

Comprehensive Annual Financial Report

of the

**Gloucester County
Vocational-Technical School District**

Deptford, New Jersey

**For The Fiscal Year Ended
June 30, 2011**

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	2
Organizational Chart	8
Roster of Officials	9
Consultants and Advisors	10
FINANCIAL SECTION	
Independent Auditor's Report	12
Required Supplementary Information – Part I Management's Discussion and Analysis	17
Basic Financial Statements	
A. District-Wide Financial Statements:	
A-1 Statement of Net Assets	24
A-2 Statement of Activities	26
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	28
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	29
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	30
Proprietary Funds:	
B-4 Statement of Net Assets	31
B-5 Statement of Revenues, Expenses and Changes in Fund Net Assets	32
B-6 Statement of Cash Flows	33
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Assets	34
B-8 Statement of Changes in Fiduciary Net Assets	35
Notes to the Financial Statements	36
Required Supplementary Information – Part II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	57
C-1a Combining Schedule of Revenues, Expenditures and Changes In Fund Balance – Budget and Actual	NA
C-1b Budgetary Comparison Schedule – ARRA EJJ	62
C-2 Budgetary Comparison Schedule – Special Revenue Fund	63
Notes to the Required Supplementary Information	
C-3 Budgetary Comparison Schedule – Note to RSI	64

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Table of Contents (Cont'd)

	Page
Other Supplementary Information	
D. School Based Budget Schedules:	
D-1 Combining Balance Sheet	NA
D-2 Blended Resource Fund – Schedule of Expenditures Allocated by Resource Type – Actual	NA
D-3 Blended Resource Fund – Schedule of Blended Expenditures – Budget and Actual	NA
E. Special Revenue Fund:	
E-1 Combining Schedule(s) of Program Revenues and Expenditures – Budgetary Basis	67
E-2 Preschool Education Aid Schedule(s) of Expenditures – Budgetary Basis	NA
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	71
F-2 Schedule of Project Revenues, Expenditures, Project Balance – Budgetary Basis	72
F-2a Schedule(s) of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis	73
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Statement of Net Assets	77
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Assets	78
G-3 Combining Statement(s) of Cash Flows	79
Internal Service Fund:	
G-4 Combining Schedule of Net Assets	NA
G-5 Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets	NA
G-6 Combining Schedule of Cash Flows	NA
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Assets	81
H-2 Combining Statement of Changes in Fiduciary Net Assets	82
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	83
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	84

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Table of Contents (Cont'd)

	Page
Other Supplementary Information (Cont'd)	
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	NA
I-2 Schedule of Obligations under Capital Leases	NA
I-3 Debt Service Fund Budgetary Comparison Schedule	NA

STATISTICAL SECTION (Unaudited)

Introduction to the Statistical Section

Financial Trends

J-1 Net Assets by Component	87
J-2 Changes in Net Assets	88
J-3 Fund Balances—Governmental Funds	90
J-4 Changes in Fund Balances—Governmental Funds	91
J-5 General Fund Other Local Revenue by Source	92

Revenue Capacity

J-6 Assessed Value and Estimated Actual Value of Taxable Property	NA
J-7 Direct and Overlapping Property Tax Rates	NA
J-8 Principal Property Taxpayers	NA
J-9 Property Tax Levies and Collections	NA

Debt Capacity

J-10 Ratios of Outstanding Debt by Type	NA
J-11 Ratios of General Bonded Debt Outstanding	NA
J-12 Direct and Overlapping Governmental Activities Debt	NA
J-13 Legal Debt Margin Information	NA

Demographic and Economic Information

J-14 Demographic and Economic Statistics	94
J-15 Principal Employers	95

Operating Information

J-16 Full-time Equivalent District Employees by Function/Program	NA
J-17 Operating Statistics	97
J-18 School Building Information	98
J-19 Schedule of Required Maintenance Expenditures by School Facility	99
J-20 Insurance Schedule	100

SINGLE AUDIT SECTION

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	14
K-2 Report on Compliance with Requirements Applicable That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB	102
K-3 Schedule of Expenditures of Federal Awards, Schedule A	104
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	106
K-5 Notes to the Schedules of Federal Awards and State Financial Assistance	108
K-6 Schedule of Findings and Questioned Costs	110
K-7 Summary Schedule of Prior Audit Findings and Questioned Costs as Prepared by Management	115

INTRODUCTORY SECTION



GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

1360 TANYARD ROAD · SEWELL, NEW JERSEY 08080
856-468-1445 · FAX 856-468-3397

November 30, 2011

Honorable President and
Members of the Board of Education
Gloucester County Vocational-Technical School District
County of Gloucester, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Gloucester County Vocational-Technical School District (District) for the fiscal year ended June 30, 2011 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. Reporting Entity and Its Services

The Gloucester County Vocational-Technical School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Gloucester County Vocational-Technical School District Board of Education and all of its programs and projects constitute the District's reporting entity.

The Gloucester County Vocational-Technical School District is one of 21 county career-technical schools in New Jersey. The District successfully completed its conversion to a comprehensive full-time high school. Applications for acceptance to the Gloucester County Institute of Technology continue to exceed seats available. A list of programs offered to incoming students in the 2010-2011 school year follows:

A. Career-Technical Programs

School of Construction Technology	School of Cosmetology
School of Transportation Technology	School of Culinary Arts

B. Academies

Southern New Jersey Academy of the Performing Arts – Dance/Drama
Academy of Information Technology and Digital Communication
Academy of Finance and Business Management
Academy of Allied Health and Medical Science

C. Shared-Time Vocational Programs

Emergency Response & Fire Science	Law Enforcement
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D. Post-Secondary Adult Programs

Career-Technical Training Programs	Adult Regional High School
Customized Training Programs	Youth One Stop Program

E. Community Use of Facilities

Aquatics Center	Fitness Center
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The District completed the New Jersey Quality Single Accountability Continuum process with the New Jersey Department of Education in the 2010-2011 school year.

2. Major Initiatives

A. Current Year Accomplishments

Gloucester County Vocational-Technical School District's Gloucester County Institute of Technology (GCIT) used to be called area education's best-kept secret, but the record number of applicants substantiates its solid reputation and growing popularity in the county, making GCIT a school of choice for many high school students.

Thanks to our supportive Board of Education, faculty, staff, parents, and students, GCIT is ranked high on the list of New Jersey high schools, winning a best practice award on two occasions and the coveted NJ Star School designation from the New Jersey Department of Education.

Since its inception in 2000, full-time Academy Programs offer students a well-rounded education, integrating career, academic, and industry excellence. Students who pursue post-secondary high school goals have been successful in both attaining college and/or post-secondary training goals.

The diverse academy student population at GCIT is afforded high-tech instruction as students participate in interactive distance learning and receive complementary and cutting-edge instruction via new computer labs, software, and smart-board technology.

Career-Technical programs at GCIT prepare students for careers in demand through hands-on learning—integrating academics and industry standards. A record number of students have applied for admission to GCIT indicating the necessity of career-technical education and post-secondary opportunity.

Career-Technical students have several options awaiting them upon graduation. These options include entering the workforce, apprenticeship programs, and a pathway to college or other post-secondary training options. GCIT participates in an articulation agreement with Gloucester County College through which GCIT students may earn college credits while still in high school.

With guidance from business and industry, our school-to-careers program provides valuable work experience, income, and graduation credits for interested students.

B. District Goals for 2010-2011

- Initiate Academy High School program in affiliation with Gloucester County College, with students in the class of 2014 earning 30 college credits by high school graduation.
- Realign staff positions and job titles and develop salary ranges for each band of employees.
- Initiate “paperless” Board of Education meetings.
- Continue to seek every opportunity to cut operating costs through attrition and shared services.
- Maintain close supervision of fiscal operations.

3. Internal Accounting Controls

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

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

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

4. Budgetary Controls

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of School Estimate. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects funds. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2011.

5. Accounting System and Reports

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups.

6. Cash Management

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

7. Risk Management

The Board carries various forms of insurance, including, but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds, worker’s compensation, disability, and student insurance. During 2010-2011 insurance coverage of the Gloucester County Vocational-Technical School District was carried via the New Jersey School Boards Association Insurance Group, administered by Hardenbergh Insurance Group.

8. Other Information

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

9. Acknowledgments

We would like to express our appreciation to the members of The Board of Education of the Special Services School District and the Vocational School District of the County of Gloucester, and to the Gloucester County Board of Chosen Freeholders for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our Business Office Staff.

Respectfully submitted,

Michael C. Dicken
Superintendent

Marjorie M. Workman, CPA
Assistant Superintendent for Business/Board Secretary

**THE BOARD OF EDUCATION OF THE SPECIAL SERVICES SCHOOL DISTRICT AND
THE VOCATIONAL SCHOOL DISTRICT OF THE COUNTY OF GLOUCESTER**

GCIT

**** Michael C. Dicken
Interim Superintendent**

**** Marjorie Workman
Asst. Superintendent for Business/Bd. Sec.**

****Brian Shakespeare
Director of C & I/Professional Dev.**

****Kathleen White
Supervisor of Student Assessment**

**Gina Mateka
Dir. of Career & Tech. Prog./Principal**

**Barbara Cheston
Assistant Principal**

**James Clarke
Assistant Principal**

**Gregory Wright
Assistant Principal**

****James Dundee
Director of Athletics**

**Arlene Powers
Supervisor of Child Study**

**Donna Wynne
Supervisor of Guidance**

****Susan Heiken
Director of Clinical Services**

****Christine Deeck
Director of Pupil Personnel Services**

**GCIT
ADMINISTRATIVE
ORGANIZATION
CHART**

****Shared employment with GCSSSD
June 30, 2011**

**BOARD OF EDUCATION
GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SEWELL, NEW JERSEY**

ROSTER OF OFFICIALS

JUNE 30, 2011

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Marlene A. McConnell, President	6/30/2011
Andrew A. DiNardo, Vice President (Resigned 11/17/2010)	11/17/2010
Robert P. Wooton, Vice President	6/30/2012
Albert F. Frattali	6/30/2012
Leona Mather	6/30/2013
Adam Taliaferro	6/30/2013
Anthony W. Wilcox	6/30/2011
Robert Bumpus, Acting Executive County Superintendent	
<u>Other Officials</u>	
Ellen F. Herdegen, Superintendent (Retired 2/28/2011)	
Michael Dicken, Assistant Superintendent (Appointed as Acting Superintendent 3/16/2011)	
Marjorie M. Workman, Assistant Superintendent for Business	
Lisa Finnegan, Comptroller	
Gary M. Schwarz, Treasurer of School Monies	

**BOARD OF EDUCATION
GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT**

CONSULTANTS AND ADVISORS

Audit Firm

Bowman & Company LLP
6 N. Broad Street, Suite 201
Woodbury, New Jersey 08096

Attorneys

Board Solicitor

Louis Cappelli Jr., Esq.
Florio, Perrucci, Steinhardt & Fader
108 Euclid Street
Woodbury, NJ 08096

Labor Attorney

Susan M. Leming, Esq.
Brown & Connery, LLP
360 Haddon Avenue
Westmont, New Jersey 08108

Construction Attorney

Bradley K. Sclar, Esq.
Parker McCay
Three Greentree Center
7001 Lincoln Drive West
P.O. Box 974
Marlton, New Jersey 08053

Official Depositories

TD Bank
1701 Route 70 East
Cherry Hill, New Jersey 08034

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Gloucester County Vocational Technical School District
Deptford, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business type activities, and each major fund of the Gloucester County Vocational Technical School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2011, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Gloucester County Vocational Technical School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 School District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Gloucester County Vocational Technical School District in the County of Gloucester, State of New Jersey as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows 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 November 30, 2011 on our consideration of the Gloucester County Vocational Technical 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis and budgetary comparison information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Gloucester County Vocational Technical School District's 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 State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and are not a required part of the basic financial statements. In addition, the introductory section, combining statements and related major fund supporting statements and schedules, and statistical section listed in the table of contents are also presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedules of Expenditures of Federal Awards and State Financial Assistance, combining statements and related major fund supporting statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael J. Welding
Certified Public Accountant
Public School Accountant No. CS 00886

Woodbury, New Jersey
November 30, 2011

**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**

The Honorable President and
Members of the Board of Education
Gloucester County Vocational Technical School District
Deptford, 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 Gloucester County Vocational Technical School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated November 30, 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 in compliance with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

Management of the Gloucester County Vocational Technical School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Gloucester County Vocational Technical 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 School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Gloucester County Vocational Technical 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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael J. Welding
Certified Public Accountant
Public School Accountant No. CS 00886

Woodbury, New Jersey
November 30, 2011

REQUIRED SUPPLEMENTARY INFORMATION
PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

The discussion and analysis of the Gloucester County Vocational-Technical School District's (the School District or "GCVTSD") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to review the District's financial performance as a whole; readers are advised to read it in conjunction with the basic financial statements and the notes to the financial statements to enhance their understanding of the District's performance.

The Management's Discussion and Analysis (MD&A) section of the Comprehensive Annual Financial Report ("CAFR") is an element of Required Supplementary Information specified in the Governmental Accounting Standard's Board's (GASB) Statement Number 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments that was issued in June 1999. 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 are as follows:

- The District's net assets decreased by a total of \$4,421,641 as a result of this year's operations. Net assets of our business-type activities increased by \$168,683. Net assets of our governmental activities decreased by \$4,590,324, this decrease was primarily due to the cancellation of Capital Projects Fund receivable from the County of Gloucester.
- During the year, the District generated \$13,868,420 in revenues from governmental activities, an increase from the previous fiscal year of \$962,520. This variance was due to the additional funds received for Federal, State and Local Aid.
- In the District's business-type activities, operating revenues decreased by \$435,405 while operating expenses also decreased by \$5,375. These changes are largely the result of the District discontinuing the Docutech/Print Shop that relied heavily on tax levy funds from the County of Gloucester.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. These statements are organized so the reader can first understand the District as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial activities.

- The first two statements are *district-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on the District's most significant funds, reporting on the District's operations in *more detail* than the district-wide financial statements.
 - The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term, as well as what remains for future spending.
 - *Proprietary funds statements* offer short- and long-term financial information about the activities the district operates like a business.
 - *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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

Reporting the School District as a Whole

The Statement of Net Assets includes all of the District's assets and liabilities and uses the accrual basis of accounting similar to the accounting used by most private-sector businesses. All of the current year's revenue and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid. These statements report the District's *net assets* and how they have changed. Net assets are the difference between the District's assets and liabilities, and represent one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, additional non-financial factors such as changes in the District's property tax base, current laws and policies affecting school districts in New Jersey, educational programs offered, the condition of school buildings and other facilities, and other factors must be considered.

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

- *Governmental activities*: Most of the District's basic services are included here, such as alternative and special education. State Aid, the County tax levy and, to a lesser degree, Tuition, finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's enterprise funds are included here.

Reporting the District's Most Significant Funds

The *fund financial statements* focus on the District's most significant funds, reporting on the District's operations in *more detail* than the district-wide financial statements. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. 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 how cash and other financial assets that can be converted to cash flow in and out, and the balances left at year-end that are available for future spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that are available for spending in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information provided at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) report activities that provide supplies and services for other programs and activities. The District currently does not maintain any internal service funds.
- *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as scholarship funds and student activity funds. The District acts solely as a *trustee* or *agent* for the benefit of others to whom the resources belong. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements because it may not use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Assets

The District's overall financial position and operations for the past two years are summarized as follows based on the information included in the government-wide financial statements.

The District's net assets at fiscal year-end June 30, 2011 are \$49,092,401. This is a \$4,421,641 decrease from last year's net assets of \$53,514,042. The following table provides a summary of the District's net assets:

Summary of Net Assets						
	Governmental		Business-type		Total	
	Activities		Activities			
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 1,109,791	\$ 6,665,432	\$ 1,510,379	\$ 1,347,872	\$ 2,620,170	\$ 8,013,304
Capital Assets	47,507,703	47,184,142	71,896	70,483	47,579,599	47,254,625
Total assets	48,617,494	53,849,574	1,582,275	1,418,355	50,199,769	55,267,929
Long-term liabilities	851,421	814,155			851,421	814,155
Other liabilities	240,755	919,778	15,193	19,955	255,948	939,733
Total liabilities	1,092,176	1,733,933	15,193	19,955	1,107,369	1,753,888
Net assets:						
Invested in capital assets, net of debt	47,507,703	47,184,142	71,896	70,483	47,579,599	47,254,625
Restricted for:						
Capital Projects		4,607,365			-	4,607,365
Other Purposes	111,510	111,505			111,510	111,505
Unrestricted	(93,895)	212,630	1,495,186	1,327,917	1,401,291	1,540,547
Total net assets	\$ 47,525,318	\$ 52,115,642	\$ 1,567,082	\$ 1,398,400	\$ 49,092,401	\$ 53,514,042

Changes in Net Assets

The following table provides a summary of the District's changes in net assets:

Summary of Changes in Net Assets						
	Governmental		Business-type		Total	
	Activities		Activities		Total	
	2011	2010	2011	2009	2011	2010
Revenues:						
Program revenues:						
Charges for services			\$ 1,905,210	\$ 2,340,615	\$ 1,905,210	\$ 2,340,615
Operating grants and contributions	\$ 2,071,814	\$ 2,254,289	94,586	89,615	2,166,399	2,343,904
General revenues:						
County Appropriations	6,937,337	6,937,337			6,937,337	6,937,337
Federal and State Aid	7,016,579	5,884,405			7,016,579	5,884,405
Tuition charges	2,786,557	561,965			2,786,557	561,965
Other	(2,872,053)	(477,807)	(138,856)	(9,379)	(3,010,909)	(487,186)
Total revenues	15,940,234	15,160,189	1,860,939	2,420,851	17,801,173	17,581,040
Expenses:						
Instruction	9,253,453	8,544,298			9,253,453	8,544,298
Support services	10,991,263	10,106,560			10,991,263	10,106,560
Special schools	208,914	267,603			208,914	267,603
Capital outlay	76,928	42,420			76,928	42,420
Food service			456,703	415,858	456,703	415,858
Other activities			1,235,553	1,281,773	1,235,553	1,281,773
Total expenses	20,530,558	18,960,881	1,692,256	1,697,631	22,222,814	20,658,512
Change in net assets	(4,590,324)	(3,800,692)	168,683	723,220	(4,421,641)	(3,077,472)
Beginning net assets	52,115,642	55,916,334	1,398,400	675,180	53,514,042	56,591,514
Ending net assets	\$ 47,525,318	\$ 52,115,642	\$ 1,567,083	\$ 1,398,400	\$ 49,092,401	\$ 53,514,042

THE DISTRICT'S FUNDS

Governmental funds reported ending fund balances of \$869,036. At June 30, 2011, the District has a deficit of \$55,805 in unreserved fund balance due to the withholding of the last two state aid payments. Restricted fund balances include the capital reserve account with \$11,510 of funds available, the maintenance reserve account with \$100,000 of funds available. \$813,331 is assigned fund balance for subsequent year's expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

Reimbursements for pension and Social Security contributions of \$934,745 are non-budgeted items in both revenues and appropriations.

CAPITAL ASSETS

The District's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2011, was \$47,579,599.18. See Note 6 for additional information about changes in capital assets during the fiscal year.

