

BOROUGH OF LINDENWOLD

SCHOOL DISTRICT

LINDENWOLD, NEW JERSEY

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2011**

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INTRODUCTORY SECTION



LINDENWOLD PUBLIC SCHOOLS

Administration Building • 801 Egg Harbor Road • Lindenwold, New Jersey 08021

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Business Administrator/Board Secretary
(856) 783-0276
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November 16, 2011

Honorable President and
Members of the Board of Education
Lindenwold School District
County of Camden, New Jersey

Dear President and Members of the Board:

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

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Governments and Non-Profit Organizations" and the State of New Jersey Circular 04-04-OMB "Single Audit Policy for Recipient of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: Lindenwold School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Lindenwold Board of Education and its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through grade 12. These include regular and special education for handicapped students. The District completed the 201-2011 fiscal year with an enrollment of two-thousand, two-hundred forty four (2,244) students. The following details the changes in the student enrollment of the District over the last ten years, including the 1st year as a Pre-K thru 12th grade district.

AVERAGE DAILY ENROLLMENT

<u>FISCAL</u>	<u>STUDENT ENROLLMENT</u>	<u>INCREASE/ DECREASE</u>	<u>PERCENT CHANGE</u>
2010-11	2288	44	.02
2009-10	2244	24	.01
2008-09	2220	(50)	(2.2)
2007-08	2270	(70)	(3.0)
2006-07	2340	(69)	(2.9)
2005-06	2409	10	(0.5)
2004-05	2419	63	2.7
2002-03	2356	42	1.8
* 2001-02	2314	N/A	N/A
2000-01	1385	35	2.6

* 1st year as a Pre-K – 12th grade district

2. ECONOMIC CONDITION AND OUTLOOK: The Borough of Lindenwold is a moderate-sized urban community of 3.9 square miles. Lindenwold is composed of 80.6% residential properties, .4% apartment complexes that account for 4,378 apartment units plus 1,033 townhouses and condominiums, 3% commercial property and six industrial properties.

Lindenwold was incorporated as a Borough in 1929. Established primarily as a residential community, Lindenwold still maintains several single family home neighborhoods along with the many apartments and townhouses.

The development of the PATCO high speed line terminal and repair facility prompted much of the development of the multi-family complexes in Lindenwold. Lindenwold also has the Camden County police and fire monitoring center along with the Camden County Public Works Department.

Population census information indicates Lindenwold has experienced a slight increase in population with the 2000 census showing 18,734 residents.

3. **MAJOR INITIATIVES (Grades Pre-K - 12th):** District teachers and administrators have analyzed Grade 3 / 4 ASK test scores to evaluate instructional program needs. As a result of this analysis, and in conjunction with the identification of building level performance objectives for the 2010-2011 school year, the grades K-4 in the district will emphasize the following standards:

Standard 3.1 (Reading) All students will understand and apply the knowledge of sounds, letters, and words in written English to become independent and fluent readers, and will read a variety of materials and texts with fluency and comprehension. Grades K-4 will receive ongoing, sustained professional development in Literacy utilizing the workshop-modeling-coaching format to emphasize and support this standard. Special emphasis will be placed on guided reading during the 90 minute literacy block

Standard 3.2 (Writing) All students will write in clear, concise, organized language that varies in content and form for different audiences and purposes. Grades K-4 will continue to receive inservice training in the implementation of Writer's Workshop during the 90 minute literacy block to emphasize and support this standard.

Standard 4.5 (Mathematical Processes) All students will use mathematical processes of problem solving, communication, connections, reasoning, representations, and technology to solve problems and communicate mathematical ideas. Grades K-4 will receive ongoing, sustained professional development in Everyday Math strategies. Inservice training will focus on higher order problem solving skills in mathematics and the use of rubrics to improve mathematics assessment.

Staff development continues to be a district priority. Inservices in Language Arts Literacy, Science and Mathematics, Technology and Character Education will be offered throughout the School year. The professional development will be provided through a workshop-modeling-coaching format.

Major Initiatives (Grades 5-12): The Lindenwold Board of Education (LBOE) will support and further enhance the full implementation of the Common Core Standards across grade levels and content areas. Curricula, programs, and training will be based upon using the right methods to teach more challenging content within an environment that focuses on student achievement, high expectations, and career development. Innovative approaches to teaching and learning, including Backward Design, differentiated instruction and the rigor relevance framework at all school levels will ensure that our student will succeed and achieve high levels of learning and performance.

After a careful evaluation of performance data with district staff, and in coordination with parents and the County Superintendent's Office, we have identified developmentally appropriate benchmarks and pacing that will lead us toward meeting grade level expectations at the 5th, 6th, 7th, 8th and 12th grade levels. Furthermore, building-level objectives for FY11 have been developed in the areas of mathematics and language arts at the middle and high school levels. In order to accomplish our objectives, we have developed a program that not only focuses on what students should know, but also on what they should be able to do with the acquired knowledge. To that purpose the LBOE will implement and emphasize the following areas:

Curriculum Development

Curricula has been developed and structured across the 5th through 12th continuum to ensure that content and classroom practices concentrate student learning and achievement.

Innovative Program

Freshman Seminar-Senior Mentor

To address a pattern of at-risk performance academically and socially, a freshman seminar has been developed where students receive instruction and support in organization, time management, goal setting and academics from teachers and peer mentors. A supplemental 9th period tutorial is also provided for students at academic risk.

Vocational Programs

These approved vocational/technical programs focus on building school-based and work-based experiences that will further enhance our students' capacity to choose a post secondary career. The following programs are available to our students: Accounting, Computer Aided Drafting, Business Technology, Marketing Education, Video Imaging, Computer Repair and Support, Computer Graphics programs, and Woodworking.

Integrated Language Arts Literacy (5^h – 8th)

This program focuses on reading, writing, speaking, listening and viewing. These will be accomplished through a program that uses guided reading, literacy centers, and the workshop model much like grades K-4. Classes are blocked (60 or 80 minutes), and appropriate materials, classroom libraries and textbooks have been purchased to ensure the effective transition and implementation of the program.

Multi Media Research and Technology (5th – 8th)

This program will provide students with opportunities to use their technology skills within the context of multidisciplinary projects. Students will learn to use their technology skills to research a problem or theme, as well as to produce a product that will not only reflect their understanding of the content but also the effective use of technology.

Staff Development

Staff development will continue to be a district priority. This year through the New Jersey Statewide Systemic Initiative Standards Implementation Grant, Title I, Title II and local funds, the district will

continue to provide over 60 hours of standards based training in Technology, Literacy, Mathematics and Science, grades K - 12th. Professional development will continue throughout the year (coaching and classroom demonstrations) as we continue to use instructional methodologies and standards based materials that have proven to be effective in the area of Literacy, Mathematics and Science. In addition, content area training, uses of technology, integrated teaching, and related professional development opportunities will be provided throughout the year. Finally, the full implementation of UbD and differentiated instruction in all classes will be completed this year.

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits required 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, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year end are either 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 District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These

funds and account groups are explained in "Notes to the Financial Statements", Note 1.

7. FINANCIAL INFORMATION AT FISCAL YEAR -END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

8. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements:", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Government 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 required governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9. 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 funds.

10. OTHER INFORMATION: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman & Company LLP 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 of 1996 and the related OMB Circular A-133 "Audits of State, Local Governments and Non-Profit Organizations" and State of New Jersey Circular 04-04-OMB. The auditor's report on the general purpose financial statements and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of the report.

11. ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Lindenwold Board of Education for the 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.

