

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF
TOWNSHIP OF LAWRENCE
BOARD OF EDUCATION
CEDARVILLE, NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**Prepared by
Township of Lawrence Board of Education
Finance Department**

**LAWRENCE TOWNSHIP BOARD OF EDUCATION
OUTLINE OF CAFR**

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INTRODUCTORY SECTION

LAWRENCE TOWNSHIP BOARD OF EDUCATION

225 Main Street
Cedarville, NJ 08311
Phone (856) 447-4409 Fax (856) 447-3446

John J. Saporito
Superintendent

Lisa M. DiNovi
Business Administrator / Board Secretary

August 5, 2011

Honorable President and
Members of the Board of Education
Lawrence Township School District
County of Cumberland
Cedarville, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Lawrence Township School 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 Lawrence Township Board of Education. 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 has 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 basic financial statement and schedules, as well as 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 Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations", and the State Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditors 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:

Lawrence Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Lawrence Township Board of Education and the school district constitute the reporting entity.

Lawrence Township School District provides a full range of educational services appropriate to grades Pre-K through 8. These include regular as well as special education for handicapped youngsters. The District enrollment on October 15, 2010 was 436. The following chart illustrates the district's enrollment over the past five years. All enrollment data has been footed to the October 15th report done annually.

Enrollment Data

Fiscal Year Student Enrollment

2010-11	436
2009-10	426
2008-09	472
2007-08	452
2006-07	474

2. ECONOMIC CONDITION AND OUTLOOK:

Lawrence Township is a rural community encompassing 37.35 square miles in Cumberland County, New Jersey. It is bordered on the north by Fairfield Township, on the east by Millville, on the south by Downe Township, and on the west by the Delaware Bay. Lawrence Township is primarily a farming community with few opportunities within its boundaries for industrial employment. The majority of the employed population works outside of the community in the neighboring cities of Bridgeton, Vineland and Millville.

3. MAJOR INITIATIVES:

The Board of Education believes in educating the whole child and within its limited financial resources, provides a comprehensive after-school child care and student activities program. The Board of Education and Administration subscribe to a discipline code that takes into consideration the individual needs of the students as well as the student body in its entirety.

Professional development for the staff is encouraged and numerous opportunities are provided during the year for staff involvement in the most recent trends for successful schools.

District Wide Test Results

It has been the philosophy of the Lawrence Township Board of Education that students attending the district should not only meet state standards, but exceed them as often as possible; particularly in the content areas of math, reading, and writing. Recognizing that this task cannot be accomplished in one year, the Board has strived to implement an Early Intervention Skills Enhancement Program. Consequently, local standards are set at a level higher than state standards (particularly in the primary grades) which allows a greater number of students to participate in a Skills Support Program.

Emphasis is placed on those areas in which a child demonstrates a weakness, with the intent on having the student master all deficiencies as they progress through the elementary grades and be better prepared for the task of exceeding state standards on the H.S.P.T., which all students must pass in order to graduate from high school.

Students in grades 3, 4 and 8 are tested using the state tests – NJASK. A majority of students in the Skills Enhancement Program have shown improvement in the major curricular areas. Students in grades 1 and 2 are tested using Terra Nova. These test results are used to target areas of need early in a student's education to correct those deficiencies.

For the 2010-11 school year, the following results are shown:

NJASK - Gr 4	Language Arts Literacy	25% of students Proficient and Advanced Proficient
	Mathematics	60% of students Proficient and Advanced Proficient
Gr 3	Language Arts Literacy	47% of students Proficient and Advanced Proficient
	Mathematics	78% of students Proficient and Advanced Proficient
Gr 8	Language Arts Literacy	82% of students Proficient
	Mathematics	61% of students Proficient and Advanced Proficient

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 principals (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 voters of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year end are either canceled or are included as 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 Districts 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 the report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund and debt service fund revenues for the fiscal year ended June 30, 2011 the amount and percentage of increases in relation to prior year revenues.

Revenue	Amount	Percent of Total	Increase (Decrease) from 2010	Percent of Increase (Decrease)
Local Source	\$ 2,200,710	24.26%	\$134,952	6.05 %
State Sources	6,318,443	69.65	1,414,744	22.39
Federal Sources	552,825	6.09	(1,167,890)	(67.87)
TOTAL	\$ 9,071,978	100.00 %	\$ 381,806	4.39 %

The following schedule presents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2011.

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2010	Percent of Increase (Decrease)
Current Expense:				
Instruction	\$ 3,545,724	38.98	\$188,642	5.62%
Undistributed Expenditures	5,254,701	57.78	111,034	2.16
Capital Outlay	0	0	(30,526)	0
Debt Service	294,774	3.24	73,018	32.93
TOTAL	\$ 9,095,199	100.00 %	\$ 342,168	3.91 %

8. DEBT ADMINISTRATION:

On December 27, 2007, the District issued school refinancing bonds in the amount of \$2,345,000. The proceeds were used to re-pay the remaining balance of a 1998 bond issue. On January 7, 2010, the District issued school bonds in the amount of \$2,216,000. The proceeds are being used for an addition and various renovations to the Myron L Powell Elementary School. As of June 30, 2010, the total remaining principal balance is \$3,996,000.

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 that requires it to deposit public funds in public depositories, protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from 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 in New Jersey where the funds are secured in accordance with the Act.

10. RISK MANAGEMENT:

The Board carries various forms of insurance, including, but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

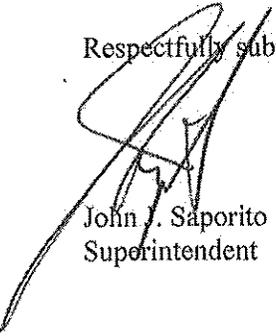
11. OTHER INFORMATION:

Independent Audit - State statutes requires an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Triantos and Delp, CPAs, LLC was selected by the Board. 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 Amendments of 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditors report on the general purpose financial statements and combining and individual fund statements and schedules are 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:

I would like to express my appreciation to the members of the Lawrence Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our administrative and business office support staff.

Respectfully submitted,



John J. Saporito
Superintendent



Lisa M. DiNovi
Business Administrator/Board Secretary

LAWRENCE TOWNSHIP BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2011

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Craig Smith, President	2014
Donald Wood, Vice President	2012
Edward J. Cox Jr.	2011
Bryan L. Hawkins	2014
William Reyes	2012

Other Officials

John S. Saporito – Superintendent

Allan N. Warfield, III –Principal

Lisa M. DiNovi - Board Secretary/Business Administrator

LAWRENCE TOWNSHIP BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

June 30, 2011

AUDIT FIRM

Triantos and Delp, CPA's, LLC
645 South Main Road
Vineland, New Jersey 08360

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John & Roger Barbour, Esq.
PO Box 345
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OFFICIAL DEPOSITORY

Colonial Bank
Vineland, NJ 08360

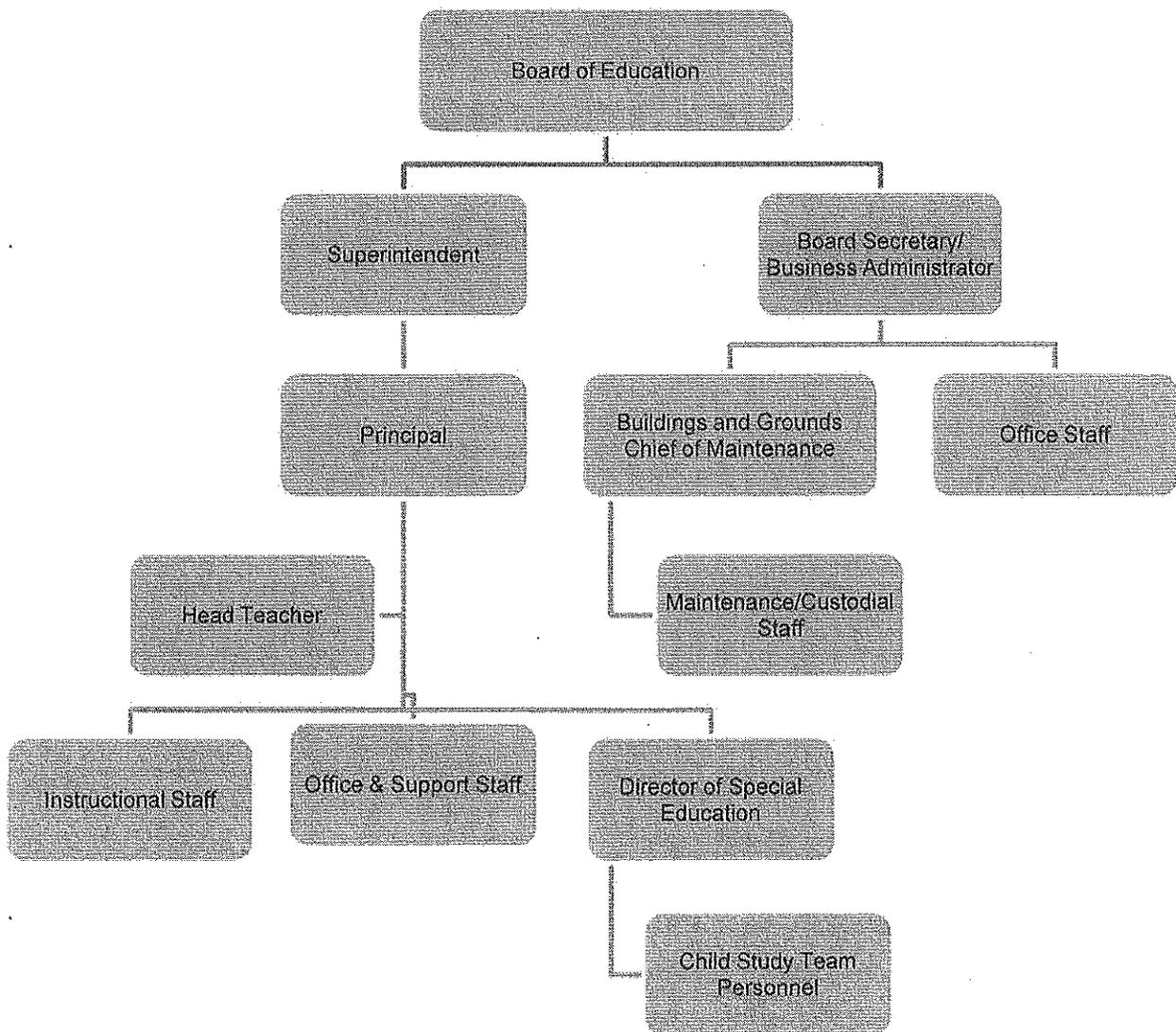
SCHOOL PHYSICIAN

Christopher T. Ballas M.D.
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Bridgeton, NJ 08302

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123 Rosenhayn Avenue
PO Box 358
Bridgeton, New Jersey 08302

Lawrence Township Board of Education Organizational Chart



FINANCIAL SECTION



Triantos & Delp

CERTIFIED PUBLIC ACCOUNTANTS, LLC

*Thinking ahead to
achieve success.*

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Lawrence Township Board of Education School District
County of Cumberland, New Jersey

MEMBERS:

- American Institute of
Certified Public Accountants
- New Jersey Society of
Certified Public Accountants

Wayne H. Triantos, CPA
Samuel A. Delp, Jr., CPA

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board of Education's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 5, 2011 on our consideration of the Lawrence Township School District 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 32 through 42 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.



Triantos & Delp

CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

(Continued)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lawrence Township 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 information 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 Non-Profit Organizations*, and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, and are not a required part of the 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.

Respectfully submitted,

Samuel A. Delp, Jr.
Public School Accountant, #745
Triantos & Delp
Certified Public Accountants, LLC

August 5, 2011

REQUIRED SUPPLEMENTARY INFORMATION—PART I

LAWRENCE TOWNSHIP BOARD OF EDUCATION

225 Main Street

Cedarville, NJ 08311

Phone (856) 447-4409 Fax (856) 447-0521

John J. Saporito x500
Superintendent

Lisa M. DiNovi x569
Business Administrator / Board Secretary

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts - management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the district.

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

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

Major Features of District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
	Entire district (except fiduciary funds)	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope		The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services and adult education	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial statements	-Statement of net assets -Statement of activities	-Balance sheet -Statement of revenues, expenditures, and changes in fund balances	-Statement of net assets -Statement of revenues, expenses, and changes in fund net assets -Statement of cash flows	-Statement of fiduciary net assets -Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified Accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities both financial and capital, short-term and long term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities both financial and capital and short-term and long-term	All assets and liabilities both short-term and long-term; CCBOVE's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the type of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

District-wide Statements

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

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

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

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

- *Governmental activities* - Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities* - The District charges fees to help it cover the cost for certain services it provides. The District's food services program is included here.

Fund Financial Statements

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

- Some funds are required by State Law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (like completing approved capital projects) or to show that it is properly using certain revenues (like federal grants).

The District has four kinds of funds:

- *Governmental Fund* - Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information with the governmental funds statements that explain the relationship (or differences between them).
- *Proprietary funds* - Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.
- In fact, the District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flow.
 - *Internal service funds* (the other kind of proprietary fund) are utilized to report activities that provide supplies and services for the District's other programs and activities and for other Districts (student transportation). LTBOE currently has an internal service fund for shared Business services.
- *Fiduciary funds* - The District is the trustee, or *fiduciary*, for assets that belong to others, such as the scholarship fund and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (in thousands)

Net assets. The District's *combined* net assets are \$5,430 on June 30, 2011 (see Table A-1). Approximately 3% of the total net assets are from business-type activities. The balance of the total net assets, 97%, are attributed to governmental activities.

Changes in net assets. The District's total revenues are \$12,161 for the fiscal period ending June 30, 2011(see Table A-2). Property taxes and state formula aid accounted for 92% of the District's revenue. 5% is derived from state and federal aid for specific programs, and the remainder, 3% from fees charged for services and miscellaneous resources.

The District's expenses are predominantly related to educating and caring for students 63%. The purely administrative activities of the District accounted for 6% of total costs. Salary increases due to contractual agreements for teachers and other educational staff are included in the instruction-related costs.

Governmental Activities

Revenues for the District's governmental activities amounted to \$11,859. Total expenses amounted to \$9,216. The increase in net assets in governmental activities before adjustments to fixed assets was \$2,643 for 2011.

Business-type Activities

Revenues of the District's business-type activities amounted to \$302, and expenses were \$331. Factors contributing to these results included:

- Food Services: Contracted Service
- Child Care services incurred \$14 in expenses in excess of revenues

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (in thousands)

The strong financial performance of the District as a whole is primarily reflected in its governmental funds. As the district completed the year, its governmental funds reported *combined* balances of \$1,753 including \$532 in the Capital Projects Fund. The District controlled expenditures resulting in a decrease of \$22 in the general fund.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were for the following purpose:

- Transfers between budgetary line accounts to prevent overruns

The District's final budget anticipated utilizing \$720 in fund balance and \$77 of prior year encumbrances to fund the appropriation plan for this fiscal period. Actual operations resulted in a decrease in the general fund balance of \$66.

Actual expenditures for capital outlay amounted to \$0 in the Operating Fund and \$4,307 in the Capital Projects Fund.

CAPITAL ASSET AND DEBT ADMINISTRATION (in thousands)

Capital Assets

By the end of 2011, the District had invested 10 million in a broad range of capital assets, including school buildings, athletic facilities, computer and audiovisual equipment, and administrative offices. (see Table A-3) (more detailed information about capital assets can be found in Note 6 to the financial statements.) Total depreciation expense for the year was \$113 while building improvements and additions to equipment and furniture amounted to \$4,307.

Long-term Debt

At year end, the District had outstanding bonds in the amount of \$3,996 and capital leases payable of \$0. (More detailed information about long term debt can be found in Note 10 to the financial statements.)

The state limits the amount of general obligation debt the District can issue to 3% of the equalized valuation of all taxable property within the District. The current limit is \$6,957 of which \$2,961 is available for the issuance of the debt.

During the 2007-08 school year, the District issued refunding bonds in the amount of \$2,345. The proceeds of the refunding bonds were used to repay the District's 1998 bond issue. During the 2009-10 school year, the District issued bonds in the amount of \$2,216. The proceeds are being used for an addition and renovations.

FACTORS BEARING ON THE DISTRICT'S FUTURE

The ever changing state funding formula is a challenge to the school district which makes creating a budget a battle year after year. Rising costs and changing state aid funding causes the district to struggle between which programs they should eliminate due to the restriction on the amount the school may raise in taxes.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Lisa M. DiNovi, School Business Administrator, Lawrence Township Board of Education, 225 Main Street, Cedarville, NJ 08311.

