

**SCHOOL DISTRICT OF  
MANSFIELD TOWNSHIP**

**MANSFIELD BOARD OF EDUCATION**  
Columbus, New Jersey  
County of Burlington

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**



## OUTLINE OF CAFR – GASB 34

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**OF THE**

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**COLUMBUS, NEW JERSEY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**Prepared by**

**Mansfield Township Board of Education  
Finance Department**



**INTRODUCTORY SECTION**



# MANSFIELD TOWNSHIP SCHOOL DISTRICT

## Mansfield Township Board of Education

200 Mansfield Road East, Columbus, NJ 08022

Phone: (609) 298-2037

Fax: (609) 298-5365

www.mansfieldschool.com

Diane J. Bacher  
Superintendent

Lisa R. Giovanelli  
Business Administrator  
Board Secretary

September 2010

Honorable President and Members  
of the Board of Education  
Mansfield Township School District  
County of Burlington, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report (CAFR) of the Mansfield Township School District (District) for the fiscal year ended June 30, 2010 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. 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 CAFR is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, the Auditor's Report, and Management's Discussion and Analysis thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, 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 State Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditors' report on the internal control over financial reporting and compliance with applicable laws, regulations, contracts, and grants, and findings and recommendations are included in the single audit section of this report.

### 1. REPORTING ENTITY AND ITS SERVICES

The Mansfield Township School District is an independent reporting entity within the criteria established by GASB Statement No. 14. All funds and account groups of the district are included in this report. The Mansfield Township School District and all its schools constitute the district's reporting entity. The district has maintained a high quality of education as a K-6 district in Burlington County.

The district provides a full range of educational services appropriate to grade levels K through 6, including services for special needs students. As of June 30, 2010 the district's average daily enrollment was 697 students, which is one less student than the previous year's enrollment. The following details the changes in the student enrollment of the district over the last ten years.

<u>June 30</u>	<u>Enrollment</u>	<u>Percent Change</u>
2010	697	1.45%
2009	687	0%
2008	689	0%
2007	688	4.72%
2006	657	2.80%
2005	639	-5.09%
2004	673	5.58%
2003	638	9.43%
2002	583	31.60%
2001	443	12.29%
2000	394	5.20%

2. ECONOMIC CONDITION AND OUTLOOK

Mansfield Township's residential development has slowed during this year. Any new houses being built are single-family homes on individual lots and small sub-divisions. Two developments have begun construction but were not completely finished by June 2010. With little revenue being raised through commercial property and state aid for schools being unpredictable, unfortunately the tax payers continue to bear the burden of high taxes.

3. MAJOR INITIATIVES

The Mansfield Township School District undertook several important activities during the 2008-2009 school year. These included the following:

- Providing additional opportunities in-district for students with special needs.
- Starting a before school program to service the parents and children attending the school
- Roof replacement and solar array installation at John Hydock Elementary School.

4. INTERNAL ACCOUNTING CONTROLS

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

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

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

5. BUDGETARY CONTROLS

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year - end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2010.

6. ACCOUNTING SYSTEM AND REPORTS

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

The 2009-10 CAFR presents financial reports utilizing the overall format of GASB 34. A fixed asset inventory and appraisal was conducted by American Appraisal Associates and was utilized in the preparation of this CAFR.

7. FINANCIAL INFORMATION AT 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, capital project fund, and debt service fund revenues for the fiscal year ended June 30, 2010.

	Revenue	Percent Of Total	Increase (Decrease) From 2009	Percent of Increase (Decrease)
Local sources:				
District Taxes	\$8,700,820	80.99%	\$446,509	5.41%
Miscellaneous	\$282,375	2.63%	760	.27%
State and Federal Sources	\$1,759,988	16.38%	148,090	9.19%
<b>Total</b>	<b>\$10,743,183</b>	<b>100.0%</b>	<b>\$595,359</b>	<b>5.87%</b>

The increase in State and federal sources is mainly attributable to a increase in federal funding for IDEA-B programs from the American Recovery and Reinvestment Act. The increase in taxes was due to the increases in the general fund budget and debt service payment. The tax rate remained stable.

The following schedule presents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2010.

	Amount	Percent Of Total	Increase (Decrease) From 2009	Percent of Increase (Decrease)
Current expenditures:				
Instruction	\$3,893,449	36.37%	\$355,885	10.06%
Undistributed	5,758,179	53.79%	(97,411)	(1.66)%
Capital Outlay			(24,726)	(100)%
Special Revenue	306,613	2.86%	148,868	94.37%
Principal	310,000	2.90%	50,000	19.23%
Interest	436,365	4.08%	(12,890)	(2.87)%
Total	\$10,704,606	100.0%	\$419,726	4.08%

Instruction costs increased due to increases in instructional staffing to meet students education needs. Undistributed expenditures decreased due to more special education students being educated in district. The increase in debt service was due to the increase in principal payments.

#### 8. LONG-TERM DEBT

At June 30, 2010, the District's long term-debt included \$10,275,000 of general obligation bonds, \$300,000 of bond anticipation notes and \$34,560 of compensated absences.

#### 9. CASH MANAGEMENT

The investment policy of the district is guided in large part by the State statute as detailed in Notes to the Basic 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 provision of the Governmental Unit 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.

#### 11. OTHER INFORMATION

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman & Frenia, PC, Certified Public Accountants, has been selected by the Board to perform the audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet requirements of the Single Audit Act of 1996, as amended, and the related OMB Circular A-133 and State Treasury Circular letter 04-04 OMB. The Auditor's Report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

12. ACKNOWLEDGMENTS

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

Respectfully submitted,



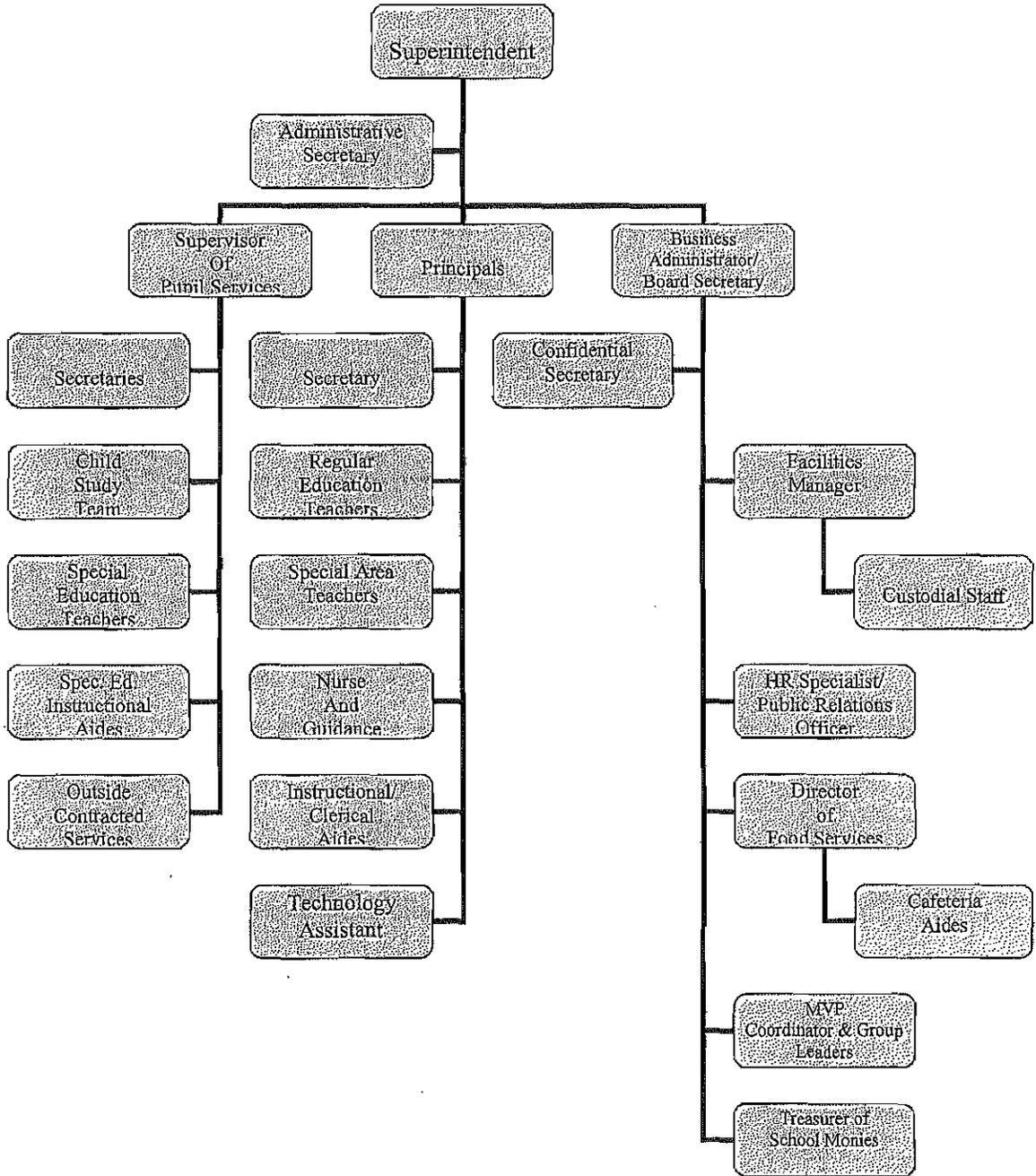
Diane Bacher  
Superintendent



Lisa R. Giovanelli  
Business Administrator/Board Secretary



# Mansfield Township School District Organizational Chart





**MANSFIELD TOWNSHIP PUBLIC SCHOOL**

200 Mansfield Road East  
Columbus, New Jersey 08022

**ROSTER OF OFFICIALS  
JUNE 30, 2010**

**MEMBERS OF THE BOARD OF EDUCATION** **TERM EXPIRES**

Joseph Golowski, President	2013
Joseph Broski, Vice-President	2011
Daniel Kane	2013
Anthony Meduri, Jr.	2011
DeQuincy McRae	2012
Marcial Mojena	2013
Beverly Pencak	2012
Matthew Varava	2012
Curtis Wyers, Jr.	2011

**OTHER OFFICIALS**

Diane Bacher, Superintendent  
Lisa R. Giovanelli, Business Administrator/Board Secretary  
Christopher J. Mullins, CPA, Treasurer of School Monies  
Frank Cavallo, Esq., Solicitor

**MANSFIELD TOWNSHIP PUBLIC SCHOOL  
200 Mansfield Road East  
Columbus, New Jersey 08022**

**CONSULTANTS AND ADVISORS**

**ARCHITECT**

Faridy, Veisz & Fraytak, P. C.  
1515 Lower Ferry Road  
P.O. Box 7371  
Trenton, New Jersey 08628

**AUDIT FIRM**

Holman & Frenia, P.C.  
Certified Public Accountants & Consultants  
618 Stokes Road  
Medford, New Jersey 08055

**ATTORNEY & BOND COUNCIL**

Stephen J. Mushinski, Solicitor  
Philip A. Norcross, Bond Council  
3 Green Tree Center, Suite 401  
Route 73 & Greentree Road  
Marlton, New Jersey 08053

**OFFICIAL DEPOSITORY**

Beneficial Bank  
3 Sunset Road  
Burlington, New Jersey 08016

**FINANCIAL SECTION**





Certified Public Accountants & Consultants

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Mansfield Township  
County of Burlington  
Columbus, New Jersey 08022

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 Mansfield Township School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2010, which collectively comprise the District's financial statements as listed in the table of contents. These financial statements are the responsibility of the Mansfield Township Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Governmental 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, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Mansfield Township School District, County of Burlington, State of New Jersey, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, 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 1, 2010, on our consideration of the Mansfield Township 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 our audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis information and budgetary comparison information as listed in the table of contents is not a required part of the 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 supplementary information. . However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mansfield Township Board of Education's 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 information are presented for purposes of additional analysis and are not a required part of the 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 financial statements, in our opinion, are fairly stated, in all material respects, in relation to the financial statements taken as a whole. The introductory section and statistical information have not been subjected to the auditing procedures applied in the audit of the 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Respectfully submitted,

HOLMAN & FRENIA, P. C.

A handwritten signature in black ink, appearing to read 'R. Haines', with a horizontal line extending to the right.

Rodney R. Haines  
Certified Public Accountant  
Public School Accountant  
No. 2198

Mansfield, New Jersey  
October 1, 2010

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

Management's Discussion and Analysis



## Mansfield Township School District

### Management's Discussion and Analysis Fiscal Year Ended June 30, 2010

This section of the Mansfield Township School District Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2010. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is now being required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2009-2010) and the prior fiscal year (2008-2009) is required to be presented in the MD&A.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

**District-wide financial statements.** The district-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets (A-1) presents information on all of the assets and liabilities of the District, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities (A-2) presents information showing how the net assets of the District changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The district-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

**Fund financial statements.** A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The

District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

### ***Governmental funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because of focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund, and debt service fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 - B-3 in this report.

### ***Proprietary funds***

The District maintains two proprietary funds, an enterprise fund and an internal service fund.

The enterprise fund is used 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 of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

The internal service fund is used to account for the financing of goods or services provided by one department or office to other departments or offices of the LEA, or to other district boards of education and governmental units, on a cost reimbursement basis. Internal service funds are cost accounting and distribution entities, and are intended to "break even" annually and/or over a

period of years. The school district's internal service fund is used to account for the Early Bird program, which it shares with several districts and the after school program.

The internal service fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

***Fiduciary funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the District's own programs.

The District uses trust and agency funds to account for resources held for student activities and groups, for payroll transactions, and for the District's unemployment trust fund. The basic fiduciary fund financial statements can be found as Exhibits B-7 and B-8 in this report.

**Notes to the financial statements.** The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

**Other Information.** The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2009-2010 fiscal year include the following:

- Provide additional opportunities in-district for students with special needs.
- Leasing space to special education school.

As noted earlier, net assets may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net assets:

	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 696,248	95,439	\$791,687
Capital assets, net	13,062,489	48,644	13,111,133
Total assets	\$13,758,737	\$144,083	\$13,902,820
Long-term liabilities outstanding	9,939,560		9,939,560
Other liabilities	816,329	17,594	816,329
Total liabilities	\$10,755,889	17,594	\$10,773,483

	Governmental Activities	Business-type Activities	Total
Net assets:			
Investments in capital assets, net of related debt	2,787,489	48,644	2,836,133
Restricted	(425,259)		(425,259)
Unrestricted	640,618	77,845	718,463
Total net assets	<u>\$3,002,848</u>	<u>\$126,489</u>	<u>\$3,129,337</u>

Restricted assets represent resources that are subject to external restrictions on how they may be used. These funds are legally restricted to provide for the construction, renovations, maintenance and services at the District's two elementary schools.

The District's largest net asset is the restricted portion of the net assets shown above. The restricted net assets may be used to meet the districts ongoing obligation to students, employees, and creditors.

The District's investment in capital assets within the net assets above, less any related debt used to acquire those assets that is still outstanding, shows a balance of \$2,787,489.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net assets from the prior year.

	Governmental Activities	Business-type Activities	Total
Revenues:			
Property taxes	\$7,964,795		\$7,964,795
Debt Service	736,025		736,025
Federal and state aid not restricted	1,453,375		1,453,375
Miscellaneous(includes interest and tuition)	282,375	32	282,407
Program Revenues		313,382	313,382
Total revenue	<u>\$10,436,570</u>	<u>\$313,414</u>	<u>\$10,749,984</u>
Expenses:			
Instructional services	\$3,893,449		\$3,893,449
Support services	3,506,782		3,506,782
Unallocated Expenses	2,230,953		2,230,953
Interest on Long-Term Debt	432,969		432,969
Unallocated Amort. Of Bond Issue Costs	20,858		20,858
Unallocated Increase in Comp Absences	(49,692)		(49,692)
Unallocated Depreciation	387,916		387,916
Food Service		298,065	298,065
Total expenses	<u>\$10,423,235</u>	<u>298,065</u>	<u>\$10,721,300</u>
Change in net assets	\$13,335	\$15,349	\$28,684
Net assets – beginning	2,989,513	111,140	3,100,653
Net assets – ending	<u>\$ 3,002,848</u>	<u>\$126, 489</u>	<u>\$3,129,337</u>

## Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unreserved fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

## Financial Information at Fiscal Year-End

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, 2010 and the amount and percentage of increases and (decreases) in relation to prior year revenues. The Capital Projects Fund has been excluded as amounts vary substantially from year to year.

	Revenue	Percent Of Total	Increase (Decrease) From 2009	Percent of Increase (Decrease)
Local sources:				
District Taxes	\$8,700,820	80.99%	\$446,509	5.41%
Miscellaneous	\$281,936	2.63%	321	.11%
State and Federal sources	\$1,759,988	16.38%	148,090	9.19%
Total	\$10,742,744	100.0%	\$594,920	5.86%

The increase in State and federal sources is mainly attributable to a increase in federal funding for IDEA-B programs from the American Recovery and Reinvestment Act. The increase in taxes was due to the increases in the general fund budget and debt service payments.

The following schedule presents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2010 and the percentage of increases and (decreases) in relation to prior year amounts. The Capital Projects Fund has been excluded as amounts vary substantially from year to year.

	Amount	Percent Of Total	Increase (Decrease) From 2009	Percent of Increase (Decrease)
Current expenditures:				
Instruction	\$3,893,449	36.37%	\$355,885	10.06%
Undistributed	5,758,179	53.79%	(97,411)	(1.66)%
Capital Outlay			(24,726)	(100)%
Special Revenue	306,678	2.86%	148,868	94.37%
Principal	310,000	2.90%	50,000	19.23%
Interest	436,365	4.08%	(12,890)	(2.87)%
Total	\$10,704,606	100.0%	\$419,726	4.08%

Instruction costs increased due to increases in instructional staffing to meet students education needs. Undistributed expenditures decreased due to special education students being kept in house instead of attending private out of district schools. The large increase in special revenue was due to the American Recovery and Reinvestment Act. The increase in debt service was due to the increase in interest payments.

### **General Fund Budgetary Highlights**

The difference between the original budget and the final amended budget was \$86,250. This difference is comprised of the June 30, 2009 encumbrances, which roll-over into the subsequent year's budget (2009-2010) and are added to the original budget appropriations plus extraordinary aid and non public transportation aid.

Throughout the year budget transfers were effectuated between budget accounts to re-align the 2009-10 budget to meet district needs.

Based on the financial results of the 2009-2010, unrestricted fund balance increased by \$82,770 to \$330,968.

### **Capital Assets**

At June 30, 2010 the District has capital assets of \$13 million, net of depreciation, which includes land, land improvements, buildings/construction, machinery and equipment and vehicles.

