

**SCHOOL DISTRICT OF
TABERNACLE TOWNSHIP**

TABERNACLE BOARD OF EDUCATION
Tabernacle, New Jersey
County of Burlington

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

TABERNACLE TOWNSHIP BOARD OF EDUCATION

TABERNACLE, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Prepared by

**Tabernacle Township Board of Education
Finance Department**

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(concluded)

INTRODUCTORY SECTION





Tabernacle Township Schools

132 New Road, Tabernacle, NJ 08088

Dr. John M. Sherry
Interim Superintendent of Schools

Chad Fires
School Business Administrator

November 5, 2010

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

Dear Board of Education Members:

The Comprehensive Annual Financial Report of the Tabernacle Township School 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 of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes Management's Discussion and Analysis, basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments and 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 auditor's report on the internal control structure and compliance with applicable laws and regulations, findings and recommendations, is included in the single audit section of this report.

- 1.) **REPORTING ENTITY AND ITS SERVICES:** Tabernacle Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement-14. All funds and account groups of the District are included in this report. The Tabernacle Township Board of Education and its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels preschool disabilities through eight. These include regular education as well as special education for disabled children. The District's enrollment of 873 students with one students sent out of District and ten preschool disabilities students for a total of 873 is sixteen students more than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last eight years:

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FAX: 609-268-6943



Tabernacle Township Schools

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Interim Superintendent of Schools

Chad Fires
School Business Administrator

AVERAGE DAILY ENROLLMENT

<u>Fiscal Year</u>	<u>Student Enrollment</u>
2001/2002	976.8
2002/2003	960.2
2003/2004	953.7
2004/2005	969.3
2005/2006	938.9
2006/2007	886.0
2007/2008	880.0
2008/2009	896.0
2009/2010	873.0

The District is a constituent member of the Lenape Regional High School District. The District's students in grades 9-12 attend Seneca High School located in Tabernacle Township.

2.) **ECONOMIC CONDITION AND OUTLOOK:** Tabernacle Township is a rural, residential community located in the southwestern portion of Burlington County. The Township is approximately 49.55 square miles and approximately twenty-six miles from Philadelphia. Wharton Tract covers 28.5% of the township's 30,489 acres. Tabernacle Township is located within the Pinelands Preservation area with development highly regulated. The population for 2009 was 7,170 compared to 7,168 in 2008. The population density in 2000 was 144.7 persons per square mile. The percent of tax levy collected for 2009 was 100.00%. The unemployment rate for 2009 was 4.80%.

3.) **MAJOR INITIATIVES:**

Assessments: Students in grades one and two were evaluated with the TerraNova Multiple Assessments. This was the Tabernacle District's ninth year using this assessment tool. Performance per subject area was above the average national performance for both of these grade levels. Students in grades three and four were assessed using the New Jersey Assessment of Skills and Knowledge (NJASK3 and NJASK4). Students in fourth grade were assessed in language arts, mathematics, and science. Students in grades five through seven were assessed with the state assessment NJASK5-7 in the areas of language arts and mathematics. Students in grade eight were assessed in language arts, mathematics, and science using the state developed NJASK8 (formerly GEPA). The target proficiency has remained the same for the state assessments this year. District results are as follows:

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Grade Level/Content	Target Proficiency 2009-2010	District Performance 2009-2010
Grade 3		
Language Arts	59%	62.5%
Math	66%	91.7%
Grade 4		
Language Arts	59%	62.0%
Math	66%	78.5%
Grade 5		
Language Arts	59%	70.7%
Math	66%	84.6%
Grade 6		
Language Arts	72%	81.9%
Math	61%	84.0%
Grade 7		
Language Arts	72%	84.5%
Math	61%	77.8%
Grade 8		
Language Arts	72%	87.8%
Math	61%	74.0%

The data used in this chart is **preliminary**. It includes the **Target Proficiency** established by the New Jersey Department of Education. Results are preliminary for all students in the District and based on Cycle I data.

Language Arts: The District writing program continues to include KidWriting in kindergarten and the Great Source Language Program in grades one through eight. Additional writing resources offering ideas for mini lessons have been purchased for teachers. Writing activities are correlated with the reading/literature program of each grade level. The Writers' Workshop model of instruction has been implemented district-wide in a effort to raise student achievement in Language Arts Literacy.

Mathematics: The EnVision Math program will replace the TrailBlazers program in kindergarten through fifth grade in September 2010. The EnVision Math program targets student understanding and meets the individual needs of students through balanced and accurately paced lesson, printed materials, manipulatives, and technology integration.

The Holt Course 1 and 2 books have been purchased for math instruction in grades six and seven. Select groups in grade seven and eight continue to use the pre-algebra and algebra texts and syllabi from the Lenape Regional High School district. All other eighth grade students are using the Prentice Hall Pre-Algebra program.

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Science: The elementary school continues to use the McGraw Hill Science program. Grade one uses the big book format, grades two and three the single text format, and grade four the modular format. All topics were aligned with the recently revised New Jersey Core Curriculum Content Standards (NJCCCS) for science. The middle school science department is in its seventh year with Holt Science & Technology. The program is modular and allows for flexibility of instructional topics within the middle school grade levels. It also has an extensive technology resource component for students and instructors. Middle school science instructors also have one of the technology labs organized with Virtua Investigations. The program now includes virtual experiments and student online access to the textbook.

Social Studies: Grades three, four, five, six, seven and eight are currently using the History Alive program. Call to Freedom is used as a supplemental resource by the eighth grade. In addition, current events is incorporated to provide timely and appropriate topics for classroom discussion. Grades K-2 teach social studies through thematic units of study.

Technology: The Tabernacle School District is running a windows environment, running windows XP Professional or higher, and all computers are operating Office Professional 2007. Tabernacle's technology network consists of copper internal and external cabling with switches that transport data at a speed of a full GB to the desktop per second. A fiber line allows for large bandwidth transport for Internet upload/download as well as a fast connection to be maintained between the schools.

Every staff member and student has their own folder space on the district network and every staff member has an email address as well as a secure remote desktop connection. The District also has a full wireless network in place. The Tabernacle School District has established a stronger usage with its point-to-point connection between the buildings sharing data, voice and video over a secure fiber line.

The academic software enriches the program content within the Tabernacle School District. All grade levels utilize the Education Technology Curriculum K-8 to maintain a clear focus for the integration of technology in all subject content. The State of New Jersey has enforced a new assessment on Computer Literacy where students in grades 4 and 8 are assessed. All students have technology portfolios. It is a district goal for all teachers to utilize technology regularly to ensure success on this assessment.

Software for kindergarten through grade one instruction emphasized grade level content knowledge in language arts, mathematics, and science. Kindergarten through eighth grade use programs from Houghton Mifflin and Tom Snyder to increase instruction. Some of the programs utilized are Toony the Toons in the Lagoon and Reading Blaster ages 4-6 to enhance the younger curriculum. First grade uses the Kidworks Deluxe software while Grade 2 uses the FutureKids program, which is a program of thematic lesson plans using specific software (The Cruncher, Storybook Weaver Deluxe, Tabletop Jr., Print Artist, and KidPix Studio). Grade 2 also uses Neighborhood Map Machine as a social studies enhancement. Keyboard instruction begins in grade 3 and continues in grade 4 using the software package Mavis Beacon. Third grade students infuse their word processing skills with a project involving the desktop publishing software Publisher 2007. Fourth grade students continue reviewing their keyboarding and word processing skills and are introduced to databases and spreadsheets. The infusion project for

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students involves the programs PowerPoint (grades 4/5) and Kidspiration (grade 6). Fifth grade reemphasizes keyboarding skills at the beginning of the school year and fifth through eighth grade instructors infuse technology instruction into grade level content areas. Each instructor develops an integrated technology project combining the aspects of particular software (PowerPoint-grades 4/5 and Inspiration, grade 6) and/or utilizing the capabilities of the internet (grades 7/8). At all times, instructors in grades 5 through 8 reinforce the correct keyboarding skills learned in grades 3 and 4.

Industrial Technology activities were project based and emphasized higher level thinking skills in the areas of technology, mathematics, and science. All students use Microsoft Software and Microsoft Paint. Students use Mavis Beacon and Kidpix in 5th grade; Mavis Beacon and Flight Simulator are used in 6th grade; Mavis Beacon and Premier AT programs are used in 7th grade; and Windows Movie Maker/Movie Plus 5 are used in 8th grade. The media center continues to collaborate on a project with each social studies class to introduce students to utilizing reference/research skills through CD ROM and on-line database/reference technology.

Reading/Literature: Kindergarten through fourth grade completed their fifth year with the Holt Rinehart reading program in kindergarten and the MacMillan Reading program in grades one through four. The sixth through eighth grade reading/literature instructors continued to implement change from basal texts to novels as the primary source of instructional materials. Teacher resources involving literature circles and incorporating novels into the classroom were also continued in the middle school. The Readers' Workshop model of instruction has also been introduced and will continue to be implemented.

Report Cards: The middle school completes its report cards electronically through the District's technology resources. There were no revisions to any elementary level report cards.

Staff Development: Staff development continues to be a District priority. Topics for presentations were based on curriculum changes, school objectives, and the District's local professional development plan. Tabernacle staff has professional development opportunities through in-service programs, Lenape Regional Consortium programs, Burlington County Curriculum Consortium programs, after-school courses, off-site professional workshops/conferences, in-house training sessions, and tuition reimbursement for college level graduate courses.

World Language: Each school in the District has its own world language instructor. Each teacher has purchased a variety of resources based on the grade level they instruct. Middle school students use Hola! (National Textbook Company), Elementary Spanish Program (Northern Arizona University), and select eighth grade students participate in the full year program using the text used by first year Spanish students in Seneca High School (Ven conmigo!, Holt, Rinehart & Winston). Other elementary level materials available are SALSA (NJ Department of Education) and the Spanish Alphabet Books (Zaner-Bloser Publishing Company).

Special Educational Services: The District strives to provide the least restrictive environment for its students. Approximately three quarters of the special needs students are in general education classrooms and receive their special education services through in-class support of the regular teacher assisted by a special education teacher. During the 2001/2002 school year the State of New Jersey Department of Education reviewed and approved the District's special education improvement plan. The District continues to meet with its Special Education Advisory

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Committee to review and improve services. This Committee also arranges speakers on various special educational topics for parent information sessions.

District Information: Tabernacle students grades kindergarten through fourth, including a preschool disabilities class, are housed in the Tabernacle Elementary School. Students in grades fifth through eighth are housed in the Kenneth R. Olson Middle School. As of July 1, 2000 the District's third school, the Tabernacle Intermediate School, was leased to the Lenape Regional High School District for use as a transition high school. After extensive renovations to the school were completed by the Lenape District, the building opened to high school students for the 2001/2002 school year. At that time the building was dedicated as Sequoia Transition High School.

The District was successfully monitored during January 2001 by the State of New Jersey Department of Education under N.J.S.A. 18A:7A-1 *et seq.* and N.J.A.C. 6A:30 *et seq.* This resulted in certification for a period of seven years. This monitoring process included a review of data, interviews of staff, inspection of facilities, and visits to the District's schools.

The District's Long-Range Facilities Plan was revised and approved by the Board of Education at its October 10, 2005 meeting. This plan is a requirement of the Educational Facilities Construction and Financing Act, P.L. 2000, c.72, N.J.A.C. 6A:26-1.1 and the Facilities Efficiency Standards. The Plan covers years October 2005 to October 2010.

On March 9, 2004 the District held a bond referendum in the amount of \$11,673,195 for the replacement of the middle school roof and various upgrades to the major systems of the middle school and elementary school. The referendum was defeated. The Board of Education held another referendum on September 28, 2004 in the amount of \$9,743,980.00, which did receive voter approval. A second question on the ballot was defeated with a tie vote. The projects began during the Spring of 2005 with major work scheduled for the Summer of 2006 and 2007. Upgrades to the district's waste water treatment plant are anticipated to begin during the 2008/2009 school year.

During October 2003 closing took place for the refinancing of the balance of the District's 1996 bond issue. The savings to the District is approximately \$251,948 and the average interest rate of the bonds went from 5.475% to 3.894%. The retirement date of the bonds is the 2020/2021 school year. On February 2005 bonds were again issued in the amount of \$5,673,000 with a net interest rate of 3.9713%. The retirement date of this debt is the 2024/2025 school year.

- 4.) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal central structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognized 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.

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

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

- 5.) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to insure 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. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated 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 Financial Statements", Note 1.
- 7.) **FINANCIAL INFORMATION AT FISCAL YEAR END:** As demonstrated by the various statement and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.
- 8.) **DEBT ADMINISTRATION:** At June 30, 2010, the District's outstanding debt issues included \$8,813,000 of general obligation bonds.
- 9.) **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 3. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provision of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking 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

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Act. The District also deposits funds in the New Jersey Cash Management Fund, which is backed by the State of New Jersey.

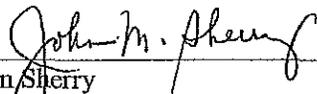
10.) **RISK MANAGEMENT:** The Board carried various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The District is a member of the Burlington County Insurance Pool Joint Insurance Fund of which twenty-four school Districts from Burlington, Gloucester, Camden and Mercer counties participate.

11.) **OTHER INFORMATION:**

A.) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. In May 2010, the Board of Education appointed the firm of Holman & Frenia, P.C. as the District's auditors. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and State Treasury Circular Letter 04-04 OMB. The auditor's report on the 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:** The success of this Comprehensive Annual Financial Report of the Tabernacle School District would not exist without the continued support of the administration, staff, parents and the community, but most certainly the efforts of the Tabernacle Board of Education to continually provide fiscal accountability to the citizens and taxpayers of the School District. The Board of Education is to be commended for their support and for setting high standards for the School District. The Board's dedication and determination to providing quality education to the students of the Township of Tabernacle for a lifetime has been outstanding. We sincerely express our appreciation for their efforts for the development and maintenance of the District's educational and financial operations. It also must be noted that the preparation of this report could not have been accomplished without the efforts, dedication, and professionalism of our District administration and their staff, and especially, the staff of the Business Office. Their continuing efforts year after year that demonstrate their dedication and commitment to the pursuit of excellence are outstanding. Therefore, their work is acknowledged and greatly appreciated.

Respectfully submitted,



John Sherry
Superintendent of Schools

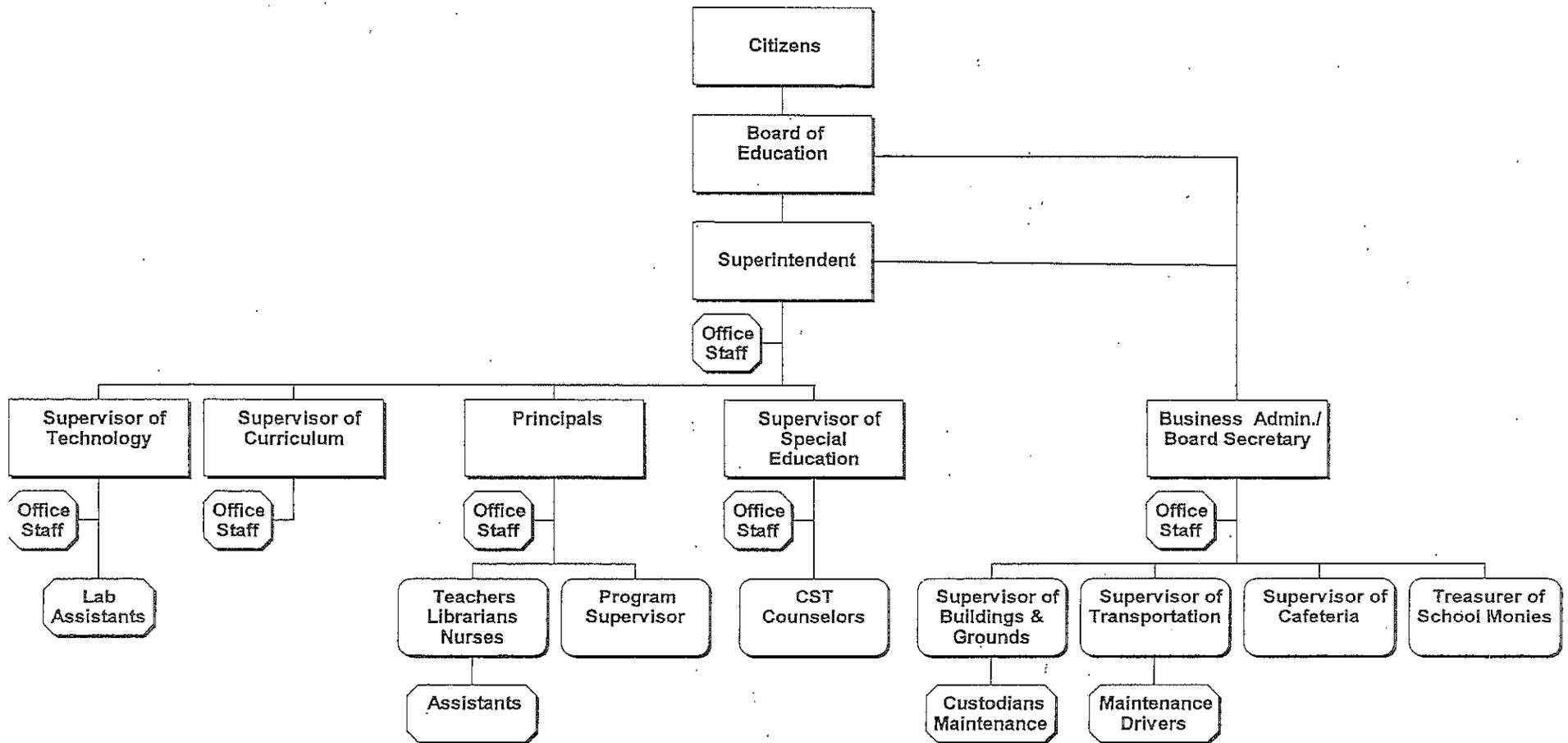


Chad Fires
Business Administrator
Board Secretary

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FAX: 609-268-6943

TABERNACLE TOWNSHIP SCHOOL DISTRICT

Organizational Chart



TABERNACLE TOWNSHIP BOARD OF EDUCATION
132 New Road
Tabernacle, New Jersey 08088

ROSTER OF OFFICIALS
JUNE 30, 2010

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Douglas S. Hess - President	2011
Michael J. Lee - Vice President	2012
John Bulina	2013
Laura Clapps	2013
Tina Marie Coolidge	2011
Stephen M. Pickholtz	2013
Stephen T. Price	2011
Julia T. Stewart	2012
Jamie R. Wood	2012

OTHER OFFICIALS

John Sherry – Interim Superintendent

Ken Verrill – Business Administrator/Board Secretary – 7/1/09 – 10/25/09

Tom Rende – Business Administrator/Board Secretary – 10/26/09 – 6/30/10

Terry W. Henry – Treasurer

Stephen J. Mushinski, Esq. - Solicitor

TABERNACLE TOWNSHIP BOARD OF EDUCATION
132 New Road
Tabernacle, New Jersey 08088

CONSULTANTS AND ADVISORS

ARCHITECT

Regan, Young, England, Butera
456 High Street
Mt. Holly, New Jersey 08060

AUDIT FIRM

Holman & Frenia, P.C.
Kevin P. Frenia, CPA, PSA
618 Stokes Road
Medford, New Jersey 08055

ATTORNEY

Parker, McCay and Criscuolo
Stephen J. Mushinski
Three Greentree Road
P.O. Box 974
Marlton, New Jersey 08053

LABOR CONSULTANTS

Taylor, Whalen and Hybbenenth
Bruce Taylor
P.O. Box 622
Howell, New Jersey 07731

OFFICIAL DEPOSITORY

TD Bank
195 Tuckerton Road
Medford, New Jersey 08055

FINANCIAL SECTION



Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Tabernacle Township
County of Burlington
Tabernacle, New Jersey 08088

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 Tabernacle Township School District, County of Burlington, State of New Jersey, as of and for the 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 Board'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 Tabernacle 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 November 5, 2010, on our consideration of the Tabernacle 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

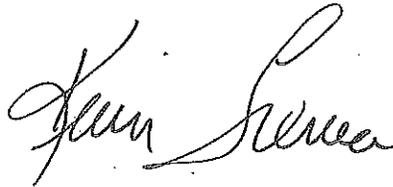
regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tabernacle 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 and state financial assistance is 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 basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,

HOLMAN & FRENIA, P. C.

A handwritten signature in black ink, appearing to read "Kevin Frenia", written in a cursive style.

Kevin P. Frenia
Certified Public Accountant
Public School Accountant
No. 1011

Medford, New Jersey
November 5, 2010

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis

TABERNACLE TOWNSHIP SCHOOL DISTRICT
TABERNACLE, NEW JERSEY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

UNAUDITED

The discussion and analysis of the Tabernacle Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is a new element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34-*Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2009/2010) and the prior year (2008/2009) is required to be presented in MD&A.

Financial Highlights

Key financial highlights for 2009/2010 are as follows:

- The District's final State aid payment for 2008/2009 was received in July of 2009. The District's final State aid payment for 2009/2010 will also be received during July of the next fiscal year in the amount of \$580,871.00.
- The referendum passed on September 28, 2004, in the amount of \$9,743,980, was for the purpose of various facility upgrades and needs for both schools. The second phase of the project began and was completed during the summer of 2006. The first phase included site work and tile replacement in both schools, and window replacement in the middle school. The second phase included renovation of the middle school's HVAC system, partial renovation of the HVAC system in the elementary school, and roof replacement at the middle school. The third phase which was completed during the summer of 2007 included technology upgrades, classroom lighting in the elementary school and gym lighting in the middle school.
- Net Assets for Governmental Activities and for Business-Type Activities were \$8,102,615 and \$727,296, respectively.
- Net Assets decreased by \$727,296 from July 1, 2009 to June 30, 2010 for Governmental Activities increased by \$4,501 for Business-Type Activities.