Table A-1
Lawrence Township Board of Education's Net Assets
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change 2010-2011
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	
Current and Other Assets	\$ 7,010	\$ 3,703	\$ 142	\$ 41	\$ 7,152	\$ 3,744	-47.7%
Noncurrent Assets	578	698	-	-	578	698	20.8%
Capital Assets	3,276	7,469	35	107	3,311	7,576	128.8%
Total Assets	<u>\$ 10,864</u>	<u>\$ 11,870</u>	<u>\$ 177</u>	<u>\$ 148</u>	<u>\$ 11,041</u>	<u>\$ 12,018</u>	<u>8.8%</u>
Current Liabilities	\$ 4,099	\$ 2,740	\$ 1	\$ -	\$ 4,100	\$ 2,740	-33.2%
Noncurrent Liabilities	4,125	3,848	-	-	4,125	3,848	-6.7%
Total Liabilities	<u>\$ 8,224</u>	<u>\$ 6,588</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 8,225</u>	<u>\$ 6,588</u>	<u>-19.9%</u>
Net Assets							
Invested in Capital Assets							
Net of Related Debt	\$ 1,027	\$ 3,473	\$ 35	\$ 107	\$ 1,062	\$ 3,580	237.1%
Restricted	822	1,239	-	-	822	1,239	50.7%
Unrestricted	791	570	141	41	932	611	-34.4%
Total Net Assets	<u>\$ 2,640</u>	<u>\$ 5,282</u>	<u>\$ 176</u>	<u>\$ 148</u>	<u>\$ 2,816</u>	<u>\$ 5,430</u>	<u>92.8%</u>

Table A-2
Lawrence Township Board of Education's
Changes in Net Assets
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change 2010-2011
	2010	2011	2010	2011	2010	2011	
Revenues							
Program Revenues							
Charges for Services	\$ 104	\$ 103	\$ 144	\$ 110	\$ 248	\$ 213	-14.1%
Federal & State Categorical Grants	1,438	432	221	192	1,659	624	-62.4%
General Revenues							
Property Taxes	1,981	2,101	-	-	1,981	2,101	6.1%
State Formula Aid	5,435	9,091	-	-	5,435	9,091	67.3%
Other	86	132	31	-	117	132	12.8%
Total Revenues	\$ 9,044	\$ 11,859	\$ 396	\$ 302	\$ 9,440	\$ 12,161	28.8%
Expenses							
Instruction - Related	\$ 3,433	\$ 3,619	\$ -	\$ -	\$ 3,433	\$ 3,619	5.4%
Student Support Services	2,065	2,110	360	331	2,425	2,441	0.7%
Maintenance & Operations	488	542	-	-	488	542	11.1%
Transportation	709	684	-	-	709	684	-3.5%
Administration	580	560	-	-	580	560	-3.4%
Other	1,572	1,701	-	-	1,572	1,701	8.2%
Total Expenses	\$ 8,847	\$ 9,216	\$ 360	\$ 331	\$ 9,207	\$ 9,547	3.7%
Adjustment to Fixed Assets	\$ (1,020)		\$ -	\$ -	\$ -	\$ -	
Increase/ (decrease) in Net Assets	\$ (823)	\$ 2,643	\$ 36	\$ (29)	\$ 233	\$ 2,614	1021.9%

Table A-3
Lawrence Township Board of Education's Capital Assets
(Net of Depreciation)
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change 2010-2011
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	
Land	\$ 25	\$ 25	\$ -		\$ 25	\$ 25	0.0%
Construction in Progress	522	4,829	-		522	4,829	825.1%
Site Improvements	51	45	-		51	45	-11.8%
Buildings & Improvements	2,546	2,456	-		2,546	2,456	-3.5%
Machinery & Equipment	129	112	36	72	165	184	11.5%
Total	<u>\$ 3,273</u>	<u>\$ 7,467</u>	<u>\$ 36</u>	<u>\$ 72</u>	<u>\$ 3,309</u>	<u>\$ 7,539</u>	<u>127.8%</u>

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

LAWRENCE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2011

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 3,344,121.	\$ 8,059.	\$ 3,352,180.
Receivables, net	358,721.	28,438.	387,159.
Inventory		4,821.	4,821.
Total Current Assets	<u>3,702,842.</u>	<u>41,318.</u>	<u>3,744,160.</u>
Noncurrent Assets:			
Bond issuance costs, net	55,222.		55,222.
Restricted Assets:			
Cash and cash equivalents	625,000.		625,000.
Capital reserve account - cash	18,110.		18,110.
Capital assets, net	7,469,378.	106,868.	7,576,246.
Total Noncurrent Assets	<u>8,167,710.</u>	<u>106,868.</u>	<u>8,274,578.</u>
Total Assets	<u>11,870,552.</u>	<u>148,186.</u>	<u>12,018,738.</u>
LIABILITIES:			
Current liabilities:			
Accounts payable	112,960.	51.	113,011.
Payable to federal government	35,451.		35,451.
Deferred revenue	204,732.		204,732.
Note payable	2,032,360.		2,032,360.
Accrued interest	78,709.		78,709.
Current portion of long term liabilities	275,649.		275,649.
Total Current Liabilities	<u>2,739,861.</u>	<u>51.</u>	<u>2,739,912.</u>
Noncurrent liabilities:			
Bonds payable	3,731,000.		3,731,000.
Accrued compensated absences	117,211.		117,211.
Total noncurrent liabilities	<u>3,848,211.</u>	<u>0.</u>	<u>3,848,211.</u>
Total liabilities	<u>6,588,072.</u>	<u>51.</u>	<u>6,588,123.</u>
NET ASSETS:			
Investment in capital assets, net of related debt	3,473,378.	106,868.	3,580,246.
Restricted for:			
Debt service	32,887.		32,887.
Capital projects	550,096.		550,096.
Other purposes	655,841.		655,841.
Unrestricted	570,278.	41,267.	611,545.
Total Net Assets	<u>\$ 5,282,480.</u>	<u>\$ 148,135.</u>	<u>\$ 5,430,615.</u>

See Accompanying Notes to the Basic Financial Statements

LAWRENCE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

Functions/Programs	Program Revenues			Net (Expense) Revenues and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
Instruction:							
Regular	\$ 2,368,875.	\$	\$	\$	\$(2,368,875.)	\$	\$(2,368,875.)
Special education	932,148.				(932,148.)		(932,148.)
Other special instruction	274,664.				(274,664.)		(274,664.)
Vocational	43,572.				(43,572.)		(43,572.)
Support services:							
Tuition	1,741,322.				(1,741,322.)		(1,741,322.)
Student & instruction related services	368,331.				(368,331.)		(368,331.)
School administrative services	174,041.				(174,041.)		(174,041.)
General and business admin services	386,351.				(386,351.)		(386,351.)
Plant operations & maintenance	542,142.				(542,142.)		(542,142.)
Pupil transportation	684,342.				(684,342.)		(684,342.)
Employee benefits	1,453,931.		432,039.		(1,021,892.)		(1,021,892.)
Interest on long-term debt	176,148.				(176,148.)		(176,148.)
Internal service fund	65,633.	103,350.			37,717.		37,717.
Amortization of debt issuance cost	4,382.				(4,382.)		(4,382.)
Total governmental activities	9,215,882.	103,350.	432,039.	0.	(8,680,493.)	0.	(8,680,493.)
Business-type activities:							
Food service	275,241.	68,122.	192,414.		(14,705.)		(14,705.)
Child care	55,591.	41,741.			(13,850.)		(13,850.)
Total business-type activities	330,832.	109,863.	192,414.	0.	(28,555.)	0.	(28,555.)
Total primary government	\$ 9,546,714.	\$ 213,213.	\$ 624,453.	\$ 0.	\$(8,680,493.)	\$(28,555.)	\$(8,709,048.)
General Revenues:							
Taxes:							
Prop taxes levied for gen purposes net					\$ 1,927,691.	\$	\$ 1,927,691.
Taxes levied for debt service					173,805.		173,805.
Federal and state aid not restricted					5,536,076.		5,536,076.
Federal and state aid restricted					3,551,886.		3,551,886.
Tuition received					45,680.		45,680.
Investment earnings					34,921.		34,921.
Miscellaneous income					50,613.		50,613.
Total general revenues, special items, and transfers					11,323,672.	0.	11,323,672.
Change in net assets					2,643,179.	(28,555.)	2,614,624.
Net assets - beginning					2,639,297.	176,690.	2,815,987.
Prior year adjustment					4.	4.	4.
Net assets - ending					\$ 5,282,480.	\$ 148,135.	\$ 5,430,615.

See Accompanying Notes to the Basic Financial Statements

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

LAWRENCE TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
Assets:						
Cash and cash equivalents	\$ 1,022,515.	\$	\$ 2,706,420.	\$ 32,887.	\$	\$ 3,761,822.
Due from other funds	194,725.					194,725.
Receivable from other governments	90,261.	267,437.				357,698.
Capital reserve	18,110.					18,110.
Total assets	\$ 1,325,611.	\$ 267,437.	\$ 2,706,420.	\$ 32,887.	\$ 0.	\$ 4,332,355.
Liabilities and Fund Balances:						
Liabilities:						
Accounts payable	\$ 76,892.	\$ 36,068.	\$	\$	\$	\$ 112,960.
Interfund payable		193,702.				193,702.
Payable to federal government	35,451.					35,451.
Deferred revenue		62,658.	142,074.			204,732.
Note payable			2,032,360.			2,032,360.
Total liabilities	112,343.	292,428.	2,174,434.	0.	0.	2,579,205.
Fund Balances:						
Restricted for:						
Excess surplus-current year	402,171.					402,171.
Excess surplus-designated for subsequent year's expenditures	296,966.					296,966.
Maintenance reserve	250,000.					250,000.
Emergency reserve	250,000.					250,000.
Capital reserve	18,110.					18,110.
Tuition reserve	125,000.					125,000.
Debt service				32,887.		32,887.
Capital projects			531,986.			531,986.
Committed to:						
Other purposes	30,841.					30,841.
Assigned to:						
Designated by BOE for subsequent year's expenditures	68,336.					68,336.
Unassigned:						
General fund	(228,156.)					(228,156.)
Special revenue fund		(24,991.)				(24,991.)
Total fund balances	1,213,268.	(24,991.)	531,986.	32,887.	0.	1,753,150.
Total liabilities and fund balances	\$ 1,325,611.	\$ 267,437.	\$ 2,706,420.	\$ 32,887.	\$ 0.	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$10,306,597. and the accumulated depreciation is \$(2,839,402.) (See Note)	7,467,195.
Long-term liabilities including bonds payable are not due and payable in the current period and therefore are not reported as liabilities in the funds. (See Note)	(4,123,860.)
Internal service fund net assets	209,482.
Bond issuance costs, net	55,222.
Accrued interest on bonds payable	(78,709.)
Net assets of governmental activities	\$ 5,282,480.

See Accompanying Notes to the Basic Financial Statements

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
REVENUES:						
Local sources:						
Local tax levy	\$ 1,927,691.	\$	\$	\$ 173,805.	\$	\$ 2,101,496.
Tuition charges	45,680.					45,680.
Interest earned	2,921.		32,000.			34,921.
Miscellaneous	29,541.	21,072.				50,613.
Total local sources	2,005,833.	21,072.	32,000.	173,805.		2,232,710.
State sources	5,971,115.	226,359.	2,651,733.	120,969.		8,970,176.
Federal sources		552,825.				552,825.
Total revenues	7,976,948.	800,256.	2,683,733.	294,774.	0.	11,755,711.
EXPENDITURES:						
Current:						
Regular instruction	2,306,653.					2,306,653.
Special education instruction	390,537.	530,298.				920,835.
Other special instruction	274,664.					274,664.
Other instruction	43,572.					43,572.
Support services:						
Tuition	1,574,071.	167,251.				1,741,322.
Student & instruction related services	359,368.	8,963.				368,331.
School administrative services	159,334.					159,334.
Other administrative services	196,891.					196,891.
Central services	174,753.					174,753.
Plant operations and maintenance	531,960.					531,960.
Pupil transportation	684,342.					684,342.
Employee benefits	1,303,095.	94,673.				1,397,768.
Debt service:						
Principal				140,000.		140,000.
Interest and other charges				154,774.		154,774.
Capital outlay			4,306,859.			4,306,859.
Total expenditures	7,999,240.	801,185.	4,306,859.	294,774.	0.	13,402,058.
Excess (deficiency) of revenues over exp.	(22,292.)	(929.)	(1,623,126.)			(1,646,347.)
OTHER FINANCING SOURCES (USES)						
Transfers in				32,000.		32,000.
Transfers out			(32,000.)			(32,000.)
Total other financing sources (uses)	0.	0.	(32,000.)	32,000.	0.	0.
Net change in fund balances	(22,292.)	(929.)	(1,655,126.)	32,000.		(1,646,347.)
Fund balance - July 1	1,235,560.	(24,062.)	2,187,112.	887.		3,399,497.
Fund balance - June 30	<u>\$ 1,213,268.</u>	<u>\$(24,991.)</u>	<u>\$ 531,986.</u>	<u>\$ 32,887.</u>	<u>\$ 0.</u>	<u>\$ 1,753,150.</u>

See Accompanying Notes to the Basic Financial Statements

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

Total net changes in fund balances - governmental funds (from B-2) \$(1,646,347.)

Amounts reported for governmental activities in the statement of activities (A-2)
are different because:

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

This is the amount by which capital outlays exceeded depreciation in the period.

	Depreciation expense	(113,131.)	
	Capital outlays	<u>4,306,859.</u>	4,193,728.

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

Principal paid on bonds	140,000.	
Principal paid on lease purchase	<u>0.</u>	140,000.

Increase in accrued interest		(21,374.)
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Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

Proceeds of long-term debt	0.	
Capital lease proceeds	<u>0.</u>	0.

Bond issue costs are reported in the governmental fund as expenditures in the year the bonds are issued. However, on the statement of activities, the costs are amortized over the life of the bonds.		0.
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Amortization of bond issuance cost		(4,382.)
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In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

(56,163.)

Increase in internal service fund		<u>37,717.</u>
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Change in net assets of governmental activities		<u>\$ 2,643,179.</u>
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See Accompanying Notes to the Basic Financial Statements

PROPRIETARY FUNDS

LAWRENCE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011

	<u>Business-Type Activities</u> <u>Enterprise Fund</u>		<u>Total</u> <u>Enterprise</u>	<u>Governmental</u> <u>Activities</u>
	<u>Food</u> <u>Service</u>	<u>Latchkey</u> <u>Program</u>		<u>Internal Service</u> <u>Fund</u>
ASSETS:				
Current Assets:				
Cash and cash equivalents	\$ 56,564.	\$(48,505.)	\$ 8,059.	\$ 207,299.
Accounts receivable:				
State	574.		574.	
Federal	27,864.		27,864.	
Inventories	4,821.		4,821.	
Total current assets	89,823.	(48,505.)	41,318.	207,299.
Noncurrent assets:				
Construction in progress	36,694.		36,694.	
Furniture, machinery & equipment	161,974.		161,974.	4,367.
Less accumulated depreciation	(91,800.)		(91,800.)	(2,184.)
Total noncurrent assets	106,868.	0.	106,868.	2,183.
Total assets	\$ 196,691.	\$(48,505.)	\$ 148,186.	\$ 209,482.
LIABILITIES:				
Current liabilities:				
Accounts payable	\$ 0.	\$ 51.	\$ 51.	\$ 0.
Total current liabilities	0.	51.	51.	0.
NET ASSETS:				
Invested in capital assets net of related debt	106,868.		106,868.	2,183.
Unrestricted	89,823.	(48,556.)	41,267.	207,299.
Total net assets	\$ 196,691.	\$(48,556.)	\$ 148,135.	\$ 209,482.

See Accompanying Notes to the Basic Financial Statements

LAWRENCE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011

	Business-Type Activities Enterprise Funds		Total Enterprise	Governmental Activities
	Food Service Fund	Latchkey Program		Internal Service Fund
Operating revenues:				
Charges for services:				
Daily sales-reimbursable programs	\$ 30,462.	\$	\$ 30,462.	\$
Daily sales-nonreimbursable pgms	30,693.		30,693.	
Charges for services	6,967.	41,741.	48,708.	103,350.
Total operating revenues	<u>68,122.</u>	<u>41,741.</u>	<u>109,863.</u>	<u>103,350.</u>
Operating expenses:				
Cost of sales	103,757.		103,757.	
Salaries and fringe benefits	107,762.	46,211.	153,973.	64,550.
Purchased services		1,969.	1,969.	126.
Repair and maintenance	2,931.		2,931.	
General supplies	17,359.	7,411.	24,770.	
Depreciation	4,060.		4,060.	874.
Miscellaneous	7,672.		7,672.	83.
Management fee	31,700.		31,700.	
Total operating expenses	<u>275,241.</u>	<u>55,591.</u>	<u>330,832.</u>	<u>65,633.</u>
Operating income/(loss)	<u>(207,119.)</u>	<u>(13,850.)</u>	<u>(220,969.)</u>	<u>37,717.</u>
Nonoperating revenues (expenses):				
State sources:				
State school lunch program	2,864.		2,864.	
Federal sources:				
National school breakfast program	63,616.		63,616.	
National school lunch program	113,769.		113,769.	
National afterschool snack	1,268.		1,268.	
Food distribution program	10,897.		10,897.	
Total nonoperating revenues (expenses)	<u>192,414.</u>	<u>0.</u>	<u>192,414.</u>	<u>0.</u>
Change in net assets	(14,705.)	(13,850.)	(28,555.)	37,717.
Total net assets - beginning	<u>211,396.</u>	<u>(34,706.)</u>	<u>176,690.</u>	<u>171,765.</u>
Total net assets - ending	<u>\$ 196,691.</u>	<u>\$(48,556.)</u>	<u>\$ 148,135.</u>	<u>\$ 209,482.</u>

See Accompanying Notes to the Basic Financial Statements

LAWRENCE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities Enterprise Funds		Total Enterprise	Governmental Activities
	Food Service Fund	Latchkey Program		Internal Service Fund
CASH FLOWS FROM OPERATING ACT.				
Receipts from customers/grantors	\$ 62,348.	\$ 42,031.	\$ 104,379.	\$ 112,667.
Payments to suppliers	(233,267.)	(10,053.)	(243,320.)	(209.)
Payments to employees	(26,054.)	(46,160.)	(72,214.)	(64,550.)
Other receipts/(payments)	17,470.		17,470.	
Net cash provided by (used for) operating account	(179,503.)	(14,182.)	(193,685.)	47,908.
CASH FLOWS FROM NON-CAPITAL FIN. ACTIVITIES:				
State sources	2,978.		2,978.	
Federal sources	165,377.		165,377.	
Net cash provided by (used for) non-capital financing activities	168,355.	0.	168,355.	0.
CASH FLOWS FROM FINANCING ACTIVITIES:				
Purchase of equipment	(41,509.)		(41,509.)	
Construction in progress	(34,432.)		(34,432.)	
Net cash provided by financing activities	(75,941.)	0.	(75,941.)	0.
Net increase (decrease) in cash and cash equivalents	(87,089.)	(14,182.)	(101,271.)	47,908.
Balances-beginning of year	143,653.	(34,323.)	109,330.	159,391.
Balances-end of year	\$ 56,564.	\$(48,505.)	\$ 8,059.	\$ 207,299.
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$(207,119.)	\$(13,850.)	\$(220,969.)	\$ 37,717.
Adjust to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation and net amortization	4,060.		4,060.	874.
Federal commodities	10,897.		10,897.	
(Increase)/decrease in accts receivables, net	11,696.	290.	11,986.	
(Increase)/decrease in inventories	963.		963.	
(Increase)/decrease in interfund receivable				650.
Increase/(decrease) in accounts payable		(622.)	(622.)	
Increase/(decrease) in intergovernmental payable				8,667.
Total adjustments	27,616.	(332.)	27,284.	10,191.
Net cash provided by (used for) oper activities	\$(179,503.)	\$(14,182.)	\$(193,685.)	\$ 47,908.