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

## **Debt Administration and Other Obligations**

At June 30, 2010, the District's outstanding debt issues included \$10,275,000 of general obligation bonds, \$300,000 of bond anticipation notes and \$ 34,560 in compensated absences payable.

Additional information on the District's debt administration and other obligations can be found in Note 6 to the basic financial statements.

## **Economic Factors and Next Year's Budget**

- The District anticipates that the approved 2010-11 budget will be adequate to satisfy all 2010-11 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.

## **Requests for Information**

This financial report is designed to provide a general overview of the Mansfield Township School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary's Office, Mansfield Township School District, 200 Mansfield Road East, Columbus, New Jersey.



**BASIC FINANCIAL STATEMENTS**



A. District-Wide Financial Statements



**MANSFIELD TOWNSHIP BOARD OF EDUCATION**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2010**  
**(With Comparative Totals for June 30, 2009)**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 2010	JUNE 30, 2009
Cash & Cash Equivalents	\$39,771	88,584	128,355	196,976
Receivables, Net	229,049	2,260	231,309	285,944
Interfunds Receivable	56,411		56,411	2,095
Inventory		4,595	4,595	4,108
Restricted Cash & Cash Equivalent	110,247		110,247	119,040
Bond Issuance Costs	260,770		260,770	281,628
Capital Assets, Net (Note 5)	13,062,489	48,644	13,111,133	13,044,134
<b>Total Assets</b>	<b>13,758,737</b>	<b>144,083</b>	<b>13,902,820</b>	<b>13,933,925</b>
<b>LIABILITIES</b>				
Accounts Payable	1,837	2,081	3,918	14,997
Interfunds Payable	93	15,513	15,606	1,228
Accrued Interest	144,399		144,399	147,795
Noncurrent Liabilities (Note 6):				
Due Within One Year	670,000		670,000	310,000
Due Beyond One Year	9,939,560		9,939,560	10,359,252
<b>Total Liabilities</b>	<b>10,755,889</b>	<b>17,594</b>	<b>10,773,483</b>	<b>10,833,272</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	2,787,489	48,644	2,836,133	2,459,134
Restricted For:				
Debt Service	(143,119)		(143,119)	(137,447)
Capital Projects	(447,478)		(447,478)	833
Other Purposes	165,338		165,338	277,172
Unrestricted	640,618	77,845	718,463	500,961
<b>Total Net Assets</b>	<b>\$3,002,848</b>	<b>126,489</b>	<b>3,129,337</b>	<b>3,100,653</b>

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

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
						(MEMORANDUM ONLY)	
						JUNE 30, 2010	JUNE 30, 2009
Governmental Activities:							
Instruction:							
Regular	\$2,469,365			(2,469,365)		(2,469,365)	(2,605,860)
Special Education	1,540,150		283,298	(1,256,852)		(1,256,852)	(770,601)
Other Special Instruction	167,232			(167,232)		(167,232)	(161,103)
Support Services & Undistributed Costs:							
Tuition	143,260			(143,260)		(143,260)	(435,504)
Student & Instruction Related Services	1,351,695	249,189	23,315	(1,079,191)		(1,079,191)	(1,213,048)
School Administrative Services	303,563			(303,563)		(303,563)	(298,224)
Other Administrative Services	344,784			(344,784)		(344,784)	(277,473)
Central Services	230,899			(230,899)		(230,899)	(212,500)
Plant Operations & Maintenance	833,199			(833,199)		(833,199)	(751,251)
Pupil Transportation	571,886			(571,886)		(571,886)	(564,390)
Unallocated Benefits	2,230,953			(2,230,953)		(2,230,953)	(2,097,614)
Interest on Long-Term Debt	432,969			(432,969)		(432,969)	(445,342)
Unallocated Amortization of Bond Issue Costs	20,858			(20,858)		(20,858)	(20,857)
Unallocated Increase In Compensated Absences	(49,692)			49,692		49,692	(28,909)
Unallocated Depreciation	387,916			(387,916)		(387,916)	(384,006)
<b>Total Governmental Activities</b>	<b>10,979,037</b>	<b>249,189</b>	<b>306,613</b>	<b>(10,423,235)</b>		<b>(10,423,235)</b>	<b>(10,266,682)</b>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS				
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
						(MEMORANDUM ONLY)	
						JUNE 30, 2010	JUNE 30, 2009
Business-Type Activities:							
Food Service	298,065	269,089	44,293		15,317	15,317	13,383
Total Business-Type Activities	298,065	269,089	44,293		15,317	15,317	13,383
Total Primary Government	\$11,277,102	518,278	350,906	(10,423,235)	15,317	(10,407,918)	(10,253,299)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				7,964,795		7,964,795	7,557,909
Taxes Levied for Debt Service				736,025		736,025	696,402
Federal & State Aid Not Restricted				1,453,375		1,453,375	1,454,153
Miscellaneous Income				282,375	32	282,407	281,685
Total General Revenues, Special Items, Extraordinary Items & Transfers				10,436,570	32	10,436,602	9,990,149
Change In Net Assets				13,335	15,349	28,684	(263,150)
Net Assets - Beginning				2,989,513	111,140	3,100,653	3,363,803
Net Assets - Ending				\$3,002,848	126,489	3,129,337	3,100,653

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



**B. Fund Financial Statements**



## Governmental Funds



**MANSFIELD TOWNSHIP BOARD OF EDUCATION BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
COMBINED BALANCE SHEET  
JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

ASSETS	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTALS (MEMORANDUM ONLY)	
					JUNE 30, 2010	JUNE 30, 2009
Cash & Cash Equivalents	\$384,451			842	385,293	386,527
Accounts Receivable:						
State	119,902				119,902	159,504
Federal		31,389			31,389	96,931
Other	19,050				19,050	2,020
Interfunds Receivable	56,436			438	56,874	
<b>Total Assets</b>	<b>\$579,839</b>	<b>31,389</b>		<b>1,280</b>	<b>612,508</b>	<b>644,982</b>
<b>LIABILITIES &amp; FUND BALANCES</b>						
<b>Liabilities:</b>						
Cash Deficit		29,527	147,040		176,567	96,931
Accounts Payable		1,837			1,837	4,374
Bond Anticipation Notes Payable			300,000		300,000	
Interfund Payables	93	25	438		556	1,228
<b>Total Liabilities</b>	<b>93</b>	<b>31,389</b>	<b>447,478</b>		<b>478,960</b>	<b>102,533</b>
<b>Fund Balances:</b>						
<b>Reserved:</b>						
For Encumbrances	15,933		728,701		744,634	75,113
Capital Reserve Account	109,405				109,405	107,859
Maintenance Reserve Account	40,000				40,000	
Excess Surplus - Designated for Subsequent Year's Expenditures						94,200
Unreserved - Designated for Subsequent Year's Expenditure	150,000			842	150,842	67,421
Unreserved	264,408		(1,176,179)	438	(911,333)	197,856
<b>Total Fund Balances</b>	<b>579,746</b>		<b>(447,478)</b>	<b>1,280</b>	<b>133,548</b>	<b>542,449</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$579,839</b>	<b>31,389</b>	<b>-</b>	<b>1,280</b>		

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$17,253,226 and the accumulated depreciation is \$4,190,737.	13,062,489	12,983,377
Bond Issuance Costs	260,770	281,628
Internal Service Fund Net Assets (Deficit)		(894)
Accrued Interest on Bonds	(144,399)	(147,795)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Illustrative Note 6)	(10,309,560)	(10,669,252)
<b>Net assets of Governmental Activities</b>	<b>\$3,002,848</b>	<b>2,989,513</b>

See accompanying notes to the financial statements.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS (MEMORANDUM ONLY)	
					JUNE 30, 2010	JUNE 30, 2009
<b>Revenues:</b>						
Local Sources:						
Local Tax Levy	\$7,964,795			736,025	8,700,820	8,254,311
Miscellaneous Revenues	281,936		439		282,375	281,615
<b>Total Local Sources</b>	<b>8,246,731</b>		<b>439</b>	<b>736,025</b>	<b>8,983,195</b>	<b>8,535,926</b>
State Sources	1,445,186				1,445,186	1,454,153
Federal Sources	8,189	306,613			314,802	157,745
<b>Total Revenues</b>	<b>9,700,106</b>	<b>306,613</b>	<b>439</b>	<b>736,025</b>	<b>10,743,183</b>	<b>10,147,824</b>
<b>Expenditures:</b>						
Current Expense:						
Regular Instruction	2,469,365				2,469,365	2,605,860
Special Education Instruction	1,256,852	283,298			1,540,150	906,902
Other Special Instruction	167,232				167,232	161,103
Support Services & Undistributed Costs:						
Tuition	143,260				143,260	435,504
Student & Instruction Related Services	1,003,027	23,315			1,026,342	1,240,078
School Administrative Services	303,563				303,563	298,224
Other Administrative Services	344,784				344,784	277,473
Central Services	230,899				230,899	212,500
Plant Operations & Maintenance	833,199				833,199	751,251
Pupil Transportation	571,886				571,886	564,390
Unallocated Benefits	2,230,953				2,230,953	2,097,614
Transfer to Charter Schools	96,608				96,608	
Debt Service:						
Interest & Other Charges				436,365	436,365	449,255
Principal				310,000	310,000	260,000
Capital Outlay			447,478		447,478	24,726
<b>Total Expenditures</b>	<b>9,651,628</b>	<b>306,613</b>	<b>447,478</b>	<b>746,365</b>	<b>11,152,084</b>	<b>10,284,880</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	48,478		(447,039)	(10,340)	(408,901)	(137,056)
Other Financing Sources/(Uses):						
Operating Transfers In				1,272	1,272	12
Operating Transfers Out			(1,272)		(1,272)	(12)
<b>Total Other Financing Sources/ (Uses)</b>			<b>(1,272)</b>	<b>1,272</b>		
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses						
	48,478		(448,311)	(9,068)	(408,901)	(137,056)
Fund Balance - July 1	531,268		833	10,348	542,449	679,505
Fund Balance - June 30	\$579,746	-	(447,478)	1,280	133,548	542,449

See accompanying notes to the financial statements.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2010**

Total Net Change in Fund Balances - Governmental Funds (From B-2) (\$408,901)

Total Net Change in Fund Balances - Internal Service Funds (From B-5) 894

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	(\$387,916)	
Capital Outlays	467,028	79,112

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. 310,000

Amortization of debt issuance costs are recorded when incurred in the governmental funds but are accrued and expensed over time in the statement of activities.

Prior Year	(281,628)	
Current Year	260,770	(20,858)

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 (+).

Prior Year	147,795	
Current Year	(144,399)	3,396

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 (+).

Prior Year	84,252	
Current Year	(34,560)	49,692

Change in Net Assets of Governmental Activities \$13,335

See accompanying notes to the financial statements.



## Proprietary Funds



**MANSFIELD TOWNSHIP BOARD OF EDUCATION**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET ASSETS**  
**AS OF JUNE 30, 2010**  
**(With Comparative Totals for June 30, 2009)**

ASSETS	BUSINESS-TYPE GOVERNMENTAL ACTIVITIES - TYPE-ACTIVITIES		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS	JUNE 30, 2010	JUNE 30, 2009
<b>Current Assets:</b>				
Cash & Cash Equivalents	\$88,584		88,584	54,803
Accounts Receivable:				
State	185		185	
Federal	2,075		2,075	
Program Fees		58,708	58,708	27,489
Due from General Fund				2,095
Inventories:				
Food	1,266		1,266	552
Supplies	379		379	1,043
Commodities	2,950		2,950	2,513
<b>Total Current Assets</b>	<b>95,439</b>	<b>58,708</b>	<b>154,147</b>	<b>88,495</b>
<b>Noncurrent Assets:</b>				
Furniture, Machinery & Equipment	190,100		190,100	190,100
Less: Accumulated Depreciation	(141,456)		(141,456)	(129,343)
<b>Total Fixed Assets</b>	<b>48,644</b>		<b>48,644</b>	<b>60,757</b>
<b>Total Assets</b>	<b>144,083</b>	<b>58,708</b>	<b>202,791</b>	<b>149,252</b>
<b>LIABILITIES</b>				
Cash Overdraft		58,708	58,708	28,383
Accounts Payable	2,081		2,081	10,623
Interfund Payable	15,513		15,513	
<b>Total Liabilities</b>	<b>17,594</b>	<b>58,708</b>	<b>76,302</b>	<b>39,006</b>
<b>NET ASSETS</b>				
Investment in Capital Assets	48,644		48,644	60,757
Unrestricted	77,845		77,845	49,489
<b>Total Net Assets</b>	<b>\$126,489</b>	<b>-</b>	<b>126,489</b>	<b>110,246</b>

See accompanying notes to the financial statements.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN FUND NET ASSETS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
 (With Comparative Totals for June 30, 2009)**

	BUSINESS-TYPE GOVERNMENTAL		TOTALS	
	ACTIVITIES - ENTERPRISE FUNDS	TYPE-ACTIVITIES INTERNAL SERVICE FUNDS	(MEMORANDUM ONLY) JUNE 30, 2010                  JUNE 30, 2009	
Operating Revenues:				
Charges for Sources:				
Daily Sales - Reimbursable Programs	\$121,677		121,677	146,247
Daily Sales - Nonreimbursable Programs	30,955		30,955	22,827
Local Sources:				
Program Fees:				
Outside Districts		249,189	249,189	139,446
Host District		67,309	67,309	196,846
Miscellaneous	116,457		116,457	97,360
<b>Total Operating Revenue</b>	<b>269,089</b>	<b>316,498</b>	<b>585,587</b>	<b>602,726</b>
Operating Expenses:				
Salaries	170,587	267,546	438,133	437,646
Employee Benefits		31,876	31,876	48,530
Supplies and Materials	6,383	696	7,079	9,907
Cost of Sales	103,806	650	104,456	113,687
Miscellaneous	5,176	14,836	20,012	4,161
Depreciation	12,113		12,113	12,113
<b>Total Operating Expenses</b>	<b>298,065</b>	<b>315,604</b>	<b>613,669</b>	<b>626,044</b>
<b>Operating Income/(Loss )</b>	<b>(28,976)</b>	<b>894</b>	<b>(28,082)</b>	<b>(23,318)</b>
Nonoperating Revenues/(Expenses):				
State Sources:				
State School Lunch Program	2,592		2,592	2,764
Federal Sources:				
National School Lunch Program	28,648		28,648	27,628
Food Distribution Program	13,053		13,053	11,895
Interest & Investment Revenue	32		32	70
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>44,325</b>		<b>44,325</b>	<b>42,357</b>
<b>Net Income/(Loss)</b>	<b>15,349</b>	<b>894</b>	<b>16,243</b>	<b>19,039</b>
<b>Total Net Assets - Beginning</b>	<b>111,140</b>	<b>(894)</b>	<b>110,246</b>	<b>91,207</b>
<b>Total Net Assets - Ending</b>	<b>\$126,489</b>	<b>-</b>	<b>126,489</b>	<b>110,246</b>

See accompanying notes to the financial statements.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
 (With Comparative Totals for June 30, 2009)**

	BUSINESS-TYPE GOVERNMENTAL ACTIVITIES - TYPE-ACTIVITIES		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS	JUNE 30, 2010	JUNE 30, 2009
<b>Cash Flows From Operating Activities:</b>				
Receipts from Customers	\$269,089	285,279	554,368	598,481
Payments to Employees	(170,587)	(267,546)	(438,133)	(437,646)
Payments for Employee Benefits	(108,676)	(31,876)	(140,552)	(157,365)
Payments to Suppliers	(2,665)	(16,182)	(18,847)	(2,956)
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>(12,839)</b>	<b>(30,325)</b>	<b>(43,164)</b>	<b>514</b>
<b>Cash Flows From Noncapital Financing Activities:</b>				
State Sources	2,407		2,407	2,996
Federal Sources	26,573		26,573	29,905
Board Loan	17,608		17,608	(2,095)
<b>Net Cash Provided/(Used) by Noncapital Financing Activities</b>	<b>46,588</b>		<b>46,588</b>	<b>30,806</b>
<b>Cash Flows From Investing Activities:</b>				
Interest & Dividends	32		32	70
<b>Net Cash Provided/(Used) by Investing Activities</b>	<b>32</b>		<b>32</b>	<b>70</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>33,781</b>	<b>(30,325)</b>	<b>3,456</b>	<b>31,390</b>
Balances - Beginning of Year	54,803	(28,383)	26,420	(4,970)
<b>Balances - End of Year</b>	<b>\$88,584</b>	<b>(58,708)</b>	<b>29,876</b>	<b>26,420</b>

**Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:A6**

Operating Income/(Loss)	(\$28,976)	894	(28,082)	(23,318)
<b>Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:</b>				
Depreciation & Net Amortization	12,113		12,113	12,113
Food Distribution Program	13,053		13,053	11,895
Increase/(Decrease) in Accounts Receivable	(8,542)	(31,219)	(39,761)	489
Increase/(Decrease) in Inventory	(487)		(487)	(665)
<b>Total Adjustments</b>	<b>16,137</b>	<b>(31,219)</b>	<b>(15,082)</b>	<b>23,832</b>
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>(\$12,839)</b>	<b>(30,325)</b>	<b>(43,164)</b>	<b>514</b>

See accompanying notes to the financial statements.



Fiduciary Fund



**MANSFIELD TOWNSHIP BOARD OF EDUCATION**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**JUNE 30, 2010**  
**(With Comparative Totals for June 30, 2009)**

ASSETS	AGENCY FUNDS		PRIVATE PURPOSE	TOTALS	
	STUDENT ACTIVITY	PAYROLL	UNEMPLOYMENT COMPENSATION TRUST	(MEMORANDUM ONLY)	
				JUNE 30, 2010	JUNE 30, 2009
Cash & Cash Equivalents	\$20,288	8,311	101,681	130,280	105,805
Interfund Receivable		93		93	
<b>Total Assets</b>	<b>20,288</b>	<b>8,404</b>	<b>101,681</b>	<b>130,373</b>	<b>105,805</b>
<b>LIABILITIES</b>					
Payable to Student Groups	20,288			20,288	19,068
Interfund Payable:					
General Fund			40,898	40,898	867
Payroll Deductions & Withholdings		8,404		8,404	1,819
<b>Total Liabilities</b>	<b>20,288</b>	<b>8,404</b>	<b>40,898</b>	<b>69,590</b>	<b>21,754</b>
<b>NET ASSETS</b>					
Held in Trust for Unemployment & Other Purposes			60,783	60,783	84,051
<b>Total Net Assets</b>	<b>\$ -</b>	<b>-</b>	<b>60,783</b>	<b>60,783</b>	<b>84,051</b>

See accompanying notes to the financial statements.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

ADDITIONS	UNEMPLOYMENT COMPENSATION TRUST	TOTALS (MEMORANDUM ONLY)	
		JUNE 30, 2010	JUNE 30, 2009
Contributions:			
Contributions & Donations from Payroll	\$10,098	10,098	9,907
Total Contributions	10,098	10,098	9,907
Investment Earnings:			
Interest	1,701	1,701	831
Total Additions	11,799	11,799	10,738
 DEDUCTIONS			
Unemployment Claims	35,067	35,067	17,838
Total Deductions	35,067	35,067	17,838
Change in Net Assets	(23,268)	(23,268)	(7,100)
Net Assets - Beginning of the Year	84,051	84,051	91,151
Net Assets - End of the Year	\$60,783	60,783	84,051

See accompanying notes to the financial statements.