Using This Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Tabernacle Township School District as a financial whole; an entire operating entity. The statements then proceed to provide an increasingly detailed look at the financial activities of each fund. In addition, this report also contains other supplementary and statistical information.

REPORTING THE SCHOOL DISTRICT AS A WHOLE (Government-Wide Financial Statements)

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets and Statement of Activities provides information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental activities and business-type activities, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's individual funds with all funds presented. In the case of the Tabernacle Township School District, the General Fund is by far the most significant fund. The governmental activities are mainly supported by taxes and intergovernmental revenues, while the business-type activities are intended to recover all or a significant portion of their costs through user fees and charges.

While this document contains all of the funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during the 2009/2010 school year?" The Statement of Net Assets and the Statement of Activities answers this question. The Statement of Net Assets includes all assets and liabilities, while the Statement of Activities shows the cost of program services and the charges for those services and the grants offsetting those services. They use the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the timing of the related cash is received or paid.

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

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

Governmental Activities –These activities report on the School District's programs and services including instruction, support services, operation and maintenance of plant facilities, pupil transportation, extracurricular activities, grant programs, and capital outlay. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and the Debt Service Fund.

Business Type Activities –These activities provide for a charge for goods or services to recover the expenses of the goods and services provided. The Food Service operations and Community Interest programs are reported here.

REPORTING THE SCHOOL DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Fund financial reports provide detailed information about the School District's activities that are segregated for specific activities or objectives. The School District uses many funds to account for a multitude of financial transactions. These funds are divided into three categories: Governmental, Proprietary and Fiduciary Funds.

Governmental Funds

The School District maintains four individual governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements. The School District adopts an annual appropriated budget for its general, special revenue and debt service funds. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with these budgets.

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

Proprietary Funds

The School District maintains one proprietary fund, which consists of two enterprise funds that reports on the food service operations and the community interest programs. This fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The basic proprietary fund financial statements can be found in Exhibits B-4 through B-6 of this report.

Fiduciary Funds

The School District's fiduciary funds are used to account for resources held for the benefit of parties outside the government. These funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's activities. The accounting method used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found in Exhibits B-7 through B-8 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34 to 56 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents statistical and single audit information and schedules relative to the School District and/or its serving community.

THE SCHOOL DISTRICT AS A WHOLE

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Net assets may serve over time as a useful indicator of government's financial position.

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

Table 1 provides a summary of the School District's net assets for fiscal year 2010 with a comparison to 2009.

Table 1 - Net Assets

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total June 30, 2010</u>	<u>Total June 30, 2009</u>
Assets				
Current and Other Assets	\$1,954,883	72,828	2,027,711	3,092,913
Capital Assets	16,201,279	189	16,201,468	16,324,775
Total Assets	18,156,162	73,017	18,229,179	19,417,688
Liabilities				
Long-term Liabilities Outstanding	8,709,402		8,709,402	9,417,781
Other Liabilities	1,344,145	15,467	1,359,612	783,814
Total Liabilities	10,053,547	15,467	10,069,014	10,201,595
Net Assets				
Invested in Capital Assets, Net of Related Debt	7,242,312	189	7,242,501	6,729,866
Restricted	479,758		479,758	2,028,103
Unrestricted	380,545	57,361	437,906	458,124
Total Net Assets	<u>\$8,102,615</u>	<u>57,550</u>	<u>8,160,165</u>	<u>9,216,093</u>

As noted earlier, the District's net assets may serve over time as a useful indicator of a government's financial position. The largest portion of the District's net assets (90 percent) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide the educational programs, consequently, these assets are not available for future spending. Although the District's investment in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net assets represents resources that are subject to external restrictions on how they may be used.

Table 2 shows changes in net assets for fiscal year 2010 with a comparison to 2009.

Table 2 - Changes in Net Assets

	Governmental Activities	Business-Type Activities	Total June 30, 2010	Total June 30, 2009
Revenues:				
Program Revenues:				
Charges for Services		228,200	228,200	248,911
Operating Grants & Contributions	\$ 442,231	67,448	509,679	580,058
General Revenues:				
Property Taxes Levied for Debt Service	737,458		737,458	693,803
Property Taxes Levied for General Purposes	6,438,192		6,438,192	6,267,454
State Aid Grants Not Restricted	5,684,517		5,684,517	6,403,747
Other Revenues	163,665	386	164,051	169,046
Total Revenues	<u>13,466,063</u>	<u>290,034</u>	<u>13,762,097</u>	<u>14,363,019</u>
Expenses:				
Instruction Services	7,299,072		7,299,072	7,235,336
Support Services	5,946,955		5,946,955	5,763,432
Interest on Long-Term Debt	349,244		349,244	366,445
Other Expenses	598,088		598,088	635,956
Food Service Operations		278,018	278,018	279,645
Community Interest Program Operations		13,515	13,515	9,907
Total Expenses	<u>14,193,359</u>	<u>291,533</u>	<u>14,484,892</u>	<u>14,290,720</u>
Increase in Net Assets Before Transfers				
Change in Net Assets	(727,296)	4,501	(722,795)	72,298
Net Assets, July 1. Unadjusted	9,163,044	53,049	9,216,093	10,243,333
Prior Period Adjustment	(333,133)		(333,133)	(1,099,538)
Net Assets Adjusted	8,829,911	53,049	8,882,960	
Net Assets, June 30	<u>8,102,615</u>	<u>57,550</u>	<u>8,160,165</u>	<u>9,216,093</u>

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirement to annually seek voter approval for the School District operations. The District's total governmental activities revenues were \$13,466,063 for the year ended June 30, 2010.

Business-Type Activities

Revenues for the District's business-type activities (food service program and community interest programs) were comprised of charges for services and federal and state reimbursements.

Business-type expenses did exceed revenues by \$4,501.

Charges for services are amounts paid by patrons for daily food service operations and the community interest programs.

Federal and state operating grant revenues are for the reimbursement for meals, including payments for free and reduced priced lunches and donated commodities.

The School District's Funds

Governmental funds (i.e. general fund, special revenue fund, capital projects fund, and debt service fund) presented in the fund-based statements are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$13,466,063 and expenditures were \$14,748,725.

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. Table 3 presents a summary of the revenues of the governmental funds (excluding Capital Projects) for the fiscal year ended June 30, 2010, and the amount and percentage of increases and decreases in relation to prior year revenues.

Table 3 - Revenues of the Governmental Funds

	Amount	Percent of Total	Increase/(Decrease) from 2009	Percent of Increase/(Decrease)
Revenues:				
Local Sources	\$ 7,364,744	54.69%	\$ 221,617	3.10%
State Sources	5,173,646	38.42%	(1,461,744)	22.03%
Federal Sources	927,673	6.89%	639,761	222.21%
Total	<u>\$13,466,063</u>	<u>100.00%</u>	<u>600,366</u>	
	(1)	(2)	(3)	

(1) From B-2

(2) Function of each item over total

(3) Function of each item over the previous year.

The increase in local revenue was due to a tax increase to fund the additional expenditures of the School District associated with an increase in higher operating costs and a decrease in the amount of Federal funding.

Table 4 represents a summary of the combined 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.

Table 4 - Expenditures of the Governmental Funds

	Amount	Percent of Total	Increase/(Decrease) from 2009	Percent of Increase/(Decrease)
Expenditures				
<i>Current Expense</i>				
Instruction	\$ 5,832,455	40.83%	\$16,396	(.30%)
Undistributed	7,498,407	52.50%	236,538	3.25
<i>Capital Outlay</i>	50,432	.35	(620,357)	(92.48%)
<i>Debt Service</i>				
Principal	545,000	3.82%	5,000	.90
Interest	356,807	2.50%	(14,203)	3.98%
Total	<u>\$14,283,101</u>	<u>100.00%</u>	<u>\$(376,636)</u>	

Changes in expenditures were the results of varying factors. Current expense decreased due to various cost control measures taken by the district.

GENERAL FUND BUDGETING HIGHLIGHTS

The School District's budget is prepared in accordance with New Jersey law, and is based on accounting for certain transactions on a cash basis of receipts, disbursements and encumbrances.

The most significant fund is the General Fund.

Over the course of the year, the District revised the annual operating budget to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these significant revisions include expenditures for Instruction, Special Education, Basic Skill/Remedial Instruction, Tuition, Support Services, School Administration, Student Transportation Services, and the Operation and Maintenance of Plant Facilities. The detail of individual program budget revisions is reflected in Exhibit C-1 of the CAFR.

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

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

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

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

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

FUND BALANCES

Table 5 shows a comparison of the fund balances in each of the District's Governmental and Business-type activities funds.

Table 5 - Changes in Fund Balances

	Fund Balances, June 30, 2010		
	2009	2010	Difference
Governmental Funds:			
General Fund	\$ 1,569,841	\$ 450,794	(1,119,047)
Capital Projects Fund	944,043	478,419	(465,624)
Debt Service Fund	16,761	(14,363)	(31M124)
Business-Type Activities:			
Food Service Enterprise Fund	53,049	53,388	339
Community Service Enterprise Fund	3,803	4,162	359

Other factors include an increase in operational costs, salaries and related benefits. The decrease in capital projects fund balance is due to the building project and related expenditures undertaken during 2010.

CAPITAL ASSETS

At the end of the fiscal year 2010, the School District had \$16,201,279 invested in land, buildings, furniture, equipment, and vehicles. Table 6 shows fiscal year 2010 balances compared to 2009.

Table 6 - Capital Assets (Net of Depreciation) at June 30

	Governmental Activities		Business-Type Activities		Total	
	2009	2010	2009	2010	2009	2010
Land & Improvements	\$ 112,801	\$ 112,801		-	\$112,801	\$112,801
Building	22,423,212	22,423,212			22,423,212	22,423,212
Machinery & Equipment	2,685,406	3,195,356	\$55,377	55,377	2,740,783	3,250,733
Subtotal	25,221,419	25,731,369	55,377	55,377	25,276,796	25,786,746
Accumulated Depreciation	(8,897,628)	(9,530,090)	(54,393)	(55,188)	(8,925,021)	(9,585,278)
Total	\$16,323,791	\$16,201,279	\$984	\$189	\$16,324,775	\$16,201,468

Land is not depreciated.

Overall capital assets decreased by a net of \$123,307 from fiscal year 2009 to fiscal year 2010. For more detailed information, refer to the Note 5 of the Notes to the Financial Statements.

DEBT ADMINISTRATION

In the governmental funds, at June 30, 2010, the School District had \$9,334,356 of outstanding debt. Of this amount \$375,389 is for compensated absences; \$145,967 for various capital leases and \$8,813,000 is from serial bonds outstanding from the 1996 and 2006 bond issues.

There was no debt outstanding in the business-type activities funds.

The District's credit rating as determined by Moody's continues to be Aaa for general obligation debt.

Additional information on the District's long-term debt can be found in note 7 in the notes to the basic financial statements.

FOR THE FUTURE

Though the Tabernacle School District is in good financial condition presently, there are concerns of less State and Federal revenues, and restrictions on budget caps, line item transfers, and surplus funds. Although the community has been very supportive, property owners have experienced the following continued tax increases: 2003 \$.094, 2004 \$.041, 2005 \$.127, 2006 \$(.685), 2007 \$.040, 2008 \$.010, 2009 \$.019 and 2010 \$.006.

The District's history of school elections shows that in the last thirteen years, budget defeats were experienced in 1992, 1993, 2003, 2005, 2006, 2007, 2008, 2009 and 2010. The 1996 bond referendum was approved after two failed attempts. The 2004 bond referendum was approved after one failed attempt.

In conclusion, the Tabernacle School District has committed itself to financial excellence for many years. The District's systems that are in place for financial planning, budgeting and financial controls are well regarded. The District plans to continue these standards of sound fiscal management to meet present and future challenges.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. Questions regarding this report or if additional information is needed, kindly contact Chad Fires, School Business Administrator/Board Secretary, at the Tabernacle Township School District, 132 New Road, Tabernacle, NJ 08088-8574.

BASIC FINANCIAL STATEMENTS

A. District-Wide Financial Statements

TABERNACLE 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	\$376,700	47,694	424,394	1,672,003
Receivables:				
Other Funds		13,650	13,650	10,363
Other Governments	1,142,692	4,438	1,147,130	927,050
Inventories		7,046	7,046	9,263
Restricted Cash & Cash Equivalents	1,786		1,786	1,767
Deferred Bond Issue Costs	169,643		169,643	184,399
Unamortized Loss on Bond Refunding	264,062		264,062	288,068
Capital Assets, Net (Note 4)	16,201,279	189	16,201,468	16,324,775
Total Assets	18,156,162	73,017	18,229,179	19,417,688
LIABILITIES				
Accounts Payable				3,565
Interest Payable	112,862		112,862	120,425
Interfund Payable	(3,485)	15,467	11,982	33,344
Due Grantor				214
Deferred Revenue	609,813		609,813	613
Noncurrent Liabilities (Note 5):				
Due Within One Year	624,955		624,955	625,653
Due Beyond One Year	8,709,402		8,709,402	9,417,781
Total Liabilities	10,053,547	15,467	10,069,014	10,201,595
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	7,242,312	189	7,242,501	6,729,866
Restricted For:				
Debt Service	(127,225)		(127,225)	(103,664)
Capital Projects	478,419		478,419	944,043
Other Purposes	128,564		128,564	1,187,724
Unrestricted	380,545	57,361	437,906	458,124
Total Net Assets	\$8,102,615	57,550	8,160,165	9,216,093

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

TABERNACLE 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
Governmental Activities:							
Instruction:							
Regular Instruction	\$5,089,415		234,771	(4,854,644)		(4,854,644)	(4,800,801)
Special Education Instruction	1,637,390			(1,637,390)		(1,637,390)	(1,565,207)
Other Special Instruction	447,050			(447,050)		(447,050)	(434,065)
Other Instruction	115,932			(115,932)		(115,932)	(96,861)
Adult/Continuing Education Programs	9,285			(9,285)		(9,285)	(10,359)
Support Services & Undistributed Costs:							
Tuition	63,339			(63,339)		(63,339)	(5,280)
Student & Instruction Related Services	2,167,241		74,861	(2,092,380)		(2,092,380)	(1,986,467)
General & Business Administrative Services	381,803			(381,803)		(381,803)	(387,935)
Central Services	390,226			(390,226)		(390,226)	(396,558)
School Administrative Services	761,039			(761,039)		(761,039)	(737,234)
Plant Operations & Maintenance	1,453,390			(1,453,390)		(1,453,390)	(1,449,532)
Pupil Transportation	729,917			(729,917)		(729,917)	(745,176)
Interest on Long-Term Debt	349,244		132,599	(216,645)		(216,645)	(230,182)
Unallocated Amortization	38,762			(38,762)		(38,762)	(38,762)
Unallocated Depreciation	632,462			(632,462)		(632,462)	(632,462)
Increase in Compensated Absences	(73,136)			73,136		73,136	35,268
Total Governmental Activities	14,193,359		442,231	(13,751,128)		(13,751,128)	(13,481,614)

**TABERNACLE 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	278,018	214,326	67,448		3,756	3,756	16,086
Community Program	13,515	13,874			359	359	3,776
Total Business-Type Activities	291,533	228,200	67,448		4,115	4,115	19,862
Total Primary Government	\$14,484,892	228,200	509,679	(13,751,128)	4,115	(13,747,013)	(13,461,752)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes				\$6,438,192		6,438,192	6,267,454
Taxes Levied for Debt Service				737,458		737,458	693,803
Federal & State Aid Not Restricted				5,684,517		5,684,517	6,403,747
Tuition Received				83,717		83,717	107,928
Investment Earnings					386	386	106
Miscellaneous Income				79,948		79,948	73,942
Cancellation of Prior Year Accounts Receivable							(12,930)
Total General Revenues, Special Items, Extraordinary Items & Transfers				13,023,832	386	13,024,218	13,534,050
Change In Net Assets				(727,296)	4,501	(722,795)	72,298
Net Assets - Beginning (Unadjusted)				9,163,044	53,049	9,216,093	10,243,333
Prior Period Adjustment				(333,133)		(333,133)	(1,099,538)
Net Assets - Beginning (Adjusted)				8,829,911	53,049	8,882,960	9,143,795
Net Assets - Ending				\$8,102,615	57,550	8,160,165	9,216,093

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

B. Fund Financial Statements

Governmental Funds

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
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
ASSETS:						
Cash & Cash Equivalents	\$626,803		24,787	39,683	691,273	1,761,329
Interfund Receivable	317,135			6,398	323,533	19,901
Intergovernmental Receivables:						
State	3,101		760,030		763,131	794,166
Federal		319,514			319,514	
Other	59,618	429			60,047	129,597
Restricted Cash & Cash Equivale	1,786				1,786	1,767
Total Assets	\$1,008,443	319,943	784,817	46,081	2,159,284	2,706,760
LIABILITIES & FUND BALANCES:						
Liabilities:						
Cash Deficit		314,573			314,573	131,981
Accounts Payable						3,565
Interfund Payable	\$13,650		306,398		320,048	39,742
Due to Grantor						214
Deferred Revenue	543,999	5,370		60,444	609,813	613
Total Liabilities	557,649	319,943	306,398	60,444	1,244,434	176,115
Fund Balances:						
Reserved for:						
Encumbrances	16,629				16,629	543,281
Maintenance Reserve						30,000
Capital Reserve Account	1,786				1,786	1,767
Emergency Reserve						50,000
Excess Surplus	110,149				110,149	1,044,874
Excess Surplus Designated for Subsequent Year's Expend	650,000				650,000	702,292
Unreserved:						
Designated for Subsequent Year's Expenditures						16,761
Unreserved, Reported in:						
General Fund	(327,770)				(327,770)	(320,175)
Capital Projects Fund			478,419		478,419	461,845
Debt Service Fund				(14,363)	(14,363)	
Total Fund Balances	450,794		478,419	(14,363)	914,850	2,530,645
Total Liabilities & Fund Balance:	\$1,008,443	319,943	784,817	46,081		

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 & therefore are not reported in the funds. The cost of the assets is \$25,731,369 and the accumulated depreciation is \$9,530,090.	16,201,279	16,323,791
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 7)	(9,334,357)	(10,043,434)
Accrued Interest not recorded in current financial statements	(112,862)	(120,425)
Unamortized Bond Costs	169,643	184,399
Unamortized Loss on Early Retirement of Debt	264,062	288,068
Net assets of Governmental Activities	\$8,102,615	9,163,044

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

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE 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
Revenues:						
Local Sources:						
Local Tax Levy	\$6,438,192			737,458	7,175,650	6,961,257
Tuition Charges	83,717				83,717	107,928
Interest on Investments			626		626	6,009
Interest on Capital Reserve Fund	19				19	5
Miscellaneous	79,303	25,429			104,732	67,928
Total Revenues - Local Sources	6,601,231	25,429	626	737,458	7,364,744	7,143,127
State Sources	5,041,047			132,599	5,173,646	6,635,390
Federal Sources	643,470	284,203			927,673	287,912
Total Revenues	12,285,748	309,632	626	870,057	13,466,063	14,066,429
Expenditures:						
Current:						
Regular Instruction	4,236,069	234,771			4,470,840	4,551,866
Special Education Instruction	998,757				998,757	938,948
Other Special Instruction	284,904				284,904	249,951
Other Instruction	72,385				72,385	69,847
Adult/Continuing Education Program	5,569				5,569	5,447
Support Services & Undistributed Costs:						
Tuition	63,339				63,339	5,280
Student & Instruction Related Service	1,324,311	74,861			1,399,172	1,347,997
General & Business Administrative Services	321,053				321,053	309,165
Central Services	239,603				239,603	251,044
School Administrative Services	462,783				462,783	461,380
Plant Operations & Maintenance	1,128,000				1,128,000	1,143,603
Pupil Transportation	521,010				521,010	571,809
Employee Benefits	3,363,447				3,363,447	3,171,591
Debt Service:						
Principal				545,000	545,000	540,000
Interest & Other Charges				356,807	356,807	371,010
Capital Outlay	50,432		465,624		516,056	670,789
Total Expenditures	13,071,662	309,632	465,624	901,807	14,748,725	14,659,727
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(785,914)		(464,998)	(31,750)	(1,282,662)	(593,298)
Other Financing Sources/(Uses):						
Operating Transfers Out			(626)		(626)	(6,009)
Operating Transfers In				626	626	6,009
Cancellation of Prior Year Accounts Receivable						(12,930)
Capital Leases (Non-Budgeted)						198,648
Total Other Financing Sources & Uses			(626)	626		185,718
Net Change in Fund Balances	(785,914)		(465,624)	(31,124)	(1,282,662)	(407,580)
Fund Balance - July 1	1,569,841		944,043	16,761	2,530,645	2,938,225
Prior Period Adjustment	(333,133)				(333,133)	
Fund Balance - July 1, Restated	1,236,708		944,043	16,761	2,197,512	
Fund Balance - June 30	\$450,794	-	478,419	(14,363)	914,850	2,530,645

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

**TABERNACLE 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) (\$1,282,662)

Amounts Reported for *Governmental Activities* in the statement of
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:

Capital Outlays	\$509,950	
Depreciation Expense	<u>(632,462)</u>	(122,512)

Repayment of Bond Principal is an Expenditures in the Governmental
Funds, But the Repayment Reduces Long-Term Liabilities in the
Statement of Net Assets and is Not Reported in the Statement of
Activities. 545,000

Repayment of Capital Lease Principle is an Expenditures in the Governmental
Funds, But the Repayment Reduces Long-Term Liabilities in the
Statement of Net Assets and is Not Reported in the Statement of
Activities. 90,942

Bond Issue Costs Are Reported in the Governmental Funds as
Expenditures in the Year the Bonds are Issued. However, on the
Statement of Activities, the Costs Are Amortized Over the Life
of the Bonds:

Amortization Expense		(38,762)
----------------------	--	----------

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
Change in Accrued Interest is an Addition to the Reconciliation. (+)

Prior Year Accrued Interest	120,425	
Current Year Accrued Interest	<u>(112,862)</u>	7,563

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 Fund, However, Expenditures
for These Items Are Reported in the Amount of Financial Resources
Used (Paid). When the Earned Amount Exceeds the Paid Amount, the
Difference is a Reduction in the Reconciliation (-); When the Paid Amount
Exceeds the Earned Amount the Difference is an Addition to the
Reconciliation (+).

