700.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	100%
Original target completion date	Sep-04
Revised target completions date	Jun-08

CRANFORD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
BROOKSIDE PLACE ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	$ 223,760.00	$	$ 223,760.00	$ 223,760.00
Bond proceeds and transfers	335,640.00		335,640.00	335,640.00
Total revenues	559,400.00		559,400.00	559,400.00
Expenditures and Other Financing Uses				
Purchased professional and technical services	48,400.00		48,400.00	48,400.00
Construction services	511,000.00		511,000.00	511,000.00
Total expenditures	559,400.00		559,400.00	559,400.00
Excess (deficiency) of revenues over (under) expenditures	$	$	$	$

Additional project information:	
Project Number	SP202505
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	$335,640.00
Bonds Issued	$335,640.00
Original Authorized Cost	$559,400.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	100%
Original target completion date	Sep-04
Revised target completions date	Jun-08

CRANFORD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
LIVINGSTON AVENUE ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	$ 140,514.00	$ (12,161.10)	$ 128,352.90	$ 128,352.90
Bond proceeds and transfers	210,771.00		210,771.00	210,771.00
Total revenues	351,285.00	(12,161.10)	339,123.90	339,123.90
Expenditures and Other Financing Uses				
Purchased professional and technical services	30,285.00		30,285.00	30,285.00
Construction services	290,597.25		290,597.25	290,597.25
Transfer to Debt Service		18,241.65	18,241.65	18,241.65
Total expenditures	320,882.25	18,241.65	339,123.90	339,123.90
Excess (deficiency) of revenues over (under) expenditures	$ 30,402.75	$ (30,402.75)	$	$

Additional project information:	
Project Number	SP202506
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	$210,771.00
Bonds Issued	$210,771.00
Original Authorized Cost	$351,285.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	100%
Original target completion date	Sep-04
Revised target completions date	Jun-08

CRANFORD SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
WALNUT AVENUE ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2009

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	$ 502,934.00	$	$ 502,934.00	$ 502,934.00
Bond proceeds and transfers	1,377,666.00		1,377,666.00	1,377,666.00
Total revenues	1,880,600.00		1,880,600.00	1,880,600.00
Expenditures and Other Financing Uses				
Purchased professional and technical services	185,200.00		185,200.00	185,200.00
Construction services	1,675,088.74		1,675,088.74	1,675,088.74
Transfer to Debt Service		258.00	258.00	258.00
Total expenditures	1,860,288.74	258.00	1,860,546.74	1,860,546.74
Excess (deficiency) of revenues over (under) expenditures	$ 20,311.26	$ (258.00)	$ 20,053.26	$ 20,053.26

Additional project information:	
Project Number	SP202507
Grant Date	1/28/03
Bond Authorization Date	4/16/02
Bonds Authorized	$1,377,666.00
Bonds Issued	$1,377,666.00
Original Authorized Cost	$1,880,600.00
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage completion	98%
Original target completion date	Sep-04
Revised target completions date	Jun-09

PROPRIETARY FUND

SECTION – G

ENTERPRISE FUND

Exhibit - G-1

CRANFORD SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS
ENTERPRISE FUNDS
FOOD SERVICE, CRANFORD SCHOOL DISTRICT ACADEMY (CSDA)
AS OF JUNE 30, 2009

	FOOD SERVICE - ENTERPRISE FUND	CSDA - ENTERPRISE FUND	TOTALS
Assets			
Cash and Cash Equivalents	$ 51,565.62	$ 41,155.06	$ 92,720.68
Accounts Receivable:			
State	1,539.50		1,539.50
Federal	16,292.15		16,292.15
Inventories	9,832.98		9,832.98
Total Current Assets	79,230.25	41,155.06	120,385.31
Noncurrent Assets:			
Fixed Assets:			
Equipment	215,110.01		215,110.01
Accumulated Depreciation	(121,234.67)		(121,234.67)
Total Noncurrent Assets	93,875.34		93,875.34
Total Assets	$ 173,105.59	$ 41,155.06	$ 214,260.65
Liabilities			
Current Liabilities:			
Accounts Payable	91.31		91.31
Deferred Revenue	5,466.09		5,466.09
Total Current Liabilities	5,557.40		5,557.40
Total Liabilities	$ 5,557.40	$	$ 5,557.40
Net Assets			
Investment in Capital Assets Net of Related Debt	93,875.34		93,875.34
Unrestricted (Deficit)	73,672.85	41,155.06	114,827.91
Total Net Assets	$ 167,548.19	$ 41,155.06	$ 208,703.25

CRANFORD SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
ENTERPRISE FUNDS
FOOD SERVICE, CRANFORD SCHOOL DISTRICT ACADEMY (CSDA)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	FOOD SERVICE - ENTERPRISE FUND	CSDA - ENTERPRISE FUND	TOTALS
Operating Revenues:			
Charges for Daily Services:			
Daily Sales - Reimbursable Programs:			
School Lunch Program	$ 354,973.40	$	$ 354,973.40
Daily Sales - Non-reimbursable Programs	323,005.78		323,005.78
Total Operating Revenues	677,979.18		677,979.18
Operating Expenses:			
Purchased Property Services	17,978.49		17,978.49
Other Purchased Services	804,878.83		804,878.83
Salaries		42,853.15	42,853.15
Employee Benefits		3,278.26	3,278.26
Depreciation	20,247.50		20,247.50
General Supplies	2,387.52	639.39	3,026.91
Total Operating Expenses	845,492.34	46,770.80	892,263.14
Operating Income (Loss)	(167,513.16)	(46,770.80)	(214,283.96)
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	8,016.08		8,016.08
Federal Sources:			
National School Lunch Program	82,987.28		82,987.28
Food Distribution Program	35,499.23		35,499.23
Program Donations		43,064.00	43,064.00
Interest Revenue	522.18	263.35	785.53
Total Non-Operating Revenues	$ 127,024.77	$ 43,327.35	$ 170,352.12
Net Income (Loss) Before Operating Transfers	(40,488.39)	(3,443.45)	(43,931.84)
Change in Net Assets	(40,488.39)	(3,443.45)	(43,931.84)
Total Net Assets Beginning	208,036.58	44,598.51	252,635.09
Total Net Assets Ending	$ 167,548.19	$ 41,155.06	$ 208,703.25

CRANFORD SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOOD SERVICE, CRANFORD SCHOOL DISTRICT ACADEMY (CSDA)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	FOOD SERVICE - ENTERPRISE FUND	CSDA - ENTERPRISE FUND	Total Enterprise Fund
Cash Flows from Operating Activities:			
Cash Received from Customers	$ 677,979.18	$	$ 677,979.18
Payments to Employees		(42,853.15)	(42,853.15)
Payments for Employees Benefits		(3,278.26)	(3,278.26)
Cash Payments to Suppliers for Goods and Services	(784,329.55)	(639.39)	(784,968.94)
Net Cash Provided by Operating Activities	(106,350.37)	(46,770.80)	(153,121.17)
Cash Flows from Non-Capital Financing Activities:			
Cash Received from State and Federal Sources	76,361.50		76,361.50
Program Donations		43,064.00	43,064.00
Net Cash Provided by Non-Capital Financing Activities	76,361.50	43,064.00	119,425.50
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Capital Assets	(6,380.00)		(6,380.00)
Net Cash used for Capital and Related Financing Activities	(6,380.00)		(6,380.00)
Cash Flows from Investing Activities:			
Interest on Deposits	522.18	263.35	785.53
Net Cash Provided by Investing Activities	522.18	263.35	785.53
Net Increase (Decrease) in Cash and Cash Equivalents	(35,846.69)	(3,443.45)	(39,290.14)
Cash and Cash Equivalents at Beginning of Year	87,412.31	44,598.51	132,010.82
Cash and Cash Equivalents at End of Year	$ 51,565.62	$ 41,155.06	$ 92,720.68

CRANFORD SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	$	(167,513.16)	$ (46,770.80)	$ (214,283.96)
Adjustments to Reconcile Operating Income to Net cash Provided by Operating Income:				
Depreciation Expense		20,247.50		20,247.50
Food distribution program		35,499.23		35,499.23
Changes in Assets and Liabilities				
(Increase) Decrease in Accounts Receivable		2,200.00		
(Increase) Decrease in Inventory		1,898.34		1,898.34
Increase (Decrease) in Accounts Payable		91.31		91.31
Increase (Decrease) in Deferred Revenue		1,226.41		1,226.41
Net Cash Provided (Used) by Operating Activities	$	(106,350.37)	$ (46,770.80)	$ (155,321.17)