See Accompanying Notes to the Basic Financial Statements

FIDUCIARY FUNDS

LAWRENCE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2011

	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Agency Fund	Student Activity
ASSETS:				
Cash and cash equivalents	\$ 17,658.	\$ 8,519.	\$ 8,449.	\$ 43,347.
Due from Agency	5,990.			
Total assets	<u>\$ 23,648.</u>	<u>\$ 8,519.</u>	<u>\$ 8,449.</u>	<u>\$ 43,347.</u>
LIABILITIES:				
Due to student groups	\$	\$	\$	\$ 43,347.
Interfund payable			1,023.	
Due to payroll withholdings			1,436.	
Due to unemployment			5,990.	
Total liabilities	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 8,449.</u>	<u>\$ 43,347.</u>
NET ASSETS:				
Held in trust for unemployment claims	<u>\$ 23,648.</u>			
Reserved for Scholarships		<u>\$ 8,519.</u>		

See Accompanying Notes to the Basic Financial Statements

LAWRENCE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS:		
Contributions:		
Plan member	\$ 6,316.	\$
Other		7,428.
Board contribution	20,000.	
Total contributions	<u>26,316.</u>	<u>7,428.</u>
Investment earnings:		
Interest	83.	69.
Net investment earnings	<u>83.</u>	<u>69.</u>
DEDUCTIONS:		
Scholarships awarded		1,500.
Unemployment claims	10,797.	
Other	83.	2,113.
Total deductions	<u>10,880.</u>	<u>3,613.</u>
Change in net assets	15,519.	3,884.
NET ASSETS - JULY 1	<u>8,129.</u>	<u>4,635.</u>
NET ASSETS - JUNE 30	<u>\$ 23,648.</u>	<u>\$ 8,519.</u>

See Accompanying Notes to the Basic Financial Statements

NOTES TO FINANCIAL STATEMENTS

Lawrence Township School District
Notes to the Financial Statements
June 30, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of Lawrence Township School District (District), have been prepared in conformity with generally accepting 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 more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Lawrence Township School District is a Type II district located in the County of Cumberland, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of five members elected to three year terms. The purpose of the district is to educate students in grades K-8. The Lawrence Township School District had an approximate enrollment at June 30, 2011 of 436 students.

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

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

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

B. Basic Financial Statements-District-Wide Statements:

The District's basic financial statements include both district-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the district-wide and fund financial statements categorize primary activities as either governmental or business type.

In the district-wide Statement of Net Assets, both governmental and business-type activities columns are presented on a consolidated basis by column, and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net assets are reported in three parts-invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The district-wide Statement of Activities reports both the gross and net costs of each of the District's functions and business-type activities. The functions are also supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or business-type activity.

This district-wide focus is more on the sustainability of the District as an entity and the change in the District's net assets resulting from the current year's activities.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basic Financial Statements-Fund Financial Statements:

The financial transactions of the District are reported in individual funds in the financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the District:

GOVERNMENTAL FUNDS

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

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.

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in the 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.

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.

Debt Service Fund: The debt service fund is used to account for the accumulation of resources for, and the payment of, principal and interest on bonds issued to finance major property acquisition, construction, and improvement programs.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basic Financial Statements-Fund Financial Statements (Continued):

PROPRIETARY FUNDS

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

Enterprise Funds: The enterprise funds are utilized to account for operations that are financed and operated in a manner similar to 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 are 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 funds are comprised of the Food Service Fund, the latchkey after school and summer camp programs.

Internal Service Fund: A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of an LEA, or to other LEAs, on a cost-reimbursement basis.

The District's Internal Service Fund consists of shared business services to other LEAs.

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 statements of net assets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Food Service Fund:	
Equipment	12 years

FIDUCIARY FUNDS

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net assets and changes in net assets and are reported using accounting principles similar to proprietary funds. The following is a description of the fiduciary funds of the District:

Unemployment Compensation Trust: The Unemployment Compensation Trust Fund consists of assets that the District has reserved for possible future unemployment claims.

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

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 1.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
FIDUCIARY FUNDS (Continued)

Scholarships Funds: The Scholarship Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. The Scholarship Fund accounts for assets where both the principal and interest may be spent.

D. Basis of Accounting:

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the district-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using economic resources measurement focus as defined below.

In fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus as appropriate.

- All government funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measure of available spendable financial resources at the end of the period.
- The proprietary fund utilized an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current) associated with their activities are reported. Proprietary fund equity is classified as net assets.
- Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the district-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available”. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 1.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting: (Continued)

Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The 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".

All proprietary funds utilized the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used.

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. The Board of Education made no supplemental budgetary appropriations during the year by appropriating additional fund balance.

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.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgets/Budgetary Control: (Continued)

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>
Sources/inflows of resources			
Actual amounts (budgetary) "revenues"	\$7,932,857.	\$815,816.	\$32,000.
State aid payment recognized for GAAP statements in the current year previously recognized for budgetary purposes.	556,339.	24,062.	2,651,733.
State Aid Payment not recognized for GAAP purposes until the subsequent year.	(512,248.)	(24,991.)	0.
Adjust for Encumbrances:			
Add Prior Year Encumbrances	N/A	714.	N/A
Less Current Year Encumbrances	N/A	(15,345.)	N/A
Total Revenues (GAAP Basis)	<u>\$7,976,948.</u>	<u>\$800,256.</u>	<u>\$2,683,859.</u>
Uses/outflows of resources			
Actual amounts (budgetary) "total outflows"	\$7,999,240.	\$815,816.	4,338,859.
Adjustments:			
Add Prior Year Encumbrances	N/A	714.	N/A
Less Current Year Encumbrances	N/A	(15,345.)	N/A
Total Expenditures (GAAP Basis)	<u>\$7,999,240.</u>	<u>\$801,185.</u>	<u>\$4,338,859.</u>

F. Encumbrances:

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year end.

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

G. 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.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Cash, Cash Equivalents and Investments: (Continued)

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

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

H. Tuition Receivable:

The District did not receive any tuition students from other districts during 2010-2011. Tuition charges for parent paid tuition students were established by the Board of Education.

I. Tuition Payable:

Tuition charges for the fiscal year 2010-2011 is based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

J. Inventories:

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.

K. Short-Term Interfund Receivables/Payables:

Short-term interfund receivables/payables represents 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.

L. Fixed Assets:

The accounting treatment over property, plant and equipment (fixed assets) depends on whether the assets are used in the governmental fund operations, or proprietary fund operations and whether they are reported in the district-wide or fund financial statements.

District-wide Statements

In the district-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, as determined by an independent appraisal company. Donated fixed assets are valued at their estimated fair market value on the date received.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fixed Assets: (Continued)

District-wide Statements (Continued)

Depreciation of all exhaustible fixed assets is recorded as allocated expenses in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

Land Improvements	20 years
Building & Building Improvements	50 years
Machinery & Equipment	5-20 years

Fund Financial Statements

In the fund financial statements, fixed assets used in government fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in proprietary fund operations are accounted for the same as in the district-wide statements.

M. 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 liability for these compensated absences is recorded as long-term debt in the district-wide statements. In the fund financial statements, governmental funds report only the compensated absences that are expected to be liquidated with expendable available financial resources, while the proprietary fund reports the liability as it is incurred.

N. Deferred Revenue:

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

O. Long-term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the district-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the district-wide statements. The long-term debt consists primarily of bonds payable, capital leases payable, and accrued compensated absences.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 1.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Use of Estimates:

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

NOTE 2.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 Board classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan 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.

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.

Investments:

New Jersey statutes permits the Board to purchase the following types of securities:

- a.) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b.) Bonds or any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c.) Bonds or other obligations of the school district.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 2.CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investments: (Continued)

As of June 30, 2011 cash and cash equivalents and investments of the District consisted of the following:

	<u>Cash and Cash Equivalents</u>
Checking Accounts	<u>\$4,073,264.</u>
Total	<u>\$4,073,264.</u>

During the period ended June 30, 2011 the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents and investments at June 30, 2011 was \$4,073,264. and the bank balance was \$4,356,091. Of the bank balance, \$250,000. was covered by federal depository insurance and \$4,106,091. was covered by a collateral pool as required by New Jersey statutes.

NOTE 3.CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Township of Lawrence Board of Education by the inclusion of \$500. on October 5, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also 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. 6A:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2010	\$17,931.
Interest earnings	179.
Deposits – Approved at April, 2010 election	0.
Approved by Board of Education Resolution June, 2011	0.
Withdrawals	0.
Ending balance, June 30, 2011	<u>\$18,110.</u>

The June 30, 2011 LRFP balance of local support costs of uncompleted capital projects at June 30, 2011 is \$3,825,000.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 4.MAINTENANCE RESERVE ACCOUNT

The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (*N.J.S.A.* 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701). Districts may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes (*N.J.A.C.* 6A:23-2.14) or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriations, or both.

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

Beginning Balance July 1, 2010	\$250,000.
Deposits:	
Approved at the April, 2010 Election	0.
Approved by Board of Education Resolution June, 2011	75,000.
Withdrawals – Approved by Board of Education Resolution December, 2010	<u>(75,000.)</u>
Ending balance June 30, 2011	<u>\$250,000.</u>

The June 30, 2011 maximum maintenance reserve amount is \$311,237.

NOTE 5.EMERGENCY RESERVE

The emergency reserve is used to accumulate funds in accordance with *N.J.S.A.* 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1% of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1st and June 30th. Withdrawals from the reserve require the approval of the commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent.

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

Beginning Balance July 1, 2010	\$250,000.
Deposits:	
Approved at the April, 2010 Election	0.
Withdrawals	<u>0.</u>
Ending balance June 30, 2011	<u>\$250,000.</u>

NOTE 6.TUITION RESERVE ACCOUNTS

If at the end of the contract year a district board of education anticipates that a large tuition adjustment will be required in the second year following the contract year, the district board of education may restrict fund balance up to 10 percent of the estimated tuition cost in the contract year, in a reserve for tuition adjustments . The tuition reserve is available only for districts that have a sending/receiving relationship. Full appropriation shall be made in the third year and any remaining balance shall be reserved and designated in the subsequent year’s budget. (*N.J.A.C.* 6A:23-3.1(f)(8)).

Lawrence Township School District
Notes to the Financial Statements
June 30, 2011

NOTE 6. TUITION RESERVE ACCOUNTS (Continued)

As of June 30, 2011, the district has reserved the following amounts in the tuition reserve accounts:

2010/2011	<u>\$125,000.</u>
TOTAL	<u>\$125,000.</u>

NOTE 7. FIXED ASSETS

Capital asset activity for the year ended June 30, 2010 was as follows:

	Beginning Balance	Additions	Retirements	* A. Adjustments	Ending Balance
Governmental Activities:					
Capital Assets that are not Being Depreciated:					
Land	\$25,071.	\$	\$	\$	\$25,071.
Construction in Progress	522,179.	4,306,859.			4,829,038.
Total Capital Assets not being Depreciated:	547,250.	4,306,859.	0.	0.	4,854,109.
Bldg & Bldg Improvements	4,277,520.				4,277,520.
Site Improvements	135,451.				135,451.
Machinery & Equip.	1,039,517.				1,039,517.
Totals at Historical Cost	5,452,488.	0.	0.	0.	5,452,488.
Less: Accum Deprec for:					
Bldg & Bldg Improvements	(1,731,658.)	(89,580.)			(1,821,238.)
Site Improvements	(84,099.)	(5,927.)			(90,026.)
Machinery & Equip	(910,514.)	(17,624.)			(928,138.)
Total Accum Deprec	(2,726,271.)	(113,131.)	0.	0.	(2,839,402.)
Total Capital Assets being Depreciated net of Accum Depreciation	2,726,217.	(113,131.)	0.	0.	2,613,086.
Governmental Activities Capital Assets, net	\$3,273,467.	\$4,193,728.	\$0.	\$0	\$7,467,195.
Business-type Activities:					
Equipment	\$124,833.	\$41,509.	\$	\$	\$166,342.
Less Accum Dep for: Equipment	(89,050.)	(4,934.)			(93,984.)
Business-type Activ Capital Assets, net	\$35,783.	\$36,575.)	\$ 0.	\$0.	\$72,358.

***Depreciation Expense was Charged to Governmental Functions as Follows:**

Instruction:	
Regular	\$(62,222.)
Special Education	(11,313.)
Support Services:	
School Administration	(14,707.)
General and Business Administrative Services	(14,707.)
Plant Operations and Maintenance	(10,182.)
Total Depreciation Expense	<u>\$(113,131.)</u>

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 8. INVENTORY

Inventory in the Food Service Fund at June 30, 2011 consisted of the following:

Food and Supplies	\$3,397.
Commodities	<u>1,424.</u>
	<u>\$4,821.</u>

For value of Federal donated commodities as reflected on Schedule A, The Schedule of Expenditures of Federal Awards is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

NOTE 9. OPERATING LEASES

The District had commitments to lease various office equipment under operating leases which are on various terms. Total operating lease payments made during the year ended June 30, 2011 were \$35,712. Future minimum lease payments are as follows:

June 30, 2012	\$16,496.
June 30, 2013	9,352.
June 30, 2014	<u>5,315.</u>
Total	<u>\$25,163.</u>

NOTE 10. GENERAL LONG-TERM DEBT

Type of Debt	Balance June 30, 2010	Issued	Retired	Balance June 30, 2011	Amounts Due Within 1 Year
Governmental Activities:					
Compensated absences payable	\$71,697.	\$56,163.	\$	\$127,860.	\$10,649.
Bonds payable	4,136,000.		140,000.	3,996,000.	265,000.
	<u>\$4,207,697.</u>	<u>\$56,163.</u>	<u>\$140,000.</u>	<u>\$4,123,860.</u>	<u>\$275,649.</u>

The District has no long-term debt to be repaid from business-type activities.

A. Bonds Payable:

Bonds are authorized in accordance with State laws by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

On December 27, 2007, the District issued School Refunding Bonds in the amount of \$2,345,000. in order to refund all or a portion of the outstanding callable school bonds of the Board of Education originally issued in the principal amount of \$3,137,000 and dated March 1, 1998. The 1998 bonds are redeemable at the option of the Board of Education in whole or in part with a 30 day notice of redemption at a price of 100% of the principal amount thereof.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 10. GENERAL LONG-TERM DEBT (Continued)

A. Bonds Payable: (Continued)

The \$2,345,000. Refunding Bonds included issuance costs of \$29,454. \$2,296,225. was used to retire bonds from the 1998 issue and \$19,321. was returned to the District. The gross debt service savings to the District is \$95,645. and the economic benefit to the District is estimated to be \$77,042.

On January 7, 2010, the District issued School Bonds in the amount of \$2,216,000. in order to partially finance the construction of an addition as well as undertake various improvements and renovations to the Myron L. Powell Elementary School. The total cost of the project is \$6,549,146. The project is being permanently funded through the aforementioned Bonds in the amount of \$2,216,000., a grant from the State of New Jersey in the amount of \$4,032,360., the transfer of \$300,000. from the Capital Reserve Account and \$786. of other available Board funds.

Principal and interest due on serial bonds outstanding is as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$265,000.	\$140,081.	\$405,081.
2013	265,000.	131,600.	396,600.
2014	285,000.	122,363.	407,363.
2015	290,000.	112,519.	402,519.
2016	305,000.	102,538.	407,538.
2017-2021	1,605,000.	348,984.	1,953,984.
2022-2025	981,000.	69,788.	1,050,788.
Total	<u>\$3,996,000.</u>	<u>\$1,027,873.</u>	<u>\$5,023,873.</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2011, the Board had no authorized but not issued bonds.

C. Capital Leases Payable:

The District has no capital leases.