**MANSFIELD TOWNSHIP  
BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2010**



## MANSFIELD TOWNSHIP BOARD OF EDUCATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

#### Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the Mansfield Township Board of Education have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). In June 1999 the GASB issued Statement 34 *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. This statement established new financial reporting requirements for state and local governmental entities throughout the United States. They require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in prior years is affected.

The District has implemented these standards beginning with the fiscal year-ending June 30, 2004. With the implementation of GASB Statement 34, the District has prepared required supplementary information titled *Management’s Discussion and Analysis*, which precedes the basic financial statements.

Other GASB Statements are required to be implemented in conjunction with GASB Statement 34. Therefore, the District has implemented the following GASB Statements in the current fiscal year: Statement 33 – *Accounting and Financial Reporting for Nonexchange Transactions*; Statement 36 – *Recipient Reporting for Certain Shared Nonexchange Revenues*; Statement 37 – *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus* and Statement 38 – *Certain Financial Statement Note Disclosures*; Statement 40 – *Deposit and Investment Risk Disclosures* and Statement 44 – *Economic Condition Reporting – The Statistical Section*.

The accompanying financial statements present the financial position of the District and the various funds and fund types, the results of operations of the District and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2010 and for the year then ended with comparative totals as of and for the year ended June 30, 2009 (Memorandum Only).

#### A. Reporting Entity:

The Mansfield Township Board of Education is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The operations of the District include five elementary schools located in Mansfield Township. The Mansfield Township Board of Education had an approximate enrollment at June 30, 2010 of 697 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.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 1. Summary of Significant Accounting Policies (continued):**

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

**B. District-Wide and Fund Financial Statements**

The district-wide financial statements (the statement of net assets and the statement of activities) report information of all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these district-wide statements. District activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or component unit are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, segment, or component unit. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function, segment or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment, or component unit. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District does not allocate general government (indirect) expenses to other functions.

Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds and similar component units, and major component units. However, the fiduciary funds are not included in the district-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

**District-Wide Financial Statements** – The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Governmental Fund Financial Statements** – The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay

## MANSFIELD TOWNSHIP BOARD OF EDUCATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

#### Note 1. Summary of Significant Accounting Policies (continued):

liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

#### D. Fund Accounting:

The accounts of the Mansfield Township Board of Education are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. 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. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

#### Governmental Funds

**General Fund** - The general fund is the general operating fund of the Mansfield Township Board of Education and 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 sub-fund.

As required by the New Jersey Department of Education Mansfield Township Board of Education includes budgeted Capital Outlay in this fund. Generally accepted accounting principles (GAAP) 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, interest earnings 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

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 1. Summary of Significant Accounting Policies (continued):**

**D. Fund Accounting (continued):**

**Governmental Funds (continued):**

and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal 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).

**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** – Resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the reporting governments programs, that is for the benefit of the government or its citizenry.

**Proprietary Fund**

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:

**Enterprise** - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed 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 MVP Program.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 1. Summary of Significant Accounting Policies (continued):**

**Internal Service Fund** – The internal service fund is used to account for the operations to other funds of the District and to other District's, on a cost reimbursement basis.

The District's internal service fund is comprised of the Early Bird Program.

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	5 Years
Light Trucks & Vehicle	5 Years
Heavy Trucks & Vehicle	5 Years

**Fiduciary Funds**

Fiduciary funds are used to account for assets held by a governmental entity for other parties (either as trustee or as an agent) and that cannot be used to finance the governmental entity's own operating programs which includes private purpose trust funds and agency funds

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains an Unemployment Trust Fund as a private purpose trust.

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity's own operating programs. The District currently maintains Payroll funds and Student Activity Funds as Agency Funds

**E. Basis of Accounting:**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 1. Summary of Significant Accounting Policies (continued):**

**E. Basis of Accounting (continued):**

resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

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

In its accounting and financial reporting, the Mansfield Township Board of Education 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 Mansfield Township Board of Education's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

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

**F. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 1. Summary of Significant Accounting Policies (continued):**

**F. Budgets/Budgetary Control (continued):**

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(m)1*. All budget amendments must be approved by School Board resolution.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated

revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

The budget, as detailed on Exhibit C-1, includes all amendments to the adopted budget, if any.

The following presents a reconciliation of the 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 Revenues 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:

**Notes to Required Supplementary Information  
Budgetary Comparison Schedule**

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/Inflows of Resources</b>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$9,705,976	\$306,548
Difference – Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	60,690	
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	(66,560)	

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 1. Summary of Significant Accounting Policies (continued):**

**F. Budgets/Budgetary Control (continued):**

	<b>General Fund</b>	<b>Special Revenue Fund</b>
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	_____	_____ 65
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$9,700,106</u>	<u>\$306,613</u>
<b>Uses/Outflows of Resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$9,651,628	\$306,548
<b>Difference – Budget to GAAP:</b>		
Encumbrances for supplies and equipment ordered But not received are reported in the year the order is Placed for budgetary purposes, but in the year the Supplies are received for financial reporting purposes	_____	_____ 65
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	<u>\$9,651,628</u>	<u>\$306,613</u>

**G. 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 Mansfield Township Board of Education 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.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 1. Summary of Significant Accounting Policies (continued):**

**H. 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. *N.J.S.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 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.

**I. Tuition Receivable/Payable**

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

These adjustments are recorded upon certification by the State Board of Education, which is normally three years following the contract year. The cumulative adjustments through June 30, 2010, which have not been recorded, are not determinable.

The tuition rate adjustments for the years 2006-2007 have been established. According to the School District's records, these amounts of adjustments are immaterial to the financial statements.

**J. Inventories & Prepaid Expenses**

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 1. Summary of Significant Accounting Policies (continued):**

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed.

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditures during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2010.

**K. 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 Mansfield Township Board of Education and that are due within one year.

**L. Fixed Assets:**

General fixed assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Fixed assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of one year or more. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed were valued by an independent appraisal company. General fixed assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General fixed assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

Machinery and Equipment	3 – 20 Years
Building & Other Improvements	7 – 60 Years

**M. Accrued Salaries and Wages**

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2010 for such salaries.

**N. 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

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 1. Summary of Significant Accounting Policies (continued):**

employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In the District-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

**O. Deferred Revenue**

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

**P. Long-term Obligations**

In district-wide financial statements, under governmental activities, long-term debt is recognized as a liability in the general fund as debt is incurred.

**Q. Fund Equity**

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

In accordance with State of New Jersey statutes, the fund balance to be utilized in the subsequent year budget is not legally restricted and therefore has been classified as fund balance designated for subsequent year's expenditures and is not reserved.

**R. Insurance**

Costs of insurance for all funds are recorded as expenditures at the time of payment. Insurance costs chargeable to future periods are not carried as prepayments.

**S. Nature and Purpose of Reservation and Designations of Fund Balances**

The reserve for encumbrances is discussed in Note 1(E).

The designation for subsequent years' property tax relief requires a computation of excess fund balance under N.J. Comprehensive Educational Improvement and Financing Act of 1996.

Under the Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA) and in accordance with *N.J.S.A.18A:7F-7*, New Jersey School Districts are required to reserve General Fund balance if they did not appropriate a required minimum amount as budget fund balance in their June 30, 2010 budget.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 2. Cash and Cash Equivalents and Investments**

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2010, and reported at fair value are as follows:

<b>Type</b>	<b>Carrying Value</b>
<b>Deposits:</b>	
Demand Deposits	\$318,882
Certificates of Deposit	<u>50,000</u>
Total Cash and Cash Equivalents	<u>\$368,882</u>
<b>Reconciliation of Cash and Cash Equivalents:</b>	
Governmental Activities	\$150,018
Business-Type Activities	88,584
Fiduciary Funds	<u>130,280</u>
Total Cash and Cash Equivalents	<u>\$368,882</u>

**Custodial Credit Risk** – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$960,399 at June 30, 2010. Of the bank balance \$250,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$710,399 was secured by a collateral pool held by the bank, but not in the District’s name, as required by New Jersey’s Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

**Investment Interest Rate Risk** – The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at June 30, 2010, are provided in the above schedule.

**Investment Credit Risk** – The District has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;

## MANSFIELD TOWNSHIP BOARD OF EDUCATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

#### **Note 2. Cash and Cash Equivalents and Investments (continued):**

- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the District or bonds or other obligations of the local unit or units within which the District is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the District;
- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

**Concentration of Investment Credit Risk** – The District places no limit on the amount it may invest in any one issuer.

#### **Note 3. Governmental Unit Deposit Protection Act (GUDPA)**

The District has deposited cash in 2010 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 3. Governmental Unit Deposit Protection Act (GUDPA) (continued):**

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The District should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

**Note 4. Capital Reserve Account**

A capital reserve account was established by the Mansfield Township Board of Education in a prior year's annual capital outlay budget, which was certified for taxes for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 4. Capital Reserve Account (continued):**

increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2009 to June 30, 2010 fiscal year is as follows:

Beginning Balance, July 1, 2009	\$107,859
Interest Earnings	<u>1,546</u>
Ending Balance, June 30, 2010	<u>\$109,405</u>

The June 30, 2010 LRFP balance of local support costs of uncompleted capital projects at June 30, 2010 is \$259,750.

**Note 5. Fixed Assets**

The following schedule is a summarization of the general fixed assets by source for the fiscal year ended June 30, 2010:

	June 30, 2009	Additions	Deletions	June 30, 2010
Land	\$ 561,110		\$ -	\$ 561,110
Buildings & Building Improvements	14,871,750	\$467,028		15,338,778
Land Improvements	355,441			355,441
Machinery & Equipment	988,273			988,273
Infrastructure	<u>9,624</u>			<u>9,624</u>
Subtotal	16,786,198	467,028		17,253,226
Accumulated Depreciation	<u>(3,802,821)</u>	<u>(387,916)</u>		<u>(4,190,737)</u>
Total	<u>\$12,983,377</u>	<u>\$ 79,112</u>	<u>\$ -</u>	<u>\$13,062,489</u>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 5. Fixed Assets (continued):**

The following schedule is a summarization of the proprietary fund fixed assets recorded at historical cost by source for the fiscal year ended June 30, 2010:

	<b>June 30, 2009</b>	<b>Additions</b>	<b>Deletious</b>	<b>June 30, 2010</b>
Machinery & Equipment	\$190,100		\$ -	\$190,100
Less: Accumulated Depreciation	(129,343)	\$(12,113)		(141,456)
Net Fixed Assets	<u>\$ 60,757</u>	<u>\$(12,113)</u>	<u>\$ -</u>	<u>\$ 48,644</u>

**Note 6. Long-Term Debt**

During the fiscal year-ended June 30, 2010 the following changes occurred in liabilities reported in the general long-term debt account group:

	<b>Balance 6/30/08</b>	<b>Issued</b>	<b>Retired</b>	<b>Balance 6/30/09</b>	<b>Due in One Year</b>
Compensated Absences Payable	\$ 84,252		\$ 49,692	\$ 34,560	
Bond Anticipation Note		\$300,000		300,000	\$300,000
Bonds Payable	<u>10,585,000</u>		<u>310,000</u>	<u>10,275,000</u>	<u>370,000</u>
Total	<u>\$10,669,252</u>	<u>\$300,000</u>	<u>\$359,692</u>	<u>\$10,609,560</u>	<u>\$670,000</u>

**A. Bonds Payable:**

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds. The Board of Education currently has no outstanding bonds.

On November 18, 2001, the School District issued \$11,644,000 in general obligation bonds at an interest rate of 4.60% for the acquisition of real property and construction of a new elementary school and renovations of an existing elementary school. The final maturity of these bonds is September 1, 2002. The Bonds will be paid from property taxes.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 6. Long-Term Debt (continued):**

On December 6, 2006, the School District advance refunded a portion of the 2001 school bonds. The District Issued \$9,985,000 of refunding school bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the general long-term debt of the District. This advance refunding was undertaken to reduce the debt service payments over the next 16 years by \$396,481 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$328,164.

Principal and Interest due on the outstanding bonds is as follows:

<b>Year-Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2011	\$ 370,000	\$ 420,945	\$ 790,945
2012	410,000	405,370	815,370
2013	465,000	388,895	853,895
2014	540,000	368,795	908,795
2015	595,000	346,095	941,095
2016-2020	4,170,000	1,237,862	5,407,862
2021-2023	3,725,000	257,400	3,982,400
<b>Total</b>	<u>\$10,275,000</u>	<u>\$3,425,362</u>	<u>\$13,700,362</u>

**B. Temporary Note Payable:**

On February 25, 2010, the School District issued a \$300,000 Temporary Note for short term borrowing in order to begin construction projects, before the issuance of school bonds. The Temporary Note matures August 25, 2010 and bears an interest rate of 1.25%.

**C. Bonds Authorized but not Issued**

As of June 30, 2010 the Board of Education approved Bonds for the roof replacement and installation of solar panels at JHES in the amount of \$1,613,004.

**D. Compensated Absences**

Compensated absences will be paid from the fund from which the employees' salaries are paid.

## MANSFIELD TOWNSHIP BOARD OF EDUCATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

#### Note 7. Pension Plans

**Plan Descriptions** - 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, P.O. Box 295, Trenton, New Jersey, 08625.

**Teachers' Pension and Annuity Fund (TPAF)** - The Teachers' Pension and Annuity Fund was established in January 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 noncontributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Public Employees' Retirement System (PERS)** - The Public Employees' Retirement System (PERS) was established in January 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 of 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 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 7. Pension Plans (continued):**

**Significant Legislation** – During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey’s portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee’s rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District’s normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced.

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the TPAF and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

**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 5.5% 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 noncontributing employer of the TPAF.

**Three-Year Trend Information for PERS**

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/10	\$92,659	100%	\$ -0-
6/30/09	76,016	100%	-0-
6/30/08	53,216	100%	-0-

MANSFIELD TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010

Note 7. Pension Plans (continued):

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
6/30/10	\$282,632	100%	\$ -0-
6/30/09	282,807	100%	-0-
6/30/08	482,021	100%	-0-

During the year ended June 30, 2010 the State of New Jersey contributed \$282,632 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A. 18A:66-66* the State of New Jersey reimbursed the District \$331,246 for the year ended June 30, 2010 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the basic 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 8. Post-Retirement Benefits

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2009, there were 84,590 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 is also responsible for the cost attributable to P.L. 1992, c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$116.9 million toward Chapter 126 benefits for 13,320 eligible retired members in Fiscal Year 2009.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 9. Risk Management**

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

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

**New Jersey Unemployment Compensation Insurance** – The District has elected to fund their 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 School District contributions, reimbursements to the State for benefits paid and the ending balance of the District’s expendable trust fund for the current and previous two years:

June 30,	Contributions	Interest	Reimbursed	Balance
2010	\$10,098	\$ 1,701	\$35,067	\$60,783
2009	9,907	831	17,838	84,051
2008	9,243	8,158	21,015	91,151

**Note 10. Contingent Liabilities**

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2010 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**Note 11. Economic Dependency**

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the District’s programs and activities.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 12. Interfund Receivables and Payables**

The following interfund balances remained on the balance sheet at June 30, 2010. The purpose of these interfunds are short-term borrowings.

Fund	Interfund Receivable	Interfund Payable
General Fund	\$56,436	\$ 93
Special Revenue		25
Capital Projects		438
Debt Service	438	
Food Service		15,513
Trust Fund	<u>93</u>	<u>40,898</u>
Total	<u>\$56,967</u>	<u>\$56,967</u>

**Note 13. Fund Balance Appropriated**

**General Fund** – Of the \$579,746 General Fund fund balance at June 30, 2010 \$15,933 is reserved for encumbrances; \$109,405 is reserved for the capital reserve account; \$40,000 is reserved for the maintenance reserve; \$0 is reserved for excess surplus; \$150,000 is reserved for subsequent years' expenditures and \$264,408 is unreserved and undesignated.

**Note 14. Deferred Compensation**

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

The Legends Group Thomas Seeley	Advanced Asset Planning Equivest	Lincoln Investment
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**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 15. Compensated Absences**

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. Payment for accumulated sick days is available to employees only when they reach the statutory retirement requirements and have 15 years of service with the School District. Accumulated sick days are paid at a reimbursement rate of \$20.00 per day up to a total of \$2,000.00 maximum per employee.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2010 is \$34,560.

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, 2010 no liability existed for compensated absences in the proprietary fund types.

**Note 16. Joint Insurance Fund**

The District is a member of the School Alliance Insurance Fund.

The fund provides the School District with the following coverage:

Property (Including Crime & Auto Physical Damage)	General Liability
Automobile Liability	Crime & Fidelity
Environmental Impairment Liability	Workers' Compensation
School Board Legal Liability	Student Accident
Supplemental Indemnity	Aggregate Excess Liability

Annual contributions to the Fund are determined by the Fund's Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund's Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 17. 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 School Funding Reform Act of 2008 (SFRA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2010 is \$0.

