CLARK PUBLIC

SCHOOL DISTRICT

Clark Public School District
Clark, New Jersey

Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2011

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Clark Public School District

Clark, New Jersey

For The Fiscal Year Ended June 30, 2011

Prepared by

Clark Public School District
Finance Department

CLARK PUBLIC SCHOOL DISTRICT
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INTRODUCTORY SECTION

Clark Public Schools

365 Westfield Avenue • Clark, New Jersey 07066

David A. Oliveira
Business Administrator/Board Secretary

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Fax: (732) 574-1456
Email: doliveira@clarkschools.org

December 2, 2011

Honorable President and
Members of the Board of Education
Clark Public Schools
County of Union
Clark, NJ 07066

Dear Board Members:

The comprehensive annual financial report for the Clark School District ("District") for the fiscal year ended June 30, 2011 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 Clark 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 operation 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, a roster of principal officials and a list of consultants and advisors. The financial section includes the district-wide and fund financial statements and schedules, as well as the auditor's report and the Management's Discussion and Analysis. The statistical section includes selected financial statements and schedules as well as information generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the U.S. Office of Management and Budget ("OMB") Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and the State Treasury OMB Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

Respectfully submitted,

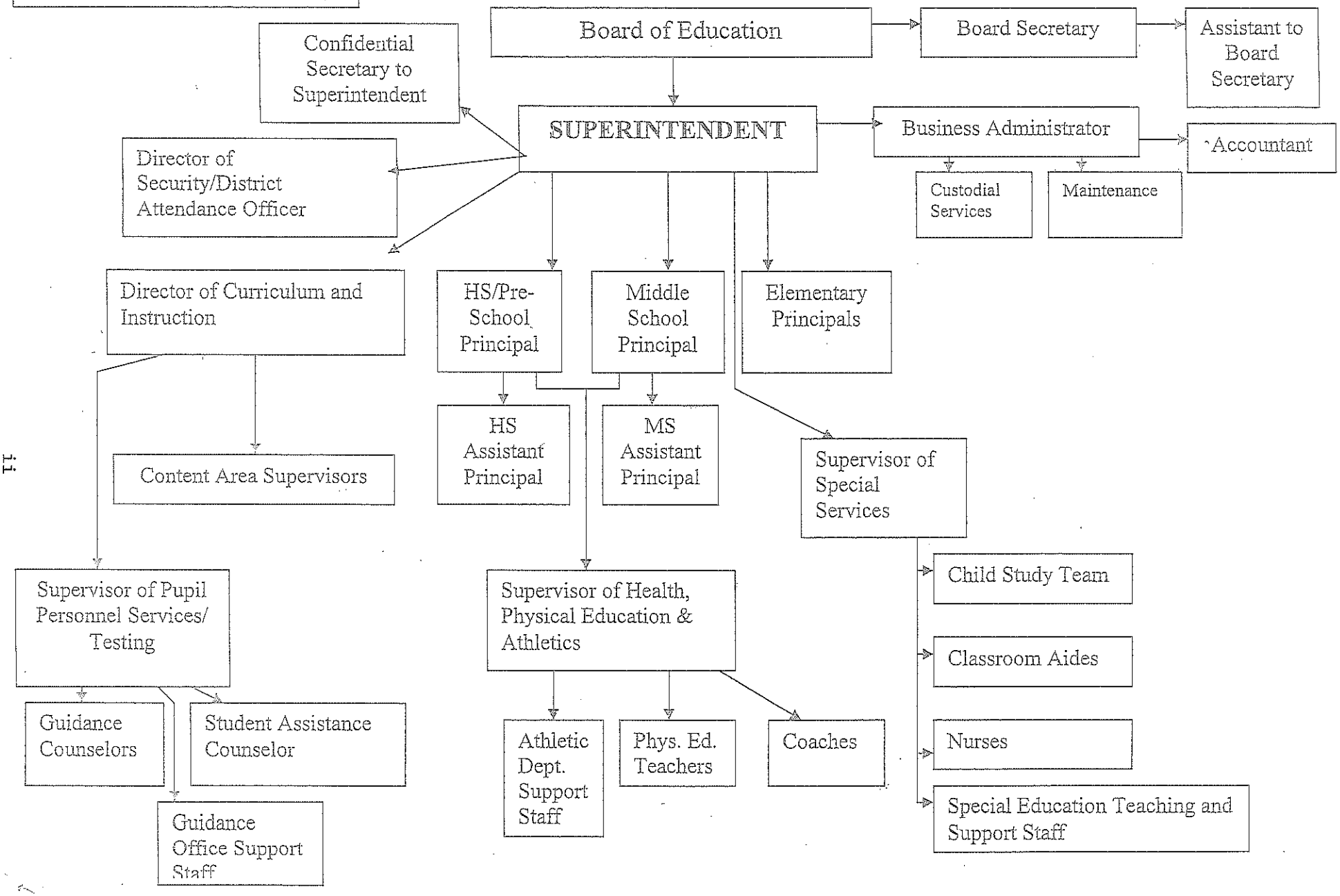
Kenneth J. Knops
Superintendent of Schools

David A. Oliveira
Business Administrator/Board Secretary

CLARK PUBLIC SCHOOLS
Clark, New Jersey

Organizational Chart – 2010-2011 School Year

ATTACHMENT A



Approved: June 30, 2010
Effective: June 30, 2010

CLARK BOARD OF EDUCATION
ROSTER OF OFFICIALS
JUNE 30, 2011

Members of the Board of Education	**Term Expires**
Laura Caliguire, President	2014
Henry R. Varriano, Vice President	2012
Lorraine J. Aklonis	2013
Michael Bonaccorso	2014
Carmen Brocato	2014
Jill Curran	2012
Gregory DeSalvo	2012
Thomas Lewis	2013
Sheri Sandler	2013
Christine Guerriero, Garwood Representative	2014

Other Officials

Kenneth J. Knops, Superintendent of Schools

John H. Bolil, Business Administrator/Board Secretary

Vincent Caputo, Director of Curriculum & Instruction

Marie Sarosy, Interim Supervisor of Special Services

Thomas M. Angelo, Treasurer of School Monies

CLARK BOARD OF EDUCATION - CONSULTANTS & ADVISORS

AUDIT FIRM

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FINANCIAL SECTION

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ELIZABETH A. SHICK, CPA, RMA, PSA
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DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
RALPH M. PICONE, CPA, RMA, PSA
EDWARD N. KERE, CPA

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clark Public School District as of and for the fiscal year ended June 30, 2011, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Finance and Regulatory Compliance, 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clark Public School District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 previously 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 Clark Public School District as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the fiscal 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 December 2, 2011 on our consideration of the Clark Public School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clark Public School District's basic financial statements as a whole. The introductory section, combining fund financial statements, financial schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and New Jersey OMB's Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid", and are also not a required part of the basic financial statements. The combining fund financial statements and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Lerch, Vinci & Higgins, LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 2, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Year Ended June 30, 2011

This section of the Clark Public School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2011. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2010-2011) and the prior year (2009-2010) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2010-2011 fiscal year include the following:

- The assets of the Clark Public School District exceeded its liabilities at the close of the fiscal year by $21,347,992 (net assets).
- Overall District revenues were $35,797,603 which were $732,300 less than overall District expenses of $36,529,903. General revenues accounted for $29,215,297 or 82% of all revenues. Program specific revenues in the form of charges for services, grants and contributions account for $6,582,306 or 18% of total revenues.
- The School District had $35,957,539 in expenses for governmental activities; only $5,985,487 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of $29,215,297 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of $1,180,544. Of that amount, $479,516 (41%) is available for spending at the District's discretion (unassigned fund balance).
- The General Fund unassigned fund balance was $479,516 at June 30, 2011, an increase of $3,730 when compared with the beginning balance at July 1, 2010.
- The General Fund unassigned budgetary basis fund balance at June 30, 2011 was $613,685, which represents a decrease of $33,530 compared to the ending budgetary basis fund balance at June 30, 2010 of $647,215.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

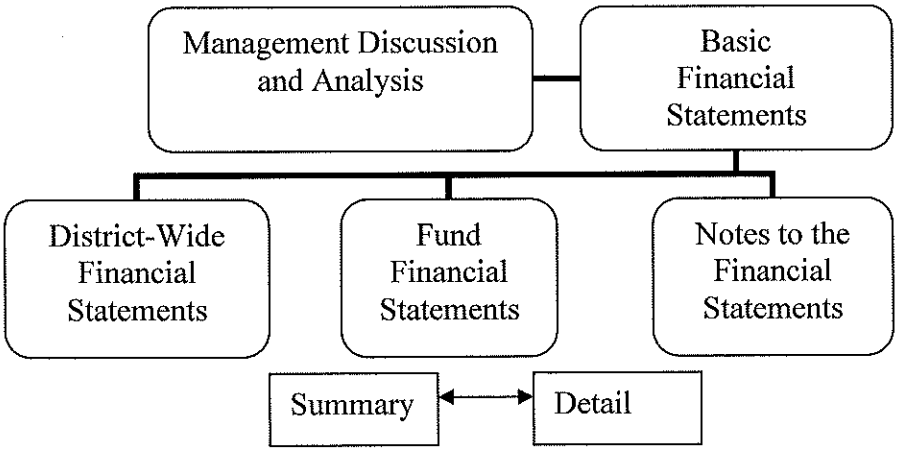
Year Ended June 30, 2011

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

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

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The Figure below shows how the various parts of this annual report are arranged and related to one another.



CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Year Ended June 30, 2011

The following table summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as instruction; building maintenance, transportation, and administration.	Activities the district operates similar to private businesses; food service.	Instances in which the district administers resources on behalf of someone else, such as scholarship, donations, student activities, and payroll deductions.
Required Financial Statements	Statements of Net Assets Statement of Activities	Balance Sheet Statement of Revenue Expenditures and changes in Fund Balances	Statement of Net Assets Statement of Revenues, Expenses and changes in Fund Net Assets Statement of Cash Flows	Statements of Fiduciary Net Assets Statement of changes in Fiduciary Net Assets
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities both short and long-term funds do not currently contain capital assets although they can
Type of Inflow/Outflow Information	All revenues and expenses during the year, regardless of when cash is received and the related liability is due and payable	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and dedications during the year, regardless of when cash is received or paid.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Year Ended June 30, 2011

District-wide Statements

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

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

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the District-wide financial statement's the District's activities are shown in two categories:

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration, and community education. Property taxes and State and Federal aids finance most of these activities.
- *Business-type activities* – The District charges fees to customers to help it cover the costs of certain services it provides. The District's Food Service Fund is included here.

Fund Financial Statements

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

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

- The District uses other funds, established in accordance with the State of New Jersey Uniform Chart of Accounts, to control and manage money for particular purposes (e.g. repaying its long-term debts) or to show that it is properly using certain revenues (e.g. Federal funds).

The District has three kinds of funds:

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

- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements.

    - *Enterprise Funds* – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The state intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has one enterprise fund for its food service operations.

- *Fiduciary funds* – The District is the trustee, or *fiduciary,* for assets that belong to others such as scholarship funds, donations for a science observatory, contributions for various organizations, payroll and payroll agency funds, and student activity funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the basic financial statements can be found following the basic financial statements.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Year Ended June 30, 2011

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. Budgetary comparison statements have been provided for the general and special revenue funds as required supplementary information. The required supplementary information can be found following the notes to the basic financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

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.

The following provides a summary of the school district's net assets for 2011 and 2010.

Net Assets. The District's *combined* net assets were $21,347,992 on June 30, 2011 and $21,990,722 on June 30, 2010.

Table 1
Net Assets
as of June 30, 2011 and 2010

	Governmental Types		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Assets						
Current and other assets	$ 2,015,590	$ 2,443,862	$ (20,113)	$ 33,031	$ 1,995,477	$ 2,476,893
Capital assets, net	37,821,647	38,893,470	11,361	141,417	37,833,008	39,034,887
Total Assets	39,837,237	41,337,332	(8,752)	174,448	39,828,485	41,511,780
Liabilities						
Non-Current liabilities	17,729,123	18,521,140			17,729,123	18,521,140
Other liabilities	724,008	893,577	27,362	106,341	751,370	999,918
Total Liabilities	18,453,131	19,414,717	27,362	106,341	18,480,493	19,521,058
Net Assets (Deficit)						
Invested in capital assets, net of debt	20,867,476	21,130,888	11,361	141,417	20,878,837	21,272,305
Restricted	162,010	889,081			162,010	889,081
Unrestricted	354,620	(97,354)	(47,475)	(73,310)	307,145	(170,664)
Total Net Assets (Deficit)	$ 21,384,106	$ 21,922,615	$ (36,114)	$ 68,107	$ 21,347,992	$ 21,990,722

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Year Ended June 30, 2011

By far the largest portion of the District's net assets reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is 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.

The following shows changes in net assets for fiscal years 2011 and 2010.

Table 2
Change in Net Assets
For the Fiscal Years Ended June 30, 2011 and 2010

	Governmental Types		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues						
Charges for Services	$ 2,205,279	$ 1,943,873	$ 483,801	$ 464,543	$ 2,689,080	$ 2,408,416
Operating Grants and Contributions	3,622,331	348,927	113,018	82,976	3,735,349	431,903
Capital Grants and Contributions	157,877	268,431		160,000	157,877	428,431
General Revenues						
Property Taxes	28,521,811	27,653,909			28,521,811	27,653,909
State and Federal Aid	30,400	5,387,583			30,400	5,387,583
Other	663,086	624,022	-	295	663,086	624,317
Total Revenues	35,200,784	36,226,745	596,819	707,814	35,797,603	36,934,559
Program Expenses						
Instruction	22,294,809	22,624,680			22,294,809	22,624,680
Support Services						
Student and Instruction Related	5,678,385	5,953,039			5,678,385	5,953,039
General Administration	1,005,426	845,029			1,005,426	845,029
School Administration	1,568,620	1,232,782			1,568,620	1,232,782
Central and Other Support Services	691,176	432,399			691,176	432,399
Plant Operations and Maintenance	3,198,335	3,148,845			3,198,335	3,148,845
Pupil Transportation	789,990	775,049			789,990	775,049
Interest on Debt	730,798	773,494			730,798	773,494
Food Service	-	-	572,364	650,372	572,364	650,372
Total Expenses	35,957,539	35,785,317	572,364	650,372	36,529,903	36,435,689
Change in Net Assets	(756,755)	441,428	24,455	57,442	(732,300)	498,870
Net Assets, Beginning of Year	21,922,616	21,481,186	68,107	10,665	21,990,723	21,491,852
Prior Period Adjustment	218,245	-	(128,676)	-	89,569	-
Net Assets (Deficits), End of Year	$ 21,384,106	$ 21,922,614	$ (36,114)	$ 68,107	$ 21,347,992	$ 21,990,722

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

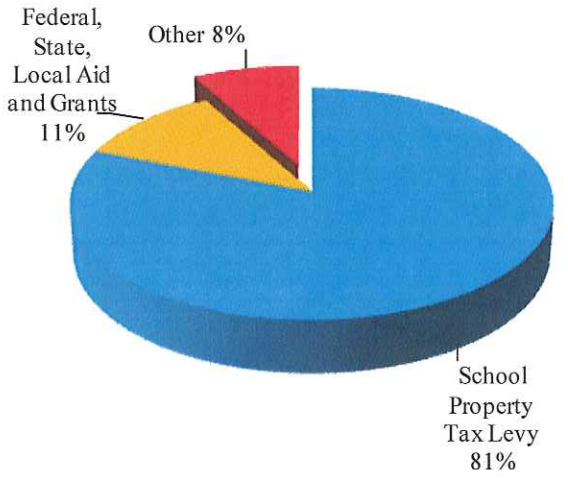
Year Ended June 30, 2011

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were $35,200,784 for the year ended June 30, 2011, property taxes of $28,521,811 represented 81% of revenues. Another significant portion of revenues came from State aid; total State, Federal and Local Aid and Grants were $3,810,608 and represented 11% of revenues. In addition, revenue is earned from tuition, transportation fees and miscellaneous income which includes items such as interest, prior year refunds and other miscellaneous items.

The total cost of all governmental activities programs and services was $35,957,539. The district's expenses are predominantly related to educating and caring for students. Instruction totaled $22,294,809 (62%) of total expenses. Support services, total $12,931,932 (36%) of total expenses. The remaining expenses were for interest costs on long-term debt outstanding.

Total governmental activities expenses exceeded revenues, decreasing net assets by $756,755 from the previous year.

Revenues by Type – Governmental Activities
For Fiscal Year 2011

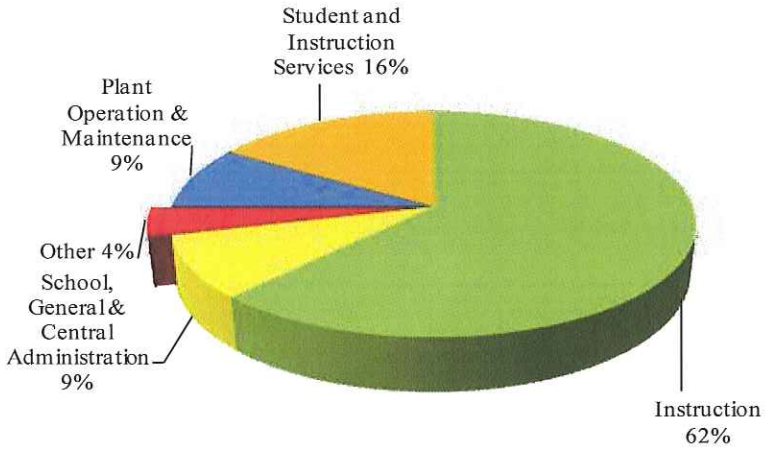


CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Year Ended June 30, 2011

Expenditures by Type – Governmental Activities
For Fiscal Year 2011



Net Cost of Governmental Activities. The District's total cost of services was $35,957,539. After applying program revenues, derived from operating grants and contributions of $3,622,331 capital grants and contributions of $157,877 and charges for services of $2,205,279, the net cost of services of the District is $29,972,052.

