

# **Comprehensive Annual Financial Report**

**of the**

**Harrison Town Board of Education**

**Harrison, New Jersey**

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

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## INTRODUCTORY SECTION

**BOARD OF EDUCATION**  
517 HAMILTON STREET  
HARRISON, NEW JERSEY 07029

Telephone: (973) 483-2055  
Telecopier: (973) 497-1725

**MEMBERS**

**JAMES A. FIFE, PRESIDENT**  
**MARIA J. VILA, VICE-PRESIDENT**  
**ANTHONY R. COMPRELLI**  
**VINCENT L. FRANCO**  
**BRIGITE GONCALVES**  
**ARTHUR PETTIGREW**  
**LILY WANG**  
**KIMBERLY WOODS**

**M. CHRISTINE GRIFFIN**  
BOARD SECRETARY  
SCHOOL BUSINESS ADMINISTRATOR

**MICHAEL R. PICHOWICZ**  
Counsel

November 4, 2011

Kimberly A. Woods, President  
Members of the Board of Education  
517 Hamilton Street  
Harrison, New Jersey 07029

Ladies and Gentlemen:

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 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 Harrison Town School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Harrison Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the October 15, 2010 Application for State School Aid with 1,977 students. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
1999-00	1,883	.005
2000-01	1,887	.002
2001-02	1,851	(.009)
2002-03	1,889	.018
2004-05	1,899	(.018)
2005-06	1,838	(.321)
2006-07	1,871	.017
2007-08	1,818	(.322)
2008-09	1,902	.343
2009-10	1,936	.010
2010-11	1,977	.010

**2) ECONOMIC CONDITION AND OUTLOOK:** The Town of Harrison continues to experience a sluggish economy. The tax ratable base and per capita income continue to qualify the school district for "Abbott" designation.

The Town has designated nearly one-third of the total land area as being "in need of redevelopment". The New Jersey Department of Community Affairs has approved the Town's Redevelopment Plan and, four major developers have been designated. Projects were started during 2003 and other projects will be implemented and approved during the upcoming year.

**3) MAJOR INITIATIVES:** The District has embraced the Department of Education initiatives in Whole School Reform, School-Based Planning and Budgeting, and Early Childhood Education. The budget reflects school-based budgets from all schools. The Early Childhood Education Program has received an overwhelming response from the community. The Department of Education has estimated that we have reached 100% of our "universe" of 3 and 4 year old students. Individual school staffs and School Management Teams were totally involved in the school-based budgeting process. The District continues to focus on remediation at all grade levels toward attaining state mandated student proficiencies.

**4) INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal 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. This internal control structure is also subject to periodic evaluation by the District Management.

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

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

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

**6) ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

**7) FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the General Fund, Special Revenue Fund and Capital Revenues for the fiscal year ended June 30, 2011.

<u>Revenue</u>	<u>Amount</u>	<u>% of Total</u>
Local Sources	\$ 10,478,116.75	26.52 %
State Sources	26,713,124.88	67.62
Federal Sources	<u>2,313,820.17</u>	<u>5.86</u>
	<u>\$ 39,505,061.80</u>	<u>100.00 %</u>

The following schedule presents a summary of General Fund, Special Revenue Fund and Capital Expenditures for the fiscal year ended June 30, 2011:

<u>Revenue</u>	<u>Amount</u>	<u>% of Total</u>
Current Expense:		
Instruction	\$ 12,853,737.72	33.28 %
Undistributed Expenditures	25,412,711.08	65.79
Capital Outlay	<u>357,988.22</u>	<u>0.93</u>
	<u>\$ 38,624,437.02</u>	<u>100.00</u>

**DEBT ADMINISTRATION:** Harrison is a Type I School District, and as such, all debt is municipal debt for school purposes.

The following schedule reflects the District's current borrowing power:

Maximum Permitted Debt (4% of Average Equalized Valuation)	\$ 50,830,019.57
Current School Debt	<u>17,126,277.75</u>
Remaining Borrowing Power	<u>\$ 33,703,741.82</u>

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

**10) RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds and worker's compensation.

**11) OTHER INFORMATION:**

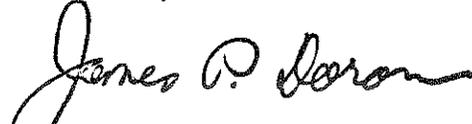
**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Samuel Klein and Company has been selected for this purpose. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

**12) ACKNOWLEDGMENTS:**

We would like to express our appreciation to the members of the Harrison Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of Harrison. These dedicated volunteers have contributed their full support to the development and maintenance of our financial operation.

We would like to thank the administrative staff of the Harrison School District without whose support and efforts this report could not have been accomplished.

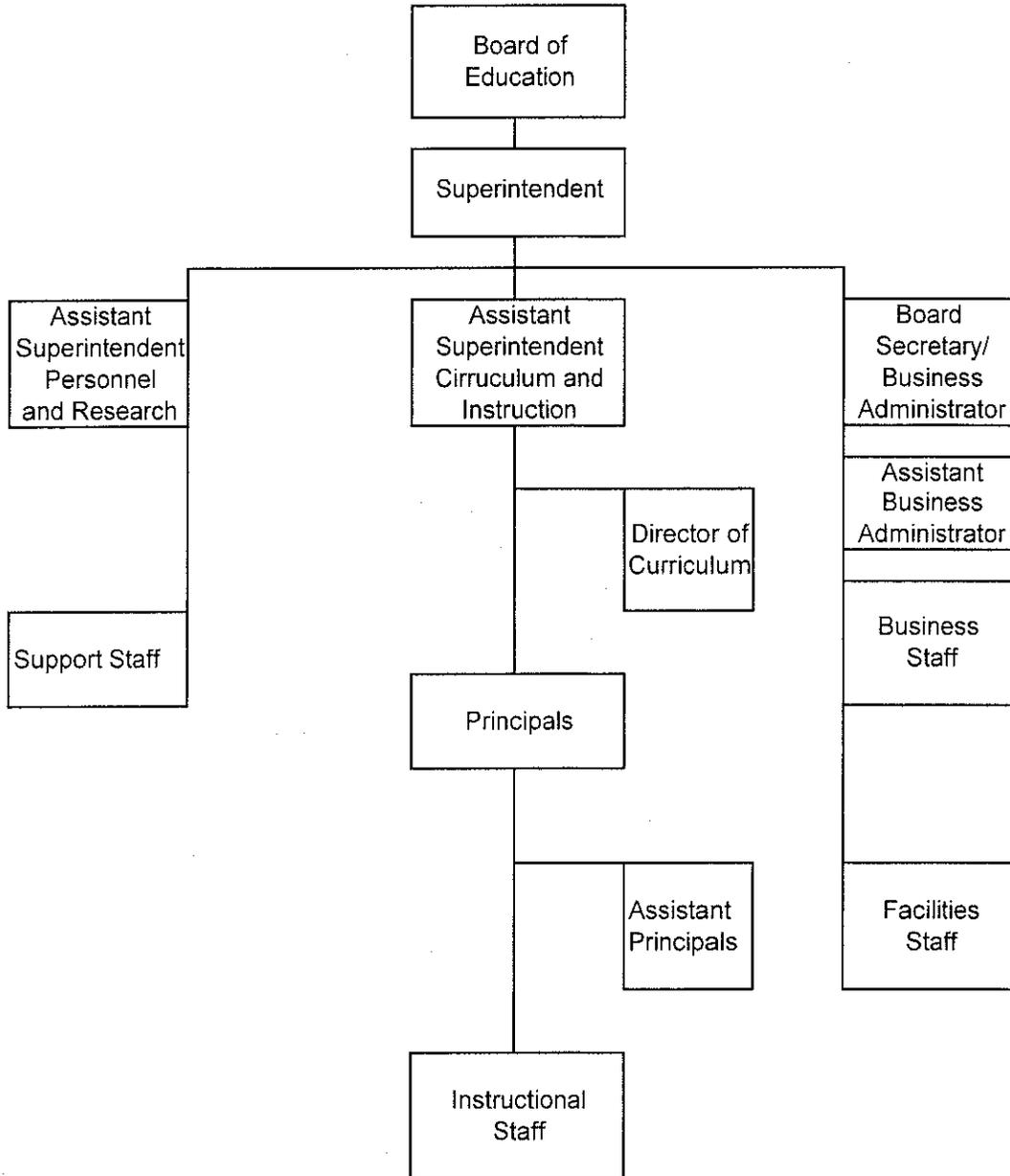
Respectfully submitted,

  
Dr. James P. Doran  
Chief School Administrator

  
M. Christine Griffin  
Board Secretary/School Business Administrator

# HARRISON BOARD OF EDUCATION

## Organizational Chart (Unit Control)



HARRISON TOWN SCHOOL DISTRICT  
HARRISON, NEW JERSEY

BOARD OF EDUCATION MEMBERS

JUNE 30, 2011

2010/2011 SCHOOL YEAR

<u>Members of the Board of Education</u>	<u>Term Expires</u>
James A. Fife, President	2013
Maria J. Vila, Vice President	2013
Arthur Pettigrew	2012
Vincent L. Franco	2012
Kimberly Woods	2013
Anthony Compralli	2013
Brigite Goncalves, East Newark Representative	2012
Lily Wang	2014
 <u>Other Officials</u>	
Dr. James P. Doran, Chief School Administrator	
M. Christine Griffin, Board Secretary/School Business Administrator	
Gabriela Simoes, Treasurer	
Michael Pichowicz, Esq., Board Attorney/Assistant Business Administrator	
Fred Confessore, Assistant Superintendent	

**HARRISON TOWN SCHOOL DISTRICT**

**Consultants and Advisors**

**Architect/Engineers**

CAM Design Group  
149 Route 94  
Blairstown, New Jersey 07825

**Audit Firm**

Samuel Klein and Company, CPA's  
550 Broad Street  
Newark, New Jersey 07102-4517

**Attorney**

**General Counsel**

Michael Pichowicz, Esq.  
315 Harrison Avenue  
Harrison, New Jersey 07029

**Labor Counsel**

Karen Murray, Esq.  
25 Sycamore Avenue  
Little Silver, New Jersey 07739

**Official Depository**

Crown Bank  
Harrison Branch  
Harrison, New Jersey 07029

Bank of America  
Harrison Branch  
Harrison, New Jersey 07029

Kearny Federal Savings Bank  
Harrison Branch  
Harrison, New Jersey 07029

Valley National Bank  
Harrison Avenue  
Harrison, New Jersey 07029

**FINANCIAL SECTION**

**SAMUEL KLEIN AND COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR  
NEWARK, N.J. 07102-4543  
PHONE (973) 624-6100  
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 301  
FREEHOLD, N.J. 07728-2291  
PHONE (732) 780-2600  
FAX (732) 780-1030

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and Members  
of the Board of Education  
Harrison Town School District  
County of Hudson  
Harrison, New Jersey 07029

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Harrison Town School District in the County of Hudson, 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 Harrison Town 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 audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

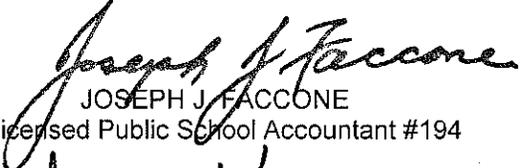
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Harrison Town Board of Education, in the County of Hudson, State of New Jersey as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 4, 2011 on our consideration of the Harrison Town Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management Discussion and Analysis and Budgetary Comparison Information on pages 13 through 17 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 Harrison Town Board of Education's basic financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and long-term debt schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

  
JOSEPH J. FACCONI  
Licensed Public School Accountant #194

  
SAMUEL KLEIN AND COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey  
November 4, 2011

**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

**BOARD OF EDUCATION**  
**517 HAMILTON STREET**  
**HARRISON, NEW JERSEY 07029**

**Telephone: (973) 483-2055**  
**Telecopier: (973) 497-1725**

**MEMBERS**

**JAMES A. FIFE, PRESIDENT**  
**MARIA J. VILA, VICE-PRESIDENT**  
**ANTHONY R. COMPRELLI**  
**VINCENT L. FRANCO**  
**BRIGITE GONCALVES**  
**ARTHUR PETTIGREW**  
**LILY WANG**  
**KIMBERLY WOODS**

**M. CHRISTINE GRIFFIN**  
**BOARD SECRETARY**  
**SCHOOL BUSINESS ADMINISTRATOR**

**MICHAEL R. PICHOWICZ**  
**Counsel**

November 4, 2011

Honorable President and Members of the Board of Education  
Harrison Town Board of Education  
517 Hamilton Avenue  
Harrison, New Jersey 07029

Dear Board Members:

**Management's Discussion and Analysis of Financial Statements**

The following analysis of Harrison Town Board of Education's financial performance provides a summary of the District's financial integrity. The intent of the analysis is to provide an interpretation of the financial statements. This is the fifth year of the State Mandated GASB 34 reporting for school districts up to \$100M in revenues. As you know, school districts operate as a non-profit organization. Yet, GASB 34 is instrumental in providing outside entities the opportunity to measure for profit operations. Hence, financial information that is analyzed utilizing GASB 34 for non-profit entities is, in my opinion, irrelevant and misleading. School districts are required to account for asset depreciation even though the need to match revenues with purchased assets are not necessary since all similar purchases are budgeted for in capital outlay and expensed in the operating year.

**Statement of Net Assets and the Statement of Activities**

The Statement of Net Assets provides a summary of assets, items costing more than \$2,000 each, and their accumulated depreciation. Accumulated depreciation is the yearly costing of an asset's useful life. Accrual accounting is utilized as prescribed by GAAP (Generally Accepted Accounting Principals).

**Fund Financial Statements**

School Districts utilize two categories for reporting assets. The first category identified as Governmental Funds, records the most activity. Governmental Funds reflects activity within the following sub-groups:

General Fund (Fund 10)

Fund 11 Distributed and Undistributed Instructional Accounts - Asset Producing  
Fund 12 Capital Outlay - Asset Producing  
Fund 13 Special Schools - Non-Asset Producing

Special Revenue (Fund 20)

Fund 20 Grants and Entitlements - Asset Producing

Capital Projects (Fund 30)

Fund 30 Capital Projects/Construction in Progress - Asset Producing

**Fund Financial Statements (Continued)**

The second category, identified as Business-Type Activities, records assets purchased for the following sub-group:

**Governmental Funds**

**Table 1  
Net Capital Assets**

	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Balance June 30, 2011</u>
<b><u>Governmental Activities</u></b>			
Land	\$ 2,595,300.00	\$	\$ 2,595,300.00
Site Improvements and Buildings	23,026,179.76	211,119.94	23,237,299.70
Machinery and Equipment	<u>1,458,608.66</u>	<u>146,868.28</u>	<u>1,605,476.94</u>
Total Historical Cost	27,080,088.42	357,988.22	27,438,076.64
Less: Accumulated Depreciation	<u>(8,536,197.00)</u>	<u>(218,931.00)</u>	<u>(8,755,128.00)</u>
Net Capital Assets	<u>\$ 18,543,891.42</u>	<u>\$ 139,057.22</u>	<u>\$ 18,682,948.64</u>

**Noncurrent Liabilities**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Ending Balance</u>
Compensated Absences Payable	<u>\$ 5,376,507.00</u>	<u>\$ 107,530.00</u>	<u>\$ 5,484,037.00</u>

Noncurrent liabilities reflect a significant increase due to initial reporting procedures to comply with GASB 34 and sick leave entitlements reflected as payable versus upon retirement.

**Table 2**  
**Change in Net Assets**

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>
<u>Revenues</u>		
Local Tax Levy	\$ 9,229,913.00	\$
Tuition Charges	1,088,862.70	
Miscellaneous	159,341.05	38,876.69
Federal/State Sources	17,893,778.24	706,295.87
Other		196,513.27
	<u>28,371,894.99</u>	<u>941,685.83</u>
<u>Expenditures</u>		
Current Expense:		
Regular Instruction	11,658,392.34	
Special Education Instruction	1,500,301.88	
Other Special Instruction	752,127.83	
Other Instruction	686,893.94	
Support Services and Undistributed		
Costs:		
Tuition	3,194,574.11	
Student and Instruction Related		
Services	2,070,884.28	
School Administrative Services	1,530,258.94	
General Administrative Services	991,345.17	
Plant Operations and Maintenance	3,887,373.26	
Pupil Transportation	797,416.31	
Business and Other Support	171,243.93	
Cost of Sales		939,549.16
Unallocated Depreciation	218,931.00	
	<u>27,459,742.99</u>	<u>939,549.16</u>
 Excess (Deficiency) of Revenues Over/ (Under) Expenditures	 <u>912,152.00</u>	 <u>2,136.67</u>
 Net Change in Fund Balance	 <u>\$ 912,152.00</u>	 <u>\$ 2,136.67</u>

**Governmental Activities**

Local tax levy is roughly 32% of the District's source of revenue. Receiving students from East Newark generates tuition revenue. Budgeted revenues were lower due to lack of cash flows to generate interest earned on deposits.

Expenditures for out-of-district placement of classified students equal about 12% of the operating budget. Instructional expenses equal 42% of the operating budget. Instructional expenses include teachers' salaries, supplies, and textbooks.

Student Support Services include health, social work, child study team, athletics and guidance support.

Maintenance and Operations are expenses mandated by the State Department of Education to maintain all building systems. Costs for the maintenance and custodial departments are also included here.

## Governmental Activities (Continued)

Transportation costs include Athletic, Special Education and Class Trips.

Business Support is expenditures associated with the business and financial aspect of the District. Expenditures include payroll, transportation, accounting, accounts payable, benefits processing, technology and personnel departments.

### Remaining Borrowing Margin as of June 30, 2011

School Borrowing Margin (4% of \$1,270,750,489)	\$ 50,830,019.57
Net Bonded School Debt as of June 30, 2011	<u>17,126,277.75</u>
School Borrowing Margin Available	<u>\$ 33,703,741.82</u>

### Tax Rates

Assessment Year	
2011	\$1.986
2010	1.958
2009	1.910
2008	1.800
2007	1.810

### Factors that will Impact on the District's Future

**"The core goal of a state public education system is to assure that all children, regardless of background or economic circumstances, graduate from high school ready for college and career"** (Education Transformation Task Force, Initial Report September 12, 2011).

With this in mind, as one of the designated 30 Special Needs Districts, Harrison is continuing to implement the District's established Goals and Objectives, as well as successfully meet the tenants of the Quality Single Accountability Continuum (QSAC) to systemically improve performance. These goals have been developed in collaboration with the Board of Education, Superintendent, District Administrators, Teachers, Staff, Parents and Students.

These goals focus on our efforts to:

1. Provide ongoing Professional Development for administrators, teachers and staff, based on data driven methods that will improve student outcomes and enhance instruction.
2. Develop meaningful and challenging curricula in order to meet the new Common Core and Core Curriculum Content Standards.
3. Monitor and reduce class size at the elementary grades to insure that learning needs of students are addressed in a safe and efficient school setting.
4. Provide instruction based on the individual student needs, strengths and interests with a specific focus on the skills necessary for successful passage of GEPA, HSPA and college and career readiness.

By implementing a data driven approach to guide instruction, the District will focus on individual student growth and school performance criteria instead of District-Wide data. In utilizing an outcome approach to assessments and teacher evaluation the instructional effectiveness can easily be monitored and assessed.

### **Factors that will Impact on the District's Future (Continued)**

This instructional approach will focus more on how a student learns, what curricula interventions would be successful, and using a variety of assessments, monitor the instructional effectiveness. This approach will guide the District as we implement a plan to raise student achievement, supplementing our high quality classroom instruction with the following program plan:

1. Professional Development that is on-going, sustainable, relevant and reflective of the teacher evaluation process.
2. Expansion of Summer School Programs so that the enrichment and academic need of all students and identified sub-group (i.e. EEL, SE, At-Risk) students are met.
3. Expansion of After School Programs so that the enrichment and academic need of all students and identified sub-group (i.e. EEL, SE, At-Risk) students are met.
4. Continue to address both short-term and long-term facilities and capital projects that will provide top quality learning environments conducive for learning.
5. Continue implementing the District Technology Plan, addressing technology upgrades of the facilities, adding a qualified network administrator, expand staff training to utilize technology to enhance instruction and to facilitate and analyze available data.

Ultimately, our facilities, curriculum and technology exist to provide our students with the vital educational experiences necessary for their development and academic success in college and careers. By implementing these data driven strategies, we feel this new format can be that vehicle, but it cannot happen without the fiscal support to sustain these ongoing improvements.

### **For the Future**

#### **Construction**

The District's Long Range Facility Plan was approved by the Board of Education on October 12, 2006.

The District's projects are under the total control of the New Jersey Economic Development Authority. Projects include:

Construction of a new High School including land acquisition is complete and opened for the 2007 - 2008 school year.

Construction of a 12 classroom addition to Lincoln School including land acquisition.

Renovation of the existing Harrison High School for use as a middle school.

Renovation of the existing Washington Middle School for use as an elementary school.

Respectively submitted,



M. Christine Griffin  
Board Secretary/School Business Administrator

## **BASIC FINANCIAL STATEMENTS**

**A. DISTRICT-WIDE FINANCIAL STATEMENTS**

HARRISON TOWN SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
JUNE 30, 2011

A-1

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b><u>ASSETS</u></b>			
Cash and Cash Equivalents	\$ 214,799.30	\$ 45,927.01	\$ 260,726.31
Receivables, Net	1,757,101.90	237,384.34	1,994,486.24
Restricted Assets:			
Cash and Cash Equivalents	1.00		1.00
Capital Assets, Net (Note 5)	<u>18,682,948.64</u>	<u>                    </u>	<u>18,682,948.64</u>
<b>Total Assets</b>	<u>20,654,850.84</u>	<u>283,311.35</u>	<u>20,938,162.19</u>
 <b><u>LIABILITIES</u></b>			
Accounts Payable		108,587.42	108,587.42
Payable to Federal Government	28,356.06		28,356.06
Payable to State Government	60,335.78		60,335.78
Interfunds Payable		172,587.26	172,587.26
Deferred Revenue	1,285,728.42		1,285,728.42
Noncurrent Liabilities (Note 6):			
Due Beyond One Year	<u>5,484,037.00</u>	<u>                    </u>	<u>5,484,037.00</u>
<b>Total Liabilities</b>	<u>6,858,457.26</u>	<u>281,174.68</u>	<u>7,139,631.94</u>
 <b><u>NET ASSETS</u></b>			
Investment in Capital Assets, Net of Related Debt	13,198,911.64		13,198,911.64
Restricted for:			
Other Purposes	1,440,864.81		1,440,864.81
Capital Projects	232,460.45		232,460.45
Unrestricted	<u>(1,075,843.32)</u>	<u>2,136.67</u>	<u>(1,073,706.65)</u>
<b>Total Net Assets</b>	<u><u>\$ 13,796,393.58</u></u>	<u><u>\$ 2,136.67</u></u>	<u><u>\$ 13,798,530.25</u></u>

See accompanying notes to financial statements.

HARRISON TOWN SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

A-2

Function/Programs	Program Revenues			Net (Expense) Revenue and Change in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Business-		
				Governmental Activities	Type Activities	Total
<b>Governmental Activities:</b>						
<b>Instruction:</b>						
Regular	\$ 14,646,803.53	\$	\$ 2,988,411.19	\$ (11,658,392.34)		\$ (11,658,392.34)
Special Education Instruction	1,639,181.27		138,879.40	(1,500,301.88)		(1,500,301.88)
Other Special Instruction	822,205.50		70,077.67	(752,127.83)		(752,127.83)
Other Instruction	742,323.44		55,429.50	(686,893.94)		(686,893.94)
<b>Support Services:</b>						
Tuition	3,194,574.11			(3,194,574.11)		(3,194,574.11)
Student and Instruction Related Services	9,591,769.10		7,520,884.83	(2,070,884.28)		(2,070,884.28)
General Administration Services	1,060,094.57		68,749.40	(991,345.17)		(991,345.17)
School Administration Services	1,669,598.52		139,339.57	(1,530,258.94)		(1,530,258.94)
Other Administrative Services	224,427.34		53,183.41	(171,243.93)		(171,243.93)
Plant Operations and Maintenance	3,985,585.10		98,211.84	(3,887,373.26)		(3,887,373.26)
Pupil Transportation	797,416.31			(797,416.31)		(797,416.31)
Unallocated Depreciation	218,931.00			(218,931.00)		(218,931.00)
<b>Total Governmental Activities</b>	<b>38,592,909.80</b>		<b>11,133,166.81</b>	<b>(27,459,742.99)</b>		<b>(27,459,742.99)</b>
<b>Business-Type Activities:</b>						
Food Services	939,549.16	196,513.27	706,295.87	(36,740.02)		(36,740.02)
<b>Total Primary Government</b>	<b>\$ 39,532,458.96</b>	<b>\$ 196,513.27</b>	<b>\$ 11,839,462.68</b>	<b>\$ (27,459,742.99)</b>	<b>\$ (36,740.02)</b>	<b>\$ (27,496,483.01)</b>
<b>General Revenues:</b>						
General Purpose Property Taxes				\$ 9,229,913.00		\$ 9,229,913.00
Tuition				1,088,862.70		1,088,862.70
Unrestricted Federal and State Aid				17,893,778.24		17,893,778.24
Miscellaneous				159,341.05	38,876.69	198,217.74
<b>Total General Revenue</b>				<b>28,371,894.99</b>	<b>38,876.69</b>	<b>28,410,771.68</b>
<b>Change in Net Assets</b>				<b>912,152.00</b>	<b>2,136.67</b>	<b>914,288.67</b>
<b>Net Assets - Beginning</b>				<b>12,884,241.58</b>		<b>12,884,241.58</b>
<b>Net Assets - Ending</b>				<b>\$ 13,796,393.58</b>	<b>\$ 2,136.67</b>	<b>\$ 13,798,530.25</b>

**B. FUND FINANCIAL STATEMENTS**

**GOVERNMENTAL FUNDS**



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

B-2

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Fund</u>
<u>Revenues</u>				
Local Tax Levy	\$ 9,229,913.00	\$	\$	\$ 9,229,913.00
Tuition Charges	1,088,862.70			1,088,862.70
Transportation	26,250.00			26,250.00
Miscellaneous	116,105.31	16,985.74		133,091.05
State Sources	20,129,251.23	6,634,926.65		26,764,177.88
Federal Sources	75,398.24	2,187,368.93		2,262,767.17
	<u>30,665,780.48</u>	<u>8,839,281.32</u>		<u>39,505,061.80</u>
<u>Expenditures</u>				
Current Expense:				
Regular Instruction	8,708,457.60	1,831,009.37		10,537,466.97
Special Education Instruction	1,173,018.95			1,173,018.95
Other Special Instruction	586,982.92			586,982.92
Other Instruction	556,268.88			556,268.88
Support Services and Undistributed Costs:				
Tuition	3,155,220.45	39,353.66		3,194,574.11
Student and Instruction Related Services	3,066,862.47	4,971,660.64		8,038,523.11
School Administrative Services	1,201,891.56			1,201,891.56
General Administrative Services	829,330.46			829,330.46
Plant Operations and Maintenance	3,655,927.41			3,655,927.41
Pupil Transportation	797,416.31			797,416.31
Business and Other Support	45,912.00			45,912.00
Employee Benefits	7,202,913.21	446,222.91		7,649,136.12
Capital Outlay	289,949.48	68,038.74		357,988.22
Total Expenditures	<u>31,268,151.70</u>	<u>7,356,285.32</u>		<u>38,624,437.02</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(602,371.22)</u>	<u>1,482,996.00</u>		<u>880,624.78</u>
Other Financing Sources (Uses):				
Local Contribution to Special Revenue Fund	(98,721.00)	98,721.00		
Total Other Financing Sources (Uses)	<u>(98,721.00)</u>	<u>98,721.00</u>		
Net Change in Fund Balance	(701,092.22)	1,581,717.00		880,624.78
Fund Balances, July 1	1,066,113.71	(1,581,717.00)	232,460.45	(283,142.84)
Fund Balances, June 30	<u>\$ 365,021.49</u>	<u>\$ -</u>	<u>\$ 232,460.45</u>	<u>\$ 597,481.94</u>