INTERNAL SERVICE FUND

FIDUCIARY FUNDS

SECTION - H

CRANFORD SCHOOL DISTRICT
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
FOR THE YEAR ENDED JUNE 30, 2009

	TRUST FUND	AGENCY FUND	
	UNEMPLOYMENT COMPENSATION TRUST	STUDENT ACTIVITY	PAYROLL
ASSETS			
Cash and Cash Equivalents	$ 361,788.05	$ 207,732.79	$ 576,422.73
Total Assets	$ 361,788.05	$ 207,732.79	$ 576,422.73
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ 8,510.67	$	$
Payroll Deductions and Withholdings			3,126.01
Accrued Salaries and Wages			573,296.72
Due to Student Groups		207,732.79	
Total Liabilities	8,510.67	207,732.79	576,422.73
Net Assets:			
Held in Trust for Unemployment Claims and Other Purposes	353,277.38		
Total Fund Balances	353,277.38		
Total Liabilities and Fund Balances	$ 361,788.05	$ 207,732.79	$ 576,422.73

CRANFORD SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	UNEMPLOYMENT COMPENSATION TRUST
ADDITIONS	
Contributions:	
Plan Member	$ 56,201.35
Total Contributions	56,201.35
Investment Earnings:	
Interest	1,858.57
Total investment earnings	1,858.57
Total Additions	58,059.92
DEDUCTIONS	
Quarterly Contributions Reports	117,106.19
Total Deductions	117,106.19
Change in Net Assets	(59,046.27)
Net Assets - beginning of the year	412,323.65
Net Assets - end of the year	$ 353,277.38

CRANFORD SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
STUDENT ACTIVITY AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	BALANCE JUNE 30, 2008	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2009
ELEMENTARY SCHOOLS				
Orange Avenue	$ 51,855.93	$ 201,731.78	$ 215,492.86	$ 38,094.85
Hillside Avenue	73,801.29	176,303.35	182,726.81	67,377.83
Bloomingdale Avenue	250.10	2,411.92	2,581.50	80.52
Livingston Avenue	260.82	5,943.04	6,009.37	194.49
Total Elementary Schools	$ 126,168.14	$ 386,390.09	$ 406,810.54	$ 105,747.69
SENIOR HIGH SCHOOLS				
Activities	$ 99,436.62	$ 346,579.16	$ 347,280.32	$ 98,735.46
Alternative Program	2,575.15	5,667.66	4,993.17	3,249.64
Total Senior High Schools	$ 102,011.77	$ 352,246.82	$ 352,273.49	$ 101,985.10
Total All Schools	$ 228,179.91	$ 738,636.91	$ 759,084.03	$ 207,732.79

CRANFORD SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
PAYROLL AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	BALANCE JUNE 30, 2008	RECEIPTS	DISBURSEMENTS	BALANCE JUNE 30, 2009
ASSETS				
Cash and Cash Equivalents	$ 600,670.99	$ 39,164,856.67	$ 39,189,104.93	$ 576,422.73
Total Assets	$ 600,670.99	$ 39,164,856.67	$ 39,189,104.93	$ 576,422.73
LIABILITIES				
Payroll Deductions and Withholdings	$	$ 15,919,604.12	$ 15,916,478.11	$ 3,126.01
Net Payroll		22,174,652.98	22,174,652.98	
Interfunds Payable		496,942.83	496,942.83	
Accrued Salaries and Wages	600,670.99	573,656.74	601,031.01	573,296.72
Total Liabilities	$ 600,670.99	$ 39,164,856.67	$ 39,189,104.93	$ 576,422.73

LONG TERM DEBT

SECTION - I

CRANFORD SCHOOL DISTRICT
SCHEDULE OF SERIAL BONDS
LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

ISSUE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	ANNUAL MATURITIES DATE	ANNUAL MATURITIES AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2008	DELETIONS	BALANCE JUNE 30, 2009
2002 School Bonds	9/15/02	$ 4,172,000.00	9/15/03	$ 195,000.00	3.000%	$ 3,102,000.00	$ 250,000.00	$ 2,852,000.00
			2004	205,000.00	3.250%			
			2005	215,000.00	3.250%			
			2006	225,000.00	3.250%			
			2007	230,000.00	3.250%			
			2008	250,000.00	3.300%			
			2009	260,000.00	3.375%			
			2010	270,000.00	3.375%			
			2011	285,000.00	3.375%			
			2012	300,000.00	3.400%			
			2013	315,000.00	3.600%			
			2014	330,000.00	3.700%			
			2015	345,000.00	3.800%			
			2016	365,000.00	4.000%			
			2017	382,000.00	4.000%			
Totals						$ 3,102,000.00	$ 250,000.00	$ 2,852,000.00

Exhibit - I-2

CRANFORD SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
LONG-TERM DEBT
JUNE 30, 2009

SERIES	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2008	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2009
Equipment - Copiers (District Wide)	Various	$ Various	$ 590,054.83	$ 44,523.00	$ 190,029.03	$ 444,548.80 *
Equipment - Playground (District Wide)	3.55%	220,423.00		220,423.00		220,423.00
Equipment - School Bus	4.29%	78,938.00		78,938.00		78,938.00
			$ 590,054.83	$ 343,884.00	$ 190,029.03	$ 743,909.80

* Includes principal and interest requirements on monthly lease payments.

Exhibit 1-3

CRANFORD SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL (GAAP BASIS)	VARIANCE POSITIVE (NEGATIVE) FINAL TO ACTUAL
REVENUES					
Local Sources:					
Local Tax Levy	$ 358,370.00	$	$ 358,370.00	$ 358,370.00	$
Total Revenues	358,370.00		358,370.00	358,370.00	
EXPENDITURES					
Regular Debt Service:					
Interest	108,371.00		108,371.00	108,370.26	0.74
Redemption of Principal	250,000.00		250,000.00	250,000.00	
Total Regular Debt Service	358,371.00		358,371.00	358,370.26	0.74
Total Expenditures	358,371.00		358,371.00	358,370.26	0.74
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1.00)		(1.00)	(0.26)	0.74
Other Financing Sources (Uses):					
Operating Transfers In:					
Unexpended Bond Proceeds from Capital Projects Fund				83,979.62	83,979.62
Total Other Financing Sources (Uses)				83,979.62	83,979.62
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1.00)		(1.00)	83,979.36	83,980.36
Fund Balance - July 1	1.45		1.45	1.45	
Fund Balance - June 30	$ 0.45	$	$ 0.45	$ 83,980.81	$ 83,980.36

Statistical Section (Unaudited)

SECTION - J

Cranford School District
Net Assets by Component,
Last Seven Fiscal Years
(accrual basis of accounting)

Exhibit J-1

	Fiscal Year Ending June 30,						
	2003	2004	2005	2006	2007	2008	2009
Governmental activities							
Invested in capital assets, net of related debt	$ 41,170,809.12	$ 44,337,108.95	$ 44,650,592.64	$ 44,915,563.96	$ 45,865,853.48	$ 46,230,056.70	$ 46,279,407.94
Restricted	2,341,644.30	290,392.28	1,163,007.45	1,288,268.79	1,139,530.74	250,887.28	118,113.92
Unrestricted	(143,250.81)	(816,112.35)	(1,696,960.57)	(1,831,859.60)	(2,645,548.70)	(2,169,547.26)	(2,187,542.57)
Total governmental activities net assets	$ 43,369,202.61	$ 43,811,388.88	$ 44,116,639.52	$ 44,371,973.15	$ 44,359,835.52	$ 44,311,396.72	$ 44,209,979.29
Business-type activities							
Invested in capital assets, net of related debt	$ 57,044.24	$ 76,288.28	$ 77,896.85	$ 94,372.27	$ 123,745.34	$ 107,742.84	$ 93,875.34
Unrestricted	119,845.26	133,553.78	167,931.99	171,656.45	142,740.87	144,892.25	114,827.91
Total business-type activities net assets	$ 176,889.50	$ 209,842.06	$ 245,828.84	$ 266,028.72	$ 266,486.21	$ 252,635.09	$ 208,703.25
District-wide							
Invested in capital assets, net of related debt	$ 41,227,853.36	$ 44,413,397.23	$ 44,728,489.49	$ 45,009,936.23	$ 45,989,598.82	$ 46,337,799.54	$ 46,279,407.94
Restricted	2,341,644.30	290,392.28	1,163,007.45	1,288,268.79	1,139,530.74	250,887.28	118,113.92
Unrestricted	(23,405.55)	(682,558.57)	(1,529,028.58)	(1,660,203.15)	(2,502,807.83)	(2,024,655.01)	(2,187,542.57)
Total district net assets	$ 43,546,092.11	$ 44,021,230.94	$ 44,362,468.36	$ 44,638,001.87	$ 44,626,321.73	$ 44,564,031.81	$ 44,209,979.29