	Total Cost of Services		Net Cost of Services	
	2011	2010	2011	2010
Instruction	$ 22,294,809	$ 22,624,680	$ 17,249,824	$ 20,680,807
Support services				
Student and Instruction Related	5,678,385	5,953,039	5,210,091	5,953,039
General Administration	1,005,426	845,029	1,005,426	845,029
School Administration	1,568,620	1,232,782	1,442,960	1,232,782
Central and Other Support Services	691,176	432,399	691,176	432,399
Plant Operations and Maintenance	3,198,335	3,148,845	3,024,646	2,880,414
Pupil Transportation	789,990	775,049	639,779	480,791
Interest on debt	730,798	773,494	708,150	718,825
Total Expenses	$ 35,957,539	$ 35,785,317	$ 29,972,052	$ 33,224,086

Business-Type Activities

The cost of Business-Type Activities for the fiscal year ended June 30, 2011 was $572,364. These costs were funded by charges for services of $483,801 (81%) and operating grants of $113,018 (19%), as detailed in the change in net assets schedule.

Business-Type Activities (Continued)
Total business-type activities revenues surpassed expenses, increasing net assets by $24,455 over the previous year.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of $1,180,544 at June 30, 2011 compared to a combined fund balance of $1,432,438 at June 30, 2010.

Revenues for the District's governmental funds were $35,200,784, while total expenditures were $35,352,678.

GENERAL FUND

The General fund includes the primary operations of the District in providing educational services to students from Kindergarten through Grade 12 including pupil transportation, activities and capital outlay projects.

The following schedule presents a summary of General Fund Revenues for the fiscal years ended June 30, 2011 and 2010.

Revenue	Amount 2011	Amount 2010	Amount of Increase (Decrease)	Percent Change
Local Sources				
Property Tax Levy	$ 27,058,102	$ 26,790,200	$ 267,902	1%
Miscellaneous	2,868,365	2,426,662	441,703	18%
State Sources	2,425,778	4,034,121	(1,608,343)	-40%
Federal Sources	-	10,709	(10,709)	-100%
Total	$ 32,352,245	$ 33,261,692	$ (909,447)	-3%

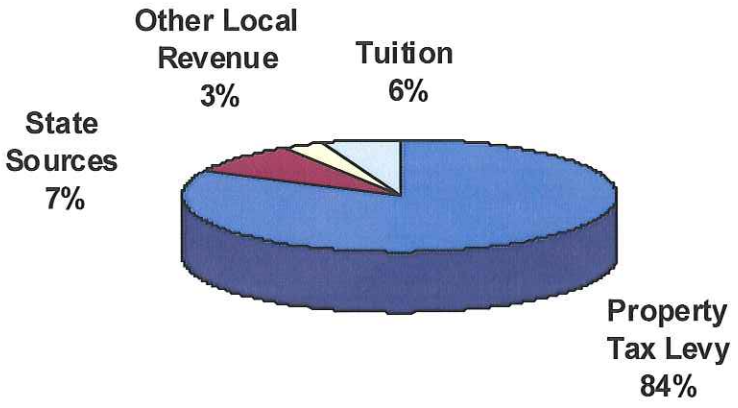
The majority of revenues come from property taxes which accounted for 84% of total revenue while state sources represented 7% of total revenue for the 2011 fiscal year. Miscellaneous revenues primarily tuition received from Garwood represented 9% of the total revenue for the 2011 fiscal year.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Year Ended June 30, 2011

General Fund
Revenues by Source



The following schedule presents a summary of General Fund expenditures for the fiscal years ended June 30, 2011 and 2010.

Expenditures	Amount 2011	Amount 2010	Amount of Increase (Decrease)	Percent Change
Current:				
Instruction	$ 19,254,665	$ 20,299,617	$ (1,044,952)	-5%
Support Services	12,635,740	12,916,700	(280,960)	-2%
Capital Outlay	319,479	122,080	197,399	162%
Total	$ 32,209,884	$ 33,338,397	$ (1,128,513)	-3%

Total General Fund expenditures decreased $1,128,513 or 3% from the previous year. Instruction represented 60% of total expenditures while support services accounted for 39% and capital outlay accounted for 1% of total expenditures for the 2011 fiscal year.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Year Ended June 30, 2011

For the 2010-2011 school year general fund expenditures and other financing uses exceeded revenues by $339,725. After adjusting for restricted and assigned fund balances, the unassigned fund balance increased from $475,786 at June 30, 2010 to $479,516 at June 30, 2011. Consequently, the district has $249,109 designated for subsequent year's expenditures compared to $661,974 designated for subsequent year's expenditures at June 30, 2010.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At the end of fiscal years 2011 and 2010, the school district had invested in land, buildings, furniture, machinery and equipment as follows:

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	$ 1,808,965	$ 1,808,965			$ 1,808,965	$ 1,808,965
Construction In Progress	751,957	36,673,456			751,957	36,673,456
Land Improvements	2,283,887	1,964,408			2,283,887	1,964,408
Buildings and Improvements	44,484,819	8,154,869			44,484,819	8,154,869
Machinery and Equipment	1,339,760	1,339,760	$ 242,101	$ 242,101	1,581,861	1,581,861
	50,669,388	49,941,458	242,101	242,101	50,911,489	50,183,559
Less Depreciation	(12,847,741)	(8,876,743)	(230,740)	(229,360)	(13,078,481)	(9,106,103)
Total Capital Assets, Net of Depreciation	$ 37,821,647	$ 41,064,715	$ 11,361	$ 12,741	$ 37,833,008	$ 41,077,456

Additional information on the District's capital assets is presented in Note 3 of this report.

Debt Administration. As of June 30, 2011 and 2010 the school district had long-term debt and outstanding long-term liabilities in the amount of $17,729,123 and $18,521,140 as follows:

Outstanding Long-Term Liabilities
As of June 30, 2011 and 2010

	2011	2010
Serial Bonds Payable	$ 17,128,000	$ 17,948,000
Compensated Absences Payable	601,123	573,140
	$ 17,729,123	$ 18,521,140

Additional information on the District's long-term liabilities is presented in Note 3 of this report.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into two categories:

- Reinstating prior year purchase orders being carried over.
- Increases in appropriations for significant unbudgeted costs.

Revisions in the budget were made through budget transfers and to appropriate additional fund balance to prevent over expenditures in specific line item accounts. There were certain revisions to the budget during the year other than the reappropriation of prior year encumbrances. These revisions were as follows:

- Appropriation of unassigned fund balance of $482,086 for transfers related to the fund deficit in the Debt Service Fund.
- Appropriation of unassigned fund balance of $88,988 for expenditures related to the State's assessment for state facility projects.
- Appropriation of unassigned fund balance of $71,732 for expenditures related to construction projects.

General Fund budgetary basis expenditures and other financing uses exceeded budgetary basis revenues, decreasing budgetary basis fund balance by $376,985 from the previous year. After deducting restricted and assigned fund balances, the unassigned budgetary fund balance decreased $33,530 from $647,215 at June 30, 2010 to $613,685 at June 30, 2011. In addition, the District designated $249,109 for subsequent year's expenditures at June 30, 2011 compared to designating $661,974 for subsequent year's expenditures at June 30, 2010.

CLARK PUBLIC SCHOOL DISTRICT

Management Discussion and Analysis

Year Ended June 30, 2011

ECONOMIC FACTORS AND NEXT YAER'S BUDGET

While many factors influence the District's future, the availability of State funding, special education needs, capital improvements, student enrollment and the economy will have the most impact on educational and fiscal decisions in the future.

Many factors were considered by the District's administration during the process of developing the fiscal year 2011-2012 budget. The primary factors were the District's projected student population, anticipated state and federal aid, contractual salary and related benefit cost increases, as well as, increased special education tuition costs.

These indicators were considered when adopting the budget for fiscal year 2011-2012. Budgeted expenditures in the General Fund decreased approximately 1% to $30,683,259 for fiscal year 2011-2012.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Business Office, Clark Public School District, Administrative Offices (ALJ High School), 365 Westfield Avenue, Clark New Jersey 07066

BASIC FINANCIAL STATEMENTS

CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2011

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	$ 513,060	$ 142,253	$ 655,313
Receivables, Net:			
Receivables from Other Governments	1,129,338	6,087	1,135,425
Other	28,127		28,127
Internal Balance	171,236	(171,236)	
Inventories		2,783	2,783
Deferred Charges	173,829		173,829
Capital Assets Not Being Depreciated	2,560,922		2,560,922
Capital Assets, Being Depreciation	35,260,725	11,361	35,272,086
Total Assets	39,837,237	(8,752)	39,828,485
LIABILITIES			
Accounts Payable and Other Current Liabilities	284,496	19,926	304,422
Payable to Other Governments	54,330		54,330
Accrued Interest Payable	62,791		62,791
Unearned Revenue	322,391	7,436	329,827
Noncurrent Liabilities :			
Due Within One Year	875,000		875,000
Due Beyond One Year	16,854,123	-	16,854,123
Total Liabilities	18,453,131	27,362	18,480,493
NET ASSETS (DEFICITS)			
Invested in Capital Assets, Net of Related Debt	20,867,476	11,361	20,878,837
Restricted for:			
Capital Projects	162,009		162,009
Other Purposes	1		1
Unrestricted	354,620	(47,475)	307,145
Total Net Assets (Deficits)	$ 21,384,106	$ (36,114)	$ 21,347,992

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

CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction:							
Regular	$ 16,401,047	$ 1,827,444	$ 1,565,483		$ (13,008,120)		$ (13,008,120)
Special Education	4,254,388	269,943	989,657		(2,994,788)		(2,994,788)
Other Instruction	786,089		392,458		(393,631)		(393,631)
School Sponsored Activities and Athletics	853,285				(853,285)		(853,285)
Support Services							
Student and Instruction Related Services	5,678,385		468,294		(5,210,091)		(5,210,091)
General Administrative Services	1,005,426				(1,005,426)		(1,005,426)
School Administrative Services	1,568,620		125,660		(1,442,960)		(1,442,960)
Central and Other Support Services	691,176				(691,176)		(691,176)
Plant Operations and Maintenance	3,198,335		15,812	$ 157,877	(3,024,646)		(3,024,646)
Pupil Transportation	789,990	107,892	42,319		(639,779)		(639,779)
Interest on Debt	730,798	-	22,648	-	(708,150)	-	(708,150)
Total Governmental Activities	35,957,539	2,205,279	3,622,331	157,877	(29,972,052)	-	(29,972,052)
Business-Type Activities							
Food Service	572,364	483,801	113,018	-	-	$ 24,455	24,455
Total Business-Type Activities	572,364	483,801	113,018	-	-	24,455	24,455
Total Primary Government	$ 36,529,903	$ 2,689,080	$ 3,735,349	$ 157,877	(29,972,052)	24,455	(29,947,597)

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

(Continued)

CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Net (Expense) Revenue and Changes in Net Assets		
	Governmental Activities	Business-Type Activities	Total
General Revenues:			
Property Taxes:			
Levied for General Purposes	$ 27,058,102		$ 27,058,102
Levied for Debt Service	1,463,709		1,463,709
Federal and State Aid, Unrestricted	30,400		30,400
Interest Income	19,712		19,712
Miscellaneous Income	643,374	-	643,374
Total General Revenues	29,215,297	-	29,215,297
Change in Net Assets	(756,755)	$ 24,455	(732,300)
Net Assets, Beginning of Year	21,922,616	68,107	21,990,723
Prior Period Adjustments	218,245	(128,676)	89,569
Net Assets (Deficits), End of Year	$ 21,384,106	$ (36,114)	$ 21,347,992

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

FUND FINANCIAL STATEMENTS

CLARK PUBLIC SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 501,760		$ 11,299	$ 1	$ 513,060
Receivables, Net					
Receivables from Other Governments	120,096	$ 280,359	728,883		1,129,338
Due from Other Funds	601,556	-	-	-	601,556
Total Assets	$ 1,223,412	$ 280,359	$ 740,182	$ 1	$ 2,243,954
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	$ 204,878	$ 79,618			$ 284,496
Payable to Federal Government		3,467			3,467
Payable to State Government		50,863			50,863
Deferred Revenue		19,816	$ 302,575		322,391
Due to Other Funds	-	126,595	275,598	-	402,193
Total Liabilities	204,878	280,359	578,173	-	1,063,410
Fund Balances					
Restricted Fund Balance					
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	249,109				249,109
Reserved Excess Surplus	169,746				169,746
Capital Projects			162,009		162,009
Debt Service				$ 1	1
Assigned Fund Balance					
Year End Encumbrances.	120,163				120,163
Unassigned Fund Balance	479,516	-	-	-	479,516
Total Fund Balances	1,018,534	-	162,009	1	1,180,544
Total Liabilities and Fund Balances	$ 1,223,412	$ 280,359	$ 740,182	1	

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $50,669,388 and the accumulated depreciation is $12,847,741.		37,821,647
Bond issuance costs are amortized over the life of the bonds on the statement of net assets		173,829
The District has financed capital assets through the issuance of serial bonds, long-term lease obligations, and notes. The interest accrual at year end is:		(62,791)
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		
General Obligation Bonds	$ 17,128,000	
Compensated Absences	601,123	
		(17,729,123)
Net Assets of Governmental Activities		$ 21,384,106

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

CLARK PUBLIC SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources					
Property Tax Levy	$ 27,058,102			$ 1,463,709	$ 28,521,811
Tuition	2,097,387				2,097,387
Transportation Fees	107,892				107,892
Interest	19,712				19,712
Miscellaneous	643,374	$ 19,278	-	-	662,652
Total - Local Sources	29,926,467	19,278	-	1,463,709	31,409,454
State Sources	2,425,778	393,453	$ 157,877	48,187	3,025,295
Federal Sources	-	766,035	-	-	766,035
Total Revenues	32,352,245	1,178,766	157,877	1,511,896	35,200,784
EXPENDITURES					
Instruction					
Regular	14,179,068	130,568			14,309,636
Special Education	3,777,178	474,161			4,251,339
Other Instruction	445,901	339,668			785,569
School-Sponsored Activities and Athletics	852,518				852,518
Support Services					
Student and Instruction Related Services	5,434,583	234,369			5,668,952
General Administrative Services	993,380				993,380
School Administrative Services	1,552,544				1,552,544
Central and Other Support Services	690,573				690,573
Plant Operations and Maintenance	3,174,865				3,174,865
Pupil Transportation	789,795				789,795
Debt Service					
Principal				820,000	820,000
Interest and Other Charges				735,577	735,577
Capital Outlay	319,479	-	408,451	-	727,930
Total Expenditures	32,209,884	1,178,766	408,451	1,555,577	35,352,678
Excess (Deficiency) of Revenues Over (Under) Expenditures	142,361	-	(250,574)	(43,681)	(151,894)
OTHER FINANCING SOURCES (USES)					
Transfers In				651,624	651,624
Transfers Out	(482,086)	-	(169,538)	-	(651,624)
Total Other Financing Sources and Uses	(482,086)	-	(169,538)	651,624	-
Net Change in Fund Balances	(339,725)	-	(420,112)	607,943	(151,894)
Fund Balance (Deficit), Beginning of Year	1,458,259	-	582,121	(607,942)	1,432,438
Prior Period Adjustment	(100,000)	-	-	-	(100,000)
Fund Balance, End of Year	$ 1,018,534	$ -	$ 162,009	$ 1	$ 1,180,544

EXHIBIT B-3

CLARK PUBLIC SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)		$ (151,894)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.		
Capital Outlay	$ 727,930	
Depreciation Expense	(2,117,998)	
		(1,390,068)
In the statement of activities, certain operating expenses - compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for compensated absences are measured by the amount of financial resources used (paid):		
Increase in Compensated Absences		(27,983)
Repayment of long-term debt is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities.		
Serial Bonds		820,000
In the statement of activities, costs related to the issuance of long term debt are deferred and amortized over the term of the debt. In the governmental funds, the issuance costs are reported upon issuance of the debt. This amount represents the current year amortization of the costs related to the issuance of long term debt in previous years.		
Cost of Issuance		(11,589)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		
Decrease in Accrued Interest		4,779
Change in Net Assets of Governmental Activities		$ (756,755)

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

EXHIBIT B-4

CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2011

	Business-Type Activities Food Service
ASSETS	
Current Assets	
Cash	$ 142,253
Intergovernmental Receivable	
State	452
Federal	5,635
Inventories	2,783
Total Current Assets	151,123
Capital Assets	
Equipment	242,101
Less: Accumulated Depreciation	(230,740)
Total Capital Assets, Net	11,361
Total Assets	162,484
LIABILITIES	
Current Liabilities	
Accounts Payable	19,926
Due to Other Funds	171,236
Unearned Revenue	7,436
Total Current Liabilities	198,598
NET ASSETS (DEFICITS)	
Investment in Capital Assets	11,361
Unrestricted	(47,475)
Total Net Assets (Deficits)	$ (36,114)

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

EXHIBIT B-5

CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Business-Type Activities Food Service
OPERATING REVENUES	
Charges for Services	
Daily Sales	$ 483,801
Total Operating Revenues	483,801
OPERATING EXPENSES	
Cost of Sales	208,868
Salaries and Employee Benefits	265,022
Administrative and Management Fees	73,704
Supplies and Materials	16,943
Miscellaneous Expenses	6,447
Depreciation Expense	1,380
Total Operating Expenses	572,364
Operating Loss	(88,563)
NONOPERATING REVENUES	
State Sources	
School Lunch Program	5,812
Federal Sources	
National School Lunch Program	107,206
Total Nonoperating Revenues	113,018
Change in Net Assets	24,455
Total Net Assets, Beginning of Year	68,107
Prior Period Adjustments	(128,676)
Total Net Assets (Deficit), End of Year	$ (36,114)