HARRISON TOWN SCHOOL DISTRICT  
 RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

B-3

	<u>Ref.</u>	
Total Net Change in Fund Balances - Governmental Funds	B-2	\$ 880,624.78
<p>Amounts Reported for Governmental Activities in the            Statement of Activities (A-2) are different because:</p> <p style="padding-left: 20px;">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.</p>		
Depreciation Expense	\$(218,931.00)	
Capital Outlays	<u>357,988.22</u>	139,057.22
Compensated Absences - Net		<u>(107,530.00)</u>
Change in Net Assets of Governmental Activities	A-2	<u>\$ 912,152.00</u>

**PROPRIETARY FUNDS**

HARRISON TOWN SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2011

B-4

Business-Type  
Activities  
Enterprise Funds  
Food  
Service

ASSETS

Current Assets:

Cash		\$ 45,927.01
Accounts Receivable:		
State Sources		2,995.03
Federal Sources		148,945.96
Other Sources		74,138.02
Inventory		<u>11,305.33</u>

Total Assets		<u>\$ 283,311.35</u>
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LIABILITIES

Current Liabilities:

Interfund Payable		\$ 172,587.26
Accounts Payable		<u>108,587.42</u>

Total Current Liabilities		<u>281,174.68</u>
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NET ASSETS

Total Net Assets		<u>\$ 2,136.67</u>
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HARRISON TOWN SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

B-5

	Business-Type Activities Enterprise Funds <hr style="width: 50%; margin: 0 auto;"/> Food Service
Operating Revenues:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 196,513.27
Total Operating Revenue	<u>196,513.27</u>
Operating Expenses:	
Cost of Sales	612,396.22
Salaries	<u>327,152.94</u>
Total Operating Expenses	<u>939,549.16</u>
Operating Loss	<u>(743,035.89)</u>
Nonoperating Revenues:	
State Sources:	
State School Lunch Program	13,018.77
Federal Sources:	
School Breakfast Program	71,493.18
National School Lunch Program	602,153.20
After School Snacks	19,630.72
Other Sources	<u>38,876.69</u>
Total Nonoperating Revenues	<u>745,172.56</u>
Change in Net Assets	2,136.67
Total Net Assets - Beginning	<hr style="width: 50%; margin: 0 auto;"/>
Total Net Assets - Ending	<u><u>\$ 2,136.67</u></u>

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

B-6

Business-Type  
Activities  
Enterprise  
Funds  
Food  
Service

Cash Flows from Operating Activities

Receipts from Customers	\$ 196,513.27
Receipts from Interfunds	(173,500.00)
Payments to Employees	(327,152.94)
Payments to Suppliers	<u>(406,819.29)</u>

Net Cash Used by Operating Activities	<u>(710,958.96)</u>
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Cash Flows from Noncapital Financing Activities

State Sources	12,822.06
Federal Sources	610,835.70
Other Sources	<u>110,209.47</u>

Net Cash Provided by Noncapital Financing Activities	<u>733,867.23</u>
------------------------------------------------------	-------------------

Net Increase/(Decrease) in Cash and Cash Equivalents	22,908.27
------------------------------------------------------	-----------

Balances - Beginning of Year	<u>23,018.74</u>
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Balances - End of Year	<u><u>\$ 45,927.01</u></u>
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Reconciliation of Operating Loss to Net Cash Used by Operating Activities

Operating Loss	<u>\$ (743,035.89)</u>
Adjustments to Reconcile Operating Loss to Cash Provided (Used) by Operating Activities:	
Change in Assets and Liabilities:	
(Increase)/Decrease in Accounts Receivable	(85,308.98)
Increase/(Decrease) in Accounts Payable	(24,863.02)
Increase/(Decrease) in Interfunds Payable	<u>142,248.93</u>
Total Adjustments	<u>32,076.93</u>

Net Cash Used by Operating Activities	<u><u>\$ (710,958.96)</u></u>
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**FIDUCIARY FUNDS**

HARRISON TOWN SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2011

B-7

	Unemployment Compensation Trust	Agency Funds
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 53,531.93	\$ 92,539.23
Total Assets	\$ 53,531.93	\$ 92,539.23
<u>LIABILITIES</u>		
Payable to Student Groups		\$ 73,823.88
Payroll Deductions and Withholdings		18,715.35
Total Liabilities		\$ 92,539.23
<u>NET ASSETS</u>		
Held in Trust for Unemployment Claims and Other Purposes	\$ 53,531.93	

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

B-8

	<u>Unemployment Compensation Trust</u>
<u>Additions</u>	
Contributions:	
Plan Members	\$ 26,473.33
Total Contributions	<u>26,473.33</u>
Investment Earnings:	
Interest	<u>106.31</u>
Total Additions	<u>26,579.64</u>
<u>Deductions</u>	
Quarterly Contribution Reports	53,070.56
Unemployment Claims	<u>3,620.89</u>
Total Deductions	<u>56,691.45</u>
Change in Net Assets	(30,111.81)
Total Net Assets - Beginning	<u>85,643.74</u>
Total Net Assets - Ending	<u><u>\$ 55,531.93</u></u>

**NOTES TO THE FINANCIAL STATEMENTS**

**HARRISON TOWN SCHOOL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2011**

**1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

The Harrison Town School District (the "District") is a Type I District located in the County of Hudson, State of New Jersey. As a Type I School District, the members are appointed by the Mayor. A Board of School Estimate approves the school district levy after the final budget is determined by the Board of Education (the "Board"). The members of the Board of School Estimate include the Mayor, two members of the local school board and two members of the governing body.

The Harrison Town School District had an approximate enrollment at June 30, 2011 of 1,977 students.

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

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

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

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Basis of Presentation**

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.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### A. Basis of Presentation (Continued)

#### 1. 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 funds.

The statement of net assets presents the financial condition of the governmental activities of the School District at 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. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. 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. 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 governmental function is self-financing or draws from the general revenues of the School District.

#### 2. Fund Financial Statements

During the 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 fund financial statements is on major funds. Each major fund is presented in a separate column.

### B. Fund Accounting

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.

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

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### B. Fund Accounting (Continued)

#### 1. Governmental Funds (Continued)

##### General Fund (Continued)

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

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

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

Permanent Fund - The Permanent Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. Resources are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting entity's programs - that is, for the benefit of the school district. The District presently has no resources that are considered permanent funds.

#### 2. Proprietary Fund Type

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

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

The District's Enterprise Fund is comprised of the Food Service Fund.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### B. Fund Accounting (Continued)

#### 2. Proprietary Fund Type (Continued)

##### Enterprise Fund (Continued)

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

Depreciation of all exhaustive fixed assets used by Proprietary Funds is charged as an expense against their operations. Accumulated depreciation is reported on Proprietary Fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives in the operation of the Enterprise Funds are approximately 10 years.

Internal Service Funds - These funds may be used to report any activity that provides goods or services to other funds, departments or agencies of the primary entity and its component units, or to other governments, on a cost-reimbursement basis. In addition, internal service funds are used only if the reporting school district is the predominant participant in the activity. The District does not currently utilize any internal service funds.

#### 3. Fiduciary Funds

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

##### Private Purpose Scholarship Funds

Expendable Trust Fund - An Expendable Trust Fund is accounted for in essentially the same manner as the Governmental Fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. The Expendable Trust Fund includes the Unemployment Compensation Insurance Fund and Scholarship Funds.

Nonexpendable Trust Fund - A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal.

Unemployment Insurance Trust - The SUI Fund is an employee benefit trust fund which accounts for resources held and administered while acting in a fiduciary capacity for individuals or other government agencies. Assets are held in trust for members of the defined contribution plan.

Agency Funds - Agency Funds are used to account for the assets that the District holds on behalf of others as their agent. These funds are custodial in nature and do not involve measurement of results of operations. Agency Funds include payroll and student activities funds.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **B. Fund Accounting (Continued)**

#### **4. Long-Term Debt**

Long-term liabilities expected to be financed from Governmental Funds are accounted for in the General Long-Term Debt, not in the Governmental Funds. This includes serial bonds outstanding that are expected to be financed from Governmental Funds, the outstanding principal balance on capital leases and the outstanding principal on outstanding bonds. Because the District is a Type I District, all serial bonds are issued by the municipality.

### **C. Measurement Focus**

#### **1. Government-Wide Financial Statements**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the School District are included on the Statement of Net Assets.

#### **2. 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 include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Fiduciary Funds are reported using the economic resources measurement focus.

### **D. Basis of Accounting**

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### D. Basis of Accounting (Continued)

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

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

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

### E. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year subject to the limitation of N.J.A.C. 6A:23A-2.3 (et seq.).

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

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

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



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### G. Assets, Liabilities and Equity

#### 1. Cash, Cash Equivalents and Investments

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

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

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

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

#### 2. Inventories and Prepaid Expenses

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

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2011.

#### 3. Allowance for Uncollectible Accounts

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

#### 4. Tuition Receivable

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

#### 5. Tuition Payable

Tuition charges for the fiscal years 2009-10 and 2010-11 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G. Assets, Liabilities and Equity (Continued)**

**6. Short-Term Interfund Receivables/Payables**

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

**7. Capital Assets**

General capital assets 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.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$2,000.00. Improvements are capitalized; the costs 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 for land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method under the half year convention over the following useful lives:

<u>Asset Class</u>	<u>Estimated Lives</u>
School Buildings	50 - 100 years
Building Improvements	50 - 100 years
Vehicles	18 years
Furniture and Equipment	20 years

**8. Compensated Absences**

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

The entire sick leave and vacation leave liabilities are reported on the government-wide financial statements.

For Governmental Fund financial statements, the current portion of unpaid compensated absences is in the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### G. Assets, Liabilities and Equity (Continued)

#### 9. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, 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 governmental funds. However, the noncurrent portion of capital leases, compensated absences and loans payable 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.

#### 10. 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 District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

#### 11. Deferred Revenue

Deferred revenue in the General and Special Revenue Fund represent program revenues that have been received but not yet earned.

#### 12. Fund Equity

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

#### 13. Fund Balance Reserves

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances.

#### 14. Proprietary Funds Revenues and Expenses

Proprietary Funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a Proprietary Fund's principal ongoing operations. The principal operating revenues of the School District Enterprise Fund, (the Food Service) are charges to customers for sales of food service. Operating expenses for Enterprise Funds include the cost of sales, services, administrative expense and depreciation on Capital Assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **G. Assets, Liabilities and Equity (Continued)**

#### **15. Rebatable Arbitrage**

Rebatable arbitrage results from investing the proceeds of borrowed funds either directly or indirectly into investments that are higher in yield than the bond yield incurred on the borrowed funds. In accordance with GASB 34, rebatable arbitrage is treated like a claim or judgment. All interest income is reported as revenue of the Capital Projects Fund. The liability, if any, is recorded in the "Statement of Net Assets".

#### **16. Non-Monetary Transactions**

Commodities received under the Federal Food Distribution Program are received by the District and are recorded as nonoperating revenue when received in the Food Service Enterprise Fund at market value. The use of the commodities is included in cost of sales.

#### **17. Allocation of Expenses**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the direct expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is reported separately on the Statement of Activities. No expenses were allocated as "Indirect Expenses".

#### **18. Extraordinary and Special Items**

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

## **3. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash and Cash Equivalents includes petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The District classifies certificates of deposit that have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments. The District is in compliance with GASB Statement No. 3 as amended by GASB Statement No. 40.

### **A. Deposits**

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey that are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

3. **CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

A. **Deposits (Continued)**

New Jersey Statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

As of June 30, 2011, cash and cash equivalents (deposits) of the District consisted of the following:

	Cash and Cash <u>Equivalents</u>
Checking Accounts	<u>\$ 406,797.47</u>

Of the total amount, deposits of \$1.00 have been earmarked towards the Capital Reserve Account (See Note 15). The cash balance does not reflect the final two State Aid payments which were received until July 2011 in the amount of \$2,279,571.00.

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

**Allocation of Cash and Cash Equivalents**

Unrestricted	\$ 353,264.54
Restricted	<u>53,532.93</u>
	<u>\$ 406,797.47</u>

B. **Investments**

New Jersey Statutes permit the District to purchase the following types of securities:

- . Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- . Government money market mutual funds.
- . Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.

**3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**B. Investments (Continued)**

- . Bonds or other obligations of the school district or local unit of which the school district is a part.
- . Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments, New Jersey State Department of Treasury.
- . Local government investment pools.
- . New Jersey State Cash Management Fund.
- . Repurchase agreements of fully collateralized securities, subject to special conditions.

**4. INTERGOVERNMENTAL ACCOUNTS RECEIVABLE**

Intergovernmental Accounts Receivable at June 30, 2011 consisted of Federal Source, State Source, transportation, a capital project grant for the new high school and other revenue. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	<u>Governmental Fund Financial Statements</u>	<u>Business- Type Activities</u>
State Aid:		
General Fund:		
TPAF FICA Reimbursement	\$ 44,273.65	
Extraordinary Aid	<u>198,713.00</u>	
	<u>\$ 242,986.65</u>	
Special Revenue Fund:		
State Source	<u>\$ 300,911.65</u>	
Federal Source	<u>\$ 450,172.81</u>	
Proprietary Fund:		
Enterprise Fund:		
State Source		<u>\$ 2,995.03</u>
Federal Source		<u>\$ 148,945.96</u>

**5. CAPITAL ASSETS**

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

	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Balance June 30, 2011</u>
Land	\$ 2,595,300.00	\$	\$ 2,595,300.00
Site Improvements and Buildings	23,026,179.76	211,119.94	23,237,299.70
Machinery and Equipment	<u>1,458,608.66</u>	<u>146,868.28</u>	<u>1,605,476.94</u>
Total Historical Cost	27,080,088.42	357,988.22	27,438,076.64
Less: Accumulated Depreciation	<u>(8,536,197.00)</u>	<u>(218,931.00)</u>	<u>(8,755,128.00)</u>
Governmental Assets Net Capital Assets	<u>\$ 18,543,891.42</u>	<u>\$ 139,057.22</u>	<u>\$ 18,682,948.64</u>

**6. LONG-TERM DEBT**

During the fiscal year ended June 30, 2011, the following changes occurred in liabilities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Ending Balance</u>	<u>Long-Term Portion</u>
Governmental Activities Compensated Absences Payable	<u>\$ 5,376,507.00</u>	<u>\$ 107,530.00</u>	<u>\$ 5,484,037.00</u>	<u>\$ 5,484,037.00</u>

**A. Bonds and Loans Payable Currently Outstanding are Summarized as Follows**

Harrison is a Type I School District. Bonds are issued for the School District by the Municipality.

**B. Debt Service Requirements**

Harrison is a Type I School District. Bonds are issued for the School District by the Municipality.

**C. Bonds Authorized but Not Issued**

As of June 30, 2011, there were no Bonds authorized but not issued.

**D. Capital Lease Obligations Payable**

**Lease/Purchase Agreements - Equipment, Vehicles and Fields**

As of June 30, 2011, the District had not entered into any capital leases.

## 7. PENSION PLANS

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

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

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

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

**Vesting and Benefit Provisions** - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the system.

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

**7. PENSION PLANS (Continued)**

**Contribution Requirements** - The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contribution employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The various pension funds provide for employee contributions based on 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both PERS and TPAF. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the TPAF and PERS. In the PERS and TPAF, the employer contribution includes funding for post-retirement medical premium.

During the year ended June 30, 2011 for TPAF, which is a cost-sharing plan with special funding situations, the annual pension costs equals annual required contribution. For PERS, which is a cost sharing multi-employer pension plan, the annual pension costs differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997.

**Three-Year Trend Information for PERS**

<u>Year Funding</u>	<u>Pension Cost (APC)</u>	<u>Net Cost to District</u>	<u>Percentage of APC Contributed</u>
June 30, 2011	\$ 228,132.00	\$ 228,132.00	100%
June 30, 2010	191,142.00	191,142.00	100%
June 30, 2009	219,474.33	219,474.33	100%

**Three-Year Trend Information for TPAF  
(Paid On-Behalf of the District)**

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of PC Contributed</u>	<u>Total On-Behalf Medical Benefits</u>
June 30, 2011	\$ 1,219,132.00	100%	\$ 2,310,871.23
June 30, 2010	992,688.00	100%	2,178,497.01
June 30, 2009	931,882.00	100%	1,994,842.78

During the fiscal year ended June 30, 2011, the State of New Jersey contributed zero to the TPAF for normal pension and \$1,219,132.00 for benefits On-Behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$1,091,739.23 during the year ended June 30, 2011 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements, and individual fund statement and schedules as a revenue and expenditure in accordance with GASB 24.

Legislation enacted during 1993 provided early retirement incentives for certain members for TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1994 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional \$500 per month for two years for employees at least age 60 with 10 but less than 20 years of service. The Board assumed the increased cost for the early retirement as it affected their District.

## **8. POST-RETIREMENT BENEFITS**

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2010, there were 87,288 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994 with an additional contribution beginning in Fiscal Year 1996 to maintain a medical reserve of one half of one percent of the active State payroll.

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired 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.

## **9. COMPENSATED ABSENCES**

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for vested compensated absences of the Governmental Fund types is recorded in the current and long-term liabilities. The current portion of the compensated absence balance of the Governmental Funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability balance of compensated absences.

## **10. DEFERRED COMPENSATION**

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

- The Variable Annuity Life Insurance Company
- The Hartford Broker Dealers
- Travelers Life and Annuity Company
- The Equitable Financial Companies
- Metropolitan Life Preference Plus
- Security Benefit
- Paul Revere Insurance Company

**11. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Property and Liability Insurance** - The 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 District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's Expendable Trust Fund for the current and previous two years:

<u>Fiscal Year Ended June 30</u>	<u>District Contributions</u>	<u>Interest</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010-2011	\$ -	\$ 106.31	\$ 26,473.33	\$ 56,691.45	\$ 55,531.93
2009-2010	50,000.00	60.30	51,378.81	85,393.36	85,643.74
2008-2009	-	104.97	50,643.35	54,584.72	69,597.99

**12. INTERFUND BALANCES AND TRANSFERS**

The interfund receivable/payable as of June 30, 2011 will be liquidated in the normal course of business in the succeeding year.

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 172,587.26	\$
Enterprise Fund		172,587.26
	<u>\$ 172,587.26</u>	<u>\$ 172,587.26</u>

**13. CAPITAL RESERVE ACCOUNT**

A Capital Reserve Account was established by the Board by inclusion of \$100.00 on October 12, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. Because the District is receiving additional funding, the amount of \$1.00 is the maximum that can be maintained in this account. The Capital Reserve Account is maintained in the General Fund and its activity is included in the General Fund Annual Budget.

Funds placed in the Capital Reserve Account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual General Fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

#### **14. DEFICIT FUND BALANCES**

The District has a deficit fund balance of \$1,075,843.32 in the General Fund as of June 30, 2011 as reported in the fund statements (modified accrual basis). P.L. 2003, c. 97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the General and Special Revenue Fund balance deficit does not alone indicate that the District is facing financial difficulties.

Pursuant to P.L. 2003, c.97 any negative unreserved, undesignated General Fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP funds statements of \$1,075,843.32 is less than the last state aid payment.

#### **15. FUND BALANCE APPROPRIATED**

**General Fund** - Of the \$2,188,678.49 General Fund fund balance at June 30, 2011, \$665,472.81 is reserved for encumbrances; \$1.00 is reserved in the Capital Reserve Account; \$775,391.00 is unreserved and has been designated for subsequent years expenditures and appropriated and included as anticipated revenue for the year ended June 30, 2012 and \$747,813.68 is unreserved and undesignated.

**Capital Projects Fund** - The \$232,460.45 Capital Projects Fund Balance at June 30, 2011, is unreserved and designated for subsequent year's expenditures.

#### **16. CONTINGENT LIABILITIES AND COMMITMENTS**

**A. Grant Programs** - The school district participates in federally and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

**B. Litigation** - Other than noted above, the Board's Attorney's letter indicated that there was one claim in the amount of \$38,193.16 by one vendor for an alleged unpaid bill. All other litigation, claims or contingent liabilities that are not covered by the Board's insurance carrier would not have a material financial impact on the Board.

#### **17. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A:7F-7, the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. There was no excess fund balance as a result of the 2010-2011 school year.

**18. RECONCILIATION OF FUND BALANCE - GENERAL FUND**

	Unreserved and <u>Designated</u>
The Surpluses are presented on a GAAP Basis and a Reconciliation to the Budget Basis is as Follows:	
Balance on a Budget Basis on the General Fund Budgetary Basis Comparison	\$2,188,678.49
Less: Allocation of State Aid Payment of \$1,823,657.00 Not Recognized on a GAAP Basis	<u>1,823,657.00</u>
Balances on a GAAP Basis on the Governmental Fund Balance Sheet	<u>\$ 365,021.49</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**C. BUDGETARY COMPARISON SCHEDULES**

HARRISON TOWN SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2011

C-1  
 Sheet #1

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
<b>Revenues</b>					
Local Sources:					
Tax Levy	\$ 9,229,913.00	\$	\$ 9,229,913.00	\$ 9,229,913.00	\$
Tuition	1,184,891.00		1,184,891.00	1,088,862.70	(96,028.30)
Transportation	30,000.00		30,000.00	26,250.00	(3,750.00)
Other Local Government Units - Unrestricted	150,000.00		150,000.00	75,000.00	(75,000.00)
Miscellaneous	238,190.00		238,190.00	41,105.31	(197,084.69)
<b>Total - Local Sources</b>	<b>10,832,994.00</b>		<b>10,832,994.00</b>	<b>10,461,131.01</b>	<b>(371,862.99)</b>
State Sources:					
Equalization Aid	18,084,410.00		18,084,410.00	18,084,410.00	
Categorical Transportation Aid	472,292.00		472,292.00	472,292.00	
Extraordinary Aid				198,713.00	198,713.00
On-Behalf TPAF Pension/Medical Contribution (Nonbudgeted)				1,219,132.00	1,219,132.00
Reimbursed TPAF Social Security Contribution (Nonbudgeted)				1,091,739.23	1,091,739.23
<b>Total - State Sources</b>	<b>18,556,702.00</b>		<b>18,556,702.00</b>	<b>21,066,286.23</b>	<b>2,509,584.23</b>
Federal Aid:					
Medicare Reimbursement	7,000.00		7,000.00	75,398.24	68,398.24
<b>Total Federal Aid</b>	<b>7,000.00</b>		<b>7,000.00</b>	<b>75,398.24</b>	<b>68,398.24</b>
<b>Total Revenues</b>	<b>29,396,696.00</b>		<b>29,396,696.00</b>	<b>31,602,815.48</b>	<b>2,206,119.48</b>
<b>Expenditures</b>					
Current Expense:					
Instruction - Regular Programs:					
Preschool/Kindergarten:					
Salaries of Teachers	667,645.00	(111,800.00)	555,845.00	503,689.45	52,155.55
Salaries of Teachers:					
Grades 1 - 5	2,871,027.00	(99,488.00)	2,771,539.00	2,737,627.23	33,911.77
Grades 6 - 8	1,640,551.00	(84,150.00)	1,556,401.00	1,484,132.79	72,268.21
Grades 9 - 12	3,548,250.00	240,250.00	3,788,500.00	3,703,758.58	84,741.42
Home Instruction:					
Salaries of Teachers	12,000.00		12,000.00	3,513.04	8,486.96
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	123,600.00		123,600.00	96,132.07	27,467.93
Purchased Professional/Educational Services	15,000.00		15,000.00	14,834.99	165.01

HARRISON TOWN SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2011

C-1  
 Sheet #2

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
<b>Expenditures</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Undistributed Instruction:</b>					
Other Purchased Services	\$ 35,000.00	\$ 295.00	\$ 35,295.00	\$ 10,295.00	\$ 25,000.00
General Supplies	95,562.69		95,562.69	85,080.74	10,481.95
Textbooks	85,159.53		85,159.53	67,393.71	17,765.82
<b>Total Regular Programs</b>	<u>9,093,795.22</u>	<u>(54,893.00)</u>	<u>9,038,902.22</u>	<u>8,706,457.60</u>	<u>332,444.62</u>
<b>Special Education:</b>					
<b>Learning and/or Language Disabilities:</b>					
Salaries of Teachers	447,693.00	(39,092.00)	408,601.00	407,086.54	1,514.46
Other Salaries for Instruction	94,764.00	15,600.00	110,364.00	79,124.45	31,239.55
General Supplies	600.00		600.00	482.53	117.47
Textbooks	969.28		969.28	945.17	24.11
<b>Total Learning and/or Language Disabilities</b>	<u>544,026.28</u>	<u>(23,492.00)</u>	<u>520,534.28</u>	<u>487,638.69</u>	<u>32,895.59</u>
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	687,528.00		687,528.00	673,101.26	14,426.74
Purchased Professional/Educational Services	15,600.00		15,600.00	11,079.00	4,521.00
General Supplies	800.00		800.00	800.00	
Textbooks	400.00		400.00	400.00	
<b>Total Resource Room/Resource Center</b>	<u>704,328.00</u>		<u>704,328.00</u>	<u>685,380.26</u>	<u>18,947.74</u>
<b>Total Special Education</b>	<u>1,248,354.28</u>	<u>(23,492.00)</u>	<u>1,224,862.28</u>	<u>1,173,018.95</u>	<u>51,843.33</u>
<b>Multiple Disabilities:</b>					
Salaries of Teachers	45,521.00		45,521.00	32,332.35	13,188.65
<b>Total Multiple Disabilities</b>	<u>45,521.00</u>		<u>45,521.00</u>	<u>32,332.35</u>	<u>13,188.65</u>
<b>Basic Skills/Remedial:</b>					
Salaries of Teachers	194,596.00		194,596.00	44,855.32	149,740.68
General Supplies	510.53		510.53	355.15	155.38
Textbooks	450.00		450.00	390.58	59.42
<b>Total Basic Skills/Remedial</b>	<u>195,556.53</u>		<u>195,556.53</u>	<u>45,601.05</u>	<u>149,955.48</u>