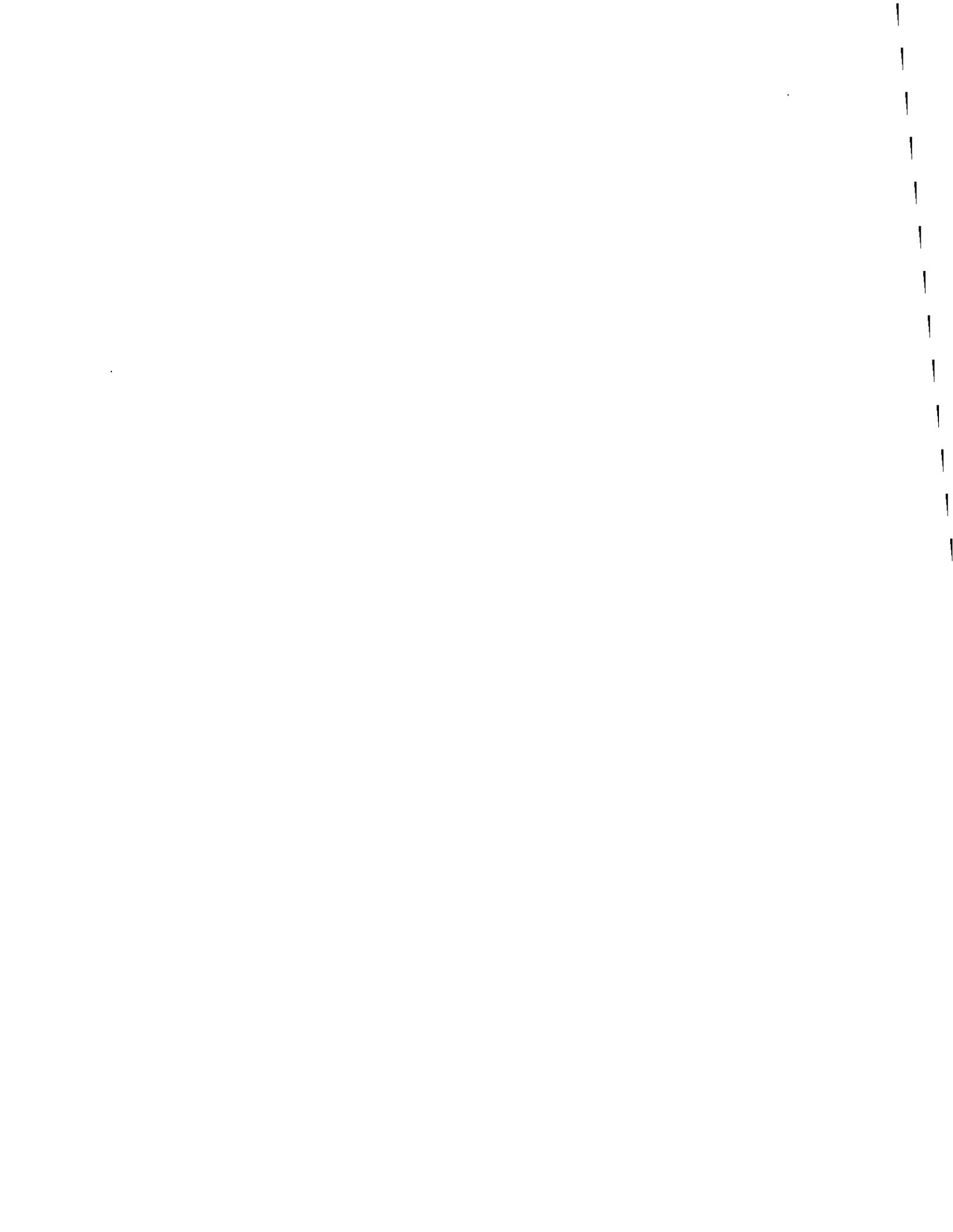
**Note 18. Subsequent Events**

On August 10, 2010, the Board of Education issued \$1,100,000 of Non Callable bonds, with varying interest rates from 2.000% to 3.000%, to refund \$300,000 in Temporary Notes dated February 25, 2010 and maturing August 25, 2010, to finance remaining costs of the roof replacement at John Hydock Elementary School and to install solar panels on the new roof. In addition, the Board of Education was award an SDA Grant in the amount of \$255,720. Actual grant monies received will be based on a percentage of the final cost of the project.

**REQUIRED SUPPLEMENTARY INFORMATION – PART II**



## C. Budgetary Comparison Schedules



**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>Revenues:</b>											
<b>Local Sources:</b>											
Local Tax Levy	10-1210-000-000	\$7,964,795		7,964,795	7,964,795		7,557,909		7,557,909	7,557,909	
Tuition	10-1300-000-000	112,500		112,500	189,270	76,770	95,000		95,000	199,165	104,165
Interest on Capital Reserve	10-1XXX-000-000	1,600		1,600	1,506	(94)	1,200		1,200	1,868	668
Unrestricted Miscellaneous Revenues	10-1000-000-000	92,071		92,071	91,160	(911)	117,000		117,000	80,570	(36,430)
<b>Total Local Sources</b>		<b>8,170,966</b>		<b>8,170,966</b>	<b>8,246,731</b>	<b>75,765</b>	<b>7,771,109</b>		<b>7,771,109</b>	<b>7,839,512</b>	<b>68,403</b>
<b>State Sources:</b>											
Transportation Aid	10-3120-000-000						266,367		266,367	266,367	
Categorical Transportation Aid	10-3121-000-000	332,616		332,616	293,605	(39,011)					
Special Education Aid	10-3130-000-000						341,385		341,385	341,385	
Categorical Special Education Aid	10-3132-000-000	353,655		353,655	353,655						
Extraordinary Aid	10-3190-020-000				95,630	95,630	72,919	59,666	132,585	132,585	
Equalization Aid	10-3176-000-000	45,131	(8,189)	36,942	36,942		124,648		124,648	92,260	(32,388)
Categorical Security Aid	10-3177-000-000	48,749		48,749	48,749		47,751		47,751	47,751	
Non-Public Transportation Aid	10-3190				8,597	8,597				11,136	11,136
<b>Nonbudgeted:</b>											
On-Behalf TPAF Pension Contributions					282,632	282,632				282,807	282,807
Reimbursed TPAF Social Security Contributions					331,246	331,246				310,864	310,864
<b>Total State Sources</b>		<b>780,151</b>	<b>(8,189)</b>	<b>771,962</b>	<b>1,451,056</b>	<b>679,094</b>	<b>853,070</b>	<b>59,666</b>	<b>912,736</b>	<b>1,485,155</b>	<b>572,419</b>
<b>Federal Sources:</b>											
ARRA - ESF	16-4520		7,884	7,884	7,884						
ARRA - GSF	17-4521		305	305	305						
<b>Total Federal Sources</b>			<b>8,189</b>	<b>8,189</b>	<b>8,189</b>						
<b>Total Revenues</b>		<b>8,951,117</b>		<b>8,951,117</b>	<b>9,705,976</b>	<b>754,859</b>	<b>8,624,179</b>	<b>59,666</b>	<b>8,683,845</b>	<b>9,324,667</b>	<b>640,822</b>
<b>Expenditures:</b>											
<b>Current Expense:</b>											
<b>Instruction - Regular Programs:</b>											
<b>Salaries of Teachers:</b>											
Preschool/Kindergarten	11-110-100-101	106,809	24,720	131,529	128,944	2,585	97,167	4,888	102,055	101,972	83
Grades 1 - 5	11-120-100-101	1,914,523	(131,171)	1,783,352	1,774,735	8,617	1,666,179	150,555	1,816,734	1,816,714	20
Grades 6 - 8	11-130-100-101	274,812	72,132	346,944	346,944		256,836	2,284	259,120	259,007	113
<b>Regular Programs - Undistributed Instruction:</b>											
Other Salaries for Instruction	11-190-100-106		5,225	5,225	4,717	508	174,752	74,906	249,658	249,330	328
Purchased Professional/Educational Services	11-190-100-320	5,000	(1,071)	3,929	1,300	2,629	3,000	3,569	6,569	6,338	231

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**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Regular Programs - Undistributed Instruction (continued):											
Other Purchased Services	11-190-100-500	27,800	3	27,803	26,835	968	27,800	(1,978)	25,822	25,143	679
General Supplies	11-190-100-610	94,663	52,029	146,692	145,108	1,584	108,700	31,634	140,334	123,100	17,234
Textbooks	11-190-100-640	18,000	22,566	40,566	40,565	1	25,000	(776)	24,224	23,974	250
Other Objects	11-190-100-890	1,000	(762)	238	217	21	1,000		1,000	282	718
53 Total Regular Programs		2,442,607	43,671	2,486,278	2,469,365	16,913	2,360,434	265,082	2,625,516	2,605,860	19,656
Special Education:											
Resource Room/Center:											
Salaries of Teachers	11-213-100-101	729,610	102,576	832,186	831,156	1,030	779,895	(182,134)	597,761	597,760	1
Other Salaries for Instruction	11-213-100-106	141,829	48,539	190,368	190,367	1	43,230	(24,661)	18,569	18,569	
General Supplies	11-213-100-610	6,000	32,538	38,538	38,429	109	6,000	610	6,610	6,400	210
Total Resource Room/Center		877,439	183,653	1,061,092	1,059,952	1,140	829,125	(206,185)	622,940	622,729	211
Autism:											
Salaries of Teachers	11-214-100-101	103,499	5,190	108,689	108,594	95		96,035	96,035	96,034	1
Other Salaries for Instruction	11-214-100-106	95,506	(10,743)	84,763	84,763			52,019	52,019	51,838	181
General Supplies	11-214-100-610	3,000	551	3,551	3,543	8					
Total Autism		202,005	(5,002)	197,003	196,900	103		148,054	148,054	147,872	182
Total Special Education		1,079,444	178,651	1,258,095	1,256,852	1,243	829,125	(58,131)	770,994	770,601	393
Basic Skills/Remedial:											
Salaries of Teachers	11-230-100-101	164,105	1,388	165,493	165,493		159,104	1,985	161,089	161,088	1
General Supplies	11-230-100-610	2,000		2,000	1,739	261	4,000	(3,892)	108	15	93
Total Basic Skills/Remedial		166,105	1,388	167,493	167,232	261	163,104	(1,907)	161,197	161,103	94
Total - Instruction		3,688,156	223,710	3,911,866	3,893,449	18,417	3,352,663	205,044	3,557,707	3,537,564	20,143

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	NUMBER	JUNE 30, 2010				POSITIVE/ (NEGATIVE)	JUNE 30, 2009				POSITIVE/ (NEGATIVE)
		BUDGET	TRANSFERS	BUDGET	ACTUAL	ACTUAL	BUDGET	TRANSFERS	BUDGET	ACTUAL	ACTUAL
<b>Undistributed Expenditures:</b>											
<b>Instruction:</b>											
Tuition to CSSD & Regional Day Schools	11-000-100-565	60,840	(1,675)	59,165	55,931	3,234	240,122	(71,722)	168,400	168,041	359
Tuition to Private School for the Disabled Within State	11-000-100-566	127,719	(119,918)	7,801	7,801		124,695	(56,767)	67,928	67,884	44
Tuition Other	11-000-100-569	225,000	(91,448)	133,552	79,528	54,024	230,000	(30,421)	199,579	199,579	
<b>Total Instruction</b>		<b>413,559</b>	<b>(213,041)</b>	<b>200,518</b>	<b>143,260</b>	<b>57,258</b>	<b>594,817</b>	<b>(158,910)</b>	<b>435,907</b>	<b>435,504</b>	<b>403</b>
<b>Health Services:</b>											
Salaries	11-000-213-100	114,955	5,593	120,548	120,548		98,011	8,913	106,924	106,924	
Purchased Professional & Technical Service:	11-000-213-300	2,800	1,573	4,373	4,373		2,600	(800)	1,800	1,800	
Other Purchased Services	11-000-213-500	800	312	1,112	940	172	800	(309)	491	339	152
Supplies and Materials	11-000-213-600	4,824		4,824	3,515	1,309	5,880	(1,898)	3,982	3,981	1
<b>Total Health Services</b>		<b>123,379</b>	<b>7,478</b>	<b>130,857</b>	<b>129,376</b>	<b>1,481</b>	<b>107,291</b>	<b>5,906</b>	<b>113,197</b>	<b>113,044</b>	<b>153</b>
<b>Other Support Services - Students - Related Services:</b>											
Salaries	11-000-216-100	165,296	2,991	168,287	168,286	1	238,352	(4,247)	234,105	234,105	
Supplies & Materials	11-000-216-600	1,120	20,301	21,421	21,364	57	1,400	201	1,601	1,601	
Other Objects	11-000-216-800	400	(400)				400	(337)	63		63
<b>Total Related Services</b>		<b>166,816</b>	<b>22,892</b>	<b>189,708</b>	<b>189,650</b>	<b>58</b>	<b>240,152</b>	<b>(4,383)</b>	<b>235,769</b>	<b>235,706</b>	<b>63</b>
<b>Other Support Services - Students - Extraordinary Services:</b>											
Salaries	11-000-217-100						84,424	(18,781)	65,643	65,607	36
<b>Total Other Support Services - Students - Extraordinary Services</b>							<b>84,424</b>	<b>(18,781)</b>	<b>65,643</b>	<b>65,607</b>	<b>36</b>
<b>Other Support Services - Students - Regular:</b>											
Salaries of Other Professional Staff	11-000-218-104						78,056	6,097	84,153	84,152	1
Salaries of Secretarial & Clerical Assistants	11-000-218-105	31,017	(31,017)								
Other Salaries	11-000-218-110		31,017	31,017	30,425	592	28,500	900	29,400	29,400	
Purchased Professional & Educational Services	11-000-218-320	62,000		62,000	61,230	770					
Other Purchased Professional & Technical Services	11-000-218-390						59,000	(727)	58,273	58,273	
Other Purchased Services	11-000-218-500	750	(750)								
Supplies & Materials	11-000-218-600		750	750		750	750	(635)	115	114	1

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Other Support Services - Students - Regular Services	93,767		93,767	91,655	2,112	166,306	5,635	171,941	171,939	2
Other Support Services - Students - Special Services:										
Salaries of Other Professional Staff 11-000-219-104	268,198	(27,300)	240,898	238,717	2,181	230,587	11,667	242,254	242,254	
Salaries of Secretarial & Clerical Assistants 11-000-219-105	56,464	(7,400)	49,064	48,411	653	43,113	2,636	45,749	45,748	1
Purchased Professional & Educational Services 11-000-219-320	140,000	45,947	185,947	185,946	1	135,800	84,162	219,962	219,961	1
Miscellaneous Purchased Services (400-500 Series) 11-000-219-592		3,168	3,168	2,052	1,116	5,300	(2,961)	2,339	2,338	1
Supplies & Materials 11-000-219-600	18,016	(1,269)	16,747	16,745	2	15,000	4,784	19,784	19,674	110
Other Objects 11-000-219-800	2,000		2,000	1,474	526	2,000	(258)	1,742	1,741	1
Total Other Support Services - Students - Special Services	484,678	13,146	497,824	493,345	4,479	431,800	100,030	531,830	531,716	114
Educational Media Services/School Library:										
Salaries 11-000-222-100	78,538		78,538	76,674	1,864	78,552	100	78,652	78,652	
Purchased Professional & Technical Service 11-000-222-300	5,800	(325)	5,475	4,548	927	5,500	(1,196)	4,304	4,303	1
Supplies and Materials 11-000-222-600	16,000	(1,900)	14,100	13,661	439	21,000	(4,170)	16,830	16,802	28
Total Educational Media Services/School Library:	100,338	(2,225)	98,113	94,883	3,230	105,052	(5,266)	99,786	99,757	29
Instructional Staff Training:										
Purchased Professional & Educational Services 11-000-223-320		6,909	6,909	4,118	2,791	14,000	(12,774)	1,226	865	361
Other Purchased Services 11-000-223-500	5,000	(5,000)								
Total Instructional Staff Training	5,000	1,909	6,909	4,118	2,791	14,000	(12,774)	1,226	865	361
Support Services General Administration:										
Salaries 11-000-230-100	173,757	(2,780)	170,977	168,984	1,993	175,722	(13,056)	162,666	162,601	65
Legal Services 11-000-230-331	40,000	1,300	41,300	33,068	8,232	27,250	2,753	30,003	30,002	1
Audit Services 11-000-230-332	23,980	(1,500)	22,480	22,040	440	23,980	(8,880)	15,100	15,100	
Communications/Telephone 11-000-230-530	51,057	(8,000)	43,057	31,075	11,982	51,230	(16,215)	35,015	34,423	592
Other Purchased Services 11-000-230-590	22,940	5,485	28,425	27,878	547	22,890	3,062	25,952	25,948	4

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE/ (NEGATIVE)	JUNE 30, 2009				POSITIVE/ (NEGATIVE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Support Services General Administration (continued):										
General Supplies	2,180	(998)	1,182	1,181	1	2,180	(676)	1,504	1,504	
Judgements Against the School District		50,300	50,300	50,300			50,300	50,300		50,300
BOE Membership Dues & Fees	8,701	(5,111)	3,590	2,465	1,125	8,701	(1,928)	6,773	6,773	
Miscellaneous Expenditures	3,597	5,104	8,701	7,793	908	3,597	(2,475)	1,122	1,122	
<b>Total Support Services General Administration</b>	<b>326,212</b>	<b>43,800</b>	<b>370,012</b>	<b>344,784</b>	<b>25,228</b>	<b>315,550</b>	<b>12,885</b>	<b>328,435</b>	<b>277,473</b>	<b>50,962</b>
Support Services School Administration:										
Salaries of Principals & Assistant Principals	192,760	3,982	196,742	196,742		242,368	(23,470)	218,898	218,897	1
Salaries of Secretarial & Clerical Assistants	98,194	3,000	101,194	100,162	1,032	73,456	(4,160)	69,296	69,285	11
Other Purchased Services (400-500 Series)	8,500	(6,547)	1,953	1,952	1	10,780	(6,995)	3,785	3,683	102
Supplies and Materials	3,445	984	4,429	4,426	3	3,445	2,650	6,095	5,042	1,053
Other Objects	2,000	(1,719)	281	281		1,098	220	1,318	1,317	1
<b>Total Support Services School Administration</b>	<b>304,899</b>	<b>(300)</b>	<b>304,599</b>	<b>303,563</b>	<b>1,036</b>	<b>331,147</b>	<b>(31,755)</b>	<b>299,392</b>	<b>298,224</b>	<b>1,168</b>
Central Services:										
Salaries	181,373	(348)	181,025	181,024	1	177,195	(9,540)	167,655	167,655	
Purchased Technical Services	25,500	1,778	27,278	27,277	1	25,915	6,225	32,140	32,136	4
Miscellaneous Purchased Services	7,160	7,377	14,537	14,537		9,032	(1,742)	7,290	6,691	599
Supplies and Materials	4,000	1,769	5,769	5,768	1	4,033	703	4,736	4,593	143
Miscellaneous Expenditures	3,500	(1,200)	2,300	2,293	7	3,815	(2,381)	1,434	1,425	9
<b>Total Central Services</b>	<b>221,533</b>	<b>9,376</b>	<b>230,909</b>	<b>230,899</b>	<b>10</b>	<b>219,990</b>	<b>(6,735)</b>	<b>213,255</b>	<b>212,500</b>	<b>755</b>
Allowable Maintenance for School Facilities:										
Salaries	117,770	(39,000)	78,770	78,697	73	75,749	290	76,039	76,036	3
Cleaning, Repair & Maintenance Services	24,500	11,783	36,283	35,524	759	25,400	(97)	25,303	25,302	1
General Supplies	26,200	5,751	31,951	29,742	2,209	30,000	10,226	40,226	34,419	5,807
Other Objects	400	(392)	8	7	1	400	(363)	37	36	1
<b>Total Allowable Maintenance for School Facilities</b>	<b>168,870</b>	<b>(21,858)</b>	<b>147,012</b>	<b>143,970</b>	<b>3,042</b>	<b>131,549</b>	<b>10,056</b>	<b>141,605</b>	<b>135,793</b>	<b>5,812</b>