Source: District records

Cranford School District
Changes in Net Assets
Last Seven Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,						
	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental activities							
Instruction							
Regular	$ 15,211,445.29	$ 14,733,569.82	$ 15,378,308.50	$ 15,638,668.08	$ 16,211,787.13	$ 16,705,921.51	$ 17,468,570.13
Special education	3,609,342.05	4,141,558.54	4,772,380.05	4,943,974.54	4,978,503.19	5,347,087.95	5,760,933.35
Other special instruction	186,744.16	200,882.84	254,312.57	288,742.98	272,560.41	281,685.76	300,568.16
Other instruction	886,284.65	1,008,517.72	1,040,043.85	1,185,683.31	1,160,771.80	1,249,700.26	1,325,040.37
Support Services:							
Tuition	1,359,424.02	1,457,784.88	1,631,787 47	1,674,340.37	1,780,051.70	1,942,964.86	2,036,291 07
Student & instruction related services	4,044,608.44	4,266,323.33	4,695,971.61	4,973,097.86	5,180,183.36	5,891,902.85	6,204,579.28
General administration	818,489.45	734,776.85	845,079.88	834,492.91	847,387.59	956,423.73	943,244.21
School administrative services	2,328,968.54	2,399,906.72	2,370,562.98	2,445,501.49	2,432,218.53	2,478,507.95	2,661,708.55
Business and other support services	780,111.38	708,949.04					
Central Services			679,831.05	683,984.34	684,563.56	740,930.46	730,532.78
Administrative information technology			111,819.51	123,376.08	174,018.70	172,873.66	183,439.28
Plant operations and maintenance	3,573,094.53	3,916,558.07	4,178,554.81	4,651,880.87	5,114,232.58	4,740,620.28	4,645,676.06
Pupil transportation	1,194,524.68	1,076,755.36	1,212,816.90	1,286,032.61	1,334,084.20	1,436,527.35	1,437,594.93
Unallocated benefits	7,207,963.13	8,507,733.37	9,240,459.67	10,289,284.45	12,467,820.25	12,920,494.75	10,799,639.09
Special schools	81,774.95	117,104.12	133,913.75	104,700.56	95,065.74	103,114.36	111,575.20
Interest on long-term debt	30,633.85	203,778.74	135,659.28	128,739.49	121,494.70	114,053.55	105,964.01
Unallocated depreciation and amortization	2,498.10	44,431.25	64,390.30	64,574.82	64,574.82	55,741.09	82,080.76
Total governmental activities expenses	41,315,907.22	43,518,630.65	46,745,892.18	49,317,074.76	52,919,318.26	55,138,550.37	54,797,437.23
Business-type activities:							
Food service	603,244.71	672,912.98	742,576.16	787,188.24	795,809.37	817,604.61	845,492.34
Cranford School District Academy (CSDA)				24,344.42	41,754.14	45,837.76	46,770.80
Total business-type activities expense	603,244.71	672,912.98	742,576.16	811,532.66	837,563.51	863,442.37	892,263.14
Total district expenses	$ 41,919,151.93	$ 44,191,543.63	$ 47,488,468.34	$ 50,128,607.42	$ 53,756,881.77	$ 56,001,992.74	$ 55,689,700.37

Cranford School District
Changes in Net Assets
Last Seven Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,						
	2003	2004	2005	2006	2007	2008	2009
Program Revenues							
Governmental activities:							
Operating grants and contributions	$ 2,638,165.65	$ 3,139,988.57	$ 3,343,903.89	$ 3,883,845.42	$ 5,464,747.61	$ 5,658,416.83	$ 3,626,570.25
Total governmental activities program revenues	2,638,165.65	3,139,988.57	3,343,903.89	3,883,845.42	5,464,747.61	5,658,416.83	3,626,570.25
Business-type activities:							
Charges for services							
Food service	550,308.79	618,280.91	669,604.29	681,731.17	655,059.04	663,783.91	677,979.18
Cranford School District Academy (CSDA)				10,416.55			
Operating grants and contributions	76,799.82	87,290.84	106,539.38	133,946.73	176,286.37	181,716.34	169,566.59
Total business type activities program revenues	627,108.61	705,571.75	776,143.67	826,094.45	831,345.41	845,500.25	847,545.77
Total district program revenues	$ 3,265,274.26	$ 3,845,560.32	$ 4,120,047.56	$ 4,709,939.87	$ 6,296,093.02	$ 6,503,917.08	$ 4,474,116.02
Net (Expense)/Revenue							
Governmental activities	$ (38,677,741.57)	$ (40,378,642.08)	$ (43,401,988.29)	$ (45,433,229.34)	$ (47,454,570.65)	$ (49,480,133.54)	$ (51,170,866.98)
Business-type activities	23,863.90	32,658.77	33,567.51	14,561.79	(6,218.10)	(17,942.12)	(44,717.37)
Total district-wide net expense	$ (38,653,877.67)	$ (40,345,983.31)	$ (43,368,420.78)	$ (45,418,667.55)	$ (47,460,788.75)	$ (49,498,075.66)	$ (51,215,584.35)
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Property taxes levied for general purposes, net	$ 32,406,561.00	$ 33,737,025.00	$ 35,926,588.00	$ 37,830,007.00	$ 39,872,851.00	$ 41,578,467.00	$ 42,965,510.00
Taxes levied for debt service		382,251.00	338,771.00	341,836.00	348,627.00	346,233.00	358,370.00
Federal and State aid not restricted	1,153,367.60	2,747,950.00	3,085,456.00	2,968,260.80	2,949,692.00	3,023,375.64	3,447,503.20
Federal and State aid restricted	3,492,936.67	1,870,598.46	1,257,570.38	1,169,503.84	1,166,947.16	1,338,669.84	1,219,813.82
Tuition Received	1,620,189.71	1,844,763.05	2,774,037.93	2,963,267.65	2,690,009.28	2,840,046.70	2,865,802.59
Investment earnings	60,900.41	15,322.43	57,037.64	168,505.73	219,116.37	120,993.36	31,818.76
Miscellaneous income	161,548.87	222,919.41	267,777.98	247,181.95	195,190.21	183,909.20	180,631.18
Transfers	(7,522.00)						
Total governmental activities	38,887,982.26	40,820,829.35	43,707,238.93	45,688,562.97	47,442,433.02	49,431,694.74	51,069,449.55
Business-type activities:							
Investment earnings	28.37	293.79	2,419.22	5,638.14	6,675.59	4,091.00	785.53
Total business-type activities	28.37	293.79	2,419.22	5,638.14	6,675.59	4,091.00	785.53
Total district-wide	$ 38,888,010.63	$ 40,821,123.14	$ 43,709,658.15	$ 45,694,201.11	$ 47,449,108.61	$ 49,435,785.74	$ 51,070,235.08

Cranford School District
Changes in Net Assets
Last Seven Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,						
	2003	2004	2005	2006	2007	2008	2009
Change in Net Assets							
Governmental activities	$ 210,240.69	$ 442,187.27	$ 305,250.64	$ 255,333.63	$ (12,137.63)	$ (48,438.80)	$ (101,417.43)
Business-type activities	23,892.27	32,952.56	35,986.73	20,199.93	457.49	(13,851.12)	(43,931.84)
Total district	$ 234,132.96	$ 475,139.83	$ 341,237.37	$ 275,533.56	$ (11,680.14)	$ (62,289.92)	$ (145,349.27)

Source: District records

Notes

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.
Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