Capital Assets (Net of Depreciation) at June 30

	<u>2011</u>	<u>2010</u>
Governmental Activities:		
Construction In Progress		\$ 21,840,739
Buildings and Building Improvements	\$46,405,916	24,539,365
Machinery and Equipment	1,101,787	804,038
Total	<u>\$47,507,703</u>	<u>\$ 47,184,142</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Like the rest of the United States, the State of New Jersey was heavily impacted by the failing economy. For that reason, there is no assurance that state funding can be maintained at current levels. The Gloucester County Board of Chosen Freeholders has a history of maintaining adequate funding for the District through generous contributions to ensure that the Board of Education of the Special Services School District and the Vocational School District of the County of Gloucester ("Board of Education") and administration could continue to carry out the District's mission, yet Gloucester County is also feeling the impact of the economy and is experiencing significant unemployment. In the 2010-2011 fiscal year the Board of Education began charging tuition to local school districts for students attending GCIT. Currently the demand for admission to GCIT continues to exceed the spaces available, validating the need for career-technical education and post-secondary opportunities. The level of interest in the Gloucester County Vocational-Technical School District remains high, particularly in terms of those seeking career training.

In response to the high demand for admission to the school, the Gloucester County Board of Chosen Freeholders and the Board of Education developed a plan to renovate existing educational space and to expand both classroom and core space as part of their shared vision to create an Academy High School and in September, 2010, students were able to occupy a wing of state-of-the-art classrooms, a new gymnasium, and an expanded cafeteria. These improvements to the facility expanded the District's ability to provide a high quality career-technical education to more students.

During the 2010-2011 fiscal year the District was notified that it was to receive an allocation of \$256,200 of Education Jobs funds that could be used in the period from August 10, 2010 and September 30, 2012, and \$30,501 of that allocation was used during the 2010-2011 fiscal year. The remaining \$225,699 was budgeted for use in the 2011-2012 fiscal year.

The Board of Education plans for the District's future by working closely with the Gloucester County Workforce Investment Board and area colleges to ensure that the programs it offers are relevant in the current economy.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide New Jersey citizens and taxpayers and our customers with a general overview of the District's finances and to demonstrate the District's accountability for the appropriations and grants that it receives. If you have questions about this report or need additional financial information, contact the District Office, 1360 Tanyard Road, Sewell, NJ 08080.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Statement of Net Assets
June 30, 2011

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 237,278.61	\$ 1,484,740.86	\$ 1,722,019.47
Receivables, net	761,002.45	14,142.50	775,144.95
Inventory		11,495.43	11,495.43
Restricted Assets:			
Capital Reserve Account - Cash	11,510.00		11,510.00
Maintenance Reserve Account - Cash	100,000.00		100,000.00
Capital Assets, net (Note 6)	<u>47,507,703.13</u>	<u>71,896.05</u>	<u>47,579,599.18</u>
Total Assets	<u>48,617,494.19</u>	<u>1,582,274.84</u>	<u>50,199,769.03</u>
LIABILITIES:			
Cash Overdraft	144,256.12		144,256.12
Accounts Payable	89,971.60	15,192.52	105,164.12
Payable to Federal Government	50.00		50.00
Payable to State Government	277.03		277.03
Deferred Revenue	6,200.50		6,200.50
Noncurrent Liabilities (Note 7):			
Due within One Year	13,994.50		13,994.50
Due beyond One Year	<u>837,426.25</u>		<u>837,426.25</u>
Total Liabilities	<u>1,092,176.00</u>	<u>15,192.52</u>	<u>1,107,368.52</u>
NET ASSETS:			
Invested in Capital Assets, Net of Related Debt	47,507,703.13	71,896.05	47,579,599.18
Restricted for:			
Capital Projects			-
Other Purposes	111,510.00		111,510.00
Unrestricted	<u>(93,894.94)</u>	<u>1,495,186.27</u>	<u>1,401,291.33</u>
Total Net Assets	<u>\$ 47,525,318.19</u>	<u>\$ 1,567,082.32</u>	<u>\$ 49,092,400.51</u>

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ending June 30, 2011

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 3,853,864.10		\$ 510,243.81		\$ (3,343,620.29)		\$ (3,343,620.29)
Special Instruction	543,980.90				(543,980.90)		(543,980.90)
Vocational	4,373,052.58				(4,373,052.58)		(4,373,052.58)
School Sponsored Cocurricular Activities	111,621.69				(111,621.69)		(111,621.69)
School Sponsored Athletics	370,933.67				(370,933.67)		(370,933.67)
Undistributed Expenditures and Support Services:							
Attendance and Social Work	18,833.75				(18,833.75)		(18,833.75)
Health Services	220,201.63				(220,201.63)		(220,201.63)
Student - Related Services	18,776.04				(18,776.04)		(18,776.04)
Students - Regular	838,496.08				(838,496.08)		(838,496.08)
Students - Special	441,671.11				(441,671.11)		(441,671.11)
Improvement of Instruction Services	43,795.87				(43,795.87)		(43,795.87)
Educational Media Services/School Library	268,645.72				(268,645.72)		(268,645.72)
Instructional Staff Training Services	2,550.77				(2,550.77)		(2,550.77)
General Administration	256,838.63				(256,838.63)		(256,838.63)
School Administration	639,353.40				(639,353.40)		(639,353.40)
Central Services	263,874.94				(263,874.94)		(263,874.94)
Administration Information Technology	46,714.63				(46,714.63)		(46,714.63)
Operation and Maintenance of Plant Services	2,689,210.85		12,954.00		(2,676,256.85)		(2,676,256.85)
Care and Upkeep of Grounds	71,516.22				(71,516.22)		(71,516.22)
Security	353,494.44				(353,494.44)		(353,494.44)
Student Transportation Services	88,293.09				(88,293.09)		(88,293.09)
Unallocated Benefits	3,186,694.96				(3,186,694.96)		(3,186,694.96)
On-Behalf Pension Contributions	414,450.00		414,450.00		-		-
Reimbursed TPAF Social Security	520,294.72		520,294.72		-		-
Support Services	607,556.13		607,556.13		-		-
Capital Outlay	76,928.00		6,315.01		(70,612.99)		(70,612.99)
Special Schools	208,913.88				(208,913.88)		(208,913.88)
Total Governmental Activities	20,530,557.80	-	2,071,813.67	-	(18,458,744.13)	-	(18,458,744.13)
Business-Type Activities:							
Food Service	456,703.27	\$ 371,389.65	94,585.59			\$ 9,271.97	9,271.97
Other Enterprise Funds	1,236,352.75	1,534,619.95				298,267.20	298,267.20
Total Business-Type Activities	1,693,056.02	1,906,009.60	94,585.59	-	-	307,539.17	307,539.17
Total Primary Government	\$ 22,223,613.82	\$ 1,906,009.60	\$ 2,166,399.26	\$ -	(18,458,744.13)	307,539.17	(18,151,204.96)

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ending June 30, 2011

	Net (Expense) Revenue and Changes in Net Assets		
	Governmental Activities	Business-Type Activities	Total
General Revenues:			
County Appropriations	\$ 6,937,337.00		\$ 6,937,337.00
Federal and State Aid not Restricted	7,016,578.61		7,016,578.61
Tuition Received	2,557,307.36		2,557,307.36
Non-Resident Fees	229,250.00		229,250.00
Miscellaneous Income	264,888.83		264,888.83
Special Item --			
Transfers	129,350.07	\$ (129,350.07)	-
Special Revenue Fund Adjustment	(7,501.50)		(7,501.50)
Cancellation of Prior Year Accounts Payable	-	117.00	117.00
Capital Contributions	3,213.95		3,213.95
Cancellation of Prior Year Receivables	(89,325.46)	(9,623.37)	(98,948.83)
Cancellation of County and State Receivables	(3,172,678.66)		(3,172,678.66)
Total General Revenues, Special Items, Extraordinary Items and Transfers	<u>13,868,420.20</u>	<u>(138,856.44)</u>	<u>13,729,563.76</u>
Change in Net Assets	(4,590,323.93)	168,682.73	(4,421,641.20)
Net Assets -- July 1	<u>52,115,642.12</u>	<u>1,398,399.59</u>	<u>53,514,041.71</u>
Net Assets -- June 30	<u>\$ 47,525,318.19</u>	<u>\$ 1,567,082.32</u>	<u>\$ 49,092,400.51</u>

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

FUND FINANCIAL STATEMENTS

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS:				
Cash and Cash Equivalents	\$ 237,278.61			\$ 237,278.61
Cash - Capital Reserve Account	11,510.00			11,510.00
Cash - Maintenance Reserve Account	100,000.00			100,000.00
Due from Other Funds	6,214.66			6,214.66
Receivables from Other Governments	18,213.34	\$ 187,981.26		206,194.60
Receivables - Tuition	548,624.47			548,624.47
	<u>921,841.08</u>	<u>187,981.26</u>	<u>-</u>	<u>1,109,822.34</u>
Total Assets	\$ 921,841.08	\$ 187,981.26	\$ -	\$ 1,109,822.34
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Cash Overdraft		\$ 144,256.12		\$ 144,256.12
Accounts Payable	\$ 46,296.46	43,675.14		89,971.60
Payable to Federal Government		50.00		50.00
Payable to State Government	277.03			277.03
Interfunds Payable	31.28			31.28
Deferred Revenue	6,200.50			6,200.50
	<u>52,805.27</u>	<u>187,981.26</u>	<u>-</u>	<u>240,786.53</u>
Total Liabilities	52,805.27	187,981.26	-	240,786.53
Fund Balances:				
Restricted:				
Capital Reserve Account	11,510.00			11,510.00
Maintenance Reserve Account	100,000.00			100,000.00
Assigned				
Subsequent Year's Expenditures	813,331.00			813,331.00
Unassigned:				
General Fund	(55,805.19)			(55,805.19)
	<u>869,035.81</u>	<u>-</u>	<u>-</u>	<u>869,035.81</u>
Total Fund Balances	869,035.81	-	-	869,035.81
Total Liabilities and Fund Balances	\$ 921,841.08	\$ 187,981.26	\$ -	

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 \$83,186,039.90 and the accumulated depreciation is \$35,678,336.77.

47,507,703.13

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.

(851,420.75)

Net assets of governmental activities

\$ 47,525,318.19

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ending June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES:				
County Appropriations	\$ 6,937,337.00			\$ 6,937,337.00
Tuition Charges	2,557,307.36			2,557,307.36
Non-Resident Fees	229,250.00			229,250.00
Unrestricted Miscellaneous Revenues	264,888.83	\$ 13,063.60		277,952.43
State Sources	7,916,598.72	248,786.94		8,165,385.66
Federal Sources	34,724.61	875,218.41		909,943.02
Total Revenues	17,940,106.52	1,137,068.95		19,077,175.47
EXPENDITURES:				
Current:				
Regular Instruction	3,082,418.66	510,243.81		3,592,662.47
Special Instruction	543,980.90			543,980.90
Vocational Programs	3,088,367.00			3,088,367.00
School Sponsored Cocurricular Activities	111,621.69			111,621.69
School Sponsored Athletics	370,933.67			370,933.67
Undistributed Expenditures and Support Services:				
Attendance and Social Work	18,833.75			18,833.75
Health Services	220,201.63			220,201.63
Student - Related Services	18,776.04			18,776.04
Students - Regular	838,496.08			838,496.08
Students - Special	441,671.11			441,671.11
Improvement of Instruction Services	43,795.87			43,795.87
Educational Media Services/School Library	250,876.90			250,876.90
Instructional Staff Training Services	2,550.77			2,550.77
General Administration	226,631.64			226,631.64
School Administration	566,501.24			566,501.24
Central Services	263,874.94			263,874.94
Administration Information Technology	46,714.63			46,714.63
Operation and Maintenance of Plant Services	2,566,090.17	12,954.00		2,579,044.17
Care and Upkeep of Grounds	71,516.22			71,516.22
Security	353,494.44			353,494.44
Student Transportation Services	88,293.09			88,293.09
Unallocated Benefits	3,149,429.12			3,149,429.12
On-Behalf Pension Contributions	414,450.00			414,450.00
Reimbursed TPAF Social Security Contributions	520,294.72			520,294.72
Support Services		607,556.13		607,556.13
Capital Outlay	733,155.54	6,315.01	\$ 1,434,686.08	2,174,156.63
Special Schools	208,913.88			208,913.88
Total Expenditures	18,241,883.70	1,137,068.95	1,434,686.08	20,813,638.73
Excess (Deficiency) of Revenues over Expenditures	(301,777.18)	-	(1,434,686.08)	(1,736,463.26)
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	129,350.07	-		129,350.07
Special Revenue Fund Adjustment	(7,501.50)			(7,501.50)
Prior Year Accounts Receivable Cancelled	(89,325.46)			(89,325.46)
Cancellation of County and State Receivables			(3,172,678.66)	(3,172,678.66)
Total Other Financing Sources and Uses	32,523.11	-	(3,172,678.66)	(3,140,155.55)
Net Change in Fund Balances	(269,254.07)	-	(4,607,364.74)	(4,876,618.81)
Fund Balance -- July 1	1,138,289.88	-	4,607,364.74	5,745,654.62
Fund Balance -- June 30	\$ 869,035.81	\$ -	\$ -	\$ 869,035.81

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ending June 30, 2011

Total Net Change in Fund Balances - Governmental Funds	\$	(4,876,618.81)
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Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation Expense	\$	(1,776,881.86)	
Capital Outlays		2,097,228.63	
Donated Fixed Assets		<u>3,213.95</u>	
			323,560.72

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

(37,265.84)

Change in Net Assets of Governmental Activities	\$	<u><u>(4,590,323.93)</u></u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Statement of Net Assets
Proprietary Funds
June 30, 2011

	Business-Type Activities - Enterprise Funds		
	<u>Food Service</u>	<u>Other Enterprise Funds</u>	<u>Total</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 53,949.59	\$ 1,430,791.27	\$ 1,484,740.86
Accounts Receivable:			
Other		14,142.50	14,142.50
Inventory	6,768.69	4,726.74	11,495.43
Total Current Assets	<u>60,718.28</u>	<u>1,449,660.51</u>	<u>1,510,378.79</u>
Noncurrent Assets:			
Furniture, Machinery and Equipment	13,215.00	142,492.14	155,707.14
Less Accumulated Depreciation	<u>(10,197.13)</u>	<u>(73,613.96)</u>	<u>(83,811.09)</u>
Total Noncurrent Assets	<u>3,017.87</u>	<u>68,878.18</u>	<u>71,896.05</u>
Total Assets	<u>63,736.15</u>	<u>1,518,538.69</u>	<u>1,582,274.84</u>
LIABILITIES :			
Current Liabilities:			
Accounts Payable		15,192.52	15,192.52
Total Liabilities	<u>-</u>	<u>15,192.52</u>	<u>15,192.52</u>
NET ASSETS:			
Invested in Capital Assets Net of Related Debt	3,017.87	68,878.18	71,896.05
Unrestricted	<u>60,718.28</u>	<u>1,434,467.99</u>	<u>1,495,186.27</u>
Total Net Assets	<u>\$ 63,736.15</u>	<u>\$ 1,503,346.17</u>	<u>\$ 1,567,082.32</u>

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ending June 30, 2011

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Enterprise Funds	Total
OPERATING REVENUES:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 17,453.50		\$ 17,453.50
Daily Sales - Non-Reimbursable Programs	278,936.15		278,936.15
County Budget Appropriation	75,000.00	\$ 987,663.00	1,062,663.00
Other Revenue		546,956.95	546,956.95
	<u>371,389.65</u>	<u>1,534,619.95</u>	<u>1,906,009.60</u>
OPERATING EXPENSES:			
Cost of Goods Sold	230,767.25	63,967.41	294,734.66
Salaries	175,673.05	465,694.03	641,367.08
Employee Benefits	43,696.54	91,043.55	134,740.09
Purchased Technical Services		23,257.00	23,257.00
Other Purchased Services		390.44	390.44
Insurance		48,231.00	48,231.00
Operations and Maintenance	1,494.00	62,968.28	64,462.28
Postage Expense		562.99	562.99
General Supplies	1,467.47	26,725.00	28,192.47
Utilities		438,362.42	438,362.42
Miscellaneous	1,317.46	1,853.00	3,170.46
Depreciation	2,287.50	13,297.63	15,585.13
	<u>456,703.27</u>	<u>1,236,352.75</u>	<u>1,693,056.02</u>
Total Operating Expenses			
Operating Income (Loss)	<u>(85,313.62)</u>	<u>298,267.20</u>	<u>212,953.58</u>
NONOPERATING REVENUES (EXPENSES):			
State Sources:			
State School Lunch Program	2,599.22		2,599.22
Federal Sources:			
National School Lunch Program	68,539.89		68,539.89
National School Breakfast Program	11,090.80		11,090.80
Food Distribution Program	12,355.68		12,355.68
Cancellation of Prior Year Receivables	(111.05)	(9,512.32)	(9,623.37)
Prior Year Accounts Payables Cancelled		117.00	117.00
	<u>94,474.54</u>	<u>(9,395.32)</u>	<u>85,079.22</u>
Total Non Operating Revenues (Expenses)			
Income (Loss) before Contributions and Transfers	9,160.92	288,871.88	298,032.80
Transfers (To) / From Other Funds		(129,350.07)	(129,350.07)
Change in Net Assets	9,160.92	159,521.81	168,682.73
Total Net Assets -- July 1	<u>54,575.23</u>	<u>1,343,824.36</u>	<u>1,398,399.59</u>
Total Net Assets -- June 30	<u>\$ 63,736.15</u>	<u>\$ 1,503,346.17</u>	<u>\$ 1,567,082.32</u>

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ending June 30, 2011

	Business-Type Activities - Enterprise Fund		
	<u>Food Service</u>	<u>Other Enterprise Funds</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	\$ 301,413.56	\$ 547,487.31	\$ 848,900.87
County Budget Appropriation	75,000.00	987,663.00	1,062,663.00
Payments to Employees	(175,673.05)	(372,126.93)	(547,799.98)
Payments for Employee Benefits	(43,696.54)	(54,124.45)	(97,820.99)
Payments to Suppliers	<u>(240,090.34)</u>	<u>(802,825.08)</u>	<u>(1,042,915.42)</u>
Net Cash Provided by (used for) Operating Activities	<u>(83,046.37)</u>	<u>306,073.85</u>	<u>223,027.48</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
State Sources	2,488.17		2,488.17
Federal Sources	<u>91,986.37</u>		<u>91,986.37</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>94,474.54</u>	<u>(129,350.07)</u>	<u>(34,875.53)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	11,428.17	159,725.78	171,153.95
Balances -- July 1	<u>42,521.42</u>	<u>1,271,065.49</u>	<u>1,313,586.91</u>
Balances -- June 30	<u>\$ 53,949.59</u>	<u>\$ 1,430,791.27</u>	<u>\$ 1,484,740.86</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (85,313.62)	\$ 298,267.20	\$ 212,953.58
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	2,287.50	13,297.63	15,585.13
(Increase) Decrease in Accounts Receivable, net	5,023.91	530.36	5,554.27
(Increase) Decrease in Other Current Assets	(4,983.16)	(1,436.14)	(6,419.30)
Increase (Decrease) in Accounts Payable	<u>(61.00)</u>	<u>(4,585.20)</u>	<u>(4,646.20)</u>
Total Adjustments	<u>2,267.25</u>	<u>7,806.65</u>	<u>10,073.90</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (83,046.37)</u>	<u>\$ 306,073.85</u>	<u>\$ 223,027.48</u>

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Statement of Fiduciary Net Assets
 Fiduciary Funds
 June 30, 2011

	Trust Funds	Agency Funds	
	Unemployment Compensation <u>Trust</u>	Student Activity	<u>Payroll</u>
ASSETS:			
Cash and Cash Equivalents	\$ 38,320.47	\$ 234,820.22	\$ 19,420.39
Interfund Accounts Receivable: Due General Fund		31.28	
Total Assets	38,320.47	\$ 234,851.50	\$ 19,420.39
LIABILITIES:			
Interfund Accounts Payable: Due General Fund			\$ 6,214.66
Payable to Student Groups		\$ 234,851.50	-
Payroll Deductions and Withholdings			13,205.73
Total Liabilities	-	\$ 234,851.50	\$ 19,420.39
NET ASSETS:			
Held in Trust for Unemployment Claims and Other Purposes	\$ 38,320.47		

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ending June 30, 2011

	<u>Unemployment Compensation Trust</u>
ADDITIONS:	
Contributions:	
Plan member	\$ <u>29,132.83</u>
Total Contributions	<u>29,132.83</u>
Investment earnings:	
Interest	<u>52.22</u>
Net Investment Earnings	<u>52.22</u>
Total Additions	<u>29,185.05</u>
DEDUCTIONS:	
Unemployment Claims	<u>26,752.30</u>
Total Deductions	<u>26,752.30</u>
Change in Net Assets	2,432.75
Net Assets -- July 1	<u>35,887.72</u>
Net Assets -- June 30	<u>\$ <u>38,320.47</u></u>

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

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

Notes to Financial Statements
For the Fiscal Year Ended June 30, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity - The Gloucester County Vocational Technical School District (hereafter referred to as the "School District") is a Type I district located in the County of Gloucester, State of New Jersey. As a Type I district, the School District functions independently through a Board of Education. The Board is comprised of seven members; six members are appointed to four-year terms by the County Board of Freeholders, and the seventh member is the County Superintendent of Schools. The purpose of the School District is to educate students in a job skill in addition to giving them the academic training necessary to receive a high school diploma. The School District has an approximate enrollment at June 30, 2011 of 1,215 Secondary students and 72 Post-Secondary students.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units - GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The following organization is considered a component unit; however, the School District has determined that it is not significant and, therefore, has not been included in the basic financial statements:

GCIT Foundation
1360 Tanyard Road
Sewell, New Jersey 08080

Requests for financial information should be addressed to the organization listed above.