HARRISON TOWN SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2011

C-1  
 Sheet #3

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
<b>Expenditures</b>					
<b>Current Expense:</b>					
<b>Bilingual Education:</b>					
Salaries of Teachers	\$ 579,442.00	\$	\$ 579,442.00	\$ 507,794.00	\$ 71,648.00
Textbooks	800.00		800.00	692.88	107.12
General Supplies	878.99		878.99	562.64	316.35
<b>Total Bilingual Education</b>	<u>581,120.99</u>		<u>581,120.99</u>	<u>509,049.52</u>	<u>72,071.47</u>
<b>School Sponsored Cocurricular Activities:</b>					
Salaries	34,879.25	(3,000.00)	31,879.25	30,202.55	1,676.70
Supplies and Materials	3,184.00		3,184.00	2,979.80	204.20
<b>Total School Sponsored Cocurricular Activities</b>	<u>38,063.25</u>	<u>(3,000.00)</u>	<u>35,063.25</u>	<u>33,182.35</u>	<u>1,880.90</u>
<b>Other Instructional Programs - Instruction:</b>					
Salaries	50,000.00		50,000.00	50,000.00	
Purchased Professional/Technical Services	62,300.00	(6,000.00)	56,300.00	43,557.39	12,742.61
Purchased Professional/Educational Services	600.00		600.00	400.00	200.00
Supplies and Materials	45,247.92	(350.00)	44,897.92	43,127.59	1,770.33
<b>Total Other Instructional Programs - Instruction</b>	<u>158,147.92</u>	<u>(6,350.00)</u>	<u>151,797.92</u>	<u>137,084.98</u>	<u>14,712.94</u>
<b>Community Services Programs/Operations:</b>					
Salaries - Other	130,000.00	28,300.00	158,300.00	158,300.00	
<b>School Sponsored Athletic Activities - Instruction:</b>					
Salaries	290,765.00	(54,545.00)	236,220.00	224,201.80	12,018.20
Purchased Professional/Technical Services	2,000.00		2,000.00	182.75	1,817.25
Supplies and Materials	3,598.96		3,598.96	3,317.00	281.96
<b>Total Instruction</b>	<u>11,786,923.15</u>	<u>(113,980.00)</u>	<u>11,672,943.15</u>	<u>11,022,728.35</u>	<u>650,214.80</u>
<b>Undistributed Expenditures:</b>					
Instruction:					
Tuition to Other LEA's Within the State - Special	1,191,484.00	40,501.60	1,231,985.60	1,231,985.60	
Tuition to Private Schools for the Disabled Within the State	1,790,600.00	132,656.76	1,923,256.76	1,923,234.85	21.91
<b>Total Undistributed Expenditures - Instruction</b>	<u>2,982,084.00</u>	<u>173,158.36</u>	<u>3,155,242.36</u>	<u>3,155,220.45</u>	<u>21.91</u>

HARRISON TOWN SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2011

C-1  
 Sheet #4

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
<b>Expenditures</b>					
<b>Current Expense:</b>					
Undistributed Expenditures:					
Attendance and Social Work Services:					
Salaries	\$ 411,720.00	\$ (37,505.00)	\$ 374,215.00	\$ 351,053.12	\$ 23,161.88
Supplies and Materials	1,450.00		1,450.00	1,440.23	9.77
Total Attendance and Social Work Services	413,170.00	(37,505.00)	375,665.00	352,493.35	23,171.65
Health Services:					
Salaries	481,113.00	4,930.00	486,043.00	485,953.32	89.68
Purchased Professional/Technical Services	7,000.00		7,000.00	6,150.00	850.00
Supplies and Materials	1,095.00	264.48	1,359.48	1,319.21	40.27
Total Health Services	489,208.00	5,194.48	494,402.48	493,422.53	979.95
Speech, OT, PT and Related Services:					
Salaries	88,390.00	(7,955.00)	80,435.00	75,206.17	5,228.83
Child Study Teams/Guidance Services:					
Salaries of Other Professional Staff	1,315,726.00	(114,643.00)	1,201,083.00	1,192,133.39	8,949.61
Salaries of Secretarial and Clerical Assistants	81,065.00		81,065.00	81,064.58	0.42
Purchased Professional Services - Educational	6,000.00	225.00	6,225.00	4,721.15	1,503.85
Supplies and Materials	1,200.00	485.00	1,685.00	1,082.23	602.77
Other Purchased Services	200.00		200.00	200.00	200.00
Total Child Study Teams/Guidance Services	1,404,191.00	(113,933.00)	1,290,258.00	1,279,001.35	11,256.65

HARRISON TOWN SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2011

C-1  
 Sheet #5

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
<b>Expenditures</b>					
Current Expense:					
Undistributed Expenditures:					
Improvement of Instruction Services/Other Support					
Services - Instructional Staff:					
Salaries of Other Professional Staff	\$ 486,386.00	35,150.00	\$ 521,536.00	\$ 408,267.01	\$ 113,268.99
Salaries of Secretarial and Clerical Assistants	58,562.00		58,562.00	58,561.88	0.12
Supplies and Materials	407.49	600.00	1,007.49	807.49	200.00
Total Improvement of Instruction Services/Other Support Services - Instructional Staff	545,355.49	35,750.00	581,105.49	467,636.38	113,469.11
Educational Media Services/School Library:					
Salaries	478,134.12	(69,385.00)	408,749.12	388,653.98	20,095.14
Supplies and Materials	10,991.02		10,991.02	10,359.60	631.42
Total Educational Media Services/School Library	489,125.14	(69,385.00)	419,740.14	399,013.58	20,726.56
Staff Development - Staff Training Services:					
Purchased Professional Services - Educational	200.00		200.00		200.00
Other Purchased Services	200.00		200.00		200.00
Supplies and Materials	200.00		200.00	89.11	110.89
Total Staff Development - Staff Training Services	600.00		600.00	89.11	510.89
Support Services General Administration:					
Salaries	484,230.00	(53,846.00)	430,384.00	430,352.23	31.77
Salaries of Secretarial and Clerical Assistants	73,125.00	68,146.00	68,146.00	68,141.56	4.44
Salaries of Attorneys	1,000.00	2,275.00	75,400.00	75,400.00	-
Legal	50,000.00		1,000.00	1,000.00	-
Audit Fees	37,500.00	(9,320.00)	50,000.00	49,105.00	895.00
Other Purchased Professional Services	10,000.00	(1,000.00)	28,180.00	26,925.44	1,254.56
Other Purchased Technical Services	90,000.00	8,770.61	98,770.61	9,000.00	
Communications/Telephone	56,000.00	1,015.00	57,015.00	57,015.00	
Other Purchased Services	600.00		600.00	360.00	240.00
BOE In-House Training/Meeting Supplies	6,000.00		6,000.00	4,233.00	1,767.00
Miscellaneous Expenditures	10,800.00		10,800.00	9,027.62	1,772.38
BOE Membership Dues and Fees					
Total Support Services General Administration	819,255.00	16,040.61	835,295.61	829,330.46	5,965.15
Support Services School Administration:					
Salaries of Principals/Assistant Principals	961,385.00	152,300.00	1,103,685.00	905,676.55	198,008.45
Salaries of Secretarial and Clerical Assistants	257,556.00		257,556.00	257,477.09	78.91

HARRISON TOWN SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2011

C-1  
 Sheet #6

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
<b>Expenditures</b>					
<b>Current Expense:</b>					
Undistributed Expenditures:					
Support Services School Administration:					
Other Purchased Professional/Technical Services	\$ 11,000.00		\$ 11,000.00	\$ 7,036.50	\$ 3,963.50
Supplies and Materials	37,282.32		37,282.32	28,432.48	8,849.84
Other Objects	7,500.00		7,500.00	3,268.94	4,231.06
Total Support Services School Administration	1,264,723.32	152,300.00	1,417,023.32	1,201,891.56	215,131.76
Central Services:					
Salaries	397,835.00	4,643.00	402,478.00	398,042.84	4,435.16
Purchased Professional/Technical Services	29,000.00	668.00	29,668.00	23,867.18	5,800.82
Miscellaneous Purchased Services	37,000.00		37,000.00	25,045.00	11,955.00
Supplies and Materials	10,000.00	1,828.72	11,828.72	11,802.76	25.96
Total Central Services	473,835.00	7,139.72	480,974.72	458,757.78	22,216.94
Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	10,000.00		10,000.00	5,142.14	4,857.86
Operation and Maintenance of Plant Services:					
Salaries	986,068.00	(88,000.00)	898,068.00	819,835.03	78,232.97
Cleaning, Repair and Maintenance Services	1,131,266.00	93,720.03	1,224,986.03	1,211,756.83	13,229.20
Insurance	467,000.00	(3,700.00)	463,300.00	463,116.99	183.01
General Supplies	30,000.00	11,414.69	41,414.69	41,414.69	
Energy (Electricity)	380,000.00	1,735.60	381,735.60	381,735.60	
Energy (Heat)	300,000.00		300,000.00	274,168.35	25,831.65
Total Operation and Maintenance of Plant Services	3,294,334.00	15,170.32	3,309,504.32	3,192,027.49	117,476.83
Student Transportation Services:					
Contracted Services (Other Than Between Home and School) - Vendors	45,000.00	14,547.70	59,547.70	40,413.00	19,134.70
Contract Services (Special Education Students) - Vendors	900,000.00	(72,860.14)	827,139.86	754,731.32	72,408.54
Special Education Students - Joint Agreements	15,000.00	26,000.00	41,000.00	41,000.00	41,000.00
Supplies and Materials	800.00	1,500.88	2,300.88	2,271.99	28.89
Total Student Transportation Services	960,800.00	(30,811.56)	929,988.44	797,416.31	132,572.13

HARRISON TOWN SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2011

C-1  
 Sheet #7

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
<b>Expenditures</b>					
<b>Current Expense:</b>					
<b>Undistributed Expenditures:</b>					
Security:	\$ 45,912.00	\$	\$ 45,912.00	\$ 45,912.00	\$ 200.00
Salaries	200.00		200.00		
Supplies and Materials					
<b>Total Security</b>	<u>46,112.00</u>		<u>46,112.00</u>	<u>45,912.00</u>	<u>200.00</u>
<b>Unallocated Benefits - Employee Benefits:</b>					
Social Security	310,000.00		310,000.00	309,319.38	680.62
TPAF Contributions - ERIP	225,000.00		225,000.00	225,000.00	
Other Retirement Contributions - Regular	40,000.00		40,000.00	40,000.00	40,000.00
Other Retirement Contributions - ERIP	50,000.00		50,000.00	50,000.00	50,000.00
Unemployment Compensation	35,000.00		35,000.00	30,000.00	30,000.00
Health Benefits	4,340,859.59	119,259.41	4,460,119.00	4,322,722.60	137,396.40
Other Employee Benefits	30,000.00		30,000.00	30,000.00	
<b>Total Unallocated Benefits - Employee Benefits</b>	<u>5,030,859.59</u>	<u>119,259.41</u>	<u>5,150,119.00</u>	<u>4,892,041.98</u>	<u>258,077.02</u>
<b>On-Behalf TPAF Pension/Medical Contribution (Nonbudgeted)</b>					
<b>Reimbursed TPAF Social Security Contribution (Nonbudgeted)</b>					
Total Undistributed Expenditures	<u>18,312,042.54</u>	<u>264,423.34</u>	<u>18,576,465.88</u>	<u>19,955,473.87</u>	<u>(1,379,007.99)</u>
Total Expenditures - Current Expense	<u>30,098,965.69</u>	<u>150,443.34</u>	<u>30,249,409.03</u>	<u>30,978,202.22</u>	<u>(728,793.19)</u>
<b>Capital Outlay:</b>					
<b>Equipment:</b>					
Regular Programs - Instruction:					
Preschool - Kindergarten	19,980.97		19,980.97	19,512.97	468.00
Grades 1 - 5	14,068.21		14,068.21	12,776.15	1,292.06
Grades 6 - 8	20,591.25		20,591.25	20,582.50	8.75
Annex	12,800.00		12,800.00	11,786.89	1,013.11
Grades 9 - 12	17,500.00		17,500.00	14,171.03	3,328.97
<b>Total Equipment</b>	<u>84,940.43</u>		<u>84,940.43</u>	<u>78,829.54</u>	<u>6,110.89</u>

HARRISON TOWN SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FISCAL YEAR ENDED JUNE 30, 2011

C-1  
 Sheet #8

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
<u>Expenditures</u>					
Capital Outlay:					
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	\$ 5,000.00	\$ 24,644.94	\$ 29,644.94	\$ 27,104.94	\$ 2,540.00
Construction Services	100,000.00	135,087.00	235,087.00	150,053.00	85,034.00
Land and Improvements		33,962.00	33,962.00	33,962.00	
Total Facilities Acquisition and Construction Services	105,000.00	193,693.94	298,693.94	211,119.94	87,574.00
Total Capital Outlay	169,940.43	193,693.94	383,634.37	289,949.48	93,684.89
Total Expenditures	30,288,906.12	344,137.28	30,633,043.40	31,268,151.70	(635,108.30)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(892,210.12)	(344,137.28)	(1,236,347.40)	334,663.78	1,571,011.18
Other Financing Sources (Uses):					
Operating Transfers Out:					
Local Contribution to Special Revenue Fund	(98,721.00)		(98,721.00)	(98,721.00)	
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Sources	(990,931.12)	(344,137.28)	(1,335,068.40)	235,942.78	1,571,011.18
Fund Balances, July 1	1,952,735.71		1,952,735.71	1,952,735.71	
Fund Balances, June 30	\$ 961,804.59	\$ (344,137.28)	\$ 617,667.31	\$ 2,188,678.49	\$ 1,571,011.18
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 1.00	
Legally Restricted - Designated for Subsequent Year's Expenditures				775,391.00	
Committed Fund Balance:					
Year End Encumbrances				665,472.81	
Unassigned Fund Balance				747,813.68	
Reconciliation to Government Funds Statements (GAAP):				2,188,678.49	
Less State Aid Payment Not Recognized on GAAP Basis				1,823,657.00	
Fund Balance per Governmental Funds				\$ 365,021.49	

HARRISON TOWN SCHOOL DISTRICT  
 GENERAL FUND  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

C-1a  
 Sheet #1

	Original Budget		Budget Transfer		Final Budget		Actual	
	Operating Fund Fund 11-13	Total General Fund	Operating Fund Fund 11-13	Blended Resource Fund Fund 15	Operating Fund Fund 11-13	Blended Resource Fund Fund 15	Operating Fund Fund 11-13	Blended Resource Fund Fund 15
<b>REVENUES:</b>								
Local Sources:								
Local Tax Levy	\$ 9,229,913.00	\$ 9,229,913.00	\$ 9,229,913.00	\$ -	\$ 9,229,913.00	\$ -	\$ 9,229,913.00	\$ 9,229,913.00
Tuition	1,184,891.00	1,184,891.00	1,184,891.00	-	1,184,891.00	-	1,088,862.70	1,088,862.70
Transportation	30,000.00	30,000.00	30,000.00	-	30,000.00	-	26,250.00	26,250.00
Other Local Government Units - Unrestricted	150,000.00	150,000.00	150,000.00	-	150,000.00	-	75,000.00	75,000.00
Miscellaneous	238,190.00	238,190.00	238,190.00	-	238,190.00	-	41,105.31	41,105.31
<b>Total - Local Sources</b>	<b>10,832,994.00</b>	<b>10,832,994.00</b>	<b>10,832,994.00</b>	<b>-</b>	<b>10,832,994.00</b>	<b>-</b>	<b>10,461,131.01</b>	<b>10,461,131.01</b>
State Sources:								
Equalization Aid	18,084,410.00	18,084,410.00	18,084,410.00	-	18,084,410.00	-	18,084,410.00	18,084,410.00
Categorical Special Education Aid	472,292.00	472,292.00	472,292.00	-	472,292.00	-	472,292.00	472,292.00
Nonbudgeted	-	-	-	-	-	-	196,713.00	196,713.00
On-Behalf TPAF Pension/Medical Contribution	-	-	-	-	-	-	1,219,132.00	1,219,132.00
Reimbursed TPAF Social Security Contributions	-	-	-	-	-	-	1,091,759.23	1,091,759.23
<b>Total - State Sources</b>	<b>18,556,702.00</b>	<b>18,556,702.00</b>	<b>18,556,702.00</b>	<b>-</b>	<b>18,556,702.00</b>	<b>-</b>	<b>21,066,296.23</b>	<b>21,066,296.23</b>
Federal Aid:								
Medicare Reimbursement	7,000.00	7,000.00	7,000.00	-	7,000.00	-	75,399.24	75,399.24
<b>Total - Federal Aid</b>	<b>7,000.00</b>	<b>7,000.00</b>	<b>7,000.00</b>	<b>-</b>	<b>7,000.00</b>	<b>-</b>	<b>75,399.24</b>	<b>75,399.24</b>
<b>Total Revenues</b>	<b>29,396,696.00</b>	<b>29,396,696.00</b>	<b>29,396,696.00</b>	<b>-</b>	<b>29,396,696.00</b>	<b>-</b>	<b>31,602,615.48</b>	<b>31,602,615.48</b>
<b>EXPENDITURES:</b>								
CURRENT EXPENSE:								
Instruction - Regular Programs:								
Preschool/Kindergarten:								
Salaries of Teachers	667,646.00	667,646.00	667,646.00	(111,600.00)	556,046.00	556,046.00	556,046.00	503,689.45
Grades 1 - 5:								
Salaries of Teachers	2,763,027.00	2,871,027.00	2,763,027.00	(107,408.00)	2,655,619.00	2,655,619.00	2,641,707.23	2,737,627.23
Grades 6 - 8:								
Salaries of Teachers	1,575,551.00	1,640,551.00	1,575,551.00	(64,150.00)	1,485,551.00	1,485,551.00	1,413,282.79	1,484,132.79
Grades 9 - 12:								
Salaries of Teachers	3,453,250.00	3,546,250.00	3,453,250.00	231,700.00	3,684,950.00	3,684,950.00	3,600,208.58	3,703,758.58
Regular Programs - Home Instruction:								
Salaries of Teachers	12,000.00	12,000.00	12,000.00	-	12,000.00	12,000.00	3,513.04	3,513.04
Regular Programs - Undistributed Instruction:								
Other Salaries for Instruction	123,600.00	123,600.00	123,600.00	-	123,600.00	123,600.00	96,132.07	96,132.07
Purchased Professional/Educational Services	15,000.00	15,000.00	15,000.00	-	15,000.00	15,000.00	14,834.99	14,834.99
Other Purchased Services	35,000.00	35,000.00	35,000.00	285.00	35,285.00	35,285.00	10,296.00	10,296.00
General Supplies	95,592.89	95,592.89	95,592.89	-	95,592.89	95,592.89	85,080.74	85,080.74
Textbooks	85,159.53	85,159.53	85,159.53	-	85,159.53	85,159.53	67,393.71	67,393.71
<b>Total Regular Programs</b>	<b>295,000.00</b>	<b>9,053,795.22</b>	<b>22,615.00</b>	<b>(77,508.00)</b>	<b>8,721,287.22</b>	<b>8,721,287.22</b>	<b>284,128.04</b>	<b>8,422,326.56</b>

HARRISON TOWN SCHOOL DISTRICT  
 GENERAL FUNDS - EXPENDITURES  
 COMBINING STATEMENT OF REVENUES, BUDGET AND ACTUAL  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

C-1a  
 Sheet #2

	Original Budget		Budget Transfer		Final Budget		Actual	
	Operating Fund Fund 11-13	Total General Fund	Operating Fund Fund 11-13	Blended Resource Fund Fund 15	Operating Fund Fund 11-13	Blended Resource Fund Fund 15	Operating Fund Fund 11-13	Blended Resource Fund Fund 15
<b>EXPENDITURES:</b>								
<b>CURRENT EXPENSE:</b>								
Special Education:								
Learning and/or Language Disabilities:								
Salaries of Teachers	\$ 447,593.00	\$ 447,593.00	\$ (39,092.00)	\$ 15,800.00	\$ 408,601.00	\$ 408,601.00	\$ 407,085.54	\$ 407,085.54
Other Salaries for Instruction	84,764.00	84,764.00	15,800.00		110,364.00	110,364.00	79,124.45	79,124.45
General Supplies	600.00	600.00			600.00	600.00	482.53	482.53
Textbooks	959.28	959.28			959.28	959.28	945.17	945.17
		544,026.28	(23,492.00)		520,534.28	520,534.28	487,638.69	487,638.69
Total Learning and/or Language Disabilities								
Resource Room/Center:								
Salaries of Teachers	687,528.00	687,528.00			687,528.00	687,528.00	673,101.26	673,101.26
Purchased Professional/Educational Services	15,600.00	15,600.00			15,600.00	15,600.00	11,079.00	11,079.00
General Supplies	800.00	800.00			800.00	800.00	800.00	800.00
Textbooks	400.00	400.00			400.00	400.00	400.00	400.00
		704,328.00			704,328.00	704,328.00	685,380.26	685,380.26
Total Resource Room/Center								
Total Special Education		1,248,354.28	(23,492.00)		1,224,862.28	1,224,862.28	1,173,018.95	1,173,018.95
Multiple Disabilities:								
Salaries of Teachers	45,521.00	45,521.00			45,521.00	45,521.00	32,332.35	32,332.35
Basic Skills - Remedial - Instruction:								
Salaries of Teachers	194,596.00	194,596.00			194,596.00	194,596.00	44,655.32	44,655.32
General Supplies	510.53	510.53			510.53	510.53	555.15	555.15
Textbooks	450.00	450.00			450.00	450.00	390.36	390.36
		195,556.53			195,556.53	195,556.53	45,601.05	45,601.05
Total Basic Skills - Remedial - Instruction								
Bilingual Education - Instruction:								
Salaries of Teachers	579,442.00	579,442.00			579,442.00	579,442.00	507,794.00	507,794.00
General Supplies	600.00	600.00			600.00	600.00	692.88	692.88
Textbooks	878.95	878.95			878.95	878.95	652.64	652.64
		581,120.99			581,120.99	581,120.99	509,046.52	509,046.52
Total Bilingual Education - Instruction								
School Sponsored Co-curricular Activities - Instruction:								
Salaries	34,879.25	34,879.25	(3,000.00)		31,879.25	31,879.25	30,202.55	30,202.55
Supplies and Materials	3,184.00	3,184.00			3,184.00	3,184.00	2,879.80	2,879.80
		38,063.25	(3,000.00)		35,063.25	35,063.25	33,182.35	33,182.35
Total School Sponsored Co-curricular Activities - Instruction								
School Sponsored Athletic Activities - Instruction:								
Salaries	82,765.00	295,765.00	(95,045.00)	(19,500.00)	188,500.00	286,220.00	179,666.53	224,201.60
Purchased Professional/Technical Services		2,000.00			2,000.00	2,000.00	162.75	162.75
Supplies and Materials		3,598.96			3,598.96	3,598.96	3,317.00	3,317.00
		213,598.96	(95,045.00)	(19,500.00)	194,053.96	241,818.96	183,466.28	227,701.65
Total School Sponsored Athletic Activities - Instruction								

HARRISON TOWN SCHOOL DISTRICT  
GENERAL FUND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget		Budget Transfer		Final Budget		Actual	
	Operating Fund 11-13	Total General Fund						
<b>EXPENDITURES:</b>								
<b>CURRENT EXPENSE:</b>								
Other Instructional Programs - Instruction:								
Salaries	\$ 50,000.00	\$ 50,000.00	\$ (6,000.00)	\$ (6,000.00)	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
Purchased Professional/Technical Services	62,300.00	62,300.00			62,300.00	62,300.00	43,557.39	43,557.39
Purchased Professional/Educational Services	600.00	600.00			600.00	600.00	400.00	400.00
Supplies and Materials	45,247.92	45,247.92	(850.00)	(850.00)	44,897.92	44,897.92	43,127.59	43,127.59
Total Other Instructional Programs - Instruction	60,000.00	108,147.92	(6,850.00)	(6,850.00)	101,797.92	151,797.92	87,084.98	137,084.98
Community Services Programs - Operations:								
Salaries	130,000.00	130,000.00	28,300.00	28,300.00	158,300.00	158,300.00	158,300.00	158,300.00
Total Community Services Programs - Operations	130,000.00	130,000.00	28,300.00	28,300.00	158,300.00	158,300.00	158,300.00	158,300.00
Total Instruction	557,765.00	11,229,168.15	15,970.00	(413,960.00)	573,635.00	11,672,943.15	896,681.91	11,022,728.35
Undistributed Expenditures:								
Instruction:								
Tuition to Other LEAs Within the State - Special	1,191,484.00	1,191,484.00	40,501.60	40,501.60	1,231,985.60	1,231,985.60	1,231,985.60	1,231,985.60
Tuition to Private School - Disabled - In State	1,790,600.00	1,790,600.00	132,655.76	132,655.76	1,923,255.76	1,923,255.76	1,923,255.76	1,923,255.76
Total Undistributed Expenditures - Instruction	2,982,084.00	2,982,084.00	173,157.36	173,157.36	3,155,242.36	3,155,242.36	3,155,242.36	3,155,242.36
Attendance and Social Work Services:								
Salaries	177,960.00	177,960.00	(17,595.00)	(17,595.00)	160,365.00	160,365.00	144,617.34	208,435.78
Supplies and Materials	300.00	1,150.00			300.00	1,150.00	260.23	1,150.00
Total Attendance and Social Work Services	178,260.00	179,110.00	(17,595.00)	(17,595.00)	160,665.00	161,515.00	144,877.57	209,585.78
Health Services:								
Salaries	34,071.00	481,113.00	930.00	4,930.00	35,001.00	486,043.00	34,989.80	485,953.32
Purchased Professional and Technical Services	200.00	7,000.00	264.48	264.48	464.48	7,000.00	6,150.00	6,150.00
Supplies and Materials		1,065.00				895.00	854.73	1,319.21
Total Health Services	34,271.00	489,178.00	1,194.48	5,194.48	35,465.48	493,937.00	41,804.33	493,422.53
Speech, OT, PT and Related Services:								
Salaries	86,390.00	86,390.00	(7,955.00)	(7,955.00)	80,435.00	80,435.00	75,206.17	75,206.17
Total Other Support Services Students - Related Services	86,390.00	86,390.00	(7,955.00)	(7,955.00)	80,435.00	80,435.00	75,206.17	75,206.17

HARRISON TOWN SCHOOL DISTRICT  
 GENERAL FUND  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

C-1a  
 Sheet #4

	Original Budget		Budget Transfer		Final Budget		Actual	
	Operating Fund 11-13	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15
<b>EXPENDITURES:</b>								
<b>CURRENT EXPENSE:</b>								
Undistributed Expenditures:								
Improvement of Instructional Services:								
Salaries of Other Professional Staff	\$ 58,562.00	\$ 488,386.00	\$ 35,150.00	\$ 35,150.00	\$ 58,562.00	\$ 521,536.00	\$ 58,562.00	\$ 408,257.01
Salaries of Secretarial and Clerical Assistants		407.49	600.00	600.00		1,007.49	607.49	607.49
Supplies and Materials		488,733.49	35,750.00	35,750.00		581,105.49	409,074.50	467,636.38
Total Improvement of Instructional Services		488,733.49	35,750.00	35,750.00		581,105.49	409,074.50	467,636.38
Educational Media Services/School Library:								
Salaries		478,134.12	(69,385.00)	(69,385.00)		408,749.12	388,653.98	388,653.98
Supplies and Materials		10,991.02				10,991.02	10,999.60	10,999.60
Total Educational Media Services/School Library		489,125.14	(69,385.00)	(69,385.00)		419,740.14	399,653.58	399,653.58
Child Study Teams/Guidance								
Salaries of Other Professional Staff	812,919.00	1,315,726.00	(114,643.00)		698,276.00	502,907.00	698,276.00	502,907.00
Salaries of Secretarial and Clerical Assistants	42,720.00	81,065.00			42,720.00	38,346.00	42,720.00	38,346.00
Purchased Professional/Educational Services	5,000.00	1,000.00	225.00		5,225.00	1,000.00	5,225.00	1,000.00
Supplies and Materials	800.00	400.00	485.00		800.00	885.00	397.23	685.00
Other Purchased Services		200.00				200.00		
Total Guidance Services	861,439.00	1,404,191.00	(114,418.00)	485.00	747,021.00	545,237.00	735,164.82	542,856.53
Staff Development - Staff Training:								
Purchased Professional/Educational Services		200.00				200.00		
Other Purchased Services		200.00				200.00		
Supplies and Materials		200.00				200.00		
Total Staff Development - Staff Training		600.00				600.00		
Support Services General Administration:								
Salaries	484,230.00	484,230.00	(53,846.00)		430,384.00	430,384.00	430,384.00	430,384.00
Salaries of Secretarial and Clerical Assistants		73,125.00	68,146.00		68,146.00	68,146.00	68,146.00	68,146.00
Legal Fees		1,000.00	2,275.00		75,400.00	75,400.00	75,400.00	75,400.00
Audit Fees		50,000.00			1,000.00	1,000.00	1,000.00	1,000.00
Other Purchased Professional Services		37,500.00	(9,325.00)		28,175.00	28,175.00	28,175.00	28,175.00
Purchased Technical Services		10,000.00	(1,000.00)		9,000.00	9,000.00	9,000.00	9,000.00
Communications/Telephones		90,000.00	8,770.61		98,770.61	98,770.61	98,770.61	98,770.61
Other Purchased Services		55,000.00	1,015.00		57,015.00	57,015.00	57,015.00	57,015.00
BOE In-House Training/Meeting Supplies		600.00			600.00	600.00	600.00	600.00
Miscellaneous Expenditures		10,900.00			10,900.00	10,900.00	10,900.00	10,900.00
BOE Membership Dues and Fees								
Total Support Services General Administration	919,255.00	819,255.00	16,040.61		835,295.61	835,295.61	829,330.46	829,330.46
Support Services - School Administration:								
Salaries of Principals/Auxiliary Principals		951,385.00				1,103,685.00		905,676.55
Salaries of Secretarial and Clerical Assistants		257,556.00	152,300.00		257,556.00	257,556.00	257,477.09	257,477.09
Other Purchased Professional and Technical Services		11,000.00			11,000.00	11,000.00	7,096.50	7,096.50
Supplies and Materials		37,282.32			37,282.32	37,282.32	28,432.48	28,432.48
Other Objects		7,500.00			7,500.00	7,500.00	3,268.94	3,268.94
Total Support Services - School Administration		1,264,723.32	152,300.00		1,417,023.32	1,417,023.32	1,201,891.56	1,201,891.56