Respectfully submitted,

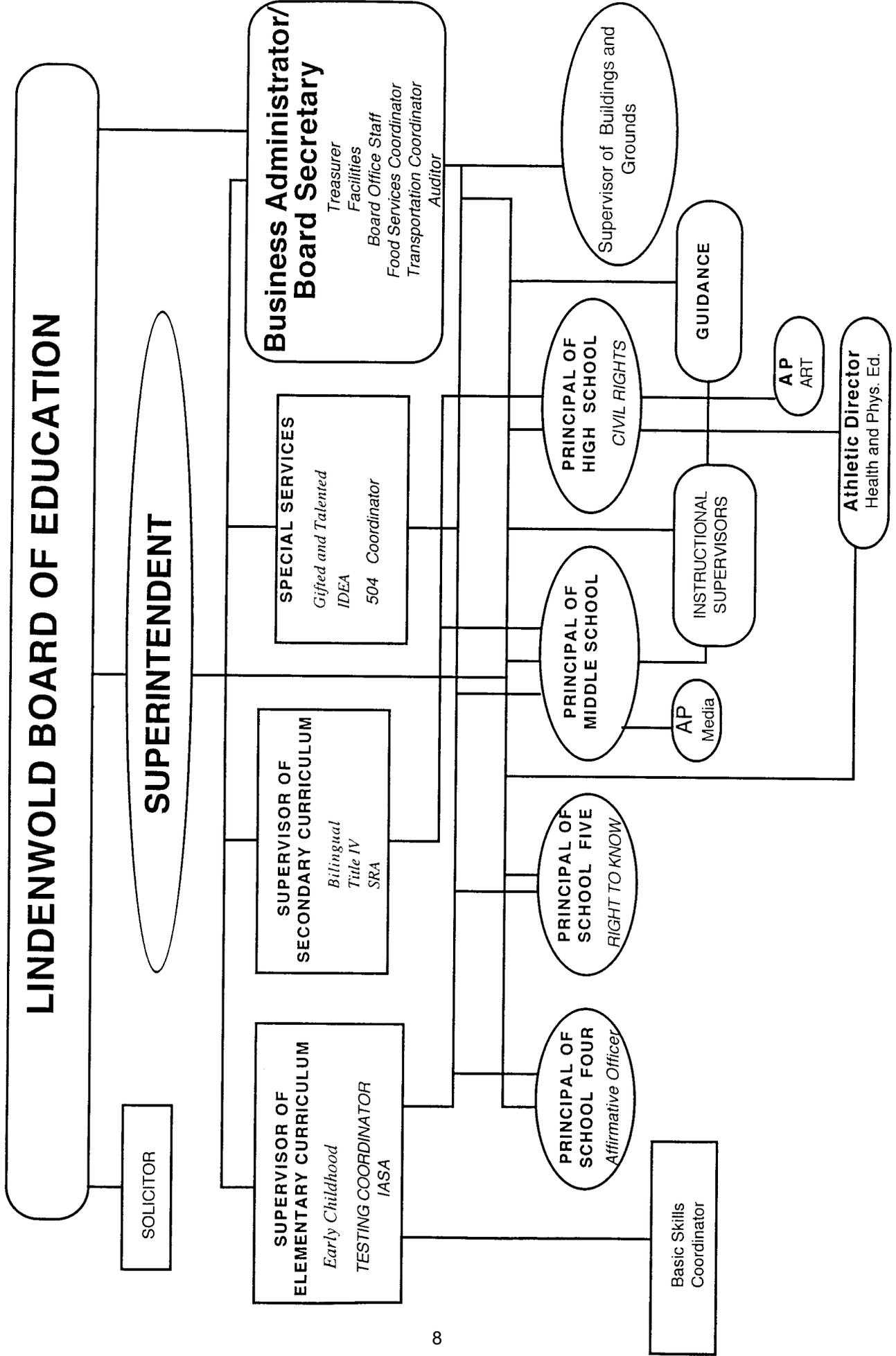


Geraldine Carroll
Superintendent



Renee C. Blizzard
Board Secretary/School Business
Administrator

ORGANIZATIONAL CHART



BOROUGH OF LINDENWOLD SCHOOL DISTRICT
LINDENWOLD, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2011

Members of the Board of Education

Term
Expires

Cathy Ann Moncrief, President	2013
Kevin W. McGahey, Vice President	2013
Pam Bragg	2014
Gil Geary	2014
Alethia Gibbs-Smith	2014
Rita A. Heins	2012
Marsha Hershman	2012
Katie White	2012
Jean Massey	2013

Other Officials

Geraldine R. Carroll, Superintendent
Renee C. Blizzard, Secretary/Business Administrator
Dawn S. Thompson, Treasurer
Wade, Long, Wood & Kennedy., Solicitor

BOROUGH OF LINDENWOLD SCHOOL DISTRICT

LINDENWOLD, NEW JERSEY

CONSULTANTS AND ADVISORS

JUNE 30, 2011

ARCHITECT

Rodier Ebersberger
946 S. Main Street
Williamstown, NJ 08094

AUDIT FIRM

Bowman & Company LLP
Certified Public Accountants
& Consultants
601 White Horse Road
Voorhees, New Jersey 08043

ATTORNEY

Wade, Long, Wood & Kennedy
1250 Chew Landing Road
Laurel Springs, New Jersey 08021

OFFICIAL DEPOSITORY

Beneficial Bank
530 Walnut Street
Philadelphia, PA 19106-3696

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Borough of Lindenwold School District
County of Camden

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 Borough of Lindenwold School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2011, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Borough of Lindenwold School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

In accordance with Government Auditing Standards, we have also issued our report dated November 16, 2011 on our consideration of the Borough of Lindenwold School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Lindenwold School District's basic financial statements. The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and are not a required part of the basic financial statements. In addition, the introductory section, combining statements and related major fund supporting statements and schedules, and statistical section listed in the table of contents are also presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedules of Expenditures of Federal Awards and State Financial Assistance, combining statements and related major fund supporting statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Glen J. Walton
Certified Public Accountant
Public School Accountant
No. 20C00205000

Voorhees, New Jersey
November 16, 2011

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

The Honorable President and
Members of the Board of Education
Borough of Lindenwold School District
County of Camden

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Borough of Lindenwold School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated November 16, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

Management of the Borough of Lindenwold School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Borough of Lindenwold School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over financial reporting.

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

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

Compliance and Other Matters

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Glen J. Walton
Certified Public Accountant
Public School Accountant
No. 20CS00205000

Voorhees, New Jersey
November 16, 2011

REQUIRED SUPPLEMENTARY INFORMATION
PART I

**LINDENWOLD SCHOOL DISTRICT
LINDENWOLD, NEW JERSEY**

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

The discussion and analysis of Lindenwold School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights:

Key financial highlights for 2011 are as follows:

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$8,037,810 (net assets).
- General revenues account for \$38,647,503 in revenue or ninety one percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$4,897,892 or eleven percent of total revenues of \$43,548,511.
- The School District had \$41,365,233 in expenses; only \$4,897,892 of these expenses was offset by program specific charges for services, grants, or contributions. General revenues of \$38,647,503 were not adequate to provide for these programs.
- Among governmental funds, the General Fund had \$36,151,725 in revenues and \$35,185,828 in expenditures. The General Fund's balance increased \$965,897 over 2010. This increase was anticipated by the Board of Education.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Lindenwold School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole School District presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other

**LINDENWOLD SCHOOL DISTRICT
LINDENWOLD, NEW JERSEY**

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

non-major funds presented in total in one column. In the case of Lindenwold School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental activities – all of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation, and extra-curricular activities.
- Business-type activity – this service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

**LINDENWOLD SCHOOL DISTRICT
LINDENWOLD, NEW JERSEY**

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

Reporting the District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

The School District's activities are reported in governmental funds which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. This information is information that has not been presented on the face of the financial statements, for reasons of practicality, but is essential for the financial statements to be fairly presented.

The School District as a Whole

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

**LINDENWOLD SCHOOL DISTRICT
LINDENWOLD, NEW JERSEY**

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

Table 1 provides a summary of the School District's net assets for 2010 and 2011.

**Table 1
Net Assets**

	June 30, 2010	June 30, 2011
Assets		
Current and Other Assets	\$ 6,131,398	\$ 4,893,860
Capital Assets	<u>22,621,365</u>	<u>21,978,208</u>
Total Assets	<u>28,752,763</u>	<u>26,872,068</u>
Liabilities		
Long-term Liabilities	17,038,653	15,997,901
Other Liabilities	<u>5,860,078</u>	<u>2,836,857</u>
Total Liabilities	<u>22,898,731</u>	<u>18,834,758</u>
Net Assets		
Invested in Capital Assets, Net of Debt	5,273,257	5,669,250
Restricted	2,504,335	2,776,274
Unrestricted	<u>(1,923,560)</u>	<u>(408,214)</u>
Total Net Assets	<u>\$ 5,854,032</u>	<u>\$ 8,037,310</u>

The District's combined net assets were \$8,037,310 on June 30, 2011. This was an increase of thirty-seven percent from the prior year.

Total assets decreased \$1,880,695. This decrease was due mainly to a decrease in capital assets for depreciation expense.

Total liabilities decreased \$4,063,973 due to the net effect of one year's long-term debt payments and a decrease in payables due to the state's withholding of the June state aid payment, forcing the district to borrow funds for June 2010.

**LINDENWOLD SCHOOL DISTRICT
LINDENWOLD, NEW JERSEY**

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

Table 2 shows changes in net assets for fiscal year 2011 compared to the fiscal year 2010.

**Table 2
Changes in Net Assets**

	June 30, 2010	June 30, 2011
Revenues		
Program Revenues:		
Charges for Services	\$ 241,376	\$ 189,935
Operating Grants and Contributions	4,253,790	4,707,957
General Revenues:		
Property Taxes	11,683,067	12,095,442
Unrestricted Federal, State and Local Aid	25,826,751	24,790,027
Restricted State Aid	866,829	1,410,480
Tuition		245,963
Other	<u>148,333</u>	<u>108,707</u>
Total Revenues	<u>\$ 43,020,146</u>	<u>\$ 43,548,511</u>
Program Expenses		
Instruction	\$ 21,952,658	\$ 21,193,186
Support Services:		
Tuition	2,141,219	2,181,191
Related Services	5,733,728	5,809,206
School Administrative Services	2,034,921	2,072,514
Other Administrative Services	2,254,724	2,008,080
Operations, and Maintenance of Facilities	4,898,187	4,667,562
Pupil Transportation	1,700,853	1,548,395
Business Services		
Special Schools	99,156	39,213
Interest on Debt	1,047,622	775,353
Other	1,513,806	
Food Service	<u>1,112,903</u>	<u>1,070,533</u>
Total Expenses	<u>44,489,777</u>	<u>41,365,233</u>
Increase(Decrease) in Net Assets	<u>\$ (1,469,631)</u>	<u>\$ 2,183,278</u>

**LINDENWOLD SCHOOL DISTRICT
LINDENWOLD, NEW JERSEY**

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

Program revenues include charges for services and operating grants and contributions. There is a \$454,167 increase in operating grants and contributions due to restructuring of state aid revenues.

General revenues include property taxes, federal and state aids, and other revenues, with federal and state aids being the predominant source of revenue for the District. Federal and state aids increased \$987,265. This increase is due to a change in the funding of the state aid formula.

Property taxes increased \$412,375. The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the District budget and related tax levy.

Total expenses decreased by \$3,124,544.

Governmental Activities

Property taxes made up 28 percent of revenues for governmental activities for the Lindenwold School District for fiscal year 2011. The District's total revenues were \$43,548,511 for the year ended June 30, 2011. Federal, State, and local grants accounted for another 57 percent of revenue.

The total cost of all programs and services was \$41,365,233. Instruction comprises 51 percent of District expenses.

Business-Type Activities

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

- Food service revenue exceeded expenses by \$60,497.
- Revenue from charges for services was \$189,935 which represents 17 percent of total revenue. This represents amounts paid by patrons for daily food service.
- Federal and State revenues for meals including payments for free and reduced lunches and breakfast and donated commodities was \$941,095.

**LINDENWOLD SCHOOL DISTRICT
LINDENWOLD, NEW JERSEY**

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

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3

	Total Cost of Services 2010	Total Cost of Services 2011	Net Cost of Services 2010	Net Cost of Services 2011
Instruction	\$ 21,952,658	\$ 21,193,186	\$ 20,347,086	\$ 19,019,666
Support Services:				
Pupils and Instructional Staff	7,874,947	7,990,397	6,094,801	6,199,667
General Administration, School Administration, Business Operation and Maintenance of Facilities	4,289,645	4,080,594	4,289,645	4,080,594
Pupil Transportation	4,898,187	4,667,562	4,873,053	4,618,987
Special Schools	1,700,853	1,548,395	1,700,853	1,548,395
Interest and Fiscal Charges	99,156	39,213	99,156	39,213
	1,047,622	775,353	1,047,622	470,126
Total Expenses	\$ 41,863,068	\$ 40,294,700	\$ 38,452,216	\$ 35,976,648

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student including extra-curricular activities.