NOTE 11. 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 which have been established by state statute and are administered by the New Jersey Division of Pensions 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.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 11. PENSION PLANS (Continued)

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 systems' other related non-contributing 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.

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 1/60 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 credit to the members' accounts.

Significant Legislation – During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey 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.

Lawrence Township School District
Notes to the Financial Statements
June 30, 2011

NOTE 11.PENSION PLANS (Continued)

Contribution Requirements – The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5% of employees’ annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Three-Year Trend Information for PERS

Year	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
June 30, 2011	\$62,633.	0%	\$62,633.
June 30, 2010	47,188.	0%	47,188.
June 30, 2009	38,298.	0%	38,298.

Three-Year Trend Information for TPAF

(Paid on Behalf of the District)

Year	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
June 30, 2011	\$187,487.	100%	\$0.
June 30, 2010	175,090.	100%	0.
June 30, 2009	165,683.	100%	0.

During the fiscal year ended June 30, 2011, the State of New Jersey contributed \$187,487. to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$244,552. 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 general purpose financial statements, and the combining and individual fund statements and schedules as a revenue and expenditure in accordance with GASB 27.

NOTE 12.POST RETIREMENT BENEFITS

P.L. 1987 c.384 and P.L. 1990, c.6 required Teachers’ Pensions and Annuity Fund (TPAF) and the Public Employees’ Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through 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 P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 12.POST RETIREMENT BENEFITS (Continued)

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides free health benefits to members of PERS, and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in fiscal year 2010.

NOTE 13.DEFERRED COMPENSATION:

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

Lincoln Investment Planning, Inc.
Metropolitan
American Express

NOTE 14.CONTINGENT LIABILITIES

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District.

NOTE 15.RISK MANAGEMENT:

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

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

New Jersey Unemployment Compensation Insurance – The District has elected to fund 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</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010-2011	\$20,000.	\$6,316.	\$10,797.	\$23,648.
2009-2010	15,000.	6,945.	19,873.	8,129.
2008-2009	4,606.	4,748.	9,029.	6,057.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 16.INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2011.

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$194,725.	\$
Special Revenue Fund		193,702.
Agency Fund		1,023.
	<u>\$194,725.</u>	<u>\$194,725.</u>

The amount due from the Special Revenue Fund to the General Fund represents the cash deficit in the Special Revenue Fund due to delays in receiving grant funds.

The remaining balances resulted from the time lag between the dates that:

1. The interfund transactions occur;
2. Transactions are recorded in the accounting system; and
3. Payments between funds are made.

NOTE 17.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.

In the district-wide *Statement of Net Assets*, the liabilities whose average maturities are greater than one year should be reported in two components -- the amount due within one year and the amount due in more than one year.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2011, a liability existed for compensated absences in the Food Service Fund in the amount of \$0.

NOTE 18.FUND BALANCE APPROPRIATED

General Fund - Of the \$1,213,268. General Fund balance at June 30, 2011, \$30,841. is reserved for encumbrances; \$699,137. is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 (\$296,966. of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2012); \$18,110. has been reserved in the Capital Reserve Account; \$250,000. has been reserved in a Maintenance Reserve account; \$250,000. has been reserved in the Emergency Reserve Fund; \$68,336. has been appropriated and included as anticipated revenue for the year ending June 30, 2012; and \$(228,156.) is unreserved and undesignated.

**Lawrence Township School District
Notes to the Financial Statements
June 30, 2011**

NOTE 18.FUND BALANCE APPROPRIATED (Continued)

Debt Service Fund – Of the \$32,887. Debt Service Fund fund balance at June 30, 2011 of \$887. has been appropriated and included as anticipated revenue for the year ending June 30, 2012 and \$32,000. is unreserved and undesignated.

NOTE 19.CALCULATION OF EXCESS SURPLUS

In accordance with *N.J.S.A. 18A:7F-7*, as amended, 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. The excess fund balance at June 30, 2011 is \$699,137.

NOTE 20.DEFICIT FUND BALANCES

The District has a deficit fund balance of \$24,991. in the Special Revenue Fund as of June 30, 2011 as reported in the fund statements (modified accrual basis). *N.J.S.A. 18A:22-44.2* provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The 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 June state aid payment(s) in the subsequent fiscal year, the school district can not recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to *N.J.S.A. 18A:22-44.2*, any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) 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 \$24,991. is equal to the last state aid payments.

REQUIRED SUPPLEMENTARY INFORMATION—PART II

BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:					
Local sources:					
Local tax levy	\$ 1,927,691.	\$	\$ 1,927,691.	\$ 1,927,691.	\$
Tuition	4,400.		4,400.	45,680.	41,280.
Interest earned	28.		28.	2,921.	2,893.
Miscellaneous	16,000.		16,000.	29,541.	13,541.
Total local sources	1,948,119.	0.	1,948,119.	2,005,833.	57,714.
State sources:					
Equalization Aid	5,118,764.		5,118,764.	5,118,764.	
Categorical Special Education Aid	314,476.		314,476.	314,476.	
Categorical Security Aid	10,988.		10,988.	10,988.	
On behalf TPAF pension contribution (non-budgeted)				187,487.	187,487.
On behalf TPAF social security contribution (non-budgeted)				244,552.	244,552.
Extraordinary Aid				28,350.	28,350.
Extraordinary Aid 2009-2010				16,665.	16,665.
Additional non-public transportation aid				5,742.	5,742.
Total state sources	5,444,228.	0.	5,444,228.	5,927,024.	482,796.
Total revenues	7,392,347.	0.	7,392,347.	7,932,857.	540,510.

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

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Favorable (Unfavorable)
Expenditures:					
Current expense:					
Regular programs-instruction:					
Preschool-salaries of teachers	\$ 41,442.	\$ 6,000.	\$ 47,442.	\$ 47,423.	\$ 19.
Kindergarten-salaries of teachers	172,080.	(5,500.)	166,580.	166,521.	59.
Grades 1-5-salaries of teachers	975,306.	42,800.	1,018,106.	1,017,733.	373.
Grades 6-8-salaries of teachers	744,403.	(700.)	743,703.	743,703.	
Home instruction:					
Salaries of teachers	4,500.	(3,600.)	900.		900.
Purchased prof/educ services	1,000.		1,000.		1,000.
Regular programs-undistributed instruction:					
Purchased prof/educ services	5,000.		5,000.	4,145.	855.
Purchased technical services	500.		500.		500.
Other purchased services	53,000.	(10,650.)	42,350.	25,964.	16,386.
General supplies	149,075.	7,713.	156,788.	146,191.	10,597.
Textbooks	35,000.	115,000.	150,000.	148,615.	1,385.
Other objects	3,000.	7,000.	10,000.	6,358.	3,642.
Total regular programs - instruction	2,184,306.	158,063.	2,342,369.	2,306,653.	35,716.
Special education-instruction:					
Learning and/or learning disabilities:					
Salaries of teachers	59,004.		59,004.	59,004.	
Other salaries for instruction	51,801.	(23,700.)	28,101.	27,791.	310.
General supplies	3,500.	2,600.	6,100.	5,882.	218.
Total special education-multiple dis	114,305.	(21,100.)	93,205.	92,677.	528.
Resource room/resource center:					
Salaries of teachers	301,041.		301,041.	296,603.	4,438.
General supplies	4,500.	(1,400.)	3,100.	1,093.	2,007.
Textbooks	2,000.		2,000.	164.	1,836.
Total resource room/resource center	307,541.	(1,400.)	306,141.	297,860.	8,281.

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

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Favorable (Unfavorable)
Total special education-instruction	\$ 421,846.	\$(22,500.)	\$ 399,346.	\$ 390,537.	\$ 8,809.
Basic skills/remedial-instruction:					
Salaries of teachers	205,139.	(30,000.)	175,139.	158,693.	16,446.
Other salaries for instruction	56,900.		56,900.	55,577.	1,323.
General supplies	1,000.		1,000.	458.	542.
Total basic skills/remedial-instruction	263,039.	(30,000.)	233,039.	214,728.	18,311.
Bilingual education-instruction:					
Salaries of teachers	59,637.		529,637.	59,637.	
General supplies	1,000.		1,000.	299.	701.
Textbooks	500.		500.		500.
Total bilingual education-instruction	61,137.	0.	61,137.	59,936.	1,201.
School sponsored co-curricular act-instruction:					
Salaries	10,000.	2,900.	12,900.	12,856.	44.
Purchased services	2,500.	(300.)	2,200.	2,153.	47.
Supplies and materials	1,500.	(560.)	940.	930.	10.
Total school spon co-curricular act-instruction	14,000.	2,040.	16,040.	15,939.	101.
School sponsored-athletics-instruction:					
Salaries	18,000.	(1,750.)	16,250.	16,164.	86.
Purchased services	2,100.	(395.)	1,705.	1,705.	
Supplies and materials	3,000.	2,930.	5,930.	4,829.	1,101.
Total school sponsored athletics-instruction	23,100.	785.	23,885.	22,698.	1,187.
Community service programs-operations:					
Salaries	8,820.	(625.)	8,195.	4,935.	3,260.
Total community service programs-operations	8,820.	(625.)	8,195.	4,935.	3,260.
Total instruction	2,976,248.	107,763.	3,084,011.	3,015,426.	68,585.

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

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Favorable (Unfavorable)
Undistributed expenditures:					
Instruction:					
Tuition-other LEAs within state-regular	\$ 934,338.	\$ 30,900.	\$ 965,238.	\$ 950,580.	\$ 14,658.
Tuition-other LEAs within state-special	241,935.	4,000.	245,935.	226,458.	19,477.
Tuition-co voc school district-regular	20,301.	1,000.	21,301.	21,188.	113.
Tuition-co voc school district-special	1,500.	11,000.	12,500.	12,500.	
Tuition-co special services/reg day schools	528,539.	(42,900.)	485,639.	303,245.	182,394.
Tuition-priv school/handicapped w/in state	46,916.	(4,000.)	42,916.	1,700.	41,216.
Tuition-priv schools hand-Other LEAs out-state	58,428.		58,428.	58,400.	28.
Total instruction	1,831,957.	0.	1,831,957.	1,574,071.	257,886.
Attendance and social work services:					
Salaries	27,486.		27,486.	24,137.	3,349.
Other purchased services	500.		500.	500.	
Total attendance and social work services	27,986.	0.	27,986.	24,137.	3,849.
Health services:					
Salaries	64,619.		64,619.	64,619.	
Purchased prof. and technical services	2,500.	(550.)	1,950.	1,500.	450.
Other purchased services	200.	(100.)	100.	68.	32.
Supplies and materials	1,000.	650.	1,650.	1,552.	98.
Total health services	68,319.	0.	68,319.	67,739.	580.
Other support services-students-related services:					
Purchased prof/educ services	68,000.	(3,600.)	64,400.	43,213.	21,187.
Supplies and materials	250.		250.		250.
Total other sup services-students-related services	68,250.	(3,600.)	64,650.	43,213.	21,437.
Special education-extraordinary services:					
Salaries	29,042.		29,042.	29,042.	
Purchased prof/educ services	54,380.	5,000.	59,380.	59,287.	93.
Total special education-extraordinary services	83,422.	5,000.	88,422.	88,329.	93.

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

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Favorable (Unfavorable)
Other support services-students-regular:					
Salaries of other professional staff	\$ 59,371.	\$	\$ 59,371.	\$ 46,903.	\$ 12,468.
Other purchased prof/tech services	2,500.		2,500.	1,281.	1,219.
Supplies and materials	2,500.		2,500.	1,425.	1,075.
Total other support services-students-regular	64,371.	0.	64,371.	49,609.	14,762.
Other support services-students-special services:					
Other purchased prof/tech services	1,500.		1,500.	852.	648.
Miscellaneous purchased services	2,000.		2,000.	1,911.	89.
Supplies and materials	500.		500.	35.	465.
Total other sup services-students-special services	4,000.	0.	4,000.	2,798.	1,202.
Improve of instruct serv/other support serv-instruct staff					
Salaries of other professional staff	2,000.	3,400.	5,400.	5,335.	65.
Other salaries	33,466.		33,466.	33,466.	
Supplies and materials	1,000.	400.	1,400.	1,338.	62.
Other objects		200.	200.	150.	50.
Total improvement of instructional services	36,466.	4,000.	40,466.	40,289.	177.
Educational media school library:					
Salaries	69,059.	(67,000.)	2,059.	1,609.	450.
Purchased prof/tech services	4,000.		4,000.	2,605.	1,395.
Supplies and materials	5,000.		5,000.	250.	4,750.
Total educational media school library	78,059.	(67,000.)	11,059.	4,464.	6,595.
Instructional staff training services:					
Salaries of other professional staff	4,000.		4,000.	1,170.	2,830.
Other salaries	33,466.		33,466.	33,466.	
Purchased prof/tech services	9,000.	(2,100.)	6,900.	960.	5,940.
Other purchased services	5,000.	(1,900.)	3,100.	1,725.	1,375.
Supplies and materials	500.		500.		500.
Other objects	1,650.		1,650.	1,469.	181.
Total instructional staff training services	53,616.	(4,000.)	49,616.	38,790.	10,826.

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

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Favorable (Unfavorable)
Support services-general administration:					
Salaries	\$ 123,792.	\$(69,100.)	\$ 54,692.	\$ 54,043.	\$ 649.
Legal services	28,000.	600.	28,600.	24,873.	3,727.
Audit fees	22,000.	(750.)	21,250.	20,500.	750.
Other purchased professional services	13,000.	33,900.	46,900.	46,846.	54.
Purchased technical services	2,000.		2,000.	1,806.	194.
Communications/telephone	36,500.	(2,250.)	34,250.	24,834.	9,416.
BOE other purchased services	9,000.		9,000.	4,049.	4,951.
Other purchased services	19,691.		19,691.	17,387.	2,304.
General supplies	2,000.		2,000.	1,015.	985.
Miscellaneous expenditures		1,600.	1,600.	1,538.	62.
Total support services-general administration	255,983.	(36,000.)	219,983.	196,891.	23,092.
Support services school administration:					
Salaries of principals/asst.	163,217.	(58,000.)	105,217.	100,000.	5,217.
Salaries of other professional staff	1,710.		1,710.	1,710.	
Other salaries	16,881.	20,000.	36,881.	34,065.	2,816.
Purchased prof/tech services	13,000.		13,000.	10,285.	2,715.
Other purchased services	6,000.		6,000.	4,175.	1,825.
Supplies and materials	14,000.		14,000.	4,814.	9,186.
Other objects	7,000.		7,000.	4,285.	2,715.
Total support services school administration	221,808.	(38,000.)	183,808.	159,334.	24,474.
Central services:					
Salaries	135,088.		135,088.	134,795.	293.
Purchased technical services	37,000.	(1,100.)	35,900.	33,964.	1,936.
Miscellaneous purchased services	1,000.		1,000.	665.	335.
Supplies and materials	6,000.	1,375.	7,375.	4,383.	2,992.
Miscellaneous expenditures	1,500.		1,500.	946.	554.
Total central services	180,588.	275.	180,863.	174,753.	6,110.

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

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Favorable (Unfavorable)
Allowable maintenance for school facilities:					
Cleaning, repair and maintenance services	\$ 55,950.	\$ 15,150.	\$ 71,100.	\$ 71,021.	\$ 79.
General supplies	4,500.	(4,500.)			
Total allowable maintenance for school facilities	60,450.	10,650.	71,100.	71,021.	79.
Other operation and maintenance of plant services					
Salaries	157,554.	(350.)	157,204.	157,180.	24.
Purchased professional and technical services	50,750.	(165.)	50,585.	50,577.	8.
Cleaning, repair and maintenance of services	40,000.	(950.)	39,050.	32,092.	6,958.
Rental of land & building other than lease pur agree	10,000.	2,600.	12,600.	10,973.	1,627.
Other purchased property services	500.	(215.)	285.	114.	171.
Insurance	25,995.	(1,850.)	24,145.	24,002.	143.
Miscellaneous purchased services	1,500.	(1,400.)	100.		100.
General supplies	30,000.	(8,120.)	21,880.	18,757.	3,123.
Energy (heat and electricity)	58,073.	109,200.	167,273.	167,244.	29.
Other objects	500.	(500.)			
Total other operation and mainten of plant services	374,872.	98,250.	473,122.	460,939.	12,183.
Total operation and maintenance of plant services	435,322.	108,900.	544,222.	531,960.	12,262.
Students transportation services:					
Salaries of non-instructional aides	5,500.	(5,500.)			
Management fee-ESC transportation program	9,800.	(1,800.)	8,000.	7,900.	100.
Other purchased prof/tech services	3,000.	(100.)	2,900.	2,793.	107.
Contracted services (home/school) vendors	404,080.	(33,000.)	371,080.	362,095.	8,985.
Contracted services (not home/school) vendors	23,500.	600.	24,100.	19,270.	4,830.
Contracted services (spec ed) ESCs	225,000.	39,800.	264,800.	264,713.	87.
Contracted services-aid in lieu of payments	30,940.		30,940.	27,571.	3,369.
Total student transportation services	701,820.	0.	701,820.	684,342.	17,478.