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

EXHIBIT B-6

CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Business-Type Activities Food Service
Cash Flows from Operating Activities	
Cash Received from Customers	$ 537,194
Cash Payments for Employees' Salaries and Benefits	(265,022)
Cash Payments to Suppliers for Goods and Services	(364,970)
Net Cash Used for Operating Activities	(92,798)
Cash Flows from Noncapital Financing Activities	
Cash Received from (Paid to) Other Funds	120,286
Cash Received from State and Federal Subsidy Reimbursements	90,010
Net Cash Provided by Noncapital Financing Activities	210,296
Net Increase in Cash and Cash Equivalents	117,498
Cash, Beginning of Year	24,755
Cash, End of Year	$ 142,253
Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
Operating Loss	$ (88,563)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities	
Non-Cash Federal Assistance-Food Distribution Program	23,042
Depreciation Expense	1,380
Change in Assets and Liabilities	
(Increase)/Decrease in Accounts Receivable	51,522
(Increase)/Decrease in Inventory	(1,199)
Increase/(Decrease) in Accounts Payable	(81,411)
Increase/(Decrease) in Unearned Revenue	2,431
Total Adjustments	(4,235)
Net Cash Used for Operating Activities	$ (92,798)
Non-Cash Investing, Capital and Financing Activities	
Value Received - Food Distribution Program	$ 23,602

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

CLARK PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
AS OF JUNE 30, 2011

	Private Purpose Trust Funds			
	Scholarship Fund	Kelemen Science Observatory Fund	Donations Fund	Agency Fund
ASSETS				
Cash	$ 905	11,847	$ 19,082	$ 496,899
Total Assets	905	11,847	19,082	496,899
LIABILITIES				
Due to Other Funds				$ 28,127
Due to Student Groups				136,157
Employee Deposits Payable				191,750
Payroll Deductions and Withholdings Payable	-	-	-	140,865
Total Liabilities	-	-	-	$ 496,899
NET ASSETS				
Held in Trust for Scholarships and Other Purposes	$ 905	$ 11,847	$ 19,082	

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

CLARK PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Private Purpose Trust Funds		
	Scholarship Fund	Kelemen Science Observatory Fund	Donations Fund
ADDITIONS			
Contributions			
Private Donations			$ 10,213
Investment Earnings			
Interest	$ 63	$ 83	-
Total Additions	63	83	10,213
DEDUCTIONS			
Scholarships Awarded	1,000		5,000
Miscellaneous	-	-	6,237
Total Deductions	1,000	-	11,237
Change in Net Assets	(937)	83	(1,024)
Net Assets, Beginning of Year	1,842	11,764	-
Prior Period Adjustment	-	-	20,106
Net Assets, End of Year	$ 905	$ 11,847	$ 19,082

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Clark Public School District (the "Board" or the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials from Clark Township and one representative from Garwood Borough (sending district) 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. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Clark Public School District this includes general operations, food service and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. Basic Financial Statements

The basic financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements. Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities.

The district-wide financial statements report information on all of the nonfiduciary activities of the Board of Education. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basic Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The District considers all of its governmental and enterprise funds to be major funds.

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

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the agency fund which does not have a measurement focus. All assets and all liabilities associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Assets. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when 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 Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due.

Property taxes, tuition, transportation fees, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. All other revenue items are considered to be measurable and available only when cash is received by the District.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal and state financial programs, with the exception of grants for major capital projects and the child nutrition programs.

The *capital projects fund* accounts for the proceeds from the sale of bonds, lease purchases and other revenues used for the acquisition or construction of major capital facilities and other capital assets.

The *debt service fund* accounts for the accumulation of resources for and the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for teachers and special events.

The government reports the following fund type:

The *fiduciary trust fund* is used to account for resources legally held in trust for private donations for scholarship awards, private donations for a science observatory, contributions for various organizations, payroll related activities and student related activities which are supported and controlled by student organizations and clubs. All resources of the fund, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

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

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

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

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

> *Tuition Revenues* - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.
>
> *Tuition Expenditures* - Tuition charges for the fiscal years 2009-2010 and 2010-2011 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

2. Receivables and Payables (Continued)

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenue is recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred revenues. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities at year-end is reported as unearned revenue.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of $2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

4. Capital Assets (Continued)

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Land Improvements	15-20
Buildings	50
Building Improvements	15-50
Office Equipment and Furniture	7-10
Computer Equipment	5-10
Vehicles	8-10

5. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

6. Long-term obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond issuance costs are reported as deferred charges and amortized over the life of the bonds using the straight line method.

In the fund financial statements, governmental fund types recognize bond issuance costs during the current period. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

7. Fund Equity

Beginning with fiscal year 2011, the District implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Reserved Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2010 audited excess surplus that was appropriated in the 2011/2012 original budget certified for taxes.

Reserved Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2011 audited excess surplus that is required to be appropriated in the 2012/2013 original budget certified for taxes.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Debt Service – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Unassigned Fund Balance – Represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund.

8. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education ("the Department"), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent and is voted upon at the annual school election on the third Tuesday in April. Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2010/2011. During 2010/2011 the Board increased the original budget by $844,967. The increase was funded by additional surplus appropriated, grant awards and the reappropriation of prior year general fund encumbrances. During the fiscal year authorized and approved additional fund balance appropriations totaling $643,066 from the general fund were made on June 14, 2011.

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 committed and/or assigned 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 which are reappropriated and honored during the subsequent fiscal year.

B. Deficit Fund Equity

The Food Service Enterprise Fund has a cumulative net deficit of $36,114 as of June 30, 2011. This deficit will be provided for in the 2011/2012 General Fund budget and/or from normal operations.

C. Transfers to Capital Outlay

During the 2010/2011 school year, the district transferred $486,119 to the capital outlay construction services accounts. The transfer was made from available unexpended balances in current expense budget line accounts. The transfer was not approved by the County Executive Superintendent pursuant to NJAC 6A:23A-13.3(h).

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Reserved Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2011 is $418,855. Of this amount, $249,109 was designated and appropriated in the 2011/2012 original budget certified for taxes and the remaining amount of $169,746 will be appropriated in the 2012/2013 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds or $200 million for all deposits not covered by the FDIC.

Bank balances are insured up to $250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of $250,000 for each failed brokerage firm. At June 30, 2011, the book value of the Board's deposits was $1,184,046 and bank balances of the Board's cash and deposits amounted to $2,395,251. The Board's deposits which are displayed on the balance sheets and statement of net assets as "cash" are categorized as:

Depository Account	Bank Balance
Insured	$ 2,395,251

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2011 none of the Board's bank balance were exposed to custodial credit risk.

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (continued)

Investments

As of June 30, 2011, the Board had no outstanding investments.

Interest Rate Risk – The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The Board places no limit in the amount the District may invest in any one issuer.

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

B. Receivables

Receivables as of June 30, 2011 for the district's individual major funds, in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Special Revenue Fund	Capital Projects Fund	Food Service Fund	Total
Receivables:					
Intergovernmental	$ 120,096	$ 280,359	$ 728,883	$ 6,087	$ 1,135,425
Gross Receivables	120,096	280,359	728,883	6,087	1,135,425
Less: Allowance for Uncollectibles	-	-	-	-	-
Net Total Receivables	$ 120,096	$ 280,359	$ 728,883	$ 6,087	$ 1,135,425

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	Unearned
Special Revenue Fund	
Unencumbered grant draw downs	$ 3,416
Grant drawdowns reserved for encumbrances	16,400
Capital Projects Fund	
Unrealized School Facility Grants	302,575
Total deferred revenue for governmental funds	$322,391

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2011 was as follows:

	Beginning Balance	Prior Period Adjustment	Increases	Decreases	Ending Balance
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	$ 1,808,965				$ 1,808,965
Construction in Progress	36,004,756	$ (35,252,799)	-	-	751,957
Total Capital Assets, Not Being Depreciated	37,813,721	(35,252,799)	-	-	2,560,922
Capital Assets, Being Depreciated:					
Site Improvements	30,909	1,933,499	$ 319,479		2,283,887
Buildings and Improvements	9,520,950	34,555,418	408,451		44,484,819
Machinery and Equipment	1,920,513	(580,753)	-	-	1,339,760
Total Capital Assets Being Depreciated	11,472,372	35,908,164	727,930	-	48,108,466
Less Accumulated Depreciation for:					
Site Improvements	(14,795)	(521,285)	(124,608)		(660,688)
Buildings and Improvements	(8,924,116)	(661,157)	(1,865,017)		(11,450,290)
Machinery and Equipment	(1,453,712)	845,322	(128,373)	-	(736,763)
Total Accumulated Depreciation	(10,392,623)	(337,120)	(2,117,998)	-	(12,847,741)
Total Capital Assets, Being Depreciated, Net	1,079,749	35,571,044	(1,390,068)	-	35,260,725
Government Activities Capital Assets, Net	$ 38,893,470	$ 318,245	$ (1,390,068)	$ -	$ 37,821,647
Business-Type Activities:					
Capital Assets, Being Depreciated:					
Machinery and Equipment	$ 318,156	$ (76,055)	-	-	$ 242,101
Total Capital Assets Being Depreciated	318,156	(76,055)	-	-	242,101
Less Accumulated Depreciation for:					
Machinery and Equipment	(176,739)	(52,621)	$ (1,380)	-	(230,740)
Total Accumulated Depreciation	(176,739)	(52,621)	(1,380)	-	(230,740)
Total Capital Assets, Being Depreciated, Net	141,417	(128,676)	(1,380)	-	11,361
Business-Type Activities Capital Assets, Net	$ 141,417	$ (128,676)	$ (1,380)	$ -	$ 11,361

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
Instruction	
Regular	$ 2,077,444
Total Instruction	2,077,444
Support Services	
Student and Instruction Related Services	3,774
School Administration	14,403
Operation and Maintenance of Plant Services	22,377
Total Support Services	40,554
Total Depreciation Expense - Governmental Activities	$ 2,117,998
Business-Type Activities:	
Food Service Fund	$ 1,380
Total Depreciation Expense-Business-Type Activities	$ 1,380

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2011, is as follows:

Due To/From Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Special Revenue Fund	$ 126,595
General Fund	Capital Projects Fund	275,598
General Fund	Food Service Fund	171,236
General Fund	Payroll Agency Fund	28,127
Total		$ 601,556

The above balances are the result of receipts received in one fund which are due to another fund or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Interfund Receivables, Payables, and Transfers (Continued)

Interfund Transfers

	Transfer In
	Debt Service
Transfer Out:	
General Fund	$ 482,086
Capital Projects Fund	169,538
	$ 651,624

The above transfers are the result of fund balances in one fund used to finance deficits in another fund.

E. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2011 are comprised of the following issues:

$19,834,000, 2005 Bonds, due in annual installments of $735,000 to $1,769,000 through June 1, 2026, interest at 4.00% to 4.30%	$16,864,000
$684,000, 2006 Bonds, due in annual installments of $124,000 to $140,000 through January 15, 2013, interest at 4.30%	264,000
	$17,128,000

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-Term Debt (Continued)

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Year Ending June 30,	Serial Bonds Principal	Serial Bonds Interest	Total
2012	$ 875,000	$ 702,402	$ 1,577,402
2013	914,000	666,982	1,580,982
2014	835,000	630,050	1,465,050
2015	870,000	596,650	1,466,650
2016	885,000	561,850	1,446,850
2017-2021	4,795,000	2,263,050	7,058,050
2022-2026	7,954,000	1,060,481	9,014,481
	$ 17,128,000	$ 6,481,465	$ 23,609,465

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2011 was as follows:

4% of Equalized Valuation Basis (Municipal)	$ 105,960,204
Less: Net Debt	17,128,000
Remaining Borrowing Power	$ 88,832,204

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Long-Term Debt (Continued)

Changes in long-term liabilities

Long-term liability activity for the fiscal year ended June 30, 2011, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable	$ 17,948,000		$ 820,000	$ 17,128,000	$ 875,000
Compensated Absences	573,140	$ 27,983	-	601,123	-
Governmental Activity Long-Term Liabilities	$ 18,521,140	$ 27,983	$ 820,000	$ 17,729,123	$ 875,000

For governmental activities, compensated absences are generally liquidated by the General Fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against some of these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

The District is a member of the New Jersey School Boards Association Insurance Group (NJSBAIG). The Group is a risk sharing public entity pool, established for the purpose of insuring against various types of claims.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the fund, to report claims on a timely basis, cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which they were a member.

NJSBAIG provide its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the insurance fund are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

NOTE 4 OTHER INFORMATION (Continued)

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2011, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2011, the District has not estimated its arbitrage earnings due to the IRS, if any.

D. Employee Retirement Systems and Pension Plans

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all eligible Board employees:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for the system.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Basis of Accounting

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund, Common Pension Fund A, Common Pension Fund B, Common Pension Fund D and Common Pension Fund E. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290.

Significant Legislation

P.L. 2010, c. 1, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, and employer contributions to the retirement system.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Significant Legislation (Continued)

This new legislation changed the membership eligibility criteria for new members of TPAF and PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of TPAF and PERS to 1/60 from 1/55, and it provided that new members of TPAF and PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of TPAF and PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. This law also closed the prosecutor's part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time five years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined as 1/7th of the required amount, beginning in Fiscal Year 2012.

P.L. 2010, c.3, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the TPAF and PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Funding Status and Funding Progress

As of June 30, 2009, the most recent actuarial valuation date, the aggregate funded ratio for all the State administered retirement systems including TPAF and PERS, is 66.0 percent with an unfunded actuarial accrued liability of $45.8 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 62.0 percent and $30.7 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and Police and Firemen's Retirement System ("PFRS") is 72.1 percent and $15.1 billion.

The funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financing reporting purposes does not explicitly incorporate the potential effects of legal or contractual limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the June 30, 2009 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (1) 8.25 percent for investment rate of return for the retirement systems and (2) 5.45 percent for projected salary increases for the PERS and 5.74 percent for TPAF.

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 5.5% for PERS, 5.5% for TPAF and 5.50% for DCRP of the employee's annual compensation.

Annual Pension Costs (APC)

Per the requirements of GASB Statement No. 27 for the year ended June 30, 2011 for TPAF, which is a cost sharing plan with special funding situations, annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

During the years ended June 30, 2011, 2010 and 2009 the Board was required to contribute for PERS and DCRP and the State of New Jersey was required to contribute for TPAF for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Year Ended June 30,	PERS	On-behalf TPAF	DCRP
2011	$ 347,912	$ 47,065	$ 5,582
2010	209,383	50,764	-
2009	181,484	48,500	-

During the last three fiscal years the State of New Jersey did not contribute to the TPAF for normal cost and accrued liability. The State contributed $47,065, $50,764 and $48,500 during 2010/2011, 2009/2010 and 2008/2009, respectively, for the NCGI premium only.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board $1,106,093 during the year ended June 30, 2011 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount, along with the on-behalf TPAF pension contribution, has been included in the district-wide financial statements and the fund financial statements as a revenue and expenditure in accordance with GASB No. 24.

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plans for school districts. The Plans are cost sharing multiple employer defined benefit plans.

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits

As a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), and the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other employee Benefit Trust Funds in the State's Comprehensive Annual Financial Report (CAFR). Specifically, SHBP-State, PDP-State, and the PRM of the PERS are combined and reported as a Health Benefits Program Fund – State classified as a single employer plan. The SHBP-Local, PDP-Local, and the PRM of the TPAF are combined and reported as Health Benefits Program Fund –Local Government classified as a cost-sharing multiple-employer plan in the State's CAFR. The post-retirement benefit programs had a total of 514 state and local participating employers and contributing entities for Fiscal Year 2010.

The State of New Jersey sponsors and administers the following health benefit programs covering certain state and local government employees, including those Board employees and retirees eligible for coverage.

Health Benefits Program Fund (HBPF) – Local Education (including Prescription Drug Program Fund) – The State of New Jersey provides free coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides free coverage to members of the Public Employees' Retirement System and Alternate Benefits Program who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the PDP coverage after 60 days of employment.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Basis of Accounting

The financial statements of the health benefit programs are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the health benefit programs. Benefits or refunds are recognized when due and payable in accordance with the terms of the health benefit programs.

Significant Legislation

P.L. 2010, c.2 effective May 21, 2010, makes changes to the SHBP-State/Local Government/Local Education concerning eligibility, cost sharing, choice of a plan, the application of benefit changes, the waiver of coverage, and multiple coverage under such plans. It also requires contributions toward the cost of health care benefits coverage by public employees and certain retirees.

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

Funded Status and Funding Progress

As of June 30, 2009, the most recent actuarial valuation date, the State had a $56.8 billion unfunded actuarial accrued liability for other post-employment benefits (OPEB) which is made up to $20.5 billion for state active and retired members and $36.3 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

Funded Status and Funding Progress (Continued)

The funded status and funding progress of the OPEB is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events in the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the June 30, 2009, actuarial valuation, the projected unit credit was used as the actuarial cost method, and the market value was used as asset valuation method for the OPEB. The actuarial assumptions included 4.50 percent for investment rate of return for the OPEB.

Post-Retirement Medical Benefits Contributions

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2010, there were 87,288 retirees receiving post-retirement medical benefits and the State contributed $883.8 million on their behalf. The cost of these benefits is funded through contributions by the State and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding 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 with 25 years of service. The State paid $126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in fiscal year 2010.

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Post-Retirement Medical Benefits Contributions (Continued)

The State sets the contribution rate based on a pay as you go basis and not on the *annual required contribution of the employers (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the years ended June 30, 2011, 2010 and 2009 were $999,659, $953,415 and $925,255, respectively, which equaled the required contributions for each year . The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

NOTE 5 PRIOR PERIOD ADJUSTMENTS

The District conducted an update and appraisal of its capital assets inventory during the 2010/2011 school year. The update and appraisal was conducted by an independent appraisal company hired by the Board. The capital asset report valued all capital assets and their estimated historical cost through back trending and other acceptable methods. The District recorded a prior period adjustment to its July 1, 2010 capital assets values, including accumulated depreciation amounts, to reflect the amounts reported in the capital asset appraisal report. The net effect of these adjustments was to increase governmental activities net assets by $318,245 and decrease business-type activities and Food Service Enterprise Fund net assets by $128,676. During the 2010/2011 school year, the District discovered an error with the July 1, 2010 cash balance in the General Fund. The error was the result of an outstanding bank transfer that was not recorded on the June, 2010 bank reconciliation. The District recorded a prior period adjustment to its July 1, 2010 cash balance and fund balance of the General Fund. The effect of this adjustment was to decrease fund balance of the General Fund and net assets of governmental activities by $100,000.