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

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

**LINDENWOLD SCHOOL DISTRICT
LINDENWOLD, NEW JERSEY**

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

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

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

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$42,707,433 and expenditures were \$40,896,646. The net increase in fund balance for the year was \$1,810,787.

General Fund Budgeting Highlights

The School District's budget is prepared according to New Jersey law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General fund.

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the State's contribution to the pension fund, is neither a revenue item nor an expenditure item to the District but is required to be reflected in the financial statements.
- Increases in facilities expenditures required funds to be transferred to prevent over-expenditures.
- Reductions were made to the instructional supply and textbook accounts at the end of the school year after all instructional purchases had been made. These funds helped offset other accounts that were nearing over-expenditure.

**LINDENWOLD SCHOOL DISTRICT
LINDENWOLD, NEW JERSEY**

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

Capital Assets

At the end of the fiscal year 2011, the School District had \$21,978,208 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2011 balances compared to 2010.

**Table 4
Capital Assets (Net of Depreciation) at June 30**

	<u>2010</u>	<u>2011</u>
Land	\$ 1,998,297	\$ 1,998,297
Construction in Progress		
Site improvements	794,940	898,882
Building and Building Improvements	18,223,675	17,571,227
Machinery and Equipment	<u>1,470,668</u>	<u>1,394,969</u>
Total	<u>\$ 22,487,580</u>	<u>\$ 21,863,375</u>

Overall capital assets decreased \$624,205 from fiscal year 2010 to fiscal year 2011. The decrease in capital assets is due to the net effect of the 2011 asset additions, depreciation expense, and write-offs for the year. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

At June 30, 2011, the School District had \$17,369,144 of outstanding debt. Of this amount, \$854,144 is for compensated absences and \$16,515,000 of serial bonds for school construction.

**Table 5
Outstanding Bond Debt at June 30**

	<u>2010</u>	<u>2011</u>
July 30, 2003	\$ 1,035,000	\$ 910,000
January 11, 2007	<u>16,535,000</u>	<u>15,605,000</u>
Total	<u>\$ 17,570,000</u>	<u>\$ 16,515,000</u>

**LINDENWOLD SCHOOL DISTRICT
LINDENWOLD, NEW JERSEY**

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

For the Future

The Lindenwold School District is in good financial condition presently. The School District is proud of its community support of the public schools. A major concern is the continued enrollment growth of the District in the state of the economy that we are faced with today. Our district has implemented tax decreases for the past two budget years in an effort to take the burden off of the community as much as possible. However, state and federal funding issues present us with a challenge in our future.

In conclusion, the Lindenwold School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges in the future.

Contacting the School District's Financial Management

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Question concerning any of the information provided in this report or requests for additional financial information should be addressed to the Lindenwold School District Business Administrator, 801 Egg Harbor Road, Lindenwold, New Jersey, 08021, telephone number (856)-783-0276.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Board of Education of the Lindenwold Public Schools
Statement of Net Assets
June 30, 2011

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 439,589	\$ 330,698	\$ 770,287
Receivables, net	2,721,310	57,429	2,778,739
Inventory		10,638	10,638
Restricted Assets:			
Restricted Cash and Cash Equivalents	200,293		200,293
Capital Reserve Account - Cash	927,860		927,860
Bond Issuance Costs	206,043		206,043
Capital Assets, net (Note 6)	<u>21,863,375</u>	<u>114,833</u>	<u>21,978,208</u>
Total Assets	<u>26,358,470</u>	<u>513,598</u>	<u>26,872,068</u>
LIABILITIES:			
Accounts Payable	502,532	17,523	520,055
Deferred Revenue	945,559		945,559
Noncurrent Liabilities (Note 7):			
Due within One Year	1,371,243		1,371,243
Due beyond One Year	<u>15,997,901</u>		<u>15,997,901</u>
Total Liabilities	<u>18,817,235</u>	<u>17,523</u>	<u>18,834,758</u>
NET ASSETS:			
Invested in Capital Assets, Net of Related Debt	5,554,417	114,833	5,669,250
Restricted for:			
Debt Service			
Capital Projects	1,662,690		1,662,690
Other Purposes	1,113,584		1,113,584
Unrestricted (Deficit)	<u>(789,456)</u>	<u>381,242</u>	<u>(408,214)</u>
Total Net Assets	<u>\$ 7,541,235</u>	<u>\$ 496,075</u>	<u>\$ 8,037,310</u>

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

Board of Education of the Lindenwold Public Schools
Statement of Activities
For the Fiscal Year Ended June 30, 2011

Functions / Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 14,661,654	\$ 245,963	\$ 603,048	\$ (14,058,606)	\$	\$ (14,058,606)
Special Education	3,729,694		132,922	(3,350,809)		(3,350,809)
Other Special Instruction	2,801,838		1,191,587	(1,610,251)		(1,610,251)
Support Services:						
Tuition	2,181,191		660,763	(1,520,428)		(1,520,428)
Student and Instruction Related Services	5,809,206		1,129,967	(4,679,239)		(4,679,239)
General Administrative Services	813,817			(813,817)		(813,817)
School Administrative Services	2,072,514			(2,072,514)		(2,072,514)
Central Services	653,911			(653,911)		(653,911)
Administrative Information Technology	540,352			(540,352)		(540,352)
Plant Operations and Maintenance	4,667,562		48,575	(4,618,987)		(4,618,987)
Pupil Transportation	1,548,395			(1,548,395)		(1,548,395)
Special Schools	39,213			(39,213)		(39,213)
Interest on Long-Term Debt	775,353		305,227	(470,126)		(470,126)
Total Governmental Activities	40,294,700	245,963	4,072,089	(35,976,648)		(35,976,648)
Business-Type Activities:						
Food Service	1,070,533	189,935	941,095		\$ 60,497	\$ 60,497
Total Business-Type Activities	1,070,533	189,935	941,095		60,497	60,497
Total Primary Government	\$ 41,365,233	\$ 435,898	\$ 5,013,184	(35,976,648)	60,497	(35,916,151)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				11,010,144		11,010,144
Taxes Levied for Debt Service				1,085,298		1,085,298
Federal, State and Local Aid Not Restricted				24,484,800		24,484,800
State Aid Restricted				1,410,480		1,410,480
Interest Income				48,600	3,116	51,716
Miscellaneous Income				56,991		56,991
Total General Revenues, Special Items, Extraordinary Items and Transfers				38,096,313	3,116	38,099,429
Change in Net Assets				2,119,665	63,613	2,183,278
Net Assets -- July 1				5,421,570	432,462	5,854,032
Net Assets -- June 30				\$ 7,541,235	\$ 496,075	\$ 8,037,310

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

FUND FINANCIAL STATEMENTS

Board of Education of the Lindenwold Public Schools
Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 439,589		\$ 200,293		\$ 639,882
Capital Reserve Account	927,860				927,860
Accounts Receivable					
State	214,838		687,607		902,445
Federal		\$ 1,608,162			1,608,162
Intergovernmental					
Other	210,703				210,703
Interfund	673,869				673,869
Total Assets	\$ 2,466,859	\$ 1,608,162	\$ 887,900	\$ -	\$ 4,962,921
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 449,278	\$ 53,254			\$ 502,532
Interfund Payable		673,869			673,869
Deferred Revenue		945,559			945,559
Total Liabilities	449,278	1,672,682			2,121,960
Fund Balances:					
Restricted:					
Capital Reserve Account	777,383				777,383
Emergency Reserve	150,477				150,477
Excess Surplus--Designated for Subsequent Year's					
Expenditures	463,118				463,118
Excess Surplus	499,989				499,989
Capital Projects			887,900		887,900
Assigned:					
Other Purposes	1,500,292				1,500,292
Unassigned	(1,373,678)	(64,520)			(1,438,198)
Total Fund Balances	2,017,581	(64,520)	887,900		2,840,961
Total Liabilities and Fund Balances	\$ 2,466,859	\$ 1,608,162	\$ 887,900	\$ -	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$37,932,386 and the accumulated depreciation is \$16,069,011.

21,863,375

Bond Issuance costs

206,043

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.

17,369,144

Net assets of governmental activities

\$ 7,541,235

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

Board of Education of the Lindenwold Public Schools
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2011

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES:					
Local Tax Levy	\$ 11,010,144			\$ 1,085,298	\$ 12,095,442
Interest	48,600				48,600
Tuition	245,963				245,963
Unrestricted Miscellaneous Revenues	56,991				56,991
State Sources	24,683,264	\$ 540,744	\$ 681,274	729,206	26,634,488
Federal Sources	106,763	3,226,118			3,332,881
Total Revenues	36,151,725	3,766,862	681,274	1,814,504	42,414,365
EXPENDITURES:					
Current:					
Regular Instruction	10,030,041	536,749			10,566,790
Special Education Instruction	2,585,784	118,309			2,704,093
Other Special Instruction	1,148,635	1,060,585			2,209,220
Community Services Programs / Operations					
Support Services and Undistributed Costs:					
Tuition	1,520,428	660,763			2,181,191
Student and Instruction Related Services	3,356,378	1,005,740			4,362,118
General Administrative Services	585,307				585,307
School Administrative Services	1,490,578				1,490,578
Central Services	653,911				653,911
Administrative Information Technology	540,352				540,352
Plant Operations and Maintenance	3,356,968				3,356,968
Pupil Transportation	1,113,625				1,113,625
Unallocated Benefits	7,989,588	369,955			8,359,543
Special Schools	39,213				39,213
Debt Service:					
Principal				1,055,000	1,055,000
Interest and Other Charges				759,504	759,504
Capital Outlay	481,952	48,575	95,638		626,165
Total Expenditures	34,892,760	3,800,676	95,638	1,814,504	40,603,578
Excess (Deficiency) of Revenues over Expenditures	1,258,965	(33,814)	585,636	-	1,810,787
OTHER FINANCING SOURCES (USES):					
Operating Transfers In			293,068		293,068
Operating Transfers Out	(293,068)				(293,068)
Total Other Financing Sources (Uses)	(293,068)		293,068		-
Net Change in Fund Balances	965,897	(33,814)	878,704	-	1,810,787
Fund Balance -- July 1	1,051,684	(30,706)	9,196	-	1,030,174
Fund Balance -- June 30	\$ 2,017,581	\$ (64,520)	\$ 887,900	\$ -	\$ 2,840,961

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

Board of Education of the Lindenwold Public Schools
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2011