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

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Favorable (Unfavorable)
Unallocated Benefits:					
Social security contribution	\$ 88,000.	\$	\$ 88,000.	\$ 61,677.	\$ 26,323.
Other retirement contributions regular	45,945.	17,000.	62,945.	62,633.	312.
Unemployment compensation	20,000.		20,000.	20,000.	
Workmen's compensation	41,000.		41,000.	37,158.	3,842.
Health benefits	794,953.	(17,000.)	777,953.	667,288.	110,665.
Tuition reimbursement	8,900.		8,900.	6,659.	2,241.
Other employee benefits	25,000.		25,000.	15,641.	9,359.
Total unallocated benefits	1,023,798.	0.	1,023,798.	871,056.	152,742.
On behalf TPAF pension contributions (non-budgeted)				187,487.	(187,487.)
Reimbursed TPAF soc sec contributions (non-budgeted)				244,552.	(244,552.)
Total undistributed expenditures	5,135,765.	(30,425.)	5,105,340.	4,983,814.	121,526.
Total expenditures-current expense	8,112,013.	77,338.	8,189,351.	7,999,240.	190,111.
Excess (deficiency) of revenues and other financing sources over/(under) expenditures and other financing sources (uses)	(719,666.)	(77,338.)	(797,004.)	(66,383.)	730,621.
Fund balances, July 1	1,791,899.		1,791,899.	1,791,899.	
Fund balances, June 30	\$ 1,072,233.	\$(77,338.)	\$ 994,895.	\$ 1,725,516.	\$ 730,621.

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

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Favorable (Unfavorable)
Recapitulation:					
Nonexpendable Fund Balance:				\$	
Inventory					
Restricted Fund Balance:					
Designated for subsequent year's expenditures-					
unexpended additional spending proposal					
Capital reserve				18,110.	
Maintenance reserve				250,000.	
Emergency reserve				250,000.	
Tuition reserve				125,000.	
Excess surplus-designated for subsequent year's					
expenditures				296,966.	
Excess surplus-current year				402,171.	
Committed Fund Balance:					
Other purposes				30,841.	
Year end encumbrances					
Assigned Fund Balance:					
Other purposes				68,336.	
Designated for subsequent year's expenditures					
Year end encumbrances					
Unassigned Fund Balance:					
Total				<u>284,092.</u>	
				<u>1,725,516.</u>	
Reconciliation to governmental funds statement (GAAP)					
Last state aid payment not recognized on GAAP basis				(512,248.)	
Fund balance per governmental funds (GAAP)				<u>\$ 1,213,268.</u>	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources	\$ 28,380.	\$	\$ 28,380.	\$ 21,828.	\$(6,552.)
State sources	249,912.		249,912.	229,807.	(20,105.)
Federal sources	581,909.		581,909.	564,181.	(17,728.)
Total revenues	860,201.	0.	860,201.	815,816.	(44,385.)
EXPENDITURES:					
Instruction:					
Salaries of teachers	392,311.		392,311.	378,465.	13,846.
Other salaries for instruction	53,052.		53,052.	52,655.	397.
Other purchased services	34,238.		34,238.	32,072.	2,166.
General supplies	94,862.		94,862.	79,372.	15,490.
Other objects	2,233.		2,233.	910.	1,323.
Total instruction	576,696.	0.	576,696.	543,474.	33,222.
Support Services:					
Other salaries	4,500.		4,500.	4,500.	
Personal services - employee benefits	97,273.		97,273.	94,673.	2,600.
Purchased technical services	171,990.		171,990.	167,251.	4,739.
Travel	1,000.		1,000.	700.	300.
Other purchased services	2,070.		2,070.	1,733.	337.
Supplies & materials	6,672.		6,672.	3,485.	3,187.
Total support services	283,505.	0.	283,505.	272,342.	11,163.
Total expenditures	860,201.	0.	860,201.	815,816.	44,385.
Total outflows	860,201.	0.	860,201.	815,816.	44,385.
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	\$ 0.	\$ 0.	\$ 0.	\$ 0.	\$ 0.

LAWRENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

	General Fund	Special Revenue Fund	Capital Projects Fund
Sources/inflows of resources			
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 7,932,857.	\$ 815,816.	\$ 32,000.
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		714.	
Prior year encumbrance paid		(15,345.)	
Current year encumbrance			
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	556,339.	24,062.	2,651,733.
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(512,248.)	(24,991.)	0.
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 7,976,948.</u>	<u>\$ 800,256.</u>	<u>\$ 2,683,733.</u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 7,999,240.	\$ 815,816.	\$ 4,338,859.
Differences - budget to GAAP:			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		714.	
Prior year encumbrance paid		(15,345.)	
Current year encumbrance			
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 7,999,240.</u>	<u>\$ 801,185.</u>	<u>\$ 4,338,859.</u>

SCHOOL LEVEL SCHEDULES

N/A

SPECIAL REVENUE FUND

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

	I.D.E.A., Part B								
	Title I Part A	ARRA	Title II Part A	Title II Part D	Title IV	Basic	Pre-School ARRA	Basic ARRA	Pre-School ARRA
Revenues:									
Local sources			\$	\$	\$	\$	\$	\$	\$
State sources									
Federal sources	299,843.	1,730.	23,377.	1,001.	3,372.	174,670.	4,759.	6,141.	5,518.
Total revenues	\$ 299,843.	\$ 1,730.	\$ 23,377.	\$ 1,001.	\$ 3,372.	\$ 174,670.	\$ 4,759.	\$ 6,141.	\$ 5,518.
Expenditures:									
Instruction:									
Salaries of teachers	\$ 229,885.	\$	\$ 19,481.	\$	\$	\$	\$	\$	\$
Other salaries for instruction									
Other purchased services	5,231.	1,730.		544.	3,372.	31,528.		6,141.	5,518.
General supplies				275.					
Other objects									
Total Instruction	235,116.	1,730.	19,481.	819.	3,372.	31,528.	0.	6,141.	5,518.
Support services:									
Other salaries	45,377.		3,896.						
Personal services-employ bene.	19,350.					143,142.	4,759.		
Purchased technical services									
Travel				182.					
Other purchased services									
Supplies & Materials									
Total support services	64,727.	0.	3,896.	182.	0.	143,142.	4,759.	0.	0.
Total expenditures	\$ 299,843.	\$ 1,730.	\$ 23,377.	\$ 1,001.	\$ 3,372.	\$ 174,670.	\$ 4,759.	\$ 6,141.	\$ 5,518.

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

	REAP Grant	Private Foundation Grants	Pre-School Education Aid	Totals 2011
Revenues:				
Local sources	\$	\$ 21,828.	\$	\$ 21,828.
State sources			229,807.	229,807.
Federal sources	43,770.			564,181.
Total revenues	\$ 43,770.	\$ 21,828.	\$ 229,807.	\$ 815,816.
Expenditures:				
Instruction:				
Salaries of teachers	\$	\$ 4,000.	\$ 125,099.	\$ 378,465.
Other salaries for instruction			52,655.	52,655.
Other purchased services				32,072.
General supplies	43,770.	8,193.	5,142.	79,372.
Other objects		460.	450.	910.
Total instruction	43,770.	12,653.	183,346.	543,474.
Support services:				
Other salaries		4,500.		4,500.
Personal services-employ bene.			45,400.	94,673.
Purchased technical services				167,251.
Travel			700.	700.
Other purchased services		1,295.	256.	1,733.
Supplies & Materials		3,380.	105.	3,485.
Total support services	0.	9,175.	46,461.	272,342.
Total expenditures	\$ 43,770.	\$ 21,828.	\$ 229,807.	\$ 815,816.

LAWRENCE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRE-SCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Total		
	Budgeted	Actual	Variance
Expenditures:			
Instruction:			
Salaries-teachers	\$138,945.	\$125,099.	\$13,846.
Other salaries for instruction	53,052.	52,655.	397.
Supplies	5,142.	5,142.	
Other objects	1,773.	450.	1,323.
Total instruction	<u>198,912.</u>	<u>183,346.</u>	<u>15,566.</u>
Support services:			
Employee benefits	48,000.	45,400.	2,600.
Travel	1,000.	700.	300.
Other purchased services	438.	256.	182.
Supplies	1,562.	105.	1,457.
Total support services	<u>51,000.</u>	<u>46,461.</u>	<u>4,539.</u>
Total expenditures	<u>\$ 249,912.</u>	<u>\$ 229,807.</u>	<u>\$20,105.</u>

Calculation of Budget and Carryover

Total revised 2010-2011 Pre-School Education Aid Allocation	\$ 249,912.
Add: Actual Pre-School Carryover (June 30, 2010)	11,943.
Total Pre-School Education Aid Funds Available for 2010-2011 Budget	<u>261,855.</u>
Less: 2010-2011 Budgeted Pre-School Education Aid Prior Year Budget C/O	<u>(249,912.)</u>
Available and Unbudgeted Pre-School Education Aid Funds as of June 30, 2011	<u>11,943.</u>
Add: June 30, 2011 Unexpended/(Over-Expended) Pre-School Education Aid	20,105.
2010-2011 Carryover - Pre-School Education Aid/Pre-School	<u>\$ 32,048.</u>
2010-2011 Pre-School Education Aid Carryover Budgeted for Pre-School Programs 2011-2012	<u>\$ 11,943.</u>

CAPITAL PROJECTS FUND

EXHIBIT F-1

LAWRENCE TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2011

Project Description	Total Authorized Cost	Prior Year's Expenditures	Current Year Expenditures	Adjustment	Unexpended Balance
Myron L. Powell Elementary: School Improvements 2010	\$ 6,549,146.	\$ 535,447.	\$ 4,306,859.	\$ 0.	\$ 1,706,840.
Total	\$ 6,549,146.	\$ 535,447.	\$ 4,306,859.	\$ 0.	\$ 1,706,840.

LAWRENCE TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE-BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2011

Revenues and Other Financing Sources:	
State sources - SDA Grant	\$
Bond proceeds	
Bond premium	
Interest income	32,000.
Transfer from capital reserve	
Transfer from general fund	
	<hr/>
Total revenues and other financing sources	<u>32,000.</u>
Expenditures and Other Financing Uses:	
Purchased professional and technical services	34,419.
Transfer to debt service fund	32,000.
Construction services	4,273,181.
Other objects	(741.)
	<hr/>
Total expenditures and other financing uses	<u>4,338,859.</u>
Excess (deficiency) of revenues over (under) expenditures	(4,306,859.)
Fund balance - beginning	<u>6,013,699.</u>
Fund balance - ending	<u><u>\$ 1,706,840.</u></u>

LAWRENCE TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE
FOR THE YEAR ENDED JUNE 30, 2011

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources:				
State sources - SDA Grant	\$ 4,032,360.	\$	\$ 4,032,360.	\$ 4,032,360.
Bond proceeds	2,216,000.		2,216,000.	2,216,000.
Bond premium	886.		886.	
Interest income		32,000.	32,000.	
Transfer from capital reserve	300,000.		300,000.	300,000.
Transfer from general fund	786.		786.	786.
Total revenues	6,550,032.	32,000.	6,582,032.	6,549,146.
Expenditures and Other Financing Uses:				
Purchased professional and technical services	489,850.	34,419.	524,269.	785,898.
Construction services	25,400.	4,273,181.	4,298,581.	5,763,218.
Transfer to debt service	886.	32,000.	32,886.	
Other objects	20,197.	(741.)	19,456.	
Total expenditures	536,333.	4,338,859.	4,875,192.	6,549,146.
Excess (deficiency) or revenues over (under) expenditures	\$ 6,013,699.	\$(4,306,859.)	\$ 1,706,840.	\$ 0.
Additional project information:				
DOE Project Number	2570-030-09-1001			
SDA Project Number	2570-030-09-00BT			
Grant Number	G5-4048			
Grant Date	1/7/2010			
Bond Authorization Date	12/10/2009			
Bonds Authorized	\$ 2,216,000.			
Bonds Issued	\$ 2,216,000.			
Original Authorized Cost	\$ 6,549,146.			
Additional Authorized Cost	\$ 0.			
Revised Authorized Cost	\$ 6,549,146.			
Percentage Increase Over Original Authorized Cost	0%			
Percentage Completion	73.95%			
Original Target Completion Date	August, 2011			
Revised Target Completion Date	August, 2011			

PROPRIETARY FUNDS

ENTERPRISE FUNDS

LAWRENCE TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
AS OF JUNE 30, 2011

	Food Service Fund	Latchkey	Total
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 56,564.	\$(48,505.)	\$ 8,059.
Accounts receivable:			
State	574.		574.
Federal	27,864.		27,864.
Inventories	4,821.		4,821.
Total current assets	89,823.	(48,505.)	41,318.
Fixed assets:			
Construction in progress	36,694.		36,694.
Equipment	161,974.		161,974.
Accumulated depreciation	(91,800.)		(91,800.)
Total fixed assets	106,868.	0.	106,868.
Total assets	\$ 196,691.	\$(48,505.)	\$ 148,186.
LIABILITIES:			
Liabilities:			
Current liabilities:			
Accounts payable	\$	\$ 51.	\$ 51.
Total current liabilities	0.	51.	51.
NET ASSETS:			
Invested in capital assets net of related debt	106,868.		106,868.
Unrestricted	89,823.	(48,556.)	41,267.
Total net assets	\$ 196,691.	\$(48,556.)	\$ 148,135.

LAWRENCE TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Food Service	Latchkey	Total
OPERATING REVENUES:			
Local sources:			
Daily sales-reimbursable programs:			
School lunch and breakfast program	\$ 30,462.	\$	\$ 30,462.
Service fees	6,967.	41,741.	48,708.
Daily sales non-reimbursable programs:			
Adult and other sales	30,693.		30,693.
Total operating revenues	68,122.	41,741.	109,863.
OPERATING EXPENSES:			
Salaries and fringe benefits	107,762.	46,211.	153,973.
Miscellaneous	7,672.		7,672.
Repairs and maintenance	2,931.		2,931.
Supplies and materials	17,359.	7,411.	24,770.
Management fees	31,700.		31,700.
Depreciation	4,060.		4,060.
Cost of sales	103,757.		103,757.
Purchased services		1,969.	1,969.
Total operating expenses	275,241.	55,591.	330,832.
Operating income/(loss)	(207,119.)	(13,850.)	(220,969.)
Nonoperating revenues:			
State sources:			
State school lunch program	2,864.		2,864.
Federal sources:			
National school breakfast program	63,616.		63,616.
National school lunch program	113,769.		113,769.
National afterschool snack	1,268.		1,268.
Food distribution program	10,897.		10,897.
Total nonoperating revenues	192,414.	0.	192,414.
Change in net assets	(14,705.)	(13,850.)	(28,555.)
Net assets - July 1	211,396.	(34,706.)	176,690.
Net assets - June 30	\$ 196,691.	\$(48,556.)	\$ 148,135.

LAWRENCE TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Food Service Fund	Latchkey Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 62,348.	\$ 42,031.	\$ 104,379.
Cash payments to suppliers	(233,267.)	(10,053.)	(243,320.)
Other receipts (payments)	17,470.		17,470.
Payments to employees	(26,054.)	(46,160.)	(72,214.)
Net cash provided (used) by operating activities	(179,503.)	(14,182.)	(193,685.)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
State sources	2,978.		2,978.
Federal sources	165,377.		165,377.
Net cash provided by noncapital financing activities	168,355.	0.	168,355.
CASH FLOWS FROM FINANCING ACTIVITIES:			
Purchase of equipment	(41,509.)		(41,509.)
Construction in progress	(34,432.)		(34,432.)
Net cash provided by financing activities	(75,941.)	0.	(75,941.)
Net increase/(decrease) in cash and cash equivalents	(87,089.)	(14,182.)	(101,271.)
Cash and cash equivalents - July 1	143,653.	(34,323.)	109,330.
Cash and cash equivalents - June 30	\$ 56,564.	\$ (48,505.)	\$ 8,059.
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:			
Operating income/(loss)	\$(207,119.)	\$(13,850.)	\$(220,969.)
Adjustments to reconcile operating loss to cash provided (used) by operating activities:			
Depreciation	4,060.		4,060.
Federal commodities	10,897.		10,897.
Change in assets and liabilities:			
(Increase)/decrease in accounts receivable	11,696.	290.	11,986.
Increase/(decrease) in accounts payable		(622.)	(622.)
(Increase)/decrease in inventory	963.		963.
Net cash provided by (used) by operating activities	\$(179,503.)	\$(14,182.)	\$(193,685.)