HARRISON TOWN SCHOOL DISTRICT  
GENERAL FUND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Original Budget		Budget Transfer		Final Budget		Actual	
	Operating Fund Fund.11-13	Total General Fund	Operating Fund Fund.11-13	Blended Resource Fund Fund.15	Operating Fund Fund.11-13	Blended Resource Fund Fund.15	Operating Fund Fund.11-13	Blended Resource Fund Fund.15
<b>EXPENDITURES:</b>								
<b>CURRENT EXPENSE:</b>								
<b>Undistributed Expenditures:</b>								
Central Services:								
Salaries	\$ 397,835.00	\$ 397,835.00	\$ 4,643.00	\$ 4,643.00	\$ 402,478.00	\$ 402,478.00	\$ 395,042.84	\$ 395,042.84
Purchased Professional Services	29,000.00	29,000.00	688.00	688.00	29,688.00	29,688.00	23,867.48	23,867.48
Miscellaneous Purchased Services	37,000.00	37,000.00	1,828.72	1,828.72	37,000.00	37,000.00	25,045.00	25,045.00
Supplies and Materials	10,000.00	10,000.00	1,828.72	1,828.72	11,828.72	11,828.72	11,802.76	11,802.76
<b>Total Central Services</b>	<b>473,835.00</b>	<b>473,835.00</b>	<b>7,139.72</b>	<b>7,139.72</b>	<b>480,974.72</b>	<b>480,974.72</b>	<b>458,757.78</b>	<b>458,757.78</b>
Required Maintenance for School Facilities: Cleaning, Repair and Maintenance Services	10,000.00	10,000.00			10,000.00	10,000.00	5,142.14	5,142.14
Custodial Services:								
Salaries	986,068.00	986,068.00	(86,000.00)	(86,000.00)	899,068.00	899,068.00	819,535.03	819,535.03
Cleaning, Repair and Maintenance Services	1,131,266.00	1,131,266.00	93,720.03	93,720.03	1,224,986.03	1,224,986.03	1,211,756.83	1,211,756.83
Insurance	467,000.00	467,000.00	(3,700.00)	(3,700.00)	463,300.00	463,300.00	463,116.89	463,116.89
General Supplies	30,000.00	30,000.00	11,414.69	11,414.69	41,414.69	41,414.69	41,414.69	41,414.69
Energy (Electricity)	380,000.00	380,000.00	1,735.60	1,735.60	381,735.60	381,735.60	381,735.60	381,735.60
Energy (Heat)	300,000.00	300,000.00			300,000.00	300,000.00	274,169.95	274,169.95
<b>Total Operation and Maintenance of Plant Services</b>	<b>3,284,334.00</b>	<b>3,284,334.00</b>	<b>15,170.32</b>	<b>15,170.32</b>	<b>3,309,504.32</b>	<b>3,309,504.32</b>	<b>3,192,027.49</b>	<b>3,192,027.49</b>
Student Transportation Services:								
Contracted Service: Other Than Between Home to School - Vendors	45,000.00	45,000.00	14,547.70	14,547.70	59,547.70	59,547.70	40,413.00	40,413.00
Special Education Students - Vendors	900,000.00	900,000.00	(72,860.14)	(72,860.14)	827,139.86	827,139.86	754,731.32	754,731.32
Special Education Students - Joint Agreements	15,000.00	15,000.00	26,000.00	26,000.00	41,000.00	41,000.00		
Supplies and Materials	903.00	903.00	1,500.88	1,500.88	2,393.88	2,393.88	2,271.99	2,271.99
<b>Total Student Transportation Services</b>	<b>960,800.00</b>	<b>960,800.00</b>	<b>(30,811.56)</b>	<b>(30,811.56)</b>	<b>929,988.44</b>	<b>929,988.44</b>	<b>797,416.31</b>	<b>797,416.31</b>
Security:								
Salaries	45,912.00	45,912.00			45,912.00	45,912.00	45,912.00	45,912.00
General Supplies	200.00	200.00			200.00	200.00		
<b>Total Security</b>	<b>46,112.00</b>	<b>46,112.00</b>			<b>46,112.00</b>	<b>46,112.00</b>	<b>45,912.00</b>	<b>45,912.00</b>
Unallocated Benefits:								
Social Security Contributions - Other	310,000.00	310,000.00			310,000.00	310,000.00	303,319.38	303,319.38
TPA Contributions - ERIP	225,000.00	225,000.00			225,000.00	225,000.00	225,000.00	225,000.00
Other Retirement Contributions - Regular	40,000.00	40,000.00			40,000.00	40,000.00		
Other Retirement Contributions - ERIP	50,000.00	50,000.00			50,000.00	50,000.00		
Health Benefits	35,000.00	35,000.00			35,000.00	35,000.00	5,000.00	5,000.00
Health Benefits Compensation	1,153,121.00	4,340,859.59	92,559.41	26,700.00	1,245,680.41	3,214,438.59	1,217,936.18	4,322,722.60
Other Employee Benefits	30,000.00	30,000.00			30,000.00	30,000.00	30,000.00	30,000.00
<b>Total Unallocated Benefits</b>	<b>1,643,121.00</b>	<b>5,030,859.59</b>	<b>92,559.41</b>	<b>26,700.00</b>	<b>1,955,680.41</b>	<b>3,214,438.59</b>	<b>1,787,255.56</b>	<b>4,892,041.98</b>
<b>Total</b>	<b>5,030,859.59</b>	<b>5,030,859.59</b>	<b>119,259.41</b>	<b>119,259.41</b>	<b>5,150,119.00</b>	<b>5,150,119.00</b>	<b>4,892,041.98</b>	<b>4,892,041.98</b>

HARRISON TOWNSHIP SCHOOL DISTRICT  
 GENERAL FUND  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

C-1a  
 Sheet #6

	Original Budget		Budget Transfer		Final Budget		Actual	
	Operating Fund 11-13	Total General Fund 15	Operating Fund 11-13	Total General Fund 15	Operating Fund 11-13	Total General Fund 15	Operating Fund 11-13	Total General Fund 15
<b>EXPENDITURES:</b>								
<b>CURRENT EXPENSE:</b>								
Nonbudgeted:								
On-Behalf TPAF Pension/Medical Contribution								
Reimbursed TPAF Social Security Contributions								
Total Nonbudgeted								
Total Undistributed Expenditures	11,604,351.00	18,312,042.94	11,738,924.34	284,423.34	6,837,541.54	19,576,465.89	13,966,326.24	19,995,473.87
TOTAL EXPENDITURES - CURRENT EXPENSES	12,192,116.00	30,099,995.69	12,317,559.34	150,443.34	17,836,849.69	30,249,409.09	14,125,987.55	30,879,202.22
<b>CAPITAL OUTLAY:</b>								
Undistributed Expenditures:								
Equipment:								
Preschool/Kindergarten	19,980.97	19,980.97			19,980.97	19,980.97		19,980.97
Grades 1 - 5	14,068.21	14,068.21			14,068.21	14,068.21		12,776.15
Grades 6 - 8	20,591.25	20,591.25			20,591.25	20,591.25		20,592.80
Annex	12,800.00	12,800.00			12,800.00	12,800.00		11,766.89
Grades 9 - 12	17,500.00	17,500.00			17,500.00	17,500.00		14,171.03
Total Equipment	84,940.43	84,940.43			84,940.43	84,940.43		79,829.54
Facilities Acquisition and Construction Services:								
Architectural/Engineering Services	5,000.00	5,000.00	24,644.94	24,644.94	29,644.94	29,644.94	27,104.94	27,104.94
Construction Services	100,000.00	100,000.00	135,087.00	135,087.00	235,087.00	235,087.00	150,053.00	150,053.00
Land and Improvements			33,982.00	33,982.00	33,982.00	33,982.00	33,982.00	33,982.00
Total Facilities Acquisition and Construction Services	105,000.00	105,000.00	193,693.94	193,693.94	298,693.94	298,693.94	211,119.94	211,119.94
TOTAL EXPENDITURES - CAPITAL OUTLAY	105,000.00	105,000.00	193,693.94	193,693.94	298,693.94	298,693.94	211,119.94	211,119.94
TOTAL GENERAL FUND EXPENDITURES	12,297,116.00	30,204,995.69	12,511,253.28	344,137.28	18,021,790.12	30,533,043.40	14,334,107.49	31,269,151.70
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	17,129,580.00	(892,210.12)	(344,137.28)	(344,137.28)	(18,021,790.12)	(1,235,347.40)	17,288,707.99	(16,934,044.21)
Other Financing Sources/(Uses):								
Operating Transfers-In:								
General Fund Contribution to School Based Budgets	17,930,859.00	17,930,859.00			17,930,859.00	17,930,859.00	17,001,231.70	17,001,231.70
Operating Transfers - (Out):	(17,930,859.00)	(17,930,859.00)	(17,930,859.00)	(17,930,859.00)	(17,930,859.00)	(17,930,859.00)	(17,001,231.70)	(17,001,231.70)
Local Contribution - Transfer to Special Revenue	(86,721.00)	(86,721.00)	(86,721.00)	(86,721.00)	(86,721.00)	(86,721.00)	(86,721.00)	(86,721.00)
Total Other Financing Sources/(Uses)	(18,029,580.00)	(86,721.00)	(18,029,580.00)	(86,721.00)	(17,930,859.00)	(17,930,859.00)	(17,001,231.70)	(17,001,231.70)
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Sources	(900,000.00)	(980,931.12)	(344,137.28)	(344,137.28)	(90,931.12)	(1,335,068.40)	168,755.29	235,942.78
Fund Balances, July 1	1,861,804.59	1,952,735.71			90,931.12	1,861,804.59		1,952,735.71
Fund Balances, June 30	\$ 961,804.59	\$ 961,804.59	\$ (1,244,137.28)	\$ (344,137.28)	\$ (90,931.12)	\$ (1,335,068.40)	\$ 2,030,559.89	\$ 2,168,678.49

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

C-2

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
State Sources	\$4,924,209.00	\$ 331,000.00	\$5,255,209.00	\$5,002,156.65	\$253,052.35
Local Sources		20,000.00	20,000.00	16,985.74	3,014.26
Federal Sources	<u>1,346,000.00</u>	<u>981,000.00</u>	<u>2,327,000.00</u>	<u>2,238,421.93</u>	<u>88,578.07</u>
<b>Total Revenues</b>	<u>6,270,209.00</u>	<u>1,332,000.00</u>	<u>7,602,209.00</u>	<u>7,257,564.32</u>	<u>344,644.68</u>
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	616,000.00	735,000.00	1,351,000.00	1,323,006.07	27,993.93
Other Salaries for Instruction	205,000.00	183,000.00	388,000.00	367,765.92	20,234.08
Other Purchased Services	31,000.00	45,000.00	76,000.00	54,077.08	21,922.92
General Supplies	42,000.00	41,000.00	83,000.00	75,315.10	7,684.90
Other Objects	5,000.00	11,200.00	16,200.00	10,845.20	5,354.80
<b>Total Instruction</b>	<u>899,000.00</u>	<u>1,015,200.00</u>	<u>1,914,200.00</u>	<u>1,831,009.37</u>	<u>83,190.63</u>
<b>Support Services:</b>					
Salaries	52,000.00	23,000.00	75,000.00	62,517.00	12,483.00
Salaries of Supervisors of Instruction	215,208.00		215,208.00	201,008.00	14,200.00
Salaries of Secretarial and Clerical Assistants	50,145.00		50,145.00	50,144.90	0.10
Salaries of Other Professional Staff	269,235.00		269,235.00	251,035.91	18,199.09
Purchased Professional/Technical Services	3,848,028.00		3,848,028.00	3,737,594.48	110,433.52
Purchased Professional/Educational Services	310,840.00	104,800.00	415,640.00	396,823.60	18,816.40
Personal Services - Employee Benefits	346,339.00	136,000.00	482,339.00	446,222.91	36,116.09
Other Salaries	268,572.00		268,572.00	257,212.07	11,359.93
General Supplies	83,563.00		83,563.00	50,063.68	33,499.32
Capital Outlay	20,000.00	53,000.00	73,000.00	68,038.74	4,961.26
Miscellaneous Expenditures	<u>6,000.00</u>		<u>6,000.00</u>	<u>4,614.66</u>	<u>1,385.34</u>
<b>Total Support Services</b>	<u>5,469,930.00</u>	<u>316,800.00</u>	<u>5,786,730.00</u>	<u>5,525,275.95</u>	<u>261,454.05</u>
<b>Total Expenditures</b>	<u>6,368,930.00</u>	<u>1,332,000.00</u>	<u>7,700,930.00</u>	<u>7,356,285.32</u>	<u>344,644.68</u>
<b>Other Financing Sources (Uses):</b>					
Local Contribution - Transfer In from General Fund	<u>98,721.00</u>		<u>98,721.00</u>	<u>98,721.00</u>	
<b>Total Other Financing Sources (Uses)</b>	<u>98,721.00</u>		<u>98,721.00</u>	<u>98,721.00</u>	
<b>Total Outflows</b>	<u>6,270,209.00</u>	<u>1,332,000.00</u>	<u>7,602,209.00</u>	<u>7,257,564.32</u>	<u>344,644.68</u>
<b>Excess (Deficiency) of Revenues Over/(Under) Expenditures</b>	<u>\$ -</u>				

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**



**OTHER SUPPLEMENTARY INFORMATION**

**D. SCHOOL BASED BUDGET SCHEDULES (IF APPLICABLE)**

HARRISON TOWN SCHOOL DISTRICT  
GENERAL FUND  
COMBINING BALANCE SHEET  
JUNE 30, 2011

D-1

<u>ASSETS</u>	Operating Fund <u>Fund 11-13</u>	Blended Resource <u>Fund 15</u>	Total General <u>Fund</u>
Cash and Cash Equivalents	\$ (208,672.03)	\$ 158,118.61	\$ (50,553.42)
Accounts Receivable - Other	242,986.65		242,986.65
Interfunds Receivable	172,587.26		172,587.26
Restricted Cash and Cash Equivalents	<u>1.00</u>		<u>1.00</u>
 Total Assets	 <u>\$ 206,902.88</u>	 <u>\$ 158,118.61</u>	 <u>\$ 365,021.49</u>
 <u>FUND BALANCES</u>			
Fund Balances:			
Reserved for:			
Year End Encumbrances	\$ 507,354.20	\$ 158,118.61	\$ 665,472.81
Legally Restricted - Designated for Subsequent Years' Expenditures	775,391.00		775,391.00
Capital Reserve Account	1.00		1.00
Unassigned, Reported in: General Fund	<u>(1,075,843.32)</u>		<u>(1,075,843.32)</u>
 Total Fund Balances	 <u>\$ 206,902.88</u>	 <u>\$ 158,118.61</u>	 <u>\$ 365,021.49</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF EXPENDITURES ALLOCATED BY RESOURCE TYPE - ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Exhibit D-2

DISTRICT-WIDE

<u>Resources</u>	<u>Resource Amount</u>	<u>Adjustment</u>	<u>Adjusted Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$ 17,930,859.00	-	\$ 17,930,859.00	\$	\$ 16,910,300.58	\$ 1,020,558.42
General Fund Reserve for Encumbrances at June 30, 2010	90,931.12		90,931.12		90,931.12	
Combined General Fund Contribution	18,021,790.12		18,021,790.12	100.00%	17,001,231.70	1,020,558.42
Totals	<u>\$ 18,021,790.12</u>	<u>\$ -</u>	<u>\$ 18,021,790.12</u>	<u>100.00%</u>	<u>\$ 17,001,231.70</u>	<u>\$ 1,020,558.42</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF EXPENDITURES ALLOCATED BY RESOURCE TYPE - ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Exhibit D-2a

School: Lincoln

<u>Resources</u>	<u>Resource Amount</u>	<u>Adjustment</u>	<u>Adjusted Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$5,073,477.00	\$(408,300.00)	\$4,665,177.00		\$4,311,954.71	\$353,222.29
General Fund Reserve for Encumbrances at June 30, 2010	40,952.96		40,952.96		40,952.96	
Combined General Fund Contribution	5,114,429.96	(408,300.00)	4,706,129.96	100.00%	4,352,907.67	353,222.29
Totals	<u>\$5,114,429.96</u>	<u>\$(408,300.00)</u>	<u>\$4,706,129.96</u>	<u>100.00%</u>	<u>\$4,352,907.67</u>	<u>\$353,222.29</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF EXPENDITURES ALLOCATED BY RESOURCE TYPE - ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Exhibit D-2b

School: Washington

<u>Resources</u>	<u>Resource Amount</u>	<u>Adjustment</u>	<u>Adjusted Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$ 3,797,076.00	\$ (66,000.00)	\$ 3,797,076.00		\$ 3,570,301.18	\$ 226,774.82
General Fund Reserve for Encumbrances at June 30, 2010	14,771.12		14,771.12		14,771.12	
Combined General Fund Contribution	3,811,847.12	(66,000.00)	3,745,847.12	100.00%	3,585,072.30	226,774.82
Totals	\$ 3,811,847.12	\$ (66,000.00)	\$ 3,745,847.12	100.00%	\$ 3,585,072.30	\$ 226,774.82

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF EXPENDITURES ALLOCATED BY RESOURCE TYPE - ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Exhibit D-2c

High School

<u>Resources</u>	<u>Resource Amount</u>	<u>Adjustment</u>	<u>Adjusted Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$ 6,614,801.00	\$ 315,200.00	\$ 6,930,001.00		\$ 6,667,891.43	\$ 262,109.57
General Fund Reserve for Encumbrances at June 30, 2010	<u>27,549.91</u>		<u>27,549.91</u>		<u>27,549.91</u>	
Combined General Fund Contribution	<u>6,642,350.91</u>	<u>315,200.00</u>	<u>6,957,550.91</u>	<u>100.00%</u>	<u>6,695,441.34</u>	<u>262,109.57</u>
Totals	<u>\$ 6,642,350.91</u>	<u>\$ 315,200.00</u>	<u>\$ 6,957,550.91</u>	<u>100.00%</u>	<u>\$ 6,695,441.34</u>	<u>\$ 262,109.57</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF EXPENDITURES ALLOCATED BY RESOURCE TYPE - ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Exhibit D-2d

Lincoln Annex

<u>Resources</u>	<u>Resource Amount</u>	<u>Adjustment</u>	<u>Adjusted Resource Amount</u>	<u>% of Total Resources</u>	<u>Total Expenditures - % of Total Resources</u>	<u>Total Surplus/ Carryover - % of Total Resources</u>
General Fund Contribution	\$ 2,445,505.00	\$ 159,100.00	\$ 2,604,605.00		\$ 2,360,153.26	\$ 244,451.74
General Fund Reserve for Encumbrances at June 30, 2010	7,657.13		7,657.13		7,657.13	
Combined General Fund Contribution	2,453,162.13		2,612,262.13	100.00%	2,367,810.39	244,451.74
Totals	<u>\$ 2,453,162.13</u>	<u>\$ 159,100.00</u>	<u>\$ 2,612,262.13</u>	<u>100.00%</u>	<u>\$ 2,367,810.39</u>	<u>\$ 244,451.74</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3  
Sheet #1

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>District-Wide</u>					
Instruction - Regular Programs:					
Preschool/Kindergarten:					
Salaries of Teachers	\$ 667,645.00	\$ (111,800.00)	\$ 555,845.00	\$ 503,689.45	\$ 52,155.55
Salaries of Teachers:					
Grades 1 - 5	2,763,027.00	(107,408.00)	2,675,619.00	2,641,707.23	33,911.77
Grades 6 - 8	1,575,551.00	(90,000.00)	1,485,551.00	1,413,282.79	72,268.21
Grades 9 - 12	3,453,250.00	231,700.00	3,684,950.00	3,600,208.58	84,741.42
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	123,600.00		123,600.00	96,132.07	27,467.93
Purchased Professional/Educational Services	15,000.00		15,000.00	14,834.99	165.01
General Supplies	95,562.69		95,562.69	85,080.74	10,481.95
Textbooks	85,159.53		85,159.53	67,393.71	17,765.82
Total Regular Programs	<u>8,798,795.22</u>	<u>(77,508.00)</u>	<u>8,721,287.22</u>	<u>8,422,329.56</u>	<u>298,957.66</u>
Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	447,693.00	(39,092.00)	408,601.00	407,086.54	1,514.46
Other Salaries for Instruction	94,764.00	15,600.00	110,364.00	79,124.45	31,239.55
General Supplies	600.00		600.00	482.53	117.47
Textbooks	969.28		969.28	945.17	24.11
Total Learning and/or Language Disabilities	<u>544,026.28</u>	<u>(23,492.00)</u>	<u>520,534.28</u>	<u>487,638.69</u>	<u>32,895.59</u>
Multiple Disabilities:					
Salaries of Teachers	<u>45,521.00</u>		<u>45,521.00</u>	<u>32,332.35</u>	<u>13,188.65</u>
Total Multiple Disabilities	<u>45,521.00</u>		<u>45,521.00</u>	<u>32,332.35</u>	<u>13,188.65</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3  
 Sheet #2

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>District-Wide</u>					
Special Education:					
Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	\$ 687,528.00		\$ 687,528.00	\$ 673,101.26	\$ 14,426.74
Purchased Professional/Educational Services	15,600.00		15,600.00	11,079.00	4,521.00
General Supplies	800.00		800.00	800.00	
Textbooks	400.00		400.00	400.00	
Total Resource Room/Resource Center	<u>704,328.00</u>		<u>704,328.00</u>	<u>685,380.26</u>	<u>18,947.74</u>
Total Special Education	<u>1,293,875.28</u>	<u>(23,492.00)</u>	<u>1,270,383.28</u>	<u>1,205,351.30</u>	<u>65,031.98</u>
Basic Skills/Remedial:					
Salaries of Teachers	194,596.00		194,596.00	44,855.32	149,740.68
General Supplies	510.53		510.53	355.15	155.38
Textbooks	450.00		450.00	390.58	59.42
Total Basic Skills/Remedial	<u>195,556.53</u>		<u>195,556.53</u>	<u>45,601.05</u>	<u>149,955.48</u>
Bilingual Education:					
Salaries of Teachers	579,442.00		579,442.00	507,794.00	71,648.00
General Supplies	800.00		800.00	692.88	107.12
Textbooks	878.99		878.99	562.64	316.35
Total Bilingual Education	<u>581,120.99</u>		<u>581,120.99</u>	<u>509,049.52</u>	<u>72,071.47</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3  
 Sheet.#3

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>District-Wide</b>					
School-Sponsored Cocurricular Activities:					
Salaries	\$ 34,879.25	\$ (3,000.00)	\$ 31,879.25	\$ 30,202.55	\$ 1,676.70
Supplies and Materials	3,184.00		3,184.00	2,979.80	204.20
<b>Total School-Sponsored Cocurricular Activities</b>	<b>38,063.25</b>	<b>(3,000.00)</b>	<b>35,063.25</b>	<b>33,182.35</b>	<b>1,880.90</b>
School-Sponsored Athletics:					
Salaries	208,000.00	(19,500.00)	188,500.00	179,968.53	8,531.47
Purchased Professional/Technical Services	2,000.00		2,000.00	182.75	1,817.25
Supplies and Materials	3,598.96		3,598.96	3,317.00	281.96
<b>Total School-Sponsored Athletics</b>	<b>213,598.96</b>	<b>(19,500.00)</b>	<b>194,098.96</b>	<b>183,468.28</b>	<b>10,630.68</b>
Other Instructional Programs:					
Purchased Professional/Technical Services	62,300.00	(6,000.00)	56,300.00	43,557.39	12,742.61
Purchased Professional/Educational Services	600.00		600.00	400.00	200.00
Supplies and Materials	45,247.92	(350.00)	44,897.92	43,127.59	1,770.33
<b>Total Other Instructional Programs</b>	<b>108,147.92</b>	<b>(6,350.00)</b>	<b>101,797.92</b>	<b>87,084.98</b>	<b>14,712.94</b>
Undistributed:					
Attendance and Social Work Services:					
Salaries	233,760.00	(20,000.00)	213,760.00	206,435.78	7,324.22
Supplies and Materials	1,150.00		1,150.00	1,150.00	
<b>Total Attendance and Social Work Services</b>	<b>234,910.00</b>	<b>(20,000.00)</b>	<b>214,910.00</b>	<b>207,585.78</b>	<b>7,324.22</b>
Health Services:					
Salaries	447,042.00	4,000.00	451,042.00	450,953.42	88.58
Purchased Professional/Technical Services	7,000.00		7,000.00	6,150.00	850.00
Supplies and Materials	895.00		895.00	854.73	40.27
<b>Total Health Services</b>	<b>454,937.00</b>	<b>4,000.00</b>	<b>458,937.00</b>	<b>457,958.15</b>	<b>978.85</b>
Improvement of Instruction Services:					
Salaries of Other Professional Staff	486,386.00	35,150.00	521,536.00	408,267.01	113,268.99
Supplies and Materials	407.49	600.00	1,007.49	807.49	200.00
<b>Total Improvement of Instruction Services</b>	<b>486,793.49</b>	<b>35,750.00</b>	<b>522,543.49</b>	<b>409,074.50</b>	<b>113,468.99</b>
Guidance Services:					
Salaries of Other Professional Staff	502,807.00		502,807.00	502,806.73	0.27
Salaries of Secretarial and Clerical Assistants	38,345.00		38,345.00	38,344.80	0.20
Purchased Professional/Educational Services	1,000.00		1,000.00	1,000.00	
Supplies and Materials	400.00	485.00	885.00	685.00	200.00
Other Purchased and Technical Services	200.00		200.00	200.00	
<b>Total Guidance Services</b>	<b>542,752.00</b>	<b>485.00</b>	<b>543,237.00</b>	<b>542,836.53</b>	<b>400.47</b>
Educational Media Services/School Library:					
Salaries	478,134.12	(69,385.00)	408,749.12	388,653.98	20,095.14
Supplies and Materials	10,991.02		10,991.02	10,359.60	631.42
<b>Total Educational Media Services/School Library</b>	<b>489,125.14</b>	<b>(69,385.00)</b>	<b>419,740.14</b>	<b>399,013.58</b>	<b>20,726.56</b>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3  
 Sheet #4