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**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>Operation &amp; Maintenance of Plant Services:</b>											
Salaries	11-000-262-100	350,203	(733)	349,470	349,478	(8)	294,236	(12,908)	281,328	281,324	4
Purchased Professional/Technical Services	11-000-262-300	3,600	9,022	12,622	12,622		3,600	(894)	2,706	2,622	84
Cleaning, Repair & Maintenance Services	11-000-262-420	10,300	9,370	19,670	13,469	6,201	11,500	(3,401)	8,099	7,637	462
Other Purchased Property Services	11-000-262-490	33,000	7,988	40,988	40,987	1	29,700	13,403	43,103	43,077	26
Insurance	11-000-262-520	19,440	(3,332)	16,108	16,108		18,000	(2,516)	15,484	15,484	
Travel	11-000-262-580							879	879	667	212
Miscellaneous Purchased Services	11-000-262-590	2,700	(1,601)	1,099	500	599	2,700	(1,579)	1,121	1,102	19
General Supplies	11-000-262-610	34,250	(2,189)	32,061	30,581	1,480	33,500	8,470	41,970	41,957	13
Energy (Heat & Electricity)	11-000-262-620						208,600	13,006	221,606	221,565	41
Energy (Natural Gas)	11-000-262-621		240,382	240,382	225,461	14,921					
Energy (Electricity)	11-000-262-622	238,046	(238,046)								
Other Objects	11-000-262-800	400		400	23	377	400	(265)	135	23	112
<b>Total Operation &amp; Maintenance of Plant Services</b>		<b>691,939</b>	<b>20,861</b>	<b>712,800</b>	<b>689,229</b>	<b>23,571</b>	<b>602,236</b>	<b>14,195</b>	<b>616,431</b>	<b>615,458</b>	<b>973</b>
<b>Student Transportation Services:</b>											
Sal Pupil Trans (Between Home & School) - Regular	11-000-270-160	10,000	(831)	9,169	9,167	2	19,100	(19,089)	11		11
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512		4,723	4,723	4,722	1	10,000	(9,761)	239	175	64
Contracted Services (Between Home & School) - Joint Agreement	11-000-270-513	367,000	(8,065)	358,935	358,934	1	311,866	4,393	316,259	316,259	
Contracted Services (Special Education Students) - Vendors	11-000-270-514	213,159	(213,159)								
Contracted Services (Special Education Students) - Joint Agreement	11-000-270-515		132,734	132,734	132,653	81	218,000	(23,866)	194,134	194,134	
Contracted Services - (Aid in Lieu of Payments)	11-000-270-503	67,000	(3,439)	63,561	63,560	1	54,000	(960)	53,040	51,272	1,768
Miscellaneous Purchased Services - Transportation	11-000-270-593	5,000	(2,083)	2,917	2,850	67	10,600	(8,050)	2,550	2,550	
<b>Total Student Transportation Services</b>		<b>662,159</b>	<b>(90,120)</b>	<b>572,039</b>	<b>571,886</b>	<b>153</b>	<b>623,566</b>	<b>(57,333)</b>	<b>566,233</b>	<b>564,390</b>	<b>1,843</b>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE/ (NEGATIVE)	JUNE 30, 2009				POSITIVE/ (NEGATIVE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	
Unallocated Benefits - Employee Benefits:											
Group Insurance	11-000-291-210							120,758	120,758	120,757	1
Social Security Contributions - Other	11-000-291-220	110,000	8,201	118,201	118,201		93,680	(17,664)	76,016	76,016	
Other Retirement Contributions - Regular	11-000-291-241	115,000	(21,657)	93,343	92,753	590	105,000	(105,000)			
Workmen's Compensation	11-000-291-260	30,000	122	30,122	30,122		27,700	1,693	29,393	29,393	
Health Benefits	11-000-291-270	1,380,000	(652)	1,379,348	1,366,924	12,424	1,204,592	61,252	1,265,844	1,265,777	67
Tuition Reimbursements	11-000-291-280	12,000		12,000	9,075	2,925	12,000		12,000	12,000	
Other Employee Benefits	11-000-291-290	12,000	(12,000)				9,600	(9,600)			
<b>Total Unallocated Benefits - Employee Benefits</b>		<b>1,659,000</b>	<b>(25,986)</b>	<b>1,633,014</b>	<b>1,617,075</b>	<b>15,939</b>	<b>1,452,572</b>	<b>51,439</b>	<b>1,504,011</b>	<b>1,503,943</b>	<b>68</b>
<b>Transfer of Funds to Charter Schools</b>			<b>96,608</b>	<b>96,608</b>	<b>96,608</b>						
Nonbudgeted:											
On-Behalf TPAF Pension Contributions				282,632	(282,632)				282,807	(282,807)	
Reimbursed TPAF Social Security Contributions				331,246	(331,246)				310,864	(310,864)	
<b>Total Undistributed Expenditures</b>		<b>5,422,149</b>	<b>(137,460)</b>	<b>5,284,689</b>	<b>5,758,179</b>	<b>(473,490)</b>	<b>5,420,452</b>	<b>(95,791)</b>	<b>5,324,661</b>	<b>5,855,590</b>	<b>(530,929)</b>
<b>Total Expenditures - Current Expense</b>		<b>9,110,305</b>	<b>86,250</b>	<b>9,196,555</b>	<b>9,651,628</b>	<b>(455,073)</b>	<b>8,773,115</b>	<b>109,253</b>	<b>8,882,368</b>	<b>9,393,154</b>	<b>(510,786)</b>
Capital Outlay:											
Interest Deposit to Capital Reserve	10-604-000-000	1,600		1,600		1,600	1,200		1,200		1,200
Operation & Maintenance of Plant Services	12-0XX-26X-73X							25,000	25,000	24,726	274
Facilities Acquisition & Construction Services:											
Construction Services	12-000-400-450						25,000	(25,000)			
<b>Total Facilities Acquisition &amp; Construction Services</b>							<b>25,000</b>		<b>25,000</b>	<b>24,726</b>	<b>274</b>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBER	JUNE 30, 2010				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Capital Outlay	1,600		1,600		1,600	26,200		26,200	24,726	1,474
Total Expenditures	9,111,905	86,250	9,198,155	9,651,628	(453,473)	8,799,315	109,253	8,908,568	9,417,880	(509,312)
Other Financing Uses/(Sources):										
59 Food Services - Transfer to Cover Deficit 11-000-310-930						(2,000)		(2,000)		2,000
Total Expenditures & Other Financing Uses/(Sources)						(2,000)		(2,000)		2,000
Excess/(Deficiency) of Revenues & Other Financing Sources/ (Uses) Over/Under Expenditures & Other Financing Uses	(160,788)	(86,250)	(247,038)	54,348	301,386	(177,136)	(49,587)	(226,723)	(93,213)	133,510
Fund Balances, July 1	591,958		591,958	591,958		685,171		685,171	685,171	
Fund Balances, June 30	\$431,170	(86,250)	344,920	646,306	301,386	508,035	(49,587)	458,448	591,958	133,510

**RECAPITULATION OF FUND BALANCE**

Reserve for Encumbrances	\$15,933
Capital Reserve	109,405
Maintenance Reserve	40,000
Unreserved Fund Balance - Designated for Subsequent Year's Expenditures	150,000
Unrestricted Fund Balance	<u>330,968</u>
Subtotal	<u>646,306</u>
Reconciliation to Governmental Fund Statements (GAAP):	
Last State Aid Payment Not Recognized on GAAP Basis	<u>(66,560)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$579,746</u>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
AMERICAN RECOVERY AND REINVESTMENTS ACT -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	ACCOUNT NUMBER	JUNE 30, 2010			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Federal Sources:					
American Recovery & Reinvestment Act:					
Education Stabilization Fund	16-4520	\$ -	7,884	7,884	7,884
Government Services Fund	17-4521		305	305	305
Total Federal Sources			8,189	8,189	8,189
Total Revenues			8,189	8,189	8,189
Expenditures:					
American Recovery & Reinvestment Act:					
Education Stabilization Fund:					
Grades 1 - 5	16-120-100-101		7,884	7,884	7,884
Total ESF Expenditures			7,884	7,884	7,884
Government Services Fund:					
Grades 1 - 5	17-120-100-101		305	305	305
Total GSF Expenditures			305	305	305
Total American Recovery & Reinvestment Act			8,189	8,189	8,189
Total Expenditures			8,189	8,189	8,189
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures		\$ -	-	-	-

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	JUNE 30, 2010				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
<b>REVENUES</b>											
Federal Sources:											
Title I		12,944	12,944	12,944			16,346	16,346	16,346		
Title II - Part A		12,053	12,053	12,053			11,497	11,497	7,847	(3,650)	
Title II - Part D		129	129	129							
Title IV	\$1,296	(160)	1,136	1,136			1,182	1,182	1,182		
Title V							705	705	705		
I.D.E.A. - Part B	117,857	3,920	121,777	121,777	93,915	27,505	121,420	121,420			
I.D.E.A. - Part B - ARRA		143,020	143,020	143,020							
I.D.E.A. - Part B - Preschool Incentive		10,317	10,317	10,317	8,448	1,862	10,310	10,310			
I.D.E.A. - Part B - Preschool - ARRA		5,172	5,172	5,172							
<b>Total Federal Sources</b>	<b>119,153</b>	<b>187,395</b>	<b>306,548</b>	<b>306,548</b>		<b>102,363</b>	<b>59,097</b>	<b>161,460</b>	<b>157,810</b>	<b>(3,650)</b>	
<b>Total Revenues</b>	<b>119,153</b>	<b>187,395</b>	<b>306,548</b>	<b>306,548</b>		<b>102,363</b>	<b>59,097</b>	<b>161,460</b>	<b>157,810</b>	<b>(3,650)</b>	
<b>EXPENDITURES</b>											
Instruction:											
Purchased Professional - Educational Services					93,915	30,690	124,605	124,605			
Other Purchased Services (400-500 Series)		81,646	81,646	81,646							
Tuition	117,857	75,252	193,109	193,109							
General Supplies		8,543	8,543	8,543		11,696	11,696	11,696			
<b>Total Instruction</b>	<b>117,857</b>	<b>165,441</b>	<b>283,298</b>	<b>283,298</b>	<b>93,915</b>	<b>42,386</b>	<b>136,301</b>	<b>136,301</b>			
Support Services:											
Personal Services - Salaries	1,296	(1,296)									
Personal Services - Employee Benefits											
Purchased Professional - Educational Services		20,400	20,400	20,400	8,448	13,053	21,501	17,851	3,650		
Purchased Professional - Technical Services		2,850	2,850	2,850		3,658	3,658	3,658			
<b>Total Support Services</b>	<b>1,296</b>	<b>21,954</b>	<b>23,250</b>	<b>23,250</b>	<b>8,448</b>	<b>16,711</b>	<b>25,159</b>	<b>21,509</b>	<b>3,650</b>		
<b>Total Expenditures</b>	<b>\$119,153</b>	<b>187,395</b>	<b>306,548</b>	<b>306,548</b>		<b>102,363</b>	<b>59,097</b>	<b>161,460</b>	<b>157,810</b>	<b>3,650</b>	

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**



**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**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)	\$9,705,976	306,548
Difference - Budget to GAAP:		
State aid revenue adjustment due to last state aid payment not being recognized in accordance with GASB No. 33		
Current Year	(66,560)	
Prior Year	60,690	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		65
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)		
	\$9,700,106	306,613
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$9,651,628	306,548
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year		65
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)		
	\$9,651,628	306,613

N-1 The general fund budget uses GAAP basis therefore no reconciliation is necessary.



**OTHER SUPPLEMENTARY INFORMATION**



D. School Based Budget Level Schedules

Not Applicable



E. Special Revenue Fund



**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

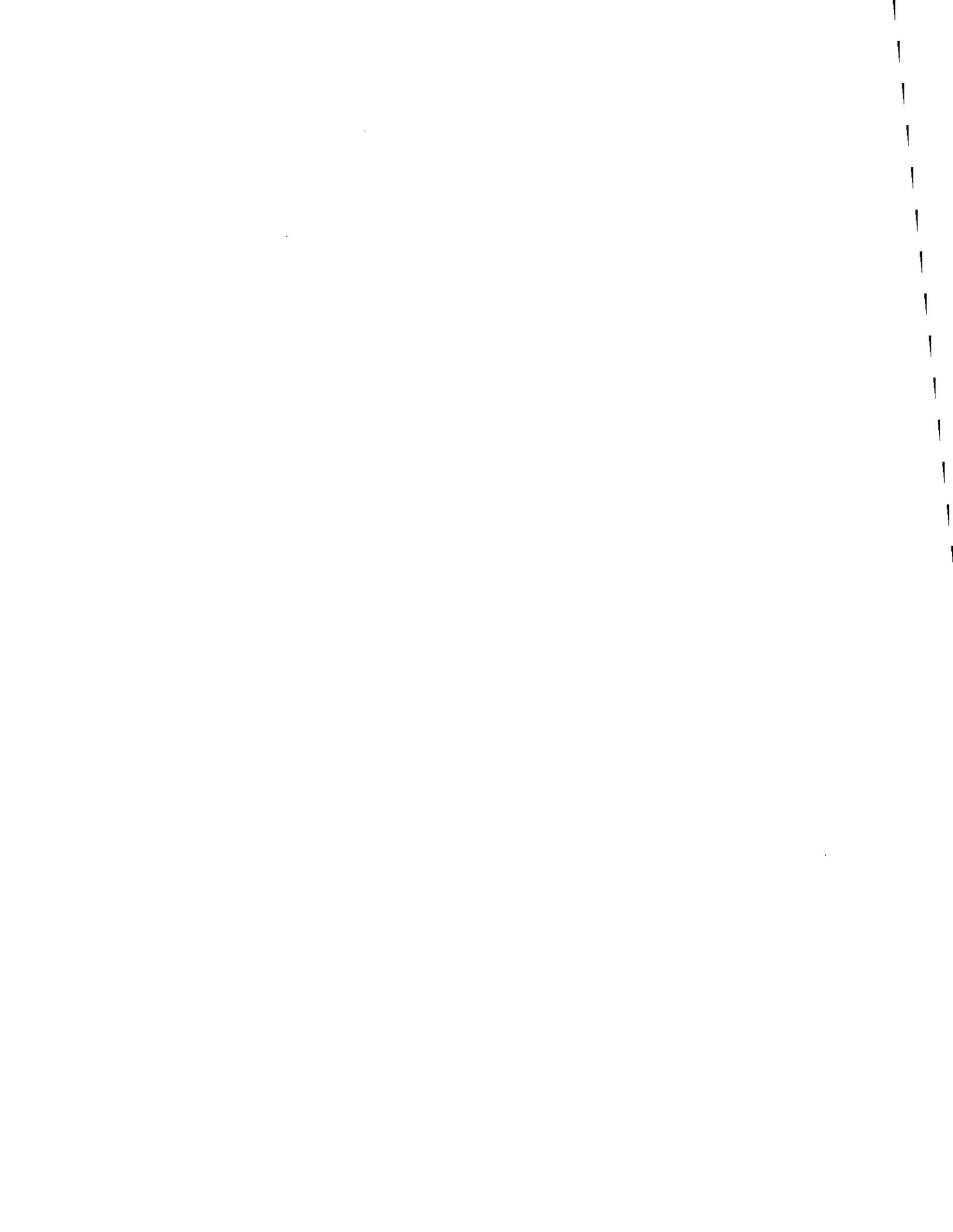
	NO CHILD LEFT BEHIND				
	TITLE I	TITLE II - PART A	TITLE II - PART A CARRYOVER	TITLE II - PART D	TITLE IV
Revenues:					
Federal Sources	\$12,944	8,403	3,650	129	1,136
Total Revenues	<u>\$12,944</u>	<u>8,403</u>	<u>3,650</u>	<u>129</u>	<u>1,136</u>
Expenditures:					
Instruction:					
Purchased Professional - Educational Services					
Other Purchased Services (400-500 Series)			3,650		1,136
Tuition					
General Supplies	\$8,543				
Total Instruction	<u>8,543</u>		<u>3,650</u>		<u>1,136</u>
Support Services:					
Purchased Professional - Educational Services	1,551	8,403		129	
Purchased Professional - Technical Services	2,850				
Total Support Services	<u>4,401</u>	<u>8,403</u>		<u>129</u>	
Total Expenditures	<u>\$12,944</u>	<u>8,403</u>	<u>3,650</u>	<u>129</u>	<u>1,136</u>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

	I.D.E.A. - PART B			
	BASIC 2009-2010	ARRA - BASIC 2009-2010	PRESCHOOL 2009-2010	ARRA PRESCHOOL 2009-2010
Revenues:				
Federal Sources	\$121,777	143,020	10,317	5,172
Total Revenues	<u>\$121,777</u>	<u>143,020</u>	<u>10,317</u>	<u>5,172</u>
Expenditures:				
Instruction:				
Purchased Professional - Educational Services				
Other Purchased Services (400-500 Series)		71,688		5,172
Tuition	\$121,777	71,332		
General Supplies				
Total Instruction	<u>121,777</u>	<u>143,020</u>		<u>5,172</u>
Support Services:				
Purchased Professional - Educational Services			10,317	
Purchased Professional - Technical Services				
Total Support Services			<u>10,317</u>	
Total Expenditures	<u>\$121,777</u>	<u>143,020</u>	<u>10,317</u>	<u>5,172</u>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

	2010	2009
Revenues:		
Federal Sources	\$306,548	157,810
	\$306,548	157,810
<b>Total Revenues</b>	<b>\$306,548</b>	<b>157,810</b>
Expenditures:		
Instruction:		
Purchased Professional - Educational Services		124,605
Other Purchased Services (400-500 Series)	\$81,646	
Tuition	193,109	
General Supplies	8,543	11,696
	283,298	136,301
<b>Total Instruction</b>	<b>283,298</b>	<b>136,301</b>
Support Services:		
Purchased Professional - Educational Services	20,400	17,851
Purchased Professional - Technical Services	2,850	3,658
	23,250	21,509
<b>Total Support Services</b>	<b>23,250</b>	<b>21,509</b>
<b>Total Expenditures</b>	<b>\$306,548</b>	<b>157,810</b>