Basis of Presentation - The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities, and to its proprietary funds, provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described in this note.

The School District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Basis of Presentation (Cont'd)**

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary fund. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net assets presents the financial condition of the governmental and business-type activities of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

General Fund - The general fund is the general operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, as they pertain to governmental entities, state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Governmental Funds (Cont'd)**

General Fund (Cont'd) - In addition to the capital outlay sub-fund, the School District is accountable for an additional sub-fund, the Education Jobs Fund ("Ed Jobs"), resulting from federal legislation signed into law on August 10, 2010. The Ed Jobs program was created to provide funding assistance to states in order to save or create education jobs for the 2010-2011 school year, through September 30, 2012. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education. Ed Jobs revenues and expenditures are recorded in the general fund (fund 18) on a reimbursement basis. As such, revenue is not included in the fiscal year surplus, and no portion of general fund balance at June 30, 2011 is considered to be attributable to Ed Jobs. Ed Jobs expenditures at June 30, 2011 are included as a component of overall general fund expenditures, and also are included in total general fund expenditures for purposes of the excess surplus calculation.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Proprietary Funds - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those found in the private sector.

Enterprise Funds - The enterprise funds are used to account for operations

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

The School District's enterprise funds are:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Aquatics & Fitness - This fund accounts for financial activity related to the Floyd D. McLean Fitness and the GCIT Aquatics Center utilized by many different individuals and organizations.

Automotive - This fund accounts for financial activity related to student "Live Work" being provided to various outside customers for work performed on automotive vehicles and other recreational-type modes of transportation.

Channel 5 - This fund accounts for the financial activity related to the operations of the Channel 5 Television Studio for the School District.

Cosmetology Clinic - This fund accounts for the financial transactions related to the operations of the Hair Salon in providing services such as haircuts, perms, highlighting, etc.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Proprietary Funds (Cont'd)**

Docutech - This fund accounts for the financial transactions related to the operations of the various print work services provided for a fee to customers of the shop such as printing of paper documents including color prints.

Evening School - This fund accounts for the financial transactions related to the evening school educational opportunities provided by the School District for the community.

Culinary Arts – This fund accounts for the financial transactions related to the operations of the restaurant at the Gloucester County Vocational Technical School.

Printing and Duplication - This fund accounts for the financial transactions related to the operations of the various print work services provided for a fee to customers of the shop such as the design and production of silk screened tee-shirts and sweatshirts for organizations in the community.

Teaching American History Woodbury – This fund accounts for the financial transactions related to services provided to Woodbury School District for history teacher salaries.

Cisco – This fund accounts for the financial activity related to providing computer repair and Cisco Network training to local schools that participate in the Cisco Networking Academy.

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

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

Equipment	5-20 Years
Light Trucks and Vehicles	5 Years
Heavy Trucks and Vehicles	10 Years

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Pension trust funds are used to account for resources held in trust for employees and their beneficiaries based on defined benefit pension agreements, defined contribution agreements, other postemployment benefit agreements, and other employee benefit arrangements. Investment trust funds are used to report the external portion of an investment pool as defined in GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Private-purpose trust funds are used to account for the principal and income for all other trust arrangements that benefit individuals, private organizations, or other governments. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The School District has three fiduciary funds; an unemployment compensation trust fund, a student activity fund, and payroll fund.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus**

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, includes a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues -- Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (property) taxes are susceptible to accrual. As under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of the restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal yearend: tuition, grants, fees, and rentals.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Basis of Accounting (Cont'd)**

Expenses / Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as deferred revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgets / Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal 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 the one or more June state aid payments for budgetary purposes only and the special revenue fund. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The budget, as detailed on Exhibit C-1 and Exhibit C-2 includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting, as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule, to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances - governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year end as expenditures in the general fund since the general fund budget follows modified accrual basis, with the exception of the revenue recognition policy for the one or more June state aid payments.

Encumbrances - Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2011 and 2010 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

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

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

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2011.

In the governmental fund types, however, payments for prepaid items are fully recognized as expenditures in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Deferred Expenditures - Deferred expenditures are disbursements that are made in one period, but are more accurately reflected as an expenditure / expense in the next fiscal period. Unlike prepaid expenses, deferred expenditures are not regularly recurring costs of operations.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Short-Term Interfund Receivables / Payables - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as interfunds receivable and / or interfunds payable.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and the proprietary fund statement of net assets.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets, except land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	10-20 Years	N/A
Buildings and Improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	5-20 Years
Vehicles	5-10 Years	5-10 Years

Compensated Absences - Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

Deferred Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance - The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position, approved by the Board of Education.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance (Cont'd)**

Unassigned - The unassigned fund balance classification is the residual classification for the general fund. This classification 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. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these enterprise funds and revenues are described on Exhibit G-2. Non-operating revenues principally consist of State and Federal Aid and interest income earned on various interest-bearing accounts.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. Non-operating expenses principally include expenses attributable to school district's enterprise funds.

Interfund Activity - Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources / uses in governmental funds and after non-operating revenues / expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

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

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule below.

Note 2: CASH AND CASH EQUIVALENTS (CONT'D)

As of June 30, 2011, the School District's bank balances of \$2,688,674.59 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 388,141.75
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Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$10,000.00 on September 27, 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2010 to June 30, 2011 fiscal year is as follows:

Beginning Balance July 1, 2010	\$ 11,505.00
Increased by:	
Interest Earnings	5.00
Ending Balance June 30, 2011	\$ 11,510.00

The June 30, 2011 LRFP balance of local support costs of uncompleted projects at June 30, 2011 is \$11,510.00. There have been no withdrawals from the capital reserve account.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2011 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds.

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

Note 4: ACCOUNTS RECEIVABLE (CONT'D)

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Proprietary Funds</u>	<u>Total</u>
Intergovernmental	\$ 18,213.34	\$ 187,981.26		\$ 206,194.60
Other	<u>548,624.47</u>	<u> </u>	<u>\$ 14,142.50</u>	<u>562,766.97</u>
Total	<u>\$ 566,837.81</u>	<u>\$ 187,981.26</u>	<u>\$ 14,142.50</u>	<u>\$ 768,961.57</u>

Note 5: INVENTORY

Inventory in the food service fund at June 30, 2011 consisted of the following:

Food	\$ 10,166.83
Supplies	<u>1,328.60</u>
	<u>\$ 11,495.43</u>

Note 6: CAPITAL ASSETS

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

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2011</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Construction in Progress	\$ 21,840,738.89	\$ 1,434,686.08	\$ (23,275,424.97)	
Total Capital Assets not being Depreciated	<u>21,840,738.89</u>	<u>1,434,686.08</u>	<u>(23,275,424.97)</u>	<u>-</u>
Capital Assets, being Depreciated:				
Land Improvements	5,143.00			\$ 5,143.00
Building and Improvements	56,103,506.14	23,478,737.97		79,582,244.11
Equipment	3,136,209.29	462,443.50		3,598,652.79
Total Capital Assets, being Depreciated	<u>59,244,858.43</u>	<u>23,941,181.47</u>		<u>83,186,039.90</u>
Less Accumulated Depreciation for:				
Land Improvements	(5,143.00)			(5,143.00)
Building and Improvements	(31,564,140.54)	(1,612,187.56)		(33,176,328.10)
Equipment	(2,332,171.37)	(164,694.30)		(2,496,865.67)
Total Accumulated Depreciation	<u>(33,901,454.91)</u>	<u>(1,776,881.86)*</u>	<u>-</u>	<u>(35,678,336.77)</u>
Total Capital Assets, being Depreciated, Net	<u>25,343,403.52</u>	<u>22,164,299.61</u>		<u>47,507,703.13</u>
Governmental Activities Capital Assets, Net	<u>\$ 47,184,142.41</u>	<u>\$ 23,598,985.69</u>	<u>\$ (23,275,424.97)</u>	<u>\$ 47,507,703.13</u>
Business-Type Activities:				
Total Capital Assets, being Depreciated:				
Equipment	\$ 138,709.14	\$ 16,998.00		\$ 155,707.14
Less Accumulated Depreciation	(68,225.93)	(15,585.16)		(83,811.09)
Total Business-Type Activities Capital Assets, Net	<u>\$ 70,483.21</u>	<u>\$ 1,412.84</u>	<u>-</u>	<u>\$ 71,896.05</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction - Regular	\$ 261,201.63
Instruction - Vocational	1,284,685.58
ducational Media Services / School Library	17,768.82
General Administration	30,206.99
School Administration	72,852.16
Operation and Maintenance of Plant Services	<u>110,166.68</u>
Total Depreciation Expense	<u>\$ 1,776,881.86</u>

Note 7: LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2011, the following changes occurred in long-term obligations:

	<u>Principal Outstanding July 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2011</u>	<u>Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 814,154.91	\$ 37,265.84	_____	\$ 851,420.75	\$ 13,994.50
Governmental Activity Long-term Liabilities	<u>\$ 814,154.91</u>	<u>\$ 37,265.84</u>	<u>\$ -</u>	<u>\$ 851,420.75</u>	<u>\$ 13,994.50</u>

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

Note 8: OPERATING LEASES

At June 30, 2011, the School District had operating lease agreements in effect for vehicles and copy machines. The future minimum rental payments under the operating lease agreements are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2012	\$ 37,042.44
2013	37,042.44
2014	37,042.44
2015	9,260.61
	<u>\$ 120,387.93</u>

Rental payments under operating leases for the fiscal year ended June 30, 2011 were \$53,972.49.

Note 9: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This too is administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Note 9: PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund (TPAF) is a cost-sharing contributory defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the district has been required over several preceding fiscal years.

Public Employees' Retirement System - The Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Non-Contributory Group Term Life</u>	<u>Total Liability</u>	<u>Funded by Excess Pension Asset Credit</u>	<u>Paid by School District</u>
2011	\$103,398.00	\$ 164,758.00	\$ 20,366.00	\$288,522.00	-	\$ 288,522.00
2010	83,867.00	107,759.00	26,574.00	218,200.00	-	218,200.00
2009	75,954.00	87,850.00	20,361.00	184,165.00	\$ 15,617.00	168,548.00

Note 10: POST-RETIREMENT BENEFITS

P.L. 1987, c.384 of P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2010, there were 87,288 retirees eligible for postemployment medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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 retire from a board of education or county college 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 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2011, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement costs were \$395,815.00 and \$18,635.00, respectively.

Note 12: RISK MANAGEMENT

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

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

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State.

The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two fiscal years:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>School</u> <u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2011		\$ 29,132.83	\$ 26,752.30	\$ 38,320.47
2010		28,172.14	61,235.59	35,887.72
2009	\$ 3,107.67	25,461.38	30,622.80	68,821.49

Note 12: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool - The School District is a member of the New Jersey School Boards Association Insurance Group. The Fund provides the School District with the following coverage:

Property (Including Crime and Auto Physical Damage)
 General Liability
 Automobile Liability
 Workers' Compensation
 School Board Legal Liability
 Supplemental Disability

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

The Fund publishes its own financial report for the fiscal year ended June 30, 2011, which can be obtained from:

New Jersey School Boards Association
 Insurance Group
 450 Veterans Drive
 Burlington, New Jersey 08016

Note 13: DEFERRED COMPENSATION

The School District offers its employees a choice of four deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

Advanced Asset Planning Service
 Lincoln Investment Planning Resources Trust
 Advantage Capital
 The Equitable

Note 14: COMPENSATED ABSENCES

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

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days which may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

Note 14: COMPENSATED ABSENCES (CONT'D)

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2011, the liability for compensated absences in the governmental activities is \$851,420.75.

Note 15: INTERFUND BALANCES AND TRANSFERS

The following interfund balances were recorded on the various balance sheets as June 30, 2011:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 6,214.66	\$ 31.28
Fiduciary		
Payroll		6,214.66
HOSA	31.28	
	<u>\$ 6,245.94</u>	<u>\$ 6,245.94</u>

Interfund balances noted above have been created because interest earnings have been accumulated, but not transferred. In addition, the Payroll Agency Fund holds \$5,000.00 which is considered to be an interfund advance from the General Fund

Note 16: DEFICIT FUND BALANCES

The School District has a deficit fund balance of \$55,805.19 in the general as of June 30, 2011 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$55,805.19 is less than the June state aid payments.

Note 17: FUND BALANCES**RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund -

For Capital Reserve Account - As of June 30, 2011, the balance in the capital reserve account is \$11,510.00. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Maintenance Reserve Account - As of June 30, 2011, the balance in the maintenance reserve account is \$100,000.00. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

ASSIGNED

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund -

For Subsequent Year's Expenditures - The School District has appropriated and included as anticipated revenue for the fiscal year ending June 30, 2012 \$813,331.00 of general fund balance at June 30, 2011.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund - As of June 30, 2011, \$(55,805.19) of general fund balance was unassigned.

Note 18: LITIGATION

The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ending June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
County Budget Appropriation	\$ 6,937,337.00		\$ 6,937,337.00	\$ 6,937,337.00	
Tuition	2,527,000.00	\$ 16,500.00	2,543,500.00	2,557,307.36	\$ 13,807.36
Non-Resident Fees	209,600.00		209,600.00	229,250.00	19,650.00
Interest Earned on Capital Reserve Funds	5.00	(5.00)			
Unrestricted Miscellaneous Revenue	44,349.00	(6,927.49)	37,421.51	264,888.83	227,467.32
Total - Local Sources	9,718,291.00	9,567.51	9,727,858.51	9,988,783.19	260,924.68
State Sources:					
Categorical Special Education Aid		593,323.00	593,323.00	593,323.00	
Equalization Aid	6,890,046.00	(593,323.00)	6,296,723.00	6,296,723.00	
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)					
Teacher's Pension and Annuity Fund		-		395,815.00	395,815.00
Teacher's Pension and Annuity Fund - Post Retirement Costs		-		18,635.00	18,635.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)		-		520,294.72	520,294.72
Total - State Sources	6,890,046.00		6,890,046.00	7,824,790.72	934,744.72
Federal Sources:					
Medicaid Reimbursement	8,914.00	-	8,914.00	4,223.65	(4,690.35)
Education Jobs Fund - ARRA EJF		30,500.96	30,500.96	30,500.96	
Total - Federal Sources	8,914.00	30,500.96	39,414.96	34,724.61	(4,690.35)
Total Revenues	16,617,251.00	40,068.47	16,657,319.47	17,848,298.52	1,190,979.05
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers	2,672,695.00	(44,589.50)	2,628,105.50	2,605,859.55	22,245.95
Other Salaries for Instruction	-	22,334.93	22,334.93	21,607.30	727.63
Purchased Professional/Educational Services	52,251.00	(42,919.00)	9,332.00	7,217.59	2,114.41
Purchased Technical Services	-	44,929.00	44,929.00	40,378.45	4,550.55
Other Purchased Services	15,105.00	18,850.00	33,955.00	29,415.51	4,539.49
General Supplies	386,300.00	(119,100.10)	267,199.90	235,368.76	31,831.14
Textbooks	134,980.00	(7,148.64)	127,831.36	121,827.10	6,004.26
Other Objects	6,160.00	-	6,160.00	68.00	6,092.00
Total Regular Programs - Instruction	3,267,491.00	(127,643.31)	3,139,847.69	3,061,742.26	78,105.43
Regular Programs - Home Instruction					
Salaries of Teachers	4,000.00	15,000.00	19,000.00	17,802.00	1,198.00
Purchased Professional/Educational Services	3,000.00	25.00	3,025.00	2,874.40	150.60
General Supplies	200.00	-	200.00	-	200.00
Total Home Instruction	7,200.00	15,025.00	22,225.00	20,676.40	1,548.60
Special Education Instruction - Resource Room/Resource Center:					
Salaries of Teachers	512,004.00	(12,312.00)	499,692.00	499,226.50	465.50
Other Salaries for Instruction	36,496.00	1,172.94	37,668.94	35,389.24	2,279.70
Purchased Technical Services		3,600.00	3,600.00	3,600.00	
General Supplies	1,000.00	300.00	1,300.00	1,030.68	269.32
Other Objects	200.00	-	200.00	-	200.00
Total Special Education - Instruction	549,700.00	(7,239.06)	542,460.94	539,246.42	3,214.52
Special Education Instruction - Home Instruction:					
Salaries of Teachers	3,500.00	-	3,500.00	-	3,500.00
Purchased Professional/Educational Services	6,000.00	-	6,000.00	4,734.48	1,265.52
General Supplies	200.00	-	200.00	-	200.00
Total Special Education - Instruction	9,700.00	-	9,700.00	4,734.48	4,965.52
Regular Vocational Programs - Instruction:					
Salaries of Teachers	2,429,576.00	9,244.50	2,438,820.50	2,415,674.29	23,146.21
Other Salaries for Instruction	120,205.00	161,813.41	282,018.41	273,833.63	8,184.78
Purchased Professional-Educational Services	45,332.00	(18,925.50)	26,406.50	16,076.00	10,330.50
Purchased Technical Services	60,750.00	(25,756.00)	34,994.00	30,205.66	4,788.34
Other Purchased Services	1,500.00	350.00	1,850.00	812.01	1,037.99
General Supplies	216,587.00	151,326.08	367,913.08	339,851.77	28,061.31
Textbooks	12,250.00	4,936.00	17,186.00	8,632.14	8,553.86
Other Objects	10,430.00	159.20	10,589.20	3,281.50	7,307.70
Total - Regular Vocational Programs - Instruction	2,896,630.00	283,147.69	3,179,777.69	3,088,367.00	91,410.69
Special Vocational Programs - Special:					
Salaries of Teachers	83,333.00	(83,333.00)			
Other Salaries for Instruction	40,684.00	(40,684.00)			
Other Purchased Services	21,300.00	(21,300.00)			
General Supplies	7,000.00	(7,000.00)			
Other Objects	200.00	(200.00)			
Total - Special Vocational Programs Cost - Instruction	152,517.00	(152,517.00)			