Total Net Change in Fund Balances - Governmental Funds	\$	1,810,787
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 depreciation exceeded capital outlays in the period.		
Depreciation Expense	\$	1,057,986
Capital Outlays not being depreciated		(192,384)
Capital Outlays		<u>626,165</u>
		(624,205)
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.		
		1,055,000
Bond issuance 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. This is the current year amortization of these costs.		
		(15,849)
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 (+).		
		<u>(106,068)</u>
Change in Net Assets of Governmental Activities	<u>\$</u>	<u>2,119,665</u>

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

Board of Education of the Lindenwold Public Schools
Statement of Net Assets
Proprietary Funds
June 30, 2011

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 330,698
Accounts Receivable:	
State	1,101
Federal	56,328
Inventories	<u>10,638</u>
Total Current Assets	<u>398,765</u>
Noncurrent Assets:	
Furniture, Machinery and Equipment	389,691
Less Accumulated Depreciation	<u>(274,858)</u>
Total Noncurrent Assets	<u>114,833</u>
Total Assets	<u><u>\$ 513,598</u></u>
LIABILITIES :	
Current Liabilities:	
Accounts Payable	<u>17,523</u>
Total Current Liabilities	<u>17,523</u>
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	114,833
Unrestricted Net Assets	<u>381,242</u>
Total Net Assets	<u>496,075</u>
	<u><u>\$ 513,598</u></u>

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

Board of Education of the Lindenwold Public Schools
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

	<u>Business-Type Activities - Enterprise Fund</u>
	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 131,887
Daily Sales - Non-Reimbursable Programs	49,778
Special Functions	<u>8,270</u>
Total Operating Revenues	<u>189,935</u>
OPERATING EXPENSES:	
Salaries	327,909
Employee Benefits	93,449
Supplies and Materials	34,156
Cost of Sales	541,675
Management Fee	41,459
Repairs and Maintenance	12,933
Depreciation	<u>18,952</u>
Total Operating Expenses	<u>1,070,533</u>
Operating Income (Loss)	<u>(880,598)</u>
NONOPERATING REVENUES:	
State Sources:	
State School Lunch Program	14,975
Federal Sources:	
After School Snack Program	11,976
National School Lunch Program	701,848
School Breakfast Program	143,843
United States Department of Agriculture Commodities	48,187
Food Service Equipment Grant	20,266
Interest and Investment Revenue	<u>3,116</u>
Total Nonoperating Revenues	<u>944,211</u>
Change in Net Assets	63,613
Total Net Assets -- July 1	<u>432,462</u>
Total Net Assets -- June 30	<u><u>\$ 496,075</u></u>

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

Board of Education of the Lindenwold Public Schools
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 189,935
Payments to Employees	(327,909)
Payments for Employee Benefits	(93,449)
Payments to Suppliers	<u>(593,997)</u>
Net Cash Provided by (used for) Operating Activities	<u>(825,420)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Cash Received from Federal and State Reimbursements	<u>899,165</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>899,165</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchase of Capital Assets	<u>-</u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and Dividends	<u>3,116</u>
Net Cash Provided by (used for) Investing Activities	<u>3,116</u>
Net Increase (Decrease) in Cash and Cash Equivalents	76,861
Balances -- July 1	<u>253,837</u>
Balances -- June 30	<u><u>\$ 330,698</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)	
by Operating Activities:	
Operating Income (Loss)	\$ (880,598)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	18,952
Federal Commodities	48,187
(Increase) Decrease in Inventories	317
Increase (Decrease) in Other Current Liabilities	<u>(12,278)</u>
Total Adjustments	<u>55,178</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (825,420)</u></u>

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

Board of Education of the Lindenwold Public Schools
 Fiduciary Funds
 Combining Statement of Fiduciary Net Assets
 June 30, 2011

	Trust Funds			Agency Funds		
	<u>Unemployment Compensation</u>	<u>Private Purpose</u>	<u>Total Trust Fund</u>	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Fund</u>
ASSETS:						
Cash and Cash Equivalents	\$ 382,108	\$ 5,395	\$ 387,503	\$ 237,033	\$ 216,395	\$ 453,428
Total Assets	<u>382,108</u>	<u>5,395</u>	<u>387,503</u>	<u>237,033</u>	<u>216,395</u>	<u>453,428</u>
LIABILITIES:						
Payable to Student Groups				237,033		237,033
Payroll Deductions and Withholdings					216,287	216,287
Interfund Accounts Payable Due General Fund					<u>108</u>	<u>108</u>
Total Liabilities				<u>\$ 237,033</u>	<u>\$ 216,395</u>	<u>\$ 453,428</u>
NET ASSETS:						
Reserved	<u>382,108</u>	<u>5,395</u>	<u>387,503</u>			
Total Net Assets	<u>\$ 382,108</u>	<u>\$ 5,395</u>	<u>\$ 387,503</u>			

Board of Education of the Lindenwold Public Schools
 Fiduciary Funds
 Combining Statement of Changes in Fiduciary Net Assets
 For the Fiscal Year Ended June 30, 2011

	Unemployment Compensation Trust	Private Purpose Scholarship Trust
ADDITIONS:		
Contributions:		
Employer Contribution	\$ 177,498	
Employee Withholdings	33,196	
Donor Contribution		\$ 500
Total Contributions	<u>210,694</u>	<u>500</u>
Investment Earnings:		
Interest	<u>3,020</u>	<u>57</u>
Net Investment Earnings	<u>3,020</u>	<u>57</u>
Total Additions	<u>213,714</u>	<u>557</u>
DEDUCTIONS:		
Unemployment Compensation		
Insurance Claims	163,578	
Administrative Expenses		
Scholarships Awarded		<u>500</u>
Total Deductions	<u>163,578</u>	<u>500</u>
Change in Net Assets	50,136	57
Net Assets -- July 1	<u>331,972</u>	<u>5,338</u>
Net Assets -- June 30	<u>\$ 382,108</u>	<u>\$ 5,395</u>

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity - The Borough of Lindenwold School District (hereafter referred to as the "School District") is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to educate students in grades kindergarten - 12 at the School District's four schools. The Borough of Lindenwold School District has an approximate enrollment at June 30, 2011 of 2,317.

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

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

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

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

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

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

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

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

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

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenues from the 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 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 New Jersey Economic Development Authority grants, temporary notes, or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

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

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

Enterprise Funds - The Enterprise Funds are used to account for operations:

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

The School District's Enterprise Funds are:

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

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

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

Equipment	15 Years
Trucks and Vehicles	5-10 Years

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

Measurement Focus

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

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

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

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

Basis of Accounting

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

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

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

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

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

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

Budgets / Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-2.3.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the 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 budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3 includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the General Fund Budgetary Comparison Schedule and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment.

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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

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

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

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

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

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

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

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

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

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

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

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

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	10-20 Years	N/A
Buldings and Improvements	20-50 Years	N/A
Furniture and Equipment	5-15 Years	15 Years

Accrued Salaries and Wages - Certain School District employees, who provide services to the School District over the ten-month academic year, have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2011, the amounts earned by these employees were disbursed to the employees' own individual credit union accounts.

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

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

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

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

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

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

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

Fund Balance Reserves - The School District reserves portions of fund balance which are legally segregated for specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation for expenditures. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Fund balance reserves are established for encumbrances, legally restricted appropriations, excess surplus, and capital reserve account.

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

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

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

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

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

Unassigned - The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

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

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

Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund.

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

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

Note 2: CASH AND CASH EQUIVALENTS

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

As of June 30, 2011, the School District's bank balance of \$4,273,188 was exposed to custodial credit risk as follows:

Insured	\$ 1,000,000
Collateralized under GUDPA	2,864,023
Uninsured/Uncollateralized	<u>409,165</u>
	<u><u>4,273,188</u></u>

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Borough of Lindenwold School District by inclusion of \$1 on October, 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.

Note 3: CAPITAL RESERVE ACCOUNT (CONT'D)

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

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

Beginning balance July 1, 2010	\$ 713,643
Deposits	356,808
Withdrawals	<u>293,068</u>
Ending balance June 30, 2011	<u>\$ 777,383</u>

The June 30, 2011 LRFP balance of local support costs of uncompleted capital projects at June 30, 2011 is \$1,953,415.

Note 4: RECEIVABLES

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Enterprise Funds</u>	<u>Total</u>
Intergovernmental	\$ 425,541	\$ 1,608,162	\$ 687,607	\$ 57,429	\$ 2,778,739
Total	<u>\$ 425,541</u>	<u>\$ 1,608,162</u>	<u>\$ 687,607</u>	<u>\$ 57,429</u>	<u>\$ 2,778,739</u>

Note 5: INVENTORY

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

Food	\$ 9,307
Supplies	<u>1,331</u>
Balance June 30, 2011	<u>\$ 10,638</u>

Note 6: CAPITAL ASSETS

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

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2011</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 1,998,297			\$ 1,998,297
Construction in Progress				-
				-
Total Capital Assets not being Depreciated	<u>1,998,297</u>	<u>-</u>	<u>-</u>	<u>1,998,297</u>
Capital Assets, being Depreciated:				
Site Improvements	2,080,121	\$ 192,192		2,272,313
Building and Improvements	28,758,905			28,758,905
Equipment	4,661,282	241,589		4,902,871
Total Capital Assets, being Depreciated	<u>35,500,308</u>	<u>433,781</u>		<u>35,934,089</u>
Less Accumulated Depreciation for:				
Land Improvements	(1,285,181)	(88,250)		(1,373,431)
Building and Improvements	(10,535,230)	(652,448)		(11,187,678)
Equipment	(3,190,614)	(317,288)		(3,507,902)
Total Accumulated Depreciation	<u>(15,011,025)</u>	<u>(1,057,986)</u>	<u>-</u>	<u>(16,069,011)</u>
Total Capital Assets, being Depreciated, Net	<u>20,489,283</u>	<u>(624,205)</u>	<u>-</u>	<u>19,865,078</u>
Governmental Activities Capital Assets, Net	<u>\$ 22,487,580</u>	<u>\$ (624,205)</u>	<u>-</u>	<u>\$ 21,863,375</u>
Business-Type Activities:				
Total Capital Assets, being Depreciated:				
Equipment	\$ 389,691			\$ 389,691
Less Accumulated Depreciation	(255,906)	\$ (18,952)		(274,858)
Total Business-Type Activities Capital Assets, Net	<u>\$ 133,785</u>	<u>\$ (18,952)</u>	<u>-</u>	<u>\$ 114,833</u>

Note 6: CAPITAL ASSETS (CONT'D)

* Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 615,304
Student and Instruction Related Services	150,038
General and Business Administrative Services	92,797
Plant Operations and Maintenance	150,065
Pupil Transportation	<u>49,782</u>
Total Depreciation Expense	<u>\$ 1,057,986</u>

Note 7: LONG-TERM OBLIGATIONS

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

	<u>Outstanding</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding</u> <u>June 30, 2011</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 17,570,000		\$ (1,055,000)	\$ 16,515,000	\$ 1,115,000
Compensated Absences	<u>748,076</u>	<u>\$ 215,398</u>	<u>(109,330)</u>	<u>854,144</u>	<u>256,243</u>
Governmental Activity Long-term Liabilities	<u>\$ 18,318,076</u>	<u>\$ 215,398</u>	<u>\$ (1,164,330)</u>	<u>\$ 17,369,144</u>	<u>\$ 1,371,243</u>

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are general obligation bonds.