F. Capital Projects Fund



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

PROJECT TITLE/ISSUE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED
			PRIOR YEARS	CURRENT YEAR	BALANCE JUNE 30, 2010
Referendum Project:					
Acquisition of Real Property & Construction of a New Elementary School, Completion of Various Improvements to the John Hydock Elementary School, Acquisition of Furniture, Fixtures & Equipment for the New Elementary School & Improvements to the Existing School; (2a) Construction of a Second Floor on the New Elementary School, Acquire Furniture, Fixtures & Equipment for the Second Floor & (2b) Construction of an Enlarged Gymnasium at the New Elementary School	3/07/2000 4/17/2001	\$16,626,880	16,626,047	833	
Roof Replacement and Installation of Solar Panels at JHES, including all necessary electric system and related work	12/8/2009	1,868,724		447,478	1,421,246
Total		\$18,495,604	16,626,047	448,311	1,421,246
Bonds Authorized But Not Issued					\$1,613,004
State Grants Not Recognized					255,720
Fund Balance June 30, 2010					(447,478)
Total					\$1,421,246

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE-BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2010**

Expenditures & Other Financing Uses:	
Purchased Professional & Technical Services	\$106,810
Construction Services	340,512
Other	156
	<hr/>
Total Expenditures	447,478
	<hr/>
Other Financing Sources/(Uses):	
Transfer to Debt Service Fund	(833)
	<hr/>
Total Other Financing Sources/(Uses)	(833)
	<hr/>
Total Expenditures & Other Financing Sources/(Uses)	448,311
	<hr/>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(448,311)
Fund Balance - Beginning	833
	<hr/>
Fund Balance - Ending	(\$447,478)
	<hr/> <hr/>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
NEW ELEMENTARY SCHOOL CONSTRUCTION & PURCHASING OF FURNITURE & EQUIPMENT  
JOHN HYDOCK ELEMENTARY SCHOOL ACQUISITION OF FURNITURE & EQUIPMENT  
YEAR ENDED JUNE 30, 2010**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
<b>Revenues &amp; Other Financing Sources:</b>				
State Sources - SCC Grant	\$4,307,880		4,307,880	4,307,880
Bond Proceeds & Transfers	11,644,000		11,644,000	11,644,000
Bond Anticipation Notes	675,000		675,000	675,000
<b>Total Revenues</b>	<b>16,626,880</b>		<b>16,626,880</b>	<b>16,626,880</b>
<b>Expenditures &amp; Other Financing Uses:</b>				
Purchased Professional & Technical Services	1,655,859		1,655,859	1,655,859
Construction Services	14,253,302		14,253,302	14,253,302
Equipment Purchases	716,886		716,886	717,719
<b>Total Expenditures</b>	<b>16,626,047</b>	-	<b>16,626,047</b>	<b>16,626,880</b>
<b>Other Financing Sources/(Uses)</b>				
Transfer to Debt Service Fund		(833)	(833)	
<b>Total Other Financing Sources/(Use:</b>		<b>(833)</b>	<b>(833)</b>	
<b>Total Expenditures and Other Financing Sources/(Uses)</b>	<b>16,626,047</b>	<b>833</b>	<b>16,626,880</b>	<b>16,626,880</b>
<b>Excess/(Deficiency) of Revenues Over/ (Under) Expenditures</b>	<b>\$833</b>	<b>(833)</b>	-	-

**ADDITIONAL PROJECT INFORMATION**

Project Number	
Grant Date	
Bond Authorization Date	11/8/2001
Bonds Authorized	\$11,644,000
Bonds Issued	\$11,644,000
Original Authorized Cost	\$16,626,880
Revised Authorized Cost	N/A
Percentage Increase Over Original Authorized Cost	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
ROOF REPLACEMENT AND INSTALLATION OF SOLAR PANELS AT JHES  
INCLUDING ALL NECESSARY ELECTRIC SYSTEM AND RELATED WORK  
YEAR ENDED JUNE 30, 2010**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
<b>Revenues &amp; Other Financing Sources:</b>				
State Sources - SCC Grant	\$ -			255,720
Bond Proceeds & Transfers				1,613,004
Bond Anticipation Notes				
<b>Total Revenues</b>				<b>1,868,724</b>
<b>Expenditures &amp; Other Financing Uses:</b>				
Purchased Professional & Technical Services		106,810	106,810	278,724
Construction Services		340,512	340,512	1,520,000
Other		156	156	70,000
<b>Total Expenditures</b>		<b>447,478</b>	<b>447,478</b>	<b>1,868,724</b>
<b>Excess/(Deficiency) of Revenues Over/ (Under) Expenditures</b>	<b>\$ -</b>	<b>(447,478)</b>	<b>(447,478)</b>	<b>-</b>

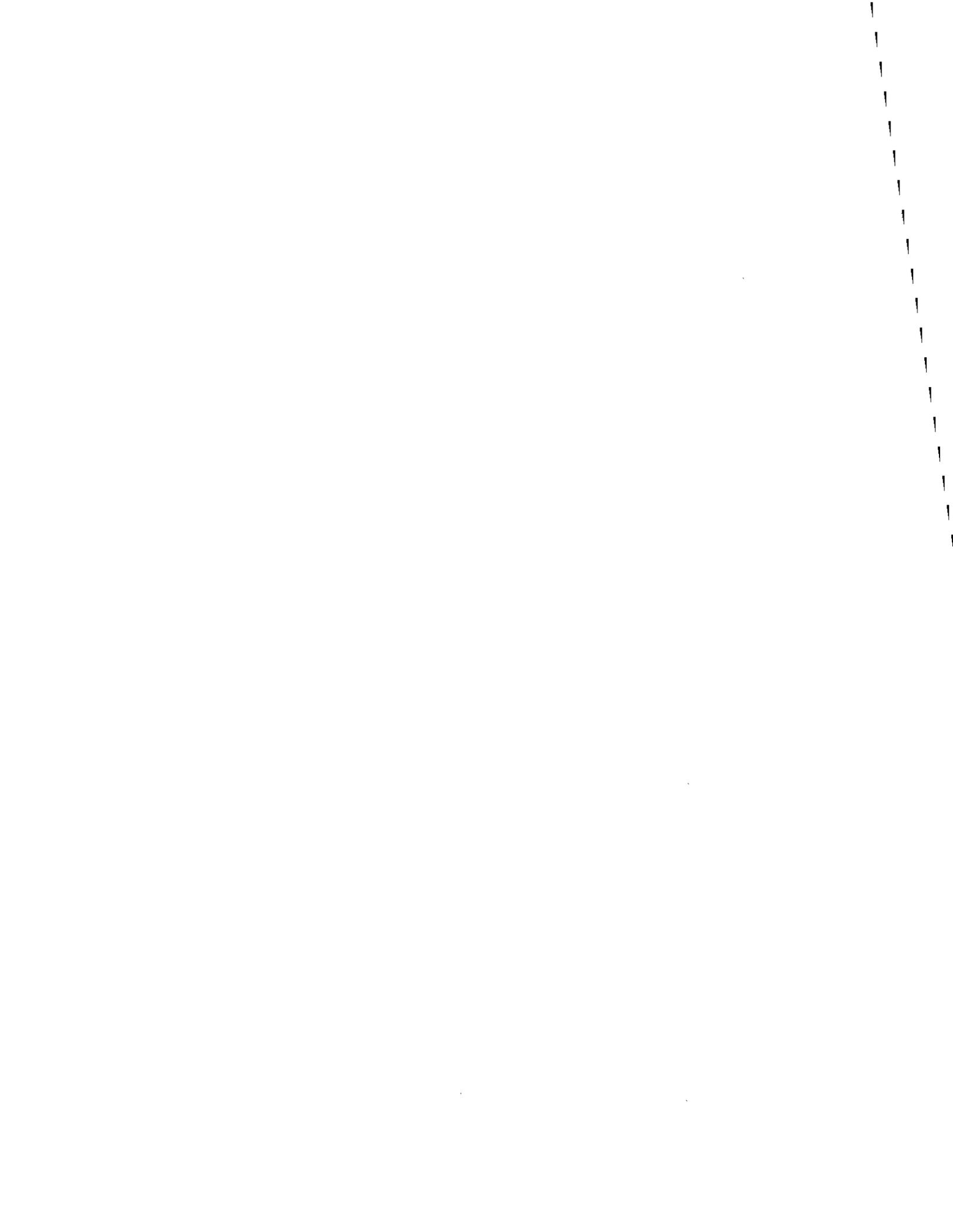
**ADDITIONAL PROJECT INFORMATION**

Project Number	
Grant Date	
Bond Authorization Date	11/8/2001
Bonds Authorized	\$1,613,004
Bonds Issued	
Original Authorized Cost	\$1,868,724
Revised Authorized Cost	N/A
Percentage Increase Over Original Authorized Cost	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

## G. Proprietary Funds



Enterprise Funds



**MANSFIELD TOWNSHIP BOARD OF EDUCATION**  
**ENTERPRISE FUND**  
**COMBINING SCHEDULE OF NET ASSETS**  
**AS OF JUNE 30, 2010**  
**(With Comparative Totals for June 30, 2009)**

ASSETS	BUSINESS-TYPE ACTIVITIES -		2010	2009
	FOOD SERVICE	MVP PROGRAM		
<b>Current Assets:</b>				
Cash & Cash Equivalents	\$6,202	82,382	88,584	54,803
Accounts Receivable:				
State	185		185	
Federal	2,075		2,075	
Due to General Fund				2,095
Inventories:				
Food	1,266		1,266	552
Supplies	379		379	1,043
Commodities	2,950		2,950	2,513
<b>Total Current Assets</b>	<b>13,057</b>	<b>82,382</b>	<b>95,439</b>	<b>61,006</b>
<b>Noncurrent Assets:</b>				
Furniture, Machinery & Equipment	190,100		190,100	190,100
Less: Accumulated Depreciation	(141,456)		(141,456)	(129,343)
<b>Total Fixed Assets</b>	<b>48,644</b>		<b>48,644</b>	<b>60,757</b>
<b>Total Assets</b>	<b>61,701</b>	<b>82,382</b>	<b>144,083</b>	<b>121,763</b>
<b>LIABILITIES</b>				
Accounts Payable	2,081		2,081	10,623
Due to General Fund	15,513		15,513	
<b>Total Liabilities</b>	<b>17,594</b>		<b>17,594</b>	<b>10,623</b>
<b>NET ASSETS</b>				
Investment in Capital Assets	48,644		48,644	60,757
Unrestricted	(4,537)	82,382	77,845	50,383
<b>Total Net Assets</b>	<b>\$44,107</b>	<b>82,382</b>	<b>126,489</b>	<b>111,140</b>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
ENTERPRISE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

	BUSINESS-TYPE ACTIVITIES -		2010	2009
	FOOD SERVICE	MVP PROGRAM		
Operating Revenues:				
Local Sources:				
Daily Sales - Reimbursable Programs	\$121,677		121,677	146,247
Daily Sales - Nonreimbursable Programs	30,955		30,955	22,827
Miscellaneous	3,670	112,787	116,457	97,360
Total Operating Revenue	156,302	112,787	269,089	266,434
Operating Expenses:				
Salaries and Benefits	101,718	68,869	170,587	158,276
Supplies and Materials		6,383	6,383	9,907
Cost of Sales	103,806		103,806	113,037
Miscellaneous	2,665	2,511	5,176	2,005
Depreciation	12,113		12,113	12,113
Total Operating Expenses	220,302	77,763	298,065	295,338
Operating Income/(Loss )	(64,000)	35,024	(28,976)	(28,904)
Nonoperating Revenues/(Expenses):				
State Sources:				
State School Lunch Program	2,592		2,592	2,764
Federal Sources:				
National School Lunch Program	28,648		28,648	27,628
Food Distribution Program	13,053		13,053	11,895
Interest & Investment Revenue	32		32	70
Total Nonoperating Revenues/(Expenses)	44,325		44,325	42,357
Change in Net Assets	(19,675)	35,024	15,349	13,453
Total Net Assets - Beginning	63,782	47,358	111,140	97,687
Total Net Assets - Ending	\$44,107	82,382	126,489	111,140

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
ENTERPRISE FUND  
COMBINING SCHEDULE OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

	BUSINESS-TYPE ACTIVITIES -		2010	2009
	FOOD SERVICE	MVP PROGRAM		
<b>Cash Flows From Operating Activities:</b>				
Receipts from Customers	\$156,302	112,787	269,089	266,434
Payments to Employees	(101,718)	(68,869)	(170,587)	(158,276)
Payments to Suppliers	(99,782)	(8,894)	(108,676)	(108,835)
Payments to Others	(2,665)		(2,665)	(150)
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>(47,863)</b>	<b>35,024</b>	<b>(12,839)</b>	<b>(827)</b>
<b>Cash Flows From Noncapital Financing Activities:</b>				
State Sources	2,407		2,407	2,996
Federal Sources	26,573		26,573	29,905
Board Loan	17,608		17,608	(2,095)
<b>Net Cash Provided/(Used) by Noncapital Financing Activities</b>	<b>46,588</b>		<b>46,588</b>	<b>30,806</b>
<b>Cash Flows From Investing Activities:</b>				
Interest & Dividends	32		32	70
<b>Net Cash Provided/(Used) by Investing Activities</b>	<b>32</b>		<b>32</b>	<b>70</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents Balances - Beginning of Year</b>	<b>(1,243)</b>	<b>35,024</b>	<b>33,781</b>	<b>30,049</b>
	7,445	47,358	54,803	24,754
<b>Balances - End of Year</b>	<b>\$6,202</b>	<b>82,382</b>	<b>88,584</b>	<b>54,803</b>

**Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:**

Operating Income/(Loss)	(\$64,000)	35,024	(28,976)	(28,904)
<b>Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:</b>				
Depreciation & Net Amortization	12,113		12,113	12,113
Food Distribution Program	13,053		13,053	11,895
Increase in Accounts Payable	(8,542)		(8,542)	4,734
Change in Inventory	(487)		(487)	(665)
<b>Total Adjustments</b>	<b>16,137</b>		<b>16,137</b>	<b>28,077</b>
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>(\$47,863)</b>	<b>35,024</b>	<b>(12,839)</b>	<b>(827)</b>



Internal Service Fund



**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
INTERNAL SERVICE FUNDS  
COMBINING SCHEDULE OF NET ASSETS  
AS OF JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

ASSETS	EARLY BIRD PROGRAM	2010	2009
Program Fees Receivable	\$58,708	58,708	27,489
Total Assets	58,708	58,708	27,489
<b>LIABILITIES</b>			
Cash Overdraft	58,708	58,708	28,383
Total Liabilities	58,708	58,708	28,383
<b>NET ASSETS</b>			
Unreserved Retained Earnings			(894)
Total Net Assets	\$ -	-	(894)

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
AS OF JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

	EARLY BIRD PROGRAM	2010	2009
Operating Revenues:			
Local Sources:			
Program Fees:			
Outside Districts	\$249,189	249,189	139,446
Host District	67,309	67,309	196,846
Total Operating Revenues	316,498	316,498	336,292
Operating Expenses:			
Salaries	267,546	267,546	279,370
Employee Benefits	31,876	31,876	48,530
Repairs and Maintenance	696	696	
Contracted Services	650	650	650
General Supplies	14,836	14,836	2,156
Total Operating Expenses	315,604	315,604	330,706
Net Income/(Loss)	894	894	5,586
Net Assets - July 1	(894)	(894)	(6,480)
Net Assets - June 30	\$ -	-	(894)

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
INTERNAL SERVICE FUNDS  
COMBINING SCHEDULE OF CASH FLOWS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

	EARLY BIRD PROGRAM	2010	2009
Cash Flows From Operating Activities:			
Cash Received From Customers	\$285,279	285,279	332,047
Cash Paid to Employees	(267,546)	(267,546)	(279,370)
Cash Received for Employee Benefits	(31,876)	(31,876)	(48,530)
Cash Paid to Suppliers	(16,182)	(16,182)	(2,806)
Net Cash Used by Operating Activities	(30,325)	(30,325)	1,341
Cash & Cash Equivalents, July 1	(28,383)	(28,383)	(29,724)
Cash & Cash Equivalents, June 30	(\$58,708)	(58,708)	(28,383)

**Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities**

Operating Income/(Loss)	\$894	894	5,586
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
<b>Changes in Assets &amp; Liabilities:</b>			
Change in Accounts Receivable	(31,219)	(31,219)	(4,245)
Net Cash Provided by/(Used) Operation Activities	(\$30,325)	(30,325)	1,341

## H. Fiduciary Fund



**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

ASSETS	PRIVATE PURPOSE			2010	2009
	NEW JERSEY		AGENCY		
	UNEMPLOYMENT TRUST	STUDENT ACTIVITY	PAYROLL		
Cash & Cash Equivalents	\$101,681	20,288	8,311	130,280	105,805
Interfund Receivable			93	93	
<b>Total Assets</b>	<b>101,681</b>	<b>20,288</b>	<b>8,404</b>	<b>130,373</b>	<b>105,805</b>
<b>LIABILITIES</b>					
Due to Student Groups		20,288		20,288	19,068
Interfund Payable - General Fund	40,898			40,898	867
Payroll Deductions & Withholdings			8,404	8,404	1,819
<b>Total Liabilities</b>	<b>40,898</b>	<b>20,288</b>	<b>8,404</b>	<b>69,590</b>	<b>21,754</b>
<b>NET ASSETS:</b>					
Held in Trust for Unemployment Claims & Other Purposes	60,783			60,783	84,051
<b>Total Net Assets</b>	<b>\$60,783</b>	<b>-</b>	<b>-</b>	<b>60,783</b>	<b>84,051</b>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

ADDITIONS	UNEMPLOYMENT COMPENSATION TRUST	2010	2009
Contributions:			
Payroll Deductions Withheld	\$10,098	10,098	9,907
<b>Total Contributions</b>	<b>10,098</b>	<b>10,098</b>	<b>9,907</b>
Investment Earnings:			
Interest	1,701	1,701	831
<b>Net Investment Earnings</b>	<b>1,701</b>	<b>1,701</b>	<b>831</b>
<b>Total Additions</b>	<b>11,799</b>	<b>11,799</b>	<b>10,738</b>
DEDUCTIONS			
Unemployment Claims	35,067	35,067	17,838
<b>Total Deductions</b>	<b>35,067</b>	<b>35,067</b>	<b>17,838</b>
Change in Net Assets	(23,268)	(23,268)	(7,100)
Net Assets - Beginning of the Year	84,051	84,051	91,151
<b>Net Assets - End of the Year</b>	<b>\$60,783</b>	<b>60,783</b>	<b>84,051</b>

EXHIBIT H-3

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

	BALANCE JULY 1, 2009	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2010
John Hydock Elementary	\$6,623	4,801	4,459	6,965
Mansfield Township Elementary	12,445	9,017	8,139	13,323
<b>Total All Activity</b>	<b>\$19,068</b>	<b>13,818</b>	<b>12,598</b>	<b>20,288</b>