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ending June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Total Vocational Programs	\$ 3,049,147.00	\$ 130,630.69	\$ 3,179,777.69	\$ 3,088,367.00	\$ 91,410.69
School Sponsored Cocurricular Activities - Instruction:					
Salaries	22,000.00	10,685.00	32,685.00	32,685.00	
Purchased Services	30,000.00	(30,000.00)	-		
Supplies and Materials	500.00	104.99	604.99	109.59	495.40
Other Objects	2,000.00	76,830.00	78,830.00	78,827.10	2.90
Total School Sponsored Cocurricular Activities - Instruction	54,500.00	57,619.99	112,119.99	111,621.69	498.30
School Sponsored Athletics - Instruction					
Salaries	160,850.00	130,954.90	291,804.90	286,347.92	5,456.98
Purchased Services	137,734.00	(94,300.00)	43,434.00	37,009.65	6,424.35
Supplies and Materials	15,200.00	15,068.10	30,268.10	30,268.10	
Other Objects	32,872.00	(5,825.00)	27,047.00	17,308.00	9,739.00
Total Other Instructional Programs - Instruction	346,656.00	45,898.00	392,554.00	370,933.67	21,620.33
Undistributed Expenditures - Attendance & Social Work					
Salaries	17,500.00	1,432.50	18,932.50	18,833.75	98.75
Undistributed Expenditures - Health Services:					
Salaries	117,487.00	45,822.54	163,309.54	162,248.72	1,060.82
Purchased Professional and Technical Services	3,000.00	64,525.00	67,525.00	52,774.00	14,751.00
Other Purchased Services	720.00	76.04	796.04	755.04	41.00
Supplies and Materials	3,760.00	779.92	4,539.92	4,423.87	116.05
Other Objects	200.00	(139.58)	60.42	-	60.42
Total Undistributed Expenditures - Health Services	125,167.00	111,063.92	236,230.92	220,201.63	16,029.29
Undistributed Expenditures - Speech, OT, PT & Related Services - Students - Related Service:					
Other Salaries for Instruction		16,926.54	16,926.54	16,861.54	
Purchased Professional - Educational Services	18,000.00	(7,750.00)	10,250.00	1,914.50	8,335.50
Total Undistributed Expenditures - Speech, OT, PT & Related Services - Students - Related Services	18,000.00	9,176.54	27,176.54	18,776.04	8,335.50
Undistributed Expenditures - Other Support Services - Students - Extra Service					
Salaries	1,000.00	-	1,000.00		1,000.00
Undistributed Expenditures - Other Support Services - Students - Regular:					
Salaries of Other Professional Staff	408,820.00	128,648.00	537,468.00	535,778.00	1,690.00
Salaries of Secretarial and Clerical Assistants	221,636.00	(38,513.05)	183,122.95	179,008.33	4,114.62
Other Salaries	82,290.00	(14,400.00)	67,890.00	57,289.92	10,600.08
Purchased Professional - Educational Services	171,680.00	(97,400.00)	74,280.00	21,088.04	53,191.96
Other Purchase Prof. & Tech. Services	10,000.00	5,000.00	15,000.00	14,334.00	666.00
Other Purchased Services	46,725.00	(4,226.95)	42,498.05	23,340.73	19,157.32
Supplies and Materials	14,850.00	(350.00)	14,500.00	5,639.05	8,860.95
Other Objects	2,800.00	162.09	2,962.09	2,018.01	944.08
Total Undistributed Expenditures - Other Support Services - Students - Regular	958,801.00	(21,079.91)	937,721.09	838,496.08	99,225.01
Undistributed Expenditures - Other Support Services - Students - Special:					
Salaries of Other Professional Staff	282,434.00	72,558.00	354,992.00	352,137.34	2,854.66
Salaries of Secretarial and Clerical Assistants	58,297.00	-	58,297.00	57,297.12	999.88
Purchased Professional - Educational Services	43,920.00	(13,920.00)	30,000.00	29,570.00	430.00
Other Purchased Professional and Technical Services	5,600.00	500.00	6,100.00	-	6,100.00
Other Purchased Services	2,600.00	-	2,600.00	261.91	2,338.09
Supplies and Materials	2,800.00	-	2,800.00	2,404.74	395.26
Other Objects	800.00	-	800.00	-	800.00
Total Undistributed Expenditures - Other Support Services - Students - Special	396,451.00	59,138.00	455,589.00	441,671.11	13,917.89
Improvement of Instruction Services/Other Support Services - Instructional Staff:					
Salaries of Secretarial and Clerical Assistants	3,000.00	-	3,000.00		3,000.00
Other Salaries	4,500.00	(300.00)	4,200.00	3,925.00	275.00
Purchased Professional - Educational Services	114,275.00	2,642.00	116,917.00	38,389.86	78,527.14
Other Purchased Services	3,000.00	(2,000.00)	1,000.00	-	1,000.00
Supplies & Materials	3,000.00	-	3,000.00	1,481.01	1,518.99
Total Undistributed Expenditures - Improvement of Instruction Services	127,775.00	342.00	128,117.00	43,795.87	84,321.13

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ending June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Educational Media Services / School Library:					
Salaries	\$ 58,912.00	\$ 150.00	\$ 59,062.00	\$ 56,062.00	\$ 3,000.00
Salaries of Technology Coordinators	176,716.00	(59,827.00)	116,889.00	110,550.83	6,338.17
Purchased Professional - Technical Services	73,209.00	15,948.00	89,157.00	29,947.10	59,209.90
Other Purchased Services	1,450.00	-	1,450.00	980.63	469.37
Supplies and Materials	18,000.00	35,577.00	53,577.00	53,336.34	240.66
Total Undistributed Expenditures - Educational Media Services / School Library	328,287.00	(8,152.00)	320,135.00	250,876.90	69,258.10
Undistributed Expenditures - Instructional Staff Training Services:					
Other Purchased Services	19,500.00	(2,625.00)	16,875.00	2,550.77	14,324.23
Undistributed Expenditures - Support Services - General Administration					
Legal Services	15,000.00	2,010.03	17,010.03	17,010.03	
Audit Fees	50,500.00	-	50,500.00	50,500.00	
Other Purchased Professional Services	10,000.00	(6,500.00)	3,500.00	3,192.50	307.50
Purchased Technical Services	85,000.00	10,000.00	95,000.00	28,500.00	66,500.00
Communications / Telephone	118,000.00	(4,910.03)	113,089.97	87,384.75	25,705.22
BOE Other Purchased Services	4,000.00	-	4,000.00	-	4,000.00
Other Purchased Services	27,050.00	(2,990.00)	24,060.00	19,636.04	4,423.96
Supplies and Materials	5,000.00	(3,600.00)	1,400.00	973.92	426.08
BOE In-House Training/Meeting Supplies	5,000.00	(2,500.00)	2,500.00	2,200.00	300.00
Miscellaneous Expenditures	10,000.00	850.00	10,850.00	10,801.00	49.00
BOE Membership Dues and Fees	7,500.00	(510.00)	6,990.00	6,433.40	556.60
Total Undistributed Expenditures - Support Services - General Administration	337,050.00	(8,150.00)	328,900.00	226,631.64	102,268.36
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	401,841.00	(11,537.00)	390,304.00	386,058.24	4,245.76
Salaries of Secretarial and Clerical Assistants	134,791.00	4,813.58	139,604.58	139,582.63	21.95
Other Purchased Services	19,835.00	1,000.00	20,835.00	16,363.18	4,471.82
Supplies and Materials	5,000.00	-	5,000.00	2,070.55	2,929.45
Other Objects	21,850.00	8,000.00	29,850.00	22,426.64	7,423.36
Total Undistributed Expenditures - Support Services - School Administration	583,317.00	2,276.58	585,593.58	566,501.24	19,092.34
Undistributed Expenditures - Central Services					
Salaries	231,716.00	(29,000.58)	202,715.42	201,180.08	1,535.34
Purchased Professional Services	10,000.00	(4,380.00)	5,620.00	4,510.00	1,110.00
Purchased Technical Services	103,012.00	(69,332.00)	33,680.00	33,372.43	307.57
Miscellaneous Purchased Services	9,300.00	4,200.00	13,500.00	12,221.40	1,278.60
Supplies and Materials	12,000.00	1,200.00	13,200.00	12,470.03	729.97
Miscellaneous Expenditures	2,000.00	(900.00)	1,100.00	121.00	979.00
Total Undistributed Expenditures - Central Services	368,028.00	(98,212.58)	269,815.42	263,874.94	5,940.48
Undistributed Expenditures - Administration Information Technology					
Salaries	5,000.00	721.00	5,721.00	5,588.50	132.50
Purchased Technical Services	20,930.00	5,649.00	26,579.00	21,863.69	4,715.31
Other Purchased Services	3,000.00	995.00	3,995.00	2,346.14	1,648.86
Supplies & Materials	30,550.00	(12,995.00)	17,555.00	16,916.30	638.70
Total Undistributed Expenditures - Administration Information Technology	59,480.00	(5,630.00)	53,850.00	46,714.63	7,135.37
Undistributed Expenditures - Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	172,500.00	138,539.44	311,039.44	287,973.14	23,066.30
General Supplies	20,700.00	(4,300.00)	16,400.00	2,773.28	13,626.72
Other Objects	1,000.00	500.00	1,500.00	-	1,500.00
Total Undistributed Expenditures - Required Maintenance for School Facilities	194,200.00	134,739.44	328,939.44	290,746.42	38,193.02
Undistributed Expenditures - Other Operation and Maintenance of Plant Services:					
Salaries	1,036,484.00	(36,271.47)	1,000,212.53	976,277.67	23,934.86
Purchased Professional and Technical Services	286,250.00	(194,102.00)	92,148.00	70,579.94	21,568.06
Cleaning, Repair and Maintenance Services	125,392.00	(32,000.00)	93,392.00	73,481.09	19,910.91
Rental of Land and Buildings Other than Lease Purchase Agreements	4,620.00	1,020.00	5,640.00	2,801.00	2,839.00
Other Purchased Property Services	16,000.00	-	16,000.00	13,950.92	2,049.08
Insurance	105,000.00	6,600.00	111,600.00	111,557.85	42.15
Miscellaneous Purchases	2,300.00	-	2,300.00	1,893.82	406.18
General Supplies	200,000.00	(24,409.56)	175,590.44	175,590.44	
Energy (Natural Gas)	200,000.00	(23,970.44)	176,029.56	175,474.90	554.66
Energy (Electricity)	600,000.00	48,271.00	648,271.00	640,969.61	7,301.39
Energy (Oil)	2,300.00	-	2,300.00	-	2,300.00

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ending June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Other Operation and Maintenance of Plant Services (Cont'd):					
Energy (Gasoline)	\$ 15,000.00	\$ 12,287.56	\$ 27,287.56	\$ 27,287.56	
Other Objects	15,289.00	(8,275.25)	7,013.75	5,478.95	1,534.80
Total Undistributed Expenditures - Other Operation and Maintenance of Plant Services	2,608,635.00	(250,850.16)	2,357,784.84	2,275,343.75	82,441.09
Total Operation and Maintenance of Plant Services	2,802,835.00	(116,110.72)	2,686,724.28	2,566,090.17	120,634.11
Undistributed Expenditures - Care and Upkeep of Grounds:					
Salaries	61,666.00	(5,465.95)	56,200.05	53,766.47	2,433.58
Purchased Professional and Technical Services	11,500.00	-	11,500.00	7.96	11,492.04
Cleaning, Repair, and Maintenance Services	9,200.00	-	9,200.00	2,561.87	6,638.13
General Supplies	20,700.00	(7,984.58)	12,715.42	12,715.42	
Other Objects	2,500.00	2,500.00	2,500.00	2,464.50	35.50
Total Undistributed Expenditures - Care and Upkeep of Grounds	103,066.00	(10,950.53)	92,115.47	71,516.22	20,599.25
Undistributed Expenditures - Security:					
Salaries	194,302.00	(19,002.93)	175,299.07	173,375.07	1,924.00
Purchased Professional and Technical Services	180,000.00	12,992.15	192,992.15	142,750.86	50,241.29
Cleaning, Repair, and Maintenance Services	11,500.00	620.80	12,120.80	12,120.80	
General Supplies	15,000.00	10,644.00	25,644.00	25,227.71	416.29
Other Objects	2,000.00	-	2,000.00	20.00	1,980.00
Total Undistributed Expenditures - Security	402,802.00	5,254.02	408,056.02	353,494.44	54,561.58
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transportation (Other than Between Home and School)	17,000.00	10,500.00	27,500.00	25,570.00	1,930.00
Other Prof/Tech Services	-	500.00	500.00	145.00	355.00
Cleaning, Repair and Maintenance Services	15,000.00	(8,000.00)	7,000.00	2,903.41	4,096.59
Lease Purchase Payments - School Buses	15,370.00	50.00	15,420.00	15,416.46	3.54
Contracted Services - (Not Home/School) - Vendors	56,000.00	(28,424.00)	27,576.00	24,749.15	2,826.85
Misc. Purchased Services - Transportation	1,000.00	-	1,000.00	255.00	745.00
Transportation Supplies	10,000.00	9,000.00	19,000.00	18,943.57	56.43
Other Objects	1,000.00	-	1,000.00	310.50	689.50
Total Undistributed Expenditures - Student Transportation Services	115,370.00	(16,374.00)	98,996.00	88,293.09	10,702.91
Business and Other Support Services - Employee Benefits					
Social Security Contributions	250,941.00	(3,700.00)	247,241.00	243,869.07	3,371.93
Other Retirement Contributions - Regular	253,824.00	159.00	253,983.00	253,983.00	
Unemployment Compensation	37,322.00	(26,455.13)	10,866.87	540.00	10,326.87
Workers Compensation	137,000.00	-	137,000.00	130,846.00	6,154.00
Health Benefits	2,531,798.00	(29,753.00)	2,502,045.00	2,411,144.96	90,900.04
Tuition Reimbursement	50,000.00	(23,906.00)	26,094.00	20,451.00	5,643.00
Other Employee Benefits	35,000.00	53,700.00	88,700.00	88,595.09	104.91
Total Business and Other Support Services - Employee Benefits	3,295,885.00	(29,955.13)	3,265,929.87	3,149,429.12	116,500.75
Undistributed Expenditures - Food Services					
Transfers to Cover Deficit (Enterprise Fund)	120,100.00	-	120,100.00	-	120,100.00
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)					
Teacher's Pension and Annuity Fund	-	-	-	395,815.00	(395,815.00)
Teacher's Pension and Annuity Fund - Post Retirement Costs	-	-	-	18,635.00	(18,635.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)	-	-	-	520,294.72	(520,294.72)
Total On-Behalf T.P.A.F. Social Security/Pension Contributions	-	-	-	934,744.72	(934,744.72)
Total Undistributed Expenditures	10,180,414.00	(128,556.31)	10,051,857.69	10,102,492.36	(50,634.67)
Total Current Expense	17,464,808.00	(14,265.00)	17,450,543.00	17,299,814.28	150,728.72
Capital Outlay:					
Interest Deposit to Capital Reserve	5.00	(5.00)			
Equipment:					
Regular Program Grades 9-12:					
Instructional Staff		76,975.00	76,975.00	76,939.80	35.20
Vocational Programs:					
Regular Programs	27,874.00	29,415.00	57,289.00	57,285.00	4.00
School-Sponsored and Other Instructional Programs		2,874.00	2,874.00	2,420.49	453.51
Undistributed Expenditures:					
Admin Info Tech		2,730.00	2,730.00	2,730.00	
Required Maintenance for School Facilities		111,475.25	111,475.25	110,845.25	630.00
Other Operations & Maintenance of Plant Services	25,000.00	(10,765.00)	14,235.00	14,235.00	
Care and Upkeep of Grounds		33,270.00	33,270.00	33,270.00	
Security		28,777.00	28,777.00	28,502.00	275.00
Construction Service		330,713.05	330,713.05	330,000.00	713.05
Other Objects	76,928.00	-	76,928.00	76,928.00	
Total Equipment	129,802.00	605,464.30	735,266.30	733,155.54	2,110.76

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ending June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Capital Outlay (Cont'd):					
Total Capital Outlay	\$ 129,807.00	\$ 605,459.30	\$ 735,266.30	\$ 733,155.54	\$ 2,110.76
Special Schools:					
Salaries of Teachers	82,500.00	25,243.00	107,743.00	106,040.50	1,702.50
General Supplies	27,000.00	(15,000.00)	12,000.00	11,693.06	306.94
Other Objects	200.00	-	200.00	-	200.00
Total Post-Secondary Programs - Instruction	109,700.00	10,243.00	119,943.00	117,733.56	2,209.44
Post-Secondary Programs - Support Services:					
Salaries	40,915.00	(30,427.83)	10,487.17	10,487.13	0.04
Personal Services - Employee Benefits	13,688.00	807.00	14,495.00	8,553.49	5,941.51
Purchased Services	3,000.00	(650.00)	2,350.00	1,561.76	788.24
Total Post-Secondary Programs - Support Services	57,603.00	(30,270.83)	27,332.17	20,602.38	6,729.79
Total Post-Secondary Programs	167,303.00	(20,027.83)	147,275.17	138,335.94	8,939.23
Summer School - Instruction:					
Salaries of Teachers	25,500.00	(475.00)	25,025.00	25,017.92	7.08
Other Salaries for Instruction		3,728.96	3,728.96	3,728.96	
Purchased Professional and Technical Services	4,500.00	46.90	4,546.90	4,500.00	46.90
Total Summer School - Instruction	30,000.00	3,300.86	33,300.86	33,246.88	53.98
Summer School - Support Services:					
Salaries of Teachers		2,199.14	2,199.14	2,199.14	
Accredited Evening / Adult High School - Instruction:					
Salaries of Teachers	25,000.00	(9,998.57)	15,001.43	11,628.00	3,373.43
Purchased Professional and Technical Services	10,000.00	(10,000.00)	-	-	
General Supplies		2,845.00	2,845.00	1,394.38	1,450.62
Other Objects		250.00	250.00	169.77	80.23
Total Accredited Evening / Adult High School - Instruction	35,000.00	(16,903.57)	18,096.43	13,192.15	4,904.28
Accredited Evening/Adult H.S./Post-Graduate - Support Services					
Salaries	38,950.00	(18,124.60)	20,825.40	19,545.30	1,280.10
Personal Services - Employee Benefits	12,461.00	(2,080.00)	10,381.00	2,376.96	8,004.04
Supplies and Materials		200.00	200.00	17.51	182.49
Total Accredited Evening/Adult H.S./Post-Graduate - Support Services	51,411.00	(20,004.60)	31,406.40	21,939.77	9,466.63
Total Accredited Evening/Adult H.S./Post-Graduate	86,411.00	(36,908.17)	49,502.83	35,131.92	14,370.91
Total Special Schools	283,714.00	(51,436.00)	232,278.00	208,913.88	23,364.12
Total Expenditures	17,878,329.00	539,758.30	18,418,087.30	18,241,883.70	176,203.60
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,261,078.00)	(499,689.83)	(1,760,767.83)	(393,585.18)	1,367,182.65
Other Financing Sources (Uses):					
Operating Transfers In		-		129,350.07	129,350.07
Special Revenue Fund Adjustment		-		(7,501.50)	(7,501.50)
Prior Year Accounts Receivable Cancelled		-		(89,325.46)	(89,325.46)
Total Other Financing Sources (Uses)	-	-	-	32,523.11	32,523.11
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,261,078.00)	(499,689.83)	(1,760,767.83)	(361,062.07)	1,399,705.76
Fund Balances, July 1	1,911,407.88	-	1,911,407.88	1,911,407.88	
Fund Balances, June 30	\$ 650,329.88	\$ (499,689.83)	\$ 150,640.05	\$ 1,550,345.81	\$ 1,399,705.76
Recapitulation:					
Restricted					
Capital Reserve Account				\$ 11,510.00	
Maintenance Reserve Account				100,000.00	
Assigned					
Designated for Subsequent Year's Expenditures				813,331.00	
Unassigned					
General Fund				625,504.81	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				1,550,345.81	
				681,310.00	
Fund Balance per Governmental Funds (GAAP)				\$ 869,035.81	