BUDGETARY COMPARISON SCHEDULES

CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Transfers	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources					
Property Tax Levy	$ 27,058,102		$ 27,058,102	$ 27,058,102	
Tuition	2,016,525		2,016,525	2,097,387	$ 80,862
Transportation Fees from Other LEAs	30,130		30,130	107,892	77,762
Interest on Investments	50,000		50,000	19,712	(30,288)
Miscellaneous Revenues	731,468	-	731,468	643,374	(88,094)
Total Local Sources	29,886,225	-	29,886,225	29,926,467	40,242
State Sources					
Extraordinary Aid	200,000	$ -	200,000	134,169	(65,831)
Categorical Special Education Aid	65,590	23,398	88,988	88,988	
Equalization Aid	23,398	(23,398)			
Additional Nonpublic Transportation Aid				12,544	12,544
TPAF Pension Contribution (NCGI) - (Non-Budget)				47,065	47,065
TPAF - Post Retirement					
Medical Contribution (Non-Budget)				999,659	999,659
TPAF Social Security Contributions (Non-Budget)	-	-	-	1,106,093	1,106,093
Total State Sources	288,988	-	288,988	2,388,518	2,099,530
Total Revenues	30,175,213	-	30,175,213	32,314,985	2,139,772
EXPENDITURES					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	239,296	98,403	337,699	334,919	2,780
Grades 1-5	3,278,547	11,476	3,290,023	3,290,023	-
Grades 6-8	2,457,447	(292,838)	2,164,609	2,164,609	-
Grades 9-12	4,151,518	(522,317)	3,629,201	3,575,235	53,966
Regular Programs - Home Instruction					
Salaries of Teachers	23,000	5,140	28,140	28,140	
Other Purchased Services		3,560	3,560	3,326	234
Regular Programs - Undistributed Instruction					
Purchased Professional/Educational Services	280,000	(1,560)	278,440	273,340	5,100
Other Purchased Services	50,000	31,500	81,500	55,659	25,841
General Supplies	340,000	(86,188)	253,812	250,660	3,152
Textbooks	200,000	(75,678)	124,322	121,974	2,348
Other Objects	205,000	(53,834)	151,166	150,976	190
Total Regular Programs	11,224,808	(882,336)	10,342,472	10,248,861	93,611
Learning and/or Language Disabilities					
Salaries of Teachers	208,439	(1,914)	206,525	203,525	3,000
Other Salaries for Instruction		3,000	3,000	3,000	
Purchased Professional/Educational Services	20,000		20,000	20,000	
General Supplies	1,000	-	1,000		1,000
Textbooks	3,000	(3,000)	-	-	-
Total Learning and/or Language Disabilities	232,439	(1,914)	230,525	226,525	4,000
Resource Room/Resource Center					
Salaries of Teachers	1,776,882	(168,824)	1,608,058	1,608,058	
Other Salaries for Instruction		50,000	50,000	47,556	2,444
Purchased Professional/Educational Services	25,000		25,000	25,000	
General Supplies	6,000		6,000	4,316	1,684
Textbooks	8,000	(8,000)	-	-	-
Total Resource Room/Resource Center	1,815,882	(126,824)	1,689,058	1,684,930	4,128

(Continued)

CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Preschool Disabilities - Part-Time					
Salaries of Teachers	$ 91,660	$ 11,780	$ 103,440	$ 103,440	
General Supplies	2,000	-	2,000	-	$ 2,000
Total Preschool Disabilities - Part-Time	93,660	11,780	105,440	103,440	2,000
Preschool Disabilities - FullTime					
Salaries of Teachers	-	37,504	37,504	37,504	-
Total Preschool Disabilities - FullTime	-	37,504	37,504	37,504	-
Total Special Education	2,141,981	(79,454)	2,062,527	2,052,399	10,128
Basic Skills/Remedial					
Salaries of Teachers	226,115	(4,229)	221,886	217,886	4,000
Other Salaries for Instruction	-	4,000	4,000	4,000	-
Total Basic Skills/Remedial	226,115	(229)	225,886	221,886	4,000
Bilingual Education					
Salaries of Teachers	100,179	861	101,040	101,040	-
General Supplies	1,000	-	1,000		1,000
Textbooks	500	(500)	-	-	-
Total Bilingual Education	101,679	361	102,040	101,040	1,000
Vocational Programs					
Salaries of Teachers	-	66	66	66	-
Total Vocational Programs	-	66	66	66	-
School Sponsored Co-Curricular Activities					
Salaries	197,000	(44,279)	152,721	152,721	
Other Objects	-	31,717	31,717	26,088	5,629
Total School Sponsored Co-Curricular Activities	197,000	(12,562)	184,438	178,809	5,629
School Sponsored Athletics					
Salaries	325,000	39,532	364,532	364,532	
Purchased Services	15,000	(1,092)	13,908	3,237	10,671
Supplies and Materials	65,000	28,350	93,350	93,169	181
Other Objects	20,000	8,882	28,882	28,282	600
Total School Sponsored Athletics	425,000	75,672	500,672	489,220	11,452
Total Instruction	14,316,583	(898,482)	13,418,101	13,292,281	125,820
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs w/i State - Special	662,362	(245,034)	417,328	407,606	9,722
Tuition to County Voc. School Dist.-Regular	443,520	45,375	488,895	484,850	4,045
Tuition to County Voc. School Dist.- Special	91,773	(38,163)	53,610	53,600	10
Tuition to Priv. Sch. Disabled & Other LEAs-Within State	572,275	(45,828)	526,447	521,356	5,091
Total Undistributed Expenditures - Instruction	1,769,930	(283,650)	1,486,280	1,467,412	18,868
Attendance and Social Work					
Salaries	55,618	(1,893)	53,725	53,725	
Supplies and Materials	500	(10)	490	-	490
Total Attendance and Social Work	56,118	(1,903)	54,215	53,725	490

(Continued)

CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Health Services					
Salaries	$ 312,525	$ 57,783	$ 370,308	$ 370,308	
Supplies and Materials	8,000	138	8,138	7,116	$ 1,022
Other Objects	2,500	(7)	2,493	206	2,287
Total Health Services	323,025	57,914	380,939	377,630	3,309
Other Support Serv. Students - Speech, OT, PT &Related Serv.					
Salaries	189,246	74,056	263,302	260,065	3,237
Purchased Professional/Educational Services	75,000	572	75,572	75,572	
Supplies and Materials	3,000	(420)	2,580	-	2,580
Total Other Supp.Serv. Student - Speech, OT, PT, & Related Serv. Speech, OT, PT, & Related Serv.	267,246	74,208	341,454	335,637	5,817
Other Support Services - Students - Extra Serv.					
Salaries	293,078	409,433	702,511	702,511	-
Total Other Supp.Serv. Student - Extra Serv.	293,078	409,433	702,511	702,511	-
Other Support Services - Students - Guidance					
Salaries of Other Professional Staff	589,572	(69,586)	519,986	518,839	1,147
Salaries of Secretarial & Clerical Assistants	128,785	32,098	160,883	160,883	
Other Salaries		34,370	34,370	34,370	
Other Purchased Services	20,000	22,076	42,076	41,929	147
Supplies and Materials	15,000	209	15,209	14,786	423
Other Objects	4,000	(2,620)	1,380	1,380	-
Total Other Support Services - Students - Guidance	757,357	16,547	773,904	772,187	1,717
Other Support Services - Students - Child Study Team					
Salaries of Other Professional Staff	506,663	(18,249)	488,414	481,414	7,000
Salaries of Secretarial & Clerical Assistants	87,148	18,069	105,217	105,041	176
Purchased Professional-Educational Services	2,000	-	2,000	2,000	
Other Purchased Professional and Technical Svs.		2,000	2,000	1,334	666
Miscellaneous Purchased Services	10,000	(2,000)	8,000	-	8,000
Total Other Support Services - Students - Child Study Team	605,811	(180)	605,631	589,789	15,842
Improvement of Instructional Services					
Salaries of Supervisors of Instruction	641,000	(151,289)	489,711	489,711	
Salaries of Other Professional Staff	41,600	3,200	44,800	44,800	
Salaries of Secretarial & Clerical Assistants	257,634	(13,803)	243,831	243,831	
Other Purchased Services		588	588	588	
Supplies and Materials	8,000	5,000	13,000	9,384	3,616
Other Objects	7,000	(1,756)	5,244	5,116	128
Total Improvement of Instructional Services	955,234	(158,060)	797,174	793,430	3,744
Educational Media/School Library					
Salaries	397,952	(48,967)	348,985	348,985	
Purchased Professional and Technical Services	10,000	255	10,255	10,255	
Supplies and Materials	66,250	(13,660)	52,590	48,941	3,649
Other Objects	4,000	4,305	8,305	8,305	-
Total Educational Media/School Library	478,202	(58,067)	420,135	416,486	3,649
Instructional Staff Training Services					
Purchased Professional-Educational Services	20,000	(2,287)	17,713	17,713	
Other Objects	4,000	(3,426)	574	-	574
Total Instructional Staff Training Services	24,000	(5,713)	18,287	17,713	574

(Continued)

CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES (Continued)					
Support Services General Administration					
Salaries	$ 310,924	$ (1,528)	$ 309,396	$ 307,846	$ 1,550
Legal Services	110,000	26,042	136,042	136,041	1
Audit Fees	40,000		40,000	39,500	500
Other Purchased Professional Services	16,000		16,000	15,748	252
Purchased Technical Services		214	214	214	
Communications/Telephone	29,000	110,409	139,409	95,240	44,169
Judgments Against the School District		94,683	94,683	94,683	
Miscellaneous Purchased Services	75,000	25,455	100,455	99,883	572
Miscellaneous Expenditures	5,000	437	5,437	5,437	-
Total Support Services General Administration	585,924	255,712	841,636	794,592	47,044
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog Director	691,909	132,538	824,447	824,447	
Salaries of Secretarial and Clerical Assistants	302,831	162	302,993	302,993	-
Supplies and Materials	20,000	(8,319)	11,681	11,272	409
Other Objects	7,500	(3,830)	3,670	3,670	-
Total Support Services School Administration	1,022,240	120,551	1,142,791	1,142,382	409
Undistributed Expenditures - Central Services					
Salaries	432,330	33,108	465,438	465,438	-
Misc. Purchased Services	20,000		20,000	14,827	5,173
Supplies and Materials	5,000	35,680	40,680	40,680	-
Miscellaneous Expenditures	5,000	(850)	4,150	3,664	486
Total Undistributed Expenditures - Central Services	462,330	67,938	530,268	524,609	5,659
Required Maintenance for School Facilities					
Salaries	530,784	11,823	542,607	542,548	59
Cleaning, Repair and Maintenance Services	125,000	912	125,912	125,909	3
General Supplies	80,000	21,454	101,454	98,549	2,905
Other Objects	3,000	(2,825)	175	175	-
Total Required Maintenance for School Facilities	738,784	31,364	770,148	767,181	2,967
Custodial Services					
Salaries	147,290	(11,000)	136,290	135,242	1,048
Purchased Professional-Technical Services	175,000	(26,007)	148,993	146,752	2,241
Cleaning, Repair and Maintenance Services	896,000	71,094	967,094	939,650	27,444
Other Purchased Property Services	60,000	15,243	75,243	71,197	4,046
Insurance	170,000	26,907	196,907	195,954	953
General Supplies	20,000	(8,555)	11,445	11,444	1
Energy (Electricity)	400,000	100,000	500,000	454,414	45,586
Energy (Natural Gas)	517,000	(58,502)	458,498	211,240	247,258
Total Custodial Services	2,385,290	109,180	2,494,470	2,165,893	328,577
Student Transportation Services					
Salaries		131,436	131,436	131,436	
Contracted Services (Between Home and School) - Vendors	213,704	18,027	231,731	231,731	
Contracted Services (Other Than Between Home and School) - Vendors	140,000	(25,210)	114,790	71,521	43,269
Contracted Services (Special Ed Students) - Vendors	600,000	(288,570)	311,430	208,961	102,469
Contracted Services - Aid in Lieu of Payments-Nonpublic Schools	90,000	(10,482)	79,518	62,313	17,205
Misc. Purchased Services-Transportation		14,770	14,770	13,021	1,749
Supplies & Materials	-	25,000	25,000	23,933	1,067
Total Student Transportation Services	1,043,704	(135,029)	908,675	742,916	165,759

(Continued)

CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES (Continued)					
Unallocated Benefits- Employee Benefits					
Social Security Contributions	$ 285,000	$ 163,256	$ 448,256	$ 343,531	$ 104,725
Other Retirement Contributions - PERS	220,000	154,149	374,149	347,912	26,237
Unemployment Compensation	75,584	-	75,584	56,253	19,331
Workmen's Compensation	170,000	6,276	176,276	176,276	-
Health Benefits	3,911,747	(142,723)	3,769,024	3,721,681	47,343
Tuition Reimbursement	90,000	(36,470)	53,530	46,573	6,957
Total Unallocated Benefits	4,752,331	144,488	4,896,819	4,692,226	204,593
On-Behalf (Non-Budget)					
TPAF Pension Contribution - NCGI (Non-Budget)				47,065	(47,065)
TPAF - Post Retirement					
Medical Contribution (Non-Budget)				999,659	(999,659)
TPAF Social Security Contributions (Non-Budget)	-	-	-	1,106,093	(1,106,093)
Total On-Behalf	-	-	-	2,152,817	(2,152,817)
Total Undistributed Expenditures	16,520,604	644,733	17,165,337	18,509,136	(1,343,799)
Total Current Expenditures	30,837,187	(253,749)	30,583,438	31,801,417	(1,217,979)
CAPITAL OUTLAY					
Facilities Acquisition and Construction Services					
Purchased Professional and Technical Services					
Construction Services		102,162	102,162	96,242	5,920
Infrastructure		253,385	253,385	181,653	71,732
Other Objects	-	130,572	130,572	130,572	-
Total Facilities Acquisition and Construction Services	-	486,119	486,119	408,467	77,652
Total Capital Outlay	-	486,119	486,119	408,467	77,652
Total General Fund	30,837,187	232,370	31,069,557	32,209,884	(1,140,327)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(661,974)	(232,370)	(894,344)	105,101	999,445
Other Financing Sources (Uses)					
Transfer Out - Debt Service Fund	-	(482,086)	(482,086)	(482,086)	-
Total Other Financing Sources (Uses)	-	(482,086)	(482,086)	(482,086)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Sources (Uses)	(661,974)	(714,456)	(1,376,430)	(376,985)	999,445
Fund Balance, Beginning of Year	1,629,688	-	1,629,688	1,629,688	-
Prior Period Adjustment	-	-	-	(100,000)	(100,000)
Fund Balance, End of Year	$ 967,714	$ (714,456)	$ 253,258	$ 1,152,703	$ 899,445

Recapitulation:

Restricted Fund Balance	
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	$ 249,109
Reserved Excess Surplus	169,746
Assigned Fund Balance	
Year End Encumbrances.	120,163
Unassigned Fund Balance	613,685
Fund Balance- Budgetary Basis	1,152,703
Less: State Aid Revenue not recognized on GAAP basis	(134,169)
Fund Balance per Governmental Funds Statements (GAAP)	$ 1,018,534

CLARK PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Intergovernmental					
State	$ 450,000	$ (50,658)	$ 399,342	$ 393,453	$ (5,889)
Federal	806,653	161,746	968,399	721,449	(246,950)
Local	-	19,423	19,423	19,278	(145)
Total Revenues	1,256,653	130,511	1,387,164	1,134,180	(252,984)
EXPENDITURES					
Instruction					
Salaries of Teachers	24,000	79,378	103,378	100,834	2,544
Purchased Professional/Technical Services	106,728	92,219	198,947	125,882	73,065
Other Purchased Services	598,498	(66,459)	532,039	524,146	7,893
General Supplies	116,034	63,629	179,663	93,452	86,211
Textbooks	74,250	(18,263)	55,987	55,940	47
Total Instruction	919,510	150,504	1,070,014	900,254	169,760
Support Services					
Purchased Professional/Educational Services	174,105	31,389	205,494	155,317	50,177
Purchased Professional/Technical Services	5,046	-	5,046	7	5,039
Other Purchased Services	100,900	(7,694)	93,206	71,056	22,150
Supplies and Materials	15,000	(12,000)	3,000	2,074	926
Total Support Services	295,051	11,695	306,746	228,454	78,292
Unallocated Benefits					
Employee Benefits	-	10,404	10,404	5,472	4,932
Facilities Acquisition and Construction					
Instructional Equipment	22,092	(22,092)	-	-	
Noninstructional Equipment	20,000	(20,000)	-	-	-
Total Facilities Acquisition and Construction	42,092	(42,092)	-	-	-
Total Expenditures	1,256,653	130,511	1,387,164	1,134,180	252,984
Excess (Deficiency) of Revenues Over/(Under) Expenditures					
Fund Balances, Beginning of Year	-	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -	$ -

CLARK PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedule	$ 32,314,985	$ 1,134,180
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances June 30, 2010		60,986
Encumbrances June 30, 2011		(16,400)
State Aid payment not recognized for budgetary purposes, recognized for GAAP statements. 2009/2010 State Aid	171,429	
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements. 2010/2011 State Aid	(134,169)	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	$ 32,352,245	$ 1,178,766
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	$ 32,209,884	$ 1,134,180
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances June 30, 2010		60,986
Encumbrances June 30, 2011	-	(16,400)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	$ 32,209,884	$ 1,178,766