EXHIBIT H-4

**PAYROLL AGENCY FUND  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

ASSETS	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
Cash & Cash Equivalents	\$2,686	6,656,301	6,650,676	8,311
Interfund Receivable - General Fund		93		93
<b>Total Assets</b>	<b>\$2,686</b>	<b>6,656,394</b>	<b>6,650,676</b>	<b>8,404</b>
<b>LIABILITIES</b>				
Interfund Payable - General Fund	\$867		867	
Payroll Deductions & Withholdings	1,819	6,656,394	6,649,809	8,404
<b>Total Liabilities</b>	<b>\$2,686</b>	<b>6,656,394</b>	<b>6,650,676</b>	<b>8,404</b>



## I. Long-Term Debt



**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
LONG-TERM DEBT ACCOUNT GROUP  
SCHEDULE OF SERIAL BONDS  
JUNE 30, 2010**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JULY 1, 2009	ISSUED	REFUNDED	RETIRED	BALANCE JUNE 30, 2010
			DATE	AMOUNT						
Acquisition of Real Property & Construction of a New Elementary School	11/8/01		9/01/10	\$350,000	4.60%	\$640,000			290,000	350,000
Refunding Bonds	12/6/06		9/01/10	20,000	3.50%	9,945,000			20,000	9,925,000
			9/01/11	410,000	3.50%					
			9/01/12	465,000	4.00%					
			9/01/13	540,000	4.00%					
			9/01/14	595,000	4.00%					
			9/01/15	640,000	3.60%					
			9/01/16	740,000	5.50%					
			9/01/17	840,000	5.50%					
			9/01/18	915,000	3.70%					
			9/01/19	1,035,000	4.00%					
			9/01/20	1,155,000	4.00%					
			9/01/21	1,235,000	4.00%					
			9/01/22	1,335,000	4.00%					
<b>Total</b>						<b>\$10,585,000</b>	<b>-</b>	<b>-</b>	<b>310,000</b>	<b>10,275,000</b>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	JUNE 30, 2010			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL (GAAP BASIS)	ORIGINAL BUDGET	BUDGET TRANSFERS		FINAL BUDGET
Revenues:									
Local Sources:									
Local Tax Levy	\$736,025		736,025	736,025		696,402		696,402	696,402
Total Revenues	736,025		736,025	736,025		696,402		696,402	696,402
Expenditures:									
Regular Debt Service:									
Interest	436,365		436,365	436,365		449,255		449,255	449,255
Redemption of Principal	310,000		310,000	310,000		260,000		260,000	260,000
Total Expenditures	746,365		746,365	746,365		709,255		709,255	709,255
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(10,340)		(10,340)	(10,340)		(12,853)		(12,853)	(12,853)
Other Financing Sources/(Uses):									
Operating Transfers in:									
Capital Projects Cancelled				833	833				
Interest Earned in Capital Projects Fund				439	439			12	12
Total Other Financing Sources/(Uses)				1,272	1,272			12	12
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Sources/(Uses)	(10,340)		(10,340)	(9,068)	1,272	(12,853)		(12,841)	12
Fund Balance, July 1	10,348		10,348	10,348		23,189		23,189	23,189
Fund Balance, June 30	\$8		8	1,280	1,272	10,336		10,336	10,348

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**STATISTICAL SECTION (Unaudited)**



**MANSFIELD TOWNSHIP BOARD OF EDUCATION**  
**NET ASSETS BY COMPONENT**  
**LAST SIX FISCAL YEARS**  
*(Accrual Basis of Accounting)*

	FISCAL YEAR ENDING JUNE 30,					
	2010	2009	2008	2007	2006	2005
<b>Governmental Activities:</b>						
Invested in Capital Assets, Net of Related Debt	\$2,787,489	2,398,377	2,497,657	2,892,875	3,144,764	3,426,250
<b>Restricted:</b>						
Debt Service	(143,119)	(137,447)	(128,519)	157,236	117,384	23,316
Capital Projects	(447,478)	833	833	168,503	229,932	366,501
Other Purposes	165,338	277,172	418,571	702,446	997,826	880,112
Unrestricted	640,618	450,578	477,574	(67,205)	(136,696)	(373,189)
<b>Total Governmental Activities Net Assets</b>	<b>\$3,002,848</b>	<b>2,989,513</b>	<b>3,266,116</b>	<b>3,853,855</b>	<b>4,353,210</b>	<b>4,322,990</b>
<b>Business-Type Activities:</b>						
Invested in Capital Assets, Net of Related Debt	\$48,644	60,757	72,870	84,984	97,097	109,210
Unrestricted	77,845	50,383	24,817	2,556	6,089	9,533
<b>Total Business-Type Activities Net Assets</b>	<b>\$126,489</b>	<b>111,140</b>	<b>97,687</b>	<b>87,540</b>	<b>103,186</b>	<b>118,743</b>
<b>District-Wide:</b>						
Invested in Capital Assets, Net of Related Debt	\$2,836,133	2,459,134	2,570,527	2,977,859	3,241,861	3,535,460
<b>Restricted:</b>						
Debt Service	(143,119)	(137,447)	(128,519)	157,236	117,384	23,316
Capital Projects	(447,478)	833	833	168,503	229,932	366,501
Other Purposes	165,338	277,172	418,571	702,446	997,826	880,112
Unrestricted	718,463	500,961	502,391	(64,649)	(130,607)	(363,656)
<b>Total District Net Assets</b>	<b>\$3,129,337</b>	<b>3,100,653</b>	<b>3,363,803</b>	<b>3,941,395</b>	<b>4,456,396</b>	<b>4,441,733</b>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**  
**CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)**  
**LAST SIX FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,					
	2010	2009	2008	2007	2006	2005
<b>Expenses:</b>						
<b>Governmental Activities:</b>						
<b>Instruction:</b>						
Regular	\$2,469,365	2,605,860	2,338,567	2,411,057	2,425,841	2,191,865
Special Education	1,540,150	906,902	840,790	757,500	662,672	524,402
Other Special Education	167,232	161,103	200,745	163,547	198,072	197,456
<b>Support Services:</b>						
Tuition	143,260	435,504	450,527	584,663	409,978	356,414
Student & Instruction Related Services	1,351,695	1,373,938	1,658,701	1,634,960	1,152,889	1,085,945
School Administrative Services	303,563	298,224	287,968	281,920	267,398	256,678
Other Administrative Services	344,784	277,473	234,230	249,635	289,862	235,416
Central Services	230,899	212,500	191,914	187,638	169,178	152,311
Plant Operations & Maintenance	833,199	751,251	657,816	594,930	668,631	548,086
Pupil Transportation	571,886	564,390	603,264	584,778	500,488	419,367
Allocated Benefits					1,070,094	1,019,926
Unallocated Benefits	2,230,953	2,097,614	2,194,740	2,243,428	696,552	592,293
Interest on Long-Term Debt	432,969	445,342	456,890	356,009	499,790	514,158
Unallocated Amortization on Bond Issuance Costs	20,858	20,857	20,857	15,672	8,413	8,413
Unallocated Increase in Compensated Absences	(49,692)	28,909	7,155	(26,242)	(12,055)	20,090
Unallocated Depreciation	387,916	384,006	299,698	397,576	381,486	372,268
Unallocated Loss on Revaluation of Fixed Assets			511,897			
<b>Total Governmental Activities Expenses</b>	<b>10,979,037</b>	<b>10,563,873</b>	<b>10,955,759</b>	<b>10,437,071</b>	<b>9,389,289</b>	<b>8,495,088</b>
<b>Business-Type Activities:</b>						
Food Service	298,065	295,338	273,776	201,491	198,044	193,867
<b>Total Business-Type Activities Expense</b>	<b>298,065</b>	<b>295,338</b>	<b>273,776</b>	<b>201,491</b>	<b>198,044</b>	<b>193,867</b>
<b>Total District Expenses</b>	<b>\$11,277,102</b>	<b>10,859,211</b>	<b>11,229,535</b>	<b>10,638,562</b>	<b>9,587,333</b>	<b>8,688,955</b>
<b>Program Revenues:</b>						
<b>Governmental Activities:</b>						
<b>Charges for Services:</b>						
Instruction (Tuition)	\$249,189	139,446	169,409	206,924	145,330	176,244
Operating Grants & Contributions	306,613	157,745	489,730	215,798	156,412	164,030
<b>Total Governmental Activities Program Revenues</b>	<b>555,802</b>	<b>297,191</b>	<b>659,139</b>	<b>422,722</b>	<b>301,742</b>	<b>340,274</b>
<b>Business-Type Activities:</b>						
<b>Charges for Services:</b>						
Food Service	269,089	266,434	239,184	145,888	138,164	141,714
Operating Grants & Contributions	44,293	42,287	43,590	39,642	39,307	37,714
<b>Total Business Type Activities Program Revenues</b>	<b>313,382</b>	<b>308,721</b>	<b>282,774</b>	<b>185,530</b>	<b>177,471</b>	<b>179,428</b>
<b>Total District Program Revenues</b>	<b>\$869,184</b>	<b>605,912</b>	<b>941,913</b>	<b>608,252</b>	<b>479,213</b>	<b>519,702</b>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)  
LAST FOUR FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,					
	2010	2009	2008	2007	2006	2005
Net (Expense)/Revenue:						
Governmental Activities	(\$10,423,235)	(10,266,682)	(10,296,620)	(10,014,349)	(9,087,547)	(8,154,814)
Business-Type Activities	15,317	13,383	8,998	(15,961)	(20,573)	(14,439)
<b>Total District-Wide Net Expense</b>	<b><u>(\$10,407,918)</u></b>	<b><u>(10,253,299)</u></b>	<b><u>(10,287,622)</u></b>	<b><u>(10,030,310)</u></b>	<b><u>(9,108,120)</u></b>	<b><u>(8,169,253)</u></b>
General Revenues & Other Changes in Net Assets:						
Governmental Activities:						
Property Taxes Levied for General Purposes, Net	\$7,964,795	7,557,909	7,320,239	7,217,195	7,000,783	6,638,019
Taxes Levied for Debt Service	736,025	696,402	548,283	648,036	609,263	690,589
Unrestricted Grants & Contributions	1,453,375	1,454,153	1,627,071	1,525,497	1,300,496	1,210,014
Miscellaneous Income	282,375	281,615	214,196	124,266	211,948	123,528
Transfers			(908)		(4,723)	
<b>Total Governmental Activities</b>	<b><u>10,436,570</u></b>	<b><u>9,990,079</u></b>	<b><u>9,708,881</u></b>	<b><u>9,514,994</u></b>	<b><u>9,117,767</u></b>	<b><u>8,662,150</u></b>
Business-Type Activities:						
Miscellaneous	32	70	241	315	293	277
Transfers			908		4,723	
<b>Total Business-Type Activities</b>	<b><u>32</u></b>	<b><u>70</u></b>	<b><u>1,149</u></b>	<b><u>315</u></b>	<b><u>5,016</u></b>	<b><u>277</u></b>
<b>Total District-Wide</b>	<b><u>\$10,436,602</u></b>	<b><u>9,990,149</u></b>	<b><u>9,710,030</u></b>	<b><u>9,515,309</u></b>	<b><u>9,122,783</u></b>	<b><u>8,662,427</u></b>
Change in Net Assets:						
Governmental Activities	\$13,335	(276,603)	(587,739)	(499,355)	30,220	507,336
Business-Type Activities	15,349	13,453	10,147	(15,646)	(15,557)	(14,162)
<b>Total District</b>	<b><u>\$28,684</u></b>	<b><u>(263,150)</u></b>	<b><u>(577,592)</u></b>	<b><u>(515,001)</u></b>	<b><u>14,663</u></b>	<b><u>493,174</u></b>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
FUND BALANCES AND GOVERNMENTAL FUNDS  
LAST SIX FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,					
	2010	2009	2008	2007	2006	2005
General Fund:						
Reserved	\$165,338	277,172	418,571	702,446	997,826	880,112
Unreserved	414,408	254,096	236,912	(18,618)	278,415	112,974
<b>Total General Fund</b>	<b>\$579,746</b>	<b>531,268</b>	<b>655,483</b>	<b>683,828</b>	<b>1,276,241</b>	<b>993,086</b>
All Other Governmental Funds:						
Reserved	\$728,701	728,701	1,622,740	168,503	16,886	366,501
Unreserved, Reported in:						
Capital Projects Fund	(1,176,179)	833	833		213,046	
Debt Service Fund	1,280	10,348	23,189	10,099	20,213	9,369
<b>Total All Other Governmental Funds</b>	<b>(\$446,198)</b>	<b>739,882</b>	<b>1,646,762</b>	<b>178,602</b>	<b>250,145</b>	<b>375,870</b>

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST SIX FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	2010	2009	2008	2007	2006	2005
<b>Revenues</b>						
Tax Levy	\$8,700,820	8,254,311	7,868,522	7,865,231	7,610,046	7,328,608
Miscellaneous	282,375	281,615	201,106	114,167	200,043	85,323
State Sources	1,445,186	1,454,153	1,965,693	1,573,626	1,303,307	1,214,848
Federal Sources	314,802	157,745	151,079	166,698	153,531	157,479
Other Local Sources			13,119	11,070	11,975	10,025
<b>Total Revenue</b>	<b>10,743,183</b>	<b>10,147,824</b>	<b>10,199,519</b>	<b>9,730,792</b>	<b>9,278,902</b>	<b>8,796,283</b>
<b>Expenditures</b>						
<b>Instruction:</b>						
Regular Instruction	2,469,365	2,605,860	2,338,567	2,411,057	2,425,841	2,191,865
Special Education Instruction	1,540,150	906,902	840,790	757,500	662,672	524,402
Other Special Instruction	167,232	161,103	200,745	163,547	198,072	197,456
<b>Support Services:</b>						
Tuition	143,260	435,504	450,527	584,663	409,978	356,414
Student & Instruction Related Services	1,026,342	1,240,078	1,482,812	1,424,287	1,011,090	913,025
School Administrative Services	303,563	298,224	287,968	281,920	267,398	256,678
General & Business Administration Services	575,683	489,973	426,144	437,273	459,040	387,727
Plant Operations & Maintenance	833,199	751,251	657,816	594,930	668,631	548,086
Pupil Transportation	571,886	564,390	603,264	584,778	500,488	419,367
Allocated Benefits					1,070,094	1,019,926
Unallocated Benefits	2,230,953	2,097,614	2,194,740	2,243,428	696,552	592,293
Transfer to Charter Schools	96,608					
Capital Outlay	447,478	24,726	349,880	243,116	136,569	23,282
<b>Debt Service:</b>						
Principal	310,000	260,000	235,000	160,000	100,000	200,000
Interest & Other Charges	436,365	449,255	460,420	361,112	510,324	517,224
<b>Total Expenditures</b>	<b>11,152,084</b>	<b>10,284,880</b>	<b>10,528,673</b>	<b>10,247,611</b>	<b>9,116,749</b>	<b>8,147,745</b>
<b>Excess (Deficiency) of Revenues Over/ (Under) Expenditures</b>	<b>(408,901)</b>	<b>(137,056)</b>	<b>(329,154)</b>	<b>(516,819)</b>	<b>162,153</b>	<b>648,538</b>
<b>Other Financing Sources/(Uses):</b>						
Transfers in	1,272	12	3,140	10,099	11,905	8,308
Transfers Out	(1,272)	(12)	(3,140)	(10,099)	(11,905)	(8,308)
Transfer to Food Service			(908)		(4,723)	
<b>Total Other Financing Sources/(Uses)</b>			<b>(908)</b>		<b>(4,723)</b>	
<b>Net Change in Fund Balances</b>	<b>(\$408,901)</b>	<b>(137,056)</b>	<b>(330,062)</b>	<b>(516,819)</b>	<b>157,430</b>	<b>648,538</b>
<b>Debt Service as a Percentage of Noncapital</b>	<b>7.0%</b>	<b>6.9%</b>	<b>6.8%</b>	<b>5.2%</b>	<b>6.8%</b>	<b>8.8%</b>

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	SALE OF PROPERTY	BUILDING RENTAL	TUITION	MISCELLANEOUS	TOTAL
2010		-	81,896	189,270	10,770	281,936
2009	10,431	-	63,749	199,165	8,258	281,603
2008	38,319	-	56,572	66,526	39,689	201,106
2007	71,219	-	-	39,581	3,367	114,167
2006	64,529	15,000	-	49,480	71,034	200,043
2005	24,229	-	-	14,779	46,315	85,323
2004	4,043	90,000	-	10,523	122,209	226,775
2003	4,308	-	-	9,356	-	13,664
2002	6,670	-	-	23,007	1,126	30,803
2001	28,637	-	-	1,729	1,069	31,435

Source: District records

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,  
 LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS:	PUBLIC UTILITIES	NET VALUATION TAXABLE	LOCAL SCHOOL TAX RATE	EQUALIZED VALUE
									TAX EXEMPT PROPERTY				
2009	\$37,953,900	1,118,913,700	49,117,800	4,416,400	90,481,100	5,301,200	1,549,700	1,307,733,800	112,985,400	2,323,604	1,310,057,404	0.664	1,364,791,953
2008	40,718,500	1,105,446,900	48,025,500	4,040,600	89,713,300	5,301,200	1,898,100	1,295,144,100	111,669,100	2,235,393	1,297,379,493	0.637	1,297,379,493
2007	45,735,400	1,094,648,400	47,024,100	4,218,900	89,409,800	5,301,200	2,165,400	1,288,503,200	109,046,600	1,257,603	1,289,760,803	0.610	1,290,671,921
2006	17,388,103	554,560,315	25,660,900	2,244,700	47,667,900	2,331,200	918,900	650,772,018	64,411,300	1,513,781	652,285,799	1.209	1,272,162,007
2005	13,961,600	541,902,415	24,745,000	2,316,600	44,453,400	2,331,200	918,900	630,629,115	64,282,500	1,513,781	632,142,896	1.204	940,809,581
2004	11,980,000	512,806,215	25,424,900	2,400,900	44,156,100	2,331,200	918,900	600,018,215	25,815,500	1,683,852	601,702,067	1.218	817,790,604
2003	19,405,700	466,296,715	23,244,100	2,460,500	38,467,200	2,331,200	1,005,700	553,211,115	25,420,000	1,930,334	555,141,449	1.204	693,449,482
2002	26,191,700	384,209,900	22,163,700	2,523,400	39,038,700	2,331,200	1,278,000	477,736,600	24,009,700	1,663,484	479,400,084	1.187	549,397,363
2001	27,046,000	318,893,300	22,637,800	2,581,600	39,261,700	2,227,800	1,278,000	413,926,200	19,234,600	1,669,790	415,595,990	0.911	453,719,365
2000	20,690,100	269,382,000	22,704,600	2,657,800	39,155,400	2,874,300	1,278,000.00	358,742,200	18,992,200	1,596,971	360,339,171	0.860	375,580,331