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule -- Education Jobs
 General Fund
 For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
REVENUES:					
Federal Sources:					
Education Jobs	\$ -	\$ 30,500.96	\$ 30,500.96	\$ 30,500.96	\$ -
EXPENDITURES:					
Current Expense:					
Regular Vocational Programs - Instruction:					
Students - Regular:					
Other Salaries for Instruction		14,489.96	14,489.96	14,489.96	
Total - Regular Vocational Programs - Instruction	-	14,489.96	14,489.96	14,489.96	-
Undistributed Expenditures - Speech, OT, PT & Related Services -					
Students - Related Service:					
Salaries		16,011.00	16,011.00	16,011.00	
Total Undistributed Expenditures - Speech, OT, PT & Related Services -					
Students - Related Services	-	16,011.00	16,011.00	16,011.00	-
Total Expenditures	-	30,500.96	30,500.96	30,500.96	-
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Uses	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ending June 30, 2011

	Original Budget	Original/ Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:				
State Sources	\$ 279,750.46	\$ 279,750.46	\$ 248,786.94	\$ (30,963.52)
Federal Sources	937,769.36	937,769.36	875,218.41	(62,550.95)
Other Sources	<u>13,063.60</u>	<u>13,063.60</u>	<u>13,063.60</u>	<u>-</u>
Total Revenues	<u>1,230,583.42</u>	<u>1,230,583.42</u>	<u>1,137,068.95</u>	<u>(93,514.47)</u>
EXPENDITURES:				
Instruction:				
Salaries of Teachers	56,176.44	56,176.44	32,760.27	23,416.17
Purchased Professional Technical Services	10,478.00	10,478.00	10,478.00	-
Purchased Educational Services	72,050.26	72,050.26	69,204.70	2,845.56
Supplies and Materials	384,109.66	384,109.66	380,495.89	3,613.77
General Supplies	109.60	109.60	109.60	-
Miscellaneous Expenditures	6,850.00	6,850.00	5,915.35	934.65
Other Objects	<u>11,280.00</u>	<u>11,280.00</u>	<u>11,280.00</u>	<u>-</u>
Total Instruction	<u>541,053.96</u>	<u>541,053.96</u>	<u>510,243.81</u>	<u>30,810.15</u>
Support Services:				
Salaries of Personnel Services	65,375.80	65,375.80	65,375.80	-
Salaries of Principals/Assistant Principals	68,038.48	68,038.48	54,153.12	13,885.36
Salaries of Other Professional Staff	48,959.92	48,959.92	46,853.29	2,106.63
Salaries of Secretaries & Clerical Assistants	42,647.00	42,647.00	36,102.00	6,545.00
Other Salaries	20,633.32	20,633.32	10,599.18	10,034.14
Other Employee Benefits	41,284.48	41,284.48	34,203.37	7,081.11
Health Benefits	33,160.69	33,160.69	25,566.11	7,594.58
Purchased Educational Services	155,962.89	155,962.89	155,962.89	-
Purchased Technical Services	36,508.00	36,508.00	36,508.00	-
Purchased Educational & Technical Services	93,850.77	93,850.77	93,850.77	-
Other Purchased Services	16,765.35	16,765.35	13,690.07	3,075.28
Supplies and Materials	13,051.67	13,051.67	12,335.40	716.27
Travel	17,238.08	17,238.08	15,560.12	1,677.96
Miscellaneous Expenditures	16,752.00	16,752.00	6,796.01	9,955.99
Other Objects	<u>32.00</u>	<u>32.00</u>	<u>-</u>	<u>32.00</u>
Total Support Services	<u>670,260.45</u>	<u>670,260.45</u>	<u>607,556.13</u>	<u>62,704.32</u>
Operation & Maintenance of Plant Services:				
Buildings				
General Supplies	<u>12,954.00</u>	<u>12,954.00</u>	<u>12,954.00</u>	<u>-</u>
Total Operation & Maintenance of Plant Services	<u>12,954.00</u>	<u>12,954.00</u>	<u>12,954.00</u>	<u>-</u>
Facilities Acquisition and Construction Services:				
Instructional Equipment	<u>6,315.01</u>	<u>6,315.01</u>	<u>6,315.01</u>	<u>-</u>
Total Facilities Acquisition and Construction Services	<u>6,315.01</u>	<u>6,315.01</u>	<u>6,315.01</u>	<u>-</u>
Total Expenditures	<u>1,230,583.42</u>	<u>1,230,583.42</u>	<u>1,137,068.95</u>	<u>93,514.47</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to RSI
 For the Fiscal Year Ending June 30, 2011

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-series)	\$ 17,848,298.52	\$ 1,137,068.95
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	-
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2010.	773,118.00	-
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2011.	<u>(681,310.00)</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 17,940,106.52</u>	<u>\$ 1,137,068.95</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 18,241,883.70	\$ 1,137,068.95
Difference - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	<u>-</u>	<u>-</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 18,241,883.70</u>	<u>\$ 1,137,068.95</u>

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ending June 30, 2011

	No Child Left Behind						Total Carried Forward	
	Title I - A 2010-11	ARRA Title I 2009-10	Title I - A 2009-10	Title II - A 2010-11	Title II - A 2009-10	Title II - D 2010-11		Title IV - A 2009-10
REVENUES:								
Federal Sources	\$ 69,263.41	\$ 5,733.43	\$ 3,818.00	\$ 13,729.00	\$ 3,281.41	\$ 140.00	\$ 1,874.74	\$ 97,839.99
Total Revenues	<u>\$ 69,263.41</u>	<u>\$ 5,733.43</u>	<u>\$ 3,818.00</u>	<u>\$ 13,729.00</u>	<u>\$ 3,281.41</u>	<u>\$ 140.00</u>	<u>\$ 1,874.74</u>	<u>\$ 97,839.99</u>
EXPENDITURES:								
Instruction:								
Salaries of Teachers							1,741.50	1,741.50
Supplies & Materials	37,474.41	3,519.43	532.00					41,525.84
Total Instruction	<u>37,474.41</u>	<u>3,519.43</u>	<u>532.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,741.50</u>	<u>43,267.34</u>
Support Services:								
Other Employee Benefits							133.24	133.24
Purchased Educational Services			3,286.00		3,281.41			6,567.41
Purchased Technical Services	29,039.00			7,469.00				36,508.00
Purchased Educational & Technical Services		2,214.00						2,214.00
Other Purchased Services				6,035.36		140.00		6,175.36
Supplies and Materials				224.64				224.64
Travel	2,750.00							2,750.00
Total Support Services	<u>31,789.00</u>	<u>2,214.00</u>	<u>3,286.00</u>	<u>13,729.00</u>	<u>3,281.41</u>	<u>140.00</u>	<u>133.24</u>	<u>54,572.65</u>
Total Expenditures	<u>\$ 69,263.41</u>	<u>\$ 5,733.43</u>	<u>\$ 3,818.00</u>	<u>\$ 13,729.00</u>	<u>\$ 3,281.41</u>	<u>\$ 140.00</u>	<u>\$ 1,874.74</u>	<u>\$ 97,839.99</u>

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ending June 30, 2011

	Total Brought Forward	Perkins Post Secondary	Perkins Basic Secondary	ARRA I.D.E.A. 2009-10	I.D.E.A. 2009-10	I.D.E.A. 2010-11	Youth One-Stop for at Risk 2010-11	Total Carried Forward
REVENUES:								
Federal Sources	\$ 97,839.99	\$ 83,454.00	\$ 216,393.00	\$ 2,840.60	\$ 2,575.44	\$ 147,285.00	\$ 324,830.38	\$ 875,218.41
Total Revenues	\$ 97,839.99	\$ 83,454.00	\$ 216,393.00	\$ 2,840.60	\$ 2,575.44	\$ 147,285.00	\$ 324,830.38	\$ 875,218.41
EXPENDITURES:								
Instruction:								
Salaries of Teachers	1,741.50						29,186.77	30,928.27
Purchased Technical Services	-	459.00	8,019.00					8,478.00
Purchased Educational Services	-						69,204.70	69,204.70
Supplies & Materials	41,525.84	76,156.20	76,053.70	2,840.60	2,575.44	141,685.00	28,110.48	368,947.26
Miscellaneous Expenditures	-						5,915.35	5,915.35
Other Objects	-	1,020.00	10,260.00					11,280.00
Total Instruction	43,267.34	77,635.20	94,332.70	2,840.60	2,575.44	141,685.00	132,417.30	494,753.58
Support Services:								
Salaries of Personnel Services	-	4,168.80	25,263.00					29,431.80
Salaries of Other Professional Staff	-						37,265.61	37,265.61
Other Salaries	-						10,599.18	10,599.18
Other Employee Benefits	133.24		1,932.62				11,175.85	13,241.71
Health Benefits	-						15,639.95	15,639.95
Purchased Educational Services	6,567.41						110,928.48	117,495.89
Purchased Technical Services	36,508.00							36,508.00
Purchased Educational & Technical Services	2,214.00		81,627.00			4,000.00		87,841.00
Other Purchased Services	6,175.36	1,650.00	3,453.00				40.00	11,318.36
Supplies and Materials	224.64					1,600.00		1,824.64
Travel	2,750.00		3,469.67					6,219.67
Miscellaneous Expenditures	-						6,764.01	6,764.01
Total Support Services	54,572.65	5,818.80	115,745.29	-	-	5,600.00	192,413.08	374,149.82
Facilities Acquisition & Construction Services:								
Instructional Equipment	-		6,315.01					6,315.01
Total Facilities Acquisition & Construction Services	-	-	6,315.01	-	-	-	-	6,315.01
Total Expenditures	\$ 97,839.99	\$ 83,454.00	\$ 216,393.00	\$ 2,840.60	\$ 2,575.44	\$ 147,285.00	\$ 324,830.38	\$ 875,218.41

(Continued)

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ending June 30, 2011

	Total Brought Forward	Vocational Aid Apprenticeship Coordinator	VSO HOSA 2009-10	VSO HOSA 2010-11	Learn and Serve America 2009-10	Learn and Serve America 2010-11	New Jersey School Board Association Insurance	New Jersey Veterinarian Medical Association	Totals
REVENUES:									
Federal Sources	\$ 875,218.41								\$ 875,218.41
State Sources	-	\$ 35,944.00	\$ 26,869.53	\$ 118,220.78	\$ 7,907.26	\$ 59,845.37	\$ 12,954.00	\$ 109.60	248,786.94
Local Sources	-								13,063.60
Total Revenues	\$ 875,218.41	\$ 35,944.00	\$ 26,869.53	\$ 118,220.78	\$ 7,907.26	\$ 59,845.37	\$ 12,954.00	\$ 109.60	\$ 1,137,068.95
EXPENDITURES:									
Instruction:									
Salaries of Teachers	30,928.27					1,832.00			32,760.27
Purchased Technical Services	8,478.00					2,000.00			10,478.00
Purchased Educational Services	69,204.70								69,204.70
Supplies & Materials	368,947.26				5,059.35	6,489.28			380,495.89
General Supplies	-							109.60	109.60
Miscellaneous Expenditures	5,915.35								5,915.35
Other Objects	11,280.00								11,280.00
Total Instruction	494,753.58	-	-	-	5,059.35	10,321.28	-	109.60	510,243.81
Support Services:									
Salaries of Personnel Services	29,431.80	35,944.00							65,375.80
Salaries of Principals/Asst Principals	-		9,025.52	45,127.60					54,153.12
Salaries of Other Professional Staff	37,265.61		983.32	4,958.20	1,287.96	2,358.20			46,853.29
Salaries of Secretaries & Clerical Assistants	-		6,017.00	30,085.00					36,102.00
Other Salaries	10,599.18								10,599.18
Other Employee Benefits	13,241.71		3,343.00	16,945.60	98.52	574.54			34,203.37
Health Benefits	15,639.95			9,926.16					25,566.11
Purchased Educational Services	117,495.89					38,467.00			155,962.89
Purchased Technical Services	36,508.00								36,508.00
Purchased Educational & Technical Services	87,841.00		70.00		939.77	5,000.00			93,850.77
Other Purchased Services	11,318.36		100.00	803.96		1,467.75			13,690.07
Supplies and Materials	1,824.64		7,272.03	2,978.23		260.50			12,335.40
Travel	6,219.67		26.66	7,396.03	521.66	1,396.10			15,560.12
Miscellaneous Expenditures	6,764.01		32.00						6,796.01
Total Support Services	374,149.82	35,944.00	26,869.53	118,220.78	2,847.91	49,524.09	-	-	607,556.13
Operation & Maintenance of Plant Services:									
General Supplies	-						12,954.00		12,954.00
Total Operation & Maintenance of Plant Services	-	-	-	-	-	-	12,954.00	-	12,954.00
Facilities Acquisition & Construction Services:									
Instructional Equipment	6,315.01								6,315.01
Total Facilities Acquisition & Construction Services	6,315.01	-	-	-	-	-	-	-	6,315.01
Total Expenditures	\$ 875,218.41	\$ 35,944.00	\$ 26,869.53	\$ 118,220.78	\$ 7,907.26	\$ 59,845.37	\$ 12,954.00	\$ 109.60	\$ 1,137,068.95

CAPITAL PROJECTS FUND

Gloucester County Vocational Technical School District
 Capital Projects Fund
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ending June 30, 2011

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2011</u>
			<u>Prior Years</u>	<u>Current Year</u>	
(a) 2007 School Building Construction and Renovations	5/16/2007	\$ 10,039,958.33	9,833,230.31	\$ 206,728.02	\$ -
(b) School Technology Improvements	5/16/2007	499,980.87	499,980.87		-
(c) 2009 Academy Additions and Renovations	11/12/2008	<u>12,884,758.14</u>	<u>11,656,800.08</u>	<u>1,227,958.06</u>	<u>-</u>
		<u>\$ 23,424,697.34</u>	<u>\$ 21,990,011.26</u>	<u>\$ 1,434,686.08</u>	<u>\$ -</u>

Gloucester County Vocational Technical School District
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance
 From Inception and for the Year Ended June 30, 2011

Expenditures and Other Financing Uses	
Purchased Professional and Technical Services	\$ 174,557.85
Equipment Purchases	126,687.00
Construction Services	1,047,460.84
General supplies	82,907.39
Miscellaneous	<u>3,073.00</u>
 Total Expenditures and Other Financing Uses	 <u>1,434,686.08</u>
 Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	 (1,434,686.08)
 Other Financing Sources (Uses):	
Cancellation of County and State Receivables	<u>(3,172,678.66)</u>
 Total Other Financing Sources (Uses)	 <u>(3,172,678.66)</u>
 Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	 (4,607,364.74)
 Fund Balance, June 30, 2010	 <u>4,607,364.74</u>
 Fund Balance, June 30, 2011	 \$ <u><u>-</u></u>

Gloucester County Vocational Technical School District
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 School Technology Improvements
 From Inception and for the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
County Sources	\$ 500,000.00	\$ (19.13)	\$ 499,980.87	\$ 499,980.87
Total Revenues and Other Financing Sources	<u>500,000.00</u>	<u>(19.13)</u>	<u>499,980.87</u>	<u>499,980.87</u>
Expenditures and Other Financing Uses				
Equipment Purchases	<u>499,980.87</u>	<u></u>	<u>499,980.87</u>	<u>499,980.87</u>
Total Expenditures and Other Financing Uses	<u>499,980.87</u>	<u>-</u>	<u>499,980.87</u>	<u>499,980.87</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 19.13</u>	<u>\$ (19.13)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorization Cost	\$ 500,000.00			
Additional Authorized Cost	\$ -			
Revised Authorization Cost	\$ 500,000.00			
Percentage Increase over Original Authorized Cost	N/A			
Percentage Completion	-			
Original Target Completion Date	5/1/09			
Revised Target Completion Date	12/31/10			

Gloucester County Vocational Technical School District
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 2009 Academy Additions and Renovations
 From Inception and for the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
County Sources	\$ 16,000,000.00	\$ (3,115,241.86)	\$ 12,884,758.14	\$ 12,884,758.14
Total Revenues and Other Financing Sources	<u>16,000,000.00</u>	<u>(3,115,241.86)</u>	<u>12,884,758.14</u>	<u>12,884,758.14</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	1,405,560.93	172,495.35	1,578,056.28	1,578,056.28
Equipment Purchases	25,131.95		25,131.95	25,131.95
Construction Services	9,832,522.14	1,029,081.86	10,861,604.00	10,861,604.00
General supplies	210,222.04	23,307.85	233,529.89	233,529.89
Miscellaneous	<u>183,363.02</u>	<u>3,073.00</u>	<u>186,436.02</u>	<u>186,436.02</u>
Total Expenditures and Other Financing Uses	<u>11,656,800.08</u>	<u>1,227,958.06</u>	<u>12,884,758.14</u>	<u>12,884,758.14</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 4,343,199.92</u>	<u>\$ (4,343,199.92)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information				
Project Number	1775-010-09-1000			
Grant Date	11/3/2008			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorization Cost	\$ 16,000,000.00			
Additional Authorized Cost	\$ -			
Revised Authorization Cost	\$ 16,000,000.00			
Percentage Increase over Original Authorized Cost	N/A			
Percentage Completion	-			
Original Target Completion Date	8/1/10			
Revised Target Completion Date	6/30/11			

PROPRIETARY FUNDS

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Enterprise Fund
 Combining Statement of Net Assets
 June 30, 2011