<u>Date of Issue</u>	<u>Amount</u> <u>of Issue</u>	<u>Maturities</u>	<u>Interest</u> <u>Rate</u>	<u>Amount</u>
2003	\$ 1,515,000	2012 to 2020	5.35	\$ 910,000
2005	17,945,000	2012 to 2025	2.75-5.00	<u>15,605,000</u>
				<u>\$ 16,515,000</u>

Note 7: LONG-TERM OBLIGATIONS (CONT'D)**Bonds Payable (Cont'd)**

Principal and interest due on bonds outstanding is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 1,115,000	\$ 705,673	\$ 1,820,673
2013	1,145,000	653,585	1,798,585
2014	1,155,000	600,023	1,755,023
2015	1,210,000	541,004	1,751,004
2016	1,245,000	486,826	1,731,826
2017-2021	5,965,000	1,732,000	7,697,000
2022-2025	4,680,000	507,056	5,187,056
	<u>\$ 16,515,000</u>	<u>\$ 5,226,167</u>	<u>\$ 21,741,167</u>

Bonds Authorized But Not Issued - As of June 30, 2011, the School District had no authorized but not issued bonds.

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

Note 8: LEASES

Lease Obligations - At June 30, 2011, the School District had operating lease agreements in effect for the following:

Copiers
Postage Machines

Future minimum rental payments under operating lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2012	\$ 30,419
2013	13,525
2014	6,151
2015	1,924
	<u>\$ 129,921</u>

Rental payments under operating leases for the fiscal year ended June 30, 2011 were \$77,902

Note 9: PENSION PLANS

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

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

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund is a single-employer contributory defined benefit pension plan which was established on January 1, 1955. The TPAF provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:6C.

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF are required to contribute 5% of their annual covered salary. N.J.S.A. 43:15A-24 authorizes the reduction in member rates based on the existence of surplus pension assets in the retirement system. The contribution rate for TPAF members effective January 1, 2004 was 5%.

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

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System are required to contribute 5% of their annual covered salary. N.J.S.A. 43:15A-24 authorizes the reduction in member rates based on the existence of surplus pension assets in the retirement system. The contribution rate for PERS members was 3% for calendar year 2004. Effective January 1, 2005, the member contribution rate returned to the normal rate of 5%. The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Public Employees Retirement System

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by District</u>
2010	\$ 114,334	\$ 182,184	\$ 296,518	-	\$ 296,518
2009	91,653	117,764	209,417	-	209,417
2008	119,099	91,783	210,882	\$ 42,176	168,706
2007	108,305	56,241	164,546	65,818	98,728
2006	114,800	31,577	146,377	87,826	58,551

Note 10: POSTEMPLOYMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2010, there were 80,181 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.

The State made post-retirement (PRM) contributions of \$592.7 million for TPAF and \$224.3 million for PERS in fiscal year 2010.

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 school district or county college with 25 years of service. The State paid \$116.0 million toward Chapter 126 benefits for 12,545 eligible retired members in Fiscal Year 2010.

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2011, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement costs were \$49,023 and \$1,041,247, respectively.

Note 12: RISK MANAGEMENT

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

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

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

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

<u>Fiscal Year Ended June 30,</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011	\$ 177,498	\$ 36,216	\$ 163,578	\$ 382,108
2010	272,100	32,686	109,680	331,972
2009	70,000	31,698	99,706	136,866

Note 13: DEFERRED COMPENSATION

The School District offers its employees a choice of (5) deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by a third party administrator, OMNI Group, Inc., 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 choices are as follows:

MetLife
 Fidelity Investments
 Lincoln Investments Planning, Inc.
 Lincoln Financial Advisors

Note 14: COMPENSATED ABSENCES

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

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2011, the liability for compensated absences was \$854,144.

Note 15: INTERFUND RECEIVABLES AND PAYABLES

Transfers between funds are used to repay expenses paid by another fund. The following interfund balances were recorded on the various balance sheets as June 30, 2011:

General	\$ 673,869		
Special Revenue	\$ 673,869	\$	673,869
	\$ 673,869	\$	673,869

Note 16: DEFICIT FUND BALANCES

The School District has a deficit fund balance of \$1,373,678 in the General Fund and \$64,520 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, school districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the General and Special Revenue Fund balance deficit does not alone indicate that the school district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$1,438,198 is less than the last state aid payments.

Note 17: DEFICIT UNRESTRICTED NET ASSETS

The governmental funds have a deficit in unrestricted net assets of \$1,438,198 as of June 30, 2011. This deficit is due primarily to the timing difference of recording the last state aid payment.

Note 18: FUND BALANCES**RESTRICTED**

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

General Fund -

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of 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 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 \$963,107.

For Capital Reserve Account - As of June 30, 2011, the balance in the capital reserve account is \$777,383. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Emergency Reserve - As of June 30, 2011, the balance in the emergency reserve is \$150,477. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1).

Note 18: FUND BALANCES (CONT'D)**General Fund -**

Capital Projects Fund - In the 2011 school year, the School District approved projects for the middle school and both elementary schools. A project to install security cameras and card swipe access was approved for all three schools. School 4 and school 5 were also approved for partial roof replacement and playground installation. As of June 30, 2011, the restricted fund balance amount was \$887,900.

ASSIGNED

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

General Fund -

Other Purposes - As of June 30, 2011, the School District had \$1,500,292 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

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

General Fund - As of June 30, 2011, \$(1,373,678) of general fund balance was unassigned.

Special Revenue Fund - As of June 30, 2011, the fund balance of the special revenue fund was a deficit of \$64,250, thus resulting in the fund balance classification of unassigned. The deficit is a result from a delay in the payment of state aid until the following fiscal year. As stated in note 15, since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties. The unassigned deficit on the GAAP financial statements of \$64,520 is less than the last state aid payment.

Note 19: LITIGATION

The School District is occasionally involved in certain legal claims arising in the ordinary course of operations. Management believes that the ultimate settlement of such claims will not exceed its insurance coverage, and therefore will have no material effect on the School District's financial position.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

Board of Education of the Lindenwold Public Schools
 Required Supplementary Information
 Budgetary Comparison Schedule

General Fund
 For the Fiscal Year Ended June 30, 2011

REVENUES:	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Local Sources:					
Local Tax Levy	\$ 11,010,144		\$ 11,010,144	\$ 11,010,144	
Interest	15,000		15,000	48,600	\$ 33,600
Tuition		1,000	1,000	245,963	244,963
Unrestricted Misc. Revenues	35,000	(1,000)	34,000	56,991	22,991
Total - Local Sources	11,060,144		11,060,144	11,361,698	301,554
State Sources:					
Equalization Aid					
Categorical Transportation Aid	21,402,084	(422,013)	20,980,071	20,980,071	
Categorical Security Aid					
Categorical Special Education Aid	721,863	422,013	1,143,876	1,143,876	
Extraordinary Aid	35,000		35,000	138,655	103,655
Nonpublic Transportation Aid					
On-Behalf T.P.A.F. - Pension Contributions (non-budgeted)				15,497	15,497
On-Behalf T.P.A.F. - Post Retirement Medical Contributions (non-budgeted)				49,023	49,023
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,041,247	1,041,247
Total - State Sources	22,158,947		22,158,947	24,598,716	2,439,769
Federal Sources:					
Medicaid Reimbursement	59,651		59,651	106,763	47,112
Total - Federal Sources	59,651		59,651	106,763	47,112
Total Revenues	33,278,742		33,278,742	36,067,177	2,788,435

(Continued)

Board of Education of the Lindenwold Public Schools
 Required Supplementary Information
 Budgetary Comparison Schedule

General Fund
 For the Fiscal Year Ended June 30, 2011

EXPENDITURES:	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:	\$ 607,597	\$ (21,256)	\$ 586,341	\$ 586,341	
Preschool/Kindergarten	2,660,096	(108,531)	2,551,565	2,551,565	
Grades 1-5	2,845,927	(32,641)	2,813,286	2,813,286	
Grades 6-8	2,724,033	(162,962)	2,561,071	2,561,071	
Grades 9-12					
Regular Programs - Home Instruction:					
Salaries of Teachers	6,000	2,175	8,175	8,175	
Purchased Professional/Educational Services	12,000	13,686	25,686	25,686	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	83,073	22,985	106,058	106,058	
Purchased Professional/Educational Services	324,465	4,521	328,986	328,986	
Purchased Technical Services	5,500	(5,500)			
Other Purchased Services	104,000	(20,898)	83,102	78,214	4,888
General Supplies	644,316	759,870	1,404,186	871,099	533,087
Textbooks	93,509	3,340	96,849	95,004	1,845
Other Objects	11,462	(6,906)	4,556	4,556	
Total Regular Programs	10,121,978	447,883	10,569,861	10,030,041	539,820
Special Education - Instruction:					
Learning and Language Disabled:					
Salaries of Teachers	156,076	1,877	157,953	157,953	
Other Salaries for Instruction	35,308	382	35,690	35,690	
General Supplies	6,025	(3,448)	2,577	2,577	
Total Learning and Language Disabled	197,409	(1,189)	196,220	196,220	
Visual Impairments					
Purchased Professional/Educational Services	17,000	(6,800)	10,200	10,200	
Total Visual Impairments	17,000	(6,800)	10,200	10,200	
Behavioral Disabilities					
Salaries of Teacher	158,485	2,624	161,109	161,109	
Other Salaries for Instruction	58,420	11,407	69,827	69,827	
Purchased Professional/Educational Services	4,500				
General Supplies	2,200	(1,150)	1,050	1,050	
Total Behavioral Disabilities	223,605	12,881	231,986	231,986	
Multiple Disabilities					
Salaries of Teacher	361,933	55,948	417,881	417,881	
Other Salaries for Instruction	126,395	16,128	142,523	142,523	
Purchased Professional/Educational Services	4,500	(4,500)			
General Supplies	3,850	(1,753)	2,097	2,097	
Total Multiple Disabilities	496,678	65,823	562,501	562,501	
Resource Room/ Resource Center					
Salaries of Teachers	1,352,061	8,508	1,360,569	1,360,569	
Other Salaries for Instruction	62,019	(12,360)	49,659	49,659	
General Supplies	6,948	24,964	31,912	31,912	
Total Resource Room/ Resource Center	1,421,028	21,112	1,442,140	1,442,140	