INTERNAL SERVICE FUND

LAWRENCE TOWNSHIP SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
AS OF JUNE 30, 2011

	<u>Shared Business Services</u>
ASSETS:	
Current assets:	
Cash and cash equivalents	\$ 207,299.
Total current assets	<u>207,299.</u>
Fixed Assets:	
Equipment	4,367.
Accumulated depreciation	<u>(2,184.)</u>
Total fixed assets	<u>2,183.</u>
Total assets	<u><u>\$ 209,482.</u></u>
LIABILITIES:	
Current liabilities:	
Accounts payable	
Deferred revenue	
Total current liabilities	<u>0.</u>
Total liabilities	<u>0.</u>
NET ASSETS:	
Invested in capital assets net of related debt	2,183.
Unrestricted	<u>207,299.</u>
Total net assets	<u><u>\$ 209,482.</u></u>

LAWRENCE TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUND
FORO THE FISAL YEAR ENDED JUNE 30, 2011

	<u>Shared Business Services</u>
OPERATING REVENUES:	
Fees	<u>\$ 103,350.</u>
Total operating revenues	<u>103,350.</u>
OPERATING EXPENSES:	
Salaries	64,550.
Purchased services	126.
Depreciation	874.
Miscellaneous	83.
Total operating expenses	<u>65,633.</u>
Operating income/(loss)	<u>37,717.</u>
Change in net assets	<u>37,717.</u>
TOTAL NET ASSETS - JULY 1	<u>171,765.</u>
TOTAL NET ASSETS - JUNE 30	<u><u>\$ 209,482.</u></u>

LAWRENCE TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Shared Business Services</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 112,667.
Payments to suppliers	(209.)
Payments to employees	<u>(64,550.)</u>
Net cash provided (used) by operating activities	<u>47,908.</u>
CASH FLOWS FOR FINANCING ACTIVITIES:	
Repayment of interfund loan	
Purchase of equipment	
Net cash provided (used) by financing activities	<u>0.</u>
Net increase/(decrease) in cash and cash equivalents	47,908.
Cash and cash equivalents - July 1	<u>159,391.</u>
Cash and cash equivalents - June 30	<u><u>\$ 207,299.</u></u>
Reconciliation of operating income/(loss) to net cash provided/ (used) by operating activities:	
Operating income/(loss)	\$ 37,717.
Adjustments to reconcile operating income/(loss) to net cash provided by/(used for) operating activities:	
Depreciation	874.
Change in assets and liabilities:	
(Increase)/decrease in intergovernmental receivable	8,667.
(Increase)/decrease in interfund receivable	<u>650.</u>
Net cash provided (used in) operating activities	<u><u>\$ 47,908.</u></u>

FIDUCIARY FUND

LAWRENCE TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AS OF JUNE 30, 2011

	Student Activity	Payroll	Private Purpose Scholarship Fund	Unemployment Compensation Trust	Total
ASSETS:					
Cash and cash equivalents	\$ 43,347.	\$ 8,449.	\$ 8,519.	\$ 17,658.	\$ 77,973.
Due from Agency				5,990.	5,990.
Total assets	\$ 43,347.	\$ 8,449.	\$ 8,519.	\$ 23,648.	\$ 83,963.
LIABILITIES:					
Due to student groups	\$ 43,347.	\$	\$	\$	\$ 43,347.
Interfund payable		1,023.			1,023.
Due to payroll withholdings		1,436.			1,436.
Due to unemployment		5,990.			5,990.
Total liabilities	\$ 43,347.	\$ 8,449.	\$ 0.	\$ 0.	\$ 51,796.
NET ASSETS:	\$ 0.	\$ 0.	\$ 8,519.	\$ 23,648.	\$ 32,167.
Total net assets	\$ 0.	\$ 0.	\$ 8,519.	\$ 23,648.	\$ 32,167.

LAWRENCE TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Total
ADDITIONS:			
Contributions:			
Plan member	\$ 6,316.	\$	\$ 6,316.
Other		7,428.	7,428.
Board contribution	20,000.		20,000.
Total contributions	<u>26,316.</u>	<u>7,428.</u>	<u>33,744.</u>
Investment earnings:			
Interest	83.	69.	152.
Net investment earnings	<u>83.</u>	<u>69.</u>	<u>152.</u>
Total additions	<u>26,399.</u>	<u>7,497.</u>	<u>33,896.</u>
DEDUCTIONS:			
Scholarships awarded		1,500.	1,500.
Other	83.	2,113.	2,196.
Unemployment claims	10,797.		10,797.
Total deductions	<u>10,880.</u>	<u>3,613.</u>	<u>14,493.</u>
Change in net assets	15,519.	3,884.	19,403.
NET ASSETS, JULY 1	<u>8,129.</u>	<u>4,635.</u>	<u>12,764.</u>
NET ASSETS, JUNE 30	<u>\$ 23,648.</u>	<u>\$ 8,519.</u>	<u>\$ 32,167.</u>

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

	Cash Balance July 1, 2010	Cash Receipts	Interest Earnings	Cash Disbursements	Cash Balance June 30, 2011
Myron L. Powell	\$ 30,392.	\$ 27,045.	\$	\$ 21,508.	\$ 35,929.
Susan Ballinger's Creative Kids Camp		7,844.	56.	482.	7,418.
Total	\$ 30,392.	\$ 34,889.	\$ 56.	\$ 21,990.	\$ 43,347.

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

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
ASSETS:				
Cash and cash equivalents	\$ 7,393.	\$ 4,381,232.	\$ 4,380,176.	\$ 8,449.
Total assets	\$ 7,393.	\$ 4,381,232.	\$ 4,380,176.	\$ 8,449.
LIABILITIES:				
Net payroll	\$	\$ 2,576,348.	\$ 3,576,348.	\$
Payroll deductions and withholdings	3,129.	1,802,135.	1,803,828.	1,436.
Interfund payable		1,023.		1,023.
Due to unemployment	4,264.	1,726.		5,990.
Total liabilities	\$ 7,393.	\$ 4,381,232.	\$ 4,380,176.	\$ 8,449.

LONG-TERM DEBT

LAWRENCE TOWNSHIP SCHOOL DISTRICT
DEBT SERVICE FUND
SCHEDULE OF SERIAL BONDS
JUNE 30, 2011

Issue	Date of Issue	Amount Original Issue	Annual Maturities Date	Amount	Interest Rate Range	Balance July 1, 2010	Issued	Retired	Balance June 30, 2011
School Refunding Bonds:									
Series 2007	12/27/2007	2,345,000.	3/1/2008	\$ 155,000.	3.00%-4.16%	\$ 1,920,000.	\$ 0.	\$ 140,000.	\$ 1,780,000.
			3/1/2009	130,000.					
			3/1/10-11	140,000.					
			3/1/2012	150,000.					
			3/1/2013	145,000.					
			3/1/14-15	155,000.					
			3/1/16-17	165,000.					
			3/1/18-21	160,000.					
			3/1/2022	155,000.					
			3/1/2023	50,000.					
Myron L. Powell Elementary School Additions:									
Series 2010	1/21/2010		9/1/2011	115,000.	2.75%-3.75%	2,216,000.	0.	0.	2,216,000.
			9/1/2012	120,000.					
			9/1/2013	130,000.					
			9/1/2014	135,000.					
			9/1/2015	140,000.					
			9/1/2016	145,000.					
			9/1/2017	155,000.					
			9/1/2018	160,000.					
			9/1/2019	165,000.					
			9/1/2020	175,000.					
			9/1/2021	180,000.					
			9/1/2022	190,000.					
			9/1/2023	200,000.					
			9/1/2024	206,000.					
TOTAL						\$ 4,136,000.	\$ 0.	\$ 140,000.	\$ 3,996,000.

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

	Original Budget	Budget Transfer	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 173,805.	\$	\$ 173,805.	\$ 173,805.	\$
State sources:					
Debt service aid - type II	120,969.		120,969.	120,969.	
Total revenues	294,774.	0.	294,774.	294,774.	0.
EXPENDITURES:					
Regular debt service:					
Interest	154,774.		154,774.	154,774.	
Redemption of principal	140,000.		140,000.	140,000.	
Total regular debt service	294,774.	0.	294,774.	294,774.	0.
Total expenditures	294,774.	0.	294,774.	294,774.	0.
Excess (deficiency) of revenues over (under) expenditures	0.	0.	0.	0.	0.
Other financing sources (uses):					
Transfer from capital projects fund				32,000.	32,000.
Excess (deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses				32,000.	32,000.
Fund balance, July 1	887.		887.	887.	
Fund balance, June 30	\$ 887.	\$ 0.	\$ 887.	\$ 32,887.	\$ 32,000.

STATISTICAL SECTION

FINANCIAL TRENDS

LAWRENCE TOWNSHIP SCHOOL DISTRICT

NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,							
	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Activities:								
Invested in capital assets, net of related debt	\$ 1,699,482.	\$ 1,745,290.	\$ 1,749,028.	\$ 1,742,785.	\$ 1,672,364.	\$ 1,824,001.	\$ 1,026,848.	\$ 3,473,378.
Restricted	2,272.	2,341.	82,380.	987,740.	1,207,970.	820,226.	821,943.	1,238,824.
Unrestricted	623,315.	708,291.	785,157.	222,592.	158,069.	826,615.	790,506.	570,278.
Total governmental activities net assets	\$ 2,325,069.	\$ 2,455,922.	\$ 2,616,565.	\$ 2,953,117.	\$ 3,038,403.	\$ 3,470,842.	\$ 2,639,297.	\$ 5,282,480.
Business-Type Activities:								
Invested in capital assets, net of related debt	\$ 12,241.	\$ 9,446.	\$ 7,807.	\$ 6,331.	\$ 8,605.	\$ 9,620.	\$ 34,986.	\$ 106,868.
Unrestricted	50,960.	67,098.	105,122.	49,828.	93,527.	130,468.	141,704.	41,267.
Total business-type activities net assets	\$ 63,201.	\$ 76,544.	\$ 112,929.	\$ 56,159.	\$ 102,132.	\$ 140,088.	\$ 176,690.	\$ 148,135.
District-Wide:								
Invested in capital assets, net of related debt	\$ 1,711,723.	\$ 1,754,736.	\$ 1,756,835.	\$ 1,749,116.	\$ 1,680,969.	\$ 1,833,621.	\$ 1,061,834.	\$ 3,580,246.
Restricted	2,272.	2,341.	82,380.	987,740.	1,207,970.	820,226.	821,943.	1,238,824.
Unrestricted	674,275.	775,389.	890,279.	272,420.	251,596.	957,063.	932,210.	611,545.
Total District Net Assets	\$ 2,388,270.	\$ 2,532,466.	\$ 2,729,494.	\$ 3,009,276.	\$ 3,140,535.	\$ 3,610,930.	\$ 2,815,987.	\$ 5,430,615.

LAWRENCE TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,							
	2004	2005	2006	2007	2008	2009	2010	2011
Expenses								
Governmental activities								
Instruction:								
Regular	\$ 2,132,070.	\$ 2,097,862.	\$ 2,264,453.	\$ 2,389,818.	\$ 2,223,554.	\$ 2,371,354.	\$ 2,075,026.	\$ 2,368,875.
Special education	398,212.	405,077.	344,030.	360,398.	410,829.	395,900.	1,138,200.	932,148.
Other special instruction	173,241.	114,627.	87,033.	33,632.	141,235.	217,338.	180,977.	274,864.
Other instruction	27,477.	21,232.	23,773.	26,370.	25,473.	24,381.	38,478.	43,872.
Adult/continuing education programs	8,425.	5,318.	4,931.	4,867.	4,374.	4,874.		
Support Services:								
Tuition	1,238,160.	1,242,934.	1,506,408.	1,341,238.	1,510,000.	2,057,425.	1,684,045.	1,741,322.
Student & instruction related services	514,155.	387,958.	1,212,397.	742,730.	728,580.	391,387.	381,057.	368,331.
School administrative services	207,142.	189,514.	192,960.	193,166.	184,112.	171,838.	161,127.	174,041.
General & business administrative services	355,378.	345,332.	441,206.	383,446.	371,669.	397,286.	418,617.	386,351.
Plant operations & maintenance	393,525.	413,816.	449,312.	470,099.	663,342.	491,254.	488,306.	542,142.
Pupil transportation	405,628.	433,786.	502,932.	516,260.	590,887.	685,201.	708,703.	684,342.
Other support services	896,649.	1,056,032.	990,487.	1,277,225.	1,272,217.	1,236,924.	1,348,621.	1,453,931.
Interest on long-term debt	129,835.	124,984.	118,357.	113,022.	103,015.	85,223.	111,839.	176,148.
Internal service				580,555.	559,107.	553,327.	109,020.	65,633.
Amortization of debt issuance cost					982.	1,964.	3,173.	4,382.
Total governmental activities	6,879,897.	6,838,472.	8,138,279.	8,432,826.	8,789,376.	9,085,676.	8,847,190.	9,215,882.
Business-type activities:								
Food service	166,201.	208,532.	207,374.	207,291.	226,471.	246,602.	294,050.	275,241.
Child care	39,425.	40,448.	32,417.	46,767.	47,859.	49,051.	65,940.	55,591.
Total business-type activities expense	207,626.	248,980.	239,791.	254,058.	274,330.	295,653.	359,990.	330,832.
Total district expenses	\$ 7,087,523.	\$ 7,087,452.	\$ 8,378,070.	\$ 8,686,884.	\$ 9,063,706.	\$ 9,381,329.	\$ 9,207,180.	\$ 9,546,714.
Program Revenues								
Governmental Activities:								
Charges for Services:								
Central and other support services	\$	\$	\$ 84,500.	\$ 94,500.	\$ 97,500.	\$ 129,100.	\$ 104,000.	\$ 103,350.
Operating grants & contributions	262,895.	304,331.	831,039.	1,010,884.	1,015,602.	837,631.	449,055.	432,039.
Total governmental activities program revenues	262,895.	304,331.	915,539.	1,105,384.	1,113,102.	966,731.	553,055.	535,389.

LAWRENCE TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,							
	2004	2005	2006	2007	2008	2009	2010	2011
Business-type activities:								
Charges for services:								
Food service	\$ 72,444.	\$ 76,176.	\$ 68,677.	\$ 68,770.	\$ 109,597.	\$ 102,478.	\$ 97,708.	\$ 68,122.
Child care	30,614.	33,995.	42,577.	38,031.	42,072.	35,246.	46,632.	41,741.
Operating grants & contributions	105,837.	152,152.	164,922.	165,487.	168,635.	195,885.	221,480.	192,414.
Total business type activities program revenues	208,895.	262,323.	276,176.	272,288.	320,304.	333,609.	365,820.	302,277.
Total district program revenues	\$ 471,790.	\$ 566,654.	\$ 1,191,715.	\$ 1,377,672.	\$ 1,433,406.	\$ 1,300,340.	\$ 918,875.	\$ 837,666.
Net (Expense)/Revenue								
Governmental activities	(6,617,002.)	(6,534,141.)	(7,222,740.)	(7,327,442.)	(7,676,274.)	(8,118,945.)	(8,294,135.)	(8,680,493.)
Business-type activities	1,269.	13,343.	36,385.	18,230.	45,974.	37,956.	5,830.	(28,555.)
Total district-wide net expense	\$(6,615,733.)	\$(6,520,798.)	\$(7,186,355.)	\$(7,309,212.)	\$(7,630,300.)	\$(8,080,989.)	\$(8,288,305.)	\$(8,709,048.)
General Revenues & Other Changes in Net Assets								
Governmental activities:								
Property taxes levied for general purposes, net	\$ 1,241,949.	\$ 1,403,319.	\$ 1,859,786.	\$ 1,769,532.	\$ 1,879,691.	\$ 1,879,691.	\$ 1,927,691.	\$ 1,927,691.
Taxes levied for debt service	78,511.	76,856.	78,615.	76,792.	78,386.	76,201.	53,260.	173,805.
Grants and contributions	4,949,012.	5,049,631.	5,355,408.	5,590,377.	5,643,144.	6,576,805.	6,424,007.	9,090,962.
Tuition received	7,355.	20,760.	13,200.	16,773.	12,785.	5,808.	22,436.	45,680.
Investment earnings	6,348.	25,417.	72,896.	98,067.	64,793.	13,759.	26,747.	34,921.
Miscellaneous income	51,442.	28,238.	43,522.	37,463.	82,761.	34,571.	36,509.	50,913.
Adjustment to capital lease payable	19,076.	60,773.	(40,044.)					
Adjustment to beginning accumulated depreciation							(1,020,000.)	
Adjustment to fixed assets								
Transfers				75,000.				
Total governmental activities	6,353,693.	6,664,994.	7,383,383.	7,563,994.	7,761,560.	8,586,835.	7,470,650.	11,323,672.
Business-type activities:								
Investment earnings				(75,000.)				36.
Adjustment to fixed assets								30,736.
Transfers								
Total business-type activities	0.	0.	0.	(75,000.)	0.			30,772.
Total district-wide	\$ 6,353,693.	\$ 6,664,994.	\$ 7,383,383.	\$ 7,588,994.	\$ 7,761,560.	\$ 8,586,835.	\$ 7,501,422.	\$ 11,323,672.
Change in net assets								
Governmental activities	(263,309.)	130,853.	160,643.	336,552.	85,286.	487,890.	(823,485.)	2,643,179.
Business-type activities	1,269.	13,343.	36,385.	(56,770.)	45,974.	37,956.	36,602.	(28,555.)
Total district	\$(262,040.)	\$ 144,196.	\$ 197,028.	\$ 279,782.	\$ 131,260.	\$ 505,846.	\$(786,883.)	\$ 2,614,624.

LAWRENCE TOWNSHIP SCHOOL DISTRICT
 FUND BALANCES - GOVERNMENTAL FUNDS
 LAST EIGHT FISCAL YEARS
 (Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,							
	2004	2005	2006	2007	2008	2009	2010	2011
General Fund								
Reserved	\$ 429,820.	\$ 763,170.	\$ 782,611.	\$ 987,739.	\$ 1,185,476.	\$ 1,768,344.	\$ 1,536,929.	\$ 1,441,424.
Unreserved	297,530.	31,394.	187,448.	295,419.	147,934.	(184,346.)	(301,372.)	(228,156.)
Total general fund	\$ 727,350.	\$ 794,564.	\$ 970,059.	\$ 1,283,158.	\$ 1,333,410.	\$ 1,583,998.	\$ 1,235,557.	\$ 1,213,268.
All Other Governmental Funds								
Reserved	\$	\$	\$	\$	\$	\$	\$ 298,827.	\$
Unreserved, reported in:								
Special revenue fund	(22,426.)	(22,426.)	(22,426.)	(22,426.)	(28,326.)	(23,291.)	(24,062.)	(24,991.)
Capital projects fund							1,888,285.	531,986.
Debt service fund		1.	1.	1.	22,494.	22,494.	887.	32,887.
Total all other governmental funds	\$(22,426.)	\$(22,425.)	\$(22,425.)	\$(22,425.)	\$(5,832.)	\$(797.)	\$ 2,163,937.	\$ 539,882.