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

CLARK PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

			Ch. 192 Svcs.			Ch. 193 Svcs.				
	Nonpublic Nursing	Nonpublic Textbooks	Nonpublic Compensatory Education	Nonpublic ESL	Nonpublic Transport.	Nonpublic Supplemental Instruction	Nonpublic Exam./ Classification.	Nonpublic Corrective Speech	Total Page 2	Grand Total 2011
REVENUES										
Intergovernmental										
State	$ 65,430	$ 55,940	$ 99,133	$ 9,392	$ 19,384	$ 39,745	$ 59,477	$ 44,952	-	$ 393,453
Federal									$ 721,449	721,449
Local Sources	-	-	-	-	-	-	-	-	19,278	19,278
Total Revenues	$ 65,430	$ 55,940	$ 99,133	$ 9,392	$ 19,384	$ 39,745	$ 59,477	$ 44,952	$ 740,727	$ 1,134,180
EXPENDITURES										
Instruction										
Salaries of Teachers									$ 100,834	$ 100,834
Purchased Professional & Technical Services									125,882	125,882
Other Purchased Services			$ 99,133	$ 9,392	$ 19,384	39,745	59,477	$ 44,952	252,063	524,146
General Supplies									93,452	93,452
Textbooks	-	$ 55,940	-	-	-	-	-	-	-	55,940
Total Instruction	-	55,940	99,133	9,392	19,384	39,745	59,477	44,952	572,231	900,254
Support Services										
Personal Services Employee-Benefits									5,472	5,472
Purchased Professional/ Educational Services									155,317	155,317
Purchased Professional & Technical Services									7	7
Other Purchased Services	$ 65,430								5,626	71,056
Supplies and Materials	-	-	-	-	-	-	-	-	2,074	2,074
Total Support Services	65,430	-	-	-	-	-	-	-	168,496	233,926
Total Expenditures	$ 65,430	$ 55,940	$ 99,133	$ 9,392	$ 19,384	$ 39,745	$ 59,477	$ 44,952	$ 740,727	$ 1,134,180

CLARK PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Title I	Title IIA	Title IIA Interim	Title III	IDEA Part B	IDEA Preschool	IDEA-Part B ARRA	IDEA-Presch ARRA	Workforce Investment	Other Local	Total Page 2
REVENUES											
Intergovernmental											
State											-
Federal	$ 45,577	$ 33,498	$ 646	$ 23,989	$ 472,012	$ 21,740	$ 102,415	$ 116	$ 21,456		$ 721,449
Local Sources	-	-	-	-	-	-	-	-	-	$ 19,278	19,278
Total Revenues	$ 45,577	$ 33,498	$ 646	$ 23,989	$ 472,012	$ 21,740	$ 102,415	$ 116	$ 21,456	$ 19,278	$ 740,727
EXPENDITURES											
Instruction											
Salaries of Teachers	$ 27,358				$ 52,020				$ 21,456		$ 100,834
Purchased Professional & Technical Services		$ 31,746			81,354	$ 12,782					125,882
Other Purchased Services					252,063						252,063
General Supplies	12,747	353	$ 646	$ 23,387	3,022	5,871	$ 28,039	$ 109	-	19,278	93,452
Textbooks	-	-	-	-	-	-	-	-	-	-	-
Total Instruction	40,105	32,099	646	23,387	388,459	18,653	28,039	109	21,456	19,278	572,231
Support Services											
Personal Services Employee-Benefits	5,472										5,472
Purchased Professional/ Educational Services		1,399			76,617	3,087	74,214				155,317
Purchased Professional & Technical Services								7			7
Other Purchased Services				602	4,880		144				5,626
Supplies and Materials	-	-	-	-	2,056	-	18	-	-	-	2,074
Total Support Services	5,472	1,399	-	602	83,553	3,087	74,376	7	-	-	168,496
Total Expenditures	$ 45,577	$ 33,498	$ 646	$ 23,989	$ 472,012	$ 21,740	$ 102,415	$ 116	$ 21,456	$ 19,278	$ 740,727

EXHIBIT E-2

CLARK PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOT APPLICABLE

CAPITAL PROJECTS FUND

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Issue/Project Title	Project #	Modified Appropriation	Expenditures to Date: Prior Years	Expenditures to Date: Current Year	Expenditures to Date: Adjustments	Cancelled Transfer to Debt Service Fund	Balance June 30, 2011
Kumpf Middle School		$ 4,683,873	$ 4,653,465			$ (30,408)	
Arthur Johnson High School		23,973,514	23,947,160			(26,354)	
Roof Replacement		684,000	571,224			(112,776)	
ALJ High School - Auditorium Abatement & System Upgrades	1002	274,772	243,109	$ 66,069	$ 34,406		
ALJ High School - Auditorium Seating & Acoustical Improvements	1003	258,982	195,052		(63,930)		
Carl H. Kumpf Middle School - Boiler Replacement	1004	495,000	6,969	175,000	(25,342)		$ 287,689
Frank K. Hehnly - Site Improvements	1005	103,952		103,952			
Frank K. Henly Elementary School - Boiler Replacement	1006	495,000	210,479	21,430	39,399		302,490
ALJ High School - Window Replacements	1007	18,000					18,000
ALJ High School - Site Improvements	1008	134,500	15,467		15,467		134,500
Valley Road Elementary School - Site Improvements	1009	42,000		42,000			
		-	-	-	-	-	-
		$ 31,163,593	$ 29,842,925	$ 408,451	$ -	$ (169,538)	$ 742,679

Reconciliation to GAAP

Project Balances, June 30, 2011	$ 742,679
Less:	
Unearned Revenue - EDA Grant	(302,575)
Local Contribution Due from General Fund	(278,095)
Fund Balance, June 30, 2011	$ 162,009

Recapitulation of Fund Balance

Restricted for Capital Projects	
Year End Encumbrances	$ 1,000
Available for Capital Projects	161,009
Total Fund Balance - Restricted for Capital Projects	$ 162,009

EXHIBIT F-2

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Revenues and Other Financing Sources	
State Sources - SDA Grant	$ 16,800
Total Revenues	16,800
Expenditures and Other Financing Uses	
Construction Services	408,451
Transfers to Debt Service Fund	169,538
Total Expenditures and Other Financing Uses	577,989
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(561,189)
Fund Balance- Beginning of Year	1,025,773
Fund Balance- Ending of Year	$ 464,584

Reconciliation to GAAP Basis

Fund Balance, June 30, 2011 - Budgetary Basis	$ 464,584
Less: Deferred Revenue (Unearned SDA Grants)	(302,575)
Fund Balance, June 30, 2011-GAAP Basis	$ 162,009

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
KUMPF MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Prior Periods Expenditures	Current Year Cancelled	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources- SDA Grant	$ 1,962,581		$ 1,962,581	$ 1,962,581
Bond Proceeds	2,721,292	-	2,721,292	2,721,292
Total Revenues and Other Financing Sources	4,683,873	-	4,683,873	4,683,873
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	332,440		332,440	332,440
Construction Services	4,321,025		4,321,025	4,351,433
Transfer to Debt Service Fund	-	$ 30,408	30,408	-
Total Expenditures and Other Financing Uses	4,653,465	30,408	4,683,873	4,683,873
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 30,408	$ (30,408)	$ -	$ -

Additional Project Information:	
Project Number	0850-035-04-3000
Grant Date	May 2, 2005
Bond Authorization Date	July 1, 2005
Bonds Authorized	2,721,292
Bonds Issued	2,721,292
Original Authorization Cost	4,535,487
Additional Authorization Cost/(Cancellation)	148,386
Revised Authorization Cost	4,683,873
Percentage Increase over Original Authorized Cost	3.27%
Percentage Completion	100%
Original Target Completion Date	June 30, 2009
Revised Target Completion Date	June 30, 2009

EXHIBIT F-2b

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ARTHUR JOHNSON HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Prior Periods Expenditures	Current Year Cancelled	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources- SDA Grant	$ 10,519,868		$ 10,519,868	$ 10,519,868
Bond Proceeds	13,453,646	-	13,453,646	13,453,646
Total Revenues and Other Financing Sources	23,973,514	-	23,973,514	23,973,514
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	1,758,705		1,758,705	1,758,705
Construction Services	22,188,455		22,188,455	22,214,809
Transfer to Debt Service Fund	-	$ 26,354	26,354	-
Total Expenditures and Other Financing Uses	23,947,160	26,354	23,973,514	23,973,514
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 26,354	$ (26,354)	$ -	$ -

Additional Project Information:	
Project Number	0850-005-04-3000
Grant Date	May 2, 2005
Bond Authorization Date	July 1, 2005
Bonds Authorized	13,453,646
Bonds Issued	13,453,646
Original Authorization Cost	22,423,009
Additional Authorization Cost/(Cancellation)	1,550,505
Revised Authorization Cost	23,973,514
Percentage Increase over Original Authorized Cost	6.91%
Percentage Completion	100%
Original Target Completion Date	June 30, 2009
Revised Target Completion Date	June 30, 2009

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ROOF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Prior Periods Expenditures	Current Year Cancelled	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources- SDA Grant				
Bond Proceeds	$ 684,000	-	$ 684,000.0	$ 684,000
Total Revenues and Other Financing Sources	684,000	-	684,000	684,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	571,224		571,224	684,000
Transfer to Debt Service Fund	-	$ 112,776	112,776	-
Total Expenditures and Other Financing Uses	571,224	112,776	684,000	684,000
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 112,776	$ (112,776)	$ -	$ -

Additional Project Information:	
Project Number	N/A
Grant Date	March 28, 2006
Bond Authorization Date	July 15, 2006
Bonds Authorized	684,000
Bonds Issued	684,000
Original Authorization Cost	684,000
Additional Authorization Cost/(Cancellation)	-
Revised Authorization Cost	684,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	June 30, 2007
Revised Target Completion Date	June 30, 2007

EXHIBIT F-2d

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ALJ HIGH SCHOOL - AUDITORIUM ABATEMENT& SYSTEM UPGRADES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Prior Periods	Current Year - (A)	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources- SDA Grant	$ 109,909		$ 109,909	$ 109,909
Local Contribution	164,863	-	164,863	164,863
Total Revenues and Other Financing Sources	274,772	-	274,772	274,772
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	243,109	$ 31,663	274,772	274,772
Total Expenditures and Other Financing Uses	243,109	31,663	274,772	274,772
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 31,663	$ (31,663)	$ -	$ -

Additional Project Information:	
Project Number	39-0850-035-09-1002
Grant Date	August 20, 2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	274,772
Additional Authorization Cost/(Cancellation)	-
Revised Authorization Cost	274,772
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	September 1, 2010
Revised Target Completion Date	December 1, 2010

(A) - Includes reclassification adjustments

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ALJ HIGH SCHOOL - AUDITORIUM SEATING AND ACOUSTICAL IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Prior Periods	Current Year - (A)	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources- SDA Grant	$ 103,593		$ 103,593	$ 103,593
Local Contribution	155,389	-	155,389	155,389
Total Revenues and Other Financing Sources	258,982	-	258,982	258,982
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	195,052	63,930	258,982	258,982
Total Expenditures and Other Financing Uses	195,052	63,930	258,982	258,982
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 63,930	$ (63,930)	$ -	$ -

Additional Project Information:	
Project Number	39-0850-035-09-1003
Grant Date	August 20, 2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	258,982
Additional Authorization Cost/(Cancellation)	-
Revised Authorization Cost	258,982
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	September 1, 2010
Revised Target Completion Date	December 1, 2010

(A) - Includes reclassification adjustments

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
CARL H. KUMPF MIDDLE SCHOOL - BOILER REPLACEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Prior Periods	Current Year - (A)	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources- SDA Grant	$ 198,000		$ 198,000	$ 198,000
Local Contribution	160,953	-	160,953	297,000
Total Revenues and Other Financing Sources	358,953	-	358,953	495,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	6,969	$ 200,342	207,311	495,000
Total Expenditures and Other Financing Uses	6,969	200,342	207,311	495,000
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 351,984	$ (200,342)	$ 151,642	$ -

Additional Project Information:	
Project Number	39-0850--035-09-1004
Grant Date	August 20, 2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	495,000
Additional Authorization Cost/(Cancellation)	-
Revised Authorization Cost	495,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	42%
Original Target Completion Date	September 1, 2010
Revised Target Completion Date	December 1, 2010

(A) - Includes reclassification adjustments

EXHIBIT F-2g

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
FRANK K. HENLY - SITE IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources- SDA Grant	$ 41,581		$ 41,581	$ 41,581
Local Contribution	62,371	-	62,371	62,371
Total Revenues and Other Financing Sources	103,952	-	103,952	103,952
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	-	103,952	103,952	103,952
Total Expenditures and Other Financing Uses	-	103,952	103,952	103,952
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 103,952	$ (103,952)	$ -	$ -

Additional Project Information:	
Project Number	39-0850-035-09-1005
Grant Date	August 20, 2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	103,952
Additional Authorization Cost/(Cancellation)	-
Revised Authorization Cost	103,952
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	September 1, 2010
Revised Target Completion Date	December 1, 2010

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
FRANK K.HENLY ELEMENTARY SCHOOL - BOILER REPLACEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Prior Periods	Current Year - (A)	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources- SDA Grant	$ 198,000		$ 198,000	$ 198,000
Local Contribution	154,952	-	154,952	297,000
Total Revenues and Other Financing Sources	352,952	-	352,952	495,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	210,479	$ (17,969)	192,510	495,000
Total Expenditures and Other Financing Uses	210,479	(17,969)	192,510	495,000
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 142,473	$ 17,969	$ 160,442	$ -

Additional Project Information:	
Project Number	39-0850--035-09-1006
Grant Date	August 20, 2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	495,000
Additional Authorization Cost/(Cancellation)	-
Revised Authorization Cost	495,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	39%
Original Target Completion Date	September 1, 2010
Revised Target Completion Date	December 1, 2010

(A) - Includes reclassification adjustments

EXHIBIT F-2i

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ALJ HIGH SCHOOL - WINDOW REPLACEENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources- SDA Grant	$ 7,200		$ 7,200	$ 7,200
Local Contribution	10,800	-	10,800	10,800
Total Revenues and Other Financing Sources	18,000	-	18,000	18,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	-	-	-	18,000
Total Expenditures and Other Financing Uses	-	-	-	18,000
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 18,000	$ -	$ 18,000	$ -

Additional Project Information:	
Project Number	39-0850-035-09-1007
Grant Date	August 20, 2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	18,000
Additional Authorization Cost/(Cancellation)	-
Revised Authorization Cost	18,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	0%
Original Target Completion Date	September 1, 2010
Revised Target Completion Date	December 1, 2010

EXHIBIT F-2j

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ALJ HIGH SCHOOL - SITE IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Prior Periods	Current Year - (A)	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources- SDA Grant	$ 53,800		$ 53,800	$ 53,800
Local Contribution	80,700	-	80,700	80,700
Total Revenues and Other Financing Sources	134,500	-	134,500	134,500
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	15,467	(15,467)	-	134,500
Total Expenditures and Other Financing Uses	15,467	(15,467)	-	134,500
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 119,033	$ 15,467	$ 134,500	$ -

Additional Project Information:	
Project Number	39-0850-035-09-1008
Grant Date	August 20, 2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	134,500
Additional Authorization Cost/(Cancellation)	-
Revised Authorization Cost	134,500
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	0%
Original Target Completion Date	September 1, 2010
Revised Target Completion Date	December 1, 2010

(A) - Includes reclassification adjustments

EXHIBIT F-2k

CLARK PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
VALLEY ROAD ELEMENTARY SCHOOL - SITE IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources- SDA Grant		$ 16,800	$ 16,800	$ 16,800
Local Contribution	$ 25,200	-	25,200	25,200
Total Revenues and Other Financing Sources	25,200	16,800	42,000	42,000
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	
Construction Services	-	42,000	42,000	42,000
Total Expenditures and Other Financing Uses	-	42,000	42,000	42,000
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	$ 25,200	$ (25,200)	$ -	$ -

Additional Project Information:	
Project Number	39-0850-035-09-1009
Grant Date	August 20, 2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorization Cost	42,000
Additional Authorization Cost/(Cancellation)	-
Revised Authorization Cost	42,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100%
Original Target Completion Date	June 30, 2011
Revised Target Completion Date	June 30, 2011

PROPRIETARY FUNDS

EXHIBIT G-1

CLARK PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
AS JUNE 30, 2011

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

EXHIBIT H-1

CLARK PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AS OF JUNE 30, 2011

	Student Activity	Payroll	Total Agency Funds
ASSETS			
Cash	$ 136,157	$ 360,742	$ 496,899
Total Assets	$ 136,157	$ 360,742	$ 496,899
LIABILITIES			
Due to Other Funds		$ 28,127	$ 28,127
Due to Student Groups	$ 136,157		136,157
Employee Deposits Payable		191,750	191,750
Payroll Deductions and Withholdings Payable	-	140,865	140,865
Total Liabilities	$ 136,157	$ 360,742	$ 496,899

EXHIBIT H-2

CLARK PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-8

EXHIBIT H-3

CLARK PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Balance, July 1, 2010	Cash Receipts	Cash Disbursements	Balance, June 30, 2011
ELEMENTARY SCHOOLS				
Valley Road	$ 14,512	$ 8,201	$ 10,036	$ 12,677
Frank K. Hehnly	3,010	11,353	7,862	6,501
MIDDLE SCHOOL				
Carl H. Kumpf	30,876	65,361	61,065	35,172
HIGH SCHOOL				
Arthur L. Johnson	88,034	134,503	140,730	81,807
Total All Schools	$ 136,432	$ 219,418	$ 219,693	$ 136,157