Prior Year Compensated Absences	448,525	
Current Year Compensated Absences	<u>(375,389)</u>	73,136

Change in Net Assets of Governmental Activities (\$727,295)

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

Proprietary Funds

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

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY PROGRAMS	JUNE 30, 2010	JUNE 30, 2009
Current Assets:				
Cash & Cash Equivalents	\$28,065	19,629	47,694	42,655
Intergovernmental Receivables:				
State	312		312	270
Federal	4,126		4,126	3,017
Interfunds Receivable	13,650		13,650	10,363
Inventories	7,046		7,046	9,263
Subtotal	53,199	19,629	72,828	65,568
Noncurrent Assets:				
Equipment	55,377		55,377	55,377
Less: Accumulated Depreciation	(55,188)		(55,188)	(54,393)
Total Noncurrent Assets	189		189	984
Total Assets	53,388	19,629	73,017	66,552
LIABILITIES				
Current liabilities:				
Due to General Fund		15,467	15,467	13,503
Total Liabilities		15,467	15,467	13,503
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	189		189	984
Unrestricted	53,199	4,162	57,361	52,065
Total Net Assets	\$53,388	4,162	57,550	53,049

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

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

	BUSINESS-TYPE ACTIVITIES -		TOTALS	
	ENTERPRISE FUNDS		(MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY PROGRAMS	JUNE 30, 2010	JUNE 30, 2009
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$134,770		134,770	144,624
Daily Sales - Nonreimbursable Programs	77,887		77,887	88,852
Special Functions	1,669		1,669	1,752
Community Service Activities		13,874	13,874	13,683
Total Operating Revenues	214,326	13,874	228,200	248,911
Operating Expenses:				
Salaries	106,763	3,311	110,074	109,728
Employee Benefits	20,546		20,546	19,417
Other Purchased Services	7,039	10,204	17,243	21,108
Supplies and Materials	8,786		8,786	9,466
Depreciation	795		795	795
Management Fee	23,548		23,548	23,548
Cost of Sales	110,541		110,541	105,490
Total Operating Expenses	278,018	13,515	291,533	289,552
Operating Income/(loss)	(63,692)	359	(63,333)	(40,641)
Nonoperating Revenues/(Expenses):				
State Sources:				
State School Lunch Program	3,481		3,481	3,468
Federal Sources:				
National School Lunch Program	44,660		44,660	38,857
Food Distribution Program	19,307		19,307	18,178
Interest on Investments	386		386	106
Total Nonoperating Revenues/(Expenses)	67,834		67,834	60,609
Change in Net Assets	4,142	359	4,501	19,968
Total Net Assets - Beginning	49,246	3,803	53,049	33,081
Total Net Assets - Ending	\$53,388	4,162	57,550	53,049

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

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

	BUSINESS-TYPE ACTIVITIES		TOTALS	
	ENTERPRISE FUNDS		(MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY PROGRAMS	JUNE 30, 2010	JUNE 30, 2009
Cash Flows From Operating Activities:				
Receipts from Customers	\$214,326	13,874	228,200	252,113
Payments to Employees	(106,763)	(3,311)	(110,074)	(109,728)
Payments for Employee Benefits	(20,546)		(20,546)	(19,417)
Payments to Suppliers	(128,390)	(8,240)	(136,630)	(140,662)
Net Cash Provided/(Used) by Operating Activities	(41,373)	2,323	(39,050)	(17,694)
Cash Flows From Noncapital Financing Activities:				
Interfund Receivable	(3,287)		(3,287)	3,523
State Sources	3,439		3,439	3,441
Federal Sources	43,551		43,551	38,433
Net Cash Provided/(Used) by Noncapital Financing Activities	43,703		43,703	45,397
Cash Flows from Investing Activities:				
Interest on Investments	386		386	106
Net Cash Provided by Investing Activities	386		386	106
Net Increase/(Decrease) in Cash & Cash Equivalents	2,716	2,323	5,039	27,809
Balances - Beginning of Year	25,349	17,306	42,655	14,846
Balances - End of Year	\$28,065	19,629	47,694	42,655

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

Operating Income/(Loss)	(\$63,692)	359	(63,333)	(40,641)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:				
Depreciation	795		795	795
Food Distribution Program:				
Commodities Received	19,307		19,307	18,178
Changes in Assets & Liabilities:				
(Increase) in Intergovernmental Receivable - Oth				3,832
Decrease in Inventories	2,217		2,217	772
Decrease in Interfund Payable		1,964	1,964	
Increase in Deferred Revenue				(630)
Total Adjustments	22,319	1,964	24,283	22,947
Net Cash Provided/(Used) by Operating Activities	(41,373)	2,323	(39,050)	(17,694)

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

Fiduciary Fund

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

ASSETS	PRIVATE PURPOSE			TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST FUND	SCHOLARSHIP FUND	AGENCY FUND	(MEMORANDUM ONLY) JUNE 30, 2010 JUNE 30, 2009	
Cash & Cash Equivalents	\$228,521	11,931	48,843	289,295	362,150
Interfund Receivable					22,979
Total Assets	228,521	11,931	48,843	289,295	385,129
LIABILITIES					
Payroll Deductions & Withholdings			3,486	3,486	101,559
Interfunds Payable			1,668	1,668	
Due to Student Groups			43,689	43,689	44,123
Total Liabilities			48,843	48,843	145,682
NET ASSETS					
Held in Trust for Unemployment Insurance Claims	228,521			228,521	227,131
Reserved for Scholarships		11,931		11,931	12,316
Total Net Assets	\$228,521	11,931	-	240,452	239,447

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

**TABERNACLE 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	PRIVATE PURPOSE		TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST FUND	SCHOLARSHIP FUND	(MEMORANDUM ONLY) JUNE 30, 2010	JUNE 30, 2009
Contributions:				
Plan Members	\$13,417		13,417	13,079
Other		955	955	1,000
Total Contributions	13,417	955	14,372	14,079
Net Investment Earnings	2,869	160	3,029	556
Total Additions	16,286	1,115	17,401	14,635
DEDUCTIONS				
Unemployment Claims	14,896		14,896	951
Scholarships Awarded		1,500	1,500	1,500
Total Deductions	14,896	1,500	16,396	2,451
Change in Net Assets	1,390	(385)	1,005	12,184
Net Assets-Beginning of the Year	227,131	12,316	239,447	227,263
Net Assets - End of the Year	\$228,521	11,931	240,452	239,447

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

**TABERNACLE TOWNSHIP
BOARD OF EDUCATION**

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

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2010

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the Tabernacle 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 is implemented these standards beginning with fiscal year-ending June 30, 2003. 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 Tabernacle 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 two elementary schools located in Tabernacle Township. The Board is comprised of nine members appointed to three-year terms and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, vocational, as well as special education for handicapped youngsters. The Tabernacle Township Board of Education has an approximate enrollment at June 30, 2010 of 886 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

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2010

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

- ◆ 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

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

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

TABERNACLE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

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

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 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 Tabernacle 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 Tabernacle 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.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

As required by the New Jersey Department of Education Tabernacle 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 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.

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 Community Service Program.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

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:

Machinery & Equipment	7 – 20 Years
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Fiduciary Fund

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 expendable trust funds are accounted for using a current financial 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.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2010

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

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. 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 Tabernacle 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 Tabernacle 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 nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

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.

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.6A:23-1.2*. 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 general fund and 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.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

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

The following presents a reconciliation of the general fund and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General, Special 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.

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) “revenues” from the budgetary comparison schedules	\$12,292,395	\$314,199
Difference – Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		(4,567)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	574,224	
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(580,871)</u>	
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$12,285,748</u>	<u>\$309,632</u>
Uses/Outflows of Resources		
Actual amounts (budgetary basis) “total outflows” from the budgetary comparison schedule	<u>\$13,071,662</u>	<u>\$314,199</u>
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		<u>(4,567)</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	<u>\$13,071,662</u>	<u>\$309,632</u>

TABERNACLE TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010

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

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 Tabernacle 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.

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.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

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.

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 Tabernacle Township Board of Education and that are due within one year. Additional information is presented in Note 13.

L. Fixed Assets:

During the year ended June 30, 1994 the District established a formal system of accounting for its general fixed assets. General fixed assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated fixed assets are valued at their estimated fair market value on the date received. The cost of normal repairs and maintenance are not capitalized. Interest is not capitalized on Capital Assets.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

All reported Capital Assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method and the half-year convention over the following estimated useful lives:

School Buildings	50 Years
Building Improvements	20 Years
Electrical/Plumbing	30 Years
Vehicles	8 Years
Office & Computer Equipment	5 – 10 Years
Instructional Equipment	10 Years
Ground Equipment	15 Years
Food Equipment	7 – 20 Years

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

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 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.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

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

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.

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:

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$715,475</u>
Total Deposits	<u>\$715,475</u>

Reconciliation of Statements of Net Assets:

Governmental Activities	\$378,486
Business-Type Activities	47,694
Fiduciary Funds	<u>289,295</u>
Total Cash and Cash Equivalents	<u>\$715,475</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$1,872,861 at June 30, 2010. Of the bank balance \$250,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$1,622,861.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2010

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

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;
- 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.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010

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

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.

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.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

Note 4. Capital Reserve Account

The Tabernacle Township Board of Education established a capital reserve account during the 1999-2000 budget year for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also 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	\$1,767
Interest Earnings	<u>19</u>
Ending Balance, June 30, 2010	<u>\$1,786</u>

Note 5. Fixed Assets

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

	June 30, 2009	Additions	Adjustments	Deletions	June 30, 2010
Land & Land					
Improvements	\$ 112,801		\$ -	\$ -	\$ 112,801
Buildings	22,423,212				22,423,212
Machinery & Equipment	<u>2,685,406</u>	\$ 509,950			<u>3,195,356</u>
Subtotal	25,221,419	509,950			25,731,369
Accumulated Depreciation	<u>(8,897,628)</u>	<u>(632,462)</u>			<u>(9,530,090)</u>
Total	<u>\$16,323,791</u>	<u>\$(122,512)</u>	\$ -	\$ -	<u>\$16,201,279</u>

TABERNACLE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

Note 5. Fixed Assets (continued):

The following is a summary of proprietary fund type fixed assets at June 30, 2010:

	June 30, 2009	Additions	Depreciation	June 30, 2010
Machinery & Equipment	\$55,377	\$ -		\$55,377
Less: Accumulated Depreciation	(54,393)		\$(795)	(55,188)
Net Fixed Assets	<u>\$ 984</u>	<u>\$ -</u>	<u>\$(795)</u>	<u>\$ 189</u>

Note 6. Deferred Bond Issuance Costs/Unamortized Loss on Refunding Bond

In governmental funds, debt issuance costs are recognized in the current period. For the District-wide financial statements, governmental activity debt issuance costs are amortized using the straight-line method over the life of the specific bond issue (25 years 1996 Issue, 18 years 2003 Refunding Issue, 20 years 2005 Issue). The costs associated with the issue of the 1996 Bonds amounted to \$93,709. The cost for the 2005 refunding issue was \$157,893. The cost for the 2005 Issue amounted to \$44,707. The amortization expense for the fiscal year ended June 30, 2010, amounted to \$14,756.

The 2003 Refunding Issue resulted in a \$432,107 unamortized loss. The loss is being amortized over the 18 years life of the issue. The amortized loss for the fiscal year ending June 30, 2010 was \$24,006.

Note 7. Long-Term Debt

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

	Balance 6/30/09	Accrued/ Increases	Retired/ Decreases	Balance 6/30/10	Due Within One Year
Compensated Absences Payable	\$ 448,525	\$ -	\$ 73,136	\$ 375,389	
Bonds Payable	9,358,000		545,000	8,813,000	\$575,000
Obligations Under Capital Leases	236,909		90,942	145,967	49,955
Total	<u>\$10,043,434</u>	<u>\$ -</u>	<u>\$709,078</u>	<u>\$9,334,356</u>	<u>\$624,955</u>

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2010

Note 7. Long-Term Debt (continued):

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are General Obligation Bonds.

Bonds payable currently outstanding are as follows:

Various Improvements – Authorized and issued \$6,930,000.00, dated September 1, 1996, for the purpose of construction of addition to the Primary School, renovations to the Kenneth R. Olson Middle School and to construct a maintenance and transportation facility, the final maturity is due September 1, 2021, with interest rates on remaining maturities ranging from 5.375% to 5.625%. The Bonds maturing on or after September 1, 2008 were redeemed on October 1, 2003.

On October 1, 2003, the Board of Education issued \$5,335,000 of Refunding School Bonds to provide for an advanced refunding of the callable portion of the outstanding 1996 issue. Bonds maturing on or after September 1, 2008 in the aggregate principle amount of \$4,745,000, were prepaid at 100% of par. As a result of the refunding the Board reduced the total debt service requirements by \$251,948, which resulted in an economic gain (difference between the present value of the debt service payment on the old and new debt) of \$191,408.

On February 1, 2005, the District issued \$5,673,000 of School Bonds. The purpose of the Bonds is to undertake the construction of various renovations and improvements to Kenneth R. Olson Middle School and Tabernacle Elementary School in order to correct various health and safety deficiencies and make necessary offsite improvements. The Bonds maturing prior to March 1, 2016 are not subject to redemption prior to their maturity date. Bonds maturing after March 1, 2016 are redeemable at the option of the Board in whole or in part on or after March 1, 2015. The Bond bears interest rates from 2.5% to 4.3% with final maturity on February 1, 2025.

Debt service requirements on Serial Bonds payable at June 30, 2010 are as follows:

Year-ending June 30,	Principal	Interest	Total
2011	\$ 575,000	\$ 338,587	\$ 913,587
2012	580,000	318,472	898,472
2013	590,000	297,484	887,484
2014	595,000	275,647	870,647
2015	630,000	252,797	882,797
2016-2020	3,365,000	884,420	4,249,420
2021-2025	<u>2,478,000</u>	<u>245,917</u>	<u>2,723,917</u>
Total	<u>\$8,813,000</u>	<u>\$2,613,324</u>	<u>\$11,426,323</u>

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2010

Note 7. Long-Term Debt (continued):

B. Capital Leases Payable:

The District is leasing copiers, telephone equipment and school vehicles under capital lease arrangements. All capital leases are for terms ranging from three to five years. There are no leases in the Enterprise Funds.

Future Minimum Lease Payments

Future minimum lease payments under the lease purchase agreements along with the present value of minimum lease payments as of June 30, 2010 are:

Year-ending June 30,	Amount
2011	\$ 51,903
2012	48,006
2013	<u>48,006</u>
Total Minimum Lease Payments	147,915
Less: Amount Representing Interest	<u>(1,948)</u>
Present Value of Lease Payments	<u>\$145,967</u>

Note 8. 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

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2010

Note 8. Pension Plans (continued):

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:66* 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.

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.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010

Note 8. Pension Plans (continued):

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	\$186,925	100%	\$ -0-
6/30/09	122,664	100%	-0-
6/30/08	94,938	100%	-0-

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

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/10	\$ 430,687	100%	\$ -0-
6/30/09	405,916	100%	-0-
6/30/08	1,066,644	100%	-0-

During the year ended June 30, 2010 the State of New Jersey contributed \$430,687 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 \$475,919 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.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2010

Note 9. 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.

Note 10. Risk Management

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

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 School District’s expendable trust fund for the current and two previous years:

Fiscal Year	District Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2009-2010	\$13,417	\$2,869	\$14,896	\$228,521
2008-2009	13,079	524	951	227,131
2007-2008	12,682	523	1,608	214,479

TABERNACLE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

Note 11. 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 12. 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.

Note 13. Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2010:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$317,135	\$ 13,650
Capital Projects Fund		306,398
Debt Service	6,398	
Enterprise Fund	13,650	15,467
Fiduciary Fund	<u> </u>	<u>1,668</u>
 Total	 <u>\$337,183</u>	 <u>\$337,183</u>

The purpose of these interfunds are for short-term borrowings.

Note 14. Fund Balance Appropriated

General Fund – Of the \$450,794 General Fund fund balance at June 30, 2010, \$16,629 is reserved for encumbrances; \$1,786 has been reserved in the Capital Reserve Account; \$-0- has been reserved in the Emergency Reserve Account; \$-0- has been reserved in the Maintenance Reserve Account; \$110,149 is reserved for excess surplus; \$650,000 has been appropriated and included as anticipated revenue for the year-ending June 30, 2011; and \$(327,770) is unreserved and undesignated.

Debt Service Fund – Of the \$(14,363) Debt Service Fund fund balance, budgetary basis, at June 30, 2010 \$-0- has been appropriated and also anticipated as revenue in the 2010-2011 budget as Budgeted Fund Balance.

TABERNACLE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2010

Note 15. 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, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

ING Life Insurance & Annuity Co.
Met Life
The Variable Annuity Life Insurance Co.

AXA Equitable
Lincoln Investment Planning, Inc.
Walnut Street Securities

Note 16. 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. In the event of termination, an employee is reimbursed for accumulated vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The 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 \$375,389.

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 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

TABERNACLE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2010**

Note 17. Calculation of Excess Surplus (continued):

Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2010 is \$110,149.

Note 18. Prior Period Adjustment

The District's 2008-2009 General Fund fund balance was overstated due to the net effect of the District's overfunding the payroll agency account by \$157,555.56 and the mispostings of payroll and social security charges of \$490,689.10. A net prior period adjustment of \$333,133 has been made to these financial statements in order to properly reflect the District's General Fund balance.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules

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

ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:											
Local Sources:											
Local Tax Levy	10-1210	\$6,438,192		6,438,192	6,438,192		6,267,454		6,267,454	6,267,454	
Tuition	10-1300	14,000		14,000	83,717	69,717	14,000		14,000	107,928	93,928
Interest Earned on Capital Reserve Funds		5		5	19	14	5		5	5	
Miscellaneous		88,275		88,275	79,303	(8,972)	88,275		88,275	67,928	(20,347)
Total Local Sources		6,540,472		6,540,472	6,601,231	60,759	6,369,734		6,369,734	6,443,315	73,581
State Sources:											
Non-Public Transportation Aid	10-3000				3,101	3,101				4,049	4,049
Categorical Special Education Aid	10-3132	447,481		447,481	316,556	(130,925)	431,412		431,412	431,412	
Equalization Aid	10-3176	3,546,347	(643,470)	2,902,877	2,510,103	(392,774)	3,474,425		3,474,425	3,422,162	(52,263)
Categorical Security Aid	10-3177	63,201		63,201	44,690	(18,511)	62,440		62,440	62,440	
Adjustment Aid	10-3178	1,452,130		1,452,130	1,027,876	(424,254)	1,611,971		1,611,971	1,611,971	
Categorical Transportation Aid	10-3121	337,614		337,614	238,762	(98,852)	266,525		266,525	266,525	
Nonbudgeted:											
On-Behalf TPAF Pension Contributions					430,687	430,687				405,916	405,916
Reimbursed TPAF Social Security Contributions					475,919	475,919				486,898	486,898
Total State Sources		5,846,773	(643,470)	5,203,303	5,047,694	(155,609)	5,846,773		5,846,773	6,691,373	844,600
Federal Sources:											
ARRA - Education Stabilization Fund	10-4520		619,489	619,489	619,489						
ARRA - Government Services Fund	10-4521		23,981	23,981	23,981						
Total Federal Sources			643,470	643,470	643,470						
Total Revenues		12,387,245		12,387,245	12,292,395	(94,850)	12,216,507		12,216,507	13,134,688	918,181
Expenditures:											
Current Expense:											
Instruction - Regular Programs:											
Salaries of Teachers:											
Preschool/Kindergarten	11-110-100-101	380,802	(18,999)	361,803	381,638	(19,835)	376,392	(5,000)	371,392	338,132	33,260
Grades 1 - 5	11-120-100-101	2,164,609	(5,413)	2,159,196	2,136,802	22,394	2,197,669	(97,332)	2,100,337	2,089,947	10,390
Grades 6 - 8	11-130-100-101	1,436,013		1,436,013	1,346,723	89,290	1,428,329	(17,499)	1,410,830	1,250,660	160,170

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

	ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Expenditures (continued):											
Current Expense (continued):											
Regular Programs - Home Instruction:											
Salaries of Teachers	11-150-100-101	2,500		2,500		2,500	4,750		4,750		4,750
Regular Programs - Undistributed Instruction:											
Other Salaries for Instruction	11-190-100-106	100,654		100,654	88,552	12,102	77,935	3,694	81,629	77,683	3,946
Purchased Professional/ Educational Services	11-190-100-320	56,158	(3,963)	52,195	46,248	5,947	78,018	(3,326)	74,692	71,411	3,281
Purchased Technical Services	11-190-100-340	6,200		6,200	6,124	76	11,580		11,580	9,538	2,042
Other Purchased Services	11-190-100-500	65,162	(34)	65,128	27,471	37,657	55,563	20,828	76,391	66,871	9,520
General Supplies	11-190-100-610	172,955	21,094	194,049	162,615	31,434	232,121	88,387	320,508	269,371	51,137
Textbooks	11-190-100-640	41,800		41,800	35,547	6,253	28,526	21,049	49,575	44,312	5,263
Other Objects	11-190-100-890	6,870		6,870	4,349	2,521	6,520	(151)	6,369	5,899	470
Total Regular Programs - Instruction		4,433,723	(7,315)	4,426,408	4,236,069	190,339	4,497,403	10,650	4,508,053	4,223,824	284,229
Special Education:											
Learning and/or Language Disabilities:											
Salaries of Teachers	11-204-100-101	81,798	1,525	83,323	83,323		79,567	287	79,854	75,900	3,954
Other Salaries for Instruction	11-204-100-106	20,342		20,342	20,087	255	19,104	211	19,315	18,905	410
General Supplies	11-204-100-610	300		300		300		80	80	80	
Other Objects	11-204-100-800	500		500		500	150		150		150
Total Learning and/or Language Disabilities		102,940	1,525	104,465	103,410	1,055	98,821	578	99,399	94,885	4,514
Multiple Disabilities:											
Salaries of Teachers	11-212-100-101	62,671	28,018	90,689	73,885	16,804	138,790	(19,918)	118,872	90,147	28,725
Other Salaries for Instruction	11-212-100-106	26,803	10,892	37,695	34,821	2,874	22,965	8,560	31,525	31,259	266
General Supplies	11-212-100-610	250		250		250					
Other Objects	11-212-100-800	1,000		1,000		1,000					
Total Multiple Disabilities		90,724	38,910	129,634	108,706	20,928	161,755	(11,358)	150,397	121,406	28,991
Resource Room/Resource Center:											
Salaries of Teachers	11-213-100-101	590,036	(16,156)	573,880	541,560	32,320	556,360	(27,860)	528,500	510,770	17,730
Other Salaries for Instruction	11-213-100-106	110,804	(1,247)	109,557	83,189	26,368	106,297	1,085	107,382	76,179	31,203
General Supplies	11-213-100-610	300		300		300	300		300		300