Cranford School District
Fund Balances, Governmental Funds,
Last Seven Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	Fiscal Year Ending June 30,						
	2003	2004	2005	2006	2007	2008	2009
General Fund							
Reserved	$ 360,637.84	$ 223,870.90	$ 1,080,463.69	$ 1,397,540.29	$ 1,040,497.65	$ 536,853.95	$ 488,060.85
Unreserved	1,144,175.54	892,571.88	874,224.01	755,187.70	294,471.70	312,165.85	612,226.98
Total general fund	$ 1,504,813.38	$ 1,116,442.78	$ 1,954,687.70	$ 2,152,727.99	$ 1,334,969.35	$ 849,019.80	$ 1,100,287.83
All Other Governmental Funds							
Reserved	$ 2,333,327.14	$ 286,449.54	$ 41,434.37	$ 37,493.37	$ 12,501.00	$ 12,501.00	$ 91,480.00
Unreserved, reported in:							
Special Revenue Fund	(7,297.00)						
Capital Projects Fund			74,162.88	71,882.88	86,532.88	86,532.88	7,553.26
Debt Service Fund	3,832.10	3,942.74	1.23	0.72	0.21	0.45	0.81
Total all other governmental funds	$ 2,329,862.24	$ 290,392.28	$ 115,598.48	$ 109,376.97	$ 99,034.09	$ 99,034.33	$ 99,034.07

Source: District records

Cranford School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-4

	Fiscal Year Ending June 30,									
	2000	2001	2002	2003	2004	2005	2006	2007	20008	2009
Revenues										
Tax levy	$ 28,741,554.00	$ 29,820,803.00	$ 31,045,888.00	$ 32,406,561.00	$ 34,119,276.00	$ 36,265,359.00	$ 38,171,843.00	$ 40,221,478.00	$ 41,924,700.00	$ 43,323,880.00
Tuition charges	1,204,925.14	1,239,804.68	1,669,754.08	1,620,189.71	1,844,763.05	2,774,037.93	2,963,267.65	2,690,009.28	2,840,046.70	2,865,802.59
Miscellaneous	330,891.29	440,037.36	322,784.70	177,107.47	151,357.32	324,815.62	415,687.68	414,306.58	304,902.56	212,449.94
Local sources	55,983.13	13,672.66	35,113.08	45,341.81	86,884.52	72,450.65	51,343.43	57,044.17	165,399.66	67,214.21
State sources	4,197,574.99	4,636,672.72	4,094,460.19	6,345,936.00	6,987,613.09	6,742,430.36	7,064,744.22	8,614,105.94	8,879,057.64	8,093,693.82
Federal sources	552,677.90	796,323.52	1,047,621.49	938,533.92	770,923.94	872,049.26	905,522.41	910,236.66	976,005.01	153,482.24
Total revenue	35,083,606.45	36,947,313.94	38,215,621.54	41,533,669.91	43,960,817.92	47,051,142.82	49,572,408.39	52,907,180.63	55,090,111.57	54,716,522.80
Expenditures										
Instruction										
Regular Instruction	13,470,814.72	13,842,386.14	14,505,810.18	14,905,649.08	14,749,845.33	15,127,941.85	15,722,247.49	16,289,966.00	16,646,150.53	17,316,995.34
Special education instruction	2,885,923.40	2,987,488.94	3,336,110.93	3,607,866.88	4,123,731.96	4,711,631.15	4,935,848.92	4,921,804.61	5,334,749.37	5,722,873.57
Other special instruction	166,171.77	128,400.23	192,020.83	188,314.16	200,882.84	254,312.57	288,742.98	272,560.41	281,685.76	300,568.16
Other instruction	754,023.69	808,879.77	843,906.43	885,478.50	1,013,372.52	1,041,161.82	1,181,427.12	1,157,276.10	1,238,535.94	1,281,392.53
Support Services:										
Tuition	1,232,486.23	1,342,982.75	1,350,210.85	1,359,424.02	1,457,784.88	1,631,787.47	1,674,340.37	1,780,051.70	1,942,964.86	2,036,291.07
Student & inst. related services	3,424,461.42	3,554,844.42	3,961,435.18	4,022,279.00	4,266,323.33	4,597,225.61	4,948,381.86	5,177,480.36	5,873,992.85	6,117,534.28
General administration	660,938.29	883,532.25	865,671.96	810,387.22	724,465.85	833,233.88	833,515.91	844,828.91	948,414.73	960,686.21
School administrative services	1,687,413.97	2,019,593.17	2,144,608.05	2,255,663.74	2,348,623.76	2,319,722.78	2,375,080.54	2,442,421.25	2,507,593.37	2,612,116.26
Central services						654,890.39	638,459.56	664,972.07	708,028.14	704,608.87
Admin. information technology						111,819.51	123,376.08	174,018.70	172,873.66	183,439.28
Business & other support services	534,107.67	554,728.89	730,806.40	777,979.84	698,629.35	3,191.78				
Plant operations and maintenance	3,063,945.55	3,262,759.26	3,419,493.09	3,512,597.61	3,806,837.44	3,814,108.82	4,587,214.85	5,347,898.81	4,715,173.32	4,425,674.18
Pupil transportation	786,513.01	1,033,492.06	1,038,695.19	1,191,120.83	1,076,357.22	1,209,677.90	1,278,176.61	1,329,485.20	1,436,399.35	1,437,016.93
Employee benefits	4,892,115.94	5,542,143.85	5,369,296.57	7,340,306.16	8,507,733.37	9,240,459.67	10,289,284.45	12,467,820.25	12,920,494.75	10,799,639.09
Special Schools	63,410.77	65,352.85	86,151.18	81,774.95	117,104.12	133,913.75	104,700.56	95,065.74	103,114.36	111,575.20
Capital outlay	1,077,449.63	1,150,128.09	501,118.90	3,021,337.96	3,058,954.74	942,262.20	239,801.40	776,664.73	556,756.53	419,854.80
Debt service:										
Principal	334,000.00	340,000.00	294,000.00		195,000.00	205,000.00	215,000.00	225,000.00	230,000.00	250,000.00
Interest and other charges	21,836.00	14,580.00			214,250.57	137,602.51	130,777.51	123,627.51	116,233.76	108,370.26
Total expenditures	35,055,612.06	37,531,292.67	38,639,335.74	43,960,179.95	46,559,897.28	46,969,943.66	49,566,376.21	54,090,942.35	55,733,161.28	54,788,636.03
Excess (Deficiency) of revenues over (under) expenditures	27,994.39	(583,978.73)	(423,714.20)	(2,426,510.04)	(2,599,079.36)	81,199.16	6,032.18	(1,183,761.72)	(643,049.71)	(72,113.23)
Other Financing sources (uses)										
Proceeds from bond sale				4,172,000.00						
Capital leases (non-budgeted)	234,356.40	143,603.40	253,026.27		171,238.80	582,253.96	185,784.60	355,660.20	157,100.40	343,884.00
Transfers out		(14,807.00)	(15,343.00)	(7,522.00)						
Total other financing sources (uses)	234,356.40	128,796.40	237,683.27	4,164,478.00	171,238.80	582,253.96	185,784.60	355,660.20	157,100.40	343,884.00
Net change in fund balances	$ 262,350.79	$ (455,182.33)	$ (186,030.93)	$ 1,737,967.96	$ (2,427,840.56)	$ 663,453.12	$ 191,816.78	$ (828,101.52)	$ (485,949.31)	$ 271,770.77
Debt service as a percentage of noncapital expenditures	1.05%	0.97%	0.77%	0.00%	0.94%	0.74%	0.70%	0.65%	0.63%	0.66%

Source: District records

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

Exhibit J-5

Cranford School District
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited
(modified accrual basis of accounting)

Fiscal Year Ending June 30,	Tuition	Interest on Investments	Admissions	Rentals	Misc.	Annual Totals
2000	$1,204,925.14	$221,627.25	$6,719.50	$16,912.75	$85,631.79	$1,535,816.43
2001	1,239,804.68	235,054.21	6,941.87	24,429.10	173,612.18	1,679,842.04
2002	1,669,754.08	91,219.97	8,037.00	20,961.41	202,566.32	1,992,538.78
2003	1,620,189.71	27,068.81	15,001.00	10,847.25	90,358.81	1,763,465.58
2004	1,844,763.05	14,380.22	21,716.00	24,256.50	90,062.34	1,995,178.11
2005	2,774,037.93	57,037.64	14,253.00	55,966.00	197,558.98	3,098,853.55
2006	2,963,267.65	168,505.73	19,588.00	30,980.55	196,613.40	3,378,955.33
2007	2,690,009.28	219,116.37	17,918.00	27,856.45	149,415.76	3,104,315.86
2008	2,840,046.70	120,993.36	14,806.00	34,608.10	134,494.10	3,144,948.26
2009	2,865,802.59	31,818.76	15,914.00	33,339.00	131,378.18	3,078,252.53