EXHIBIT H-4

PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Balance, July 1, 2010	Additions	Deletions	Balance, June 30, 2011
Due to Other Funds		$ 29,476	$ 1,349	$ 28,127
Employee Deposits Payable	$ 186,450	191,750	186,450	191,750
Accrued Salaries and Wages		11,914,204	11,914,204	
Payroll Deductions and Withholdings Payable	240,207	8,831,466	8,930,808	140,865
Total Liabilities	$ 426,657	$ 20,966,896	$ 21,032,811	$ 360,742

LONG-TERM DEBT

EXHIBIT I-1

CLARK PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance, July 1, 2010	Retired	Balance, June 30, 2011
School Bond	07/12/05	$ 19,834,000	06/01/12	$ 735,000	4.00%			
			06/01/13	790,000	4.00%			
			06/01/14	835,000	4.00%			
			06/01/15	870,000	4.00%			
			06/01/16	885,000	4.00%			
			06/01/17	900,000	4.00%			
			06/01/18	925,000	4.00%			
			06/01/19	940,000	4.00%			
			06/01/20	975,000	4.00%			
			06/01/21	1,055,000	4.00%			
			06/01/22	1,260,000	4.10%			
			06/01/23	1,555,000	4.15%			
			06/01/24	1,670,000	4.20%			
			06/01/25	1,700,000	4.25%			
			06/01/26	1,769,000	4.30%	$ 17,559,000	$ 695,000	$ 16,864,000
School Bond	07/12/06	$ 684,000	01/15/12	140,000	4.30%			
			01/15/13	124,000	4.30%	389,000	125,000	264,000
						$ 17,948,000	$ 820,000	$ 17,128,000

EXHIBIT I-2

SCHEDULE OF CAPITAL LEASE PURCHASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

THIS SCHEDULE IS NOT APPLICABLE

EXHIBIT I-3

CLARK PUBLIC SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources					
Local Tax Levy	$ 863,709	$ 600,000	$ 1,463,709	$ 1,463,709	
State Sources					
Debt Service Aid	56,271	-	56,271	48,187	$ (8,084)
Total Revenues	919,980	600,000	1,519,980	1,511,896	(8,084)
EXPENDITURES					
Regular Debt Service					
Principal - Comm. Approved Lease Purchase Agreement	1,484,221	(1,484,221)			
Principal		820,000	820,000	820,000	
Interest on Bonds	-	735,577	735,577	735,577	-
Total Expenditures	1,484,221	71,356	1,555,577	1,555,577	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(564,241)	528,644	(35,597)	(43,681)	(8,084)
Other Financing Sources					
Transfer In - General Fund		482,086	482,086	482,086	-
Transfer In - Capital Projects Fund	-	169,538	169,538	169,538	-
Total Other Financing Sources	-	651,624	651,624	651,624	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(564,241)	1,180,268	616,027	607,943	(8,084)
Fund Balance (Deficit), Beginning of Year	(607,942)	-	(607,942)	(607,942)	-
Fund Balance, End of Year	$ (1,172,183)	$ 1,180,268	$ 8,085	$ 1	$ (8,084)

STATISTICAL SECTION

This part of the Clark Public School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Exhibits
Financial Trends	
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	J-1 to J-5
Revenue Capacity	
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	J-6 to J-9
Debt Capacity	
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	J-14 and J-15
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	J-16 to J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

EXHIBIT J-1

CLARK PUBLIC SCHOOL DISTRICT
NET ASSETS BY COMPONENT
LAST SEVEN FISCAL YEARS
(Unaudited)

(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011
Governmental Activities							
Invested In Capital Assets, Net Of Related Debt	$ 4,494,174	$ 7,141,649	$ 12,477,524	$ 15,538,485	$ 19,318,718	$ 21,130,888	$ 20,867,476
Restricted	1,953,454	2,739,256	3,885,729	2,822,253	2,052,788	889,081	162,010
Unrestricted	(2,490,658)	(1,079,624)	(560,348)	8,360	109,679	(97,354)	354,620
Total Governmental Activities Net Assets	$ 3,956,970	$ 8,801,281	$ 15,802,905	$ 18,369,098	$ 21,481,185	$ 21,922,615	$ 21,384,106
Business-Type Activities							
Invested In Capital Assets, Net Of Related Debt	$ 4,107	$ 3,065	$ 8,160	$ 8,822	$ 19,279	$ 141,417	$ 11,361
Unrestricted	16,345	4,917	36,356	51,164	(8,613)	(73,310)	(47,475)
Total Business-Type Activities Net Assets	$ 20,452	$ 7,982	$ 44,516	$ 59,986	$ 10,666	$ 68,107	$ (36,114)
District-Wide							
Invested In Capital Assets, Net Of Related Debt	$ 4,498,281	$ 7,144,714	$ 12,485,684	$ 15,547,307	$ 19,337,997	$ 21,272,305	$ 20,878,837
Restricted	1,953,454	2,739,256	3,885,729	2,822,253	2,052,788	889,081	162,010
Unrestricted	(2,474,313)	(1,074,707)	(523,992)	59,524	101,066	(170,665)	307,145
Total District Net Assets	$ 3,977,422	$ 8,809,263	$ 15,847,421	$ 18,429,084	$ 21,491,851	$ 21,990,721	$ 21,347,992

Note:

GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only seven years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

EXHIBIT J-2

CLARK PUBLIC SCHOOL DISTRICT
CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
(Unaudited)

(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011
Expenses							
Governmental Activities							
Instruction	$ 17,229,864	$ 20,820,638	$ 20,463,273	$ 21,576,876	$ 19,852,074	$ 20,965,188	
Regular Instruction							$ 16,401,047
Special Education Instruction							4,254,388
Other Instruction							786,089
School Sponsored Activities and Athletics							853,285
Support Services:							
Tuition	2,027,865				1,809,790	1,659,492	
Student and Instruction Related Services	4,394,113	4,635,672	5,483,004	5,422,458	5,442,793	5,953,039	5,678,385
General Administration Services	1,211,512	824,053	790,173	854,921	881,988	845,029	1,005,426
School Administrative Services	2,130,252	1,276,404	1,244,650	1,334,929	1,129,255	1,232,782	1,568,620
Central and Other Support Services		614,325	596,693	603,682	437,769	432,399	691,176
Plant Operations and Maintenance	3,211,407	3,367,945	3,358,152	3,752,956	3,421,375	3,148,845	3,198,335
Pupil Transportation Services	976,623	989,472	966,307	1,068,602	1,014,507	775,049	789,990
Capital Outlay	30,718	140,071					
Interest On Long-Term Debt	-	579,748	820,924	828,700	801,873	773,494	730,798
Unallocated Depreciation and Amortization	357,858						
Total Governmental Activities Expenses	31,570,212	33,248,328	33,723,176	35,443,124	34,791,424	35,785,317	35,957,539
Business-Type Activities:							
Food Service	692,987	715,214	671,050	665,732	652,721	650,372	572,364
Total Business-Type Activities Expense	692,987	715,214	671,050	665,732	652,721	650,372	572,364
Total District Expenses	$ 32,263,199	$ 33,963,542	$ 34,394,226	$ 36,108,856	$ 35,444,145	$ 36,435,689	$ 36,529,903
Program Revenues							
Governmental Activities:							
Charges For Services:							
Instruction	$ 1,424,940	$ 1,466,928	$ 1,485,749	$ 1,552,608	$ 1,622,475	$ 1,943,873	$ 2,097,387
Pupil Transportation							107,892
Operating Grants And Contributions	401,076	1,038,307	1,093,412	1,114,230	292,513	348,927	3,622,331
Capital Grants And Contributions	-	3,388,051	5,088,592	2,584,538	3,508,060	268,431	157,877
Total Governmental Activities Program Revenues	1,826,016	5,893,286	7,667,753	5,251,376	5,423,048	2,561,231	5,985,487

EXHIBIT J-2

CLARK PUBLIC SCHOOL DISTRICT
CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
(Unaudited)

(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011
Business-Type Activities:							
Charges For Services							
Food Service	$ 612,707	$ 620,599	$ 639,755	$ 610,158	$ 512,886	$ 464,543	$ 483,801
Operating Grants And Contributions	64,304	82,145	67,829	71,044	74,150	82,976	113,018
Capital Grants And Contributions						160,000	
Total Business Type Activities Program Revenues	677,011	702,744	707,584	681,202	587,036	707,519	596,819
Total District Program Revenues	$ 2,503,027	$ 6,596,030	$ 8,375,337	$ 5,932,578	$ 6,010,084	$ 3,268,750	$ 6,582,306
Net (Expense)/Revenue							
Governmental Activities	$ (29,744,196)	$ (27,355,042)	$ (26,055,423)	$ (30,191,748)	$ (29,368,376)	$ (33,224,086)	$ (29,972,052)
Business-Type Activities	(15,976)	(12,470)	36,534	15,470	(65,685)	57,147	24,455
Total District-Wide Net Expense	$ (29,760,172)	$ (27,367,512)	$ (26,018,889)	$ (30,176,278)	$ (29,434,061)	$ (33,166,939)	$ (29,947,597)
General Revenues And Other Changes In Net Assets							
Governmental Activities:							
Property Taxes Levied For General Purposes	$ 25,008,819	$ 25,562,809	$ 25,981,824	$ 26,197,299	$ 26,415,699	$ 26,790,200	$ 27,058,102
Property Taxes Levied For Debt Service		1,162,500	889,712	718,543	863,709	863,709	1,463,709
State Aid, Unrestricted	5,642,518	4,364,292	5,240,005	5,383,104	4,969,522	5,387,583	30,400
Investment Earnings	87,516	880,575	800,139	403,380	72,175	39,387	19,712
Miscellaneous Income	249,127	229,177	145,367	55,615	174,339	584,635	643,374
Transfers	-	-	-	-	(15,000)		
Total Governmental Activities	30,987,980	32,199,353	33,057,047	32,757,941	32,480,444	33,665,514	29,215,297
Business-Type Activities:							
Investment Earnings					$ 1,365	$ 295	
Transfers	-	-	-	-	15,000	-	-
Total Business-Type Activities	-	-	-	-	16,365	295	-
Total District-Wide	$ 30,987,980	$ 32,199,353	$ 33,057,047	$ 32,757,941	$ 32,496,809	$ 33,665,809	$ 29,215,297
Change In Net Assets							
Governmental Activities	$ 1,243,784	$ 4,844,311	$ 7,001,624	$ 2,566,193	$ 3,112,068	$ 441,428	$ (756,755)
Business-Type Activities	(15,976)	(12,470)	36,534	15,470	(49,320)	57,442	24,455
Total District	$ 1,227,808	$ 4,831,841	$ 7,038,158	$ 2,581,663	$ 3,062,748	$ 498,870	$ (732,300)

Note:

GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only seven years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

EXHIBIT J-3

CLARK PUBLIC SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST SEVEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011
General Fund							
Reserved	$ 817,057	$ 1,681,254	$ 2,780,862	$ 2,565,372	$ 1,178,996	$ 982,473	
Unreserved	1,614,140	649,802	603,724	712,787	1,054,452	475,786	
Restricted							$ 418,855
Assigned							120,163
Unassigned							479,516
Total General Fund	$ 2,431,197	$ 2,331,056	$ 3,384,586	$ 3,278,159	$ 2,233,448	$ 1,458,259	$ 1,018,534
All Other Governmental Funds							
Unreserved, Reported In							
Capital Projects Fund	$ (1,569,734)	$ 13,195,457	$ 5,675,342	$ 1,798,536	$ 298,273	$ 582,121	
Debt Service Fund	-	1,111,798	1,255,902	56,424	1	(607,942)	
Restricted							$ 162,010
Total All Other Governmental Funds	$ (1,569,734)	$ 14,307,255	$ 6,931,244	$ 1,854,960	$ 298,274	$ (25,821)	$ 162,010

Note:
GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 seven years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

Beginning with Fiscal Year 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This Statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Reclassification of prior year fund balance amounts to comply with Statement No. 54 is not required.

EXHIBIT J-4

CLARK PUBLIC SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010
Revenues								
Property Tax Levy	$ 22,137,866	$ 22,622,163	$ 25,008,819	$ 26,725,309	$ 26,871,536	$ 26,915,842	$ 27,279,408	$ 28,521,811
Tuition Charges	1,294,679	1,408,369	1,424,940	1,466,928	1,485,749	1,552,608	1,622,475	2,097,387
Transportation Fees								107,892
Interest Earnings	37,990	17,449	87,516	880,575	800,139	403,380	72,175	19,712
Miscellaneous	497,285	83,654	110,101	229,177	165,812	88,138	174,339	662,652
Intermediate Sources	27,250	23,245	1,926					
State Sources	3,468,426	4,234,328	5,577,762	8,255,805	10,841,004	8,443,824	8,120,637	3,025,295
Federal Sources	350,674	425,965	465,832	534,845	560,560	605,525	649,458	766,035
Total Revenue	27,814,170	28,815,173	32,676,896	38,092,639	40,724,800	38,009,317	37,918,492	35,200,784
Expenditures								
Instruction	11,812,305	12,661,317	12,993,218	13,816,769	13,576,875	14,327,170	14,846,264	
Regular Instruction								14,309,636
Special Education Instruction								4,251,339
Other Instruction								785,569
School Sponsored Activities and Athletics								852,518
Support Services								
Tuition	1,485,647	1,869,687	2,027,865	2,133,460	1,580,062	1,734,030	1,809,790	
Student and Instruction Related Services	2,915,078	3,184,354	3,368,527	3,389,945	3,922,512	3,912,440	4,452,102	5,668,952
General Administration Services	805,774	873,364	865,198	1,114,713	1,045,377	1,118,951	963,949	993,380
School Administrative Services	1,399,882	1,445,580	1,690,715	910,043	866,046	935,565	859,405	1,552,544
Central Services				450,929	422,306	447,389	432,733	690,573
Plant Operations And Maintenance	2,798,367	2,851,171	2,971,887	3,100,723	3,039,441	3,463,839	3,294,828	3,174,865
Student Transportation Services	727,440	999,962	976,623	975,567	949,367	1,056,708	1,002,165	789,795
Employee Benefits	4,775,192	5,520,010	6,104,678	4,149,294	4,117,807	4,100,329	4,427,129	
On-Behalf TPAF and Pension Contributions				2,559,781	3,579,080	3,623,932	2,109,055	
Cost of Issuance				243,363				
Capital Outlay	779,530	159,124	2,569,757	8,798,478	13,348,368	6,509,889	5,331,065	727,930
Debt Service:								
Principal					500,000	620,000	690,000	820,000
Interest And Other Charges				742,362	784,040	833,968	794,222	735,577
							-	
Total Expenditures	27,499,215	29,564,569	33,568,468	42,385,427	47,731,281	42,684,210	41,012,707	35,352,678
Excess (Deficiency) Of Revenues Over (Under) Expenditures	314,955	(749,396)	(891,572)	(4,292,788)	(7,006,481)	(4,674,893)	(3,094,215)	(151,894)
Other Financing Sources (Uses)								
Bond Proceeds				20,077,363	684,000			
Interest Expense		(8,869)	(18,900)	(7,727)				
Transfers In		10,517	18,900	691,660	538,432	195,641	946	651,624
Transfers Out	-	(10,517)	(949)	(691,660)	(538,432)	(195,641)	(15,946)	(651,624)
Total Other Financing Sources (Uses)	-	(8,869)	(949)	20,069,636	684,000	-	(15,000)	-
Net Change In Fund Balances	$ 314,955	$ (758,265)	$ (892,521)	$ 15,776,848	$ (6,322,481)	$ (4,674,893)	$ (3,109,215)	$ (151,894)
Debt Service As A Percentage Of Noncapital Expenditures	0.00%	0.00%	0.00%	2.21%	3.73%	4.02%	4.16%	4.49%

* Noncapital expenditures are total expenditures less capital outlay.