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

ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Resource Room	701,140	(17,403)	683,737	624,749	58,988	662,957	(26,775)	636,182	586,949	49,233	
Preschool Disabilities - Part-Time:											
Salaries of Teachers	11-215-100-101	89,098	3,623	92,721	78,848	13,873	95,431	(5,490)	89,941	74,603	15,338
Other Salaries for Instruction	11-215-100-106	68,395	10,427	78,822	78,820	2	41,369	16,871	58,240	58,240	
Purchased Professional/ Educational Services	11-215-100-320	16,000	(10,319)	5,681	3,486	2,195	16,000	(4,943)	11,057	2,708	8,349
General Supplies	11-215-100-610	1,200	38	1,238	738	500	1,200		1,200	53	1,147
Other Objects	11-215-100-800						800		800	104	696
Total Preschool Disabilities - Part-Time		174,693	3,769	178,462	161,892	16,570	154,800	6,438	161,238	135,708	25,530
Total Special Education		1,069,497	26,801	1,096,298	998,757	97,541	1,078,333	(31,117)	1,047,216	938,948	108,268
Basic Skills/Remedial - Instruction:											
Salaries of Teachers	11-230-100-101	254,319	5,259	259,578	233,386	26,192	206,780	(1,664)	205,116	189,722	15,394
Other Salaries for Instruction	11-230-100-106	44,648		44,648	42,470	2,178	51,619	1,664	53,283	47,925	5,358
General Supplies	11-230-100-610	5,750		5,750	2,437	3,313	6,250	2,500	8,750	6,445	2,305
Total Basic Skills/Remedial - Instruction		304,717	5,259	309,976	278,293	31,683	264,649	2,500	267,149	244,092	23,057
Bilingual Instruction:											
Salaries	11-240-100-101	6,646	285	6,931	6,611	320	6,325		6,325	5,859	466
Textbooks	11-240-100-640	500		500		500	500		500		500
Total Bilingual Instructions		7,146	285	7,431	6,611	820	6,825		6,825	5,859	966
School Sponsored Cocurricular Activities:											
Salaries	11-401-100-100	17,527	23,149	40,676	40,676		16,000	12,272	28,272	28,272	
Supplies and Materials	11-401-100-600	2,350	(1,012)	1,338	1,338		5,260	(2,800)	2,460	394	2,066
Other Objects	11-401-100-800	400	(400)				400		400		400
Total School Sponsored Cocurricular Activities		20,277	21,737	42,014	42,014		21,660	9,472	31,132	28,666	2,466

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

	ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
School Sponsored Athletics - Instruction:											
Salaries	11-402-100-100	37,069	(15,168)	21,901	21,901		39,387		39,387	29,693	9,694
Purchased Services	11-402-100-500	6,395	(2,098)	4,297	4,297		6,200		6,200	3,632	2,568
Supplies and Materials	11-402-100-600	5,000	(1,027)	3,973	3,973		8,104		8,104	7,506	598
Other Objects	11-402-100-800	275	(75)	200	200		350		350	350	
09 Total School Sponsored Athletics - Instruction		48,739	(18,368)	30,371	30,371		54,041		54,041	41,181	12,860
Community Service Programs - Operations:											
Salaries of Teachers	11-800-330-100	3,169	2,400	5,569	5,569		3,050	2,397	5,447	5,447	
Total Community Service Programs - Operations		3,169	2,400	5,569	5,569		3,050	2,397	5,447	5,447	
Total - Instruction		5,887,268	30,799	5,918,067	5,597,684	320,383	5,925,961	(6,098)	5,919,863	5,488,017	431,846
Undistributed Expenditures:											
Instruction:											
Tuition to Private Schools for the Handicapped & Other LEA's	11-000-100-566	55,000		55,000	63,339	(8,339)	68,918	(4,000)	64,918	5,280	59,638
Total Undistributed Expenditures - Instruction		55,000		55,000	63,339	(8,339)	68,918	(4,000)	64,918	5,280	59,638
Attendance & Social Work Services:											
Salaries	11-000-211-100	872		872	872		840		840	838	2
Total Attendance & Social Work Services		872		872	872		840		840	838	2
Health Services:											
Salaries	11-000-213-100	114,031	606	114,637	114,637		106,758	1,398	108,156	103,530	4,626
Purchased Professional & Technical Services	11-000-213-300	6,250	(1,459)	4,791	4,572	219	6,500	(1,428)	5,072	4,749	323
Other Purchased Services	11-000-213-500	1,050		1,050	504	546	600	621	1,221	1,221	
Supplies and Materials	11-000-213-600	2,900		2,900	2,166	734	2,880	(18)	2,862	2,772	90

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

ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Health Services	124,231	(853)	123,378	121,879	1,499	116,738	573	117,311	112,272	5,039
Other Support Services - Students - Related Services:										
Salaries 11-000-216-100	141,166		141,166	139,069	2,097	132,298		132,298	123,997	8,301
Purchased Professional/Educational Services 11-000-216-320	15,500		15,500	4,901	10,599	12,948	35,850	48,798	45,984	2,814
Supplies and Materials 11-000-216-600	900	46	946	510	436	900		900	687	213
Total Other Support Services - Students - Related Services	157,566	46	157,612	144,480	13,132	146,146	35,850	181,996	170,668	11,328
Special Education - Extraordinary Services:										
Salaries 11-000-217-100	123,154		123,154	121,802	1,352	65,755	1,000	66,755	54,997	11,758
Purchased Professional - Educational Services 11-000-217-320	2,500		2,500		2,500	5,000	4,000	9,000	8,410	590
Total Undistributed Expenditures - Other Support Services - Extraordinary Services	125,654		125,654	121,802	3,852	70,755	5,000	75,755	63,407	12,348
Other Support Services - Students - Regular:										
Salaries of Other Professional Staff 11-000-218-104	120,749		120,749	116,926	3,823	116,658		116,658	107,128	9,530
Purchased Professional/Educational Services 11-000-218-320	2,500		2,500		2,500	2,500	(2,500)			
Other Purchased Services 11-000-218-500	550		550	159	391	550		550	353	197
Supplies and Materials 11-000-218-600	2,587	(491)	2,096	679	1,417	2,590	(1,500)	1,090	768	322
Total Other Support Services - Students - Regular	126,386	(491)	125,895	117,764	8,131	122,298	(4,000)	118,298	108,249	10,049
Other Support Services - Students - Special Services:										
Salaries of Other Professional Staff 11-000-219-104	314,690	633	315,323	315,323		284,893	19,400	304,293	289,969	14,324
Salaries of Secretarial & Clerical Assistants 11-000-219-105	36,125		36,125	35,800	325	32,850		32,850	31,194	1,656
Purchased Professional/Educational Services 11-000-219-320	6,600		6,600	118	6,482	14,600	(8,000)	6,600	2,455	4,145
Miscellaneous Purchased Services 11-000-219-592	2,200	1,260	3,460	2,203	1,257	2,400	(96)	2,304	1,388	916
Supplies and Materials 11-000-219-600	650		650	397	253	568	150	718	688	30
Other Objects 11-000-219-800	2,150		2,150	1,689	461	1,600	539	2,139	2,124	15
Total Other Support Services-Students-Special-Services	362,415	1,893	364,308	355,530	8,778	336,911	11,993	348,904	327,818	21,086

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

	ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	BUDGET	FINAL ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	BUDGET	FINAL ACTUAL	
Improvement of Instruction Services:											
Salaries of Supervisors of Instruction	11-000-221-102	68,550		68,550	49,954	18,596	65,425	2,171	67,596	60,433	7,163
Salaries of Other Professional Staff	11-000-221-104	15,813	(3,559)	12,254	11,777	477	11,874	4,000	15,874	4,404	11,470
Salaries of Secretarial & Clerical Assistants	11-000-221-105	20,843		20,843	20,843		20,160	112	20,272	19,432	840
Other Purchased Services	11-000-221-500	2,900	3,311	6,211	5,094	1,117	1,700	1,106	2,806	1,297	1,509
Supplies and Materials	11-000-221-600	800		800	749	51	800	701	1,501	1,501	
Other Objects	11-000-221-800	975		975	854	121	700	1,328	2,028	1,927	101
Total Improvement of Instruction Services		109,881	(248)	109,633	89,271	20,362	100,659	9,418	110,077	88,994	21,083
Educational Media Services/School Library:											
Salaries	11-000-222-100	204,509	4,550	209,059	207,658	1,401	260,627	535	261,162	248,908	12,254
Salaries of Technology Coordinators	11-000-222-177		1,161	1,161		1,161					
Purchased Professional & Technical Services	11-000-222-300	5,655		5,655	5,601	54	5,985	(153)	5,832	5,531	301
Other Purchased Services	11-000-222-500	12,294		12,294	4,911	7,383	6,409	5,677	12,086	11,160	926
Supplies and Materials	11-000-222-600	39,060		39,060	36,754	2,306	46,378	10,178	56,556	54,334	2,222
Miscellaneous	11-000-222-800	500		500		500	500		500		500
Total Educational Media Services/School Library		262,018	5,711	267,729	254,924	12,805	319,899	16,237	336,136	319,933	16,203
Instructional Staff Training Services:											
Salaries of Supervisors of Instruction	11-000-223-102	68,550		68,550	49,954	18,596	65,425	4,071	69,496	62,287	7,209
Salaries of Secretarial & Clerical Assistants	11-000-223-105	20,843		20,843	20,843		20,160	112	20,272	19,431	841
Purchased Professional & Educational Services	11-000-223-320	42,000	104	42,104	35,970	6,134	18,070	(112)	17,958	6,075	11,883
Other Purchased Services	11-000-223-500	13,700		13,700	6,546	7,154	11,200		11,200	9,874	1,326
Supplies & Materials	11-000-223-600	5,000		5,000	3,626	1,374	4,000		4,000	2,901	1,099
Other Objects	11-000-223-800	1,400		1,400	850	550	4,000		4,000		4,000
Total Instructional Staff Training Services		151,493	104	151,597	117,789	33,808	122,855	4,071	126,926	100,568	26,358

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

	ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Support Services General Administration:											
Salaries	11-000-230-100	195,020		195,020	188,991	6,029	189,796	8,060	197,856	189,971	7,885
Legal Services	11-000-230-331	17,000	530	17,530	17,530		18,000	(2,292)	15,708	12,362	3,346
Audit Fees	11-000-230-332	20,000		20,000	16,200	3,800	16,000	8,000	24,000	11,800	12,200
Architectural/Engineering Services	11-000-230-334	5,000		5,000		5,000					
Other Purchased Professional Services	11-000-230-339	32,000	(1,504)	30,496	25,721	4,775	42,000	(2,000)	40,000	13,953	26,047
Communications/Telephone	11-000-230-530	48,300		48,300	25,956	22,344	47,600	8,000	55,600	23,783	31,817
BOE Other Purchased Services	11-000-230-585	6,800		6,800	1,507	5,293	8,550	6,800	15,350	2,653	12,697
Other Purchased Services	11-000-230-590	36,300	1,711	38,011	21,830	16,181	36,790	618	37,408	25,686	11,722
General Supplies	11-000-230-610	10,700		10,700	3,651	7,049	10,753	(1,500)	9,253	4,779	4,474
BOE In-House Training/Meeting Supplies	11-000-230-630	1,400		1,400		1,400	1,400		1,400		1,400
Miscellaneous Expenditures	11-000-230-890	11,565	975	12,540	10,818	1,722	11,830	6,750	18,580	15,106	3,474
BOE Membership Dues & Fees	11-000-230-895	9,600		9,600	8,849	751	9,251	5,000	14,251	9,072	5,179
Total Support Services General Administration		393,685	1,712	395,397	321,053	74,344	391,970	37,436	429,406	309,165	120,241
Support Services School Administration:											
Salaries of Principals & Assistant Principals	11-000-240-103	284,511	(7,528)	276,983	219,914	57,069	257,036	20,876	277,912	261,156	16,756
Salaries of Secretarial & Clerical Assistants	11-000-240-105	191,554	3,372	194,926	194,926		182,416	2,225	184,641	175,979	8,662
Other Purchased Services	11-000-240-500	3,700	7,621	11,321	9,635	1,686	2,550	6,212	8,762	5,447	3,315
Supplies and Materials	11-000-240-600	7,359		7,359	4,318	3,041	5,618	10,000	15,618	3,145	12,473
Other Objects	11-000-240-800	2,500		2,500	953	1,547	2,250	4,000	6,250	1,872	4,378
Total Support Services School Administration		489,624	3,465	493,089	429,746	63,343	449,870	43,313	493,183	447,599	45,584
Central Services:											
Salaries	11-000-251-100	228,210	5,536	233,746	227,257	6,489	225,067	12,829	237,896	220,759	17,137
Purchased Professional Services	11-000-251-330	1,000	(1,000)				1,000	4,121	5,121	5,121	
Purchased Technical Services	11-000-251-340	2,900	(180)	2,720	2,720		2,780		2,780	2,720	60
Miscellaneous Purchased Services	11-000-251-592	15,000	(8,156)	6,844	2,593	4,251	23,199	1,738	24,937	10,962	13,975
Supplies and Materials	11-000-251-600	7,215	(2,382)	4,833	4,833		8,885	5,000	13,885	8,263	5,622
Miscellaneous Expenditures	11-000-251-890	3,550	(1,350)	2,200	2,200		3,425		3,425	3,219	206

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

ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Central Services	257,875	(7,532)	250,343	239,603	10,740	264,356	23,688	288,044	251,044	37,000
Administration Information Technology										
Purchased Technical Services 11-000-252-340	5,500	(1,050)	4,450	4,450		7,500	(270)	7,230	2,172	5,058
Other Purchased Services 11-000-252-500	14,750	13,837	28,587	28,587		13,750	800	14,550	11,473	3,077
Supplies and Materials 11-000-252-600	1,000	(1,000)				1,000		1,000	136	864
Other Objects 11-000-252-800	100	(100)								
Total Administration Information Technology	21,350	11,687	33,037	33,037		22,250	530	22,780	13,781	8,999
Allowable Maintenance for School Facilities:										
Salaries 11-000-261-100	16,000		16,000	12,382	3,618	16,000		16,000	11,678	4,322
Cleaning, Repair & Maintenance Services 11-000-261-420	46,787	24,650	71,437	67,472	3,965	83,500	4,800	88,300	82,865	5,435
General Supplies 11-000-261-610	19,975	31,766	51,741	47,778	3,963	15,100	24,711	39,811	12,605	27,206
Total Allowable Maintenance for School Facilities	82,762	56,416	139,178	127,632	11,546	114,600	29,511	144,111	107,148	36,963
Other Operation & Maintenance of Plant:										
Salaries 11-000-262-100	538,016	(4,030)	533,986	532,999	987	545,460	(47,353)	498,107	465,225	32,882
Salaries of Non-Instructional Aides 11-000-262-107		2,408	2,408		2,408					
Purchased Professional & Technical Services 11-000-262-300	10,000	1,200	11,200	8,139	3,061	16,300		16,300	8,960	7,340
Cleaning, Repair & Maintenance Services 11-000-262-420	81,481	(28,499)	52,982	46,700	6,282	83,055	(17,903)	65,152	27,495	37,657
Other Purchased Property Services 11-000-262-490	1,000	78	1,078	988	90	224	334	558	558	
Insurance 11-000-262-520	37,443	2,619	40,062	34,320	5,742	40,555	(301)	40,254	36,912	3,342
Miscellaneous Purchased Services 11-000-262-590	500	100	600	400	200	700		700	99	601
General Supplies 11-000-262-610	52,200		52,200	43,074	9,126	57,500	22,911	80,411	74,171	6,240
Energy (Gas) 11-000-262-621	461,463	(309,463)	152,000	114,146	37,854	451,000	(7,429)	443,571	421,849	21,722
Energy (Electricity) 11-000-262-622		277,926	277,926	217,638	60,288					
Other Objects 11-000-262-800	1,800	164	1,964	1,964		1,500		1,500	1,186	314
Total Other Operation & Maintenance of Plant	1,183,903	(57,497)	1,126,406	1,000,368	126,038	1,196,294	(49,741)	1,146,553	1,036,455	110,098
Care & Upkeep of Grounds:										
Cleaning, Repair & Maintenance Services 11-000-263-420	11,450		11,450		11,450					
General Supplies 11-000-263-610	2,500		2,500		2,500					
Total Care & Upkeep of Grounds	13,950		13,950		13,950					

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

ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Student Transportation Services:											
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	346,056	(631)	345,425	337,030	8,395	321,599	7,669	329,268	312,912	16,356
Salaries for Pupil Transportation (Between Home & School) - Special Education	11-000-270-161	13,224	631	13,855	10,069	3,786	10,173	389	10,562	9,563	999
Salaries for Pupil Transportation (Other Than Between Home & School)	11-000-270-162	11,000		11,000	7,407	3,593	11,000	(200)	10,800	7,110	3,690
Management Fee - ESC & CTSA Transportation Program	11-000-270-350	600		600		600	625		625		625
Other Purchased Professional & Technical Services	11-000-270-390	1,400		1,400	753	647	900	244	1,144	1,144	
Cleaning, Repair & Maintenance Services	11-000-270-420	42,000	(5,900)	36,100	26,327	9,773	37,000		37,000	31,097	5,903
Lease Purchase Payments - School Buses	11-000-270-443	55,000		55,000	24,753	30,247	80,000	18,000	98,000	97,549	451
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512	1,000		1,000		1,000	1,000		1,000		1,000
Contracted Services - (Regular Students) - ESCs	11-000-270-517	28,500		28,500	23,795	4,705	27,500	500	28,000	21,071	6,929
Contracted Services - (Special Education Students) - ESCs & CTASs	11-000-270-518	16,000	5,900	21,900	21,859	41	5,000	8,278	13,278	13,278	
Contracted Services - Aid in Lieu of Payments	11-000-270-503	15,000		15,000	5,569	9,431	13,000		13,000	7,426	5,574
Miscellaneous Purchased Services - Transportation	11-000-270-593	11,219	578	11,797	11,223	574	10,490	179	10,669	9,911	758
General Supplies	11-000-270-610	1,000	1,552	2,552	685	1,867	75,600	(16,283)	59,317	59,071	246
Transportation Supplies	11-000-270-615	96,600	(1,552)	95,048	49,972	45,076					
Other Objects	11-000-270-800	1,850		1,850	1,568	282	1,750		1,750	1,677	73
Total Student Transportation Services		640,449	578	641,027	521,010	120,017	595,637	18,776	614,413	571,809	42,604

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

	ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Allocated Benefits Employee Benefits:											
Operation & Maintenance of Plant Services - Employee Benefits:											
	11-000-260-220	42,382		42,382		42,382					
	11-000-260-270	141,065		141,065		141,065					
Total Operation & Maintenance of Plant Services - Employee Benefits		183,447		183,447		183,447					
Student Transportation Services - Employee Benefits:											
	11-000-270-220	28,327		28,327	27,269	1,058	25,000	1,712	26,712	26,609	103
	11-000-270-241	42,050	(25,753)	16,297		16,297	48,791	(8,791)	40,000	40,000	
	11-000-270-260	21,669		21,669	21,669		20,637		20,637	20,637	
	11-000-270-270	187,590	25,748	213,338	208,391	4,947	199,696	(26,261)	173,435	163,899	9,536
	11-000-270-290	6,150		6,150	299	5,851	10,650	(8,802)	1,848	70	1,778
Total Student Transportation Services - Employee Benefits		285,786	(5)	285,781	257,628	28,153	304,774	(42,142)	262,632	251,215	11,417
Total Allocated Benefits - Employee Benefits		469,233	(5)	469,228	257,628	211,600					
Unallocated Benefits Employee Benefits:											
	11-000-291-220	139,618	17,520	157,138	157,138		163,924		163,924	135,221	28,703
	11-000-291-241	97,950		97,950	97,950		99,059	(15,059)	84,000	82,664	1,336
	11-000-291-260	38,602	(3,389)	35,213	35,213		43,430		43,430	32,118	11,312
	11-000-291-270	1,693,047	(61,177)	1,631,870	1,686,614	(54,744)	1,716,295	(71,250)	1,645,045	1,621,179	23,866
	11-000-291-280	54,700	(19,327)	35,373	35,373		54,700		54,700	41,571	13,129
	11-000-291-290	150,000	36,926	186,926	186,925	1	150,000	(32,208)	117,792	114,809	2,983
Total Unallocated Benefits - Employee Benefits		2,173,917	(29,447)	2,144,470	2,199,213	(54,743)	2,227,408	(118,517)	2,108,891	2,027,562	81,329
Nonbudgeted:											
					430,687	(430,687)				405,916	(405,916)
					475,919	(475,919)				486,898	(486,898)
Total Undistributed Expenditures		7,202,264	(14,461)	7,187,803	7,423,546	(235,743)	6,973,178	17,996	6,991,174	7,206,619	(215,445)
Total Expenditures - Current Expense		13,089,532	16,338	13,105,870	13,021,230	84,640	12,899,139	11,898	12,911,037	12,694,636	216,401
Capital Outlay:											
	10-604-000-000	5	420	425		425	5		5		5