	Food Service	Aquatics & Fitness	Automotive	Culinary Arts	Channel 5	Cisco	Cosmetology Clinic	Docutech/ Print Shop	Evening School	Printing and Duplication	Total
ASSETS:											
Current Assets:											
Cash and Cash Equivalents	\$ 53,949.59	\$ 892,177.96	\$ 9,326.51	\$ 187,655.53	\$ 231,088.56	\$ 8,879.26	\$ 79,038.59	\$ -	\$ 20,678.65	\$ 1,946.21	\$ 1,484,740.86
Accounts Receivable:											
Other		11,080.00		662.50	2,400.00						14,142.50
Inventory	6,768.69			4,726.74							11,495.43
Total Current Assets	60,718.28	903,257.96	9,326.51	193,044.77	233,488.56	8,879.26	79,038.59	-	20,678.65	1,946.21	1,510,378.79
Noncurrent Assets:											
Furniture, Machinery and Equipment	13,215.00	29,383.72	79,341.25	11,153.32	22,613.85						155,707.14
Less Accumulated Depreciation	(10,197.13)	(16,618.14)	(47,310.31)	(3,841.69)	(5,843.82)						(83,811.09)
Total Noncurrent Assets	3,017.87	12,765.58	32,030.94	7,311.63	16,770.03	-	-	-	-	-	71,896.05
Total Assets	63,736.15	916,023.54	41,357.45	200,356.40	250,258.59	8,879.26	79,038.59	-	20,678.65	1,946.21	1,582,274.84
LIABILITIES:											
Current Liabilities:											
Accounts Payable		13,299.28	621.76		1,092.65	178.14	0.69				15,192.52
Total Current Liabilities	-	13,299.28	621.76	-	1,092.65	178.14	0.69	-	-	-	15,192.52
Total Liabilities	-	13,299.28	621.76	-	1,092.65	178.14	0.69	-	-	-	15,192.52
NET ASSETS:											
Invested in Capital Assets, Net of Related Debt	3,017.87	12,765.58	32,030.94	7,311.63	16,770.03	-	-	-	-	-	71,896.05
Reserved for Encumbrances					55,758.00						-
Unrestricted	60,718.28	889,958.68	8,704.75	193,044.77	176,637.91	8,701.12	79,037.90	-	20,678.65	1,946.21	1,495,186.27
Total Net Assets	\$ 63,736.15	\$ 902,724.26	\$ 40,735.69	\$ 200,356.40	\$ 249,165.94	\$ 8,701.12	\$ 79,037.90	\$ -	\$ 20,678.65	\$ 1,946.21	\$ 1,567,082.32

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Enterprise Fund
 Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
 For the Fiscal Year Ending June 30, 2011

	Food Service	Aquatics & Fitness	Automotive	Culinary Arts	Channel 5	Cisco	Cosmetology Clinic	Docutech/ Print Shop	Evening School	Printing and Duplication	Teaching American History Woodbury	Total
OPERATING REVENUES:												
Charges for Services:												
Daily Sales - Reimbursable Programs	\$ 17,453.50											\$ 17,453.50
Daily Sales - Non-Reimbursable Programs	278,936.15											278,936.15
County Budget Appropriation	75,000.00	\$ 680,368.00	\$ 5,000.00	\$ 77,295.00	\$ 180,000.00				\$ 45,000.00			1,062,663.00
Other Revenue		338,011.61	28,229.41	77,609.52	87,540.00	1,230.00	13,305.41	-		351.00	680.00	546,956.95
Total Operating Revenues	371,389.65	1,018,379.61	33,229.41	154,904.52	267,540.00	1,230.00	13,305.41	-	45,000.00	351.00	680.00	1,906,009.60
OPERATING EXPENSES:												
Cost of Goods Sold	230,767.25		30,269.86	33,477.44			220.11					294,734.66
Salaries	175,673.05	307,094.12		27,713.56	92,708.96	178.14			37,319.25		680.00	641,367.08
Employee Benefits	43,696.54	48,611.64		2,650.07	36,919.10				2,862.74			134,740.09
Purchased Technical Services					23,257.00							23,257.00
Other Purchased Services		390.44										390.44
Operations and Maintenance	1,494.00	61,351.28		830.78	786.22							64,462.28
Insurance		48,231.00										48,231.00
Postage Expense					562.99							562.99
General Supplies	1,467.47	13,602.61		62.55	9,991.23		3,068.61					28,192.47
Utilities		438,362.42										438,362.42
Miscellaneous	1,317.46	1,053.00							800.00			3,170.46
Depreciation	2,287.50	2,408.46	9,917.65	743.55	227.97							15,585.13
Total Operating Expenses	456,703.27	921,104.97	40,187.51	65,477.95	164,453.47	178.14	3,288.72	-	40,981.99	-	680.00	1,693,056.02
Operating Income / (Loss)	(85,313.62)	97,274.64	(6,958.10)	89,426.57	103,086.53	1,051.86	10,016.69	-	4,018.01	351.00	-	212,953.58
NONOPERATING REVENUES (EXPENSES):												
State Sources:												
State School Lunch Program	2,599.22											2,599.22
Federal Sources:												
National School Lunch Program	68,539.89											68,539.89
National School Breakfast Program	11,090.80											11,090.80
Food Distribution Program	12,355.68											12,355.68
Cancellation of Prior Year Receivables	(111.05)	(285.00)	(284.18)	(1,532.50)	(5,500.00)			(1,910.64)				(9,623.37)
Prior Year Accounts Payable Cancelled		117.00										117.00
Total Non Operating Revenues (Expenses)	94,474.54	(168.00)	(284.18)	(1,532.50)	(5,500.00)	-	-	(1,910.64)	-	-	-	85,079.22
Income (Loss) Before Transfers	9,160.92	97,106.64	(7,242.28)	87,894.07	97,586.53	1,051.86	10,016.69	(1,910.64)	4,018.01	351.00	-	298,032.80
Capital Contributions												
Transfers (To) / From Other Funds								(129,350.07)				(129,350.07)
Change in Net Assets	9,160.92	97,106.64	(7,242.28)	87,894.07	97,586.53	1,051.86	10,016.69	(131,260.71)	4,018.01	351.00	-	168,682.73
Net Assets -- July 1	54,575.23	805,617.62	47,977.97	112,462.33	151,579.41	7,649.26	69,021.21	131,260.71	16,660.64	1,595.21	-	1,398,399.59
Net Assets -- June 30	\$ 63,736.15	\$ 902,724.26	\$ 40,735.69	\$ 200,356.40	\$ 249,165.94	\$ 8,701.12	\$ 79,037.90	\$ -	\$ 20,678.65	\$ 1,946.21	\$ -	\$ 1,567,082.32

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Cash Flows
For the Fiscal Year Ending June 30, 2011

	Food Service	Aquatics & Fitness	Automotive	Culinary Arts	Channel 5	Cisco	Cosmetology Clinic	Docutech/ Print Shop	Evening School	Printing and Duplication	Teaching American History Woodbury	Total
CASH FLOWS FROM OPERATING ACTIVITIES:												
Receipts from Customers	\$ 301,413.56	\$ 326,931.61	\$ 28,652.27	\$ 76,947.02	\$ 99,390.00	\$ 1,230.00	\$ 13,305.41	-	-	\$ 351.00	\$ 680.00	\$ 848,900.87
County Budget Appropriation	75,000.00	680,368.00	5,000.00	77,295.00	180,000.00	-	-	-	45,000.00	-	-	1,062,663.00
Payments to Employees	(175,673.05)	(307,094.12)		(27,713.56)					(37,319.25)			(547,799.98)
Payments for Employee Benefits	(43,696.54)	(48,611.64)		(2,650.07)					(2,862.74)			(97,820.99)
Payments to Suppliers	(240,090.34)	(566,834.20)	(30,309.73)	(36,870.63)	(164,042.49)	-	(3,288.03)	-	(800.00)	-	(680.00)	(1,042,915.42)
Net Cash Provided by (used for) Operating Activities	(83,046.37)	84,759.65	3,342.54	87,007.76	115,347.51	1,230.00	10,017.38	-	4,018.01	351.00	-	223,027.48
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:												
State Sources	2,488.17											2,488.17
Federal Sources	91,986.37											91,986.37
Transfers (To) / From Other Funds		-	-					(129,350.07)		-		(129,350.07)
Net Cash Provided by (used for) Non-Capital Financing Activities	94,474.54	-	-	-	-	-	-	(129,350.07)	-	-	-	(34,875.53)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:												
Purchases of Capital Assets					(16,998.00)							(16,998.00)
Net Cash Provided by (used for) Capital and Related Financing Activities	-	-	-	-	(16,998.00)	-	-	-	-	-	-	(16,998.00)
Net Increase (Decrease) in Cash and Cash Equivalents	11,428.17	84,759.65	3,342.54	87,007.76	98,349.51	1,230.00	10,017.38	(129,350.07)	4,018.01	351.00	-	171,153.95
Cash and Cash Equivalents -- July 1	42,521.42	807,418.31	5,983.97	100,647.77	132,739.05	7,649.26	69,021.21	129,350.07	16,660.64	1,595.21	-	1,313,586.91
Cash and Equivalents -- June 30	\$ 53,949.59	\$ 892,177.96	\$ 9,326.51	\$ 187,655.53	\$ 231,088.56	\$ 8,879.26	\$ 79,038.59	\$ -	\$ 20,678.65	\$ 1,946.21	\$ -	\$ 1,484,740.86
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:												
Operating Income (Loss)	\$ (85,313.62)	\$ 97,274.64	\$ (6,958.10)	\$ 89,426.57	\$ 103,086.53	\$ 1,051.86	\$ 10,016.69	\$ -	\$ 4,018.01	\$ 351.00	\$ -	\$ 212,953.58
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:												
Depreciation and Net Amortization	2,287.50	2,408.46	9,917.65	743.55	227.97	-						15,585.13
(Increase) Decrease in Accounts Receivable, net	5,023.91	(11,080.00)	422.86	(662.50)	11,850.00							5,554.27
(Increase) Decrease in Other Current Assets	(4,983.16)			(1,436.14)								(6,419.30)
Increase (Decrease) in Accounts Payable	(61.00)	(3,843.45)	(39.87)	(1,063.72)	183.01	178.14	0.69					(4,646.20)
Total Adjustments	2,267.25	(12,514.99)	10,300.64	(2,418.81)	12,260.98	178.14	0.69	-	-	-	-	10,073.90
Net Cash Provided by (used for) Operating Activities	\$ (83,046.37)	\$ 84,759.65	\$ 3,342.54	\$ 87,007.76	\$ 115,347.51	\$ 1,230.00	\$ 10,017.38	\$ -	\$ 4,018.01	\$ 351.00	\$ -	\$ 223,027.48

FIDUCIARY FUNDS

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Fiduciary Net Assets
 June 30, 2011

	<u>Trust Funds</u>	<u>Agency Funds</u>		
	<u>Unemployment Compensation Trust</u>	<u>Student Activity</u>	<u>Payroll</u>	<u>Total</u>
ASSETS:				
Cash and Cash Equivalents	\$ 38,320.47	\$ 234,820.22	\$ 19,420.39	\$ 292,561.08
Interfund Accounts Receivable: Due General Fund		31.28		31.28
Total Assets	<u>38,320.47</u>	<u>\$ 234,851.50</u>	<u>\$ 19,420.39</u>	<u>292,592.36</u>
LIABILITIES:				
Interfund Accounts Payable: Due General Fund			\$ 6,214.66	6,214.66
Payable to Student Groups		\$ 234,851.50		234,851.50
Payroll Deductions and Withholdings			13,205.73	13,205.73
Total Liabilities	<u>-</u>	<u>\$ 234,851.50</u>	<u>\$ 19,420.39</u>	<u>254,271.89</u>
NET ASSETS:				
Held in Trust for Unemployment Claims and Other Purposes	<u>38,320.47</u>			<u>38,320.47</u>
Total Net Assets	<u>\$ 38,320.47</u>		<u>\$ 38,320.47</u>	

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Changes in Fiduciary Net Assets
 For the Fiscal Year Ending June 30, 2011

	<u>Unemployment Compensation Trust</u>
ADDITIONS:	
Contributions:	
Plan Member	\$ <u>29,132.83</u>
Total Contributions	<u>29,132.83</u>
Investment Earnings:	
Interest	<u>52.22</u>
Net Investment Earnings	<u>52.22</u>
Total Additions	<u>29,185.05</u>
DEDUCTIONS:	
Quarterly Contribution Reports	
Unemployment Claims	<u>26,752.30</u>
Total Deductions	<u>26,752.30</u>
Change in Net Assets	2,432.75
Net Assets -- July 1	<u>35,887.72</u>
Net Assets -- June 30	<u>\$ <u>38,320.47</u></u>

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Fiduciary Funds
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ending June 30, 2011

	<u>Balance</u> <u>June 30, 2010</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2011</u>
Clubs and Funds	\$ 172,996.46	\$ 484,663.19	\$ 452,720.77	\$ 204,938.88
HOSA Funds	18,585.27	66,958.00	64,729.64	20,813.63
GCIT Memorial Scholarship	<u>9,058.57</u>	<u>9.14</u>	<u> </u>	<u>9,067.71</u>
Total	\$ <u>200,640.30</u>	\$ <u>551,630.33</u>	\$ <u>517,450.41</u>	\$ <u>234,820.22</u>

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 Fiduciary Funds
 Payroll Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ending June 30, 2011

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
ASSETS:				
Cash and Cash Equivalents	\$ <u>21,383.72</u>	\$ <u>14,512,736.47</u>	\$ <u>14,514,699.80</u>	\$ <u>19,420.39</u>
Total Assets	\$ <u><u>21,383.72</u></u>	\$ <u><u>14,512,736.47</u></u>	\$ <u><u>14,514,699.80</u></u>	\$ <u><u>19,420.39</u></u>
Payroll Deductions and Withholdings	\$ 14,949.68	\$ 7,349,719.63	\$ 7,351,463.58	\$ 13,205.73
Net Payroll		7,162,685.42	7,162,685.42	-
Interfund Accounts Payable:				
Due General Fund	<u>6,434.04</u>	<u>331.42</u>	<u>550.80</u>	<u>6,214.66</u>
Total Liabilities	\$ <u><u>21,383.72</u></u>	\$ <u><u>14,512,736.47</u></u>	\$ <u><u>14,514,699.80</u></u>	\$ <u><u>19,420.39</u></u>

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. Note that Exhibits J-1 and J-2 are only presented for the last eight fiscal years as the School District's first year of implementation of the Governmental Accounting Standards Board Statement No. 34 was for the fiscal year ended June 30, 2003; thus, ten year comparative financial information is unavailable.

Gloucester County Vocational-Technical School District
 Net Assets by Component
 Last Nine Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,								
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Governmental Activities									
Invested in Capital Assets, Net of Related Debt	\$ 47,507,703.13	\$ 47,184,142.41	\$ 38,491,757.58	\$ 32,064,329.09	\$ 28,140,769.56	\$ 25,582,600.25	\$ 21,469,243.64	\$ 16,990,057.63	\$ 9,854,749.74
Restricted	111,510.00	4,718,869.74	15,104,394.35	6,424,054.48	11,766,214.11	4,730,844.78	4,999,524.93	5,611,977.93	13,567,981.43
Unrestricted	<u>(93,894.94)</u>	<u>212,629.97</u>	<u>2,320,182.14</u>	<u>1,095,737.01</u>	<u>(87,670.43)</u>	<u>(328,227.55)</u>	<u>(70,682.27)</u>	<u>(159,208.76)</u>	<u>257,246.70</u>
Total Governmental Activities Net Assets	<u>\$ 47,525,318.19</u>	<u>\$ 52,115,642.12</u>	<u>\$ 55,916,334.07</u>	<u>\$ 39,584,120.58</u>	<u>\$ 39,819,313.24</u>	<u>\$ 29,985,217.48</u>	<u>\$ 26,398,086.30</u>	<u>\$ 22,442,826.80</u>	<u>\$ 23,679,977.87</u>
Business-type Activities									
Invested in Capital Assets, Net of Related Debt	\$ 71,896.05	\$ 70,483.18	\$ 92,727.18	\$ 19,588.69	\$ 19,375.65	\$ 17,814.12	\$ 11,476.99	-	-
Unrestricted	1,495,186.27	1,327,916.41	582,452.86	227,019.52	222,175.46	172,410.10	148,197.21	\$ 32,459.22	\$ 368.74
Total Business-type Activities Net Assets	<u>\$ 1,567,082.32</u>	<u>\$ 1,398,399.59</u>	<u>\$ 675,180.04</u>	<u>\$ 246,608.21</u>	<u>\$ 241,551.11</u>	<u>\$ 190,224.22</u>	<u>\$ 159,674.20</u>	<u>\$ 32,459.22</u>	<u>\$ 368.74</u>
District-wide									
Invested in Capital Assets, Net of Related Debt	\$ 47,579,599.18	\$ 47,254,625.59	\$ 38,584,484.76	\$ 32,083,917.78	\$ 28,160,145.21	\$ 25,600,414.37	\$ 21,480,720.63	\$ 16,990,057.63	\$ 9,854,749.74
Restricted	111,510.00	4,718,869.74	15,104,394.35	6,424,054.48	11,766,214.11	4,730,844.78	4,999,524.93	5,611,977.93	13,567,981.43
Unrestricted	<u>1,401,291.33</u>	<u>1,540,546.38</u>	<u>2,902,635.00</u>	<u>1,322,756.53</u>	<u>134,505.03</u>	<u>(155,817.45)</u>	<u>77,514.94</u>	<u>(126,749.54)</u>	<u>257,615.44</u>
Total District-wide Net Assets	<u>\$ 49,092,400.51</u>	<u>\$ 53,514,041.71</u>	<u>\$ 56,591,514.11</u>	<u>\$ 39,830,728.79</u>	<u>\$ 40,060,864.35</u>	<u>\$ 30,175,441.70</u>	<u>\$ 26,557,760.50</u>	<u>\$ 22,475,286.02</u>	<u>\$ 23,680,346.61</u>