(Continued)

Board of Education of the Lindenwold Public Schools
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Preschool Disabilities - Part Time					
Salaries of Teachers		\$ 75,825	\$ 75,825	\$ 75,825	
Other Salaries for Instruction		37,494	37,494	37,494	
General Supplies					
Total Preschool Disabilities - Part Time		113,319	113,319	113,319	
Home Instruction					
Salaries of Teachers	\$ 15,000	(1,940)	13,060	13,060	
Purchased Professional - Educational Services	20,000	(3,642)	16,358	16,358	
Total Home Instruction	35,000	(5,582)	29,418	29,418	
Total Special Education - Instruction	2,390,720	199,564	2,585,784	2,585,784	
Basic Skills/Remedial - Instruction					
Salaries of Teachers	369,939	(29,654)	340,285	340,285	
Other Salaries for Instruction	22,102	(446)	21,656	21,656	
Total Basic Skills/ Remedial - Instruction	392,041	(30,100)	361,941	361,941	
Bilingual Education - Instruction					
Salaries of Teachers	187,154	2,222	189,376	189,376	
Total Bilingual Education - Instruction	187,154	2,222	189,376	189,376	
School Sponsored Cocurricular Activities - Instruction					
Salaries of Teachers	111,143	14,480	125,623	125,623	
Purchased Services	16,370	8,552	24,922	22,302	\$ 2,620
Supplies and Materials	48,340	19,398	67,738	38,115	29,623
Total School Sponsored Cocurricular Activities - Instruction	175,853	42,430	218,283	186,040	32,243
School Sponsored Athletics - Instruction					
Salaries	282,437	25,918	308,355	308,355	
Purchased Services	99,680	(71,317)	28,363	28,363	
Supplies & Materials	42,545	27,164	69,709	48,048	21,661
Other Objects	53,750	(26,128)	27,622	26,512	1,110
Total School Sponsored Athletics - Instruction	478,412	(44,363)	434,049	411,278	22,771
Total Instruction	13,746,158	617,636	14,359,294	13,764,460	594,834

(Continued)

Board of Education of the Lindenwold Public Schools
 Required Supplementary Information
 Budgetary Comparison Schedule

General Fund
 For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular	\$ 125,000	\$ (24,243)	\$ 100,757	\$ 55,183	\$ 45,574
Tuition to Other LEA's Within State - Special	21,240		69,158	29,529	
Tuition to CSSD - Regular	142,500		133,950	133,950	8,550
Tuition to CSSD and Regional Day Schools	880,196	(301,855)	578,341	460,510	117,831
Tuition to Private Schools for the Disabled - Within State	744,434	69,899	814,333	670,009	144,324
Tuition - State Facilities	171,247		171,247	171,247	
Total Undistributed Expenditures - Instruction	2,084,617	(256,199)	1,876,336	1,520,428	316,279
Undistributed Expenditures - Health Services:					
Salaries	207,761	19,094	226,855	226,855	
Purchased Professional and Technical Services	1,125	(751)	374	374	
Supplies and Materials	7,278	2,980	10,258	9,824	434
Other Objects	350	(107)	243	243	
Total Undistributed Expenditures - Health Services	216,514	21,216	237,730	237,296	434
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Salaries	251,897	(1,749)	250,148	249,654	494
Supplies and Materials	4,425	(3,250)	1,175	675	500
Other Objects	500				
Total Undistributed Expenditures - Other Support Services - Students - Related Services	256,822	(4,999)	251,323	250,329	994
Undistributed Expenditures - Other Support Services - Students - Regular:					
Salaries of Other Professional Staff	344,452	17,972	362,424	362,424	
Purchased Professional and Technical Services	1,700	(1,442)	258	258	
Supplies and Materials	7,983	2,961	10,944	10,944	
Other Objects	1,385	(1,002)	383	383	
Total Undistributed Expenditures - Other Support Services - Students - Regular	355,520	18,489	374,009	374,009	
Undistributed Expenditures - Other Support Services - Students - Special:					
Salaries of Other Professional Staff	853,153	25,130	878,283	878,283	
Salaries of Secretarial and Clerical Assistants	158,508	22,670	181,178	181,178	
Purchased Professional and Educational Services					
Other Purchased Professional and Technical Services	300,000	(62,450)	237,550	237,550	
Miscellaneous Purchased Services	17,470	(10,330)	7,140	6,591	549
Supplies & Materials	13,225	7,108	20,333	19,150	1,183
Total Undistributed Expenditures - Other Support Services - Students - Special:	1,342,356	(17,872)	1,324,484	1,322,752	1,732

(Continued)

Board of Education of the Lindenwold Public Schools
 Required Supplementary Information
 Budgetary Comparison Schedule

General Fund
 For the Fiscal Year Ended June 30, 2011

EXPENDITURES (CONTD):	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Current Expense (Cont'd):					
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	\$ 772,365	\$ (8,802)	\$ 763,563	\$ 763,563	
Salaries of Other Professional Staff	12,100	(12,100)			
Salaries of Secretarial and Clerical Assistants	39,183	(39,183)			
Supplies and Materials	862	104	966	966	
Other Objects					
Total Undistributed Expenditures - Improvement of Instruction Services	824,510	(60,085)	764,529	764,529	
Undistributed Expend. - Educational Media Services / Sch Library:					
Salaries	296,623	7,504	304,127	304,127	
Purchased Professional and Technical Services	3,685	(3,685)			
Other Purchased Services					
Supplies and Materials	54,944	5,378	60,322	48,436	\$ 11,886
Other Objects	6,954	(1,074)	5,920	5,920	
Total Undistributed Expend. - Educational Media Services / Sch Library	362,246	8,123	370,369	358,483	11,886
Undistributed Expenditures - Instructional Staff Training Services:					
Purchased Professional - Educational Services	57,507	(7,786)	49,721	48,980	741
Total Undistributed Expenditures - Instructional Staff Training Services:	57,507	(7,786)	49,721	48,980	741
Undistributed Expenditures - Support Services - General Administration:					
Salaries	288,220		288,220	283,754	4,466
Legal Services	60,000	(3,077)	56,923	29,052	27,871
Audit Fees	24,672		24,672	21,565	3,107
Other Purchased Professional Services	48,792	(11,435)	37,357	37,357	
Communications / Telephone	175,895	19,762	195,657	177,132	18,525
Other Purchased Services	60,000	(54,343)	5,657	1,885	3,772
General Supplies	96,204	1,724	97,928	15,135	82,793
Miscellaneous Expenditures	15,000		15,000	11,627	3,373
BOE Membership Dues and Fees	24,000	(7,471)	16,529	7,800	8,729
Total Undistributed Expenditures - Support Services - General Admin	792,783	(54,841)	737,942	585,307	152,635
Undistributed Expenditures - Support Services - School Admin:					
Salaries of Principals / Assistant Principals	758,493	4,803	763,296	763,296	
Salaries of Secretarial and Clerical Assistants	510,795	50,081	560,876	560,876	
Purchased Professional and Technical Services	40,000	33,010	73,010	72,759	251
Other Purchased Services	20,000	(1,000)	19,000	19,000	
Supplies and Materials	57,160	11,485	68,645	56,326	12,319
Other Objects	36,100	(17,596)	18,504	18,321	183
Total Undistributed Expenditures - Support Services - School Admin.	1,422,548	80,783	1,503,331	1,490,578	12,502

(Continued)

Board of Education of the Lindenwold Public Schools
Required Supplementary Information
Budgetary Comparison Schedule

General Fund
For the Fiscal Year Ended June 30, 2011

EXPENDITURES (CONTD):	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Current Expense (Cont'd):					
Undistributed Expenditures - Central Services					
Salaries	\$ 351,659	\$ 3,438	\$ 355,097	\$ 355,097	
Purchased Professional Services	100,000	19,380	119,380	97,529	\$ 21,851
Purchased Technical Services	35,000	4,555	39,555	37,403	2,152
Miscellaneous Purchased Services	135,132	5,187	140,319	140,319	
Supplies and Materials	7,193	7,040	14,233	14,075	158
Miscellaneous Expenditures	4,000	5,488	9,488	9,488	
Total Undistributed Expenditures - Central Services	632,984	45,089	678,073	653,911	24,162
Undistributed Expenditures - Admin. Info. Technology					
Salaries	183,421	15,423	198,844	198,844	
Purchased Technical Services	125,000	24,900	149,900	67,679	82,221
Supplies and Materials	350,000	15,599	365,599	273,829	91,770
Total Undistributed Expenditures - Admin. Info. Technology	658,421	55,922	714,343	540,352	173,991
Undistributed Expenditures - Required Maintenance for Sch Facilities:					
Cleaning, Repair and Maintenance Services	126,500	509,177	635,677	376,317	259,360
General Supplies	54,500	(47,161)	7,339	7,339	
Other Objects	37,500	(37,500)			
Total Undistributed Expenditures - Required Maintenance for Sch Facilities	218,500	424,516	643,016	383,656	259,360
Undistributed Expenditures - Operation and Maintenance of Plant Services:					
Salaries	1,299,863	60,671	1,360,534	1,359,192	1,342
Cleaning, Repair, and Maintenance of Plant Services	299,400	(195,086)	104,314	103,364	950
Other Purchased Property Services	50,000	(19,515)	30,485	27,685	2,800
Insurance	264,358	(25,162)	239,196	239,196	
General Supplies	200,000	89,512	289,512	250,307	39,205
Energy (Natural Gas)	1,300,000	358,144	358,144	358,144	
Energy (Electricity)	2,500	(667,314)	632,686	632,686	
Other Objects	2,500	238	2,738	2,738	
Total Undistributed Expenditures - Operation and Maintenance of Plant Services	3,416,121	(398,512)	3,017,609	2,973,312	44,297
Total Operation and Maintenance of Plant Services	3,634,621	26,004	3,660,625	3,356,968	303,657
Student Transportation Services:					
Contracted Services - (Home and School) - Vendors	443,264	117,739	561,003	543,825	17,178
Contracted Services - (Not Home and School) - Vendors	136,442	(778)	135,664	135,664	
Contracted Services - (Special Education students) - Vendors	35,423	(15,517)	19,906	19,410	
Contracted Services (Regular Education Students) - ESC's	209,706	(44,064)	165,642	162,949	2,693
Contracted Services (Special Education Students) - ESC's	432,345	(180,544)	251,801	251,777	24
Miscellaneous Purchased Services - Transportation	250		250		
Total Student Transportation Services	1,257,430	(123,164)	1,134,266	1,113,625	19,895