Source: District records

Exhibit J-6

Cranford School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Business Personal Property [a]	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate [b]
2000	$ 7,734,500	$ 1,308,160,300	$ 105,200	$ 263,283,700	$ 49,913,100	$ 7,147,000	$ 1,636,343,800	$ 8,199,286	$ 1,644,543,086	$ 2,124,569,982	1.779
2001	8,224,900	1,314,611,700	105,200	270,717,000	48,666,200	7,147,000	1,649,472,000	7,621,175	1,657,093,175	2,320,585,256	1.835
2002	8,046,200	1,319,662,300	105,200	271,706,300	49,145,200	6,742,800	1,655,408,000	5,670,996	1,661,078,996	2,607,763,075	1.901
2003	7,816,900	1,324,813,700	105,200	272,609,500	49,108,800	6,742,800	1,661,196,900	4,788,138	1,665,985,038	2,921,042,553	2.009
2004	7,084,100	1,328,255,400	105,200	274,221,100	50,938,500	6,742,800	1,667,347,100	699,063	1,668,046,163	3,247,656,993	2.105
2005	6,819,500	1,333,744,900	105,200	273,396,600	50,021,300	6,510,400	1,670,597,900	3,456,331	1,674,054,231	3,609,762,100	2.224
2006	7,235,900	1,342,358,100	105,200	252,391,800	49,891,300	6,510,400	1,658,492,700	3,062,178	1,661,554,878	3,998,294,841	2.359
2007	10,160,700	1,345,807,100	105,200	233,950,900	48,125,100	6,501,800	1,644,650,800	2,412,869	1,647,063,669	4,191,260,958	2.494
2008	10,286,500	1,349,760,700	105,200	235,664,800	47,977,400	6,151,800	1,649,946,400	2,724,644	1,652,671,044	4,301,590,432	2.579
2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.657

Source: Municipal Tax Assessor

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

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

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

b Tax rates are per $100

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

Exhibit J-7

Cranford School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
Unaudited
(rate per $100 of assessed value)

	Cranford School District Direct Rate			Overlapping Rates		
Calendar Year	Basic Rate [a]	General Obligation Debt Service [b]	(From J-6) Total Direct School Tax Rate	Township of Cranford	Union County	Total Direct and Overlapping Tax Rate
2000	1.758	0.021	1.779	0.716	0.549	3.044
2001	1.818	0.017	1.835	0.748	0.592	3.175
2002	1.901	0.000	1.901	0.775	0.649	3.325
2003	1.986	0.023	2.009	0.808	0.713	3.530
2004	2.084	0.021	2.105	0.856	0.761	3.722
2005	2.203	0.021	2.224	0.926	0.793	3.943
2006	2.338	0.021	2.359	1.009	0.801	4.169
2007	2.473	0.021	2.494	1.121	0.843	4.458
2008	2.558	0.021	2.579	1.216	0.875	4.670
2009	2.636	0.021	2.657	1.270	0.918	4.845

Source: Municipal Tax Collector

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

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.
b Rates for debt service are based on each year's requirements.

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

Cranford School District
Principal Property Taxpayers,
Current Year and Nine Years Ago

Exhibit J-8

Taxpayer	2009 Taxable Assessed Value	2009 Rank [Optional]	2009 % of Total District Net Assessed Value	2000 Taxable Assessed Value	2000 Rank [Optional]	2000 % of Total District Net Assessed Value
H-Cranford Credit Ltd. Partnership	$ 16,287,600	1	0.99%	$		
20 Commerce Drive Assoc.	12,421,300	2	0.75%	18,800,000	2	1.14%
Cranford Crossing	11,171,000	3	0.68%			
Cranford Development (Atria)	9,747,800	4	0.59%			
H-Cranford Conduit Ltd. Partnership	8,263,800	5	0.50%			
LB 745 LLC	7,393,100	6	0.45%			
Ashley Business Park LLC	6,595,300	7	0.40%			
Bell Atlantic - New Jersey Inc.	6,000,000	8	0.36%	16,870,486	4	1.03%
Excel-Care, Inc.	5,700,000	9	0.35%	9,122,800	6	0.55%
11 Commerce Drive Assoc.	5,700,000	10	0.35%	7,900,000	7	0.48%
Mack-Cali Bldg. V Assoc.				7,100,000	8	0.43%
Hartz Mountain Industries (Total of seven condos)				35,794,000	1	2.18%
AVR Realty				18,732,600	3	1.14%
Health Care REIT Inc.				15,900,000	5	0.97%
Central Cranford Associates				5,570,000	9	0.34%
Jarod Realty				5,500,000	10	0.33%
Total	$ 89,279,900		5.42%	$ 141,289,886		8.59%

Source: Municipal Tax Assessor

Exhibit J-9

Cranford School District
Property Tax Levies and Collections,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy[a]		Collections in Subsequent Years
		Amount	Percentage of Levy	
2000	$28,741,554.00	$28,741,554.00	100.00%	-
2001	29,820,803.00	29,820,803.00	100.00%	-
2002	31,045,888.00	31,045,888.00	100.00%	-
2003	32,406,561.00	32,406,561.00	100.00%	-
2004	34,119,276.00	34,119,276.00	100.00%	-
2005	36,265,359.00	36,265,359.00	100.00%	-
2006	38,171,843.00	38,171,843.00	100.00%	-
2007	40,221,478.00	40,221,478.00	100.00%	-
2008	41,924,700.00	41,924,700.00	100.00%	-
2009	43,323,880.00	43,323,880.00	100.00%	-

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

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

Exhibit J-10

Cranford School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

	Governmental Activities					
Fiscal Year Ended June 30,	General Obligation Bonds	Township of Cranford Loans Payable	Capital Leases	Total District	Percentage of Personal Income [a]	Per Capita [a]
2000	$	$634,000.00	$328,427.30	$962,427.30	4.12%	$1,634.57
2001		294,000.00	430,144.27	724,144.27	5.51%	2,194.84
2002		-	490,066.36	490,066.36	8.21%	3,306.95
2003	4,172,000.00	-	344,400.25	4,516,400.25	0.91%	371.55
2004	3,977,000.00	-	355,543.99	4,332,543.99	0.98%	417.26
2005	3,772,000.00	-	689,527.13	4,461,527.13	0.99%	435.16
2006	3,557,000.00	-	676,406.90	4,233,406.90	1.13%	540.87
2007	3,332,000.00	-	680,385.63	4,012,385.63	1.27%	643.09
2008	3,102,000.00	-	590,054.83	3,692,054.83	1.46%	787.58
2009	2,852,000.00	-	743,909.80	3,595,909.80	N/A	N/A

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

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

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

Exhibit J-11

Cranford School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

	General Bonded Debt Outstanding				
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2000	$	$	$	0.00%	0.00
2001				0.00%	0.00
2002				0.00%	0.00
2003	4,172,000.00		4,172,000	0.25%	102.58
2004	3,977,000.00		3,977,000	0.24%	101.37
2005	3,772,000.00		3,772,000	0.23%	99.28
2006	3,557,000.00		3,557,000	0.21%	102.44
2007	3,332,000.00		3,332,000	0.20%	102.76
2008	3,102,000.00		3,102,000	0.19%	101.21
2009	2,852,000.00		2,852,000	N/A	N/A

Notes: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
a See Exhibit NJ J-6 for property tax data.
b Population data can be found in Exhibit NJ J-14.

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

Exhibit J-12

Cranford School District
Direct and Overlapping Governmental Activities Debt
As of June 30, 2009
Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [a]	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Township of Cranford	$37,668,709.00	100.00%	$37,668,709.00
County of Union	467,775,358.41	5.51%	$25,775,226.00
Subtotal, overlapping debt			63,443,935.00
Cranford School District Direct Debt			2,852,000.00
Total direct and overlapping debt			$66,295,935.00

Sources: Assessed value data used to estimate applicable percentages provided by the Union County Board of Taxation.
Debt outstanding data provided by each governmental unit.