Note:
GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only eight years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

EXHIBIT J-5

CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST NINE YEARS
(Unaudited)

Fiscal Year Ended June 30,	Tuition	Transportation Fees	Interest on Investments	Preschool/Before After School Program Fees	Rentals	E-Rate	Gate Receipts	Reimbursements	Miscellaneous	Total
2003	$ 1,294,679		$ 37,990						$ 497,285	$ 1,829,954
2004	1,408,369		17,449						83,654	1,509,472
2005	1,424,940		68,096						110,101	1,603,137
2006	1,466,928		207,386						229,177	1,903,491
2007	1,485,749		261,707						145,367	1,892,823
2008	1,552,608		207,739						55,615	1,815,962
2009	1,622,475		71,229						152,623	1,846,327
2010	1,943,873		39,387						443,402	2,426,662
2011	2,097,387	$ 107,892	19,712	$ 460,940	$ 9,577	$ 21,528	$ 8,599	$ 35,321	107,409	2,868,365

EXHIBIT J-6

CLARK PUBLIC SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited)

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate a
2002	$ 6,582,400	$ 556,115,800	$ 121,500		$ 93,635,100	$ 35,150,200	$ 18,727,200	$ 710,332,200	$ 826,973	$ 711,159,173	$ 1,489,025,347	$ 3.079
2003	6,508,200	557,152,500	121,500		93,109,100	31,150,200	18,727,200	706,768,700	758,155	707,526,855	1,708,674,563	3.146
2004	7,533,200	558,895,000			91,799,500	34,650,200	18,727,200	711,605,100	638,886	712,243,986	1,963,506,980	3.334
2005	7,509,900	561,410,500			90,024,200	34,650,200	18,727,200	712,322,000	562,989	712,884,989	2,109,540,967	3.711
2006	8,582,500	561,273,600			88,889,500	34,450,200	18,302,200	711,498,000	463,561	711,961,561	2,292,397,763	3.745
2007	11,266,600	568,202,500			89,218,600	31,597,100	18,302,200	718,587,000	417,044	719,004,044	2,520,125,679	3.728
2008	10,410,600	574,882,600			90,705,400	31,597,100	18,302,200	725,897,900	397,545	726,295,445	2,831,210,547	3.741
2009	9,672,500	579,961,600			88,025,300	30,747,100	18,177,200	726,583,700	418,750	727,002,450	2,837,350,265	3.779
2010	8,652,100	582,437,000			87,990,500	30,747,100	18,177,200	728,003,900	443,172	728,447,072	2,658,376,917	3.810
2011	5,038,100	583,858,100			91,706,600	29,996,800	18,177,200	728,776,800	406,766	729,183,566	2,553,865,130	N/A

Source: County Abstract of Ratables

a Tax rates are per $100

EXHIBIT J-7

CLARK PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Unaudited)
(rate per $100 of assessed value)

	Direct Rate	Overlapping Rates		
Assessment Year	Clark School District	Clark Township	County	Total Direct and Overlapping Tax Rate
2002	$ 3.079	$ 1.473	$ 0.912	$ 5.464
2003	3.146	1.516	1.029	5.691
2004	3.344	1.520	1.111	5.975
2005	3.711	1.644	1.123	6.478
2006	3.745	1.672	1.142	6.559
2007	3.728	1.703	1.224	6.655
2008	3.741	1.764	1.340	6.845
2009	3.779	1.848	1.375	7.002
2010	3.810	1.939	1.399	7.148
2011	N/A	N/A	N/A	N/A

Source: Municipal Tax Assessor

EXHIBIT J-8

CLARK PUBLIC SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

	2010		2002	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
C.W. Association	$ 8,000,000	1.10%		
Feil	6,000,000	0.82%		
Lexington Village	5,199,200	0.71%	NOT AVAILABLE	
Target Corp.	4,717,500	0.65%		
Feil	4,573,400	0.63%		
Largo Clark	4,521,800	0.62%		
General Motors	4,473,000	0.61%		
U.S. Gypsum Co.	3,917,800	0.54%		
Ivy Park	3,710,000	0.51%		
Hillcrest Association	3,700,000	0.51%		
	$ 48,812,700	6.69%		

Source: District CAFR & Municipal Tax Assessor

EXHIBIT J-9

CLARK PUBLIC SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST SEVEN FISCAL YEARS
(Unaudited)

Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2005	$ 25,008,819	$ 25,008,819	100.00%	-
2006	26,725,309	26,725,309	100.00%	-
2007	26,871,536	26,871,536	100.00%	-
2008	26,915,842	26,915,842	100.00%	-
2009	27,279,408	27,279,408	100.00%	-
2010	27,653,909	27,653,909	100.00%	-
2011	28,521,811	28,521,811	100.00%	-

Source: School District's Financial Statements

EXHIBIT J-10

CLARK PUBLIC SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST SEVEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Governmental Activities: General Obligation Bonds	Governmental Activities: Capital Leases	Total District	Population	Per Capita
2005		$ 534,068	$ 534,068	14,368	$ 37
2006	$ 19,834,000	364,767	20,198,767	14,345	1,408
2007	20,018,000	208,286	20,226,286	14,271	1,417
2008	19,398,000	55,932	19,453,932	14,313	1,359
2009	18,708,000		18,708,000	14,430	1,296
2010	17,948,000		17,948,000	14,430 E	1,244
2011	17,128,000		17,128,000	14,430 E	1,187

Source: District Records

Note:
GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year 2006 only seven years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present

(E) - Estimate

EXHIBIT J-11

CLARK PUBLIC SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST EIGHT FISCAL YEARS
(UNAUDITED)

	General Bonded Debt Outstanding				
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2004	-	-	-	-	-
2005	-	-	-	-	-
2006	$ 19,834,000	-	$ 19,834,000	2.79%	$ 1,383
2007	20,018,000	-	20,018,000	2.78%	1,403
2008	19,398,000	-	19,398,000	2.67%	1,355
2009	18,708,000	-	18,708,000	2.57%	1,296
2010	17,948,000	-	17,948,000	2.46%	1,244
2011	17,128,000	-	17,128,000	2.35%	1,187

Source: District Records

Note: GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year 2006 only eight years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present

EXHIBIT J-12

CLARK PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2010
(UNAUDITED)

MUNICIPAL DEBT	Total Debt
Clark Public School District	$ 17,948,000
Township of Clark (1)	20,813,000
	38,761,000
OVERLAPPING DEBT APPORTIONED TO THE MUNICIPALITY	
Union County:	
County of Union (A)	15,492,782
Rahway Valley Sewerage (B)	28,672,042
	44,164,824
Total Direct and Overlapping Outstanding Debt	$ 82,925,824

(A) The debt for this entity was apportioned by dividing the Municipality's 2010 equalized value by the total 2010 equalized value for Bergen County
(B) Overlapping Debt was computed based upon municipal flow to the Authority

Sources:
(1) Township of Clark 2010 Annual Debt Statement
(2) Union County 2010 Annual Debt Statement

EXHIBIT J-13

CLARK PUBLIC SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST EIGHT FISCAL YEARS

	$ 2,649,005,092
	$ 105,960,204
	17,128,000
	$ 88,832,204

	2004	2005	2006	2007	2008	2009	2010	2011
Debt limit	$ 63,655,444	$ 71,183,593	$ 79,335,453	$ 88,114,330	$ 99,026,828	$ 107,253,325	$ 109,258,808	$ 105,960,204
Total net debt applicable to limit	-	-	19,834,000	20,018,000	19,398,000	18,708,000	$ 17,948,000	17,128,000
Legal debt margin	$ 63,655,444	$ 71,183,593	$ 59,501,453	$ 68,096,330	$ 79,628,828	$ 88,545,325	$ 91,310,808	$ 88,832,204
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	25.00%	22.72%	19.59%	17.44%	16.43%	16.16%

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

Note:
GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year 2006 only eight years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present.

EXHIBIT J-14

CLARK PUBLIC SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Year Ended December 31,	Population	County Per Capita Personal Income	Unemployment Rate
2002	14,649	$ 40,848	2.7%
2003	14,585	41,661	2.8%
2004	14,475	43,045	3.9%
2005	14,368	44,586	3.3%
2006	14,345	49,062	3.3%
2007	14,271	51,054	1.9%
2008	14,313	51,539	3.9%
2009	14,430	49,040	4.4%
2010	14,430 E	N/A	4.5%
2011	14,430 E	N/A	N/A

Source:
United States Bureau of Census, Population Division estimates
Revisions to historical data, per capita income: US Bureau of Economic Analysis

E - Estimate
N/A - Not Available

EXHIBIT J-15

CLARK PUBLIC SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2011		2002	
Employer	Employees	% of Total Municipal Employment	Employees	% of Total Municipal Employment

INFORMATION IS NOT AVAILABLE

CLARK PUBLIC SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011
Instruction								
Regular	175	177	175	175	179	182	184	184
Special education	30	33	34	34	44	42	51	51
Support Services:								
Student & instruction related services	18	19	19	19	19	18	24	24
General administrative services	2	2	2	1	1	1	3	3
School administrative services	13	13	11	11	14	14	14	14
Business administrative services	8	8	7	7	6	5	5	5
Plant operations and maintenance	9	9	9	8	8	8	6	6
Total	255	261	257	255	271	270	287	287

Source: District Records

Note:
GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year 2009 only eight years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present

EXHIBIT J-17

CLARK PUBLIC SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Enrollment a	Operating Expenditures b	Cost Per Pupil c	Percentage Change	Teaching Staff	Pupil/Teacher Ratio: Elementary	Pupil/Teacher Ratio: Middle School	Pupil/Teacher Ratio: Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
2002	2,099	$ 25,005,786	$ 11,913	5.64%	160.0	1:23	1:24	N/A	1,863	1,758	6.21%	94.36%
2003	2,471	26,719,685	10,813	-9.23%	158.0	1:23	1:24	N/A	1,975	1,864	6.01%	94.38%
2004	2,518	29,405,445	11,678	8.00%	168.0	1:23	1:24	N/A	2,088	1,973	5.72%	94.49%
2005	2,334	30,998,711	13,281	13.73%	167.0	1:23	1:24	N/A	2,189	2,046	4.84%	93.47%
2006	2,554	32,844,587	12,860	-3.17%	167.0	1:23	1:24	N/A	2,300	2,285	5.07%	99.35%
2007	2,346	33,098,873	14,109	9.71%	175.0	1:23	1:24	N/A	2,301	2,207	0.04%	95.91%
2008	2,353	34,720,353	14,756	4.59%	179.0	1:23	1:24	N/A	2,358	2,266	2.52%	96.10%
2009	2,330	34,975,099	15,011	1.73%	182.0	1:23	1:24	N/A	2,308	2,212	0.30%	95.84%
2010	2,354	34,628,590	14,711	-2.00%	199.0	1:23	1:24	N/A	2,334	2,240	0.11%	95.97%
2011	2,359	33,069,171	14,018	-4.71%	206.0	1:23	1:24	N/A	2,333	2,234	0.00%	95.76%

Source: District records

Note:
a Enrollment based on annual October district count
b Operating expenditures equal total expenditures less debt service and capital outlay
c Cost per pupil represents operating expenditures divided by enrollment

EXHIBIT J-18

CLARK PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

District Building	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Elementary										
Valley Road Elementary School										
Square Feet	40,612	40,612	40,612	40,612	40,612	40,612	40,612	40,612	40,612	40,612
Enrollment	N/A	N/A	N/A	N/A	446	460	440	425	426	427
Frank K. Hehnly Elementary School										
Square Feet	45,497	45,497	45,497	45,497	45,497	45,497	45,497	45,497	45,497	45,497
Enrollment	N/A	N/A	N/A	N/A	496	496	506	514	505	520
Middle School										
Carl H. Kumpf										
Square Feet	74,812	74,812	74,812	74,812	74,812	74,812	74,812	74,812	74,812	74,812
Enrollment	N/A	N/A	N/A	N/A	547	547	551	550	539	533
High School										
Arthur L. Johnson										
Square Feet	192,825	192,825	192,825	192,825	192,825	192,825	192,825	192,825	192,825	192,825
Enrollment	N/A	N/A	N/A	N/A	843	843	856	841	831	815

Number of Schools at June 30, 2011
- Elementary = 2
- Middle School = 1
- High School = 1

Source: District records

EXHIBIT J-19

CLARK PUBLIC SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(UNAUDITED)

Undistributed Expenditures - Required
Maintenance for School Facilities
11-000-261-XXX

School Facilities	Project # (s)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Frank K. Hehnly Elementary	N/A	$ 30,885	$ 29,048	$ 55,280	$ 184,670	$ 161,525	$ 102,972	$ 127,272	$ 91,209	$ 20,570	$ 98,671
Valley Road Elementary	N/A	24,805	48,197	99,003	110,923	88,989	114,494	113,459	89,083	9,738	88,076
Carl H. Kumpf M.S.	N/A	35,662	96,194	118,418	83,165	81,107	154,224	208,173	200,545	37,871	162,247
Arthur L. Johnson H.S.	N/A	224,359	765,347	497,721	454,706	458,220	461,558	537,698	528,545	249,228	418,187
Other Facilities	N/A	1,900	8,453	-	-	-	-	-	-	650,299	-
Total School Facilities		$ 317,611	$ 947,239	$ 770,422	$ 833,464	$ 789,841	$ 833,248	$ 986,602	$ 909,382	$ 967,706	$ 767,181

EXHIBIT J-20

CLARK PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
AS OF JUNE 30, 2011
(Unaudited)

Company	Type of Coverage	Coverage	Deductible
School Package Policy:			
	Property		
	Blanket Building & Contents	$ 67,894,453	5,000
	Extra Expense	50,000,000	1,000
	Papers and Records	10,000,000	1,000
	Electronic Hardware and Software	1,900,000	1,000
	General Liability	31,000,000	N/A
	Medical Expense Limit	5,000	-
	Employee Benefits Liability	31,000,000	1,000
	Automobile Liability	31,000,000	-
	Automobile Physical Damage		1,000
	Sexual Abuse Liability	31,000,000	-
	School Board Legal Liability	31,000,000	5,000
	Boiler and Machinery	100,000,000	1,000
	Workers Compensation	2,000,000	N/A
	Student Accident		
	Basic/Sports K-8	5,000,000	-
	Catastrophic K-8	1,000,000	-
Surety Bonds:			
	Treasurer	250,000	1,000
	Board Secretary/Business Administrator	250,000	1,000

Source: District Records

SINGLE AUDIT SECTION

LERCH, VINCI & HIGGINS, LLP

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REGISTERED MUNICIPAL ACCOUNTANTS

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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
Clark Public School District
Clark, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clark Public School District as of and for the fiscal year ended June 30, 2011, which collectively comprise the Clark Public School District's basic financial statements and have issued our report thereon dated December 2, 2011. 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 and Regulatory Compliance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

Management of the Clark Public School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Clark Public School District'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 Clark Public School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Clark Public School 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 all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses 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 and questioned costs as items 2011-2 and 2011-3 to be material weaknesses.

A significant deficiency is a deficiency or combination of significant 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 deficiency described in the accompanying schedule of findings and questioned costs as item 2011-1 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the of Clark Public 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 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 and Regulatory Compliance, Department of Education, State of New Jersey and which are described in the accompanying schedule of findings and questioned costs as items 2011-1, 2011-2 and 2011-3.

We also noted certain matters that we reported to management of the Clark Public School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Finance, Compliance and Performance" dated December 2, 2011.

The Clark Public School District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Clark Public School District's responses and, accordingly, we express no opinion on the responses.

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

Lerch, Vinci & Higgins, LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 2, 2011

LERCH, VINCI & HIGGINS, LLP

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EXHIBIT K-2

REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04

Independent Auditor's Report

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

Compliance

We have audited the Clark Public School District's compliance 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 OMB Circular 04-04 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of Clark Public School District's major federal and state programs for the fiscal year ended June 30, 2011. Clark Public 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 requirement of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Clark Public School District's management. Our responsibility is to express an opinion on Clark Public 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; audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Clark Public 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 Clark Public School District's compliance with those requirements.

In our opinion, Clark Public School District complied, in all material respects, with the compliance requirements referred to above that have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2011. The results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04 and which is described in the accompanying schedule of findings and questioned costs as item 2011-4.

Internal Control Over Compliance

Management of Clark Public School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Clark Public School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04, but nor for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiencies in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2011-4. 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.

The Clark Public School District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Board's responses and, accordingly, we express no opinion on the responses.

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

Lerch, Vinci & Higgins, LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 2, 2011

EXHIBIT K-3

CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2010 (Accounts Receivable)	Balance, June 30, 2010 Deferred Revenue	Balance, June 30, 2010 Due to Grantor	Accounts Receivable Carryover Amount	Deferred Revenue Carryover Amount	Cash Received	Budgetary Expenditures	Adjustment	Refund of Prior Years' Balances	Balance, June 30, 2011 (Account Receivable)	Balance, June 30, 2011 Deferred Revenue	Balance, June 30, 2011 Due to Grantor	MEMO GAAP Receivable
U.S. Department of Agriculture Passed-through State Department of Education																	
National School Lunch Program	10.555	N/A															
Cash Assistance			7/1/10-6/30/11	$ 84,164						$ 78,529	$ 84,164			$ (5,635)			$ (5,635)
Cash Assistance			7/1/09-6/30/10	76,581	$ (5,644)					5,644							
Non-Cash Assistance (Food Distribution)			7/1/10-6/30/11	28,607	-	-	-	-	-	23,602	23,042	-	-	-	$ 560	-	-
Total U.S. Department of Agriculture					(5,644)	-	-	-	-	107,775	107,206	-	-	(5,635)	560	-	(5,635)
U.S. Department of Education - Passed State Department of Education																	
General Fund																	
Education Jobs Fund	84.410A	ARRA-XXXX-11	7/1/10-6/30/11	58,595	-	-	-	-	-	-	-	-	-	-	-	-	-
U.S. Department of Education Passed-through State Department of Education																	
Special Revenue Fund																	
NCLB																	
Title I	84.010A	NCLB--11	9/1/10-8/31/11	48,242						10,299	45,577			(37,943)	2,665		(35,278)
Title I	84.010A	NCLB--10	9/1/09-8/31/10	32,668	(32,668)					32,668				-	-		-
Title II A	84.367A	NCLB--11	9/1/10-8/31/11	38,619				$ (312)	$ 312	19,922	33,498			(19,009)	5,433		(13,576)
Title II A	84.367A	NCLB--10	9/1/09-8/31/10	38,483	(38,483)	$ 646		312	3,714	34,145	646	$ 11		(4,026)	3,725		(301)
Title II A	84.367A	NCLB--09	9/1/08-8/31/09	39,541			1,746		(1,746)					-			-
Title II A	84.367A	NCLB--08	9/1/07-8/31/08	38,251			2,280		(2,280)								-
Title II D	84.318X	NCLB--11	9/1/10-8/31/11	97										(97)	97		-
Title III	84.365A	NCLB--11	9/1/10-8/31/11	36,566						11,224	23,989			(25,342)	12,577		(12,765)
Titlt IV	84.186A	NCLB-11	9/1/10-8/31/11					(119)	119					(119)	119		
Title IV	84.186A	NCLB--10	9/1/09-8/31/10	5,650	(5,650)	119		119	(119)	5,531				-			-
Title IV	84.186A	NCLB--09	9/1/08-8/31/09	4,356	(1,121)					1,121							-
Title IV	84.186A	NCLB--08	9/1/07-8/31/08	6,652			134									$ 134	-
Title V	84.298A	NCLB--08	9/1/07-8/31/08	3,959			3,082									3,082	-
Workforce Investment - WIA	84.196	WIA--11	7/1/10-6/30/11	24,000						20,770	21,456			(686)			(686)
IDEA Basic - ARRA	84.391	ARRA--11	09/1/09-8/31/11	676,427	(556,427)	104,565				556,247	102,415			(180)	2,150		
IDEA Preschool - ARRA	84.392	ARRA--11	09/1/09-8/31/11	24,475	(24,475)	5,155				19,399	116			(5,076)	5,039		(37)
I.D.E.I.A Part B, Basic Regular	84.027	FT--11	9/1/10-8/31/11	543,754				(9,675)	9,675	258,816	472,012			(294,613)	81,417		(213,196)
I.D.E.I.A Part B, Basic Regular	84.027	FT--10	9/1/09-8/31/10	545,682	(145,682)			9,675	(9,675)	145,682							-
I.D.E.I.A Part B, Basic Regular	84.027	FT--08	9/1/07-8/31/08	528,793			119									119	-
I.D.E.I.A Preschool	84.173	PS--11	9/1/10-8/31/11	22,400					4,431	18,610	21,740			(3,790)	5,091		
I.D.E.I.A Preschool	84.173	PS--10	9/1/09-8/31/10	21,523		4,431	11		(4,431)			(11)					-
I.D.E.I.A Preschool	84.173	PS--09	9/1/08-8/31/09	22,034	(19,856)					19,856							-
I.D.E.I.A Preschool	84.173	PS--08	9/1/07-8/31/08	22,915	-	-	132	-	-	-	-	-	-	-	-	132	-
Total U.S. Department of Education					(824,362)	114,916	7,504	-	-	1,154,290	721,449	-	-	(390,881)	118,313	3,467	(275,839)
Total Federal Awards					$ (830,006)	$ 114,916	$ 7,504	$ -	$ -	$ 1,262,065	$ 828,655	$ -	$ -	$ (396,516)	$ 118,873	$ 3,467	$ (281,474)

CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2010 (Accounts Receivable	Balance, June 30, 2010 Deferred Revenue	Balance, June 30, 2010 Due to Grantor	Carryover Amount	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Adjustments	Balance, June 30, 2011 (Accounts Receivable)	Balance, June 30, 2011 Deferred Revenue	Balance, June 30, 2011 Due to Grantor		Memo GAAP Receivable	Memo Cumulative Total Expenditures
State Department of Education																	
General Fund:																	
Special Education Aid	11-495-034-5120-089	7/1/10-6/30/11	$ 88,988					$ 88,988	$ 88,988			-			*		$ 88,988
Special Education Aid	10-495-034-5120-089	7/1/09-6/30/10	1,202,285	$ (120,981)				120,981							*		
Equalization Aid	10-495-034-5120-078	7/1/09-6/30/10	48,313	(4,861)				4,861							*		
Transportation Aid	10-495-034-5120-014	7/1/09-6/30/10	295,895	(29,775)				29,775							*		
Security Aid	10-495-034-5120-084	7/1/09-6/30/10	157,133	(15,812)				15,812							*		
Extraordinary Aid	11-100-034-5120-473	7/1/10-6/30/11	134,169						134,169			$ (134,169)			*		134,169
Extraordinary Aid	10-100-034-5120-473	7/1/09-6/30/10	185,187	(185,187)				185,187							*		-
Nonpublic School Transportation Aid	N/A	7/1/10-6/30/11	12,544						12,544			(12,544)			*	$ (12,544)	12,544
Nonpublic School Transportation Aid	N/A	7/1/09-6/30/10	10,007	(10,007)				10,007							*		-
Reimbursed TPAF Social Security Contribution	11-495-034-5095-002	7/1/10-6/30/11	1,106,093					1,051,048	1,106,093			(55,045)			*	(55,045)	1,106,093
Reimbursed TPAF Social Security Contribution	10-495-034-5095-002	7/1/10-6/30/11	1,172,308	(57,599)				57,599							*		
On-Behalf TPAF Pension Contribution-NCGI	11-495-034-5095-007	7/1/10-6/30/11	47,065					47,065	47,065						*		47,065
On-Behalf TPAF Post Retirement Medical Contribution	11-495-034-5095-001	7/1/10-6/30/11	999,659	-	-	-	-	999,659	999,659	-	-	-	-	-	*	-	999,659
Total General Fund				(424,222)	-	-	-	2,610,982	2,388,518	-	-	(201,758)	-	-	*	(67,589)	2,388,518
Special Revenue Fund															*		
New Jersey Non-Public Aid															*		
Textbook Aid	11-100-034-5120-064	7/1/10-6/30/11	55,987					55,987	55,940					$ 47	*		55,940
Textbook Aid	10-100-034-5120-064	7/1/09-6/30/10	73,173			$ 118				$ 118					*		-
Nursing Services	11-100-034-5120-070	7/1/10-6/30/11	66,339					66,339	65,430					909	*		65,430
Auxiliary Services															*		-
Compensatory Education	11-100-034-5120-067	7/1/10-6/30/11	99,133					99,133	99,133					-	*		99,133
English as a Second Language	11-101-034-5120-067	7/1/10-6/30/11	12,807					12,807	9,392					3,415	*		9,392
English as a Second Language	10-101-034-5120-067	7/1/09-6/30/10	15,659			1,958				1,958					*		-
Transportation	11-100-034-5120-068	7/1/10-6/30/11	19,384					19,384	19,384						*		19,384
Home Instruction	10-100-034-5120-068	7/1/09-6/30/10		(4,520)								(4,520)			*		-
Home Instruction	9-100-034-5120-068	7/1/08-6/30/09		(1,642)				1,642							*	-	-
Handicapped Services															*		-
Examination and Classification	11-100-034-5120-066	7/1/10-6/30/11	60,755					60,755	59,477					1,278	*		59,477
Examination and Classification	10-100-034-5120-066	7/1/09-6/30/10	70,918			17,901				17,901					*		-
Examination and Classification	9-100-034-5120-066	7/1/08-6/30/09	97,624			36,008								36,008	*		-
Corrective Speech	11-100-034-5120-066	7/1/10-6/30/11	44,984					44,984	44,952					32	*		44,952
Corrective Speech	10-100-034-5120-066	7/1/09-6/30/10	47,614			2,275				2,275					*		-
Corrective Speech	09-100-034-5120-066	7/1/08-6/30/09	50,592			1,532								1,532	*		-
Supplementary Instruction	11-100-034-5120-066	7/1/10-6/30/11	39,953					39,953	39,745					208	*		39,745
Supplementary Instruction	10-100-034-5120-066	7/1/08-6/30/09	52,864	-	-	7,434	-	-	-	-	-	-	-	7,434	*	-	-
Total Special Revenue Fund				(6,162)	-	67,226	-	400,984	393,453	22,252	-	(4,520)	-	50,863	*	-	393,453

CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2010 (Accounts Receivable	Balance, June 30, 2010 Deferred Revenue	Balance, June 30, 2010 Due to Grantor	Carryover Amount	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Adjustments	Balance, June 30, 2011 (Accounts Receivable)	Balance, June 30, 2011 Deferred Revenue	Balance, June 30, 2011 Due to Grantor	Memo GAAP Receivable	Memo Cumulative Total Expenditures
Capital Projects Fund																
NJSDA - ALJ HS Auditorium Abatement	39-0850-005-09-1002	7/1/09-6/30/11	$ 109,909	$ (109,909)	$ 12,665				$ 12,665			$ (109,909)	-		$ (109,909)	$ 109,909
NJSDA - ALJ HS Auditorium Seating	39-0850-005-09-1003	7/1/09-6/30/11	103,593	(103,593)	25,572				25,572			(103,593)	-		(103,593)	103,593
NJSDA - Kumpf MS Boiler Replacement	39-0850-005-09-1004	7/1/09-6/30/11	198,000	(198,000)	195,212				74,634			(198,000)	$ 120,578		(198,000)	77,422
NJSDA - Henly ES Site Improvements	39-0850-005-09-1005	7/1/09-6/30/11	41,581	(41,581)	41,581				41,581			(41,581)	0		(41,581)	41,581
NJSDA - Henly ES - Boiler Replacement	39-0850-005-09-1006	7/1/09-6/30/11	198,000	(198,000)	113,809						$ 7,188	(198,000)	120,997		(198,000)	77,003
NJSDA - Henly ES - Boiler Replacement	39-0850-005-09-1007	7/1/09-6/30/11	7,200	(7,200)	7,200							(7,200)	7,200		(7,200)	-
NJSDA - ALJ HS Site Improvements	39-0850-005-09-1008	7/1/09-6/30/11	53,800	(53,800)	47,613						6,187	(53,800)	53,800		(53,800)	-
NJSDA - Valley Road ES - Site Improvements	39-0850-005-09-1009	7/1/09-6/30/11	16,800	-	-	-	-	-	16,800	-	-	(16,800)	-	-	(16,800)	16,800
Total Capital Projects Fund				(712,083)	443,652	-	-	-	171,252	-	13,375	(728,883)	302,575	-	(728,883)	426,308
Debt Service Fund																
Debt Service Fund	11-495-034-5120-125	7/1/10-6/30/11	48,187	-	-	-	-	$ 48,187	48,187	-	-	-	-	-	-	48,187
Enterprise Fund																
National School Lunch (State Share)	11-100-010-3350-023	7/1/10-6/30/11	5,812					5,360	5,812			(452)			(452)	5,812
National School Lunch (State Share)	10-100-010-3350-023	7/1/09-6/30/10	6,395	(477)	-	-	-	477	-	-	-	-	-	-	-	-
Total Enterprise Fund				(477)	-	-	-	5,837	5,812	-	-	(452)	-	-	(452)	5,812
Total State Financial Assistance				(1,142,944)	443,652	67,226	-	3,065,990	3,007,222	$ 22,252	13,375	(935,613)	302,575	$ 50,863	(796,924)	3,262,278
State Financial Assistance Not Subject to Single Audit Determination																
General Fund																
On-Behalf TPAF Pension Contribution-NCGI	11-495-034-5095-007	7/1/10-6/30/11	47,065					(47,065)	(47,065)							(47,065)
On-Behalf TPAF Post Retirement Medical Contribution	11-495-034-5095-001	7/1/10-6/30/11	999,659	-	-	-	-	(999,659)	(999,659)	-	-	-	-	-	-	(999,659)
Total State Financial Assistance Subject to Single Audit Determination				$ (1,142,944)	$ 443,652	$ 67,226	$ -	$ 2,019,266	$ 1,960,498	$ 22,252	$ 13,375	$ (935,613)	$ 302,575	$ 50,863	$ (796,924)	$ 2,215,554

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

CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Clark Public School District. The Board of Education is defined in Note 1(A) to the Board's basic financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(C) to the Board's basic financial statements.

NOTE 3 RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2.. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain state aid payments 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, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of $37,260 for the general fund and $44,586 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

	Federal	State	Total
General Fund		$ 2,425,778	$ 2,425,778
Special Revenue Fund	$ 766,035	393,453	1,159,488
Capital Projects Fund		157,877	157,877
Debt Service Fund		48,187	48,187
Food Service Fund	107,206	5,812	113,018
Total Financial Assistance	$ 873,241	$ 3,031,107	$ 3,904,348

CLARK PUBLIC SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the National School Lunch Program as non-cash assistance represent current year value received and current year distributions, respectively of the Federal Food Distribution Program. TPAF Social Security contributions in the amount of $1,106,093 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, 2011. The amount reported as TPAF Pension System Contributions in the amount of $47,065 and TPAF Post-Retirement Medical Benefits Contributions in the amount of $999,659 represents the amount paid by the State on behalf of the District for the year ended June 30, 2011.

NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's basic financial statements and the amount subject to State single audit and major program determination.

CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Part I – Summary of Auditor's Results

Financial Statement Section

Type of auditors' report issued on financial statements: Unqualified

Internal control over financial reporting:

1) Were material weakness(es) identified? X yes ____ no

2) Significant deficiencies identified that are not considered to be material weakness(es)? X yes ____ none reported

Noncompliance material to the basic financial statements noted? X yes ____ no

Federal Awards Section

Internal Control over major programs:

(1) Material weakness(es) identified? ____ yes X no

2) Significant deficiencies identified that are not considered to be material weakness(es)? ____ yes X none reported

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

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

Identification of major federal programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027	IDEA Part B, Basic
84.173	IDEA Preschool
84.391	IDEA Basic, ARRA
84.392	IDEA Preschool, ARRA

Dollar threshold used to distinguish between Type A and Type B programs: $300,000

Auditee qualified as low-risk auditee? ____ yes X no

CLARK PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Part I – Summary of Auditor's Results

State Awards Section

Auditee qualified as low-risk auditee?	____ yes	X no
Internal control over major programs:		
1) Material weakness(es) identified?	____ yes	X no
2) Significant deficiencies identified that are not considered to be material weakness(es)?	X yes	____ none reported
Type of auditor's report issued on compliance for major programs?	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with N.J. Circular Letter 04-04?	X yes	____ no

Identification of major programs:

GMIS Number(s)	Name of State Program
495-034-5095-002	TPAF Social Security Aid
39-0850-009-09	SDA - Education Facilities
	Construction and Financing Act

Dollar threshold used to distinguish between Type A and Type B programs: $300,000

CLARK TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

Finding 2011-1

Our audit of budget account charges in the General Fund revealed numerous expenditures were not charged to the proper budget line accounts.

Criteria or specific requirement:

Proper budget account charges in accordance with NJAC 6A:23A-16.2(f).

Condition:

Budget account charges for Preschool and Before/After School programs, as well as, a certain employee's salary were not classified and charged to the proper budget line accounts.

Context:

Preschool and Before/After School Programs budget account charges for payroll related expenditures and other programs related expenditures were not charged to the proper budget line accounts. It was also noted that payroll related expenditures in the amount of $59,000 were not charged to the proper budget line accounts.

Cause:

Expenditures were not properly classified and charged to the proper budget line item accounts in accordance with the Uniform Minimum Chart of Accounts for New Jersey Public Schools.

Effect:

The District's budget reports may not accurately reflect expenditure classifications in accordance with Uniform Minimum Chart of Accounts.

Recommendation:

Expenditures be classified and charged to the appropriate budget line accounts in accordance with the Uniform Minimum Chart of Accounts for New Jersey Public Schools.

Management's Response:

Management has reviewed this finding and has indicated appropriate corrective action will be implemented.

CLARK TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

Finding 2011-2

Our audit revealed that the Treasurer's reports, Board Secretary's reports and the certification of available funds were not completed and approved on a monthly basis.

Criteria or specific requirement:

Internal controls related to financial reporting

Condition:

Treasurer of School Monies and Board Secretary's reports were not submitted and approved by the Board on a monthly basis. In addition, the certification of available funds was not completed and approved monthly.

Context:

July, 2010 was approved in November 2010. August was approved in December. September and October were approved in March 2011. November was approved in July.

Effect:

Timely financial reports were not submitted and made available to the Board for their approval.

Cause:

See condition.

Recommendation:

Treasurer's and Board Secretary's reports be submitted and approved monthly in a timely manner. In addition, the certification of available funds also be approved monthly in a timely manner.

Management's Response:

Management has reviewed this finding and has indicated it will revise its procedures to ensure corrective action is taken.

CLARK TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

Finding 2011-3

Our audit revealed the appropriation of unassigned fund balance to various line item accounts was not formally approved by the Executive County Superintendent.

Criteria or specific requirement:

Transfers during the budget year - NJAC 6A:23A-13.3

Condition:

County Superintendent approval was not obtained for the appropriation of unassigned surplus.

Context:

The District appropriated unassigned surplus in the amounts of $89,000 for a State debt service assessment, $71,000 for construction services and $483,000 for debt service related expenditures which was not approved by the County Superintendent.

Cause:

The District did not obtain County approval prior to the appropriation of unassigned surplus.

Effect:

The District is not in compliance with State regulations related to the appropriation of unassigned surplus.

Recommendation:

All appropriations of unassigned fund balance be submitted and approved by the Executive County Superintendent.

Management's Response:

Management has reviewed this finding and has indicated it will revise its procedures to ensure corrective action is taken.

CLARK TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs (Cont'd)

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133and New Jersey OMB's Circular 04-04.

CURRENT YEAR FEDERAL AWARDS

There are none.

CLARK TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04.

CURRENT YEAR STATE AWARDS

Finding 2011-4

- Our audit with regards to Capital Projects Fund expenditures revealed the following:
  - Specific budget account codes were not established for each approved project.
  - Expenditures charged to each project in the District records were not in agreement with the expenditures submitted to the state for reimbursement for the respective projects.
  - Certain adjustments were required to bring the expenditures by project in agreement with the expenditures requested for State reimbursement by the District's architect.
  - Certain projects appear complete and should be reviewed and closed-out.

State program information:

State Development Authority 39-0850-005-09

Criteria or specific requirement:

Grant Compliance Requirements

Condition:

Separate budget account codes for each individual SDA facilities project were not established in the District's accounting records. In addition, the amounts originally charged or subsequently reclassified were not in agreement with the expenditures by project which were requested for State reimbursement.

Questioned Costs:

Unknown.

Context:

Numerous grant expenditures had to be reclassified between the various SDA school facilities projects.

Effect:

District is not in compliance with the Grant Compliance Requirements.

Cause:

Detailed budget account codes were not established in the District's accounting records in order for the District to properly charge expenditures to each individual project.

CLARK TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04.

CURRENT YEAR STATE AWARDS (Continued)

Finding 2011-4 (Continued)

Recommendation:

A review be made of all facility improvement projects in the Capital Projects Fund to ensure amounts charged were properly recorded and appropriate action be taken to close-out all completed projects.

Management's Response:

Management has reviewed this finding and has indicated it will revise its procedures to ensure corrective action is taken.

CLARK TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

STATUS OF PRIOR YEAR FINDINGS

Finding 2010-1

Condition:

Several Reserve for Encumbrances vouchers were misclassified as Accounts Payable.

Current Status

Corrective action was taken.

Finding 2010-2

Condition:

Several vouchers were misclassified as either Instructional or Non-Instructional Equipment when they should have been classified as Supplies.

Current Status

See Finding 2011-1.

Finding 2010-3

Condition:

The District's subsidiary ledgers did not agree to the Board Secretary's Report as it relates to Reserve for Encumbrances Open Purchase Order Report in the Special Revenue Fund.

Current Status

Corrective action was taken.

CLARK TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

STATUS OF PRIOR YEAR FINDINGS (Continued)

Finding 2010-4

Condition:

There is no true accounting of Capital Assets and Depreciation.

Current Status

Corrective action was taken.