(Continued)

Board of Education of the Lindenwold Public Schools
 Required Supplementary Information
 Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONTD):					
Current Expense (Cont'd):					
Unallocated Benefits:					
Social Security Contributions	\$ 375,000	\$ (30,000)	\$ 345,000	\$ 340,708	\$ 4,292
Pension Contributions - Normal	309,198	9,958	319,156	319,156	
DCRP Pension Contributions	1,320	1,320	1,320	1,320	
Unemployment Compensation	177,499		177,499	177,499	
Health Benefits	4,718,271	(314,803)	4,403,468	4,403,411	57
Tuition Reimbursement	40,000	(34,911)	5,089	5,089	
Other Employee Benefits	378,925	42,863	421,788	421,788	
Total Unallocated Benefits	5,998,893	(325,573)	5,673,320	5,668,971	4,349
On-behalf T.P.A.F. Pension Contributions (non-budgeted)				49,023	(49,023)
On-behalf T.P.A.F. Post Retirement Medical Contributions (non-budgeted)				1,041,247	(1,041,247)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,230,347	(1,230,347)
Total On-behalf Contributions				2,320,617	(2,320,617)
Total Undistributed Expenditures	19,897,772	(594,893)	19,350,401	20,607,135	(1,256,734)
Total Current Expense	33,643,930	22,743	33,709,695	34,371,595	(661,900)
Capital Outlay:					
Equipment:					
Support Services - Students Special	8,900	(2,944)	5,956	2,742	3,214
School-Sponsored and Other Instructional Program		175,002	175,002	86,738	88,264
Undistributed Expenditures:					
Admin. Info. Technology		372,566	372,566	22,457	350,109
Custodial Services		134,310	134,310	129,652	4,658
Total Equipment	8,900	678,934	687,834	241,589	446,245
Facilities Acquisition and Construction Services					
Construction Services	13,171	227,192	227,192	227,192	
Other Objects			13,171	13,171	
Total Facilities Acquisition and Construction Services	13,171	227,192	240,363	240,363	
Total Capital Outlay	22,071	906,126	928,197	481,952	446,245

(Continued)

Board of Education of the Lindenwood Public Schools
 Required Supplementary Information
 Budgetary Comparison Schedule

General Fund
 For the Fiscal Year Ended June 30, 2011

EXPENDITURES (CONTD):	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Special Schools:					
Summer School - Instruction:					
Salaries of Teachers	\$ 67,088	(6,708)	60,380	37,773	22,607
Personal Services - Employee Benefits				1,440	8,110
Total Summer School - Instruction	9,550	9,550	9,550	1,440	8,110
Transfer of Funds to Charter School				37,773	22,607
Total Expenditures	33,733,069	931,710	34,707,821	34,892,760	(184,939)
Calculation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	(454,347)	(931,710)	(1,429,079)	1,174,417	2,603,496
Other Financing Sources (Uses):					
Capital Reserve Transfer to Capital Projects		293,068	293,068	293,068	
Total Other Financing Sources (Uses)		293,068	293,068	293,068	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(454,347)	(1,224,778)	(1,679,125)	881,349	2,560,474
Fund Balances, July 1	3,286,365		3,286,365	3,286,365	
Fund Balances, June 30	\$ 2,832,018	\$ (1,224,778)	\$ 1,607,240	\$ 4,167,714	\$ 2,560,474
Recapitulation:					
Restricted:					
Capital Reserve				777,383	
Emergency Reserve				150,477	
Excess Surplus				499,989	
Excess Surplus--Designated for Subsequent Year's Expenditures				463,118	
Assigned:					
Year-End Encumbrances				1,500,292	
Unassigned				776,455	
Reconciliation to Governmental Funds Statements(GAAP):					
Last 10-11 State Aid Payment Not Recognized on GAAP Basis				4,167,714	
				2,150,133	
				\$ 2,017,581	

Board of Education of the Lindenwold Public Schools
 Required Supplementary Information
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
REVENUES:					
State Sources:					
Preschool Program Aid	\$ 841,545		\$ 841,545	\$ 590,234	\$ (251,311)
Total - State Sources	<u>841,545</u>		<u>841,545</u>	<u>590,234</u>	<u>(251,311)</u>
Federal Sources:					
Title I	1,153,030	\$ 592,859	1,745,889	1,548,946	(196,943)
Title I ARRA		402,828	402,828	394,580	(8,248)
Title I S/A		94,888	94,888	27,450	(67,438)
Title I S/A ARRA		37,330	37,330	20,072	(17,258)
Title IIA		117,561	117,561	99,855	(17,706)
Title IID		2,607	2,607	2,607	
Title III		133,035	133,035	104,039	(28,996)
Title IV		1,302	1,302	1,302	
I.D.E.I.A., Part B	480,080	266,647	746,727	494,993	(251,734)
I.D.E.I.A., Part B ARRA		294,854	294,854	259,925	(34,929)
I.D.E.I.A., Part B, Preschool		22,109	22,109	22,109	
I.D.E.I.A., Part B, Preschool ARRA		22,992	22,992	22,992	
Include		<u>257,879</u>	<u>257,879</u>	<u>227,248</u>	<u>(30,631)</u>
Total - Federal Sources	<u>1,633,110</u>	<u>2,246,891</u>	<u>3,880,001</u>	<u>3,226,118</u>	<u>(653,883)</u>
Total Revenues	<u>2,474,655</u>	<u>2,246,891</u>	<u>4,721,546</u>	<u>3,816,352</u>	<u>(905,194)</u>

(Continued)

Board of Education of the Lindenwold Public Schools
 Required Supplementary Information
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 1,474,388	\$ (8,741)	\$ 1,465,647	\$ 1,267,844	\$ 197,803
Other Salaries for Instruction	109,406	65,851	175,257	134,133	41,124
Purchased Professional and Educational Services	24,911	91,871	116,782	5,192	111,590
Purchased Professional and Technical Services		206,215	206,215	181,449	24,766
General Supplies	15,351	551,329	566,680	484,115	82,565
Tuition	480,080	432,417	912,497	660,763	251,734
Total Instruction	2,104,136	1,338,942	3,443,078	2,733,496	709,582
Support Services:					
Salaries Personnel Services	111,708	245,672	357,380	313,666	43,714
Personnel Services - Employee Benefits	117,270	262,581	379,851	369,955	9,896
Purchased Technical Services		146,067	146,067	116,946	29,121
Other Purchased Services (400-500 series)	141,541	170,850	312,391	212,854	99,537
Supplies and Materials		34,204	34,204	20,860	13,344
Total Support Services	370,519	859,374	1,229,893	1,034,281	195,612
Facilities Acquisition and Construction Services:					
Facilities Construction		22,992	22,992	22,992	
Instructional Equipment		25,583	25,583	25,583	
Total Facilities Acquisition and Construction Services		48,575	48,575	48,575	
Total Expenditures	2,474,655	2,246,891	4,721,546	3,816,352	905,194
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

Board of Education of the Lindenwold Public Schools
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to RSI
 For the Fiscal Year Ended June 30, 2011

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 36,067,177	\$ 3,816,352
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year		(40,366)
Prior Year		24,690
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	2,234,681	30,706
The last two State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	(2,150,133)	(64,520)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 36,151,725	\$ 3,766,862
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 34,892,760	\$ 3,816,352
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year		(40,366)
Prior Year		24,690
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ 34,892,760	\$ 3,800,676

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

Board of Education of the Lindenwold Public Schools
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2011

	Total	Preschool Program Aid	Title I Part A	Title I Part A Carryover	Title I SIA Carryover	Title II Part A	Title II Part A Carryover	Total Brought Forward
REVENUES:								
State Sources	\$ 590,234	\$ 590,234						\$ 1,549,867
Federal Sources	3,226,118		\$ 1,145,743	\$ 403,203	\$ 27,450	\$ 96,095	\$ 3,760	\$ 1,549,867
Total Revenues	<u>\$ 3,816,352</u>	<u>\$ 590,234</u>	<u>\$ 1,145,743</u>	<u>\$ 403,203</u>	<u>\$ 27,450</u>	<u>\$ 96,095</u>	<u>\$ 3,760</u>	<u>\$ 1,549,867</u>
EXPENDITURES:								
Instruction:								
Salaries of Teachers	\$ 1,267,844	\$ 241,601	\$ 669,153	\$ 68,271	\$ 1,000	\$ 57,829	\$ 710	\$ 229,280
Other Salaries for Instruction	134,133	72,037						62,096
Purchased Professional and Educational Services	5,192	5,192						
Purchased Professional and Technical Services	181,449		155,838	2,790				22,821
General Supplies	484,115	703	34,327	268,739	26,450			153,896
Tuition	660,763							660,763
Textbooks	-							-
Other Objects	-							-
Total Instruction	<u>2,733,496</u>	<u>319,533</u>	<u>859,318</u>	<u>339,800</u>	<u>27,450</u>	<u>57,829</u>	<u>710</u>	<u>1,128,856</u>
Support Services:								
Other Salaries	313,666	96,172	22,690	4,337				190,467
Personnel Services - Employee Benefits	369,955	117,270	136,494			11,625		104,566
Purchased Professional - Technical Services	116,946		62,021	27,446		9,829	3,050	14,600
Purchased Professional - Educational Services	-							-
Other Purchased Professional and Educational Services	-							-
Other Purchased Services (400-500 series)	212,854	57,259	59,593	31,542		10,918		53,542
Supplies and Materials	20,860		5,627	78		5,894		9,261
Other Objects	-							-
Total Support Services	<u>1,034,281</u>	<u>270,701</u>	<u>286,425</u>	<u>63,403</u>		<u>38,266</u>	<u>3,050</u>	<u>372,436</u>
Facilities Acquisition and Construction Services:								
Instructional Equipment	25,583							25,583
Facilities Construction	22,992							22,992
Total Facilities Acquisition and Construction Services	<u>48,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,575</u>
Total Expenditures	<u>\$ 3,816,352</u>	<u>\$ 590,234</u>	<u>\$ 1,145,743</u>	<u>\$ 403,203</u>	<u>\$ 27,450</u>	<u>\$ 96,095</u>	<u>\$ 3,760</u>	<u>\$ 1,549,867</u>