LAWRENCE TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Tax levy	\$ 1,166,086.	\$ 1,352,741.	\$ 1,320,460.	\$ 1,480,175.	\$ 1,938,401.	\$ 1,846,324.	\$ 1,958,077.	\$ 1,955,892.	\$ 1,980,951.	\$ 2,101,496.
Tuition charges	8,803.	10,884.	7,355.	20,760.	13,200.	16,773.	12,785.	5,808.	22,436.	45,680.
Interest earnings	23,955.	11,912.	6,348.	25,417.	72,896.	98,067.	64,793.	13,759.	26,748.	34,921.
Miscellaneous	1,787.	34,186.	51,442.	28,238.	43,522.	37,453.	82,761.	34,571.	36,509.	50,613.
State sources	4,498,743.	4,335,244.	4,775,089.	4,843,070.	4,922,168.	5,139,872.	5,516,139.	6,156,755.	5,109,472.	8,970,176.
Federal sources	332,767.	395,622.	436,818.	483,488.	741,633.	941,913.	645,177.	794,579.	1,720,715.	552,825.
Total revenue	6,032,141.	6,140,589.	6,597,512.	6,881,148.	7,731,820.	8,080,402.	8,279,732.	8,961,364.	8,896,831.	11,755,711.
Expenditures										
Instruction:										
Regular instruction	1,985,239.	1,813,743.	2,033,268.	1,995,578.	2,160,593.	2,288,834.	2,131,441.	2,281,794.	2,011,057.	2,306,653.
Special education instruction	302,992.	382,681.	380,279.	386,460.	325,146.	342,037.	394,081.	379,616.	1,126,569.	920,835.
Other special instruction	121,777.	115,172.	173,241.	114,627.	87,033.	33,632.	141,235.	217,338.	180,977.	274,664.
School sponsored/other instruction	23,395.	32,703.	35,902.	26,550.	28,704.	31,237.	29,847.	29,255.	38,479.	43,572.
Support Services:										
Tuition	1,091,326.	1,019,340.	1,238,160.	1,242,934.	1,506,408.	1,341,238.	1,510,000.	2,057,425.	1,684,045.	1,741,322.
Student & instruction related services	332,981.	317,875.	514,155.	360,554.	689,751.	742,730.	728,580.	391,387.	381,057.	368,331.
General administration	190,326.	189,643.	213,885.	322,044.	357,949.	359,577.	349,897.	225,662.	235,670.	196,891.
School administration services	123,586.	167,297.	184,754.	166,226.	168,411.	169,297.	162,340.	150,669.	146,007.	159,334.
Plant operations & maintenance	300,861.	381,024.	375,708.	399,481.	438,967.	460,672.	648,269.	150,455.	167,827.	174,753.
Pupil transportation	412,634.	432,548.	405,628.	433,786.	502,932.	516,260.	590,887.	476,599.	477,838.	531,960.
Other support services	294,091.	335,098.	228,373.					685,201.	702,602.	684,342.
Employee benefits	477,234.	662,551.	769,376.	1,073,862.	984,372.	1,271,722.	1,289,281.	1,227,389.	1,348,621.	1,397,768.
Capital outlay	488,748.	125,796.	252,920.	66,847.	75,924.	60,267.	8,648.	157,887.	565,973.	4,306,859.
Debt service:										
Principal	90,000.	90,000.	100,000.	100,000.	110,000.	110,000.	176,409.	152,657.	140,000.	140,000.
Interest & other charges	138,564.	134,200.	129,835.	124,984.	120,135.	114,800.	71,293.	86,956.	81,756.	154,774.
Total expenditures	6,373,754.	6,199,701.	7,035,484.	6,813,933.	7,556,325.	7,842,303.	8,232,208.	8,670,290.	9,288,478.	13,402,088.

LAWRENCE TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Excess (deficiency) of revenues over/(under) expenditures	\$(341,613.)	\$(59,112.)	\$(437,972.)	\$ 67,215.	\$ 175,495.	\$ 238,099.	\$ 47,524.	\$ 291,074.	\$(391,647.)	\$(1,646,347.)
Other Financing Sources/(Uses):										
Capital leases (non-budgeted)	252,382.		100,000.						2,216,000.	
Proceeds from sale of bonds						75,000.	19,321.		301,672.	32,000.
Excess proceeds from refunding bond		45,000.							(301,672.)	(32,000.)
Transfers in										
Transfers out										
Total other financing sources/(uses)	252,382.	45,000.	100,000.	0.	0.	75,000.	19,321.	0.	2,216,000.	0.
Net change in fund balances	\$(89,231.)	\$(14,112.)	\$(337,972.)	\$ 67,215.	\$ 175,495.	\$ 313,099.	\$ 66,845.	\$ 291,074.	\$ 1,824,353.	\$(1,646,347.)
Debt Service as a Percentage of Noncapital Expenditures	3.88%	3.69%	3.39%	3.33%	3.08%	2.89%	3.01%	2.81%	2.54%	3.24%

Source: District records

LAWRENCE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30	Interest On Investments	Ref/Canc Prior Yr Expend.	Tuition Adjustment	Commun. Services	Misc.	E-Rate Adjustment	Township	Tuition	Business Services	Annual Totals
2002	\$ 23,955.	\$	\$	\$	\$ 1,787.	\$	\$	\$ 8,803.	\$	\$ 34,545.
2003	11,912.	73.	15,076.		6,661.			10,884.		44,606.
2004	6,348.	15,575.			35,867.			7,355.		65,145.
2005	25,417.			9,703.	7,835.		6,000.	20,760.	4,700.	74,415.
2006	72,896.	26,045.			1,008.	16,469.		13,200.		129,618.
2007	98,067.				37,453.			16,773.		152,293.
2008	64,793.	3,027.	6,686.		12,268.	8,379.	12,000.	12,785.		119,938.
2009	13,759.	6,219.	3,941.		8,382.	16,029.		5,808.		54,138.
2010	26,748.				17,382.	12,241.	6,000.	22,436.		84,807.
2011	2,921.	4,035.			1,890.	17,616.	6,000.	45,680.		78,142.

Source: District records

REVENUE CAPACITY

LAWRENCE TOWNSHIP SCHOOL DISTRICT
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

	Year Ended Dec. 31	Net Assessed Valuations	Estimated Full Cash Valuations	Percentage of Net Assessed to Estimated Full Cash Valuations
Lawrence Township	2001	\$ 102,031,766.	\$ 105,172,619.	97.01%
	2002	104,952,906.	112,345,923.	93.42%
	2003	103,537,030.	117,455,856.	88.15%
	2004	105,478,982.	117,841,169.	89.51%
	2005	108,372,677.	132,046,836.	82.61%
	2006	111,311,813.	151,146,719.	73.64%
	2007	115,535,323.	183,693,066.	62.90%
	2008	117,779,054.	213,249,498.	55.23%
	2009	119,645,809.	231,679,673.	51.64%
	2010	224,917,461.	239,272,794.	94.00%

Source: Abstract of Ratables, County Board of Taxation

EXHIBIT J-7

LAWRENCE TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)

Fiscal Year Ended June 30,	Lawrence Township School Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6) Total Direct School Tax Rate	Township of Lawrence	Cumberland County	
2001	\$ 1.052	\$ 0.078	\$ 1.130	\$ 0.510	\$ 0.983	\$ 2.623
2002	1.116	0.084	1.200	0.510	1.021	2.731
2003	1.218	0.073	1.291	0.510	1.075	2.876
2004	1.249	0.079	1.328	0.530	1.083	2.941
2005	1.497	0.081	1.578	0.550	1.269	3.397
2006	1.632	0.069	1.701	0.571	1.411	3.683
2007	1.578	0.069	1.647	0.591	1.568	3.806
2008	1.596	0.066	1.662	0.631	1.720	4.013
2009	1.592	0.054	1.646	0.630	1.739	4.015
2010			0.834	0.310	0.894	2.038

Source: Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.
- b Rates for debt service are based on each year's requirements

EXHIBIT J-8

LAWRENCE TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS.
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Ag-Mart	\$ 5,461,600.	1	2.43%	\$ 1,123,500.	2	1.10%
SF System	3,332,000.	2	1.48%	820,900.	3	0.80%
Bell Atlantic	1,712,560.	3	0.76%			
Cedarville Cooperative	700,000.	4	0.31%	467,300.	4	0.46%
Taxpayer 1	618,500.	5	0.27%			
Signature Fruit Family				2,637,100. 340,100.	1 5	2.58% 0.33%
	<u>\$ 11,824,660.</u>		<u>5.26%</u>	<u>\$ 5,388,900.</u>		<u>5.28%</u>

Source: Municipal Tax Assessor

LAWRENCE TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes Levied For The Fiscal Year	Collected Within the Fiscal Year of the Levy (a)		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	\$ 1,166,086.	\$ 1,166,086.	100.00%	\$
2003	1,352,741.	1,352,741.	100.00%	
2004	1,320,460.	1,320,460.	100.00%	
2005	1,480,175.	1,480,175.	100.00%	
2006	1,938,401.	1,938,401.	100.00%	
2007	1,846,324.	1,846,324.	100.00%	
2008	1,902,201.	1,902,201.	100.00%	
2009	1,955,892.	1,955,892.	100.00%	
2010	1,980,951.	1,980,951.	100.00%	
2011	2,101,496.	2,101,496.	100.00%	

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

- a School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

DEBT CAPACITY

LAWRENCE TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds (b)	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2002	\$ 2,767,000.	\$	\$ 221,159.	\$	\$	\$ 2,988,159.	4.21%	\$ 1,081.
2003	2,677,000.		143,758.			2,820,758.	3.86%	1,003.
2004	2,577,000.		156,280.			2,733,280.	3.51%	956.
2005	2,477,000.		97,156.			2,574,156.	3.35%	893.
2006	2,367,000.		71,392.			2,438,392.	3.01%	848.
2007	2,257,000.		44,066.			2,301,066.	2.71%	782.
2008	2,190,000.		22,657.			2,212,657.	2.51%	744.
2009	2,060,000.		0.			2,060,000.	2.17%	689.
2010	4,136,000.		0.			4,136,000.	4.34%	1,382.
2011	3,996,000.		0.			3,996,000.	N/A	1,215.

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

- a See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b Includes Early Retirement Incentive Plan (ERIP) refunding

LAWRENCE TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value (a) of Property	Per Capita (b)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2002	\$ 2,767,000.		\$ 2,767,000.	2.64%	\$ 969.
2003	2,677,000.		2,677,000.	2.59%	952.
2004	2,577,000.		2,577,000.	2.44%	901.
2005	2,477,000.		2,477,000.	2.29%	860.
2006	2,367,000.		2,367,000.	2.12%	823.
2007	2,257,000.		2,257,000.	1.95%	767.
2008	2,190,000.		2,190,000.	1.86%	744.
2009	2,060,000.		2,060,000.	1.72%	692.
2010	4,136,000.		4,136,000.	1.84%	1,384.
2011	3,996,000.		3,996,000.	N/A	1,336.

Notes: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

- a See Exhibit NJ J-6 for property tax data.
- b Population data can be found in Exhibit NJ J-14

LAWRENCE TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2011

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes:			
Lawrence Township	\$ 1,127,035.	100.000%	\$ 1,127,035.
County of Cumberland - Township's Share	63,759,034.	2.482%	1,582,499.
Subtotal, Overlapping Debt			2,709,534.
Lawrence Township School District Direct Debt			<u>3,996,000.</u>
Total Direct & Overlapping Debt			<u><u>\$ 6,705,534.</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by County Board of Taxation.
 Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Lawrence Township. This process recognizes that when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping payment.

a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

LAWRENCE TOWNSHIP SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt Limit	\$ 3,080,644.	\$ 3,253,506.	\$ 3,368,595.	\$ 3,561,102.	\$ 3,842,736.	\$ 4,459,054.	\$ 5,266,248.	\$ 5,268,248.	\$ 6,665,846.	\$ 6,956,633.
Total Net Debt Applicable to Limit	2,767,000.	2,677,000.	2,577,000.	2,477,000.	2,367,000.	2,257,000.	2,190,000.	2,190,000.	4,136,000.	3,996,000.
Legal Debt Margin	\$ 323,644.	\$ 576,506.	\$ 791,595.	\$ 1,084,102.	\$ 1,475,736.	\$ 2,202,054.	\$ 3,076,248.	\$ 3,078,248.	\$ 2,529,846.	\$ 2,960,633.
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	89.53%	82.28%	76.50%	69.56%	61.60%	50.62%	41.57%	41.57%	62.05%	57.44%

Legal Debt Margin Calculation for Fiscal Year 2010

Equalized Valuation Basis	
2010	\$ 236,139,059.
2009	233,906,908.
2008	225,617,358.
	<u>\$ 695,663,325.</u>
Average Equalized Valuation of Taxable Property	\$ 231,887,775.
Debt Limit (3 % of Average Equalization Value)	6,956,633. (a)
Total Net Debt Applicable to Limit	<u>3,996,000.</u>
Legal Debt Margin	<u>\$ 2,960,633.</u>

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

(a) Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other district types.

**DEMOGRAPHIC AND ECONOMIC
INFORMATION**

LAWRENCE TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year	Population (a)	Personal Income (b)	Per Capita	
			Personal Income (c)	Unemployment Rate (d)
2001	2,749	\$ 67,496,197.	\$ 24,553.	9.30%
2002	2,764	73,831,968.	26,712.	10.50%
2003	2,808	73,224,216.	26,077.	10.70%
2004	2,856	76,874,952.	26,917.	8.40%
2005	2,877	80,984,673.	28,149.	4.80%
2006	2,944	84,887,296.	28,834.	6.10%
2007	2,976	88,086,624.	29,599.	5.50%
2008	2,989	94,814,069.	31,721.	6.70%
2009	2,992	95,375,984.	31,877.	11.60%
2010	3,290	N/A	N/A	12.40%

Source:

- a Population information provided by the NJ Dept of Labor and Workforce Development
- b Personal income has been estimated based upon the municipal population and per capita personal income presented
- c Per capita personal income by county estimated based upon the 2000 Census published by the US Bureau of Economic Analysis
- d Unemployment data provided by the NJ Dept. of Labor and Workforce Development

EXHIBIT J-15

LAWRENCE TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2011			2002		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank (Optional)	Percentage of Total Municipal Employment

NO INFORMATION IS AVAILABLE

Source:

OPERATING INFORMATION

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

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Instruction:										
Regular	30.0	30.0	30.5	37.5	41.5	33.5	34.0	34.5	38.0	39.5
Special Education	14.5	14.5	14.5	19.0	13.5	11.5	11.0	15.5	17.0	15.7
Other Special Education				0.5	0.5					
Support Services:										
Student & Instruction Related Services							1.0	2.0	2.0	1.0
General administration	3.0	3.0	3.0	2.0	2.5	3.0	2.0	2.0	1.5	2.1
School administrative services	0.5	1.5	1.5	1.5	3.5	1.5	3.0	3.0	3.0	3.0
Other Administrative Services			1.0	1.0						
Central services	1.5	1.5		2.0	2.0	2.2	2.2	2.0	2.0	2.0
Plant Operations & Maintenance	4.5	4.5	4.5	3.0	3.0	5.7	5.7	5.7	5.7	4.0
Total	54.0	55.0	55.0	66.5	66.5	57.4	58.9	64.7	69.2	67.3

Source: District Personnel Records

LAWRENCE TOWNSHIP BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change In Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2002	417.0	\$ 5,656,442.	\$ 13,565.	5.24%	40.0	1:10	N/A	N/A	417.0	383.0	(0.24)%	91.73%
2003	449.5	5,849,705.	13,014.	(4.06)%	40.0	1:09	N/A	N/A	449.5	419.0	7.79%	93.21%
2004	467.0	6,552,729.	14,032.	7.82%	45.0	1:11	N/A	N/A	467.0	443.0	3.89%	94.88%
2005	482.7	6,522,102.	13,512.	(3.70)%	46.0	1:11	N/A	N/A	482.7	457.0	3.36%	94.57%
2006	479.0	7,250,266.	15,136.	12.02%	46.0	1:11	N/A	N/A	481.1	457.0	(0.32)%	95.03%
2007	465.0	7,557,236.	16,252.	6.87%	45.0	1:40	N/A	N/A	462.0	448.0	(3.95)%	96.97%
2008	452.0	7,997,267.	17,693.	8.87%	45.0	1:10	N/A	N/A	448.7	427.5	(2.88)%	95.28%
2009	472.0	8,272,790.	17,527.	(0.94)%	50.0	1:10	N/A	N/A	459.6	436.1	2.43%	94.89%
2010	453.0	8,531,275.	18,833.	7.45%	55.0	1:08	N/A	N/A	449.1	423.3	(2.28)%	94.26%
2011	436.0	8,500,749.	19,497.	3.53%	55.2	1:08	N/A	N/A	434.0	416.0	3.36%	95.85%

Sources: District records

Note: Enrollment based on annual October district count.