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>District-Wide</u>					
Undistributed:					
Staff Development - Staff Training:					
Purchased Professional/Educational Services	\$ 200.00		\$ 200.00		\$ 200.00
Other Purchased Services	200.00		200.00		200.00
Supplies and Materials	200.00		200.00	89.11	110.89
Total Staff Development - Staff Training	<u>600.00</u>		<u>600.00</u>	<u>89.11</u>	<u>510.89</u>
Support Services School Administration:					
Salaries of Principals/Assistant Principals	951,385.00	152,300.00	1,103,685.00	905,676.55	198,008.45
Salaries of Secretarial and Clerical Assistants	257,556.00		257,556.00	257,477.09	78.91
Other Purchased Professional and Technical Services	11,000.00		11,000.00	7,036.50	3,963.50
Supplies and Materials	37,282.32		37,282.32	28,432.48	8,849.84
Other Objects	7,500.00		7,500.00	3,268.94	4,231.06
Total Support Services School Administration	<u>1,264,723.32</u>	<u>152,300.00</u>	<u>1,417,023.32</u>	<u>1,201,891.56</u>	<u>215,131.76</u>
Security:					
Salaries	45,912.00		45,912.00		
General Supplies	200.00		200.00		200.00
Total Security	<u>46,112.00</u>		<u>46,112.00</u>	<u>45,912.00</u>	<u>200.00</u>
Unallocated Benefits - Employee Benefits:					
Health Benefits	3,187,738.59	26,700.00	3,214,438.59	3,104,786.42	109,652.17
Total Unallocated Benefits - Employee Benefits	<u>3,187,738.59</u>	<u>26,700.00</u>	<u>3,214,438.59</u>	<u>3,104,786.42</u>	<u>109,652.17</u>
Total Undistributed Expenditures	<u>6,707,691.54</u>	<u>129,850.00</u>	<u>6,837,541.54</u>	<u>6,369,147.63</u>	<u>468,393.91</u>
Total General Current Expense	<u>17,936,849.69</u>		<u>17,936,849.69</u>	<u>16,855,214.67</u>	<u>1,081,635.02</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3  
 Sheet #5

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>District-Wide</u>					
Equipment:					
Preschool/Kindergarten	\$ 19,980.97		\$ 19,980.97	\$ 19,512.97	\$ 468.00
Grades 1 - 5	14,068.21		14,068.21	12,776.15	1,292.06
Grades 6 - 8	20,591.25		20,591.25	20,582.50	8.75
Annex	12,800.00		12,800.00	11,786.89	1,013.11
Grades 9 - 12	17,500.00		17,500.00	14,171.03	3,328.97
Total Equipment	<u>84,940.43</u>		<u>84,940.43</u>	<u>78,829.54</u>	<u>6,110.89</u>
TOTAL SCHOOL BASED EXPENDITURES	<u>18,021,790.12</u>		<u>18,021,790.12</u>	<u>16,934,044.21</u>	<u>1,087,745.91</u>
Other Financing Sources:					
Operating Transfer In	<u>17,930,859.00</u>		<u>17,930,859.00</u>	<u>17,001,231.70</u>	<u>929,627.30</u>
Total Other Financing Sources	<u>17,930,859.00</u>		<u>17,930,859.00</u>	<u>17,001,231.70</u>	<u>929,627.30</u>
Excess (Deficiency) of Other Financing Sources Over/ (Under) Expenditures and Other Financing (Uses)	(90,931.12)		(90,931.12)	67,187.49	158,118.61
Fund Balance, July 1	<u>90,931.12</u>		<u>90,931.12</u>	<u>90,931.12</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,118.61</u>	<u>\$ 158,118.61</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3a  
Sheet #1

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Lincoln</u>					
Instruction - Regular Programs:					
Preschool/Kindergarten:					
Salaries of Teachers	\$ 667,645.00	\$(111,800.00)	\$ 555,845.00	\$ 503,689.45	\$ 52,155.55
Salaries of Teachers:					
Grades 1 - 5	1,725,448.00	(250,908.00)	1,474,540.00	1,474,540.00	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	123,600.00		123,600.00	96,132.07	27,467.93
General Supplies	43,921.71		43,921.71	39,958.60	3,963.11
Textbooks	18,000.00		18,000.00	17,113.71	886.29
<b>Total Regular Programs</b>	<u>2,578,614.71</u>	<u>(362,708.00)</u>	<u>2,215,906.71</u>	<u>2,131,433.83</u>	<u>84,472.88</u>
Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	48,389.00	408.00	48,797.00	48,796.80	0.20
Other Salaries for Instruction	32,364.00		32,364.00	30,482.78	1,881.22
General Supplies	200.00		200.00	172.53	27.47
Textbooks	243.95		243.95	219.84	24.11
<b>Total Learning and/or Language Disabilities</b>	<u>81,196.95</u>	<u>408.00</u>	<u>81,604.95</u>	<u>79,671.95</u>	<u>1,933.00</u>
Multiple Disabilities:					
Salaries of Teachers	45,521.00		45,521.00	32,332.35	13,188.65
<b>Total Multiple Disabilities</b>	<u>45,521.00</u>		<u>45,521.00</u>	<u>32,332.35</u>	<u>13,188.65</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3a  
Sheet #2

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Lincoln</u>					
Total Special Education	\$ 126,717.95	\$ 408.00	\$ 127,125.95	\$ 112,004.30	\$ 15,121.65
Basic Skills/Remedial:					
Salaries of Teachers	91,042.00		91,042.00	27,347.22	63,694.78
General Supplies	310.53		310.53	209.09	101.44
Textbooks	200.00		200.00	151.55	48.45
Total Basic Skills/Remedial	<u>91,552.53</u>		<u>91,552.53</u>	<u>27,707.86</u>	<u>63,844.67</u>
Resource Room/Resource Center:					
Salaries of Teachers	189,003.00		189,003.00	189,003.00	
General Supplies	200.00		200.00	200.00	
Total Resource Room/Resource Center	<u>189,203.00</u>		<u>189,203.00</u>	<u>189,203.00</u>	
Bilingual Education:					
Salaries of Teachers	197,132.00		197,132.00	197,132.00	
General Supplies	200.00		200.00	200.00	
Textbooks	200.00		200.00	200.00	
Total Bilingual Education	<u>197,532.00</u>		<u>197,532.00</u>	<u>197,532.00</u>	

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3a  
Sheet #3

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Lincoln</u>					
School-Sponsored Cocurricular Activities:	\$ 3,000.00	\$	\$ 3,000.00	\$ 2,237.92	\$ 762.08
Salaries					
Total School-Sponsored Cocurricular Activities	<u>3,000.00</u>		<u>3,000.00</u>	<u>2,237.92</u>	<u>762.08</u>
Undistributed:					
Attendance and Social Work Services:	108,636.00	(40,000.00)	68,636.00	64,067.57	4,568.43
Salaries	<u>200.00</u>		<u>200.00</u>	<u>200.00</u>	
Supplies and Materials					
Total Attendance and Social Work Services	<u>108,836.00</u>	<u>(40,000.00)</u>	<u>68,836.00</u>	<u>64,267.57</u>	<u>4,568.43</u>
Health Services:					
Salaries	78,209.00		78,209.00	78,209.00	
Supplies and Materials	<u>200.00</u>		<u>200.00</u>	<u>200.00</u>	
Total Health Services	<u>78,409.00</u>		<u>78,409.00</u>	<u>78,409.00</u>	
Improvement of Instruction Services:					
Salaries of Other Professional Staff	79,499.00	9,000.00	88,499.00	75,198.55	13,300.45
Total Improvement of Instruction Services	<u>79,499.00</u>	<u>9,000.00</u>	<u>88,499.00</u>	<u>75,198.55</u>	<u>13,300.45</u>
Educational Media Services/School Library:					
Salaries	110,909.00	(15,000.00)	95,909.00	93,197.57	2,711.43
Total Educational Media Services/School Library	<u>110,909.00</u>	<u>(15,000.00)</u>	<u>95,909.00</u>	<u>93,197.57</u>	<u>2,711.43</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3a  
Sheet #4

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Lincoln</u>					
Undistributed:					
Staff Development - Staff Training:					
Purchased Professional/Educational Services	\$ 200.00		\$ 200.00		\$ 200.00
Other Purchased and Technical Services	200.00		200.00		200.00
Other Purchased Services	200.00		200.00	89.11	110.89
<b>Total Staff Development - Staff Training</b>	<b>600.00</b>		<b>600.00</b>	<b>89.11</b>	<b>510.89</b>
Support Services School Administration:					
Salaries of Principals/Assistant Principals	265,680.00		265,680.00	135,684.90	129,995.10
Salaries of Secretarial and Clerical Assistants	91,342.00		91,342.00	91,341.90	0.10
Other Purchased Professional and Technical Services	6,000.00		6,000.00	6,000.00	
Supplies and Materials	5,000.00		5,000.00	2,292.24	2,707.76
<b>Total Support Services School Administration</b>	<b>368,022.00</b>		<b>368,022.00</b>	<b>235,319.04</b>	<b>132,702.96</b>
Unallocated Benefits - Employee Benefits:					
Health Benefits	1,147,485.59		1,147,485.59	1,081,098.36	66,387.23
<b>Total Unallocated Benefits - Employee Benefits</b>	<b>1,147,485.59</b>		<b>1,147,485.59</b>	<b>1,081,098.36</b>	<b>66,387.23</b>
<b>Total Undistributed Expenditures</b>	<b>1,893,760.59</b>	<b>(46,000.00)</b>	<b>1,847,760.59</b>	<b>1,627,579.20</b>	<b>220,181.39</b>
<b>Total General Current Expense</b>	<b>5,080,380.78</b>	<b>(408,300.00)</b>	<b>4,672,080.78</b>	<b>4,287,698.11</b>	<b>384,382.67</b>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3a  
Sheet #5

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
School: <u>Lincoln</u>					
Equipment:					
Preschool/Kindergarten	\$ 19,980.97	\$	\$ 19,980.97	\$ 19,512.97	\$ 468.00
Grades 1 - 5	14,068.21		14,068.21	12,776.15	1,292.06
Total Equipment	34,049.18		34,049.18	32,289.12	1,760.06
TOTAL SCHOOL BASED EXPENDITURES	5,114,429.96	(408,300.00)	4,706,129.96	4,319,987.23	386,142.73
Other Financing Sources:					
Operating Transfer In	5,073,477.00	(408,300.00)	4,665,177.00	4,352,907.67	312,269.33
Total Other Financing Sources	5,073,477.00	(408,300.00)	4,665,177.00	4,352,907.67	312,269.33
Excess (Deficiency) of Other Financing Sources Over/ (Under) Expenditures and Other Financing (Uses)	(40,952.96)		(40,952.96)	32,920.44	73,873.40
Fund Balance, July 1	40,952.96		40,952.96	40,952.96	
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 73,873.40	\$ 73,873.40

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3b  
Sheet #1

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Washington</u>					
Instruction - Regular Programs:					
Salaries of Teachers:					
Grades 6 - 8	\$ 1,575,551.00	\$ (90,000.00)	\$ 1,485,551.00	\$ 1,413,282.79	\$ 72,268.21
Regular Programs - Undistributed Instruction:					
General Supplies	19,332.23		19,332.23	17,892.23	1,440.00
Textbooks	12,701.43		12,701.43	11,711.43	990.00
Total Regular Programs	<u>1,607,584.66</u>	<u>(90,000.00)</u>	<u>1,517,584.66</u>	<u>1,442,886.45</u>	<u>74,698.21</u>
Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	167,472.00		167,472.00	167,471.98	0.02
Other Salaries for Instruction	31,200.00		31,200.00	10,187.53	21,012.47
General Supplies	200.00		200.00	200.00	
Textbooks	525.33		525.33	525.33	
Total Learning and/or Language Disabilities	<u>199,397.33</u>		<u>199,397.33</u>	<u>178,384.84</u>	<u>21,012.49</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3b  
Sheet #2

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Washington</u>					
Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	\$ 169,696.00	\$	\$ 169,696.00	\$ 169,696.00	\$ 4,521.00
Purchased Professional/Educational Services	15,600.00		15,600.00	11,079.00	
General Supplies	200.00		200.00	200.00	
Textbooks	200.00		200.00	200.00	
	<u>185,696.00</u>		<u>185,696.00</u>	<u>181,175.00</u>	<u>4,521.00</u>
Total Resource Room/Resource Center	385,093.33		385,093.33	359,559.84	25,533.49
Total Special Education					
Bilingual Education:					
Salaries of Teachers	103,554.00		103,554.00	103,554.00	
General Supplies	200.00		200.00	92.88	107.12
Textbooks	200.00		200.00	200.00	
	<u>103,954.00</u>		<u>103,954.00</u>	<u>103,846.88</u>	<u>107.12</u>
Total Bilingual Education					

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3b  
 Sheet #3

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Washington</u>					
School-Sponsored Cocurricular Activities:					
Supplies and Materials	\$ 3,184.00	\$	\$ 3,184.00	\$ 2,979.80	\$ 204.20
Total School-Sponsored Cocurricular Activities	<u>3,184.00</u>		<u>3,184.00</u>	<u>2,979.80</u>	<u>204.20</u>
School-Sponsored Athletics:					
Salaries	13,000.00		13,000.00	12,250.00	750.00
Purchased Professional and Technical Services	2,000.00		2,000.00	182.75	1,817.25
Supplies and Materials	3,598.96		3,598.96	3,317.00	281.96
Total School-Sponsored Athletics	<u>18,598.96</u>		<u>18,598.96</u>	<u>15,749.75</u>	<u>2,849.21</u>
Undistributed:					
Attendance and Social Work Services:					
Salaries	76,340.00	4,000.00	80,340.00	77,886.62	2,453.38
Supplies and Materials	200.00		200.00	200.00	
Total Attendance and Social Work Services	<u>76,540.00</u>	<u>4,000.00</u>	<u>80,540.00</u>	<u>78,086.62</u>	<u>2,453.38</u>
Health Services:					
Salaries	89,386.00	4,000.00	93,386.00	93,297.42	88.58
Supplies and Materials	200.00		200.00	190.00	10.00
Total Health Services	<u>89,586.00</u>	<u>4,000.00</u>	<u>93,586.00</u>	<u>93,487.42</u>	<u>98.58</u>
Improvement of Instruction Services:					
Salaries of Other Professional Staff	157,499.00		157,499.00	138,160.86	19,338.14
Supplies and Materials	200.00	600.00	800.00	800.00	
Total Improvement of Instruction Services	<u>157,699.00</u>	<u>600.00</u>	<u>158,299.00</u>	<u>138,960.86</u>	<u>19,338.14</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3b  
Sheet #4

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>School: Washington</u>					
Undistributed:					
Guidance Services:					
Salaries of Other Professional Staff	\$ 151,012.00	\$ 485.00	\$ 151,012.00	\$ 151,011.90	\$ 0.10
Supplies and Materials	200.00		685.00	685.00	
Total Guidance Services	<u>151,212.00</u>	<u>485.00</u>	<u>151,697.00</u>	<u>151,696.90</u>	<u>0.10</u>
Educational Media Services/School Library:					
Salaries	95,419.12	17,615.00	113,034.12	95,866.44	17,167.68
Total Educational Media Services/School Library	<u>95,419.12</u>	<u>17,615.00</u>	<u>113,034.12</u>	<u>95,866.44</u>	<u>17,167.68</u>
Support Services School Administration:					
Salaries of Principals/Assistant Principals	266,203.00	(2,700.00)	263,503.00	243,861.40	19,641.60
Salaries of Secretarial and Clerical Assistants	52,707.00		52,707.00	52,706.94	0.06
Supplies and Materials	5,041.80		5,041.80	4,912.83	128.97
Total Support Services School Administration	<u>323,951.80</u>	<u>(2,700.00)</u>	<u>321,251.80</u>	<u>301,481.17</u>	<u>19,770.63</u>
Unallocated Benefits - Employee Benefits:					
Health Benefits	778,433.00		778,433.00	766,090.16	12,342.84
Total Unallocated Benefits - Employee Benefits	<u>778,433.00</u>		<u>778,433.00</u>	<u>766,090.16</u>	<u>12,342.84</u>
Total Undistributed Expenditures	<u>1,672,840.92</u>	<u>24,000.00</u>	<u>1,696,840.92</u>	<u>1,625,669.57</u>	<u>71,171.35</u>
Total General Current Expense	<u>3,791,255.87</u>	<u>(66,000.00)</u>	<u>3,725,255.87</u>	<u>3,550,692.29</u>	<u>174,563.58</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3b  
Sheet #5

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Washington</u>					
Equipment:					
Grades 6 - 8	\$ 20,591.25	\$	\$ 20,591.25	\$ 20,582.50	\$ 8.75
Total Equipment	<u>20,591.25</u>		<u>20,591.25</u>	<u>20,582.50</u>	<u>8.75</u>
<b>TOTAL SCHOOL BASED EXPENDITURES</b>	<u>3,811,847.12</u>	<u>(66,000.00)</u>	<u>3,745,847.12</u>	<u>3,571,274.79</u>	<u>174,572.33</u>
Other Financing Sources:					
Operating Transfer In	3,797,076.00	(66,000.00)	3,731,076.00	3,585,072.30	146,003.70
Total Other Financing Sources	<u>3,797,076.00</u>	<u>(66,000.00)</u>	<u>3,731,076.00</u>	<u>3,585,072.30</u>	<u>146,003.70</u>
Excess (Deficiency) of Other Financing Sources Over/ (Under) Expenditures and Other Financing (Uses)	(14,771.12)		(14,771.12)	13,797.51	28,568.63
Fund Balance, July 1	<u>14,771.12</u>		<u>14,771.12</u>	<u>14,771.12</u>	
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,568.63</u>	<u>\$ 28,568.63</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3c  
Sheet #1

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: High School</u>					
Instruction - Regular Programs:					
Salaries of Teachers:					
Grades 9 - 12	\$3,453,250.00	\$ 231,700.00	\$3,684,950.00	\$3,600,208.58	\$ 84,741.42
Regular Programs - Undistributed Instruction:					
Purchased Professional/Educational Services	15,000.00		15,000.00	14,834.99	165.01
General Supplies	22,971.76		22,971.76	19,260.58	3,711.18
Textbooks	39,458.10		39,458.10	35,093.21	4,364.89
<b>Total Regular Programs</b>	<b>3,530,679.86</b>	<b>231,700.00</b>	<b>3,762,379.86</b>	<b>3,669,397.36</b>	<b>92,982.50</b>
Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	130,651.00	500.00	131,151.00	130,119.34	1,031.66
General Supplies	200.00		200.00	110.00	90.00
Textbooks	200.00		200.00	200.00	
<b>Total Learning and/or Language Disabilities</b>	<b>131,051.00</b>	<b>500.00</b>	<b>131,551.00</b>	<b>130,429.34</b>	<b>1,121.66</b>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3c  
Sheet #2

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: High School</u>					
Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	\$ 200,820.00		\$ 200,820.00	\$ 200,653.79	\$ 166.21
General Supplies	200.00		200.00	200.00	
Textbooks	200.00		200.00	200.00	
Total Resource Room/Resource Center	<u>201,220.00</u>		<u>201,220.00</u>	<u>201,053.79</u>	<u>166.21</u>
Total Special Education	<u>332,271.00</u>	<u>500.00</u>	<u>332,771.00</u>	<u>331,483.13</u>	<u>1,287.87</u>
Bilingual Education:					
Salaries of Teachers	207,108.00		207,108.00	207,108.00	
General Supplies	200.00		200.00	200.00	
Textbooks	200.00		200.00	162.64	37.36
Total Bilingual Education	<u>207,508.00</u>		<u>207,508.00</u>	<u>207,470.64</u>	<u>37.36</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3c  
 Sheet #3

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>School: High School</u>					
School-Sponsored Cocurricular Activities:					
Salaries	\$ 30,000.00	\$ (3,000.00)	\$ 27,000.00	\$ 27,000.00	\$
Total School-Sponsored Cocurricular Activities	30,000.00	(3,000.00)	27,000.00	27,000.00	
School-Sponsored Athletics:					
Salaries	195,000.00	(19,500.00)	175,500.00	167,718.53	7,781.47
Total School-Sponsored Athletics	195,000.00	(19,500.00)	175,500.00	167,718.53	7,781.47
Other Instructional Programs:					
Purchased Services	62,100.00	(6,000.00)	56,100.00	43,482.39	12,617.61
Supplies and Materials	45,047.92	(350.00)	44,697.92	42,939.40	1,758.52
Total Other Instructional Programs	107,147.92	(6,350.00)	100,797.92	86,421.79	14,376.13
Undistributed:					
Attendance and Social Work Services:					
Supplies and Materials	550.00		550.00	550.00	
Total Attendance and Social Work Services	550.00		550.00	550.00	
Health Services:					
Salaries	191,057.00		191,057.00	191,057.00	
Purchased Professional and Technical Services	7,000.00		7,000.00	6,150.00	850.00
Supplies and Materials	200.00		200.00	195.00	5.00
Total Health Services	198,257.00		198,257.00	197,402.00	855.00
Improvement of Instruction Services:					
Salaries of Other Professional Staff	169,889.00	22,150.00	192,039.00	124,847.09	67,191.91
Supplies and Materials	207.49		207.49	7.49	200.00
Total Improvement of Instruction Services	170,096.49	22,150.00	192,246.49	124,854.58	67,391.91

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3c  
Sheet #4

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>School: High School</u>					
Undistributed:					
Educational Media Services/School Library:					
Salaries	\$ 164,711.00	\$ (92,000.00)	\$ 72,711.00	\$ 72,627.52	\$ 83.48
Supplies and Materials	10,991.02		10,991.02	10,359.60	631.42
Total Educational Media Services/School Library	<u>175,702.02</u>	<u>(92,000.00)</u>	<u>83,702.02</u>	<u>82,987.12</u>	<u>714.90</u>
Guidance Services:					
Salaries of Other Professional Staff	351,795.00		351,795.00	351,794.83	0.17
Salaries of Secretarial and Clerical Assistants	38,345.00		38,345.00	38,344.80	0.20
Purchased Professional/Educational Services	1,000.00		1,000.00	1,000.00	
Other Purchased and Technical Services	200.00		200.00	200.00	
Total Guidance Services	<u>391,340.00</u>		<u>391,340.00</u>	<u>391,139.63</u>	<u>200.37</u>
Support Services School Administration:					
Salaries of Principals/Assistant Principals	289,449.00	155,000.00	444,449.00	396,135.00	48,314.00
Salaries of Secretarial and Clerical Assistants	78,224.00		78,224.00	78,223.60	0.40
Supplies and Materials	22,323.62		22,323.62	17,194.25	5,129.37
Other Objects	7,500.00		7,500.00	3,268.94	4,231.06
Total Support Services School Administration	<u>397,496.62</u>	<u>155,000.00</u>	<u>552,496.62</u>	<u>494,821.79</u>	<u>57,674.83</u>
Security:					
Salaries	45,912.00		45,912.00	45,912.00	200.00
General Supplies	200.00		200.00		
Total Security	<u>46,112.00</u>		<u>46,112.00</u>	<u>45,912.00</u>	<u>200.00</u>
Unallocated Benefits - Employee Benefits:					
Health Benefits	842,690.00	26,700.00	869,390.00	843,861.14	25,528.86

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3c  
Sheet #5

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
School: <u>High School</u>					
Total Unallocated Benefits - Employee Benefits	\$ 842,690.00	\$ 26,700.00	\$ 869,390.00	\$ 843,861.14	\$ 25,528.86
Total Undistributed Expenditures	2,222,244.13	111,850.00	2,334,094.13	2,181,528.26	152,565.87
Total General Current Expense	6,624,850.91	315,200.00	6,940,050.91	6,671,019.71	269,031.20
Equipment:					
Grades 9 - 12	17,500.00		17,500.00	14,171.03	3,328.97
Total Equipment	17,500.00		17,500.00	14,171.03	3,328.97
TOTAL SCHOOL BASED EXPENDITURES	6,642,350.91	315,200.00	6,957,550.91	6,685,190.74	272,360.17
Other Financing Sources:					
Operating Transfer In	6,614,801.00	315,200.00	6,930,001.00	6,695,441.34	234,559.66
Total Other Financing Sources	6,614,801.00	315,200.00	6,930,001.00	6,695,441.34	234,559.66
Excess (Deficiency) of Other Financing Sources Over/ (Under) Expenditures and Other Financing (Uses)	(27,549.91)		(27,549.91)	10,250.60	37,800.51
Fund Balance, July 1	27,549.91		27,549.91	27,549.91	
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 37,800.51	\$ 37,800.51

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3d  
Sheet #1

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Lincoln School Annex</u>					
Instruction - Regular Programs:					
Salaries of Teachers:					
Grade 1 - 5	\$1,057,579.00	\$ 143,500.00	\$1,201,079.00	\$1,167,167.23	\$ 33,911.77
Regular Programs - Undistributed Instruction:					
General Supplies	9,336.99		9,336.99	7,969.33	1,367.66
Textbooks	15,000.00		15,000.00	3,475.36	11,524.64
<b>Total Regular Programs</b>	1,081,915.99	143,500.00	1,225,415.99	1,178,611.92	46,804.07
Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	101,181.00	(40,000.00)	61,181.00	60,698.42	482.58
Other Salaries for Instruction	31,200.00	15,600.00	46,800.00	38,454.14	8,345.86
Total Learning and/or Language Disabilities	132,381.00	(24,400.00)	107,981.00	99,152.56	8,828.44
Resource Room/Resource Center:					
Salaries of Teachers	128,009.00		128,009.00	113,748.47	14,260.53
General Supplies	200.00		200.00	200.00	
<b>Total Resource Room/Resource Center</b>	128,209.00		128,209.00	113,948.47	14,260.53
<b>Total Special Education</b>	260,590.00	(24,400.00)	236,190.00	213,101.03	23,088.97

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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Sheet #2

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Lincoln School Annex</u>					
Basic Skills/Remedial:					
Salaries of Teachers	\$ 103,554.00	\$	\$ 103,554.00	\$ 17,508.10	\$ 86,045.90
General Supplies	200.00		200.00	146.06	53.94
Textbooks	250.00		250.00	239.03	10.97
<u>Total Basic Skills/Remedial</u>	<u>104,004.00</u>		<u>104,004.00</u>	<u>17,893.19</u>	<u>86,110.81</u>
Bilingual Education:					
Salaries of Teachers	71,648.00		71,648.00	200.00	71,648.00
General Supplies	200.00		200.00		
Textbooks	278.99		278.99		278.99
<u>Total Bilingual Education</u>	<u>72,126.99</u>		<u>72,126.99</u>	<u>200.00</u>	<u>71,926.99</u>
School-Sponsored Occurricular Activities:					
Salaries	1,879.25		1,879.25	964.63	914.62
<u>Total School-Sponsored Occurricular Activities</u>	<u>1,879.25</u>		<u>1,879.25</u>	<u>964.63</u>	<u>914.62</u>
Other Instructional Programs:					
Purchased Professional and Technical Services	200.00		200.00	75.00	125.00
Purchased Professional/Educational Services	600.00		600.00	400.00	200.00
Supplies and Materials	200.00		200.00	188.19	
<u>Total Other Instructional Programs</u>	<u>1,000.00</u>		<u>1,000.00</u>	<u>663.19</u>	<u>325.00</u>
Undistributed:					
Attendance and Social Work Services:					
Salaries	48,784.00	16,000.00	64,784.00	64,481.59	302.41
Supplies and Materials	200.00		200.00	200.00	
<u>Total Attendance and Social Work Services</u>	<u>48,984.00</u>	<u>16,000.00</u>	<u>64,984.00</u>	<u>64,681.59</u>	<u>302.41</u>
Health Services:					
Salaries	88,390.00		88,390.00	88,390.00	
Supplies and Materials	295.00		295.00	269.73	25.27
<u>Total Health Services</u>	<u>88,685.00</u>		<u>88,685.00</u>	<u>88,659.73</u>	<u>25.27</u>