Source: District Records

Gloucester County Vocational-Technical School District
 Changes in Net Assets
 Last Nine Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Net Expenses									
Governmental Activities									
Instruction									
Regular	\$ 3,853,864.10	\$ 3,738,734.36	\$ 2,953,460.10	\$ 3,243,451.31	\$ 2,541,018.21	\$ 2,095,360.71	\$ 2,066,092.10	\$ 2,033,053.77	\$ 2,685,640.53
Special Education	543,980.90	440,488.70	536,033.31	1,440.00	2,843.00	7,162.50	-	-	-
Vocational	4,373,052.58	4,016,818.39	3,286,730.11	3,122,531.19	3,243,814.52	2,433,105.57	3,082,891.94	3,104,324.31	2,649,912.61
Other Instruction	482,555.36	350,189.33	392,614.32	269,359.74	250,880.68	225,402.99	203,533.55	371,571.85	767,383.69
Support Services:									
Student & Instruction Related Services	1,852,970.97	1,749,257.32	1,566,517.74	1,425,616.38	1,151,512.78	979,352.16	1,037,254.60	1,096,601.77	1,018,197.70
General Administrative Services	256,838.63	326,683.97	282,346.71	330,112.15	487,273.77	511,535.11	482,632.49	557,356.68	399,140.21
School Administrative Services	686,068.03	677,814.59	714,989.80	656,047.99	575,168.64	527,068.50	419,333.77	376,343.66	381,170.44
Central Services	263,874.94	226,213.61	246,955.38	178,602.66	144,729.64	234,418.54	235,279.94	197,844.58	401,129.63
Plant Operations and Maintenance	2,689,210.85	2,407,022.86	2,258,980.40	2,359,777.06	2,408,780.17	1,959,235.57	1,802,432.22	1,375,052.89	1,715,006.83
Care and Upkeep of Grounds	71,516.22	63,552.97	-	-	-	-	-	-	-
Security	353,494.44	306,457.78	-	-	-	-	-	-	-
Pupil Transportation	88,293.09	80,230.23	75,526.38	75,289.09	27,271.62	12,277.84	6,545.58	5,331.97	18,862.66
Other Support Services	607,556.13	679,778.33	483,427.03	532,915.11	1,055,069.10	1,212,812.14	986,773.69	762,120.15	700,554.71
Unallocated Benefits	3,186,694.96	2,753,061.27	2,463,091.82	2,418,187.82	2,178,053.28	1,954,714.67	1,639,224.87	1,493,185.02	1,654,179.04
On-Behalf Pension Contributions	414,450.00	365,581.00	352,718.00	679,584.00	606,907.00	254,734.00	193,421.00	183,400.00	112,349.00
Reimbursed TPAF Social Security Contributions	520,294.72	469,032.52	441,961.52	410,204.24	386,323.47	371,776.74	356,708.69	344,123.81	322,902.19
Capital Outlay	76,928.00	49,138.23	45,181.31	-	254,463.37	150,230.42	(27,674.07)	36,194.89	74,479.22
Special Schools	208,913.88	267,602.49	228,747.71	317,083.21	511,539.85	678,652.83	1,071,020.87	969,569.00	713,636.00
Unallocated Depreciation	-	-	-	-	-	1,107,185.58	-	-	-
Total Governmental Activities Expenses	<u>20,530,557.80</u>	<u>18,967,657.95</u>	<u>16,329,281.64</u>	<u>16,020,201.95</u>	<u>15,825,649.10</u>	<u>14,715,025.87</u>	<u>13,555,471.24</u>	<u>12,906,074.35</u>	<u>13,614,544.46</u>
Business-type Activities:									
Food Service	456,703.27	415,858.13	413,331.52	279,748.74	240,784.65	208,959.49	156,274.44	136,368.06	92,639.27
Enterprise Other	1,236,352.75	1,281,772.84	1,887,208.72	1,348,040.66	1,626,615.05	1,636,668.85	1,286,531.58	1,075,531.22	-
Total Business-type Activities Expense	<u>1,693,056.02</u>	<u>1,697,630.97</u>	<u>2,300,540.24</u>	<u>1,627,789.40</u>	<u>1,867,399.70</u>	<u>1,845,628.34</u>	<u>1,442,806.02</u>	<u>1,211,899.28</u>	<u>92,639.27</u>
Total District Expenses	<u>\$ 22,223,613.82</u>	<u>\$ 20,665,288.92</u>	<u>\$ 18,629,821.88</u>	<u>\$ 17,647,991.35</u>	<u>\$ 17,693,048.80</u>	<u>\$ 16,560,654.21</u>	<u>\$ 14,998,277.26</u>	<u>\$ 14,117,973.63</u>	<u>\$ 13,707,183.73</u>
Program Revenues									
Governmental Activities:									
Operating Grants and Contributions	\$ 2,071,813.67	\$ 2,261,066.24	\$ 1,862,296.03	\$ 1,542,603.28	\$ 1,788,316.05	\$ 626,510.74	\$ 550,129.69	\$ 527,523.81	\$ 435,251.19
Total Governmental Activities Program Revenues	<u>2,071,813.67</u>	<u>2,261,066.24</u>	<u>1,862,296.03</u>	<u>1,542,603.28</u>	<u>1,788,316.05</u>	<u>626,510.74</u>	<u>550,129.69</u>	<u>527,523.81</u>	<u>435,251.19</u>
Business-type activities:									
Charges for services									
Food Service	371,389.65	301,924.88	386,049.70	240,233.23	185,420.96	161,418.26	94,769.10	122,576.68	69,846.16
Other	1,534,619.95	2,038,690.10	2,190,763.59	723,506.68	1,062,838.28	1,317,884.24	1,159,628.48	971,695.81	-
Operating Grants and Contributions	94,585.59	89,614.51	77,508.30	59,409.53	50,728.72	40,547.59	25,524.28	16,132.99	13,235.68
Total Business-type Activities Program Revenues	<u>2,000,595.19</u>	<u>2,430,229.49</u>	<u>2,654,321.59</u>	<u>1,023,149.44</u>	<u>1,298,987.96</u>	<u>1,519,850.09</u>	<u>1,279,921.86</u>	<u>1,110,405.48</u>	<u>83,081.84</u>
Total District Program Revenues	<u>\$ 4,072,408.86</u>	<u>\$ 4,691,295.73</u>	<u>\$ 4,516,617.62</u>	<u>\$ 2,565,752.72</u>	<u>\$ 3,087,304.01</u>	<u>\$ 2,146,360.83</u>	<u>\$ 1,830,051.55</u>	<u>\$ 1,637,929.29</u>	<u>\$ 518,333.03</u>
Net (Expense)/Revenue									
Governmental Activities	\$ (18,458,744.13)	\$ (16,706,591.71)	\$ (14,466,985.61)	\$ (14,477,598.67)	\$ (14,037,333.05)	\$ (14,088,515.13)	\$ (13,005,341.55)	\$ (12,378,550.54)	\$ (13,179,293.27)
Business-type Activities	<u>307,539.17</u>	<u>732,598.52</u>	<u>353,781.35</u>	<u>(604,639.96)</u>	<u>(568,411.74)</u>	<u>(325,778.25)</u>	<u>(162,884.16)</u>	<u>(101,493.80)</u>	<u>(9,557.43)</u>
Total District-wide Net Expense	<u>\$ (18,151,204.96)</u>	<u>\$ (15,973,993.19)</u>	<u>\$ (14,113,204.26)</u>	<u>\$ (15,082,238.63)</u>	<u>\$ (14,605,744.79)</u>	<u>\$ (14,414,293.38)</u>	<u>\$ (13,168,225.71)</u>	<u>\$ (12,480,044.34)</u>	<u>\$ (13,188,850.70)</u>

(Continued)

Gloucester County Vocational-Technical School District
 Changes in Net Assets
 Last Nine Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
County Appropriation	\$ 6,937,337.00	\$ 6,937,337.00	\$ 22,937,337.00	\$ 9,000,000.00	\$ 17,489,826.00	\$ 10,353,450.00	\$ 8,893,639.00	\$ 4,403,200.00	\$ 11,949,024.00
Unrestricted Grants and Contributions	7,016,578.61	5,884,404.84	6,838,412.00	5,658,595.00	5,328,967.00	4,689,555.00	4,680,506.20	4,533,851.00	4,290,317.80
Restricted Grants and Contributions				-	-	1,534,944.51	2,455,829.67	1,344,865.03	7,581,349.06
Tuition - LEA's	2,557,307.36	211,765.00	199,844.30	112,203.67	239,550.04	311,988.06	276,887.78	113,348.35	245,599.22
Non-Resident Fees	229,250.00	350,200.00	523,649.41	642,600.00	829,500.00	738,888.92	726,050.00	675,000.00	-
Miscellaneous Income	264,888.83	106,536.15	147,993.44	207,157.66	491,127.83	354,700.48	217,787.54	204,719.37	1,574,691.90
Transfers				(610,750.00)	(753,560.82)	(356,348.27)	(290,099.14)	(133,584.28)	-
Special Item	129,350.07								
Special Revenue Fund Adjustment	(7,501.50)		(435.11)	-	(14,035.30)				
Cancellation of Prior Year Payable/(Receivable)	(3,262,004.12)	(587,843.23)	(547.06)	(773,200.47)	239,382.06	48,467.61	-	-	-
Capital Contributions	3,213.95	3,500.00	152,945.12						
Net Adjustment on Disposal of Fixed Assets				5,800.15	20,672.00				
Total Governmental Activities	13,868,420.20	12,905,899.76	30,799,199.10	14,242,406.01	23,871,428.81	17,675,646.31	16,960,601.05	11,141,399.47	25,640,981.98
Business-type Activities:									
Transfers	\$ (129,350.07)	\$ -	\$ -	\$ 610,750.00	\$ 753,560.82	\$ 356,348.27	\$ 290,099.14	\$ 133,584.28	\$ -
Special Item									
Loss on Disposal of Fixed Assets	(9,506.37)	(6,887.24)		(1,052.94)	(2,105.33)				
Capital Contributions			74,790.48						
Cancellation of Prior Year Payable/(Receivable)		(2,491.73)		-	(131,716.86)				
Total Business-type Activities	(138,856.44)	(9,378.97)	74,790.48	609,697.06	619,738.63	356,348.27	290,099.14	133,584.28	-
Total District-wide	\$ 13,729,563.76	\$ 12,896,520.79	\$ 30,873,989.58	\$ 14,852,103.07	\$ 24,491,167.44	\$ 18,031,994.58	\$ 17,250,700.19	\$ 11,274,983.75	\$ 25,640,981.98
Change in Net Assets									
Governmental Activities	\$ (4,590,323.93)	\$ (3,800,691.95)	\$ 16,332,213.49	\$ (235,192.66)	\$ 9,834,095.76	\$ 3,587,131.18	\$ 3,955,259.50	\$ (1,237,151.07)	\$ 12,461,688.71
Business-type Activities	168,682.73	723,219.55	428,571.83	5,057.10	51,326.89	30,570.02	127,214.98	32,090.48	(9,557.43)
Total District	\$ (4,421,641.20)	\$ (3,077,472.40)	\$ 16,760,785.32	\$ (230,135.56)	\$ 9,885,422.65	\$ 3,617,701.20	\$ 4,082,474.48	\$ (1,205,060.59)	\$ 12,452,131.28
Source: District Records									

Gloucester County Vocational-Technical School District
Fund Balances, Governmental Funds
Last Nine Fiscal Years (modified accrual basis of accounting)
Unaudited

	<u>Fiscal Year Ending June 30,</u>								
	<u>2011(1)</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Fund									
Reserved		\$ 1,872,272.83	\$ 3,053,818.59	\$ 1,257,927.44	\$ 204,266.00	\$ 364,518.56	\$ 219,638.21	\$ 418,872.89	\$ 224,649.76
Unreserved		(733,982.95)	79,361.74	611,890.90	506,502.28	498,273.56	709,374.57	421,251.17	908,857.03
Restricted	\$ 111,510.00								
Assigned	813,331.00								
Unassigned	(55,805.19)								
Total General Fund	<u>\$ 869,035.81</u>	<u>\$ 1,138,289.88</u>	<u>\$ 3,133,180.33</u>	<u>\$ 1,869,818.34</u>	<u>\$ 710,768.28</u>	<u>\$ 862,792.12</u>	<u>\$ 929,012.78</u>	<u>\$ 840,124.06</u>	<u>\$ 1,133,506.79</u>
All Other Governmental Funds									
Reserved	\$ -	\$ 4,607,364.74	\$ 15,092,894.35	\$ 6,412,654.48	\$ 11,754,914.11	\$ 4,383,217.50	\$ 4,844,963.88	\$ 5,347,212.91	\$ 13,333,249.14
Unreserved, Reported in:									
Special Revenue Fund				(713.00)	(713.00)	(713.00)	(713.00)	(713.80)	(1,648.80)
Total All Other Governmental Funds	<u>\$ -</u>	<u>\$ 4,607,364.74</u>	<u>\$ 15,092,894.35</u>	<u>\$ 6,411,941.48</u>	<u>\$ 11,754,201.11</u>	<u>\$ 4,382,504.50</u>	<u>\$ 4,844,250.88</u>	<u>\$ 5,346,499.11</u>	<u>\$ 13,331,600.34</u>

(1) - GASB Statement No. 54 effective for the fiscal year ending June 30, 2011. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. See the Notes to Financial Statements.

Source: District Records

Gloucester County Vocational-Technical School District
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Revenues										
County Appropriation	\$ 6,937,337.00	\$ 6,937,337.00	\$ 22,937,337.00	\$ 9,000,000.00	\$ 17,489,826.00	\$ 10,353,450.00	\$ 8,893,639.00	\$ 4,403,200.00	\$ 11,949,024.00	\$ 3,830,000.00
Tuition Charges	2,786,557.36	561,965.00	723,493.71	754,803.67	1,069,050.04	1,050,876.98	1,002,937.78	788,348.35	245,599.22	225,487.42
Miscellaneous	277,952.43	117,942.55	147,993.44	207,157.66	493,749.12	359,700.48	232,579.54	204,719.37	1,574,691.90	1,860,528.71
State Sources	8,165,385.66	5,658,412.87	7,796,883.61	6,275,232.95	6,049,300.33	5,601,553.43	6,337,404.77	5,281,238.97	11,336,962.30	4,494,164.66
Federal Sources	909,943.02	2,475,651.81	903,824.42	925,965.33	1,065,361.43	1,244,456.82	1,334,268.79	1,125,000.87	969,955.75	935,880.57
Total Revenue	<u>19,077,175.47</u>	<u>15,751,309.23</u>	<u>32,509,532.18</u>	<u>17,163,159.61</u>	<u>26,167,286.92</u>	<u>18,610,037.71</u>	<u>17,800,829.88</u>	<u>11,802,507.56</u>	<u>26,076,233.17</u>	<u>11,346,061.36</u>
Expenditures										
Instruction										
Regular Instruction	3,592,662.47	3,538,780.24	2,774,235.06	3,103,862.92	2,399,303.52	2,095,360.71	1,903,335.82	1,872,826.20	1,723,794.46	1,564,636.94
Special Education Instruction	543,980.90	440,488.70	536,033.31	1,440.00	2,843.00	7,162.50				
Vocational Education	3,088,367.00	3,033,370.59	2,405,235.52	2,435,984.26	2,713,589.49	2,433,105.57	2,473,939.87	2,504,833.40	2,649,912.61	2,763,096.46
Other Instruction	482,555.36	350,189.33	392,614.32	269,359.74	250,880.68	225,402.99	172,886.66	183,004.71	767,383.69	691,139.55
Support Services:										
Student & Instruction Related Services	1,835,202.15	1,735,655.00	1,554,325.56	1,416,120.57	1,141,872.32	979,352.16	1,026,182.74	1,085,701.94	1,007,142.00	891,491.59
General Administrative Services	226,631.64	303,560.02	261,620.00	411,281.54	470,885.00	511,535.11	463,810.34	444,851.96	448,418.51	582,029.14
School Administrative Services	566,501.24	570,922.72	537,630.44	519,802.92	535,642.77	527,068.50	373,939.16	331,654.34	335,842.06	371,866.59
Business Administrative Services	263,874.94	226,213.61	246,955.38	178,602.66	144,729.64	234,418.54	235,279.94	197,844.58	401,129.63	366,622.56
Administration Information Technology	46,714.63	51,122.35	127,371.42							
Plant Operations and Maintenance	2,579,044.17	2,322,688.47	2,228,833.54	2,344,059.41	2,389,992.68	2,018,031.38	1,789,636.39	1,461,735.05	1,646,461.48	1,609,948.84
Care and Upkeep of Grounds	71,516.22	63,552.97								
Security	353,494.44	306,457.78								
Pupil Transportation	88,293.09	80,230.23	75,526.38	75,289.09	27,271.62	12,277.84	6,545.58	5,331.97	18,862.66	37,568.97
Other Support Services	607,556.13	679,778.33	483,427.03	532,915.11	1,055,069.10	1,212,812.14	986,773.69	762,120.15	700,554.71	635,530.96
Unallocated Employee Benefits	3,149,429.12	2,740,404.55	2,423,561.96	2,442,645.20	2,234,306.96	1,956,456.28	1,528,657.87	1,493,185.02	1,654,179.04	1,427,177.83
On-Behalf Pension Contributions	414,450.00	365,581.00	352,718.00	679,584.00	606,907.00	254,734.00	193,421.00	183,400.00	112,349.00	-
Reimbursed TPAF Social Security	520,294.72	469,032.52	441,961.52	410,204.24	386,323.47	371,776.74	356,708.69	344,123.81	322,902.19	298,688.67
Special Schools	208,913.88	267,602.49	228,747.71	317,083.21	511,539.85	678,652.83	910,124.65	969,569.00	713,636.00	557,747.90
Capital Outlay	2,174,156.63	10,098,255.16	7,493,438.00	4,824,183.84	3,351,707.51	5,311,976.80	5,502,847.85	8,107,225.11	848,397.10	459,443.62
Total Expenditures	<u>20,813,638.73</u>	<u>27,643,886.06</u>	<u>22,564,235.15</u>	<u>19,962,418.71</u>	<u>18,222,864.61</u>	<u>18,830,124.09</u>	<u>17,924,090.25</u>	<u>19,947,407.24</u>	<u>13,350,965.14</u>	<u>12,256,989.62</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,736,463.26)	(11,892,576.83)	9,945,297.03	(2,799,259.10)	7,944,422.31	(220,086.38)	(123,260.37)	(8,144,899.68)	12,725,268.03	(910,928.26)
Other Financing Sources (Uses)										
Capital Leases (Non-budgeted)										
Special Revenue Fund Adjustment	(7,501.50)		(435.11)		(14,035.30)					
Cancellation of Prior Year Payables/(Receivables)	(3,262,004.12)	(587,843.23)	(547.06)	(773,200.47)	22,174.58	48,467.61				(5,809.13)
Refund of Prior Year Expenditures					20,672.00					
Transfers In/(Out)	129,350.07			(610,750.00)	(753,560.82)	(356,348.27)	(290,099.14)	(133,584.28)		87,226.20
Total Other Financing Sources (Uses)	<u>(3,140,155.55)</u>	<u>(587,843.23)</u>	<u>(982.17)</u>	<u>(1,383,950.47)</u>	<u>(724,749.54)</u>	<u>(307,880.66)</u>	<u>(290,099.14)</u>	<u>(133,584.28)</u>	<u>-</u>	<u>81,417.07</u>
Net Change in Fund Balances	<u>\$ (4,876,618.81)</u>	<u>\$ (12,480,420.06)</u>	<u>\$ 9,944,314.86</u>	<u>\$ (4,183,209.57)</u>	<u>\$ 7,219,672.77</u>	<u>\$ (527,967.04)</u>	<u>\$ (413,359.51)</u>	<u>\$ (8,278,483.96)</u>	<u>\$ 12,725,268.03</u>	<u>\$ (829,511.19)</u>

Source: District Records

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	<u>2010</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Tuition - LEA's	\$ 2,557,307.36	\$ 211,765.00	\$ 199,844.30	\$ 112,203.67	\$ 72,550.00	\$ 311,988.06	\$ 276,887.78	\$ 113,348.35	\$ 245,599.22	\$ 225,487.42
Nonresident Fees	229,250.00	350,200.00	523,649.41	642,600.00	829,500.00	738,888.92	726,050.00	675,000.00	712,349.71	792,450.00
Interest Earned on Investments	5,974.05	15,479.92	26,922.30	49,420.46	100,965.24	67,447.13	29,104.31	5,461.77	14,746.71	33,061.52
Rent					-	-	143,215.84	-	-	-
Ford Asset					167,000.04	-	-	129,114.67	13,531.74	-
Pool Operations					-	-	-	-	92,407.75	-
Other Restricted Miscellaneous Revenues					-	-	-	-	705,547.70	685,799.62
Miscellaneous	258,914.78	102,462.63	121,071.14	157,737.20	390,162.59	287,253.35	45,467.39	59,899.42	36,108.75	100,467.57
	<u>\$ 3,051,446.19</u>	<u>\$ 679,907.55</u>	<u>\$ 871,487.15</u>	<u>\$ 961,961.33</u>	<u>\$ 1,560,177.87</u>	<u>\$ 1,405,577.46</u>	<u>\$ 1,220,725.32</u>	<u>\$ 982,824.21</u>	<u>\$ 1,820,291.58</u>	<u>\$ 1,837,266.13</u>

Source: District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

Gloucester County Vocational-Technical School District
 Demographic and Economic Statistics
 Last Ten Fiscal Years
 Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2011	Unavailable	Unavailable	Unavailable	9.3%
2010	288,288	Unavailable	Unavailable	10.0%
2009	289,920	\$ 11,478,222,720.00	\$ 39,591.00	9.2%
2008	288,168	11,354,971,872.00	39,404.00	5.4%
2007	285,753	10,810,607,496.00	37,832.00	4.3%
2006	282,031	10,266,210,431.00	36,401.00	4.7%
2005	277,037	9,522,592,801.00	34,373.00	4.4%
2004	272,784	8,971,320,192.00	32,888.00	4.7%
2003	267,978	8,392,267,026.00	31,317.00	5.4%
2002	262,958	8,079,647,508.00	30,726.00	5.2%

Source:

- (1) Information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita personal income data provided by the NJ Dept of Labor and Workforce Development
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

Gloucester County Vocational-Technical School District
Principal Employers
Current Year and Nine Years Ago
Unaudited

<u>Employer</u>	<u>2011</u>			<u>2002</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Underwood Memorial Hospital	1,825	1	0.63%	N/A	N/A	N/A
Rowan University	1,300	2	0.45%	N/A	N/A	N/A
Kennedy Memorial Hospital	1,200	3	0.42%	N/A	N/A	N/A
Missa Bay, LLC	950	4	0.33%	N/A	N/A	N/A
U.S. Foodservice	725	5	0.25%	N/A	N/A	N/A
DGI Services	600	6	0.21%	N/A	N/A	N/A
Delaware Valley Wholesale Florist	500	7	0.17%	N/A	N/A	N/A
Drugstore.com	450	8	0.16%	N/A	N/A	N/A
Hertiage Dairy Store	450	8	0.16%	N/A	N/A	N/A
Johnson Matthey	437	10	0.15%	N/A	N/A	N/A
	<u>8,437</u>		<u>2.93%</u>			

Source: Gloucester County Department of Economic Development

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

Gloucester County Vocational-Technical School District
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

<u>Fiscal</u>	<u>Enrollment</u>	<u>Operating Expenditures (1)</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff (2)</u>	<u>Average Daily Enrollment (ADE) (3)</u>	<u>Average Daily Attendance (ADA) (3)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2011	1,233.1	\$ 17,545,630.90	\$ 14,228.88	0.18%	107.0	1,233.1	1,192.7	16.66%	96.72%
2010	1,162.9	17,538,853.57	15,082.00	-4.91%	96.0	1,162.9	1,117.1	23.33%	96.06%
2009	1,061.1	15,070,797.15	14,202.99	-10.46%	72.0	1,061.1	1,022.4	12.87%	96.35%
2008	954.4	15,138,234.87	15,861.52	-3.26%	73.0	954.4	905.8	4.66%	94.91%
2007	907.0	14,871,157.10	16,395.98	-10.89%	75.0	907.0	865.5	23.70%	95.42%
2006	734.7	13,518,147.29	18,399.55	11.93%	67.1	734.7	699.7	13.00%	95.24%
2005	661.4	10,871,980.53	16,437.83	-2.77%	59.0	661.4	619.2	6.76%	93.62%
2004	622.4	10,522,203.48	16,905.85	-4.30%	60.1	622.4	580.0	-3.54%	93.19%
2003	640.8	11,320,607.12	17,666.37	-2.33%	56.5	640.8	601.3	7.57%	93.84%
2002	595.7	10,774,867.94	18,087.74	1.08%	54.0	595.7	559.0	7.31%	93.84%

Sources: District records, ASSA and Schedules J-12, J-14

Note: Enrollment based on annual October district count.