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

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ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Undistributed Expenditures:										
Instruction	12-000-100-730					34,441		34,441	33,100	1,341
Central Services	12-000-251-730			6,107	(6,107)		4,152	4,152	4,152	
Operation & Maintenance of Plant Services	12-000-260-730						8,400	8,400	8,400	
Custodial Services	12-000-260-732		36,225	36,225	36,225					
Special Education - Instruction:										
Noninstructional Services	12-000-300-730		8,100	8,100	8,100		4,799	4,799	4,799	
Total Equipment		44,325	44,325	50,432	(6,107)	34,441	17,351	51,792	50,451	1,341
Assets Acquired Under Capital Leases (Nonbudgeted):										
Undistributed Expenditures:										
Business/Other Support Services									198,648	(198,648)
Total Assets Acquired Under Capital Leases (Nonbudgeted)									198,648	(198,648)
Total Capital Outlay	5	44,745	44,750	50,432	(5,682)	34,446	17,351	51,797	249,099	(197,302)
Total Expenditures	13,089,537	61,083	13,150,620	13,071,662	78,958	12,933,585	29,249	12,962,834	12,943,735	19,099
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)	(702,292)	61,083	(763,375)	(833,434)	(70,059)	(717,078)	29,249	(746,327)	190,953	937,280

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

ACCOUNT NUMBER	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Other Financing Sources/(Uses):											
Capital Leases (Nonbudgeted)										198,648	198,648
Cancellation of Prior Year Accounts Receivable										(12,930)	(12,930)
Operating Transfers Out:											
Food Service Fund	11-000-310-930						(32,500)	(3,250)	(29,250)		29,250
Total Other Financing Sources/(Uses)							(32,500)	(3,250)	(29,250)	185,718	214,968
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures		(702,292)	(61,083)	(763,375)	(779,267)	(15,892)	(749,578)	(25,999)	(775,577)	376,671	1,152,248
Fund Balances, July 1, As Previously Stated		2,144,065		2,144,065	2,144,065		1,767,394		1,767,394	1,767,394	
Prior Period Adjustment					(333,133)	(333,133)					
Fund Balances, July 1, Restated		2,144,065		2,144,065	1,810,932						
Fund Balances, June 30		\$1,441,773	(61,083)	1,380,690	1,031,665	(349,025)	1,017,816	(25,999)	991,817	2,144,065	1,152,248

RECAPITULATION OF FUND BALANCE

Encumbrances Payable	\$16,629
Excess Surplus	110,149
Capital Reserve	1,786
Excess Surplus Designated for Subsequent Year's Expenditures	650,000
Unrestricted Fund Balance	<u>253,101</u>
Subtotal	1,031,665
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payment Not Recognized on a GAAP Basis	<u>(580,871)</u>
Total	<u>\$450,794</u>

**TABERNACLE 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-xxx	\$ -	619,489	619,489	619,489
Government Services Fund	17-xxx		23,981	23,981	23,981
Total Federal Sources			643,470	643,470	643,470
Total Revenues			643,470	643,470	643,470
Expenditures:					
American Recovery & Reinvestment Act:					
Education Stabilization Fund:					
Salaries of Teachers:					
Preschool/Kindergarten	16-110-100-101		50,317	50,317	50,317
Grades 1 - 5	16-120-100-101		164,130	164,130	164,130
Grades 6 - 8	16-130-100-101		80,669	80,669	80,669
Total Regular Programs - Instruction			295,116	295,116	295,116
Resource Room/Resource Center:					
Salaries of Teachers	16-213-100-101		50,017	50,017	50,017
Total Resource Room			50,017	50,017	50,017
Preschool Disabilities - Part-Time:					
Other Salaries for Instruction	16-215-100-106		302	302	302
Total Preschool Disabilities - Part-Time			302	302	302
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	16-230-100-101		52,917	52,917	52,917
Total Basic Skills/Remedial - Instruction			52,917	52,917	52,917
Other Support Services - Students - Related Services:					
Salaries	16-000-216-100		54,970	54,970	54,970
Total Other Support Services - Students - Related Services			54,970	54,970	54,970
Special Education - Extraordinary Services:					
Salaries	16-000-217-100		54,970	54,970	54,970
Total Undistributed Expenditures - Other Support Services - Extraordinary Services			54,970	54,970	54,970
Other Support Services - Students - Special Services:					
Salaries of Other Professional Staff	16-000-219-104		20,000	20,000	20,000
Total Other Support Services - Students - Special-Services			20,000	20,000	20,000

**TABERNACLE 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	
Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	16-000-221-102		41,418	41,418	41,418
Total Improvement of Instruction Services			41,418	41,418	41,418
Unallocated Benefits Employee Benefits:					
Health Benefits	16-000-291-270		49,779	49,779	49,779
Total Unallocated Benefits - Employee Benefits			49,779	49,779	49,779
Total ESF Expenditures			619,489	619,489	619,489
Government Services Fund:					
Salaries of Teachers: Grades 1 - 5	17-120-100-101		14,310	14,310	14,310
Total Regular Programs - Instruction			14,310	14,310	14,310
Preschool Disabilities - Part-Time:					
Other Salaries for Instruction	17-215-100-106		9,671	9,671	9,671
Total Preschool Disabilities - Part-Time			9,671	9,671	9,671
Total GSF Expenditures			23,981	23,981	23,981
Total American Recovery & Reinvestment Act			643,470	643,470	643,470
Total Expenditures			643,470	643,470	643,470
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures		\$ -	-	-	-

**TABERNACLE 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	
REVENUES										
State Sources							95,380	95,380	95,380	
Federal Sources	\$224,219	64,551	288,770	288,770		212,930	74,982	287,912	287,912	
Local Sources		25,429	25,429	25,429						
Total Revenues	224,219	89,980	314,199	314,199		212,930	170,362	383,292	383,292	
EXPENDITURES:										
Instruction:										
Salaries of Teachers	215,927	(138,777)	77,150	77,150		212,151	(101,508)	110,643	110,643	
Other Salaries for Instruction		4,233	4,233	4,233			11,666	11,666	11,666	
Purchased Professional & Technical Services	1,493	73,670	75,163	75,163			86,775	86,775	86,775	
General Supplies		10,792	10,792	10,792			18,114	18,114	18,114	
Tuition	6,525	65,475	72,000	72,000			100,844	100,844	100,844	
Total Instruction	223,945	15,393	239,338	239,338		212,151	115,891	328,042	328,042	
Support Services:										
Personal Services - Employee Benefits							21,231	21,231	21,231	
Purchased Professional - Educational Services	274	39,271	39,545	39,545		779	27,443	28,222	28,222	
Travel							1,362	1,362	1,362	
Miscellaneous Purchased Services		33,689	33,689	33,689			307	307	307	
Supplies & Materials		1,627	1,627	1,627			4,128	4,128	4,128	
Total Support Services	274	74,587	74,861	74,861		779	54,471	55,250	55,250	
Total Expenditures	224,219	89,980	314,199	314,199		212,930	170,362	383,292	383,292	
Total Outflows	224,219	89,980	314,199	314,199		212,930	170,362	383,292	383,292	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	-	-	-	-	-	-	-	-	-

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**TABERNACLE 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	\$12,292,395	314,199
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year		(4,567)
State Aid Payment Recognized for Budgetary Statements Not Recognized for GAAP Purposes		
2008-2009	574,224	
2009-2010	(580,871)	
	\$12,285,748	309,632
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.	\$12,285,748	309,632
Uses/Outflows of Resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$13,071,662	314,199
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.		(4,567)
		(4,567)
Total Expenditures as Reported on the Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds	\$13,071,662	309,632

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

E. Special Revenue Fund

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

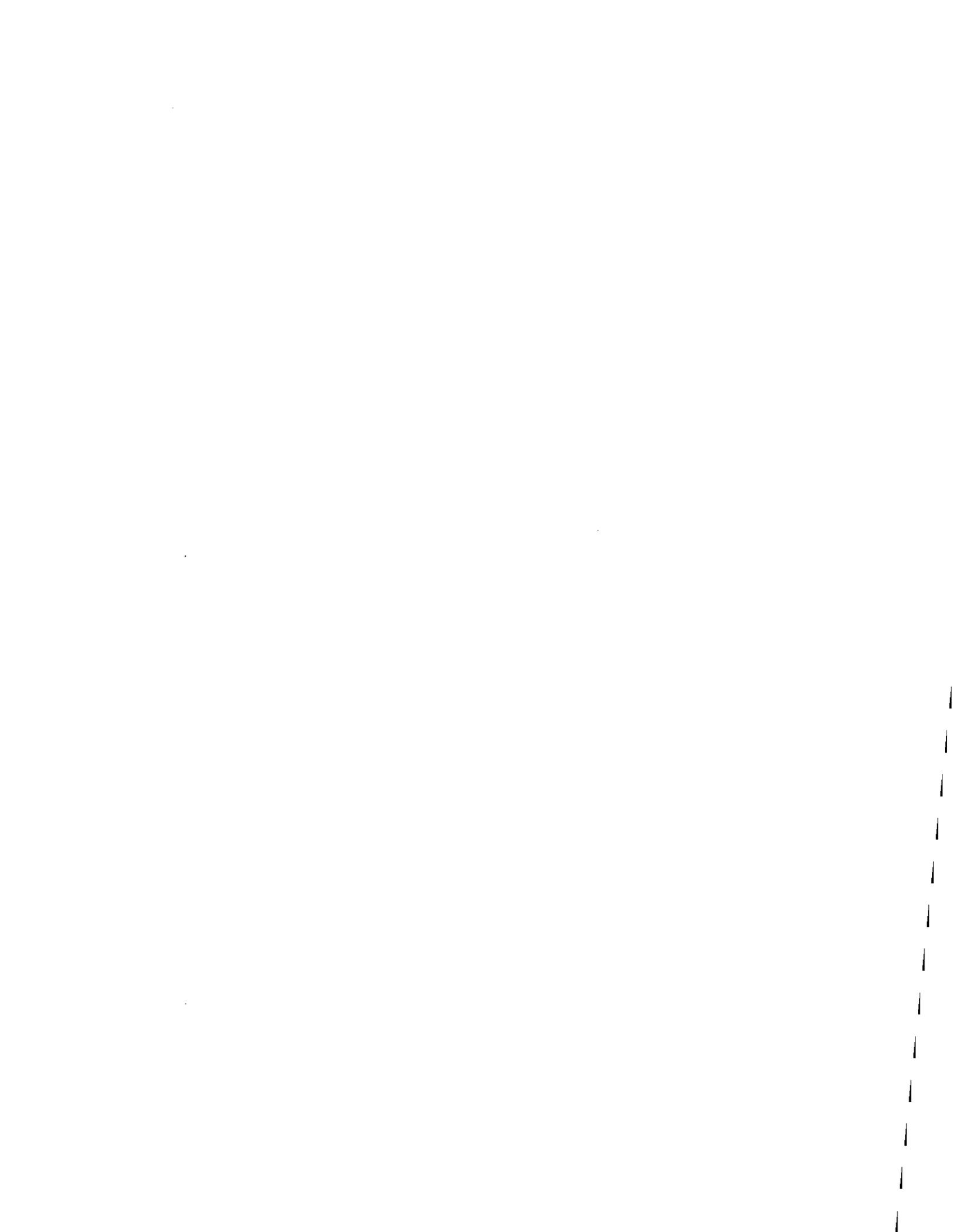
	NO CHILD LEFT BEHIND				
	TITLE I PART A IMPROVING BASIC PROGRAMS	TITLE II PART A TEACHER & PRINCIPAL TRAINING & RECRUITING	TITLE II D ENHANCING THROUGH TECHNOLOGY	TITLE IV DRUG FREE SCHOOLS	SUCCESS FOR ALL FOUNDATION
Revenues:					
State Sources					
Federal Sources	\$26,557	25,097	529	1,604	
Local Sources					1,950
Total Revenues	\$26,557	25,097	529	1,604	1,950
Expenditures:					
Instruction:					
Salaries of Teachers	\$24,979	25,097			
Other Salaries for Instruction					
Purchased Professional & Technical Services	1,578				
General Supplies				1,604	
Tuition					
Total Instruction	26,557	25,097		1,604	
Support Services:					
Personal Services - Employee Benefits					
Purchased Professional - Educational Services					
Travel					
Miscellaneous Purchased Services				529	1,950
Supplies & Materials					
Total Support Services			529		1,950
Total Expenditures	\$26,557	25,097	529	1,604	1,950

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF 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		INSTRUCTIONAL STAFF TRAINING	ARRA FUNDS IDEA BASIC
	PRESCHOOL	BASIC		
Revenues:				
State Sources				
Federal Sources	\$7,681	177,240		50,062
Local Sources			23,479	
Total Revenues	\$7,681	177,240	23,479	50,062
Expenditures:				
Instruction:				
Salaries of Teachers		27,074		
Other Salaries for Instruction		3,926		307
Purchased Professional & Technical Services	\$5,681	67,904		
General Supplies		4,628		4,560
Tuition	2,000	70,000		
Total Instruction	7,681	173,532		4,867
Support Services:				
Personal Services - Employee Benefits				
Purchased Professional - Educational Services				39,545
Travel				
Miscellaneous Purchased Services		3,708	23,479	4,023
Supplies & Materials				1,627
Total Support Services		3,708	23,479	45,195
Total Expenditures	\$7,681	177,240	23,479	50,062

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

	2010	2009
Revenues:		
State Sources		95,380
Federal Sources	\$288,770	287,912
Local Sources	25,429	
		<hr/>
Total Revenues	\$314,199	383,292
		<hr/> <hr/>
Expenditures:		
Instruction:		
Salaries of Teachers	\$77,150	110,643
Other Salaries for Instruction	4,233	11,666
Purchased Professional & Technical Services	75,163	86,775
General Supplies	10,792	18,114
Tuition	72,000	100,844
		<hr/>
Total Instruction	239,338	328,042
		<hr/> <hr/>
Support Services:		
Personal Services - Employee Benefits		21,231
Purchased Professional - Educational Services	39,545	28,222
Travel		1,362
Miscellaneous Purchased Services	33,689	307
Supplies & Materials	1,627	4,128
		<hr/>
Total Support Services	74,861	55,250
		<hr/> <hr/>
Total Expenditures	\$314,199	383,292
		<hr/> <hr/>



F. Capital Projects Fund

**TABERNACLE 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 BALANCE JUNE 30, 2010
			PRIOR YEARS	CURRENT YEAR	
Rehabilitation & Upgrade to Tabernacle Elementary School	2/1/2006	\$2,026,005	2,008,001	25,459	(7,455)
Rehabilitation & Upgrade to Kenneth R Olson Middle School	2/1/2006	7,717,975	6,791,936	440,165	485,874
Total		\$9,743,980	8,799,937	465,624	478,419

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

Expenditures & Other Financing Uses:	
Purchased Professional & Technical Services	<u>\$465,624</u>
Total Expenditures	<u>465,624</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(465,624)
Fund Balance - Beginning	<u>944,043</u>
Fund Balance - Ending	<u><u>\$478,419</u></u>

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND
PROJECT STATUS - BUDGETARY BASIS
REHABILITATION AND UPGRADE OF TABERNACLE ELEMENTARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources				
State Sources - SCC Grant	\$810,402		810,402	810,402
Bond Proceeds & Transfers	1,179,538		1,179,538	1,179,538
Transfer from Capital Reserves	36,065		36,065	36,065
Total Revenues	2,026,005		2,026,005	2,026,005
Expenditures & Other Financing Uses:				
Construction Services	1,638,277		1,638,277	1,630,822
General Supplies	62,247		62,247	62,247
Purchased Professional & Technical Services	305,201	25,459	330,660	330,660
Miscellaneous	2,276		2,276	2,276
Total Expenditures	2,008,001	25,459	2,033,460	2,026,005
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$18,004	(25,459)	(7,455)	-

ADDITIONAL PROJECT INFORMATION

Project Numbers	5130-060-05-1000
Grant Date	8/17/2004
Bond Authorization Date	2/1/2006
Bonds Authorized	\$1,179,538
Bonds Issued	\$1,179,538
Original Authorized Cost	\$2,026,005
Additional Authorized Cost	
Revised Authorized Cost	\$2,026,005
Percentage Increase Over Original Authorized Cost	
Percentage Completion	100.37%
Original Target Completion Date	Sept. 2007
Revised Target Completion Date	Sept. 2007

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND
PROJECT STATUS - BUDGETARY BASIS
REHABILITATION AND UPGRADE OF
KENNETH R. OLSEN MIDDLE SCHOOLS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources				
State Sources - SCC Grant	\$3,087,190		3,087,190	3,087,190
Bond Proceeds & Transfers	4,493,462		4,493,462	4,493,462
Transfer from Capital Reserves	137,323		137,323	137,323
Total Revenues	7,717,975		7,717,975	7,717,975
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	1,066,810	440,165	1,506,975	1,506,975
Miscellaneous	33,517		33,517	33,517
Construction Services	5,591,597		5,591,597	6,077,471
General Supplies	94,117		94,117	94,117
Other Objects	5,895		5,895	5,895
Total Expenditures	6,791,936	440,165	7,232,101	7,717,975
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$926,039	(440,165)	485,874	-

ADDITIONAL PROJECT INFORMATION

Project Numbers	5130-040-05-1000
Grant Date	8/17/2004
Bond Authorization Date	2/1/2006
Bonds Authorized	\$4,493,462
Bonds Issued	\$4,493,462
Original Authorized Cost	\$7,717,975
Additional Authorized Cost	
Revised Authorized Cost	\$7,717,975
Percentage Increase Over Original Authorized Cost	
Percentage Completion	93.70%
Original Target Completion Date	Sept. 2007
Revised Target Completion Date	Sept. 2007

G. Proprietary Funds

Enterprise Funds

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

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2010	2009
	FOOD SERVICE FUND	COMMUNITY PROGRAMS		
Current Assets:				
Cash & Cash Equivalents	\$28,065	19,629	47,694	42,655
Other Accounts Receivable				
Intergovernmental Receivables:				
State	312		312	270
Federal	4,126		4,126	3,017
Due from General Fund	13,650		13,650	10,363
Inventories	7,046		7,046	9,263
Total Current Assets	53,199	19,629	72,828	65,568
Noncurrent Assets:				
Furniture, Machinery & Equipment	55,377		55,377	55,377
Less: Accumulated Depreciation	(55,188)		(55,188)	(54,393)
Total Noncurrent Assets	189		189	984
Total Assets	53,388	19,629	73,017	66,552
LIABILITIES				
Current Liabilities:				
Due to General Fund		15,467	15,467	13,503
Total Liabilities		15,467	15,467	13,503
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	189		189	984
Unrestricted	53,199	4,162	57,361	52,065
Total Net Assets	\$53,388	4,162	57,550	53,049

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2010
(With Comparative Totals for 2009)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2010	2009
	FOOD SERVICE FUND	COMMUNITY PROGRAMS		
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$134,770		134,770	144,624
Daily Sales - Nonreimbursable Program	77,887		77,887	88,852
Special Functions	1,669		1,669	1,752
User Fees		13,874	13,874	13,683
Total Operating Revenues	214,326	13,874	228,200	248,911
Operating Expenses:				
Salaries	106,763	3,311	110,074	109,728
Employee Benefits	20,546		20,546	19,417
Other Purchased Services	7,039	10,204	17,243	21,108
Supplies and Materials	8,786		8,786	9,466
Depreciation	795		795	795
Management Fee	23,548		23,548	23,548
Cost of Sales	110,541		110,541	105,490
Total Operating Expenses	278,018	13,515	291,533	289,552
Operating Income/(Loss)	(63,692)	359	(63,333)	(40,641)
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	3,481		3,481	3,468
Federal Sources:				
National School Lunch Program	44,660		44,660	38,857
Food Distribution Program	19,307		19,307	18,178
Interest on Investments	386		386	106
Total Nonoperating Revenues/(Expenses)	67,834		67,834	60,609
Change in Net Assets	4,142	359	4,501	19,968
Net Assets - Beginning of Year	49,246	3,803	53,049	33,081
Net Assets - End of Year	\$53,388	4,162	57,550	53,049

TABERNACLE TOWNSHIP BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2010
(With Comparative Totals for 2009)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2010	2009
	FOOD SERVICE FUND	COMMUNITY PROGRAMS		
Cash Flows From Operating Activities:				
Receipts from Customers	\$214,326	13,874	228,200	252,113
Payments to Employees	(106,763)	(3,311)	(110,074)	(109,728)
Payments for Employee Benefits	(20,546)		(20,546)	(19,417)
Payments to Suppliers	(128,390)	(8,240)	(136,630)	(140,662)
Net Cash Provided/(Used) by Operating Activities	(41,373)	2,323	(39,050)	(17,694)
Cash Flows From Noncapital Financing Activities:				
Interfund Receivable	(3,287)		(3,287)	3,523
State Sources	3,439		3,439	3,441
Federal Sources	43,551		43,551	38,433
Net Cash Provided/(Used) by Noncapital Noncapital Financing Activities	43,703		43,703	45,397
Cash Flows from Investing Activities:				
Interest on Investments	386		386	106
Net Cash Provided by Investing Activities	386		386	106
Net Increase/(Decrease) in Cash & Cash Equivalents	2,716	2,323	5,039	27,809
Balances - Beginning of Year	25,349	17,306	42,655	14,846
Balances - End of Year	\$28,065	19,629	47,694	42,655