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3d  
 Sheet #3

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Lincoln School Annex</u>					
Undistributed:					
Improvement of Instruction Services:					
Salaries of Other Professional Staff	\$ 79,499.00	\$ 4,000.00	\$ 83,499.00	\$ 70,060.51	\$ 13,438.49
Total Improvement of Instruction Services	<u>79,499.00</u>	<u>4,000.00</u>	<u>83,499.00</u>	<u>70,060.51</u>	<u>13,438.49</u>
Guidance Services:	200.00		200.00		200.00
Supplies and Materials	200.00		200.00		200.00
Total Guidance Services					
Educational Media Services/School Library:	107,095.00	20,000.00	127,095.00	126,962.45	132.55
Salaries	107,095.00	20,000.00	127,095.00	126,962.45	132.55
Total Educational Media Services/School Library					
Support Services School Administration:					
Salaries of Principals/Assistant Principals	130,053.00		130,053.00	129,995.25	57.75
Salaries of Secretarial and Clerical Assistants	35,283.00		35,283.00	35,204.65	78.35
Purchased Professional and Technical Services	5,000.00		5,000.00	1,036.50	3,963.50
Supplies and Materials	4,916.90		4,916.90	4,033.16	883.74
Total Support Services School Administration	<u>175,252.90</u>		<u>175,252.90</u>	<u>170,269.56</u>	<u>4,983.34</u>
Unallocated Benefits - Employee Benefits:					
Health Benefits	419,130.00		419,130.00	413,736.76	5,393.24

HARRISON TOWN SCHOOL DISTRICT  
 BLENDED RESOURCE FUND 15  
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

D-3d  
Sheet #4

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>School: Lincoln School Annex</u>					
Total Unallocated Benefits - Employee Benefits	\$ 419,130.00		\$ 419,130.00	\$ 413,736.76	\$ 5,393.24
Total Undistributed Expenditures	919,845.90	40,000.00	959,845.90	935,033.79	24,800.30
Total General Current Expense	2,440,362.13	159,100.00	2,599,462.13	2,345,804.56	253,645.76
Equipment: Annex	12,800.00		12,800.00	11,786.89	1,013.11
Total Equipment	12,800.00		12,800.00	11,786.89	1,013.11
TOTAL SCHOOL BASED EXPENDITURES	2,453,162.13	159,100.00	2,612,262.13	2,357,591.45	254,658.87
Other Financing Sources: Operating Transfer In	2,445,505.00	159,100.00	2,604,605.00	2,367,810.39	236,794.61
Total Other Financing Sources	2,445,505.00	159,100.00	2,604,605.00	2,367,810.39	236,794.61
Excess (Deficiency) of Other Financing Sources Over/ (Under) Expenditures and Other Financing (Uses)	(7,657.13)		(7,657.13)	10,218.94	17,876.07
Fund Balance, July 1	7,657.13		7,657.13	7,657.13	
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 17,876.07	\$ 17,876.07

**E. SPECIAL REVENUE FUND**

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

E-1

	Total Brought Forward (E-1a)	Title IV Carryover	Title II D 2010-2011	Carryover	Totals 2011
<b>Revenues</b>					
State Sources	\$ 5,053,209.65	\$ 6,687.15	\$ 690.69	\$ 2,306.58	\$ 5,053,209.65
Federal Sources	2,177,684.51				2,177,684.51
Local Sources	16,985.74				16,985.74
<b>Total Revenues</b>	<u>7,247,879.90</u>	<u>6,687.15</u>	<u>690.69</u>	<u>2,306.58</u>	<u>7,257,564.32</u>
<b>Expenditures</b>					
Instruction:					
Salaries of Teachers	1,323,006.07				1,323,006.07
Other Salaries for Instruction	367,765.92				367,765.92
Other Purchased Services	54,077.08				54,077.08
General Supplies	70,196.87	5,000.54	117.69		75,315.10
Other Objects	9,158.59	1,886.61			10,845.20
Total Instruction	<u>1,824,204.53</u>	<u>6,887.15</u>	<u>117.69</u>		<u>1,831,009.37</u>
Support Services:					
Salaries	62,517.00				62,517.00
Salaries of Supervisors of Instruction	201,008.00				201,008.00
Salaries of Other Professional Staff	251,035.91				251,035.91
Salaries of Secretarial and Clerical Assistants	50,144.90				50,144.90
Other Salaries	257,212.07				257,212.07
Personal Services - Employee Benefits	446,222.91				446,222.91
Purchased Professional and Technical Services	3,737,021.48		573.00		3,737,594.48
Purchased Professional/Educational Services	357,469.94				357,469.94
Tuition	39,353.66			2,306.58	39,353.66
Supplies and Materials	47,757.10				47,757.10
Other Purchased Services					
Miscellaneous Expenditures	4,614.66				4,614.66
Total Support Services	<u>5,454,357.63</u>		<u>573.00</u>	<u>2,306.58</u>	<u>5,457,237.21</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	68,038.74				68,038.74
Total Facilities Acquisition and Construction Services	<u>68,038.74</u>				<u>68,038.74</u>
<b>Total Expenditures</b>	<u>7,346,600.90</u>	<u>6,687.15</u>	<u>690.69</u>	<u>2,306.58</u>	<u>7,356,285.32</u>
Other Financing Sources (Uses):					
Transfer from General Fund	98,721.00				98,721.00
Total Other Financing Sources (Uses)	<u>98,721.00</u>				<u>98,721.00</u>
<b>Total Outflows</b>	<u>7,247,879.90</u>	<u>6,687.15</u>	<u>690.69</u>	<u>2,306.58</u>	<u>7,257,564.32</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

E-1a

	Total Brought Forward (E-1b)	IDEA Part B - Basic		Title II A		Totals 2011
		2010-2011	Carryover	2010-2011	Carryover	
<b>Revenues</b>						
State Sources	\$ 5,053,209.65	\$	\$	\$	\$	\$ 5,053,209.65
Federal Sources	1,627,252.75	420,760.95	28,318.22	101,040.00	312.59	2,177,684.51
Local Sources	16,985.74					16,985.74
<b>Total Revenues</b>	<b>6,697,448.14</b>	<b>420,760.95</b>	<b>28,318.22</b>	<b>101,040.00</b>	<b>312.59</b>	<b>7,247,879.90</b>
<b>Expenditures</b>						
<b>Instruction:</b>						
Salaries of Teachers	911,974.07	326,832.00		84,200.00		1,323,008.07
Other Salaries for Instruction	367,765.92		15,071.00			367,765.92
Other Purchased Services	39,006.08		6,792.79			54,077.08
General Supplies	63,404.08		3,496.00			70,196.87
Other Objects		5,350.00			312.59	9,158.59
<b>Total Instruction</b>	<b>1,382,150.15</b>	<b>332,182.00</b>	<b>25,359.79</b>	<b>84,200.00</b>	<b>312.59</b>	<b>1,824,204.53</b>
<b>Support Services:</b>						
Salaries	30,009.00	32,508.00				62,517.00
Salaries of Supervisors of Instruction	201,008.00					201,008.00
Salaries of Other Professional Staff	251,035.91					251,035.91
Salaries of Secretarial and Clerical Assistants	50,144.90					50,144.90
Other Salaries	257,212.07					257,212.07
Personal Services - Employee Benefits	413,880.91	15,502.00		16,840.00		446,222.91
Purchased Professional and Technical Services	3,693,827.53	40,568.95	2,625.00			3,737,021.48
Purchased Professional/Educational Services	337,136.51		333.43			357,469.94
Tuition	39,353.66					39,353.66
Supplies and Materials	47,757.10					47,757.10
Other Purchased Services						
Miscellaneous Expenditures						
<b>Total Support Services</b>	<b>4,614.66</b>	<b>88,578.95</b>	<b>2,958.43</b>	<b>16,840.00</b>		<b>5,454,357.63</b>
<b>Facilities Acquisition and Construction Services:</b>						
Instructional Equipment	68,038.74					68,038.74
<b>Total Facilities Acquisition and Construction Services</b>	<b>68,038.74</b>					<b>68,038.74</b>
<b>Total Expenditures</b>	<b>6,796,169.14</b>	<b>420,760.95</b>	<b>28,318.22</b>	<b>101,040.00</b>	<b>312.59</b>	<b>7,346,600.90</b>
<b>Other Financing Sources (Uses):</b>						
Transfer from General Fund	96,721.00					96,721.00
<b>Total Other Financing Sources (Uses)</b>	<b>96,721.00</b>					<b>96,721.00</b>
<b>Total Outflows</b>	<b>6,697,448.14</b>	<b>420,760.95</b>	<b>28,318.22</b>	<b>101,040.00</b>	<b>312.59</b>	<b>7,247,879.90</b>
<b>Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

E-1b

	Total Brought Forward (E-1c)	IDEA ARRA	ARRA Title I	Family Friendly 2010-2011	Family Friendly Carryover	Preschool Education Act	Totals 2011
<b>Revenues</b>							
State Sources	\$ 330,515.96	\$	\$ 267,013.13	\$ 43,223.46	\$ 3,260.72	\$ 4,676,209.51	\$ 5,053,209.65
Federal Sources	1,043,161.14	317,078.48					1,627,252.75
Local Sources	16,985.74						16,985.74
<b>Total Revenues</b>	<b>1,390,662.84</b>	<b>317,078.48</b>	<b>267,013.13</b>	<b>43,223.46</b>	<b>3,260.72</b>	<b>4,676,209.51</b>	<b>6,697,448.14</b>
<b>Expenditures</b>							
Instruction:							
Salaries of Teachers	572,799.37	253,174.70	86,000.00				911,974.07
Other Salaries for Instruction	215,331.95		114,500.00	37,933.97			367,765.92
Other Purchased Services	39,006.08						39,006.08
General Supplies	38,285.74	24,574.56	543.78				63,404.08
Other Objects							
<b>Total Instruction</b>	<b>865,423.14</b>	<b>277,749.26</b>	<b>201,043.78</b>	<b>37,933.97</b>			<b>1,382,150.15</b>
Support Services:							
Salaries	30,009.00						30,009.00
Salaries of Supervisors of Instruction	56,800.00					144,208.00	201,008.00
Salaries of Other Professional Staff						251,035.91	251,035.91
Salaries of Secretarial and Clerical Assistants						50,144.90	50,144.90
Other Salaries						257,212.07	257,212.07
Personal Services - Employee Benefits	204,708.00	28,850.91	46,943.00			133,339.00	413,880.91
Purchased Professional and Technical Services	19,426.82	10,438.31				3,663,962.40	3,683,827.53
Purchased Professional/Educational Services	126,673.46		2,421.74	1,260.06	1,691.25	225,090.00	357,136.51
Tuition						39,353.66	39,353.66
Supplies and Materials	16,935.45		16,604.61	2,063.00	1,569.47	10,384.57	47,757.10
Other Purchased Services							
Miscellaneous Expenditures	2,648.23			1,966.43			4,614.66
<b>Total Support Services</b>	<b>457,200.96</b>	<b>39,329.22</b>	<b>65,969.35</b>	<b>5,289.49</b>	<b>3,260.72</b>	<b>4,774,930.51</b>	<b>5,345,980.25</b>
Facilities Acquisition and Construction Services:							
Instructional Equipment	68,038.74						68,038.74
Total Facilities Acquisition and Construction Services	68,038.74						68,038.74
<b>Total Expenditures</b>	<b>1,390,662.84</b>	<b>317,078.48</b>	<b>267,013.13</b>	<b>43,223.46</b>	<b>3,260.72</b>	<b>4,774,930.51</b>	<b>6,796,169.14</b>
Other Financing Sources (Uses):							
Transfer from General Fund						98,721.00	98,721.00
Total Other Financing Sources (Uses)						98,721.00	98,721.00
<b>Total Outflows</b>	<b>1,390,662.84</b>	<b>317,078.48</b>	<b>267,013.13</b>	<b>43,223.46</b>	<b>3,260.72</b>	<b>4,676,209.51</b>	<b>6,697,448.14</b>
Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

E-1c

	Total Brought Forward (E-1d)	IDEA Preschool	Preschool ARRA 2010-2011	SBYSP		Title III		Totals 2011
				2010-2011	Carryover	2010-2011	Carryover	
<b>Revenues</b>								
State Sources	\$ 51,053.00		\$ 8,138.00	\$ 276,307.71	\$ 3,155.25	\$ 27,433.31	\$ 5,783.51	\$ 330,515.96
Federal Sources	989,845.32	12,161.00						1,043,161.14
Local Sources	16,985.74							16,985.74
<b>Total Revenues</b>	<b>1,057,684.06</b>	<b>12,161.00</b>	<b>8,138.00</b>	<b>276,307.71</b>	<b>3,155.25</b>	<b>27,433.31</b>	<b>5,783.51</b>	<b>1,390,662.84</b>
<b>Expenditures</b>								
Instruction:								
Salaries of Teachers	532,481.85		8,138.00			22,045.52		572,799.37
Other Salaries for Instruction	116,158.33	10,134.00		99,173.62				215,331.95
Other Purchased Services	36,006.08					799.79	3,000.00	39,006.08
General Supplies	34,702.44						2,783.51	38,285.74
Other Objects								
<b>Total Instruction</b>	<b>719,348.70</b>	<b>10,134.00</b>	<b>8,138.00</b>	<b>99,173.62</b>		<b>22,845.31</b>	<b>5,783.51</b>	<b>865,423.14</b>
Support Services:								
Salaries	30,009.00							30,009.00
Salaries of Supervisors of Instruction	56,800.00							56,800.00
Salaries of Other Professional Staff								
Salaries of Secretarial and Clerical Assistants								
Other Salaries								
Personal Services - Employee Benefits	148,093.00	2,027.00		50,000.00		4,588.00		204,708.00
Purchased Professional and Technical Services	19,426.82							19,426.82
Purchased Professional/Educational Services				126,411.86				126,673.46
Tuition								
Supplies and Materials	15,967.80							16,935.45
Other Purchased Services								
Miscellaneous Expenditures								
<b>Total Support Services</b>	<b>270,296.62</b>	<b>2,027.00</b>		<b>177,134.09</b>	<b>1,926.00</b>	<b>4,588.00</b>		<b>457,200.96</b>
Facilities Acquisition and Construction Services:								
Instructional Equipment	68,038.74							68,038.74
<b>Total Facilities Acquisition and Construction Services</b>	<b>68,038.74</b>							<b>68,038.74</b>
<b>Total Expenditures</b>	<b>1,057,684.06</b>	<b>12,161.00</b>	<b>8,138.00</b>	<b>276,307.71</b>	<b>3,155.25</b>	<b>27,433.31</b>	<b>5,783.51</b>	<b>1,390,662.84</b>
Other Financing Sources (Uses):								
Transfer from General Fund								
<b>Total Other Financing Sources (Uses)</b>								
<b>Total Outflows</b>	<b>1,057,684.06</b>	<b>12,161.00</b>	<b>8,138.00</b>	<b>276,307.71</b>	<b>3,155.25</b>	<b>27,433.31</b>	<b>5,783.51</b>	<b>1,390,662.84</b>
<b>Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

E-1d

	<u>Jets Eat Right</u>	<u>Fresh Fruits</u>	<u>2010-2011</u>	<u>Title I</u>	<u>Carryover</u>	<u>NJ Big</u>	<u>Totals 2011</u>
<u>Revenues</u>							
State Sources	\$	\$ 51,053.00	\$ 827,903.40		\$ 161,741.92	\$	\$ 51,053.00
Federal Sources	3,376.74					13,609.00	989,645.32
Local Sources	3,376.74	51,053.00	827,903.40		161,741.92	13,609.00	16,985.74
<u>Total Revenues</u>							<u>1,057,684.06</u>
<u>Expenditures</u>							
Instruction:							
Salaries of Teachers			532,481.85				532,481.85
Other Salaries for Instruction			19,637.57		116,158.33		116,158.33
Other Purchased Services			12,039.25		22,663.19		36,006.08
General Supplies							34,702.44
Other Objects							719,348.70
<u>Total Instruction</u>			<u>564,158.67</u>		<u>155,190.03</u>		
Support Services:							
Salaries			30,009.00				30,009.00
Salaries of Supervisors of Instruction			56,800.00				56,800.00
Salaries of Other Professional Staff							
Salaries of Secretarial and Clerical Assistants							
Other Salaries							
Personal Services - Employee Benefits			148,093.00				148,093.00
Purchased Professional and Technical Services			19,426.82				19,426.82
Purchased Professional/Educational Services							
Tuition							
Supplies and Materials			9,415.91		6,551.89		15,967.80
Other Purchased Services							
Miscellaneous Expenditures							
<u>Total Support Services</u>			<u>263,744.73</u>		<u>6,551.89</u>		<u>270,296.62</u>
Facilities Acquisition and Construction Services:							
Instructional Equipment	3,376.74	51,053.00				13,609.00	68,038.74
<u>Total Facilities Acquisition and Construction Services</u>	<u>3,376.74</u>	<u>51,053.00</u>				<u>13,609.00</u>	<u>68,038.74</u>
<u>Total Expenditures</u>	<u>3,376.74</u>	<u>51,053.00</u>	<u>827,903.40</u>		<u>161,741.92</u>	<u>13,609.00</u>	<u>1,057,684.06</u>
Other Financing Sources (Uses):							
Transfer from General Fund							
<u>Total Other Financing Sources (Uses)</u>							
<u>Total Outflows</u>	<u>3,376.74</u>	<u>51,053.00</u>	<u>827,903.40</u>		<u>161,741.92</u>	<u>13,609.00</u>	<u>1,057,684.06</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -

HARRISON TOWN SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

E-2

	<u>Budgeted</u>	<u>Total Actual</u>	<u>Variance</u>
<b><u>EXPENDITURES</u></b>			
Support Services:			
Salaries of Program Directors	\$ 144,208.00	\$ 144,208.00	\$
Salaries of Other Professional Staff	269,235.00	251,035.91	18,199.09
Salaries of Secretarial and Clerical Assistants	50,145.00	50,144.90	0.10
Other Salaries	268,572.00	257,212.07	11,359.93
Personal Services - Employee Benefits	133,339.00	133,339.00	
Other Purchased Professional Educational Services	225,840.00	225,090.00	750.00
Other Purchased Services	3,848,028.00	3,663,962.40	184,065.60
Supplies and Materials	83,563.00	49,938.23	33,624.77
Total Support Services	5,022,930.00	4,774,930.51	247,999.49
Total Expenditures	\$ 5,022,930.00	\$ 4,774,930.51	\$ 247,999.49
Total Revised 2010-11 Preschool Education Aid Funds Allocation			\$ 4,645,209.00
Add: Actual ECPA Carryover (June 30, 2010)			1,126,303.66
Contribution from General Fund			98,721.00
Total Preschool Education Aid Funds Available for 2010-11 Budget			5,870,233.66
Less: 2010-11 Budgeted Preschool Education Aid Funds (Including Prior Year Budget Carryover)			5,022,930.00
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2011			847,303.66
Add: 2010-11 Unexpended Preschool Education Aid Funds			247,999.49
2010-11 Preschool Education Aid Funds Carryover			\$ 1,095,303.15
2010-11 Preschool Education Aid Funds Carryover Budgeted in 2011-2012 Budgeted for Preschool Programs 2011-2012			\$ 500,000.00

**F. CAPITAL PROJECTS FUND**

HARRISON TOWN SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

F-1

<u>Project Title/Issue</u>	<u>Approval Date</u>	<u>Revised Budgetary Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Appropriation June 30, 2011</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Construction of New High School	October 11, 2004	\$ 9,960,674.71	\$ 9,781,145.82	\$ -	\$ 179,528.89
Purchase of School Vehicles	October 11, 2004	250,000.00	197,068.44	-	52,931.56
			<u>\$ 9,978,214.26</u>	<u>\$ -</u>	<u>\$ 232,460.45</u>

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

F-2

Expenditures and Other Financing Sources:	
Construction Services	\$
Equipment Purchases	
Excess (Deficiency) of Revenues Over/(Under) Expenditures	
Fund Balance - Beginning	<u>232,460.45</u>
Fund Balance - Ending	<u>\$ 232,460.45</u>

HARRISON TOWN SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS  
 BUDGETARY BASIS  
 CONSTRUCTION OF NEW HIGH SCHOOL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

F-2a

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing				
Sources:				
Bond Proceeds and Transfers	\$ 9,960,674.71	\$	\$ 9,960,674.71	\$
Total Revenues	<u>9,960,674.71</u>		<u>9,960,674.71</u>	
Expenditures and Other Financing				
Uses:				
Construction Services	9,781,145.82		9,781,145.82	
Total Expenditures	<u>9,781,145.82</u>	_____	<u>9,781,145.82</u>	_____
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 179,528.89</u>	<u>\$ -</u>	<u>\$ 179,528.89</u>	<u>\$ -</u>

Additional Project Information:

Project Number	* Ord. #1080/1113
Grant Date	
Bond Authorization Date	10/11/2004
Bonds Authorized	\$ 9,960,674.71
Bonds Issued	
Original Authorized Cost	\$ 9,960,674.71
Additional Authorized Cost	
Revised Authorized Cost	\$ 9,960,674.71

Percentage Increase Over Original  
 Authorized Cost  
 Percentage Completion  
 Original Target Completion Date  
 Revised Target Completion Date

\* Type 1 School Debt is reflected on the Town's records.

HARRISON TOWN SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS  
 BUDGETARY BASIS  
 PURCHASE OF SCHOOL VEHICLES  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

F-2b

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ 250,000.00	\$	\$250,000.00	\$
Total Revenues	<u>250,000.00</u>		<u>250,000.00</u>	
Expenditures and Other Financing Uses:				
Equipment Purchases	197,068.44		197,068.44	
Total Expenditures	<u>197,068.44</u>		<u>197,068.44</u>	
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>\$ 52,931.56</u>	<u>\$ -</u>	<u>\$ 52,931.56</u>	<u>\$ -</u>
Additional Project Information:				
Project Number		* Ord. #1095		
Grant Date				
Bond Authorization Date		10/11/2004		
Bonds Authorized		\$250,000.00		
Bonds Issued				
Original Authorized Cost		\$250,000.00		
Additional Authorized Cost				
Revised Authorized Cost		\$250,000.00		
Percentage Increase over Original Authorized Cost				
Percentage Completion				
Original Target Completion Date				
Revised Target Completion Date				

\*Type 1 School Debt is reflected on the Town's records.

**G. PROPRIETARY FUNDS**

**ENTERPRISE FUND**

HARRISON TOWN SCHOOL DISTRICT  
 COMBINING SCHEDULE OF NET ASSETS  
 PROPRIETARY FUNDS  
 JUNE 30, 2011

G-1

Business-Type  
 Activities  
 Enterprise  
Funds  
 Food  
Service

ASSETS

Current Assets:

Cash		\$ 45,927.01
Accounts Receivable:		
State Sources		2,995.03
Federal Sources		148,945.96
Other Sources		74,138.02
Inventories		<u>11,305.33</u>

Total Assets		<u>283,311.35</u>
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LIABILITIES

Current Liabilities:

Interfunds Payable		172,587.26
Accounts Payable		<u>108,587.42</u>

Total Current Liabilities		<u>281,174.68</u>
---------------------------	--	-------------------

NET ASSETS

Total Net Assets		<u><u>\$ 2,136.67</u></u>
------------------	--	---------------------------

HARRISON TOWN SCHOOL DISTRICT  
 COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
 PROPRIETARY FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

G-2

	Business-Type Activities Enterprise Funds <hr style="width: 50%; margin: 0 auto;"/> Food Service
Operating Revenues:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 196,513.27
Total Operating Revenue	<u>196,513.27</u>
Operating Expenses:	
Cost of Sales	612,396.22
Salaries	<u>327,152.94</u>
Total Operating Expenses	<u>939,549.16</u>
Operating Loss	<u>(743,035.89)</u>
Nonoperating Revenues:	
State Sources:	
State School Lunch Program	13,018.77
Federal Sources:	
School Breakfast Program	71,493.18
National School Lunch Program	602,153.20
After School Snacks	19,630.72
Other Sources	<u>38,876.69</u>
Total Nonoperating Revenues	<u>745,172.56</u>
Change in Net Assets	2,136.67
Total Net Assets - Beginning	<u>-</u>
Total Net Assets - Ending	<u>\$ 2,136.67</u>

HARRISON TOWN SCHOOL DISTRICT  
 COMBINING SCHEDULE OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

G-3

	Business-Type Activities Enterprise Funds <u>Food Service</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from Customers	\$ 196,513.27
Payments of Interfunds	(173,500.00)
Payments to Employees	(327,152.94)
Payments to Suppliers	<u>(406,819.29)</u>
Net Cash Used by Operating Activities	<u>(710,958.96)</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
State Sources	12,822.06
Federal Sources	610,835.70
Other	<u>110,209.47</u>
Net Cash Provided by Noncapital Financing Activities	<u>733,867.23</u>
Net Decrease in Cash and Cash Equivalents	22,908.27
Balances - Beginning of Year	<u>23,018.74</u>
Balances - End of Year	<u>\$ 45,927.01</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>	
Operating Loss	<u>\$ (743,035.89)</u>
Adjustments to Reconcile Operating Loss to Cash Provided (Used) by Operating Activities:	
Change in Assets and Liabilities:	
(Increase)/Decrease in Accounts Receivable	(85,308.98)
Increase/(Decrease) in Accounts Payable	(24,863.02)
Increase/(Decrease) in Interfund Payable	<u>142,248.93</u>
Total Adjustments	<u>32,076.93</u>
Net Cash Used by Operating Activities	<u>\$ (710,958.96)</u>

**INTERNAL SERVICE FUND**

## H. FIDUCIARY FUNDS

HARRISON TOWN SCHOOL DISTRICT  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 FIDUCIARY FUNDS  
 JUNE 30, 2011

H-1

<u>ASSETS</u>	<u>Unemployment Compensation Trust</u>	<u>Agency Funds</u>
Cash and Cash Equivalents	<u>\$ 53,531.93</u>	<u>\$ 92,539.23</u>
Total Assets	<u>\$ 53,531.93</u>	<u>\$ 92,539.23</u>
<u>LIABILITIES</u>		
Payable to Student Groups		\$ 73,823.88
Payroll Deductions and Withholdings		<u>18,715.35</u>
Total Liabilities		<u>\$ 92,539.23</u>
<u>NET ASSETS</u>		
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 53,531.93</u>	

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

H-2

Unemployment  
 Compensation  
Trust

Additions

Contributions:

Employee Deductions  
 Total Contributions

\$ 26,473.33  
26,473.33

Investment Earnings:

Interest

106.31

Total Additions

26,579.64

Deductions

Quarterly Contribution Reports  
 Unemployment Claims

53,070.56  
3,620.89

Total Deductions

56,691.45

Change in Net Assets

(30,111.81)

Total Net Assets - Beginning

85,643.74

Total Net Assets - Ending

\$ 55,531.93

HARRISON TOWN SCHOOL DISTRICT  
 STUDENT ACTIVITY AGENCY FUND  
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

H-3

	<u>Balance</u> <u>July 1, 2010</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2011</u>
Elementary Schools:				
Hamilton School	\$ 5,874.40	\$ 3,925.23	\$ 3,424.99	\$ 6,374.64
Lincoln School:				
Student Activity Fund	6,610.12	10,195.89	10,695.59	6,110.42
Washington School	<u>7,183.44</u>	<u>10,860.42</u>	<u>10,831.38</u>	<u>7,212.48</u>
Total Elementary Schools	19,667.96	24,981.54	24,951.96	19,697.54
Senior High Schools:				
Harrison High School:				
General Funds	<u>56,294.64</u>	<u>105,931.48</u>	<u>108,099.78</u>	<u>54,126.34</u>
Total All Schools	<u>\$75,962.60</u>	<u>\$130,913.02</u>	<u>\$133,051.74</u>	<u>\$ 73,823.88</u>

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

H-4

<u>ASSETS</u>	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2011</u>
Cash and Cash Equivalents	<u>\$ 18,888.35</u>	<u>\$21,142,124.79</u>	<u>\$ 21,142,297.79</u>	<u>\$ 18,715.35</u>
Total Assets	<u>\$ 18,888.35</u>	<u>\$21,142,124.79</u>	<u>\$ 21,142,297.79</u>	<u>\$ 18,715.35</u>
 <u>LIABILITIES</u>				
Payroll Deductions and Withholdings	<u>\$ 18,888.35</u>	<u>\$21,142,124.79</u>	<u>\$ 21,142,297.79</u>	<u>\$ 18,715.35</u>
Total Liabilities	<u>\$ 18,888.35</u>	<u>\$21,142,124.79</u>	<u>\$ 21,142,297.79</u>	<u>\$ 18,715.35</u>

## I. LONG-TERM DEBT

**STATISTICAL SECTION (UNAUDITED)**

**INTRODUCTION TO THE STATISTICAL SECTION**

HARRISON TOWN SCHOOL DISTRICT  
NET ASSETS BY COMPONENT  
LAST NINE FISCAL YEARS  
(Accrual Basis of Accounting)  
Unaudited

4-1

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Governmental Activities:</b>									
Invested in Capital Assets, Net of									
Related Debt	\$ 17,929,766	\$ 8,154,040	\$ 18,053,163	\$ 18,087,358	\$ 12,815,384	\$ 12,511,624	\$ 12,911,572	\$ 13,167,384	\$ 13,198,912
Restricted	3,007,401	12,669,901	3,839,379	2,875,303	3,021,670	3,550,979	3,817,980	1,567,530	1,673,325
Unrestricted	(5,550,499)	(4,550,679)	(4,708,828)	(4,970,511)	(337,563)	(269,844)	(1,643,365)	(1,850,673)	(1,075,843)
<b>Total Governmental Activities Net Assets</b>	<b>\$ 15,386,668</b>	<b>\$ 16,273,262</b>	<b>\$ 17,184,314</b>	<b>\$ 15,992,150</b>	<b>\$ 15,499,491</b>	<b>\$ 15,792,759</b>	<b>\$ 15,086,186</b>	<b>\$ 12,884,242</b>	<b>\$ 13,796,394</b>
<b>Business-Type Activities:</b>									
Unrestricted	\$ (5,682)	\$ (5,682)	\$ (9,513)	\$ (8,328)	\$ (8,495)	\$ -	\$ -	\$ -	\$ 2,137
<b>Total Business-Type Activities Net Assets</b>	<b>\$ (5,682)</b>	<b>\$ (5,682)</b>	<b>\$ (9,513)</b>	<b>\$ (8,328)</b>	<b>\$ (8,495)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,137</b>
<b>District-Wide:</b>									
Invested in Capital Assets, Net of									
Related Debt	\$ 17,929,766	\$ 8,154,040	\$ 18,053,163	\$ 18,087,358	\$ 12,815,384	\$ 12,511,624	\$ 12,911,572	\$ 13,167,384	\$ 13,198,912
Restricted	3,007,401	12,669,901	3,839,379	2,875,303	3,021,670	3,550,979	3,817,980	1,567,530	1,673,325
Unrestricted	(5,556,181)	(4,556,360)	(4,718,341)	(4,978,839)	(346,148)	(269,844)	(1,643,365)	(1,850,673)	(1,073,707)
<b>Total District Net Assets</b>	<b>\$ 15,380,986</b>	<b>\$ 16,267,580</b>	<b>\$ 17,174,801</b>	<b>\$ 15,983,822</b>	<b>\$ 15,490,906</b>	<b>\$ 15,792,759</b>	<b>\$ 15,086,186</b>	<b>\$ 12,884,242</b>	<b>\$ 13,798,530</b>

Source: CAFR Schedule A-1

HARRISON TOWN SCHOOL DISTRICT  
 CHANGES IN NET ASSETS  
 LAST NINE FISCAL YEARS  
 (Accrual Basis of Accounting)  
 Unaudited

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>									
Governmental Activities:									
Instruction:									
Regular	\$ 12,904,336	\$ 11,801,228	\$ 14,323,141	\$ 13,969,831	\$ 15,313,710	\$ 16,617,474	\$ 13,717,824	\$ 14,691,803	\$ 14,646,804
Special Education	2,406,371	1,226,304	1,171,525	1,409,957	1,319,579	1,499,707	1,002,345	1,496,521	1,639,181
Other Special Education	207,731	912,604	903,912	1,529,298	1,703,284	1,475,096	4,758,181	5,107,447	822,206
Other Instruction	493,488	670,579	821,034	954,932	624,629	684,678	710,824	794,286	742,323
Support Services:									
Tuition	1,872,217	1,779,582	1,913,098	2,142,271	2,515,877	2,676,614	3,065,843	3,061,091	3,194,574
Student and Instruction Related Services	3,393,476	3,864,460	4,671,666	5,346,016	5,564,781	6,227,258	5,666,300	6,025,394	9,591,769
School Administrative Services	1,080,605	866,171	1,353,722	1,479,138	1,506,853	1,081,522	1,307,821	1,563,140	1,689,589
General Administration Services	823,844	864,593	825,556	878,121	1,035,324	1,543,251	1,360,014	1,559,024	1,060,095
Other Administrative Services		708,718	893,578	572,387	494,820	595,322	3,135,419	210,225	224,427
Plant Operations and Maintenance	2,842,841	2,435,503	2,835,067	3,236,681	2,976,542	2,625,054	1,253,735	3,548,606	3,985,585
Pupil Transportation	810,745	586,868	747,401	927,505	800,326	815,101	369,009	1,029,150	797,416
Business and Other Support Services	610,632								
Unallocated Depreciation		202,638	220,743	144,457	138,859	136,841	161,919	194,718	218,931
	27,446,266	25,919,350	30,680,443	32,590,590	33,994,565	35,977,917	36,509,235	39,281,405	38,592,910
Business-Type Activities:									
Food Service	318,774	331,588	384,430	483,417	435,163	621,286	825,140	987,262	939,549
<b>Total District Expenses</b>	<b>\$ 27,765,040</b>	<b>\$ 26,250,937</b>	<b>\$ 31,064,872</b>	<b>\$ 33,074,007</b>	<b>\$ 34,429,728</b>	<b>\$ 36,799,203</b>	<b>\$ 37,334,375</b>	<b>\$ 40,268,667</b>	<b>\$ 39,532,459</b>
<b>Program Revenues</b>									
Governmental Activities:									
Operating Grants and Contributions	\$ 4,661,820	\$ 5,433,294	\$ 6,237,626	\$ 6,505,069	\$ 8,113,608	\$ 8,813,990	\$ 7,840,322	\$ 8,256,261	\$ 11,133,167
Business-Type Activities:									
Operating Grants and Contributions	206,571	239,697	240,365	260,354	279,213	273,579	228,381	256,275	198,513
Charge for Food Services	39,446	40,407	79,983	61,873	53,586	468,641	559,549	659,454	705,296
<b>Total District Program Revenues</b>	<b>\$ 4,907,837</b>	<b>\$ 5,473,702</b>	<b>\$ 6,316,609</b>	<b>\$ 6,566,942</b>	<b>\$ 8,167,174</b>	<b>\$ 9,282,632</b>	<b>\$ 8,399,672</b>	<b>\$ 8,915,715</b>	<b>\$ 11,839,463</b>
<b>Net (Expense)/Revenue</b>									
Governmental Activities	\$(22,784,446)	\$(20,486,055)	\$(24,442,816)	\$(26,085,521)	\$(25,880,957)	\$(27,163,927)	\$(26,668,913)	\$(31,025,144)	\$(27,459,743)
Business-Type Activities	(72,757)	(51,483)	(65,082)	(161,190)	(102,384)	(79,065)	(37,210)	(71,533)	(36,740)
<b>Total District-Wide Net Expense</b>	<b>\$(22,857,203)</b>	<b>\$(20,537,538)</b>	<b>\$(24,507,898)</b>	<b>\$(26,246,711)</b>	<b>\$(25,983,341)</b>	<b>\$(27,242,992)</b>	<b>\$(26,706,123)</b>	<b>\$(31,096,677)</b>	<b>\$(27,496,483)</b>
<b>General Revenue and Other Changes in Net Assets</b>									
Governmental Activities:									
General Purpose Property Taxes	\$ 7,284,341	\$ 7,284,341	\$ 7,284,341	\$ 7,884,341	\$ 7,884,341	\$ 8,204,341	\$ 8,504,341	\$ 8,504,341	\$ 9,229,913
Unrestricted Grants and Contributions	12,584,637	14,877,361	15,137,668	15,440,873	16,251,688	17,595,733	18,070,693	18,858,592	17,893,778
Tuition	1,059,098	1,223,135	1,026,320	1,182,824	1,011,291	1,207,308	1,082,820	1,327,218	1,088,863
Transportation	16,130								
Miscellaneous	182,241	7,785,899	1,966,790	547,694	343,105	449,903	324,486	133,049	159,341
Transfers	(66,880)	(51,483)	(61,250)	(162,375)	(102,217)				
	21,059,585	31,119,253	25,353,869	24,883,356	25,388,207	27,457,285	27,962,339	28,823,200	28,371,895
Business-Type Activities:									
Miscellaneous	195								38,877
Transfers	66,880	51,483	61,250	162,375	102,217				
	67,076	51,483	61,250	162,375	102,217				38,877
<b>Total District-Wide</b>	<b>\$ 21,126,641</b>	<b>\$ 31,170,736</b>	<b>\$ 25,415,119</b>	<b>\$ 25,055,731</b>	<b>\$ 25,490,425</b>	<b>\$ 27,457,285</b>	<b>\$ 27,962,339</b>	<b>\$ 28,823,200</b>	<b>\$ 28,410,772</b>
<b>Change in Net Assets</b>									
Governmental Activities	\$ (1,724,881)	\$ 10,633,198	\$ 911,052	\$ (1,192,164)	\$ (492,749)	\$ 293,359	\$ (706,573)	\$ (2,201,944)	\$ 2,152
Business-Type Activities	(5,682)		(3,632)	1,185	(167)	(79,065)	(37,210)	(71,533)	2,137
<b>Total District</b>	<b>\$ (1,730,562)</b>	<b>\$ 10,633,198</b>	<b>\$ 907,221</b>	<b>\$ (1,190,980)</b>	<b>\$ (492,916)</b>	<b>\$ 214,293</b>	<b>\$ (743,784)</b>	<b>\$ (2,273,477)</b>	<b>\$ 914,289</b>

Source: CAFR Schedule A-2

HARRISON TOWN SCHOOL DISTRICT  
 FUND BALANCES - GOVERNMENTAL FUNDS  
 LAST NINE FISCAL YEARS  
 (Modified Accrual Basis of Accounting)  
 Unaudited

J-3

	Fiscal Year Ending June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund:									
Reserved	\$ 1,911,444.67	\$ 4,148,692.20	\$ 3,533,330.35	\$ 2,572,687.76	\$ 2,719,054.90	\$ 3,248,364.11	\$ 3,585,519.12	\$ 1,335,069.40	\$ 1,440,864.81
Unreserved	(122,740.41)	(318,035.06)	(212,630.47)	(130,743.85)	(311,634.03)	(224,645.87)	(1,213,448.23)	(268,955.69)	(1,075,843.32)
	<u>\$ 1,788,704.26</u>	<u>\$ 3,830,657.14</u>	<u>\$ 3,320,699.88</u>	<u>\$ 2,441,943.91</u>	<u>\$ 2,407,420.87</u>	<u>\$ 3,023,718.24</u>	<u>\$ 2,372,070.89</u>	<u>\$ 1,066,113.71</u>	<u>\$ 365,021.49</u>
All Other Governmental Funds:									
Reserved	\$ 13,391.87	\$	\$	\$	\$	\$	\$	\$	\$
Unreserved:									
Special Revenue Fund	(28,369.50)	(8,771.20)	(24,650.75)	(28,229.55)	(26,019.00)	(45,198.00)	(429,917.00)	(1,581,717.00)	
Capital Projects Fund	1,543,511.61	8,535,346.38	302,615.08	302,615.08	302,615.08	302,615.08	232,460.45	232,460.45	232,460.45
	<u>\$ 1,528,533.98</u>	<u>\$ 8,526,575.18</u>	<u>\$ 277,964.33</u>	<u>\$ 274,385.53</u>	<u>\$ 276,596.08</u>	<u>\$ 257,417.08</u>	<u>\$ (197,456.55)</u>	<u>\$ (1,349,256.55)</u>	<u>\$ 232,460.45</u>
Total Fund Balances	<u>\$ 3,317,238.24</u>	<u>\$ 12,357,232.32</u>	<u>\$ 3,598,664.21</u>	<u>\$ 2,716,329.44</u>	<u>\$ 2,684,016.95</u>	<u>\$ 3,281,135.32</u>	<u>\$ 2,174,614.34</u>	<u>\$ (283,142.84)</u>	<u>\$ 597,481.94</u>

Source: CAFR Schedule B-1

## FINANCIAL TRENDS

HARRISON TOWN SCHOOL DISTRICT  
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
 LAST NINE FISCAL YEARS  
 (Modified Accrual Basis of Accounting)  
 Unaudited

J-4

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Revenues</b>									
Local Tax Levy	\$ 7,284,341	\$ 7,284,341	\$ 7,284,341	\$ 7,884,341	\$ 7,884,341	\$ 8,204,341	\$ 8,504,341	\$ 8,504,341	\$ 9,229,913
Tuition	1,059,096	1,223,135	1,026,320	1,182,824	1,011,291	1,207,308	1,062,819	1,327,218	1,088,863
Transportation	16,130	13,824	4,838	73,230	69,141	63,552	60,964	65,865	26,250
Miscellaneous	182,241	772,074	211,952	474,465	273,964	386,352	263,522	77,462	133,091
State Aid	16,519,852	18,914,644	20,480,915	20,723,451	23,022,496	24,559,804	24,550,083	21,521,923	26,713,125
Federal Sources	726,604	1,417,325	1,361,216	1,222,490	1,342,800	1,849,926	1,695,772	5,582,621	2,313,820
Other Sources		7,000,000	1,750,000						
	<u>25,788,265</u>	<u>36,625,343</u>	<u>32,119,582</u>	<u>31,560,800</u>	<u>33,604,033</u>	<u>36,271,283</u>	<u>36,137,501</u>	<u>37,079,461</u>	<u>39,505,062</u>
<b>Expenditures</b>									
<b>Instruction:</b>									
Regular	9,542,093	10,236,290	11,396,023	10,902,744	11,909,504	12,846,558	10,256,788	10,892,974	10,537,467
Special	1,729,257	850,376	772,576	1,002,483	927,173	1,045,616	734,933	1,070,785	1,173,019
Other Special Instruction	185,258	901,737	848,827	1,087,429	1,203,014	1,029,140	4,468,116	4,495,180	586,983
Other Instruction	395,886	590,951	687,857	718,229	463,964	524,487	587,975	642,441	556,289
<b>Support Services and Other Undistributed Costs:</b>									
Tuition	1,872,217	1,858,983	1,997,913	2,142,271	2,515,877	2,676,614	3,065,843	3,061,091	3,194,574
Student and Instruction Related Services	2,831,218	3,214,953	3,458,077	3,991,530	4,133,977	4,907,070	4,390,885	4,500,795	8,038,523
School Administration Services	802,634	718,828	1,007,935	1,068,737	1,069,653	1,085,119	1,118,841	1,129,792	1,201,892
General Administration Services	693,314	763,500	675,785	694,987	830,491	867,689	953,070	1,356,511	829,330
Plant Operations and Maintenance	2,692,303	2,350,986	2,617,655	2,931,554	2,721,829	2,489,857	3,029,769	3,188,476	3,655,927
Pupil Transportation	810,746	586,968	747,401	927,505	800,326	815,101	940,275	1,029,150	797,416
Business and Other Support Services	498,034	547,761	402,542	416,543	354,268	439,897	369,009	22,881	45,912
Employee Benefits	4,309,325	4,648,940	5,734,188	6,218,096	6,529,421	6,786,899	6,993,678	7,595,328	7,649,136
Capital Outlay	272,190	250,200	10,470,122	178,652	74,631	160,115	334,840	551,816	357,988
	<u>26,634,472</u>	<u>27,520,474</u>	<u>40,816,900</u>	<u>32,280,760</u>	<u>33,534,128</u>	<u>35,674,164</u>	<u>37,244,023</u>	<u>39,537,218</u>	<u>38,624,437</u>
Excess (Deficiency) of Revenue Over/(Under)									
Expenditures	(846,207)	9,104,869	(8,697,318)	(719,960)	69,905	597,118	(1,106,521)	(2,457,757)	880,625
<b>Other Financing Sources/(Uses)</b>									
Transfers (Out)	(66,880)	(51,483)	(61,250)	(162,375)	(102,217)				
	<u>(66,880)</u>	<u>(51,483)</u>	<u>(61,250)</u>	<u>(162,375)</u>	<u>(102,217)</u>				
Net Change in Fund Balances	<u>\$ (913,088)</u>	<u>\$ 9,053,386</u>	<u>\$ (8,758,568)</u>	<u>\$ (882,335)</u>	<u>\$ (32,312)</u>	<u>\$ 597,118</u>	<u>\$ (1,106,521)</u>	<u>\$ (2,457,757)</u>	<u>\$ 880,625</u>

Source: School District's Financial Statements

HARRISON TOWN SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED

J-5

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Fund:										
Rentals	\$ 8,677	\$ 6,193	\$ 150,000	\$ 41,095	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Prior Year Budget Refunds			4,914	7,142	13,235	29,193				
Prior Year Voided Checks			100	5,290	8,515	3,174	2,709	2,262	5,189	4,892
High School Athletics	11,370	8,023	5,874	2,492	6,051	7,102	6,093	6,590	4,988	5,066
Pool Receipts				75,042	6,534	224,885	9,020	17,712	5,223	30,256
Insurance Rebates		35,391	68,004					50,859	10,000	13,000
Other Refunds										4,275
Indirect Costs										45,000
Other Fees	75,000									4,102
Restricted Miscellaneous	20,537	16,018	24,754	53,624	39,981	13,298	28,332	280	1,061	
Miscellaneous Other										
Total Miscellaneous	115,584	65,625	253,646	184,886	224,416	427,653	196,154	727,702	176,460	256,590
Tuition	1,088,863	1,327,218	1,062,819	1,207,308	1,011,291	1,182,824	1,026,320	1,223,135	1,059,096	929,611
Interest on Investments	521	1,529	9,876	51,666	49,548	46,812	15,798	44,372	5,781	6,425
Transportation Fees	26,250	65,895	60,964	63,552	69,141	73,230	4,838	13,824	16,130	11,005
Total Other Local Revenue	\$ 1,231,218	\$ 1,460,267	\$ 1,387,305	\$ 1,507,211	\$ 1,354,396	\$ 1,730,518	\$ 1,243,110	\$ 2,009,034	\$ 1,257,468	\$ 1,203,632

Source: District Records

**REVENUE CAPACITY**

**HARRISON TOWN SCHOOL DISTRICT**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

J-6

<u>Year</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Total Assessed Value</u>	<u>Public Utilities</u>	<u>Net Valuation Taxable</u>	<u>Estimated Actual (County Equalized) Value</u>	<u>Total Direct School Tax Rate</u>
2002	\$ 6,804,590	\$ 259,856,145	\$ 63,798,760	\$ 125,514,080	\$ 17,593,100	\$ 473,566,675	\$ 755,175	\$ 474,321,850	\$ 572,921,669	\$ 1.691
2003	7,015,390	260,701,085	63,929,410	124,653,180	17,617,100	473,916,165	755,175	474,671,340	727,800,276	1.652
2004	6,028,790	265,101,585	63,858,360	126,250,160	17,626,200	478,865,095	755,175	479,620,270	771,465,771	1.671
2005	6,005,990	266,541,465	63,896,480	125,767,530	17,632,800	479,844,265	755,175	480,599,440	779,985,276	1.684
2006	8,952,490	267,122,115	63,759,930	123,406,030	17,638,200	480,878,765	434,795	481,313,560	761,582,688	1.755
2007	16,068,690	269,926,765	61,596,530	107,866,430	17,494,850	472,953,265	385,314	473,338,579	742,980,712	1.810
2008	16,271,564	273,334,707	62,374,213	109,228,290	17,715,730	478,924,504	390,179	479,314,683	751,385,200	1.800
2009	16,471,447	273,408,831	62,348,665	109,530,854	17,952,085	479,711,882	391,558	480,103,440	928,980,176	1.910
2010	20,263,735	278,221,449	85,053,830	103,622,730	17,360,500	504,522,244	404,263	504,926,507	1,183,890,221	1.958
2011	19,321,435	279,585,814	91,076,580	102,963,030	17,220,400	510,167,259	423,655	510,590,914	1,197,726,751	1.986

Source: Municipal Tax Assessor

**HARRISON TOWN SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
*Unaudited***

J-7

<u>Year</u>	<u>Harrison School District Direct Rate</u>			<u>Overlapping Rates</u>		<u>Total Direct and Overlapping Tax Rate</u>
	<u>Basic Rate</u>	<u>General Obligation Debt Service</u>	<u>Total Direct School Tax Rate</u>	<u>Town of Harrison</u>	<u>Hudson County</u>	
2002	\$1.691	\$ 0.152	\$ 1.843	\$ 1.347	\$0.951	\$ 4.141
2003	1.535	0.117	1.652	1.435	1.056	4.143
2004	1.519	0.152	1.671	1.554	1.028	4.253
2005	1.579	0.105	1.684	1.678	1.062	4.424
2006	1.638	0.117	1.755	1.831	1.040	4.626
2007	1.691	0.119	1.810	2.120	1.090	5.020
2008	1.743	0.057	1.800	2.488	1.108	5.396
2009	1.772	0.138	1.910	2.590	1.164	5.664
2010	1.757	0.201	1.958	2.760	1.113	5.831
2011	1.808	0.178	1.986	2.952	1.205	6.143

Source: Municipal Tax Collector

**HARRISON TOWN SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED**

J-8

<u>Taxpayer</u>	<u>2011</u>			<u>2002</u>		
	<u>Assessed Valuation</u>	<u>Rank</u>	<u>% of Total District's Net Assessed Value</u>	<u>Assessed Valuation</u>	<u>Rank</u>	<u>% of Total District's Net Assessed Value</u>
Taxpayer # 1	\$ 30,400,000	1	6.02%			
Taxpayer # 1	12,667,300	2	2.48%	\$ 18,026,250	1	3.80%
Taxpayer # 2	12,203,800	3	2.39%	11,964,500	2	2.52%
Taxpayer # 3	8,842,900	4	1.73%	7,884,500	4	1.66%
Taxpayer # 4	8,556,720	5	1.68%			
Taxpayer # 5	7,884,500	6	1.54%	8,359,600	3	1.76%
Taxpayer # 6	7,329,700	7	1.44%			
Taxpayer # 7	7,022,900			7,500,000	5	1.58%
Taxpayer # 8				6,200,000	6	1.31%
Taxpayer # 9	4,896,800	8	0.96%	6,160,000	7	1.30%
Taxpayer # 10	4,342,000	9	0.85%	4,699,500	9	0.99%
Taxpayer # 11	5,000,000	10	0.98%	5,177,500	8	1.09%
Taxpayer # 12				4,360,000	10	0.92%
<b>Total</b>	<u>\$ 109,146,620</u>		<u>21.62%</u>	<u>\$ 80,331,850</u>		<u>16.94%</u>

Source: Town of Harrison, Net Valuation Taxable

**HARRISON TOWN SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED**

J-9

Calendar Year Ended January 31,	School Taxes Levied Fiscal Year	<b>Collected Within the Fiscal Year of the Levy</b>		Collections in Subsequent Years
		<u>Amount</u>	<u>Percentage of Levy</u>	
2002	\$ 7,284,341.00	\$ 7,284,341.00	100.00%	\$
2003	7,284,341.00	7,284,341.00	100.00%	
2004	7,284,341.00	7,284,341.00	100.00%	
2005	7,284,341.00	7,284,341.00	100.00%	
2006	7,884,341.00	7,884,341.00	100.00%	
2007	7,884,341.00	7,884,341.00	100.00%	
2008	8,204,341.00	8,204,341.00	100.00%	
2009	8,504,341.00	8,504,341.00	100.00%	
2010	8,504,341.00	8,504,341.00	100.00%	
2011	9,229,913.00	9,229,913.00	100.00%	

Source: District records, including the Certificate and Report of School Taxes (A4F Form).

Town of Harrison Municipal Tax Collector, Comparison of Tax Levies and Collections

Note: School taxes are collected by the Municipal Tax Collector. Under State Statute, a municipality is required to remit to the School District the property tax amount voted upon and certified prior to the end of the school fiscal year - June 30th.

## DEBT CAPACITY

**HARRISON TOWN SCHOOL DISTRICT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
*Unaudited*

J-10

Fiscal Year Ended June 30,	Governmental Activities				Business- Type Activities		Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes	School Facilities Loans	Capital Leases		

Town of Harrison is a Type 1 School District and Debt is Paid by Town's Budget Appropriation

**HARRISON TOWN SCHOOL DISTRICT  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED**

J-11

<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Percentage of Actual Taxable Value (a) of Property</u>	<u>Per Capita (b)</u>
2002	\$ 8,391,000.00	\$	\$ 8,391,000.00	1.47%	\$ 585.43
2003	9,613,000.00		9,613,000.00	1.32%	674.17
2004	9,238,000.00		9,238,000.00	1.20%	653.19
2005	8,863,000.00		8,863,000.00	1.14%	630.37
2006	8,458,000.00		8,458,000.00	1.11%	606.66
2007	9,458,834.50		9,458,834.50	1.27%	668.37
2008	9,458,834.50		9,458,834.50	1.26%	622.25
2009	9,458,834.50		9,458,834.50	1.02%	621.84
2010	17,516,484.00		17,516,484.00	1.48%	N/A
2011	17,126,277.75		17,126,277.75	1.43%	N/A

Notes:

- (a) See Exhibit J-6 for property tax data
- (b) Population data can be found on Exhibit J-14
- N/A - Not Available

Source: Assessed valuations were provided from the Abstract of Ratables, Hudson County Board of Taxation.  
School District population data was provided by the U.S. Bureau of the Census, Population Division.