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**  
*(Rate per \$100 of Assessed Value)*

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF MANSFIELD	BURLINGTON COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	
	2009	\$0.664	0.642	1.306	0.219	0.324	0.031	
2008	0.637	0.644	1.281	0.182	0.323	0.030	0.041	1.857
2007	0.610	0.637	1.247	0.168	0.334	0.032	0.039	1.820
2006	1.209	1.260	2.469	0.315	0.613	0.056	0.067	3.520
2005	1.204	1.170	2.374	0.310	0.571	0.050	0.060	3.365
2004	1.218	1.082	2.300	0.307	0.536	0.046	0.054	3.243
2003	1.204	0.974	2.178	0.099	0.544	0.042	0.050	2.913
2002	1.187	0.867	2.054	0.099	0.531	0.039	0.046	2.769
2001	0.911	0.709	1.620	0.084	0.528	0.037	0.044	2.313
2000	0.860	0.739	1.599	0.083	0.514	0.035	0.042	2.273

Source: Municipal Tax Collector

MANSFIELD TOWNSHIP BOARD OF EDUCATION  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO

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TAXPAYER	2010			TAXPAYER	2001		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE		TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
N.A.D.E.	46,094,300	1	3.00%	N.A.D.E.	19,139,500	1	4.62%
Homestead at Mansfield	5,611,100	2	0.42%	Taxpayer #2	18,877,600	2	4.56%
Vanco USA, LLC	4,712,100	3	0.36%	Taxpayer #3	5,214,000	3	1.26%
Orleans at Mansfield, LLC	3,869,500	4	0.30%	Taxpayer #4	2,072,200	4	0.50%
Orleans at Covington Manor,	3,363,000	5	0.26%	Taxpayer #5	1,800,000	5	0.43%
Tndall Homes	3,175,900	6	0.24%	Taxpayer #6	1,681,600	6	0.41%
Taxpayer #1	3,009,600	7	0.23%	Taxpayer #7	1,355,900	7	0.33%
Transcontinental Gas & Pipe	2,774,200	8	0.21%	Taxpayer #8	1,311,900	8	0.32%
Taxpayer #2	2,712,100	9	0.21%	Taxpayer #9	1,295,100	9	0.31%
R.T.T.J. Self Storage, LLC	2,641,600	10	0.20%	Taxpayer #10	1,124,500	10	0.27%
Total	<u>77,963,400</u>		<u>5.43%</u>		<u>53,872,300</u>		<u>13.01%</u>

Source: Municipal Tax Assessor

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
PROPERTY SCHOOL TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2010	\$8,700,820	8,700,820	100.00%	-
2009	8,254,311	8,254,311	100.00%	-
2008	7,868,522	7,868,522	100.00%	-
2007	7,865,231	7,865,231	100.00%	-
2006	7,610,236	7,610,236	100.00%	-
2005	7,327,328	7,327,328	100.00%	-
2004	6,681,367	6,681,367	100.00%	-
2003	5,690,114	5,690,114	100.00%	-
2002	3,783,979	3,783,979	100.00%	-
2001	3,096,406	3,096,406	100.00%	-

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

**MANSFIELD TOWNSHIP BOARD OF EDUCATION**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
*(Dollars in Thousands, Except per Capita)*

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES			BOND ANTICIPATION NOTES (BANs)	BUSINESS-	TOTAL DISTRICT
	GENERAL OBLIGATION BONDS	CERTIFICATES OF PARTICIPATION	CAPITAL LEASES		TYPE ACTIVITIES CAPITAL LEASES	
2010	\$10,275,000	-	-	300,000	-	10,575,000
2009	10,585,000	-	-	-	-	10,585,000
2008	10,845,000	-	-	-	-	10,845,000
2007	11,080,000	-	-	-	-	11,080,000
2006	11,044,000	-	-	-	-	11,044,000
2005	11,144,000	-	-	-	-	11,144,000
2004	11,344,000	-	-	-	-	11,344,000
2003	11,644,000	-	124,248	-	-	11,768,248
2002	11,644,000	-	49,703	-	-	11,693,703
2001	215,000	-	111,604	-	-	326,604

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

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2010	\$10,275,000	-	10,275,000	N/A	N/A
2009	10,585,000	-	10,585,000	0.808%	1,323
2008	10,845,000	-	10,845,000	0.836%	1,358
2007	11,080,000	-	11,080,000	0.859%	1,392
2006	11,044,000	-	11,044,000	1.693%	1,382
2005	11,144,000	-	11,144,000	1.763%	1,419
2004	11,344,000	-	11,344,000	1.885%	1,464
2003	11,644,000	-	11,644,000	2.097%	1,575
2002	11,644,000	-	11,644,000	2.429%	1,681
2001	215,000	-	215,000	0.052%	36

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2010**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Mansfield Township	\$8,505,000	100.000%	\$8,505,000
Burlington County	395,252,496	2.572%	10,165,894
Regional School Debt	25,606,000	100.000%	25,606,000
Subtotal, Overlapping Debt			44,276,894
Mansfield Township School District			10,275,000
Total Direct & Overlapping Debt			<u>\$54,551,894</u>

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

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(Dollars in Thousands)**

	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt Limit	\$33,047,207	25,256,352	25,256,352	25,256,352	20,433,747	21,651,424	18,206,808	17,879,363	12,004,678	10,406,671
Total Net Debt Applicable to Limit	<u>10,275,000</u>	<u>10,585,000</u>	<u>10,845,000</u>	<u>11,080,000</u>	<u>11,044,000</u>	<u>11,144,000</u>	<u>11,344,000</u>	<u>11,644,000</u>	<u>11,644,000</u>	<u>215,000</u>
Legal Debt Margin	<u>\$22,772,207</u>	<u>14,671,352</u>	<u>14,411,352</u>	<u>14,176,352</u>	<u>9,389,747</u>	<u>10,507,424</u>	<u>6,862,808</u>	<u>6,235,363</u>	<u>360,678</u>	<u>10,191,671</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	31.09%	41.91%	42.94%	43.87%	54.05%	51.47%	62.31%	65.13%	97.00%	2.07%

Legal Debt Margin Calculation for Fiscal Year 2009

	Equalized Valuation Basis
	2009    \$1,364,791,953
	2008    1,297,379,493
	2007 <u>1,303,493,374</u>
	<u>\$3,965,664,820</u>
Average Equalized Valuation of Taxable Property	<u>\$1,321,888,273</u>
Debt Limit (2.5 % of Average Equalization Value)	\$33,047,207
Net Bonded School Debt	<u>10,275,000</u>
Legal Debt Margin	<u>\$9,389,747</u>

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

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2009	8,000	N/A	10.9%
2008	7,984	46,564	6.4%
2007	7,961	44,077	4.7%
2006	7,990	42,370	5.2%
2005	7,854	40,090	4.3%
2004	7,747	38,890	2.7%
2003	7,394	37,129	3.0%
2002	6,927	36,425	2.9%
2001	6,010	36,069	2.0%
2000	5,273	35,060	1.9%

**Source:**

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>c</sup> Per Capita data provided by the NJ Dept of Labor and Workforce Development

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

LESS THAN 100

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<b>Instruction:</b>										
Regular	53	53	53	53	53	53	52	52	47	42
Special Education	25	25	25	25	25	22	21	20	15	15
Other Special Education	4	4	4	4	4	4	3	3	3	3
<b>Support Services:</b>										
Student & Instruction Related Services	16	16	16	16	16	15	14	14	15	12
School Administrative Services	4	4	4	4	4	4	4	4	3	3
General & Business Administrative Services	3	3	3	4	3	3	3	3	3	3
Plant Operations & Maintenance	10	10	10	10	11	11	11	11	11	11
Pupil Transportation	0.5	1	1	1	-	-	-	-	-	-
Business & Other Support Services	2.5	3	3	3	3	3	3	3	3	3
Food Service	6	6	6	7	7	7	7	7	7	7
<b>Total</b>	<b>124</b>	<b>125</b>	<b>125</b>	<b>127</b>	<b>126</b>	<b>122</b>	<b>118</b>	<b>117</b>	<b>107</b>	<b>99</b>

**Source:** District Budgets

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO ELEMENTARY	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2010	697	\$9,037,750	12,967	0.66%	58	12	687.9	654.7	0.13%	95.17%
2009	685	\$8,824,209	12,882	6.28%	56	12	687.0	667.8	-0.29%	97.21%
2008	687	8,326,868	12,121	-6.03%	56	12	689.0	665.8	0.12%	96.63%
2007	675	8,706,398	12,898	8.33%	55	12	688.2	653.1	1.06%	94.90%
2006	657	7,822,695	11,907	4.38%	54	12	681.0	650.1	6.523%	95.46%
2005	635	7,243,209	11,407	2.89%	54	12	639.3	610.0	-5.09%	95.42%
2004	642	7,117,102	11,086	6.93%	57	11	645.0	642.0	5.58%	95.31%
2003	573	5,940,588	10,368	0.86%	47	12	638.0	608.0	9.43%	95.30%
2002	456	4,687,129	10,279	1.79%	40	11	583.0	558.0	31.60%	95.71%
2001	393	3,968,642	10,098	25.82%	34	12	443.0	423.0	12.29%	95.49%

Sources: District records

**Note:** Enrollment based on annual October district count.

- a. Operating expenditures equal total General Fund expenditures
- 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).

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
SCHOOL BUILDING INFORMATION  
LAST SIX FISCAL YEARS**

DISTRICT BUILDINGS	2010	2009	2008	2007	2006	2005
Elementary Schools:						
John Hydock						
Square Feet	40,000	40,000	40,000	40,000	40,000	40,000
Capacity (Students)	280	280	280	280	280	280
Enrollment	293	262	282	282	282	262
Mansfield Township						
Square Feet	90,000	90,000	90,000	90,000	90,000	90,000
Capacity (Students)	640	640	640	640	640	640
Enrollment	459	423	405	376	376	349

Number of Schools at June 30, 2010:

- Elementary = 2
- Middle School = 0
- Senior High School = 0
- Other = 0

**Source:** District Facilities Office

Note: Year of original construction is shown in parentheses.  
Enrollment is based on the annual October district count.

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST NINE FISCAL YEARS**

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

*	2010	2009	2008	2007	2006	2005	2004	2003	2002	TOTAL
John Hydock Elementary	\$27,081	23,903	26,389	55,388	58,528	41,230	23,127	76,907	59,885	341,454
Mansfield Township Elementary	38,192	35,854	25,842	57,533	70,279	61,844	53,370			268,868
Total School Facilities	<u>\$65,273</u>	<u>59,757</u>	<u>52,231</u>	<u>112,921</u>	<u>128,807</u>	<u>103,074</u>	<u>76,497</u>	<u>76,907</u>	<u>59,885</u>	<u>610,322</u>

\* 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

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
INSURANCE SCHEDULE  
JUNE 30, 2010**

	COVERAGE	DEDUCTIBLE
School Alliance Insurance Fund (SAIF):		
Property	\$150,000,000	1,000
General Liability & Auto Liability	5,000,000	None
Crime & Fidelity	50,000	1,000
Environmental Impairment Liability	1,000,000	5,000
School Leaders Professional Liability	1,000,000	5,000
Excess School Leaders Professional Liability	4,000,000	None
Student Accident	1,000,000	NIL Per Accident
Security Guard Liability	1,000,000	2,500
Workers' Compensation	Statutory	NIL Per Occurren
Supplemental Indemnity	Statutory	NIL Per Occurren
Foreign Travel Liability Coverage	1,000,000	None
Blanket Dishonesty Bond	100,000	1,000
Selective Insurance:		
Surety Bonds Coverage:		
Treasurer of School Funds	175,000	
Travelers Casualty & Surety Company of America:		
Surety Bonds Coverage:		
Board Secretary	5,000	

Source: District Records

Source: District records



**SINGLE AUDIT SECTION**





Certified Public Accountants & Consultants

EXHIBIT K-1

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

Honorable President and Members  
of the Board of Education  
Mansfield Township  
County of Burlington  
Columbus, New Jersey 08022

We have audited the financial statements of the Board of Education of the Mansfield Township School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2010, and have issued our report thereon dated October 1, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Mansfield 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 District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying *Schedule of Findings and Questioned Costs* that we consider to be a significant deficiency in internal control over financial reporting as Finding No. 2010-01. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

## Compliance and Other Matters

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

We noted certain matters that we reported to management of the Mansfield Township Board of Education in a separate letter dated October 1, 2010.

Mansfield Township Board of Education's response to the finding identified in our audit is described in the accompanying *Schedule of Findings and Questioned Costs*. We did not audit the Board of Education's response and, accordingly, we express no opinion on it.

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

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Rodney R. Haines  
Certified Public Accountant  
Public School Accountant  
No. 2198

Mansfield, New Jersey  
October 1, 2010



Certified Public Accountants & Consultants

EXHIBIT K-2

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

Honorable President and Members  
of the Board of Education  
Mansfield Township  
County of Burlington  
Columbus, New Jersey 08022

**Compliance**

We have audited the compliance of Board of Education of the Mansfield Township School District, in the County of Burlington, 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 Grants Compliance Supplement* that are applicable to each of its major state programs for the fiscal year ended June 30, 2010. Board of Education of the Mansfield Township School District's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state programs is the responsibility of Board of Education of the Mansfield Township School District's management. Our responsibility is to express an opinion on Board of Education of the Mansfield Township School District's compliance based on our audit.

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

In our opinion, the Board of Education of the Mansfield Township School District, County of Burlington, State of New Jersey, complied, in all material respects, with the requirements referred to above that are applicable to each of its major state programs for the year ended June 30, 2010.

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## Internal Control Over Compliance

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

A deficiency in a District's internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

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

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

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Rodney R. Haines  
Certified Public Accountant  
Public School Accountant  
No. 2198

Mansfield, New Jersey  
October 1, 2010

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

103

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE			(ACCOUNTS	MEMO	
				AT JUNE 30, 2009	CASH RECEIVED	BUDGETARY EXPENDITURES	RECEIVABLE) AT JUNE 30, 2010	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
<b>State Department of Education:</b>									
<b>General Fund:</b>									
Equalization Aid	10-495-034-5120-078	\$36,942	7/1/09-6/30/10		36,942	(36,942)		(3,355)	36,942
Nonpublic Transportation Aid	09-495-034-5120-014	11,136	7/1/08-6/30/09	(\$11,136)	11,136				
Nonpublic Transportation Aid	10-495-034-5120-014	8,597	7/1/09-6/30/10			(8,597)	(8,597)		8,597
Extraordinary Aid	09-100-034-5120-473	132,585	7/1/08-6/30/09	(132,585)	132,585				
Extraordinary Aid	10-495-034-5120-044	95,630	7/1/09-6/30/10			(95,630)	(95,630)		95,630
Categorical Security Aid	10-495-034-5120-084	48,749	7/1/09-6/30/10		48,749	(48,749)		(4,427)	48,749
Categorical Transportation Aid	10-495-034-5120-014	332,616	7/1/09-6/30/10		293,605	(293,605)		(26,662)	293,605
Categorical Special Education Aid	10-495-034-5120-089	353,655	7/1/09-6/30/10		353,655	(353,655)		(32,116)	353,655
On-Behalf TPAF Pension Contributions	10-495-034-5095-001	282,632	7/1/09-6/30/10		282,632	(282,632)			282,632
Reimbursed TPAF Social Security	09-495-034-5095-002	310,864	7/1/08-6/30/09	(15,783)	15,783				
Reimbursed TPAF Social Security	10-495-034-5095-002	331,246	7/1/09-6/30/10		315,571	(331,246)	(15,675)		331,246
<b>Total General Fund</b>				<b>(159,504)</b>	<b>1,490,658</b>	<b>(1,451,056)</b>	<b>(119,902)</b>	<b>(66,560)</b>	<b>1,451,056</b>
<b>Enterprise Fund:</b>									
State School Lunch Program	10-100-010-3350-023	2,592	7/1/08-6/30/09		2,407	(2,592)	(185)	(185)	2,592
<b>Total Enterprise Fund</b>					<b>2,407</b>	<b>(2,592)</b>	<b>(185)</b>	<b>(185)</b>	<b>2,592</b>
<b>Total State Financial Assistance</b>				<b>(\$159,504)</b>	<b>1,493,065</b>	<b>(1,453,648)</b>	<b>(120,087)</b>	<b>(66,745)</b>	<b>1,453,648</b>



**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 1. General**

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

**Note 3. Relationship to Basic Financial Statements**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(5,870) for the general fund and \$0 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 basic financial statements on a GAAP basis and are presented as follows:

**MANSFIELD TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 3. Relationship to Basic Financial Statements (continued):**

	<b>State</b>
General Fund	\$1,445,186
Food Service Fund	<u>2,592</u>
Total Financial Assistance	<u>\$1,447,778</u>

**Note 4. Relationship to State Financial Reports**

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

**Note 5. Other**

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, 2010. 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, 2010.

**Note 6. State Loans Outstanding**

Mansfield Township Board of Education had no loan balances outstanding at June 30, 2010.

**MANSFIELD TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2010**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	No
2) Were Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Noncompliance material to basic financial Statements noted?	No

**State Awards**

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered To be material weaknesses?	No
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04	No

**Identification of major programs:**

<b>GMIS Number(s)</b>	<b>Name of State Program</b>
10-495-034-5095-089	Categorical Special Education Aid

**MANSFIELD TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2010**

**Section II – Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

**Finding 2010-01:**

**Criteria or Specific Requirement:**

The Treasurer's report should be an accurate record of the District's cash balances.

**Condition:**

The Treasurer's cash balance for the general fund capital reserve account was not in agreement with the reconciled cash balance as determined during the audit.

**Context:**

The Treasurer's report and bank reconciliation contained a balance of \$40,115.16 in the general fund capital reserve account as of June 30, 2010, however, as determined by the audit, these funds had been transferred to the unemployment account during the fiscal year.

**Effect:**

An inaccurate Treasurer's report may cause a misstatement of the cash balance of the District.

**Cause:**

Insufficient internal control procedures related to the reconciliation of cash between the Treasurer and the Board Secretary's records.

**Recommendation:**

That the Treasurer reconciles his cash records with the reconciled bank statements and the cash records of the Board Secretary.

**Views of Responsible Officials and Planned Corrective Actions:**

The District agrees with this finding and will take the appropriate steps to correct this internal control deficiency.

**MANSFIELD TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2010**

**Section III – Federal Awards & State Financial Assistance Finding & Questioned Costs**

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB's Circular Letter 04-04.

No Current Year Findings

**MANSFIELD TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
For the Fiscal Year Ended June 30, 2010**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Circular A-133 (section .315 (a)(b)) and New Jersey OMB's Circular Letter 04-04.

No Prior Year Findings