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

Operating Income/(Loss)	(\$63,692)	359	(63,333)	(40,641)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:				
Depreciation	795		795	795
Food Distribution Program - Commodities Received	19,307		19,307	18,178
Changes in Assets & Liabilities:				
(Increase)/Decrease in Intergovernmental Receivable - Other				3,832
(Increase)/Decrease in Inventories	2,217		2,217	772
Decrease in Interfund Payable		1,964	1,964	
(Increase)/Decrease in Deferred Revenue				(630)
Total Adjustments	22,319	1,964	24,283	22,947
Net Cash Provided/(Used) by Operating Activities	(\$41,373)	2,323	(39,050)	(17,694)

Internal Service Fund

Not Applicable



H. Fiduciary Fund

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

ASSETS	PRIVATE PURPOSE			2010	2009
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	AGENCY FUNDS		
Cash & Cash Equivalents	\$228,521	11,931	48,843	289,295	362,150
Interfund Receivable					22,979
Total Assets	228,521	11,931	48,843	289,295	385,129
LIABILITIES					
Payroll Deductions & Withholdings			3,486	3,486	101,559
Interfunds Payable			1,668	1,668	
Due to Student Groups			43,689	43,689	44,123
Total Liabilities			48,843	48,843	145,682
NET ASSETS					
Held in Trust for Unemployment Claims & Other Purposes	228,521			228,521	227,131
Reserved for Scholarships		11,931		11,931	12,316
Total Net Assets	\$228,521	11,931		240,452	239,447

**TABERNACLE 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 2009)**

ADDITIONS	PRIVATE PURPOSE		2010	2009
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND		
Contributions:				
Plan Members	\$13,417		13,417	13,079
Other		955	955	1,000
Total Contributions	13,417	955	14,372	14,079
Investment Earnings:				
Interest	2,869	160	3,029	556
Net Investment Earnings	2,869	160	3,029	556
Total Additions	16,286	1,115	17,401	14,635
DEDUCTIONS				
Unemployment Claims	14,896		14,896	951
Scholarships Awarded		1,500	1,500	1,500
Total Deductions	14,896	1,500	16,396	2,451
Change in Net Assets	1,390	(385)	1,005	12,184
Net Assets - Beginning of the Year	227,131	12,316	239,447	227,263
Net Assets - End of the Year	\$228,521	11,931	240,452	239,447

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

	BALANCE JULY 1, 2009	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2010
Elementary Schools:				
4th Grade & Booster Club	\$13,448	9,832	14,544	8,736
Tabernacle Elementary School	17,049	2,596	1,876	17,769
Middle School:				
8th Grade Committee	6,625	27,108	23,174	10,559
Kenneth R. Olson Middle School	7,001	10,637	11,013	6,625
Total Liabilities	\$44,123	50,173	50,607	43,689

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2010**

ASSETS	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
Cash & Cash Equivalents	\$78,580	4,364,492	4,437,918	5,154
Interfund Receivable	22,979		22,979	
Total Assets	\$101,559	4,364,492	4,460,897	5,154
LIABILITIES				
Payroll Deductions & Withholdings	\$101,375	4,362,824	4,460,713	3,486
Net Payroll	184		184	
Interfund Payable		1,668		1,668
Total Liabilities	\$101,559	4,364,492	4,460,897	5,154

I. Long-Term Debt

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2010**

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PURPOSE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2009	RETIRED	BALANCE JUNE 30, 2010
			DATE	AMOUNT				
2004 Refunding Bonds	10/01/2003	\$5,335,000	09/01/2010	\$345,000	3.125%	\$4,465,000	325,000	4,140,000
			09/01/2011	340,000	3.250%			
			09/01/2012	335,000	3.500%			
			09/01/2013	330,000	3.500%			
			09/01/2014	350,000	3.700%			
			09/01/2015	345,000	3.800%			
			09/01/2016	340,000	3.850%			
			09/01/2017	355,000	4.000%			
			09/01/2018	360,000	4.000%			
			09/01/2019	355,000	4.100%			
			09/01/2020	345,000	4.200%			
			09/01/2021	340,000	4.300%			
2006 Various Improvements	2/1/05	5,673,000	03/01/2011	230,000	4.000%	4,893,000	220,000	4,673,000
			03/01/2012	240,000	4.000%			
			03/01/2013	255,000	4.000%			
			03/01/2014	265,000	4.000%			
			03/01/2015	280,000	4.000%			
			03/01/2016	290,000	4.000%			
			03/01/2017	305,000	4.000%			
			03/01/2018	320,000	4.000%			
			03/01/2019	335,000	4.000%			
			03/01/2020	360,000	4.000%			
			03/01/2021	360,000	4.000%			
			03/01/2022	360,000	4.000%			
			03/01/2023	360,000	4.050%			
			03/01/2024	360,000	4.050%			
			03/01/2025	353,000	4.050%			
Total								
					\$9,358,000	545,000	8,813,000	

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	ACCOUNT NUMBER	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	
Revenues:											
Local Sources:											
Local Tax Levy	40-1210	\$737,458		737,458	737,458		693,803		693,803	693,803	
Interest	40-1510	500		500		(500)	500		500		(500)
State Sources:											
Debt Service Aid Type II	40-3160	132,599		132,599	132,599		136,263		136,263	136,263	
Total Revenues		870,557		870,557	870,057	(500)	830,566		830,566	830,066	(500)
Expenditures:											
Regular Debt Service:											
Interest	40-701-510-834	356,807		356,807	356,807		371,012		371,012	371,010	2
Redemption of Principal	40-701-510-910	545,000		545,000	545,000		540,000		540,000	540,000	
Total Regular Debt Service		901,807		901,807	901,807		911,012		911,012	911,010	2
Total Expenditures		901,807		901,807	901,807		911,012		911,012	911,010	2
Other Financing Sources/(Uses):											
Operating Transfers in:											
Interest Earned in Capital Projects Fund	40-5200	10,000		10,000	626	(9,374)	10,000		10,000	6,009	(3,991)
Excess/(Deficiency) of Revenues & Other Financing Sources Over/ (Under) Expenditures		(21,250)		(21,250)	(31,124)	(9,874)	(70,446)		(70,446)	(74,935)	(4,489)
Fund Balance, July 1		16,761		16,761	16,761		91,696		91,696	91,696	
Fund Balance, June 30		(\$4,489)	-	(4,489)	(14,363)	(9,874)	21,250		21,250	16,761	(4,489)

STATISTICAL SECTION (Unaudited)

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

	FISCAL YEAR ENDING JUNE 30,						
	2010	2009	2008	2007	2006	2005	2004
Governmental Activities:							
Invested in Capital Assets, Net of Related Debt	\$7,242,312	6,728,882	7,369,581	7,826,571	5,131,574	4,438,205	4,245,657
Restricted	479,758	2,028,103	2,022,046	4,274,475	6,171,572	6,280,895	863,473
Unrestricted	380,545	406,059	818,625	(1,785,540)	(1,495,959)	(1,321,783)	80,747
Total Governmental Activities Net Assets	\$8,102,615	9,163,044	10,210,252	10,315,506	9,807,187	9,397,317	5,189,877
Business-Type Activities:							
Invested in Capital Assets, Net of Related Debt	\$189	984	1,779	2,574	3,369	4,164	2,270
Unrestricted	57,361	52,065	31,302	33,658	20,253	18,900	18,709
Total Business-Type Activities Net Assets	\$57,550	53,049	33,081	36,232	23,622	23,064	20,979
District-Wide:							
Invested in Capital Assets, Net of Related Debt	\$7,242,501	6,729,866	7,371,360	7,829,145	5,134,943	4,442,369	4,247,927
Restricted	479,758	2,028,103	2,022,046	4,274,475	6,171,572	6,280,895	863,473
Unrestricted	437,906	458,124	849,927	(1,751,882)	(1,475,706)	(1,302,883)	99,456
Total District Net Assets	\$8,160,165	9,216,093	10,243,333	10,351,738	9,830,809	9,420,381	5,210,856

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

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:								
Governmental Activities								
Instruction:								
Regular	\$5,089,415	5,128,843	5,906,561	5,905,917	5,509,095	5,212,427	5,057,755	5,435,700
Special Education	1,637,390	1,565,207	1,643,988	1,441,042	1,546,040	1,397,606	1,513,409	1,420,229
Other Special Education	447,050	434,065	453,781	338,873	237,180	277,673	191,742	231,523
Other Instruction	115,932	96,861	79,291	79,441	56,690	71,671	55,633	67,757
Adult/Continuing Education Programs	9,285	10,359	7,601	1,353	2,735	3,722	2,726	3,257
Support Services:								
Tuition	63,339	5,280	6,148	22,381	2,309	32,373	70,922	9,929
Student & Instruction Related Services	2,167,241	2,041,717	1,955,614	1,652,634	1,429,966	1,456,887	1,342,790	1,392,403
School Administrative Services	761,039	737,234	741,054	534,743	459,048			480,486
General & Business Administrative Services	381,803	387,935	459,005	424,724	379,523	1,199,251	1,227,679	627,836
Central Services	390,226	396,558	398,756	382,599	368,356			
Plant Operations & Maintenance	1,453,390	1,449,532	1,409,080	1,219,558	1,281,878	1,151,775	950,389	1,015,559
Pupil Transportation	729,917	745,176	737,023	655,323	594,178	443,835	742,394	728,432
Interest on Long-Term Debt	349,244	366,445	379,798	395,636	412,826	303,349	209,982	313,140
Reduction in Compensated Absences	(73,136)	-35,268	59,232		86,217		(123,215)	
Unallocated Amortization	38,762	38,762	38,762	38,762	38,762	37,007	38,280	3,748
Unallocated Depreciation	632,462	632,462	613,489	561,476	592,438	523,331	546,816	29,127
Total Governmental Activities Expenses	14,193,359	14,001,169	14,889,183	13,654,462	12,997,243	12,110,907	11,827,302	11,759,126
Business-Type Activities:								
Food Service	278,018	279,645	301,433	305,850	311,064	361,902	387,887	377,334
Community Program	13,515	9,907	22,522	24,198	21,401	30,774	20,697	29,797
Total Business-Type Activities Expense	291,533	289,552	323,955	330,048	332,465	392,676	408,584	407,131
Total District Expenses	\$14,484,892	14,290,721	15,213,138	13,984,510	13,329,708	12,503,583	12,235,886	12,166,257

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

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Program Revenues:								
Governmental Activities:								
Charges for Services:								
Operating Grants & Contributions	\$442,231	519,555	488,875	363,857	420,025	408,662	378,552	348,221
Total Governmental Activities								
Program Revenues	442,231	519,555	488,875	363,857	420,025	408,662	378,552	348,221
Business-Type Activities:								
Charges for Services:								
Food Service	214,326	235,228	238,135	237,487	237,456	248,001	259,599	249,668
Community Program	13,874	13,683	22,082	21,870	20,752	31,646	19,510	29,775
Operating Grants & Contributions	67,448	60,503	59,513	52,564	50,633	53,287	39,395	29,696
Total Business Type Activities								
Program Revenues	295,648	309,414	319,730	311,921	308,841	332,934	318,504	309,139
Total District Program Revenues	<u>\$737,879</u>	<u>828,969</u>	<u>808,605</u>	<u>675,778</u>	<u>728,866</u>	<u>741,596</u>	<u>697,056</u>	<u>657,360</u>
Net (Expense)/Revenue								
Governmental Activities	(\$13,751,128)	(13,481,614)	(14,400,308)	(13,290,605)	(12,577,218)	(11,702,245)	(11,448,750)	(11,410,905)
Business-Type Activities	4,115	19,862	(4,225)	(18,127)	(23,624)	(59,742)	(90,080)	(97,992)
Total District-Wide Net Expense	<u>(\$13,747,013)</u>	<u>(13,461,752)</u>	<u>(14,404,533)</u>	<u>(13,308,732)</u>	<u>(12,600,842)</u>	<u>(11,761,987)</u>	<u>(11,538,830)</u>	<u>(11,508,897)</u>

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

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
General Revenues & Other Changes in Net Assets:								
Governmental Activities:								
Property Taxes Levied for General Purposes, Net	\$6,438,192	6,267,454	6,111,552	5,802,533	5,502,251	5,369,769	4,993,220	4,607,070
Taxes Levied for Debt Service	737,458	693,803	733,988	709,250	628,003	209,708	383,475	384,743
Unrestricted Grants & Contributions	5,684,517	6,403,747	7,256,059	6,984,290	6,502,170	10,172,932	6,057,749	5,640,068
Tuition Received	83,717	107,928	43,901	14,964				
Investment Earnings					14,239	19,626	8,483	14,580
Miscellaneous Income	79,948	73,942	149,810	179,167	330,578	199,131	79,302	108,497
Transfers			(256)	(29,337)	(23,428)	(61,481)	(86,603)	(95,316)
Cancellation of Prior Year Accounts :								
Receivable		(12,930)						
Contributed Capital					33,275			
Reduction in Compensated Absences Payable				138,057				
Total Governmental Activities	13,023,832	13,533,944	14,295,054	13,798,924	12,987,088	15,909,685	11,435,626	10,659,642
Business-Type Activities:								
Investment Earnings	\$386	106	818	1,400	754	346	102	191
Transfers			256	29,337	23,428	61,481	86,603	95,316
Total Business-Type Activities	386	106	1,074	30,737	24,182	61,827	86,705	95,507
Total District-Wide	\$13,024,218	13,534,050	14,296,128	13,829,661	13,011,270	15,971,512	11,522,331	10,755,149
Change in Net Assets:								
Governmental Activities	(\$727,296)	52,330	(105,254)	508,319	409,870	4,207,440	(13,124)	(751,263)
Business-Type Activities	4,501	19,968	(3,151)	12,610	558	2,085	(3,375)	(2,485)
Total District	(\$722,795)	72,298	(108,405)	520,929	410,428	4,209,525	(16,499)	(753,748)

TABERNACLE TOWNSHIP BOARD OF EDUCATION
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS
(Modified Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
General Fund:								
Reserved	\$778,564	1,890,016	760,053	2,128,888	828,958	564,428	369,566	185,518
Unreserved	(327,770)	(320,175)	720,743	(498,758)	500,642	438,817	353,267	564,016
Total General Fund	\$450,794	1,569,841	1,480,796	1,630,130	1,329,600	1,003,245	722,833	749,534
All Other Governmental Funds:								
Reserved		498,959	354,555	38,444	3,269,516	1,412,295		112,234
Unreserved, Reported in:								
Special Revenue Fund								(2,155)
Capital Projects Fund	\$478,419	461,845	1,081,624	2,204,288	2,234,514	7,905,465		114,118
Debt Service Fund	(14,363)		21,250	70,446	38,444	87,654	186,993	2,379
Total All Other Governmental Funds	\$464,056	960,804	1,457,429	2,313,178	5,542,474	9,405,414	186,993	226,576

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

	2010	2009	2008	2007	2006	2005	2004	2003
Revenues								
Tax Levy	\$7,175,650	6,961,257	6,845,540	6,511,783	6,130,254	5,579,477	5,376,695	4,991,813
Tuition Charges	83,717	107,928	43,901	14,964	14,239	24,763	30,214	49,678
Interest Earnings	645	6,014	31,776	80,888	180,148	77,529	1,996	13,151
Miscellaneous	104,732	67,928	118,034	98,279	150,430	78,653	55,576	60,248
State Sources	5,173,646	6,635,390	7,480,811	7,125,012	6,647,316	10,321,984	6,208,532	5,769,880
Federal Sources	927,673	287,912	264,123	223,135	274,879	259,610	227,769	218,409
Total Revenue	13,466,063	14,066,429	14,784,185	14,054,061	13,397,266	16,342,016	11,900,782	11,103,179
Expenditures								
Instruction:								
Regular Instruction	4,470,840	4,551,866	4,851,448	4,169,560	4,116,288	3,806,890	3,769,560	3,922,294
Special Education Instruction	998,757	938,948	969,379	980,032	935,271	1,038,849	1,113,703	1,085,958
Other Special Instruction	284,904	249,951	298,633	229,685	237,180	198,095	181,012	179,803
Other Instruction	72,385	69,847	48,475	47,302	56,690	52,991	53,047	54,283
Adult/Continuing Education	5,569	5,447	7,601		2,735	2,655	2,578	2,455
Support Services:								
Tuition	63,339	5,280	6,148	22,381	2,309	32,373	70,922	9,929
Student & Instruction Related Services	1,399,172	1,347,997	1,222,073	1,173,585	1,108,831	1,084,565	1,061,933	1,097,439
School Administrative Services	462,783	461,380	482,553	404,888	378,734	362,207	344,667	333,972
General & Business Administration Services	321,053	309,165	375,029	323,067	354,271	356,441	646,033	550,992
Central Services	239,603	251,044	246,625	269,156	278,014	231,733		
Plant Operations & Maintenance	1,128,000	1,143,603	1,082,797	990,984	1,100,572	973,544	950,389	893,571
Pupil Transportation	521,010	571,809	570,259	546,644	581,544	621,941	528,365	669,690
Employee Benefits	3,363,447	3,171,591	3,734,581	3,622,815	2,923,525	2,710,500	2,578,832	2,015,529
Capital Outlay	516,056	670,789	1,040,306	3,344,424	4,030,548	696,788	322,285	197,222
Debt Service:								
Principal	545,000	540,000	540,000	510,000	495,000	315,000	225,000	225,000
Interest & Other Charges	356,807	371,010	383,955	400,045	437,198	216,628	242,481	317,171
Total Expenditures	14,748,725	14,659,727	15,859,862	17,034,568	17,038,710	12,701,200	12,090,807	11,555,308

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

	2010	2009	2008	2007	2006	2005	2004	2003
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(1,282,662)	(593,298)	(1,075,677)	(2,980,507)	(3,641,444)	3,640,816	(190,025)	(452,129)
Other Financing Sources/(Uses):								
Proceeds from Borrowing		198,648	70,850	81,078	128,287	5,919,498	4,955,344	151,358
Payments to Escrow Agent							(4,745,000)	
Transfers in	626	6,009	31,750	77,898	177,492	250,103	123,494	1,423
Transfers Out	(626)	(6,009)	(32,006)	(107,235)	(200,920)	(311,584)	(210,097)	(96,739)
Cancellation of Prior Year Accounts Receivable		(12,930)						
Total Other Financing Sources/ (Uses)		185,718	70,594	51,741	104,859	5,858,017	123,741	56,042
Net Change in Fund Balances	(\$1,282,662)	(407,580)	(1,005,083)	(2,928,766)	(3,536,585)	9,498,833	(66,284)	(396,087)
Debt Service as a Percentage of Noncapital Expenditures	6.336%	6.512%	6.235%	6.647%	7.166%	4.429%	3.972%	4.773%

Source: District Records

TABERNACLE 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	TUITION	RENTALS	PRIOR YEAR REFUNDS	MISCELLANEOUS	TOTAL
2010	\$27,799	83,717	37,000		14,523	163,039
2009	17,076	107,928	37,000		13,857	175,861
2008	64,448	43,901	37,000		16,612	161,961
2007	50,675	14,964	37,000		10,647	113,286
2006	55,659	14,239	37,000	7,320	50,456	164,674
2005	19,626	24,763	37,000		55,327	136,716
2004	8,483	39,153	37,000		2,353	86,989
2003	12,875	49,678	37,000		21,819	121,372
2002	23,757	34,867	37,000		18,070	113,694
2001	67,150	109,185	37,000		13,657	226,992

**TABERNACLE 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	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2009	\$9,823,200	688,326,300	16,922,300	2,968,600	21,185,900	779,100	740,005,400	1,118,777	741,124,177	1.582	864,849,961
2008	10,979,800	680,403,900	17,835,400	2,739,800	19,451,500	779,100	732,189,500	1,042,750	733,232,250	1.588	843,737,175
2007	11,627,800	674,891,900	17,845,000	2,736,600	19,572,400	779,100	727,452,800	1,046,844	728,499,644	1.576	780,814,101
2006	12,507,600	668,524,000	18,285,900	2,735,500	19,187,800	779,100	722,019,900	1,063,437	723,083,337	1.512	678,250,458
2005	6,938,000	357,397,800	10,171,300	1,793,250	9,492,700	433,600	386,226,650	755,761	386,982,411	1.585	601,824,061
2004	5,613,000	354,543,000	10,318,300	1,810,050	9,253,000	433,600	381,970,950	883,510	382,854,460	1.458	520,640,482
2003	5,752,100	350,945,000	10,010,200	1,798,750	9,249,500	433,600	378,189,150	1,049,150	379,238,300	1.417	467,953,152
2002	6,205,400	349,117,200	9,129,700	1,816,250	9,405,300	433,600	376,107,450	1,084,630	377,192,080	1.323	434,141,963
2001	6,867,300	345,662,000	9,329,300	1,832,250	9,554,400	433,600	373,678,850	1,092,066	374,770,916	1.227	407,090,021
2000	7,142,700	343,673,300	9,099,600	1,827,550	9,575,400	428,900	371,747,450	1,127,621	372,875,071	1.167	395,522,207

**TABERNACLE 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				FIRE DISTRICT	TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF TABERNACLE	BURLINGTON COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE		
2009	0.969	0.613	1.582	0.237	0.362	0.035	0.047	0.060	2.323
2008	0.950	0.638	1.588	0.238	0.367	0.034	0.047	0.059	2.333
2007	0.940	0.636	1.576	0.213	0.373	0.035	0.043	0.053	2.293
2006	0.900	0.612	1.512	0.183	0.275	0.032	0.038	0.048	2.088
2005	1.585	1.053	2.638	0.308	0.596	0.052	0.062	0.084	3.740
2004	1.458	1.009	2.467	0.308	0.537	0.046	0.055	0.078	3.491
2003	1.417	0.933	2.350	0.276	0.537	0.042	0.050	0.060	3.315
2002	1.323	0.762	2.085	0.243	0.533	0.039	0.047	0.060	3.007
2001	1.227	0.633	1.860	0.216	0.526	0.037	0.043	0.061	2.743
2000	1.167	0.625	1.792	0.160	0.523	0.036	0.043	0.062	2.616