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

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

Exhibit J-13

Cranford School District
Legal Debt Margin Information,
Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2009:

Equalized valuation basis		
2008		$4,294,498,699.00
2007		4,191,260,958.00
2006		3,998,294,841.00
	[A]	$12,484,054,498.00
Average equalized valuation of taxable property	[A/3]	$4,161,351,499.33
Debt limit (4% of average equalized value)	[B]	166,454,059.97 a
Total Debt Applicable to Limit	[C]	2,852,000.00
Legal Debt Margin	[B-C]	$163,602,059.97

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	$75,637,575.91	$79,551,429.55	$85,670,985.55	$94,038,910.84	$104,658,545.12	$117,019,501.61	$130,379,488.61	$144,742,852.45	$157,324,238.62	$166,454,059.97
Total net debt applicable to limit	0.00	0.00	0.00	4,172,000.00	3,977,000.00	3,772,000.00	3,557,000.00	3,332,000.00	3,102,000.00	2,852,000.00
Legal debt margin	$75,637,575.91	$79,551,429.55	$85,670,985.55	$89,866,910.84	$100,681,545.12	$113,247,501.61	$126,822,488.61	$141,410,852.45	$154,222,238.62	$163,602,059.97
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	4.44%	3.80%	3.22%	2.73%	2.30%	1.97%	1.71%

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

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

Exhibit J-14

Cranford School District
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population [a]	Personal Income [b]	Per Capita Personal Income [c]	Unemployment Rate [d]
2000	22,582	$895,669,866	$39,663	1.60%
2001	22,603	$901,113,801	$39,867	1.90%
2002	22,594	$909,566,658	$40,257	4.80%
2003	22,485	$921,075,540	$40,964	2.70%
2004	22,308	$948,491,544	$42,518	2.10%
2005	22,136	$975,356,432	$44,062	2.50%
2006	22,001	$1,052,769,851	$47,851	2.60%
2007	21,879	$1,111,387,563	$50,797	2.40%
2008	21,895	$1,180,674,164	$53,924	3.10%
2009	N/A	N/A	N/A	N/A

Source: [a] Population information provided by the US Bureau of the Census, Population Division - Estimates.
b Personal income has been estimated based upon the municipal population and per capita personal income presented.
[c] Per capita personal income represents County of Union provided by NJ Department of Labor and Workforce Development through 2007 and estimated for 2008. by the US Bureau of Economic Analysis.
[d] Unemployment data provided by the NJ Department of Labor and Workforce Development.

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

Cranford School District
Principal Employers,
Current Year and Nine Years Ago
Unaudited

	2009			2000		
Employer	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
Union County College	1,150	1	9.42%	750	1	N/A
Cranford Public School District	580	2	4.75%	475	2	N/A
Care Alternatives	400	3	3.28%	375	3	
Township of Cranford	350	4	2.87%	325	4	N/A
E.I.I. Electrical Installations	300	5	2.46%	275	5	N/A
All-State Legal	200	6	1.64%	N/A	N/A	N/A
Cranford Health & Extended Care Ctr.	200	7	1.64%	N/A	N/A	N/A
Registrar & Transfer Company	200	8	1.64%	N/A	N/A	N/A
Damon G. Douglass Co.	100	9	0.82%	N/A	N/A	N/A
Madan Plastics	100	10	0.82%	N/A	N/A	N/A
Moore Stephens, P.C.	100	11	0.82%	N/A	N/A	N/A
Paragon Computer Professionals	100	12	0.82%	N/A	N/A	N/A
Weeks Marine, Inc.	100	13	0.82%	N/A	N/A	N/A
	3,880		31.78%	2,200		N/A

Number of employees are estimated.

Source: Union County Economic Development Corporation and other sources.

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

Exhibit J-16

Cranford School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years
Unaudited

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Instruction										
Regular	186	193	196	208	210	216	227	228	234	237
Special education	105	110	111	117	117	121	125	116	115	119
Other instruction	3	4	4	5	3	3	3	3	4	5
Support Services:										
Student & instruction related services	70	65	62	65	69	76	80	86	94	99
General administration	5	5	6	5	6	6	6	6	6	6
School administrative services	35	34	38	38	38	38	37	37	37	37
Business and other support services	7	7	9	11	10					
Central services						8	8	8	8	8
Administrative Information Technology						1	2	3	3	3
Plant operations and maintenance	63	66	66	65	65	65	65	65	65	65
Pupil transportation	1	1	1	1	1	1	1	1	1	1
Total	475	485	493	515	519	535	554	553	567	580

Source: District Personnel Records

Notes:

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.
Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

Exhibit J-17

Cranford School District
Operating Statistics,
Last Ten Fiscal Years
Unaudited

Fiscal Year	Enrollment	Operating Expenditures[a]	Cost Per Pupil	Percentage Change	Teaching Staff[b]	Pupil/Teacher Ratio: Elementary	Pupil/Teacher Ratio: Middle School	Pupil/Teacher Ratio: Senior High School	Average Daily Enrollment (ADE)[c]	Average Daily Attendance (ADA)[c]	% Change in Average Daily Enrollment	Student Attendance Percentage
2000	3,248.5	32,715,852.10	10,071.06	1.11%	260.00	18.0	13.0	9.0	3,248.5	3,093.8	0.98%	95.24%
2001	3,302.7	34,957,735.62	10,584.59	5.10%	266.00	13.9	12.6	9.1	3,302.7	3,146.2	1.67%	95.26%
2002	3,369.1	36,371,000.12	10,795.46	1.99%	266.00	13.3	13.1	9.2	3,369.1	3,204.6	2.01%	95.12%
2003	3,422.2	39,660,003.01	11,589.04	7.35%	277.00	14.7	11.6	9.2	3,422.2	3,276.7	1.58%	95.75%
2004	3,534.3	41,999,351.83	11,883.36	2.54%	279.00	12.4	10.2	8.2	3,534.3	3,384.3	3.28%	95.76%
2005	3,655.1	44,565,783.43	12,192.77	2.60%	280.00	13.3	11.5	9.3	3,655.1	3,496.3	3.42%	95.66%
2006	3,692.5	47,827,662.46	12,952.65	6.23%	288.00	13.7	11.4	10.1	3,692.5	3,539.0	1.02%	95.84%
2007	3,717.0	51,817,950.87	13,940.80	7.63%	291.00	13.6	11.2	10.7	3,717.0	3,574.0	0.66%	96.15%
2008	3,725.7	53,593,329.88	14,384.77	3.18%	294.00	13.5	10.4	9.8	3,725.7	3,570.9	0.23%	95.85%
2009	3,800.8	52,790,597.15	13,889.34	-3.44%	294.00	13.9	10.5	9.8	3,800.8	3,657.1	2.02%	96.22%

Sources: District records

Note: Enrollment based on Average Daily Enrollment.

a Operating expenditures equal total expenditures less debt service and capital outlay (includes "on-behalf" payments by State of New Jersey for T.P.A.F. pension and social security).
b Teaching staff includes only full-time equivalents of certificated staff.
c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Exhibit J-18

Cranford School District
School Building Information
Last Ten Fiscal Years
Unaudited

District Buildings	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Elementary										
Bloomingdale Avenue (1957)										
Square Feet	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Capacity (students)	225	225	225	225	225	225	225	225	225	225
Enrollment	224	218	227	243	254	257	248	247	244	246
Brookside Place School (1953)										
Square Feet	39,080	39,080	39,080	39,080	39,080	39,080	39,080	39,080	39,080	39,080
Capacity (students)	377	377	377	377	377	377	377	377	377	377
Enrollment	369	374	361	392	382	386	375	395	400	412
Livingston Avenue School (1957)										
Square Feet	29,915	29,915	29,915	29,915	29,915	29,915	29,915	29,915	29,915	29,915
Capacity (students)	274	274	274	274	274	274	274	274	274	274
Enrollment	227	212	233	222	225	228	227	214	224	224
Walnut Avenue School (1954)										
Square Feet	30,980	30,980	30,980	30,980	36,595	36,595	36,595	36,595	36,595	36,595
Capacity (students)	257	257	257	257	304	304	304	304	304	304
Enrollment	212	215	230	221	275	285	268	306	285	307
Middle Schools										
Hillside Avenue School (1960)										
Square Feet	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070
Capacity (students)	863	863	863	863	863	863	863	863	863	863
Enrollment	615	629	638	627	630	650	643	647	647	663
Orange Avenue School (1963)										
Square Feet	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070	99,070
Capacity (students)	859	859	859	859	859	859	859	859	859	859
Enrollment	635	665	681	691	683	694	735	739	750	764
High School										
Cranford Senior High School (1937)										
Square Feet	247,000	247,000	247,000	247,000	247,000	247,000	247,000	247,000	247,000	247,000
Capacity (students)	1,751	1,751	1,751	1,751	1,751	1,751	1,751	1,751	1,751	1,751
Enrollment	938	931	922	951	1,006	1,062	1,097	1,104	1,088	1,099
Other										
Lincoln School (1913)										
Square Feet	59,185	59,185	59,185	59,185	59,185	59,185	59,185	59,185	59,185	59,185
Capacity (students)	120	120	120	120	120	120	120	120	120	120
Enrollment	65	79	83	83	87	102	111	93	92	92