HARRISON TOWN SCHOOL DISTRICT  
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
 UNAUDITED

J-12

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<u>Governmental Unit</u>			
Debt Repaid with Property Taxes:			
Net Overlapping Debt of School District:			
Town of Harrison	\$ 50,772,137.80	100%	\$ 50,772,137.80
County of Hudson	257,819,463.07	3.23%	8,327,568.66
Harrison School District Direct Debt	17,126,277.75	100%	<u>17,126,277.75</u>
 Total Direct and Overlapping Bonded Debt as of December 31, 2010			 <u><u>\$ 76,225,984.21</u></u>

HARRISON TOWN SCHOOL DISTRICT  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

Year	Equalized Valuation Basis	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
2008	\$ 1,379,870,081										
2009	1,248,899,229										
2010	1,183,482,158										
	<u>\$ 3,812,251,468</u>										
											<u>\$1,270,750,489</u>
Average Equalized Valuation of Taxable Property											
School Borrowing Margin (4% of \$1,270,750,489)	\$ 50,830,020										
Net Bonded School Debt as of June 30, 2010	<u>17,126,278</u>										
	<u>\$ 33,703,742</u>										
Debt Limit		\$ 29,856,841	\$ 30,857,692	\$ 31,158,957	\$ 32,109,018	\$ 36,213,255	\$ 42,304,631	\$ 47,841,145	\$ 52,453,755	\$ 52,848,856	\$ 50,830,020
Total Net Debt Applicable to Limit		<u>8,587,462</u>	<u>11,262,857</u>	<u>16,287,564</u>	<u>18,422,290</u>	<u>18,008,877</u>	<u>18,566,723</u>	<u>18,460,344</u>	<u>17,921,407</u>	<u>17,516,484</u>	<u>17,126,278</u>
Legal Debt Margin		<u>\$ 21,269,379</u>	<u>\$ 19,594,835</u>	<u>\$ 14,871,393</u>	<u>\$ 13,686,728</u>	<u>\$ 18,204,378</u>	<u>\$ 23,737,908</u>	<u>\$ 29,380,801</u>	<u>\$ 34,532,348</u>	<u>\$ 35,332,372</u>	<u>\$ 33,703,742</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit		28.76%	36.50%	52.27%	57.37%	49.73%	43.89%	38.59%	34.17%	33.14%	33.69%

Source: Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.

**DEMOGRAPHIC AND ECONOMIC INFORMATION**

**HARRISON TOWN SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED**

J-14

<u>Year</u>	<u>(a) Population</u>	<u>(b) Personal Income</u>	<u>(c) Per Capita Personal Income</u>	<u>(d) Unemployment Rate</u>
2001	14,461	\$ 442,723,515	\$ 30,615 R	5.2%
2002	14,333	446,644,946	31,162 R	7.1%
2003	14,259	454,819,323	31,897 R	6.9%
2004	14,143	471,301,332	33,324 R	5.7%
2005	14,060	499,172,180	35,503 R	11.1%
2006	13,942	535,052,134	38,377 R	5.4%
2007	14,152	584,817,248	41,324 R	4.7%
2008	15,201	667,703,925	43,925 R	6.3%
2009	15,211	N/A	43,388 P	11.3%
2010	N/A	N/A	N/A	11.5%

(a) Population information provided by the NJ Department of Labor and Workplace Development.

(b) Personal income has been estimated based upon the municipal population and per capita personal income presented.

(c) Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

(d) Unemployment data provided by the NJ Department of Labor and Workforce Development.

R - Revised Amounts

P - Projected

N/A - Not Available at Time of Audit

HARRISON TOWN SCHOOL DISTRICT  
 PRINCIPAL EMPLOYERS  
 CURRENT YEAR AND NINE YEARS AGO  
*Unaudited*

J-15

	2011			2002		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
Harrison Baking				500	1	3.85%
Eagle Industries				350	2	2.70%
Harrison Board of Education				240	3	1.85%
Town of Harrison				235	4	1.81%
Port Authority of NY/NJ				151	9	1.16%
Public Services Gas/Electric	*					
Vo-Toys						
General Piping				225	5	1.73%
Century Cookie Co				200	6	1.54%
Campbell Foundry Co.				180	7	1.39%
Intrex Corp.				170	8	1.31%
Tri Chem				150	10-T	1.16%
Goodwill Industries				150	10-T	1.16%
CS Osbourne and Co						
Print Perfect						
Continental Fasteners						

Source: Local Chamber of Commerce

\* Data Not Available

## **OPERATING INFORMATION**

HARRISON TOWN SCHOOL DISTRICT  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
 LAST EIGHT FISCAL YEARS  
 Unaudited

J-16

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Instruction:								
Regular	*	136	136	136	136	120	120	124
Special Education	*	5	5	5	5	5	5	5
Other Special Education	*	21	21	21	21	26	26	26
Support Services:								
Health Services	*	2	2	2	2	5	5	5
Admin Info. Technology Svc.	*	2	2	3	3	4	5	6
General Administration	*	11	9	9	9	9	10	10
Related Services	*	6	6	6	6	6	6	6
Guidance - Professional/Support	*					2	3	6
Child Study Team/Support	*							
Supervisors	*	10	10	10	10	7	8	8
Plant Operations and Maintenance	*	14	14	14	14	17	18	19
Pupil Transportation	*							
Central Services	*	14	14	14	14	14	14	14
Media Services Technology	*							
Principals/School Administration	*							
Bus and Other Support	*	7	7	7	7	7	8	8
Total		<u>228</u>	<u>226</u>	<u>227</u>	<u>227</u>	<u>222</u>	<u>228</u>	<u>237</u>

Source: District Personnel Records

\*Not Available

HARRISON TOWN SCHOOL DISTRICT  
 OPERATING STATISTICS  
 LAST TEN FISCAL YEARS  
 UNAUDITED

Fiscal Year Ended June 30	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment	Average Daily Attendance	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle	Senior High School				
2002	1,867	\$24,217,410	\$12,971	2.99%	170	15	13	1,851	1,721	-1.91%	92.98%	
2003	1,934	26,634,472	13,772	3.62%	170	15	13	1,884	1,808	1.78%	95.98%	
2004	1,934	27,520,474	14,230	3.44%	170	15	13	1,934	1,813	2.65%	93.72%	
2005	1,934	40,816,900	21,105	11.28%	180	15	13	1,899	1,797	-1.81%	94.64%	
2006	1,984	32,280,760	16,271	3.50%	184	15	13	1,838	1,743	-3.21%	94.83%	
2007	1,971	33,534,128	17,014	4.50%	186	15	15	1,871	1,768	1.80%	94.49%	
2008	1,818	35,052,164	19,280	4.89%	192	15	15	1,815	1,768	-2.99%	97.41%	
2009	1,902	37,077,834	19,494	2.10%	192	15	15	*	*	*	*	
2010	1,936	39,537,218	20,422	4.89%	194	16	16	1,916	1,823	5.20%	95.15%	
2011	1,977	38,624,437	19,537	4.33%	194	16	15	1,944	1,870	5.20%	96.19%	

Source: District Records

\*Data was not provided by the School District

HARRISON TOWN SCHOOL DISTRICT  
 SCHOOL BUILDING INFORMATION  
 LAST TEN FISCAL YEARS  
*Unaudited*

J-18

<u>Facility</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>Elementary</u>	*	*	*							
Lincoln Elementary:										
Square Feet				52,029	52,029	52,029	52,029	52,029	52,029	52,029
Functional Capacity				462	462	462	462	462	462	462
Enrollment				824	846	846	846	846	846	846
Lincoln Annex:										
Square Feet				23,758	23,758	23,758	23,758	23,758	23,758	23,758
Functional Capacity				274	274	274	274	274	274	274
Enrollment				378	375	375	375	375	375	375
Washington School:										
Square Feet				149,000	149,000	149,000	149,000	149,000	149,000	149,000
Functional Capacity				540	540	540	540	540	540	540
Enrollment				641	655	655	655	655	655	655
<u>High School</u>										
Square Feet					158,327	158,327	158,327	158,327	158,327	158,327
Functional Capacity					643	643	643	643	643	643
Enrollment					900	900	900	900	900	900

\*Not Available

Source: District Maintenance Office

HARRISON TOWN SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITY  
LAST TEN FISCAL YEARS  
*Unaudited*

J-19

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

School Facilities	Project # (s)	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Harrison High School	N/A	\$2,571.07	\$24,852.56	\$25,933.75	\$25,974.60	\$18,021.60	\$ 73,102.10	\$11,504.32	\$21,787.56	\$ *	\$ *
Lincoln School No. 3	N/A	1,542.64	14,911.53	15,560.25	10,822.75	7,509.00	30,460.00	4,793.47	9,078.15	*	*
Lincoln School Annex	N/A	514.21	4,970.51	5,188.75							
Washington School No. 1	N/A	514.21	4,970.51	5,186.75	6,493.35	4,505.40	18,276.00	2,876.08	5,446.89	*	*
		<u>\$5,142.14</u>	<u>\$49,705.11</u>	<u>\$ 51,867.49</u>	<u>\$43,290.70</u>	<u>\$ 30,036.00</u>	<u>\$121,838.10</u>	<u>\$19,173.87</u>	<u>\$36,312.60</u>		

Source: School District Records

\*The District did not utilize a separate line to track these expenditures.

**HARRISON TOWN SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2011  
Unaudited**

J-20

	<u>Coverage</u>	<u>Deductible</u>
School Board Package Policy:		
Blanket Building and Contents:	\$ 66,018,542	\$ 5,000
All Risk		
Replacement Cost		
Property Off Premises	250,000	
Extra Expense (Limited by Location)	250,000	5,000
EDP Equipment	31,500	
Money and Securities:		
Inside - Schools	10,000	
Inside - Stadium	10,000	
Outside - Schools	10,000	
Outside - Stadium	10,000	
Flood/Quake	5,000,000	
Comprehensive General Liability:		
Each Occurrence	1,000,000	
Aggregate	2,000,000	
Including:		
Bodily Injury		
Property Damage		
Products Liability		
Personal Injury Liability		
Blanket Contractual		
Employees, Volunteers and Aides		
as Named Insured's		
Host Liquor Liability		
Incidental Malpractice		
Business Automobile:		
Combined Single Limit - Bodily Injury and		
Property Damage	5,500,000	
Uninsured Motorists - Personal Injury Protection	5,500,000	
Comprehensive		250
Collision		250
Boiler and Machinery Policy:		
Limit Per Accident	30,000,000	
Worker's Compensation Per Incident	1,000,000	
School Board Liability:		
Each Loss	2,000,000	
Aggregate	2,000,000	1,000
Excess Umbrella Liability:		
Limit of Liability	10,000,000	
Employee Benefits Liabilities:		
Each Loss	2,000,000	
Aggregate	3,000,000	2,500

Source: District Records

**SINGLE AUDIT SECTION**

550 BROAD STREET, 11TH FLOOR  
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**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  
Harrison Town School District  
County of Hudson  
Harrison, New Jersey 07029

We have audited the financial statements of the Board of Education of the Harrison Town School District in the County of Hudson, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated November 4, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Harrison Town Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Harrison Town Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Harrison Town Board of Education'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 significant deficiency, or combination of significant deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

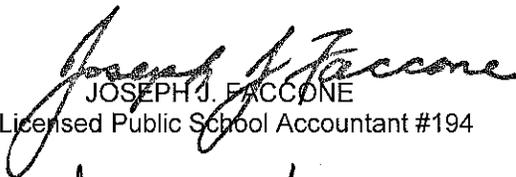
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We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

**Compliance and Other Matters**

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

We noted certain matters that we reported to the Board of Education of the Harrison Town School District in a separate report entitled, *Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* dated November 4, 2011.

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

  
JOSEPH J. FACCONI  
Licensed Public School Accountant #194

  
SAMUEL KLEIN AND COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey  
November 4, 2011

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

The Honorable President and Members  
of the Board of Education  
Harrison Town School District  
County of Hudson  
Harrison, New Jersey 07029

**Compliance**

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

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

In our opinion, the Board of Education of the Harrison Town School District, in the County of Hudson, State of New Jersey, complied, in all material respects, with the 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.

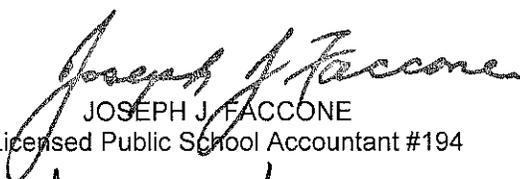
## Internal Control Over Compliance

The management of the Board of Education of the Harrison Town School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Harrison Town Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Harrison Town Board of Education'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 state or federal 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 state or federal 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, 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 audit committee, management, the Harrison Town Board of Education, the New Jersey State Department of Education, and other federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

  
JOSEPH J. FACCONO  
Licensed Public School Accountant #194

  
SAMUEL KLEIN AND COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey  
November 4, 2011

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

Federal CFDA Number	Federal Grantor/Pass-Through Program Title	Award Amount	Grant Period From To	Balance at June 30, 2010		Carryover/(Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year Balance	Balance at June 30, 2011	
				(Accounts Receivable)	Deferred Revenue						(Accounts Receivable)	Deferred Revenue
84-387	ARRA Government Services Fund	\$ 123,166.00	8/30/10	8/30/10	\$ (13,686.00)	\$	\$ 15,686.00	\$	\$	\$	\$	\$
84-394	ARRA Education Stabilization Aid	3,181,631.00	8/30/10	8/30/10	(353,514.00)		953,514.00	(161,741.92)			102,123.94	
84-778	Medicare Reimbursement	75,398.24	8/30/10	8/30/10	(357,200.00)		75,398.24	(267,013.13)			(63,293.26)	
							442,598.24	(75,598.24)			(38,086.31)	
												665.36
												354.00
84-040	Special Revenue Funds:											
84-040	Title I, Part A - Carryover	923,910.44	8/30/10	8/30/10			95,500.76	(161,741.92)				
84-040	Title I, Part A	950,027.34	8/30/10	8/30/10	66,241.16		630,027.34	(827,903.40)				
84-040	Title I, Part A - ARRA	924,128.90	8/30/10	8/30/10	(529,556.60)		329,568.30					
84-395	Title I, Part A - ARRA	267,033.13	8/30/10	8/30/10	(19,657.13)		208,719.87					
84-040	Title I, School Improvements	16,865.36	8/30/10	8/30/10	(2,177.83)							
84-040	Title I, School Improvements	51,043.31	8/30/10	8/30/10	665.36							
84-040	Title I, School Improvements	6,010.00	8/30/10	8/30/10	(51,043.31)		12,955.00					
84-027	I.D.E.A. Part B - Basic Preschool	11,178.00	8/30/10	8/30/10	(11,178.00)		11,178.00					
84-392	I.D.E.A. Part B - Basic Preschool - ARRA	11,025.00	8/30/10	8/30/10	(11,025.00)							
84-027	I.D.E.A. Part B - Basic Preschool - ARRA	390,955.61	8/30/10	8/30/10	(1,509.87)							
84-027	I.D.E.A. Part B Basic	420,780.95	8/30/10	8/30/10	(1,509.87)							
84-027	I.D.E.A. Part B Basic	432,861.00	8/30/10	8/30/10			156,072.00				2,972.54	
84-391	I.D.E.A. Part B Basic - ARRA	187,556.30	8/30/10	8/30/10	(187,556.30)		187,556.30					
84-152	I.D.E.A. Part B Basic - ARRA	45,929.00	8/30/10	8/30/10			502,942.70				185,864.22	
84-395	Emergency Immigration Carryover	30,730.68	8/30/10	8/30/10								1,028.88
84-395	Emergency Immigration Carryover	81,225.08	8/30/10	8/30/10	21,635.75							21,635.75
84-395	Title III Immigrant Carryover	5,783.51	8/30/10	8/30/10								
84-395	Title III Immigrant	75,228.49	8/30/10	8/30/10	(36,300.48)		35,059.00				(1,241.49)	
84-186	Title III Immigrant	27,433.31	8/30/10	8/30/10			15,610.00				(11,523.31)	
84-186	Title IV State and Drug Free Schools Carryover	4,905.00	8/30/10	8/30/10								
84-186	Title IV State and Drug Free Schools	6,697.15	8/30/10	8/30/10	652.51							
84-186	Title IV State and Drug Free Schools	13,777.36	8/30/10	8/30/10			6,034.64					
84-186	Title IV State and Drug Free Schools	20,976.00	8/30/10	8/30/10			13,777.36					
84-186	Title IV State and Drug Free Schools	7,462.16	8/30/10	8/30/10								
84-298	Title V Innovative Carryover	4,532.09	8/30/10	8/30/10								
84-168	Title II Part A	101,040.00	8/30/10	8/30/10			65,705.00				(35,335.00)	
84-168	Title II Part A Carryover	12,615.99	8/30/10	8/30/10	3,282.72							2,970.13
84-168	Title II Part A Carryover	312.59	8/30/10	8/30/10								
84-168	Title II Part A Teacher and Principal Training	101,222.00	8/30/10	8/30/10			73,699.00					
84-168	Title II Part D Technology	690.69	8/30/10	8/30/10	(70,626.60)						(690.69)	
84-168	Title II Part D Technology	8,769.42	8/30/10	8/30/10			11,067.00					
84-168	Title II I&E Math/Science Carryover	10,589.00	8/30/10	8/30/10	(8,760.42)							
84-168	Title II I&E Math/Science Carryover	9,244.01	8/30/10	8/30/10								
	Total Special Revenue Funds				(843,171.71)		2,870,331.00	(2,187,368.93)			(450,172.81)	289,456.61
												28,355.06

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

Federal Grantor/Pass-Through Program Title	Federal CFDA Number	Award Amount	Grant Period From To	Balance at June 30, 2010		Carryover/ (Waikover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year Balance	Balance at June 30, 2011	
				(Accounts Receivable)	Due to Grantor						(Accounts Receivable)	Deferred Revenue
U.S. Department of Agriculture Passed-Through State Department of Education:												
Enterprise Funds:												
School Breakfast Program	10.553	\$ 54,237.52	7/01/09	6/30/10	\$ (6,037.08)	\$	\$ 6,037.08	\$ (71,493.18)	\$	\$	\$ (17,422.84)	\$
School Breakfast Program	10.555	71,465.16	7/01/10	6/30/11			54,070.34					
National School Lunch Program	10.555	62,525.66	7/01/09	6/30/10	(60,286.28)		60,286.26					
National School Lunch Program	10.555	62,153.20	7/01/10	6/30/11			47,922.26	(62,153.20)			(129,630.94)	
After School Snacks	10.558	16,464.96	7/01/09	6/30/10	(181.30)		181.30					
After School Snacks	10.558	19,630.72	7/01/10	6/30/11			17,735.34	(19,630.72)			(1,892.18)	
Total Enterprise Funds					(66,504.64)		610,835.78	(693,277.10)			(148,945.98)	
Total Federal Financial Awards					\$ (1,276,876.25)	\$ 108,493.44	\$ 3,923,766.02	\$ (2,956,044.27)	\$ -	\$ -	\$ (599,118.77)	\$ 28,356.06

See accompanying notes to schedules of expenditures of awards and financial assistance.

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

State Grant/Program Title	Balance at June 30, 2010			Balance at June 30, 2011			Memo						
	Program or Award Amount	Grant Period From To	Revenues (Accounts Receivable)	Due to Grantor	Carryover (Waiver) Amount	Cash Received	Budgetary Expenditures	Adjustments Received of Prior Year Balance	(Accounts Receivable)	Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education:</b>													
<b>General Fund:</b>													
11-485-034-5120-079 Educational Aid	\$ 18,094,410.00	7/01/10	6/30/11	\$ -	\$ 18,094,410.00	\$ (18,094,410.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,823,857.00	\$ 14,884,410.00
11-485-034-5120-074 Educational Transportation Aid	463,713.00	7/01/10	6/30/11	(188,713.00)	185,000.00	(472,262.00)	(188,713.00)		(188,713.00)				472,262.00
11-100-034-5120-473 Extracurricular Aid	188,713.00	7/01/10	6/30/11	188,713.00	188,713.00								188,713.00
11-100-034-5120-473 Extracurricular Aid	188,713.00	7/01/10	6/30/11	188,713.00	188,713.00								188,713.00
11-485-034-5085-001 On-Benefit TPAF Pension Contribution	1,219,132.00	7/01/10	6/30/11	(46,408.79)	46,408.79	(1,218,132.00)							1,219,132.00
19-485-034-5085-002 Reimbursed TPAF Social Security Contributions	1,185,608.01	7/01/09	6/30/10		46,408.79								
11-485-034-5085-002 Reimbursed TPAF Social Security Contributions	1,091,739.23	7/01/10	6/30/11	(244,121.75)	1,047,617.48	(1,091,739.23)			(64,273.63)				1,091,739.23
<b>Total General Fund</b>													
<b>Special Revenue Fund:</b>													
Fresh Fruits	36,414.91	7/01/08	6/30/10	3,823.01	47,812.20	(5,105.00)			(3,440.80)	3,823.01			51,095.00
Equipment Child Nutrition	17,930.00	7/01/08	6/30/10		7,750.00						879.38		
Early Literacy	90,000.00	7/01/08	6/30/08										
Family Friendly Center - Caryover	59,830.00	7/01/03	6/30/04	21.91						21.91			
Family Friendly Center	53,410.16	7/01/03	6/30/10	27,674.32						24,413.60			3,260.72
Family Friendly Center - Caryover	3,250.72	7/01/10	6/30/11							3,260.72			
Family Friendly Center	45,485.00	7/01/10	6/30/11		45,485.00	(45,223.45)							43,235.45
Parent Participation	3,000.00	7/01/03	6/30/04										
Wrap-Around Caregiver	25,613.39	7/01/07	6/30/08										
Reading Training	1,500.00	7/01/08	6/30/08										
Reading Training	1,500.00	7/01/08	6/30/08										
Character Education Grant	5,207.00	7/01/03	6/30/04	823.58						623.58			
Character Education Grant	5,113.98	7/01/03	6/30/04								5,207.00		
Character Education Grant	5,411.00	7/01/03	6/30/04								5,113.98		
Character Education Grant	4,787,712.00	7/01/08	6/30/07	250,880.56							(186,443.86)		188,443.66
Early Childhood Program Aid	985,152.00	7/01/05	6/30/06										
Early Childhood Program Aid	4,800,952.00	7/01/07	6/30/08										
Early Childhood Program Aid	4,800,952.00	7/01/07	6/30/08										
Preschool Education Grant	4,820,145.55	7/01/08	6/30/10	(1,152,188.93)	1,581,717.20				(287,470.85)			455,914.00	4,488,765.85
Preschool Education Act	4,585,488.25	7/01/08	6/30/09										
Textbook Aid	6,578.00	7/01/08	6/30/09										
Auxiliary Services:													
Complementary Education	42,759.00	7/01/08	6/30/09										
English as a Second Language	25,420.00	7/01/08	6/30/09										
Interdisciplinary Services:													
Education Classification	13,827.83	7/01/08	6/30/09										
Executive Speech	2,594.00	7/01/08	6/30/09										
Nursing Aid	17,841.20	7/01/05	6/30/07										
Nonpublic Technologies	6,000.00	7/01/08	6/30/09										
Chapler 187/133	100,002.00	7/01/08	6/30/10										
School Base Youth Support Program	39,944.00	7/01/10	6/30/11										
School Base Youth Support Program	277,352.00	7/01/08	6/30/10	368.04									
School Base Youth Support Program	277,451.75	7/01/08	6/30/10	3,065.08									
School Base Youth Support Program - Carryover	3,065.09	7/01/10	6/30/11										
Whole School Reform	3,957.00	7/01/04	6/30/05										
Whole School Reform	22,841.00	7/01/09	6/30/10										
<b>Total Special Revenue Fund</b>													
				(409,859.89)	145,545.78	(6,155,208.65)	(121,854.00)	(590,511.65)	607,298.30	485,914.00	50,335.78	5,025,208.65	



## HARRISON TOWN SCHOOL DISTRICT

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

JUNE 30, 2011

**1. GENERAL**

The accompanying Schedules of Expenditures of Awards present the activity of all federal awards and state financial assistance programs of the Board of Education, Harrison Town School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed-through other government agencies, is included on the Schedule of Federal Awards and State Financial Assistance.

**2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 2 to the Board's general purpose 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 basic financial statements.

**3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

HARRISON TOWN SCHOOL DISTRICT

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

JUNE 30, 2011  
(Continued)

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(937,035.00) for the General Fund and \$(1,581,717.00) for the Special Revenue Fund. See Exhibit "C-3" (the Notes to Required Supplementary Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the General and Special Revenue Funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 75,398.24	\$ 20,129,251.23	\$ 20,204,649.47
Special Revenue Fund	2,187,368.93	6,634,926.65	8,822,295.58
Enterprise Fund	<u>693,277.10</u>	<u>13,018.77</u>	<u>706,295.87</u>
Total Financial Award Revenues	<u>\$ 2,956,044.27</u>	<u>\$ 26,777,196.65</u>	<u>\$ 29,733,240.92</u>

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. OTHER

The amount reported as TPAF Pension Contributions represents the amount paid by the State On-Behalf of the District for the year ended June 30, 2011.

6. SCHOOL-WIDE PROGRAM FUNDS

School-wide programs are not separate Federal programs as defined in OMB Circular A-133; amounts used in school-wide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditure of Federal Awards. There was no funding by program in the School-Wide Programs in the District.

**HARRISON TOWN SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

*Section I - Summary of Auditors' Results*

**Financial Statements**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

1) Material weakness(es) identified? \_\_\_ Yes √ No

2) Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_ Yes √ None Reported

Noncompliance material to general-purpose financial statements noted? \_\_\_ Yes √ No

**Federal Awards**

Internal Control over major programs:

1) Material weakness(es) identified? \_\_\_ Yes √ No

2) Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_ Yes √ None Reported

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

Any audit findings disclosed that are required to be reported in accordance Section .510(a) of Circular A-133? \_\_\_ Yes √ No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I, Part A
84.207	IDEA Part B, Basic Program
84.391	IDEA, Part B - ARRA
10.553	National School Lunch Program

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

Audited qualified as low-risk auditee? √ Yes \_\_\_ No

**HARRISON TOWN SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011  
(Continued)**

**Section I - Summary of Auditors' Results (Continued)**

**State Awards**

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

Unqualified

Internal control over major programs:

- |                                                                                              |     |     |     |               |
|----------------------------------------------------------------------------------------------|-----|-----|-----|---------------|
| 1) Material weakness(es) identified?                                                         | ___ | Yes | _√_ | No            |
| 2) Significant deficiency(ies) identified that are not considered to be material weaknesses? | ___ | Yes | _√_ | None Reported |

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04?

\_\_\_ Yes \_√\_ No

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
11-495-034-5095-002	Social Security Tax
11-495-034-5120-078	Equalization Aid
11-495-034-5120-086	Preschool Education Act

Dollar threshold used to distinguish between Type A and Type B programs:

\$747,401.48

Auditee qualified as low-risk auditee?

\_√\_ Yes \_\_\_ No

**Section II - Financial Statement Findings:**

NONE

**Section III:**

**a) Federal Award Findings and Questioned Costs:**

NONE

**b) State Award Findings and Questioned Costs:**

NONE

**HARRISON TOWN SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2011**

**STATUS OF PRIOR YEAR FINDINGS**

There were no audit findings for the year ended June 30, 2011