Source: Municipal Tax Collector

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

TAXPAYER	2009	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE
Murphy's Market	\$2,400,200	0.62%
Tabernacle Equities	1,675,100	0.43%
Individual Taxpayer #1	1,189,700	0.31%
Bell Atlantic Property Tax Department	1,118,777	0.29%
Individual Taxpayer #2	1,085,900	0.28%
Individual Taxpayer #3	1,023,000	0.26%
Individual Taxpayer #4	1,020,700	0.26%
Individual Taxpayer #5	1,000,000	0.26%
Individual Taxpayer #6	906,500	0.23%
Individual Taxpayer #7	848,000	0.22%
Total	<u>\$12,267,877</u>	<u>3.17%</u>

TAXPAYER	2001	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE
	NOT AVAILABLE	

Source: Municipal Tax Assessor

EXHIBIT J-9

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
PROPERTY 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	
		AMOUNT	PERCENTAGE OF LEVY
2010	\$7,175,650	7,175,650	100.00%
2009	6,961,257	6,961,257	100.00%
2008	6,845,540	6,845,540	100.00%
2007	6,511,783	6,511,783	100.00%
2006	6,130,254	6,130,254	100.00%
2005	5,579,477	5,579,477	100.00%
2004	5,376,695	5,376,695	100.00%
2003	4,991,813	4,991,813	100.00%
2002	4,160,042	4,160,042	100.00%
2001	4,338,352	4,338,352	100.00%

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

EXHIBIT J-10

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES			COUNTY PER CAPITA INCOME	PERCENTAGE OF PER CAPITA INCOME
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	TOTAL DISTRICT		
2010	8,813,000	145,967	8,958,967	N/A	N/A
2009	9,358,000	236,909	9,594,909	N/A	N/A
2008	9,898,000	121,778	10,019,778	46,564	0.46%
2007	10,438,000	144,270	10,582,270	44,077	0.42%
2006	10,948,000	184,703	11,132,703	42,398	0.38%
2005	11,443,000	233,944	11,676,944	40,100	0.34%
2004	6,085,000	213,010	6,298,010	38,846	0.62%
2003	5,720,000	148,267	5,868,267	37,099	0.63%
2002	5,945,000	92,049	6,037,049	36,403	0.60%
2001	6,170,000	116,133	6,286,133	36,061	0.57%

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS			
2010	\$8,813,000		8,813,000	1.19%	N/A
2009	9,358,000		9,358,000	1.28%	N/A
2008	9,898,000		9,898,000	1.36%	1,382.98
2007	10,438,000		10,438,000	1.43%	1,453.36
2006	10,948,000		10,948,000	1.51%	1,492.16
2005	11,443,000		11,443,000	2.96%	1,556.24
2004	6,085,000		6,085,000	1.59%	826.55
2003	5,720,000		5,720,000	1.51%	779.93
2002	5,945,000		5,945,000	1.58%	813.71
2001	6,170,000		6,170,000	1.65%	849.75

**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:			
Township of Tabernacle	\$4,448,078	100.000%	\$4,448,078
Lenape Regional School District	98,764,000	4.220%	\$4,167,841
Burlington County General Obligation Debt	<u>395,252,496</u>	1.64%	<u>6,482,141</u>
Subtotal, Overlapping Debt			15,098,060
Tabernacle School District Direct Debt			<u>8,813,000</u>
Total Direct & Overlapping Debt			<u><u>\$23,911,060</u></u>

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

**TABERNACLE 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	\$25,064,650	24,636,915	22,818,754	20,391,989	17,799,634	15,716,719	14,074,752	12,967,060	12,255,546	11,772,776
Total Net Debt Applicable to Limit	<u>8,813,000</u>	<u>9,358,000</u>	<u>9,898,000</u>	<u>10,438,000</u>	<u>10,948,000</u>	<u>11,443,000</u>	<u>6,085,000</u>	<u>5,720,000</u>	<u>5,945,000</u>	<u>6,170,000</u>
Legal Debt Margin	<u>\$16,251,650</u>	<u>15,278,915</u>	<u>12,920,754</u>	<u>9,953,989</u>	<u>6,851,634</u>	<u>4,273,719</u>	<u>7,989,752</u>	<u>7,247,060</u>	<u>6,310,546</u>	<u>5,602,776</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	1.17%	1.27%	1.45%	1.71%	2.05%	2.43%	1.44%	1.47%	1.62%	1.75%

Legal Debt Margin Calculation for Fiscal Year 2010

Equalized Valuation Basis	
2009	\$816,062,417
2008	853,865,306
2007	<u>836,537,259</u>
	<u>\$2,506,464,982</u>
Average Equalized Valuation of Taxable Property	<u>\$835,488,327</u>
Debt Limit (3 % of Average Equalization Value)	\$25,064,650
Net Bonded School Debt	<u>8,813,000</u>
Legal Debt Margin	<u>\$16,251,650</u>

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

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

YEAR	POPULATION	BURLINGTON COUNTY	
		PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2009	7,170	N/A	N/A
2008	7,157	46,564	2.70%
2007	7,182	44,077	2.00%
2006	7,337	42,398	4.10%
2005	7353	40,100	2.00%
2004	7334	38,846	2.80%
2003	7306	37,099	3.10%
2002	7261	36,403	3.10%
2001	7173	36,061	2.10%
2000	7167	35,059	1.90%

Source:

US Bureau of the census
Bureau of Economic Analysis us Department of Commerce
New Jersey Department of Labor

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

	2010		2001	
	EMPLOYEES	RANK	EMPLOYEES	RANK
Tabernacle Board of Education	153	1	176	1
	<u>153</u>		<u>176</u>	

Source: Burlington County Office of Economic Development

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

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Instruction:										
Regular & Special Education			73.5	71.0	73.0	72.0	82.0	80.0	79.0	77.3
Other Instruction			20.7	20.8	20.6	3.0	23.0	23.0	23.0	11.8
Adult/Continuing Education Programs			0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Support Services:										
Student & Instruction Related Services			4.0	4.0	3.7	5.5	6.0	6.0	6.0	6.0
Other Support Services	N/A	N/A	5.6	5.6	5.0	4.0	5.0	5.0	5.0	6.0
Instructional Staff Training			2.5	2.0	2.0	2.0	4.0	4.0	4.0	2.0
Media Center			5.6	5.6	6.0	6.0	6.0	6.0	6.0	6.5
School Administrative Services			7.5	7.0	7.0	7.0	7.0	7.0	7.0	7.0
General Administrative Services			2.4	2.4	2.4	2.0	2.0	4.0	2.5	2.0
Plant Operations & Maintenance			13.2	12.7	12.2	20.0	20.0	21.0	21.0	13.6
Pupil Transportation			16.9	17.9	18.0	17.0	20.0	19.0	19.0	18.9
Business & Other Support Services			4.1	4.0	4.2	4.5	4.0	4.0	4.0	4.1
Total			156.1	153.1	154.2	143.1	179.1	179.1	176.6	155.3

Source: District Personnel Records

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

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	PUPIL TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2010	873	\$13,077,928	14,980	-5.13%	77	11.3/1	873	836	-2.57%	-0.24%
2009	896	13,077,928	14,596	2.33%	80	11.2/1	896	856	1.82%	0.59%
2008	880	13,895,601	15,790	22.65%	85	10.4/1	880	838	-6.28%	-6.68%
2007	896	12,780,099	14,264	20.47%	85	10.4/1	896	851	-7.53%	-8.20%
2006	938	12,075,964	12,874	8.74%	86	10.9/1	939	898	-3.10%	-3.13%
2005	969	11,472,784	11,840	-0.05%	86	11.3/1	969	927	1.57%	1.42%
2004	954	11,301,041	11,846	5.14%	90	10.6/1	954	914	-0.63%	-0.44%
2003	960	10,815,915	11,267	9.18%	96	10/1	960	918	-1.74%	-2.34%
2002	977	10,081,818	10,319	4.03%	97	10.1/1	977	940	-2.69%	-2.49%
2001	1,004	9,959,372	9,920	3.19%	98	10.2/1	1,004	964	-1.08%	-1.53%

Sources: District records

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR**

DISTRICT BUILDINGS	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Elementary Schools:										
Tabernacle Elementary										
Square Feet	59,918	59,918	59,918	59,918	59,918	59,918	59,918	59,918	59,918	59,918
Capacity (Students)	552	552	552	552	552	552	552	552	552	552
Enrollment	440	482	468	435	499	504	479	479	N/A	N/A
Middle School:										
Olson Middle School										
Square Feet	88,321	88,321	88,321	88,321	88,321	88,321	88,321	88,321	88,321	88,321
Capacity (Students)	474	474	474	474	474	474	474	474	474	474
Enrollment	433	414	412	448	440	466	474	474	N/A	N/A

Number of Schools at June 30, 2010:

 Elementary = 1

 Middle School = 1

Source: District Facilities Office

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

	KENNETH R. TABERNACLE ELEMENTARY	OLSON MIDDLE SCHOOL	TOTAL
2010	\$55,424	72,208	127,632
2009	42,293	64,856	107,149
2008	41,390	48,595	89,985
2007	19,372	38,272	57,644
2006	54,339	48,754	103,093
2005	36,267	41,075	77,342
2004	29,560	82,384	111,944
2003	39,588	56,555	96,143
2002	36,572	54,857	91,429
2001	61,366	92,048	153,414
	<hr/>		
Total School Facilities	\$416,171	599,604	1,015,775
	<hr/>		

Source: District records

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

Burlington County Joint Insurance Fund:

1. Property, Inland Marine & Automobile Physical Damages:		
Limit of Liability	150,000,000	Per Occurrence
BCIPJIF Self Insured Retention	200,000	Per Occurrence
Member District Deductible	500	Per Occurrence
Perils Included		"All Risk"
Property Valuation:		
Buildings & Contents	Replacement Cost	
Contractors Equipment	Actual Cash Value	
Automobiles	Actual Cash Value	
2. Boiler & Machinery:		
Limit of Liability		100,000,000
BCIPJIF Self Insured Retention		None
Member District Deductible		1,000
3. Crime:		
Limit of Liability		500,000
BCIPJIF Self Insured Retention		200,000
Member District Deductible		500
4. General & Automobile Liability:		
Limit of Liability		10,000,000
BCIPJIF Self Insured Retention		150,000
Member District Deductible		None
5. Workers' Compensation:		
Limit of Liability		Statutory
BCIPJIF Self Insured Retention		250,000
Member District Deductible		None
6. Educator's Legal Liability:		
Limit of Liability		10,000,000
BCIPJIF Self Insured Retention		100,000
Member District Deductible		None
7. Pollution Legal Liability:		
Limit of Liability		3,000,000
BCIPJIF Self Insured Retention		None
Member District Deductible		25,000

Coverage Provided by Separate Policies was as Follows:

Student Accident Coverage (Including Volunteer Workers)	
Storage Tank Systems Third Party Liability & Cleanup Policy	1,000,000
Deductible Each Claim	5,000
Surety Bonds:	
Treasurer	200,000
Board Secretary	100,000

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
Tabernacle Township
County of Burlington
Tabernacle, New Jersey 08088

We have audited the financial statements of the Board of Education of the Tabernacle 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 November 5, 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 Tabernacle 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings & Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be a material weakness and other deficiencies that we consider to be significant deficiencies.

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. We consider the deficiencies described in the accompanying *Schedule of Findings & Questioned Costs* as Finding No's: 2010-01, 2010-03, 2010-04, 2010-05 and 2010-08 to be a material weakness.

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. We consider the deficiencies described in the accompanying *Schedule of Findings & Questioned Costs* as Finding No's: 2010-02 and 2010-07 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tabernacle Township School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed eight 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 as Finding No's: 2010-01, 2010-02, 2010-03, 2010-04, 2010-05, 2010-06, 2010-07 and 2010-08 in the accompanying *Schedule of Findings & Questioned Costs*.

We noted certain matters that we reported to the management of the Tabernacle Township Board of Education in a separate *Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance* dated November 5, 2010.

This report is intended solely for the information of the audit committee, management, the Tabernacle 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.



Kevin P. Frenia
Certified Public Accountant
Public School Accountant
No. 1011

Medford, New Jersey
November 5, 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
Tabernacle Township
County of Burlington
Tabernacle, New Jersey 08088

Compliance

We have audited the compliance of Board of Education of the Tabernacle 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 federal and state programs for the fiscal year ended June 30, 2010. The Board of Education of the Tabernacle Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of Board of Education of the Tabernacle Township School District's management. Our responsibility is to express an opinion on Board of Education of the Tabernacle 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 federal and state program occurred. An audit includes examining, on a test basis, evidence about Board of Education of the Tabernacle 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 Tabernacle Township School District's compliance with those requirements.

In our opinion, the Board of Education of the Tabernacle 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 federal and state programs for the year ended June 30, 2010.

Internal Control Over Compliance

The management of the Board of Education of the Tabernacle Township School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations,

MEDFORD OFFICE
618 Stokes Road • Medford, NJ 08055
Tel: 609.953.0612 • Fax: 609.953.8443
holmanfrenia.com

TOMS RIVER OFFICE
10 Allen St., Suite 2B • Toms River, NJ 08753
Tel: 732.797.1333 • Fax: 732.797.1022
holmanfrenia.com

contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Tabernacle Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Tabernacle Board of Education's internal control over compliance.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to significant deficiencies.

A deficiency in Tabernacle Township Board of Education'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. We consider the deficiencies in internal control over compliance described in the accompanying *Schedule of Findings & Questioned Costs* as Finding No's: 2010-01, 2010-04, 2010-05, 2010-07 and 2010-08 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying *Schedule of Findings and Questioned Costs* as Finding No. 2010-02 and 2010-03 to be significant deficiencies.

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

This report is intended for the information of the management of the Board of Education of the Tabernacle 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.



Kevin P. Frenia
Certified Public Accountant
Public School Accountant
No. 1011

Medford, New Jersey
November 5, 2010

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

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2009	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2010	DEFERRED REVENUE AT JUNE 30, 2010	DUE TO GRANTOR JUNE 30, 2010
U.S. DEPARTMENT OF AGRICULTURE PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:									
Enterprise Fund:									
Food Distribution Program	10.550	\$19,307	7/1/09-6/30/10		19,307	(19,307)			
National School Lunch Program	10.555	44,660	7/1/09-6/30/10		40,534	(44,660)	(4,126)		
National School Lunch Program	10.555	38,857	7/1/08-6/30/09	(\$3,018)	3,018				
Total Enterprise Fund				(3,018)	62,859	(63,967)	(4,126)		
U.S. DEPARTMENT OF EDUCATION PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:									
General Fund:									
ARRA - Education Stabilization Fund	84.394	619,489	9/1/09-8/31/10		619,489	(619,489)			
ARRA - Government Services Fund	84.397	23,981	9/1/09-8/31/10		23,981	(23,981)			
Total General Fund					643,470	(643,470)			
Special Revenue Fund:									
Title I	84.010	31,553	9/1/09-8/31/10			(26,557)	(26,557)		
Title I	84.010	38,689	9/1/08-8/31/09	(28,919)			(28,919)		
Title II - Part A	84.281	30,117	9/1/09-8/31/10			(25,097)	(25,097)		
Title II - Part A	84.281	28,748	9/1/08-8/31/09	(11,794)			(11,794)		
Title II - Part D	84.318	316	9/1/09-8/31/10			(316)	(316)		
Title II - Part D	84.318	196	9/1/07-8/31/08	196		(196)			
Title II - Part D	84.318	167	9/1/06-8/31/07	17		(17)			
Title IV - Part A	84.186	1,604	9/1/09-8/31/10			(1,604)	(1,604)		
I.D.E.A. Part B, Basic	84.027	186,780	9/1/09-8/31/10			(171,885)	(171,885)		
I.D.E.A. Part B, Basic	84.027	185,631	9/1/06-8/31/07	1		(1)			
I.D.E.A. Part B, Basic	84.027	186,596	9/1/08-8/31/09	(88,884)	94,239	(5,355)			
I.D.E.A. Part B Preschool	84.173	7,681	9/1/09-8/31/10		4,400	(7,680)	(3,280)		
I.D.E.A. Part B, ARRA	84.391	182,120	9/1/09-8/31/11			(50,062)	(50,062)		
Total Special Revenue Fund				(129,383)	98,639	(288,770)	(319,514)		
Total Federal Financial Assistance				(\$132,401)	804,968	(996,207)	(323,640)		

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

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2009	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2010	DEFERRED REVENUE AT JUNE 30, 2010	MEMO	
									BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education (State Aid):										
General Fund:										
Equalization Aid	10-495-034-5120-078	\$2,902,877	7/1/09-6/30/10		2,510,103	(2,510,103)			(348,986)	(2,510,103)
Transportation Aid	10-495-034-5120-014	266,525	7/1/09-6/30/10		238,762	(238,762)			(30,805)	(238,762)
Special Education Categorical Aid	10-495-034-5120-089	431,412	7/1/09-6/30/10		316,556	(316,556)			(62,815)	(316,556)
Adjustment Aid	10-495-034-5120-085	1,611,971	7/1/09-6/30/10		1,027,876	(1,027,876)			(132,498)	(1,027,876)
Security Aid	10-495-034-5120-085	62,440	7/1/09-6/30/10		44,690	(44,690)			(5,767)	(44,690)
Reimbursement of Nonpublic										
Transportation	09-103190	4,049	7/1/08-6/30/09	(\$4,049)	4,049					
Transportation	10-103190	3,101	7/1/09-6/30/10			(3,101)	(3,101)			(3,101)
On Behalf TPAF Pension										
Contributions	10-495-034-5095-001	430,687	7/1/09-6/30/10		430,687	(430,687)				(430,687)
TPAF Social Security Contributions	10-495-034-5095-002	475,919	7/1/09-6/30/10		475,919	(475,919)				(475,919)
TPAF Social Security Contributions	09-495-034-5095-002	486,898	7/1/08-6/30/09	(23,311)	23,311					
Total General Fund				(27,360)	5,071,953	(5,047,694)	(3,101)		(580,871)	(5,047,694)
Special Revenue Fund:										
NJ Character Education Aid	08-495-034-5120-053	1,000	7/1/07-6/30/08	613				613		
The Governor's Initiative Enhancement & Expanding Program	09-100-034-5065-091	99,972	6/1/08-6/30/09	(6,775)	6,967			192		
Total Special Revenue Fund				(6,162)	6,967			805		
Debt Service Fund:										
Debt Service Aid Type II	10-495-034-5120-017	132,599	7/1/09-6/30/10		132,599	(132,599)				(132,599)
Total Debt Service Fund					132,599	(132,599)				(132,599)
Capital Projects Fund:										
Educational Facilities Construction & Financing Act:										
Tabernacle Middle School	5130-040-05-1000	3,087,190	Until Completion	(602,002)			(602,002)			
Tabernacle Elementary School	5130-060-05-1000	810,402	Until Completion	(158,028)			(158,028)			
Total Capital Projects Fund				(760,030)			(760,030)			
Enterprise Fund:										
National School Lunch Program (State Share)	10-100-010-3360-067	3,481	7/1/09-6/30/10		3,169	(3,481)	(312)			(3,481)
National School Lunch Program (State Share)	09-100-010-3360-067	3,468	7/1/08-6/30/09	(270)	270					
Total Enterprise Fund				(270)	3,439	(3,481)	(312)			(3,481)
Total State Financial Assistance				(\$793,822)	5,214,958	(5,183,774)	(763,443)	805	(580,871)	(5,183,774)

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**TABERNACLE TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2010**

1. General

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

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. This basis of accounting is described in Note 1 to the Board's basic financial statements.

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 \$(6,647) for the general fund and \$(4,567) 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 as presented as follows:

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2010**

3. Relationship to Basic Financial Statements (continued):

	Federal	State	Total
General Fund	\$643,470	\$5,041,047	\$5,684,517
Special Revenue Fund	284,203		284,203
Food Service Fund	63,967	3,481	67,448
Debt Service Fund		132,599	132,599
	<hr/>		
Total Financial Assistance	<u>\$991,640</u>	<u>\$5,177,127</u>	<u>\$6,168,767</u>

4. Relationship to Federal and State Financial Reports

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

5. Other

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

The Tabernacle Township had no loan balances outstanding at June 30, 2010.

**TABERNACLE 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?	Yes
2) Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Noncompliance material to basic financial Statements noted?	Yes

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	Yes
2) Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133?	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.394	ARRA – Education Stabilization Fund
84.397	ARRA – Government Services Fund

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

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

Section I – Summary of Auditor’s Results

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?	Yes
2) Significant deficiencies identified that are not considered To be material weaknesses?	Yes
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04	No

Identification of major programs:

GMIS Number(s)	Name of State Program
10-495-034-5120-078	Equalization Aid
10-495-034-5120-085	Adjustment Aid
10-495-034-5120-089	Special Education Aid
10-495-034-5095-002	TPAF Social Security

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:

All bank reconciliations should be reviewed by the Business Administrator and should not contain reconciling items which do not clear the bank in a timely manner.

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

Section II – Financial Statement Findings (continued):

Finding 2010-01 (continued):

Condition:

Bank reconciliations performed by the Business Office Personnel were not reviewed by the Business Administrator on a monthly basis. Our audit review discovered material reconciling items that were not cleared for 15 months. The District's bank reconciliations overstated cash by \$490,689.

Context:

All bank reconciliations should be performed timely and accurate and reviewed by the business administrator.

Effect:

The inaccurate \$490,689 reconciling item has been corrected in the audit and the cash has been restated to reflect a proper balance.

Cause:

Bank reconciliations have not been reviewed in a timely manner and contained inaccurate reconciling items.

Recommendation:

That the newly appointed Business Administrator completes or reviews and approves District bank reconciliations on a monthly basis.