Number of Schools at June 30, 2009:
Elementary = 4
Middle School = 2
Senior High School = 1
Other = 1

Source: District records

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

Cranford School District
Schedule of Required Maintenance
Last Nine Fiscal Years
Unaudited

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

*School Facilities Project # (s)	Cranford Senior High School	Hillside Avenue School	Orange Avenue School	Bloomingdale Avenue School	Brookside Place School	Lincoln School	Livingston Avenue School	Walnut Avenue School	Total
2001	$ 214,535	$ 86,048	$ 86,048	$ 22,583	$ 33,943	$ 51,406	$ 25,983	$ 26,909	$ 547,455
2002	226,997	101,579	96,796	24,390	31,355	103,327	26,597	23,438	634,479
2003	164,506	50,000	88,011	37,621	50,634	68,922	23,447	25,843	508,984
2004	141,602	59,562	53,850	22,984	63,467	78,123	33,035	28,522	481,145
2005	166,519	52,368	81,033	22,074	35,974	53,214	25,418	39,765	476,365
2006	325,716	74,541	120,523	26,511	34,750	179,279	38,564	25,780	825,664
2007	350,566	137,504	96,513	26,289	22,111	95,659	776,847	27,125	1,532,614
2008	299,358	88,989	115,924	19,723	18,700	40,406	136,449	29,220	748,769
2009	238,647	95,265	59,596	33,432	32,053	30,476	37,467	40,000	566,936
Total School Facilities	$ 2,128,446	$ 745,856	$ 798,294	$ 235,607	$ 322,987	$ 700,812	$ 1,123,807	$ 266,602	$ 6,322,411

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

Source: District records

Cranford School District
Insurance Schedule
June 30, 2009
Unaudited

	Coverage	Deductible
Blanket Building & Contents including		
Personal Property of Others - Value (90% Coinsurance)	$92,804,015.00	$1,000.00
Program Blanket Limit	250,000,000.00	
Excess Liability Policy CAP	50,000,000.00	
Food Spoilage (within Blanket Limit)		
Electronic Data Processing (within Blanket Limit)		
Automobile and General Liability Each Occurrence*	10,000,000.00	
Employee Benefits Liability*	10,000,000.00	1,000.00
Automobile Liability*	10,000,000.00	
Uninsured Motorist Liability	15,000.00/30,000.00/5,000.00	
Boiler and Machinery (within Blanket Limit)		
Crime:		
Blanket Employee Dishonesty - Per Loss	400,000.00	1,000.00
Employee Dishonesty	50,000.00	1,000.00
Forgery and Alteration	50,000.00	1,000.00
Theft, Disappearance & Destruction	2,500,000.00	1,000.00
Workers Compensation:		
Limit per Accident	5,000,000.00	
Disease per Policy Limit	5,000,000.00	
Disease Each Employee Limit	5,000,000.00	
School Professional Legal Liability*	10,000,000.00	10,000.00
Public Officials Bond:		
Treasurer of School Monies	300,000.00	
Business Administrator/Board Secretary	25,000.00	

* $5,000,000.00 primary insurance plus $5,000,000.00 excess coverage.

Source: District Records

Single Audit Section

SECTION - K

HODULIK & MORRISON, P.A.
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AMERICAN INSTITUTE OF CPA'S
NEW JERSEY SOCIETY OF CPA'S
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

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
Township of Cranford School District
County of Union, New Jersey

We have audited the basic financial statements of the Board of Education of the Cranford School District, in the County of Union, New Jersey, as of and for the fiscal year ended June 30, 2009, and have issued our report thereon dated October 15, 2009. 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 Cranford 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 Cranford Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Cranford 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Cranford 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 Finance, Department of Education, State of New Jersey.

This report is intended solely for the information of the Cranford Board of Education, management, the New Jersey State Department of Education and 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.

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
Certified Public Accountants
Public School Accountants

Highland Park, New Jersey
October 15, 2009

HODULIK & MORRISON, P.A.
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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04

Honorable President and Members
of the Board of Education
Township of Cranford School District
County of Union, New Jersey

Compliance

We have audited the compliance of the Board of Education of the Cranford School District, in the County of Union, State of New Jersey, with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement*" and the *New Jersey State Aid/Grant Compliance Manual Supplement* that are applicable to each of its major federal and state programs for the year ended June 30, 2009. The Cranford Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirement of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Cranford Board of Education's management. Our responsibility is to express an opinion on the Cranford Board of Education's compliance based on our audit.

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

In our opinion, the Board of Education of the Cranford School District, in the County of Union, State of New Jersey, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the Board of Education of the Cranford School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Cranford Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program 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 the Cranford Board of Education's internal control over compliance.

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

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

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

This report is intended solely for the information and use of the Cranford Board of Education, management, the New Jersey State Department of Education and 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.

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
Certified Public Accountants
Public School Accountants

Highland Park, New Jersey
October 15, 2009

CRANFORD SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL C F D.A NO.	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30,2008	CARRYOVER/ (WALKOVER) AMOUNT	ADJUST - MENTS	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAY. PR. YRS. BALANCES	BALANCE AT JUNE 30, 2009 ACCOUNTS RECEIVABLE	DEFERRED REVENUE	DUE TO GRANTOR
U.S. Department of Agriculture												
Passed-through State Department of Education:												
Enterprise Fund:												
U.S D A Commodities Program	10 555	7/1/07-6/30/08	$ 35,951 64	$ 4,239 68	$	$	$	$ (4,239.68)	$	$	$	$
U.S.D.A. Commodities Program	10 555	7/1/08-6/30/09	36,725 64				36,725 64	(31,259 55)			5,466 09	
National School Lunch Program	10 555	7/1/07-6/30/08	72,854 73	(2,872 87)			2,872 87					
National School Lunch Program	10.555	7/1/08-6/30/09	82,987 28				66,695.13	(82,987 28)		(16,292 15)		
Total U.S. Department of Agriculture				1,366 81			106,293.64	(118,486.51)		(16,292 15)	5,466 09	
U S Department of Education												
Passed-through State Department of Education:												
Special Revenue Fund:												
I D E A Part B, Basic Regular	84 027	9/1/07-8/31/08	779,851 00	10,676 40	(10,676 40)							
I.D E A Part B, Basic Regular	84 027	9/1/08-8/31/09	794,475 00		10,676 40		610,840 00	(805,151 40)		(183,635 00)		
I D E.A. Part B, Preschool	84.173	9/1/07-8/31/08	29,305 00	6,576.00	(3,156 00)				(3,420.00)			
I D.E.A. Part B, Preschool	84 173	9/1/08-8/31/09	27,709 00		3,156 00		24,784 00	(25,284.00)			2,656 00	
NCLB - Title I, Part A	84 010	9/1/08-8/31/09	66,370 00				7,372.00	(7,654.56)		(282.56)		
NCLB - Title II, Part A	84 367A	9/1/07-8/31/08	78,740 00	11,294 11	(8,566.00)	(0 44)		(2,727.67)				
NCLB - Title II, Part A	84 367A	9/1/08-8/31/09	78,721 00		8,566 00		72,045 00	(83,791 75)		(3,180.75)		
NCLB - Title II, Part D	84 318X	9/1/08-8/31/09	542 00				536.00	(536.00)				
NCLB - Title IV	84.186A	9/1/07-8/31/08	7,889 00	1,063 70	(882 00)	0.39		(182.09)				
NCLB - Title IV	84 186A	9/1/08-8/31/09	6,685 00		882 00		4,300.00	(5,767.02)		(585 02)		
NCLB - Title V	84 298A	9/1/07-8/31/08	4,695 00	450 37	(391.00)	0 05		(59 42)				
NCLB - Title V	84 298A	9/1/08-8/31/09			391.00			(391 00)				
Learn & Serve America	94.004	9/1/02-8/31/03	25,000 00	(1,245.00)						(1,245 00)		
Learn & Serve America School Based	94 004	10/1/06-9/30/07	39,000.00	(8,598.11)			9,750 00	(1,005 60)			146 29	
Learn & Serve America School Based (2	94.004	10/1/07-9/30/08	39,000.00	(9,326 74)			19,500.00	(10,173 26)				
Learn & Serve America School Based (3	94 004	10/1/08-9/30/09	25,000.00				6,250.00	(25,000 00)		(18,750 00)		
Vocational Education:												
Secondary, Carl Perkins	84 048A	7/1/07-6/30/08	41,633 00	8,995 02		(0.02)			(8,995.00)			
Secondary, Carl Perkins	84 048A	7/1/08-6/30/09	43,148 00					(31,393 60)		(31,393.60)		
Total U.S. Department of Education				19,885.75		(0.02)	755,377 00	(999,117.37)	(12,415.00)	(239,071.93)	2,802 29	
Total Federal Financial Assistance				$ 21,252 56	$	$ (0 02)	$ 861,670 64	$ (1,117,603 88)	$ (12,415 00)	$ (255,364 08)	$ 8,268 38	$