- (1) Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1
- (2) Teaching staff includes only full-time equivalents of certificated staff.
- (3) Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Gloucester County Vocational-Technical School District
 School Building Information
 Last Ten Fiscal Years
 Unaudited

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
District Building										
Vocational-Technical School										
Gloucester County Institute of Technology (1972)										
Square Feet	378,676	378,676	328,509	297,879	297,879	297,879	280,064	280,064	253,614	253,614
Capacity (students) ¹					-	-	-	-	-	-
Enrollment	1,233.1	1,162.9	1,061.1	954.4	907.0	734.7	661.4	622.4	640.8	595.7

Number of Schools at June 30, 2007
 High School - 1

¹ N.J.S.A. 18A:7G et seq. provides no standard capacity for County Vocational-Technical School Districts due to the specialized programs offered

Source: District records, ASSA

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

Gloucester County Vocational-Technical School District
 Schedule of Required Maintenance
 Last Ten Fiscal Years
 Unaudited

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

* School Facilities	Gross Square Footage	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Gloucester County Institute of Technology	378,676	\$ 290,746	\$ 217,656	\$ 183,646	\$ 190,942	\$ 176,369	\$ 74,195	\$ 181,066	\$ 168,177	\$ 256,911	\$ 277,815
Total School Facilities		\$ 290,746	\$ 217,656	\$ 183,646	\$ 190,942	\$ 176,369	\$ 74,195	\$ 181,066	\$ 168,177	\$ 256,911	\$ 277,815

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

Source: District Records

GLOUCESTER COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT

Insurance Schedule
June 30, 2011
Unaudited

	<u>Coverage</u>		<u>Deductible</u>	
Automobile Liability (1)	16,000,000	per occurrence		
	1,000,000	Combined Single Limit		
Comprehensive General Liability (1)				
Combined Single Limit for Bodily Injury & Property Damage	16,000,000	each occurrence (no general aggregate)		
Premises & Operations	16,000,000	each occurrence		
	16,000,000	aggregate		
Personal Injury	16,000,000	each occurrence		
	16,000,000	aggregate		
Property (1)	300,000,000	Ins Group Limit	\$5,000.00	each claim
Worker's Compensation - Employers' Liability (1)				
Bodily Injury by Accident	2,000,000	each accident		
Bodily Injury by Disease	2,000,000	each employee		
	2,000,000	aggregate limit		
Part A		Statutory		
School Leaders Errors & Omissions (1)				
Coverage A				
Limit of Liability:	16,000,000	each policy period	\$5,000.00	each claim
Coverage B				
Limit of Liability:	100,000	each claim	\$5,000.00	each claim
	300,000	each policy period		
Public Official Bonds (2)				
Treasurer	480,000			
Assistant Superintendent for Business/Board Secretary	100,000			
Student Accident Policy (3)				
Accident Medical Expense Benefit	6,000,000			
Catastrophic Cash Benefit	1,000,000			

(1) - New Jersey School Boards Association Insurance Group Educational Risk and Insurance Consortium (ERIC South)
 (2) - Western Surety
 (3) - National Union Fire Insurance Company of Pittsburgh, PA

Source: District Records

SINGLE AUDIT SECTION

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

The Honorable President and
Members of the Board of Education
Gloucester County Vocational Technical School District
Deptford, New Jersey

Compliance

We have audited the Gloucester County Vocational Technical School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2011. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the 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, Department of Education, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and State of New Jersey Circular 04-04-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the of Gloucester County Vocational Technical School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School District's compliance with those requirements.

In our opinion, the Gloucester County Vocational Technical School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2011.

Internal Control Over Compliance

Management of the Gloucester County Vocational Technical School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the 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 State of New Jersey Circular 04-04-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP
 Certified Public Accountants
 & Consultants



Michael J. Welding
 Certified Public Accountant
 Public School Accountant No. CS 00886

Woodbury, New Jersey
 November 30, 2011

Gloucester County Vocational Technical School District
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2011

Federal Grantor / Pass-through Grantor / Program Title	CFDA Number	Grant or Federal Project Number	Program or Award Amount	Grant Period	
				From	To
General Fund:					
U.S. Department of Health and Human Services: Passed-through State Department of Education: Immunization Grant:					
Medical Assistance Program	93.778	N/A	\$ 8,914.00	07/01/10	06/30/11
U.S. Department of Education:					
Education Job Fund	84.410A	ARRA177511	256,200.00	8/10/2010	9/30/2012
Total General Fund					
Special Revenue Fund:					
U.S. Department of Education: Passed-through State Department of Education:					
No Child Left Behind:					
Title I - Part A Cluster:					
Title I	84.010	NCLB177511	69,156.00	9/1/2010	8/31/2011
Title I	84.010	NCLB177510	69,347.00	9/1/2009	8/31/2010
ARRA - Title I	84.389	NCLB177510	22,745.00	9/1/2009	8/31/2011
Total Title I - Part A Cluster					
Eisenhower Professional Development State Grants:					
Title II - Part A	84.281	NCLB177511	13,729.00	9/1/2010	8/31/2011
Title II - Part A	84.281	NCLB177510	16,599.00	9/1/2009	8/31/2010
Title II - Part D	84.281	NCLB177510	706.00	9/1/2009	8/31/2010
Safe and Drug Free Schools and Communities - State Grants					
Title IV	84.186	NCLB177510	2,181.00	9/1/2009	8/31/2010
Title IV	84.186	NCLB177509	2,071.00	9/1/2008	8/31/2009
Title IV	84.186	NCLB177508	2,467.00	9/1/2007	8/31/2008
Special Education Grants to States (IDEA) Cluster					
I.D.E.I.A. Part B Basic Regular	84.027	IDEA177511	147,285.00	9/1/2010	8/31/2011
I.D.E.I.A. Part B Basic Regular	84.027	IDEA177510	130,461.00	9/1/2009	8/31/2010
ARRA - I.D.E.I.A. Part B Basic Regular	84.391	IDEA177510	211,804.00	9/1/2009	8/31/2011
Total Special Education Grants to States (IDEA) Cluster					
Career and Technical Education - Basic Grants to States (Perkins IV)					
Post Secondary	84.048A	PSFS177511	83,858.00	9/1/2010	8/31/2011
Post Secondary	84.048A	PSFS177510	83,454.00	9/1/2009	8/31/2010
Secondary	84.048A	PERK177511	216,393.00	9/1/2010	8/31/2011
Secondary	84.048A	PERK177510	178,932.00	9/1/2009	8/31/2010
Total U.S. Department of Education (State)					
U.S. Department of Labor: Passed-Through County of Gloucester:					
W.I.A. Youth Activities:					
Youth Transitions To Work	17.259	unavailable	16,500.00	9/1/2009	8/31/2010
Youth Transitions To Work	17.259	unavailable	22,358.27	9/1/2008	8/31/2009
Youth One Stop Career Center "At Risk"	17.259	unavailable	390,327.40	9/1/2010	8/31/2011
Youth One Stop Career Center "At Risk"	17.259	unavailable	257,374.00	9/1/2009	8/31/2010
Youth One Stop Career Center "At Risk"	17.259	unavailable	210,403.00	9/1/2008	8/31/2009
Total U.S. Department of Labor					
Total Special Revenue Fund					
Enterprise Fund:					
U.S. Department of Agriculture Passed-through State Department of Education:					
Child Nutrition Cluster:					
School Breakfast Program	10.553	11-100-010-3350-021	11,090.80	7/1/2010	6/30/2011
School Breakfast Program	10.553	10-100-010-3350-021	8,738.42	7/1/2009	6/30/2010
National School Lunch Program:					
Food Distribution Program	10.555	unavailable	12,355.68	7/1/2010	6/30/2011
Food Distribution Program	10.555	unavailable	12,592.32	7/1/2009	6/30/2010
National School Lunch Program	10.555	11-100-010-3350-023	68,539.86	7/1/2010	6/30/2011
National School Lunch Program	10.555	10-100-010-3350-023	53,533.20	7/1/2009	6/30/2010
Total Child Nutrition Cluster					
Total Enterprise Fund					
Total Federal Financial Assistance					

(A) See Note 5 to the Schedules of Expenditures of Federal and State Financial Assistance

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

Balance June 30, 2010	Deferred Revenue/ (Accounts Receivable)	Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments (D)	Balance at June 30, 2011		
						(Accounts Receivable)	Deferred Revenue	Due to Grantor
			\$ 4,223.65	\$ (4,223.65)				
			27,298.76	(30,500.96)		\$ (3,202.20)		
	-	-	31,522.41	(34,724.61)	-	(3,202.20)	-	-
			39,798.41	(69,263.41)		(29,465.00)		
\$ (12,197.00)			15,986.00	(3,818.00)		(29.00)		
(132.57)			5,866.00	(5,733.43)				
(12,329.57)	-	-	61,650.41	(78,814.84)	-	(29,494.00)	-	-
			3,213.00	(13,729.00)		(10,516.00)		
(9,683.59)			12,965.00	(3,281.41)		(140.00)		
(456.00)			456.00	(140.00)				
(305.25)			2,179.99	(1,874.74)		(0.00)		
(184.00)			184.00					
			147,285.00	(147,285.00)				
(32,984.56)			35,560.00	(2,575.44)				
(33,145.40)			35,986.00	(2,840.60)		(0.00)		
(66,129.96)	-	-	218,831.00	(152,701.04)	-	(0.00)	-	-
			75,666.00	(83,454.00)		(7,788.00)		
(29,298.00)			29,298.00					
(62,248.00)			195,483.00	(216,393.00)		(20,910.00)		\$ 50.00
(180,634.37)	-	-	662,224.40	(550,388.03)	-	(68,848.00)	-	50.00
			1,797.50					
(1,797.50)			3,931.18		\$ 7,501.50			
(11,432.68)			283,632.08	(324,830.38)		(41,198.30)		
(51,074.74)			51,074.74					
(64,304.92)	-	-	340,435.50	(324,830.38)	7,501.50	(41,198.30)		-
(244,939.29)	-	-	1,002,659.90	(875,218.41)	7,501.50	(110,046.30)	-	50.00
			11,090.80	(11,090.80)				
(578.84)			578.84					
			12,355.68	(11,292.96)		\$ 1,062.72		
148.57			68,539.86	(148.57)				
(2,891.89)			2,891.89	(68,539.86)				
(3,322.16)	-	-	95,457.07	(91,072.19)	-	1,062.72	-	-
(3,322.16)	-	-	95,457.07	(91,072.19)	-	1,062.72	-	-
\$ (248,261.45)	\$ -	\$ -	\$ 1,129,639.38	\$ (1,001,015.21)	\$ 7,501.50	\$ (113,248.50)	\$ 1,062.72	\$ 50.00

Gloucester County Vocational Technical School District
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2011

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2010 Deferred Revenue / (Accounts Receivable)
			From	To	
General Fund:					
State Department of Education:					
Equalization Aid	11-495-034-5120-078	\$ 6,296,723.00	7/1/10	6/30/11	
Equalization Aid	10-495-034-5120-078	4,022,123.00	7/1/09	6/30/10	\$ (670,233.48)
Special Education Aid	11-495-034-5120-089	593,323.00	7/1/10	6/30/11	
Special Education Aid	10-495-034-5120-089	538,130.00	7/1/09	6/30/10	(89,672.23)
Security Aid	10-495-034-5120-084	65,411.00	7/1/09	6/30/10	(10,899.88)
Aid for Adult and Post Graduate Programs	10-495-034-5120-077	13,877.00	7/1/09	6/30/10	(2,312.42)
TPAF Social Security Contributions	11-100-034-5095-051	520,294.72	7/1/10	6/30/11	
TPAF Social Security Contributions	10-100-034-5095-051	469,032.52	7/1/09	6/30/10	(23,114.53)
Total General Fund					(796,232.54)
Special Revenue Fund:					
State Department of Education:					
Apprentice Coordinator	11-100-034-5062-032	35,944.00	7/1/10	6/30/11	
Apprentice Coordinator	10-100-034-5062-032	19,158.00	7/1/09	6/30/10	(4,554.18)
Vocational Student Organizations Statewide Leadership and Administrative Services (HOSA)	11-495-034-5062-002	140,000.00	9/1/10	8/31/11	
Vocational Student Organizations Statewide Leadership and Administrative Services (HOSA)	10-495-034-5062-002	315,000.00	9/1/09	8/31/10	(24,913.27)
Learn and Serve	11AMER312ALS	66,000.00	9/1/10	8/31/11	
Learn and Serve	10AMER312ALS	85,000.00	9/1/09	8/31/10	(13,342.74)
Total State Department of Education					(42,810.19)
Total Special Revenue Fund					(42,810.19)
Enterprise Fund:					
State Department of Agriculture:					
State School Breakfast Program	10-100-010-3350-021	881.20	7/1/09	6/30/10	(60.40)
State School Lunch Program	11-100-010-3350-023	2,599.22	7/1/10	6/30/11	
State School Lunch Program	10-100-010-3350-023	3,248.98	7/1/09	6/30/10	(154.78)
Total Enterprise Fund					(215.18)
Total State Financial Assistance					\$ (839,257.91)

(A) See Note 5 to the Schedules of Expenditures of Federal and State Financial Assistance

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

Due to Grantor	Cash Received	Adjustments (A)	Budgetary Expenditures	Balance at	Memo		
				June 30, 2011	(Accounts Receivable)	Budgetary Receivable June 30, 2011	Cumulative Total Expenditures
	\$ 5,674,073.79		\$ (6,296,723.00)	\$ (622,649.21)	\$ (622,649.21)	\$ (6,296,723.00)	
	670,233.48					(4,022,123.00)	
	534,662.21		(593,323.00)	(58,660.79)	(58,660.79)	(593,323.00)	
	89,672.23					(538,130.00)	
	10,899.88					(65,411.00)	
	2,312.42					(13,877.00)	
	517,125.06		(520,294.72)	(3,169.66)	(3,169.66)	(520,294.72)	
	23,114.53					(469,032.52)	
-	7,522,093.60	-	(7,410,340.72)	(684,479.66)	(684,479.66)	(12,518,914.24)	
	25,160.80		(35,944.00)	(10,783.20)	(10,783.20)	(35,944.00)	
	4,554.18					(19,015.69)	
	94,414.39		(118,220.78)	(23,806.39)	(23,806.39)	(118,220.78)	
	51,782.80		(26,869.53)			(161,613.78)	
	16,500.00		(59,845.37)	(43,345.37)	(43,345.37)	(59,845.37)	
	21,250.00		(7,907.26)			(85,000.00)	
-	213,662.17	-	(248,786.94)	(77,934.96)	(77,934.96)	(479,639.62)	
-	213,662.17	-	(248,786.94)	(77,934.96)	(77,934.96)	(479,639.62)	
	60.40					(881.20)	
	2,599.22		(2,599.22)			(2,599.22)	
	154.78					(3,248.98)	
-	2,814.40	-	(2,599.22)	-	-	(6,729.40)	
\$ -	\$ 7,738,570.17	\$ -	\$ (7,661,726.88)	\$ (762,414.62)	\$ (762,414.62)	\$ (13,005,283.26)	

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2011

Note 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Gloucester County Vocational Technical School District (hereafter referred to as the "School District"). The School District is defined in Note 1 to the School District's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

Note 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance 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 Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

An adjustment was not required to reconcile the expenditures from the budgetary basis to the GAAP basis for the special revenue fund during the current year. See Exhibit C-3, 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.

Note 3: RELATIONSHIP TO FINANCIAL STATEMENTS (CONT'D)

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 34,724.61	\$ 7,502,148.72	\$ 7,536,873.33
Special Revenue	875,218.41	248,786.94	1,124,005.35
Food Service	91,986.37	2,599.22	94,585.59
Total Awards and Financial Assistance	<u>\$ 1,001,929.39</u>	<u>\$ 7,753,534.88</u>	<u>\$ 8,755,464.27</u>

Note 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 5: ADJUSTMENTS

The amount reported in the column entitled "Adjustments" represent a cancellation of a prior year receivable.

Note 6: OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distribution, respectively. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2011.

Note 7: MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

**GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011**

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued UNQUALIFIED

Internal control over financial reporting:

Material weaknesses identified? yes X no

Were significant deficiencies identified that were not considered to be a material weakness? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over compliance:

Material weaknesses identified? yes X no

Were significant deficiencies identified that were not considered to be a material weakness? yes X none reported

Type of auditor's report on compliance for major programs UNQUALIFIED

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

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.048	Perkins Basic Secondary and Post Secondary

Dollar threshold used to determine Type A programs \$300,000.00

Auditee qualified as low-risk auditee? X yes no

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

None.

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 3- Schedule of Federal 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 programs, as required by OMB Circular A-133.

None.

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 4- Schedule of State Financial Assistance 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 State programs, as required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

None.

GLOUCESTER COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE PROGRAMS

None.