View of Responsible Officials and Planned Corrective Action:

The newly appointed Business Administrator will review bank reconciliations in a timely manner.

Finding 2010-02:

Criteria or Specific Requirement:

Grant awards that have been expended should be reported to the granting agency and reimbursed to the District in a timely manner.

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

Section II – Financial Statement Findings (continued):

Finding 2010-02 (continued):

Condition:

The District's Special Revenue Fund has a cash deficit of \$314,000. Numerous District grants were not drawn down from sponsoring agencies on a timely basis.

Context:

All grants should be expended per grant agreements and qualifying expenditures should be reported to the granting agency and reimbursed to the District.

Effect:

Due to the untimely reporting and reimbursement of grant expenditures the District has not received numerous grant awards and is carrying grant receivables from prior year grants. The large receivable balance has created a cash deficit of \$314,000 in the District's Special Revenue Fund.

Cause:

The untimely reporting and reimbursement of numerous District grants.

Recommendation:

That procedures be immediately put into place to ensure grant proceeds are requested and drawn down on a timely basis to insure adequate cash flow.

View of Responsible Officials and Planned Corrective Action:

The District has filed all the appropriate paperwork and has received the majority of the outstanding receivables.

Finding 2010-03:

Criteria or Specific Requirement:

The District's budget should include amounts in the State approved budget and budgetary line items should not be over expended.

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

Section II – Financial Statement Findings (continued):

Finding 2010-03 (continued):

Condition:

A review of the District's monthly budget report indicates that \$660,000 was erroneously added to the District's appropriations during the 2009-2010 school year. This addition caused the District's available budget to be overstated. Audit adjustments were required to correct this error. The audit adjustment caused three budgetary line items to be over expended.

Context:

The District should maintain an approved budget throughout the school year and not over expend any budgeted line items.

Effect:

Due to erroneous budget increases throughout the school year, three of the District's budgeted line items have been over expended.

Cause:

The District has erroneously increased the approved budget and over expended three budget lines.

Recommendation:

That the District's voter approved budget be compared to the Board Secretary's on a monthly budget to ensure the validity of the District's financial statements and avoid overexpenditures.

View of Responsible Officials and Planned Corrective Action:

The District will only increase the approved budget by approved budget increases and will only expend line items that have available funds.

Finding 2010-04:

Criteria or Specific Requirement:

All journal entries made by the District should be approved, reviewed and explained.

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

Section II – Financial Statement Findings (continued):

Finding 2010-04 (continued):

Condition:

Our review of the District's General Ledger revealed that numerous journal entries were made throughout the year. The journal entries were completed with no approval, review process or explanations.

Context:

All journal entries should be sufficiently supported and approved by the District's Business Administrator.

Effect:

The inaccurate recording of journal entries throughout the year resulted in several audit adjustments in order to correct account balances.

Cause:

Journal entries were recorded throughout the year without proper approval, review or explanations.

Recommendation:

That all adjusting journal entries be reviewed and approved by the Business Administrator and explanations to the journal entries be available for audit examination.

View of Responsible Officials and Planned Corrective Action:

The District will approve, review and retain explanations for all journal entries performed throughout the year.

Finding 2010-05:

Criteria or Specific Requirement:

The District should maintain an accurate accounting of all revenue and receivable balances.

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

Section II – Financial Statement Findings (continued):

Finding 2010-05 (continued):

Condition:

The following problems were noted in connection with revenue recognition:

- Tuition in excess of \$40,000 for the school year 2009-2010 was not recorded in the financial statements, billed or received.
- Community Education Reimbursement due from a neighboring District has not been billed or collected.
- The purchase of an oven in the amount of \$6,107 was recorded as a receipt of tuition.
- The amount reflected for Social Security reimbursement due from the State was overstated by \$5,200.
- The receipt of the 2009 State and receivable as of June 30, 2009 was recorded as 2010 revenue.
- The 2009-2010 State Aid receivable as of June 20, 2010 in the amount of \$580,780 was not recorded.
- Revenues receivable for Nonpublic Transportation Aid in the amount of \$3,101 was not recorded.
- State Aid offsetting payments of \$475,919 for Social Security Reimbursement and Pension Contribution of \$430,687 were not recorded in the financial statements as revenue or expense.

Context:

All revenue and receivable balances should be supported and accurately recorded in the general ledger accounting system.

Effect:

Numerous adjusting journal entries were required to be made as a result of the inaccurate balances reported on the general ledger accounting system.

Cause:

Failure by the former Business Administrator to review the financial records of the District on a monthly basis to ensure all revenue is properly billed, recognized and received.

Recommendation:

That the District's newly appointed Business Administrator review the financial records of the District on a monthly basis to insure all revenue is properly billed, recognized and received.

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

Section II – Financial Statement Findings (continued):

Finding 2010-05 (continued):

View of Responsible Officials and Planned Corrective Action:

All of the required correcting journal entries have been made and are a part of these financial statements. All receivables have been made part of these financial statements. All receivables have been billed.

Finding 2010-07:

Criteria or Specific Requirement:

The District should maintain accurate financial records throughout the school year.

Condition:

The District's records required twenty nine (29) adjusting entries in order to correct misstatements in the financial records.

Context:

All financial records should be sufficiently supported and approved by the District's Business Administrator.

Effect:

The general ledger accounting system required numerous adjusting journal entries to be made in order to bring account balances to accurate values.

Cause:

The District did not maintain accurate financial records throughout the school year.

Recommendation:

That proper steps be taken to ensure that the financial records presented to the Board of Education on a monthly basis are correct.

View of Responsible Officials and Planned Corrective Action:

The Business Administrator will ensure that the financial records of the District are being reviewed on a monthly basis.

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

Section II – Financial Statement Findings (continued):

Finding 2010-08:

Criteria or Specific Requirement:

The Treasurer should provide a report reconciling cash balances to the Board Secretary's Report.

Condition:

The Treasurer's records were found to be incorrect and incomplete. The Treasurer is not performing the duties assigned to him.

Context:

Treasurer's Reports are to be issued accurately and timely in order to reconcile cash balances that appear on the Board Secretaries Report.

Effect:

The Treasurer's Reports being provided to the District contain inaccurate reconciling items and are not being performed on a timely basis. The cash balance has been adjusted in the audit report to reflect an accurate value.

Cause:

The Treasurer's records are incorrect and incomplete. The Treasurer is not performing the duties assigned to him.

Recommendation:

That the Treasurer does not certify records to be correct prior to performing an independent reconciliation and comparison to the Board Secretaries records.

View of Responsible Officials and Planned Corrective Action:

The District will ensure that the Treasurer is certifying accurate and timely records.

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

**TABERNACLE TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMET
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, USOMB Circular A-133 (section .315 (a)(b)) and New Jersey OMB's Circular 04-04.

No Prior Year Findings

**SCHOOL DISTRICT OF
TABERNACLE TOWNSHIP**

TABERNACLE BOARD OF EDUCATION
Tabernacle, New Jersey
County of Burlington

**Auditor's Management Report on Administrative Findings -
Financial, Compliance and Performance
for the Year Ended June 30, 2010**

**MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE**

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Certified Public Accountants & Consultants

**REPORT OF INDEPENDENT AUDITORS
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS, FINANCIAL COMPLIANCE AND PERFORMANCE**

Honorable President and Members
of the Board of Education
Tabernacle Township
County of Burlington
Tabernacle, New Jersey 08088

We have audited, in accordance with generally accepted audit standards and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Tabernacle Township School District in the County of Burlington for the year ended June 30, 2010, and have issued our report thereon dated October 18, 2010.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended for the information of the Tabernacle Township Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

HOLMAN & FRENIA, P. C.

A handwritten signature in black ink, appearing to read 'Kevin Frenia', is written over a faint, larger version of the signature.

Kevin P. Frenia
Public School Accountant
No. 1011

Medford, New Jersey
October 18, 2010



Certified Public Accountants & Consultants

Honorable President and Members
of the Board of Education
Tabernacle Township
County of Burlington
Tabernacle, New Jersey 08088

**ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE**

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Moneys, the activities of the Board of Education, the records of the Athletic Fund, the Student Activity Fund, Food Service Fund and Special Revenue Fund under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's CAFR.

Official Bonds

Name	Position	Amount
Tom Rende -- 7/1/09-10/25/09	Business Administrator/Board Secretary	\$100,000
Kenneth Verrill - 10/26/09-6/30/10	Business Administrator/Board Secretary	100,000
Terry W. Henry	Treasurer	200,000

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The District is in compliance with N.J.A.C.6:20-3.1(e)4.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review indicated that the vouchers were in satisfactory condition.

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employee's payroll deductions and employer's share of fringe benefits were deposited in the Payroll agency account.

All payrolls were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/School Business Administrator.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C. 6A:23-1.2* as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures.

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary found the following issues:

Finding 2010-01:

Bank reconciliations performed by the Business Office Personnel were not reviewed by the Business Administrator on a monthly basis. Our audit review discovered material reconciling items that were not cleared for 15 months. The District's bank reconciliations overstated cash by \$490,689.

Recommendation:

That the newly appointed Business Administrator completes or reviews and approves District bank reconciliations on a monthly basis.

Finding 2010-02:

The District's Special Revenue Fund has a cash deficit of \$314,000. Numerous District grants were not drawn down from sponsoring agencies on a timely basis.

Recommendation:

That procedures be immediately put into place to insure grant proceeds are requested and drawn down on a timely basis to insure adequate cash flow.

Board Secretary's Records (continued):

Finding 2010-03:

A review of the District's monthly budget report indicates that \$660,000 was erroneously added to the District's appropriations during the 2009-2010 school year. This addition caused the District's available budget to be overstated. Audit adjustments were required to correct this error. The audit adjustment caused three budgetary line items to be overexpended.

Recommendation:

That the District's voter approved budget be compared to the Board Secretary's on a monthly budget to ensure the validity of the District's financial statements and avoid overexpenditures.

Finding 2010-04:

Our review of the District's General Ledger revealed that numerous journal entries were made throughout the year. The journal entries were completed with no approval, review process or explanations.

Recommendation:

That all adjusting journal entries be reviewed and approved by the Business Administrator and explanations to the journal entries be available for audit examination.

Finding 2010-05:

The following problems were noted in connection with revenue recognition:

- Tuition of \$54,167 for the school year 2009-2010 was not recorded in the financial statements, billed or received.
- Community Education Reimbursement due from a neighboring district has not been billed or collected.
- The purchase of an oven in the amount of \$6,107 was recorded as a receipt of tuition.
- The amount reflected for Social Security reimbursement due from the State was overstated by \$5,200.
- The receipt of the 2009 State Aid receivable as of June 30, 2009 was recorded as 2010 revenue.
- The 2009-2010 State Aid receivable as of June 20, 2010 in the amount of \$580,780 was not recorded.
- Revenues receivable for Nonpublic Transportation Aid in the amount of \$3,101 was not recorded.

Board Secretary's Records (continued):

Finding 2010-05 (continued):

- State Aid offsetting payments of \$475,919 for Social Security Reimbursement and Pension Contribution of \$430,687 were not recorded in the financial statements as revenue or expense.

Recommendation:

That the District's newly appointed Business Administrator reviews the financial records of the District on a monthly basis to insure all revenue is properly billed, recognized and received.

Finding 2010-06:

The District's Debt Service Fund ended the year with a deficit of \$14,363.

Recommendation:

That steps be taken to fund the deficit in the Debt Service Fund.

Finding 2010-07:

The District's records required twenty nine (29) adjusting entries in order to correct misstatements in the financial records.

Recommendation:

That proper steps be taken to ensure that the financial records presented to the Board of Education on a monthly basis are correct.

Treasurer's Records

Finding 2010-08:

The Treasurer's records were found to be incorrect and incomplete. The Treasurer is not performing the duties assigned to him.

Recommendation:

That the Treasurer does not certify records to be correct prior to performing an independent reconciliation and comparison to the Board Secretaries records.

Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (I.A.S.A.) as Reauthorized by the No Child Left Behind Act of 2001.

The E.S.E.A./N.C.L.B. financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Titles I, II, IV, and V of the NCLB and Title II of the E.S.E.A as amended and reauthorized.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A located in the CAFR.

Our audit of the Federal and State funds on a test basis, indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund.

School Purchasing Program

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A.18A:18A-3 states:

- a) "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$21,000, the contract may be awarded by a purchasing agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefore, except that the board of education may adopt a resolution to set a lower threshold for the receipts of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. (pending before the Legislature as section 15 of this bill) of section 9 of P.L. 1971, c.198 (C.40A:119) the board of education may establish that the bid threshold may be up to \$29,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.
- b) Commencing in the fifth year after the year in which P.L. 1999, c.440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the board of education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.18A:18A-2 (pending before the Legislature as section 50 of this bill), and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made.

N.J.S.A.18A:18A-4 states, "Every contract for the performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or calculated by the Governor pursuant to *N.J.S.A.18A:18A-3* except by contract or agreement."

Effective July 1, 2005 and thereafter the bid thresholds in accordance with *N.J.S.A.18A:18A-3* (as amended) and *18A:39-3* are \$21,000.00 and \$15,000.00 respectively.

School Purchasing Program (continued):

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year (contract year for July 1, 2005 and thereafter). Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination indicated that no individual payments, contracts or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of *N.J.S.A. 18A:18A-4*.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per *N.J.S.A. 18A:18A-5*.

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained.

School Food Service

The financial transactions and statistical records of the School Food Services were maintained in satisfactory condition. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

For the school year, the School District had a contract with Nutri-Serve Food Management, Inc. for the management and operations of all Food Service Fund facilities. Nutri-Serve Food Management, Inc. upon its own credit, provided, furnished, prepared and served to the students, faculty and visitors such food and milk, including Type "A" Lunch defined by the National School Lunch Program as directed by the School District.

The number of meals claimed for reimbursement was verified against sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served did not exceed the number of valid applications on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy is uniformly administered throughout the School System. The required verification procedures for free and reduced price applications were completed and available for review.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

School Food Service (continued):

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education.

The cash disbursements records reflected expenditures for program related goods and services. Districts with food service management companies are depositing and expending program monies in accordance with *N.J.S.A.18A:17-34*, and *19-1* through *19-4.1*. The appropriate revenue and expenditure records were maintained in order to substantiate the nonprofit status of the school food service. Net cash resources did not exceed three months average expenditures.

Food Distribution Program commodities were received and a single inventory was maintained on a first-in, first-out basis.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G.

Student Body Activities

Finding 2010-09:

Of the twenty (20) student activity invoices chosen for audit examination, eleven (11) had no purchase orders, two (2) that did have purchase orders did not have the required signatures. Two other items had no supporting documentation.

Recommendation:

That no disbursements be made from the Student Activity Fund that are not properly supported and approved.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2009 Application for State School Aid (A.S.S.A.) for On-Roll, private schools for the handicapped and low-income. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained workpapers on the prescribed state forms or their equivalent.

The District has adequate written procedures for the recording of student enrollment data.

Pupil Transportation

Our audit procedures included a test of On Roll status reported in the 2009-2010 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was not in agreement to the DRTRS Eligibility Summary Report. The results of our procedures are presented in the Schedule of Audited Enrollments.

Pupil Transportation (continued):

Our procedures included a review of transportation related contracts and purchases. Based on our review, the district complied with proper bidding procedures and award of contracts. The bid specifications for the purchase of buses was in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Follow-up on Prior Years' Findings

In accordance with governmental auditing standards, our procedures included a review of all prior year findings. Corrective action had been taken on all prior year findings.

Acknowledgment

We received the complete cooperation of all the Officials of the School District and we greatly appreciate the courtesies extended to the members of the audit team.

Should you have any questions concerning our comments or should you desire any assistance, please call me.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Kevin P. Frenia
Certified Public Accountant
Public School Accountant
No. 1011

Medford, New Jersey
November 5, 2010

ADDITIONAL INFORMATION

SCHEDULE OF AUDITED ENROLLMENTS (1)

TABERNACLE TOWNSHIP BOARD OF EDUCATION
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2009

	2010-2011 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Full Day Preschool	14		14					14		14						
Full Day Kindergarten	70		70					70		70						
One	95		95					95		95						
Two	83		83					83		83						
Three	65		65					65		65						
Four	74		74					74		74						
Five	105		105					105		105						
Six	90		90					90		90						
Seven	73		73					73		73						
Eight	108		108					108		108						
Subtotal	777		777					777		777						
Special Ed - Elementary	48		48					48		48						
Special Ed - Middle School	37		37					37		37			1	1	1	
Totals	862		862					862		862			1	1	1	
Percentage Error	=====															

SCHEDULE OF AUDITED ENROLLMENTS (2)

TABERNACLE TOWNSHIP BOARD OF EDUCATION
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2009

	Resident Low Income			Sample for Verification		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application & Register	Sample Errors
Full Day Preschool						
Full Day Kindergarten	6	6		5	5	
One	10	10		10	10	
Two	7	7		7	7	
Three	6	6		4	4	
Four	8	8		8	8	
Five	12	12		10	10	
Six	13	13		10	10	
Seven	2	2		2	2	
Eight	8	8		4	4	
Subtotal	72	72		60	60	
Special Ed - Elementary	6	6		3	3	
Special Ed - Middle	7	7		2	2	
Totals	85	85		65	65	
Percentage Error						

	Transportation					
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	615	615		191	191	
Reg -SpEd, col. 4	80	80		23	23	
Transported - Non-Public, c	19	19		18	18	
Special Ed Spec, col. 6	10	10				
Totals	724	724		232	232	
Percentage Error						

SCHEDULE OF AUDITED ENROLLMENTS (3)

**TABERNACLE TOWNSHIP BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2009**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool						
Full Day Kindergarten						
One						
Two						
Three						
Four	1	1		1	1	
Five						
Six						
Seven						
Eight						
Subtotal	1	1		1	1	
Special Ed - Elementary						
Special Ed - Middle						
Totals	1	1		1	1	
Percentage Error						

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2009-10 Total General Fund Expenditures per the CAFR, Ex. C-1		\$	<u>13,071,662.00</u>	(B)
Increased by:				
Transfer to Food Service Fund		\$	<u> </u>	(B1a)
Transfer from Capital Outlay to Capital Projects Fund		\$	<u> </u>	(B1b)
Transfer from Capital Reserve to Capital Projects Fund		\$	<u> </u>	(B1c)
Decrease by:				
On-Behalf TPAF Pension & Social Security		\$	<u>906,606.00</u>	(B2a)
Assets Acquired Under Capital Leases		\$	<u> </u>	(B2b)
 Adjusted 2009-10 General Fund Expenditures [(B)+(B1s)-(B2s)]		\$	<u><u>12,165,056.00</u></u>	(B3)
 2% of adjusted 2009-10 General Fund Expenditures [(B3) times .02]		\$	<u>243,301.12</u>	(B4)
Enter Greater of (B4) or \$250,000		\$	<u>250,000.00</u>	(B5)
Increased by: Allowable Adjustment *		\$	<u>3,101.00</u>	(K)
 Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]				\$ <u><u>253,101.00</u></u> (M)

SECTION 2

Total General Fund - Fund Balance @6-30-10 (Per CAFR Budgetary Comparison Schedule C-1)		\$	<u>1,031,665.09</u>	(C)
Decreased by:				
Reserved for Encumbrances		\$	<u>16,629.00</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures		\$	<u> </u>	(C2)
Excess Surplus - Designated for Subsequent Year's Expenditures**		\$	<u>650,000.00</u>	(C3)
Other Reserved Fund Balances ****		\$	<u>1,786.00</u>	(C4)
Unreserved - Designated for Subsequent Year's Expenditures		\$	<u> </u>	(C5)
 Total Unreserved/Undesignated Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]				\$ <u><u>363,250.09</u></u> (U1)
Increased by:				
Adjustment for Disallowed Transfers Per S1701				\$ <u> </u> (C6)
 Total Unreserved/Undesignated Fund Balance for Excess Surplus Calculation (U1+C6)				\$ <u><u>363,250.09</u></u> (U2)

REGULAR DISTRICT (continued):

SECTION 3

Reserved Fund Balance - Excess Surplus *** [(U2)-(M)] IF NEGATIVE ENTER -0- \$ 110,149.09 (E)

Recapitulation of excess surplus as of June 30, 2010

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures ** \$ 650,000.00 (C3)

Reserved Excess Surplus *** [(E)] \$ 110,149.09 (E)

Total [(C3)+(E)] \$ 760,149.09 (D)

Footnotes:

* This adjustment line (as detailed below) is to be utilized for Impact Aid (when applicable), Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10), Extraordinary Aid and Additional Nonpublic School Transportation Aid if applicable (Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid and Additional Nonpublic School Transportation Aid).

Detail of Allowable Adjustments

Impact Aid	\$ _____	(H)
Sale & Lease-back	\$ _____	(I)
* Extraordinary Aid	\$ _____	(J1)
Additional Nonpublic School Transportation Aid	\$ <u>3,101.00</u>	(J2)
Total Adjustments [(H)+(I)+J1)+(J2)]	\$ <u>3,101.00</u>	(K)

** This amount represents the June 30, 2009 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 10025.

*** Amounts must agree to the June 30, 2010 CAFR and must agree to Audit Summary Worksheet Line 10024.

**** Amount for Other Reserved Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government such as the judicial branch of government must have Departmental approval. District requests should be submitted to the Division of Finance prior to September 30.

Detail of Other Reserved Fund Balance

Statutory Restrictions:

Approved Unspent Separate Proposal	\$ _____
Capital Outlay for a District With a Capital Outlay SGLA	\$ _____
Sale/Lease-Back Reserve	\$ _____
Capital Reserve	\$ <u>1,786.00</u>
Maintenance Reserve	\$ _____
Emergency Reserve	\$ _____
Waiver Offset Reserve	\$ _____
Tuition Reserve	\$ _____
Other State/Government Mandated Reserve	\$ _____
Other Reserved Fund Balance Not Noted Above ****	\$ _____
Total Other Reserved Fund Balance	\$ <u>1,786.00</u> (C4)