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

LAWRENCE TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

District Building	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<u>Elementary:</u>										
M.L. Powell Elementary (1885)	54,412	54,412	54,412	54,412	54,412	54,412	54,412	54,412	54,412	59,149
Square Feet	578	578	578	578	578	578	578	578	578	628
Capacity (Students)	417	450	467	483	479	479	452	472	453	436
Enrollment										

Number of Schools at June 30, 2011:

- Elementary = 1
- Middle School = 0
- Senior High School = 0
- Other = 0

Source: District Facilities Office

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

LAWRENCE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST NINE FISCAL YEARS

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

*School Facilities Project #(s)	Myron Powell School	Total
2003	\$ 42,446.	\$ 42,446.
2004	9,390.	9,390.
2005	47,955.	47,955.
2006	56,526.	56,526.
2007	47,447.	47,447.
2008	38,413.	38,413.
2009	25,887.	25,887.
2010	45,677.	45,677.
2011	71,021.	71,021.
Total School Facilities	<u>\$ 384,762.</u>	<u>\$ 384,762.</u>

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

Source: District records

LAWRENCE TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2011
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Commercial Policy		
Property		
Blanket Building & Contents	\$11,179,861.	\$ 1,000.
General Liability	3,000,000.	
Employee Benefits	1,000,000.	1,000.
Commercial Crime	Included	
Inland Marine		
Computer	202,550.	500.
Miscellaneous Property	Included	
Valuable Papers & Records	100,000.	100.
Signs	30,000.	250.
Board of Education Liability	1,000,000.	500.
Commercial Excess Liability	1,000,000.	10,000.
Workers' Compensation and Employers Liability	2,000,000.	
Commercial Automobile	1,000,000.	13.
Student Accident Liability	500,000.	
Catastrophic Student Accident	1,000,000.	
Surety Bonds:		
Treasurer: Danielle Saar (ended 12/31/10)	180,000.	
Business Administrator: Lisa DiNovi	180,000.	

Source:

SINGLE AUDIT SECTION



Triantos & Delp

CERTIFIED PUBLIC ACCOUNTANTS, LLC

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MEMBERS:

- American Institute of Certified Public Accountants
- New Jersey Society of Certified Public Accountants

Wayne H. Triantos, CPA
Samuel A. Delp, Jr., CPA

K-1

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

Honorable President and
Members of the Board of Education
Lawrence Township School District
County of Cumberland, New Jersey

We have audited the financial statements of the Board of Education of the Lawrence Township School District in the County of Cumberland, as of and for the year ended June 30, 2011, and have issued our report thereon dated August 5, 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 Lawrence Township 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 Lawrence Township Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Lawrence Township 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 deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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



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CERTIFIED PUBLIC ACCOUNTANTS, LLC

K-1

Compliance and Other Matters

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

We noted certain matters that we reported to management of Lawrence Township Board of Education in a separate letter dated August 5, 2011.

This report is intended solely for the information and use of the audit committee, management, the Lawrence Township 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.

Respectfully submitted,

Samuel A. Delp, Jr.
Public School Accountant, #745
Triantos & Delp
Certified Public Accountants, LLC

August 5, 2011



Triantos & Delp

CERTIFIED PUBLIC ACCOUNTANTS, LLC

*Thinking ahead to
achieve success.*

MEMBERS:

- American Institute of Certified Public Accountants
- New Jersey Society of Certified Public Accountants

Wayne H. Triantos, CPA
Samuel A. Delp, Jr., CPA

K-2

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

Honorable President and
Members of the Board of Education
Lawrence Township School District
County of Cumberland, New Jersey

Compliance

We have audited the compliance of the Board of Education of the Lawrence Township School District, in the County of Cumberland, State of New Jersey, with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the New Jersey State Aid/Grant Compliance Supplement that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2011. Lawrence Township 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 Lawrence Township Board of Education's management. Our responsibility is to express an opinion on the Lawrence Township 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; and OMB Circular A-133, and the audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey and New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and 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 Lawrence Township 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 the Lawrence Township Board of Education's compliance with those requirements.

In our opinion, Lawrence Township Board of Education, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2011.



Triantos & Delp

CERTIFIED PUBLIC ACCOUNTANTS, LLC

K-2

Internal Control Over Compliance

Management of the Lawrence Township School District Board of Education is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Lawrence Township School District 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 to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJ OMB Circular 04-04, 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 Lawrence Township School District 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 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 federal or state program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of audit committee, management, the Lawrence Township 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.

Respectfully submitted,

Samuel A. Delp, Jr.
Public School Accountant, #745
Triantos & Delp
Certified Public Accountants, LLC

August 5, 2011

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

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA No.	Grant or State Project Number	Prgr. Or Award Amount	Grant Period From/To	Balance 6/30/2010	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Bal.	Accounts Receivable 6/30/2011	Deferred Revenue 6/30/2011	Due to Grantor 6/30/2011
U.S. Department of Education Passed Through State Dept. of Education:													
Special Revenue Fund:													
Title I, Part A	84.010	NCLB-257011	296,292.	9/1/10-8/31/11	\$	\$ 5,747.	\$ 143,985.	\$(299,843.)	\$	\$	\$(150,111.)	\$	\$
Title I, Part A	84.010	NCLB-257010	241,970.	9/1/09-8/31/10	(147,565.)	(5,747.)	153,312.						
Title I, Part A Carryover	84.010	NCLB-257008		9/1/06-8/31/07	35,451.								35,451.
Title I, ARRA	84.010	NCLB-257010ARRA	129,380.	7/1/09-8/31/11	(20,858.)		20,858.	(1,730.)			(1,730.)		
Title II, Part A	84.168	NCLB-257011	23,377.	9/1/10-8/31/11	(18,074.)		11,489.	(23,377.)			(11,908.)		
Title II, Part A	84.168	NCLB-257010	25,997.	9/1/09-8/31/10		275.	18,074.	(1,001.)	(194.)		(920.)		
Title II, Part D	84.168	NCLB-257011	726.	9/1/10-8/31/11	(2,082.)		2,163.		194.				
Title II, Part D	84.168	NCLB-257010	2,357.	9/1/09-8/31/10	(812.)	(275.)	812.						
Title II, Part D	84.168	NCLB-257009	1,910.	9/1/08-8/31/09	(2,880.)		2,880.						
Title II, Part D	84.168	NCLB-257010	3,372.	9/1/09-8/31/10									
Title IV	84.358A	NCLB-257010	26,307.	7/1/10-9/30/11									
REAP	84.358A	NCLB-257010	28,286.	7/1/09-9/30/10			28,286.						
I.D.E.A. Part B Basic	84.027	FT-257011	174,870.	9/1/10-8/31/11			104,676.	(3,372.)			(3,372.)		
I.D.E.A. Preschool	84.176	PS-257011	4,759.	9/1/10-8/31/11			2,500.	(15,484.)			(15,484.)		
I.D.E.A. Part B Basic	84.027	FT-257010	172,576.	9/1/09-8/31/10	(37,371.)		37,371.	(28,286.)			(69,994.)		
I.D.E.A. Part B Basic ARRA	84.027	FT-257010ARRA	153,195.	7/1/09-8/31/11	(19,084.)		19,084.	(4,759.)			(2,259.)		
I.D.E.A. Preschool ARRA	84.176	PS-257010ARRA	5,518.	7/1/09-8/31/11				(174,670.)			(6,141.)		
Total Special Revenue Fund					(213,275.)	0.	545,470.	(564,181.)	0.	0.	(287,437.)	0.	35,451.
U.S. Department of Agriculture Passed through State Department of Education Enterprise Fund:													
Food Distribution Program	10.550	N/A	14,566.	7/1/09-6/30/10				(2,736.)					
Food Distribution Program	10.550	N/A	10,897.	7/1/10-6/30/11	2,736.		10,897.	(9,473.)				1,424.	
National School Breakfast Program	10.553	N/A	74,999.	7/1/09-6/30/10	(4,766.)		4,766.						
National School Breakfast Program	10.553	N/A	63,616.	7/1/10-6/30/11	(9,698.)		56,589.	(63,616.)			(7,027.)		
National School Lunch Program	10.555	N/A	120,328.	7/1/09-6/30/10	(9,698.)		9,698.						
National School Lunch Program	10.555	N/A	113,769.	7/1/10-6/30/11	(124.)		93,038.	(113,769.)			(20,731.)		
National After School Snack	10.556	N/A	2,091.	7/1/09-6/30/10			124.						
National After School Snack	10.556	N/A	1,268.	7/1/10-6/30/11	(11,852.)	0.	1,161.	(1,268.)			(107.)		
Total Enterprise Fund					(11,852.)	0.	178,273.	(190,862.)	0.	0.	(27,865.)	1,424.	0.
Total Federal Financial Awards					\$(225,127.)	\$ 0.	\$ 721,743.	\$(755,043.)	\$ 0.	\$ 0.	\$(295,302.)	\$ 1,424.	\$ 35,451.

The Accompanying Notes to the Schedules of Expenditures of Federal Awards and Financial Assistance are an Integral Part of this Schedule

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

State Grantor/Program Title State Dept. of Education:	Grant or State Project No.	Program or Award Amount	Grant Period From/To	Balance at 6/30/10		Cash Received	Budgetary Expenditures Year Balances	Adjustments/ Repayment of Prior Year Balances
				Deferred Revenue Accts. Rec.	Due to Grantor			
General Fund:								
Equalization Aid	11-495-034-5120-078	\$5,118,764.	7/1/10-6/30/11	\$	\$	\$5,118,764.	\$ (5,118,764.)	\$
Spec Ed Categorical Aid	11-495-034-5120-011	314,476.	7/1/10-6/30/11			314,476.	(314,476.)	
Security Aid	11-495-034-5120-008	10,988.	7/1/10-6/30/11			10,988.	(10,988.)	
Extraordinary Aid	11-495-034-5120-044		7/1/10-6/30/11				(28,350.)	
Extraordinary Aid	10-495-034-5120-044		7/1/09-6/30/10				(16,665.)	
On Behalf Reimb TPAF	11-495-034-5095-001	187,487.	7/1/10-6/30/11			187,487.	(187,487.)	
Reimb TPAF Soc Sec Cont.	11-495-034-5095-002	244,552.	7/1/10-6/30/11			232,511.	(244,552.)	
Reimb TPAF Soc Sec Cont.	10-495-034-5095-002	231,060.	7/1/09-6/30/10	(11,315.)		11,315.		
Additional Non-Public Trans	10-495-034-5120	4,970.	7/1/09-6/30/10	(4,970.)		4,970.		
Additional Non-Public Trans	11-495-034-5120	5,742.	7/1/10-6/30/11				(5,742.)	
Total General Fund				(16,285.)	0.	5,897,176.	(5,927,024.)	0.
Special Revenue Fund:								
Pre-School Education Aid	11-495-034-5120-025	249,912.	7/1/10-6/30/11	11,943.		249,912.	(228,807.)	
Pre-School Education Aid	10-495-034-5120-025	240,656.	7/1/09-6/30/10	(11,943.)				
Total Special Revenue Fund				11,943.	0.	249,912.	(228,807.)	0.
Capital Projects Service Fund:								
Section 15 Grant	2570-030-08-1001	4,032,360.				2,999,580.	(2,651,733.)	0.
Total Capital Projects Service Fund						2,999,580.	(2,651,733.)	0.
Debt Service Fund:								
Debt Service Aid Type II	11-495-034-5120-125	120,969.	7/1/10-6/30/11	0.		120,969.	(120,969.)	0.
Total Debt Service Fund				0.		120,969.	(120,969.)	0.
State Dept. of Agriculture:								
Enterprise Fund:								
Nat'l School Lunch Pgm.(State)	10-100-010-3350-023	5,142.	7/1/09-6/30/10	(415.)		415.		
Nat'l School Lunch Pgm.(State)	11-100-010-3350-023	2,864.	7/1/10-6/30/11	(274.)		2,290.	(2,864.)	
Nat'l School Breakfast Pgm(State)	10-100-010-3350-021	4,394.	7/1/09-6/30/10	(689.)		2,979.	(2,854.)	
Total Enterprise Fund				(689.)	0.	2,979.	(2,854.)	0.
Total State Financial Assistance				\$ (334,705.)	\$ 0.	\$ 9,270,616.	\$ (6,932,397.)	\$ 0.

The Accompanying Notes to the Schedule of Expenditures of State Awards and Financial Assistance are an Integral Part of this Schedule

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

State Grantor/Program Title State Dept. of Education:	Grant or State Project No.	Program or Award Amount	Grant Period From/To	Balance at June 30, 2011			MEMO	
				(Accounts Receivable)	Def. Rev./ Interfund Pay	Due to Grantor	Budgetary Receivable	Cumulative Total Expend.
General Fund:				\$	\$	\$	\$479,701.	\$ 5,118,764.
Equalization Aid	11-495-034-5120-078	\$5,118,764.	7/1/10-6/30/11				31,448.	314,478.
Spec Ed Categorical Aid	11-495-034-5120-011	314,476.	7/1/10-6/30/11				1,099.	10,988.
Security Aid	11-495-034-5120-008	10,988.	7/1/10-6/30/11	(28,350.)				28,950.
Extraordinary Aid	11-495-034-5120-044		7/1/10-6/30/11					16,665.
Extraordinary Aid	10-495-034-5120-044		7/1/09-6/30/10					187,487.
On Behalf Reimb TPAF	11-495-034-5095-001	187,487.	7/1/10-6/30/11	(12,041.)				244,552.
Reimb TPAF Soc Sec Cont.	11-495-034-5095-002	244,552.	7/1/10-6/30/11					
Reimb TPAF Soc Sec Cont.	10-495-034-5095-002	231,090.	7/1/09-6/30/10					
Additional Non-Public Trans	10-495-034-5120	4,970.	7/1/09-6/30/10	(5,742.)				
Additional Non-Public Trans	11-495-034-5120	5,742.	7/1/10-6/30/11	(46,133.)	0.	0.	512,247.	5,742.
Total General Fund								5,927,024.
Special Revenue Fund:								
Pre-School Education Aid	11-495-034-5120-025	249,912.	7/1/10-6/30/11		32,048.		24,981.	229,807.
Pre-School Education Aid	10-495-034-5120-025	240,656.	7/1/09-6/30/10					
Total Special Revenue Fund				0.	32,048.	0.	24,981.	229,807.
Capital Projects Service Fund:								
Section 18 Grant	2570-030-09-1001	4,032,360.						
Total Capital Projects Service Fund				0.		0.	0.	2,651,733.
Debt Service Fund:								
Debt Service Aid Type II	11-495-034-5120-125	120,989.	7/1/10-6/30/11					120,989.
Total Debt Service Fund				0.		0.	0.	120,989.
State Dept. of Agriculture:								
Enterprise Fund:								
Nat'l School Lunch Pgm.(State)	10-100-010-3350-023	5,142.	7/1/09-6/30/10	(574.)				2,664.
Nat'l School Lunch Pgm.(State)	11-100-010-3350-023	2,864.	7/1/10-6/30/11					
Nat'l School Breakfast Pgm.(State)	10-100-010-3350-021	4,394.	7/1/09-6/30/10	(574.)	0.	0.	0.	2,854.
Total Enterprise Fund				\$ (46,707.)	\$ 50,220.	\$ 0.	\$ 537,239.	\$ 8,932,397.

The Accompanying Notes to the Schedule of Expenditures of State Awards and Financial Assistance are an Integral Part of this Schedule

Lawrence Township School District
Notes to the Schedules of Expenditures of Awards and Financial Assistance
June 30, 2011

NOTE 1.GENERAL

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

NOTE 2.BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting.. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3.RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenues 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 payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-4.2. For GAAP purposes, that payments are recognized until the subsequent budget year due to the state deferral and recording of the last state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognized 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 payments in the current budget year, consistent with N.J.S.A., 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$44,901. for the general fund and \$(15,560.) for the special revenue fund. See *Note 1 (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	\$	\$5,971,115.	\$5,971,115.
Special Revenue Fund	552,825.	226,359.	779,184.
Capital Projects Fund		2,651,733.	2,651,733.
Debt Service Fund		120,969.	120,969.
Food Service Fund	189,550.	2,864.	192,414.
Total Financial Assis.	<u>\$742,375.</u>	<u>\$8,973,040.</u>	<u>\$9,715,415.</u>

Lawrence Township School District
Notes to the Schedules of Expenditures of Awards and Financial Assistance
June 30, 2011

NOTE 4.RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5.OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2011. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2011.

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

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

1. Material weakness(es) identified? Yes x No

2. Significant Deficiencies identified that are not considered to be material weaknesses? Yes x None Reported

Noncompliance material to general purpose financial statements noted? Yes x No

Federal Awards

Internal control over major programs:

1. Material weakness(es) identified? Yes x No

2. Significant Deficiencies identified that are not considered to be material weaknesses? Yes x None Reported

Type of auditor’s report issued: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? Yes x No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	NCLB, Title I

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

Auditee qualified as low risk auditee? x Yes No

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

(Continued)

Section I – Summary of Auditor’s Results
(Continued)

State Awards

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

\$300,000.

Auditee qualified as low risk auditee?

Yes No

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 Deficiencies 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 NJ OMB Circular Letter 04-04?

Yes No

Identification of major programs:

GMIS Number(s)

495-034-5120-078

495-034-5120-011

495-034-5120-025

Name of State Prog

Equalization Aid

Special Education Aid

Pre-School Education Aid

Section II – Financial Statement Findings

N/A – No Findings

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs

Federal Awards

N/A – No Findings

State Awards

N/A – No Findings

LAWRENCE TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
STATUS OF PRIOR YEAR FINDINGS

N/A – No Prior Year Findings