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule
N/A - Not available/applicable

CRANFORD SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NO.	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30, 2008 DEFERRED REVENUE/ (ACCOUNTS RECEIVABLE)	BALANCE AT JUNE 30, 2008 DUE TO GRANTOR	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAY. PR. YRS. BALANCES	BALANCE AT JUNE 30, 2009 (ACCOUNTS RECEIVABLE)	BALANCE AT JUNE 30, 2009 DEFERRED REVENUE/ INTERFUND PAYABLE	BALANCE AT JUNE 30, 2009 DUE TO GRANTOR	MEMO BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPENDITURES
State Department of Education:														
General Fund														
Equalization Aid	09-495-034-5120-078	7/1/08-6/30/09	$ 555,657.00	$	$	$	$ 555,657.00	$ (555,657.00)	$	$	$	$	$ (49,882.06)	$ (555,657.00)
Security Aid	09-495-034-5120-084	7/1/08-6/30/09	263,780.00				263,780.00	(263,780.00)					(23,679.88)	(263,780.00)
Special Education Categorical Aid	09-495-034-5120-089	7/1/08-6/30/09	1,982,149.00				1,982,149.00	(1,982,149.00)					(177,940.11)	(1,982,149.00)
Transportation Aid	09-495-034-5120-014	7/1/08-6/30/09	212,974.00				212,974.00	(212,974.00)					(19,118.95)	(212,974.00)
Extraordinary Aid	08-495-034-5120-473	7/1/07-6/30/08	165,143.00	(165,143.00)			165,143.00							
Extraordinary Aid	09-495-034-5120-473	7/1/08-6/30/09	544,151.00					(544,151.00)		(544,151.00)				(544,151.00)
Nonpublic Transportation Cost Reimb.	08-495-034-5120-014	7/1/07-6/30/08	20,503.00	(20,503.00)			20,503.00							
Nonpublic Transportation Cost Reimb.	09-495-034-5120-014	7/1/08-6/30/09	22,797.20					(22,797.20)		(22,797.20)				(22,797.20)
Reimb. T.P.A.F. Social Security Contrib.	08-495-034-5095-002	7/1/08-6/30/09	1,983,890.25				1,983,890.25	(1,983,890.25)						(1,983,890.25)
T.P.A.F. Post-medical Contribution Aid	08-495-034-5095-001	7/1/08-6/30/09	1,642,680.00				1,642,680.00	(1,642,680.00)						(1,642,680.00)
Special Revenue Fund:														
N.J. Nonpublic Aid:														
Textbook Aid	08-100-034-5120-064	7/1/07-6/30/08	24,704.00		5,971.64				(5,971.64)					
Textbook Aid	09-100-034-5120-064	7/1/08-6/30/09	24,192.00				24,192.00	(18,152.18)				6,039.82		(18,152.18)
Auxiliary Services:														
Compensatory Education	09-100-034-5120-067	7/1/08-6/30/09	49,767.00				49,767.00	(37,823.00)				11,944.00		(37,823.00)
English as a Second Language	08-100-034-5120-067	7/1/07-6/30/08	2,030.00		1,015.00				(1,015.00)					
English as a Second Language	09-100-034-5120-067	7/1/08-6/30/09	2,030.00				2,030.00					2,030.00		
Transportation	09-100-034-5120-068	7/1/08-6/30/09	11,894.00				11,894.00	(11,894.00)						(11,894.00)
Handicapped Services:														
Supplemental Instruction	08-100-034-5120-066	7/1/07-6/30/08	15,694.00		4,130.00				(4,130.00)					
Supplemental Instruction	09-100-034-5120-066	7/1/08-6/30/09	14,042.00				14,042.00	(8,260.00)				5,782.00		(8,260.00)
Examination & Classification	08-100-034-5120-066	7/1/07-6/30/08	34,496.00		1,326.00				(1,326.00)					
Examination & Classification	09-100-034-5120-066	7/1/08-6/30/09	27,105.00				27,105.00	(10,617.00)				16,488.00		(10,617.00)
Corrective Speech	08-100-034-5120-066	7/1/07-6/30/08	36,270.00		2,490.00				(2,490.00)					
Corrective Speech	09-100-034-5120-066	7/1/08-6/30/09	33,480.00				33,480.00	(21,510.00)				11,970.00		(21,510.00)
Nursing Services	09-100-034-5120-070	7/1/08-6/30/09	32,656.00				32,656.00	(31,884.00)				772.00		(31,884.00)
Technology Initiative	08-100-034-5120-373	7/1/07-6/30/08	17,680.00		214.19				(214.19)					
Technology Initiative	09-100-034-5120-373	7/1/08-6/30/09	16,920.00				16,920.00	(13,342.06)				3,577.94		(13,342.06)
Additional State School Building Aid - EDA Grants	Project # SP201327	Indefinite	2,099,527.00	(478,362.50)						(478,362.50)				
Enterprise Fund:														
National School Lunch Prog. (State Share	08-100-010-3360-067	7/1/07-6/30/08	7,804.92	(316.92)			316.92							
National School Lunch Prog. (State Share	09-100-010-3360-067	7/1/08-6/30/09	8,016.08				6,476.58	(8,016.08)		(1,539.50)				(8,016.08)
Total State Department of Education				(664,723.42)	13,146.83		7,045,655.75	(7,369,576.77)	(15,146.83)	(1,046,850.20)		58,602.76	(270,621.00)	(7,369,576.77)
Total State Financial Assistance				$ (664,723.42)	$ 13,146.83	$	$ 7,045,655.75	$ (7,369,576.77)	$ (15,146.83)	$ (1,046,850.20)	$	$ 58,602.76	(270,621.00)	(7,369,576.77)

Note: See Accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.
N/A - Not available/applicable.

CRANFORD SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2009

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is ($134,005.00) for the general fund and $0.00 for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basics financial statements on a GAAP basis as presented on the following page:

CRANFORD SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2009

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D.):

	Federal	State	Total
General Fund	$	$ 7,074,073.45	$ 7,074,073.45
Special Revenue Fund	153,482.24	999,117.34	1,152,599.58
Food Service Fund	118,486.51	8,016.07	126,502.58
Total Awards & Financial Assistance	$ 271,968.75	$ 8,081,206.86	$ 8,353,175.61

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2009. 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, 2009.

CRANFORD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal Control over financial reporting:

1) Material weakness(es) identified? ____ Yes ___X___ No

2) Significant deficiencies identifed that are not considered to be material weaknesses? ____ Yes ___X___ No

Noncompliance material to basic financial statements noted? ____ Yes ___X___ No

Federal Awards

Internal Control over major programs:

1) Material weakness(es) identified? ____ Yes ___X___ No

2) Significant deficiencies identifed that are not considered to be material weaknesses? ____ Yes ___X___ No

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

Any audit findings disclosed that are required to be reported in accordance with section.510(a) of Circular A-133? ____ Yes ___X___ No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027	IDEA-Part B Basic Regular
84.173	IDEA-Part B Basic Preschool

Dollar threshold used to distinguish between Type A and B programs: $300,000.00

Auditee qualified as low-risk auditee? ___X___ Yes ____ No

CRANFORD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Section 1 - Summary of Auditor's Results (cont'd)

State Awards

Dollar threshold used to distinguish between Type A and B programs: $300,000.00

Auditee qualified as low-risk auditee? X Yes ____ No

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

Internal Control over major programs:

1) Material weakness(es) identified? ____ Yes X No

2) Significant deficiencies identifed that are not considered to be material weaknesses? ____ Yes X No

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04? ____ Yes X No

Identification of major programs:

GMIS Number(s)	Name of State Program
09-495-034-5120-078	Equalization Aid
09-495-034-5120-084	Special Education Categorical Aid
09-495-034-5120-473	Extraordinary Aid
09-495-034-5120-084	Security Aid

Section II - Financial Statement Findings

NONE

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

NONE

CRANFORD SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NONE