(Continued)

Board of Education of the Lindenwood Public Schools
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2011

	Total Carried Forward	Title II Part D	Title II Part D Carryover	Title III	Title III Carryover	Title IV Carryover	Title I ARRA	Title SIA ARRA	Total Brought Forward
REVENUES:									
State Sources	\$ 1,549,867	\$ 2,440	\$ 167	\$ 94,916	\$ 9,123	\$ 1,302	\$ 394,580	\$ 20,072	\$ 1,027,267
Federal Sources	\$ 1,549,867	\$ 2,440	\$ 167	\$ 94,916	\$ 9,123	\$ 1,302	\$ 394,580	\$ 20,072	\$ 1,027,267
Total Revenues									
EXPENDITURES:									
Instruction:									
Salaries of Teachers	\$ 229,280						\$ 125,156		\$ 104,124
Other Salaries for Instruction	62,096			\$ 15,039			47,057		
Purchased Professional and Technical Services	22,821						22,821		
General Supplies	153,896			74,603	\$ 8,623		20,809	\$ 20,072	29,789
Tuition	660,763								660,763
Textbooks									
Other Objects									
Total Instruction	1,128,856	-		89,642	8,623	-	215,843	20,072	794,676
Support Services:									
Salaries Personnel Services	190,467	\$ 833	\$ 167	2,500	500		73,820		112,647
Personnel Services - Employee Benefits	104,566	76		1,534			58,934		44,022
Purchased Professional - Technical Services	14,600								14,600
Purchased Professional - Educational Services									
Other Purchased Professional and Educational Services	53,542	1,531					45,521		6,490
Other Purchased Services (400-500 series)	9,261			1,240		\$ 1,302	462		6,257
Supplies and Materials									
Other Objects									
Total Support Services	372,436	2,440	167	5,274	500	1,302	178,737		184,016
Facilities Acquisition and Construction Services:									
Instructional Equipment	25,583								25,583
Facilities Construction	22,992								22,992
Total Facilities Acquisition and Construction Services	48,575	-		-	-	-	-		48,575
Total Expenditures	\$ 1,549,867	\$ 2,440	\$ 167	\$ 94,916	\$ 9,123	\$ 1,302	\$ 394,580	\$ 20,072	\$ 1,027,267

(Continued)

Board of Education of the Lindenwold Public Schools
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2011

	Total Carried Forward	I.D.E.I.A. Part B Basic	I.D.E.I.A. Preschool	I.D.E.I.A. ARRA	I.D.E.I.A. Preschool/ARRA	Include Phase II	Include Phase IV
REVENUES:							
State Sources	\$ 1,027,267	\$ 179,390	\$ 22,109	\$ 259,925	\$ 22,992	\$ 22,879	\$ 204,369
Federal Sources	\$ 1,027,267	\$ 179,390	\$ 22,109	\$ 259,925	\$ 22,992	\$ 22,879	\$ 204,369
Total Revenues							
EXPENDITURES:							
Instruction:							
Salaries of Teachers	\$ 104,124			\$ 72,147		\$ 7,845	\$ 24,132
Other Salaries for Instruction	-						
Purchased Professional and Technical Services	-						
General Supplies	29,789			13,313		6,069	10,407
Tuition	660,763	\$ 179,390	\$ 22,109	143,661			
Textbooks	-						
Other Objects	-						
Total Instruction	794,676	179,390	22,109	229,121	-	13,914	34,539
Support Services:							
Salaries Personal Services	112,647			5,220		8,965	98,462.00
Personal Services - Employee Benefits	44,022			24,653			19,369
Purchased Professional - Technical Services	14,600						14,600
Other Purchased Professional and Educational Services	-						
Other Purchased Professional and Educational Services	6,490			104			6,386
Supplies and Materials	6,257			827			5,430
Other Objects	-						
Total Support Services	184,016	-	-	30,804	-	8,965	144,247
Facilities Acquisition and Construction Services:							
Instructional Equipment	25,583				\$ 22,992		25,583
Facilities Construction	22,992						
Total Facilities Acquisition and Construction Services	48,575	-	-	-	22,992	-	25,583
Total Expenditures	\$ 1,027,267	\$ 179,390	\$ 22,109	\$ 259,925	\$ 22,992	\$ 22,879	\$ 204,369

**Board of Education of the Lindenwold Public Schools
 Special Revenue Fund
 Schedule of Preschool Education Aid Expenditures
 Preschool - All Programs
 Budgetary Basis
 For the Fiscal Year Ended June 30, 2011**

	Budget	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 321,358	\$ 241,601	\$ 79,757
Other Salaries for Instruction	109,406	72,037	37,369
Purchased Professional and Educational Services	24,911	5,192	19,719
General Supplies	15,351	703	14,648
Total instruction	471,026	319,533	151,493
Support services:			
Salaries of Program Directors	58,939	48,486	10,453
Other Support Salaries	52,769	47,686	5,083
Personal Services - Employee Benefits	117,270	117,270	-
Other Purchased Services	141,541	57,259	84,282
Total support services	370,519	270,701	99,818
Total Expenditures	\$ 841,545	\$ 590,234	\$ 251,311

CALCULATION OF BUDGET & CARRYOVER

Total 2010-2011 PreK/ECPA Aid Allocation	\$ 645,197
Add: Actual PreK/ECPA Aid Carryover June 30, 2010	196,348
Add: Budgeted Transfer From General Fund	-
Total Funds Available for 2010-2011 Budget	841,545
Less: 2010-11 Budgeted PreK/ECPA (Including prior year budgeted carryover)	(841,545)
Available & Unbudgeted Funds as of June 30, 2011	-
Add: June 30, 2011 Unexpended PreK Aid	251,311
FY2011-Actual Carryover - PreK Aid	\$ 251,311
2010-11 PreK Aid Carryover Budgeted in FY 2012	\$ 217,387

CAPITAL PROJECTS FUND

Borough of Lindenwold School District
CAPITAL PROJECTS FUND
 Summary Statement of Project Expenditures
 For the Fiscal Year Ended June 30, 2011

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2011</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Middle School Security Camera and Card Swipe Access System Installation	12/14/2010	\$ 257,197	\$	6,770	\$ 250,427
School Number Four Security Camera and Card Swipe Access System and Door Installation	12/14/2010	165,722		3,333	162,389
School Four Playground Installation	12/14/2010	102,561		40,230	62,331
School Four Partial Roof Replacement	12/14/2010	112,060		2,333	109,727
School Number Five Security Camera and Card Swipe Access System and Door Installation	12/14/2010	122,022		3,667	118,355
School Five Playground Installation	12/14/2010	101,853		36,972	64,881
School Five Partial Roof Replacement	12/14/2010	119,260		2,333	116,927
Total		\$ 980,675	\$ -	\$ 95,638	\$ 885,037
Reserved - Capital Reserve Expenditures					\$ 2,863
Unreserved -- Designated for Subsequent Years Expenditures					885,037
					\$ 887,900

Board of Education of the Lindenwold Public Schools
CAPITAL PROJECTS FUND
 Summary Statement of Project Expenditures
 For the Fiscal Year Ended June 30, 2011

Revenues and Other Financing Sources

State Sources - SCC Grant	\$ 681,274
Transfer from Capital Reserve	<u>293,068</u>
Total Revenues	<u>974,342</u>

Expenditures and Other Financing Uses

Purchased and Professional and Technical Services	
Construction Services	95,638
Equipment	
Other Object	
	<u> </u>
Total Expenditures	<u>95,638</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures	878,704
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Fund Balance - July 1	<u>9,196</u>
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Fund Balance - June 30	<u>\$ 887,900</u>
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Reserved - Capital Reserve Expenditures	\$ 2,863
Unreserved - Designated to Subsequent Year's Expenditures	<u>885,037</u>

	<u>\$ 887,900</u>
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Board of Education of the Lindenwold Public Schools
CAPITAL PROJECTS FUND
Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
Middle School Security Camera and Card Swipe Access System Installation
From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ -	\$ 180,335	\$ 180,335	\$ 180,335
Bond Proceeds and Transfers			-	-
Contributions from Private Source			-	-
Transfer from Capital Reserve	-	76,862	76,862	76,862
Transfer from Capital Outlay	-		-	-
Total Revenues	<u>-</u>	<u>257,197</u>	<u>257,197</u>	<u>257,197</u>
Expenditures and Other Financing Uses				
Salaries - Project Management		3,667	3,667	11,000
Construction Services		3,103	3,103	246,197
Total Expenditures	<u>-</u>	<u>6,770</u>	<u>6,770</u>	<u>257,197</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 250,427</u>	<u>\$ 250,427</u>	<u>\$ -</u>

Additional Project Information:

Project Number	2670-090-10-1004
Grant Date	12/14/2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 257,197
Additional Authorized Cost	-
Revised Authorized Cost	257,197
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	2.63%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	10/1/2011

Board of Education of the Lindenwold Public Schools
CAPITAL PROJECTS FUND
Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
School Number Four Security Camera and Card Swipe Access Sytem and Door Installation
From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ -	\$ 116,197	\$ 116,197	\$ 116,197
Bond Proceeds and Transfers			-	-
Contributions from Private Source			-	-
Transfer from Capital Reserve	-	49,525	49,525	49,525
Transfer from Capital Outlay	-		-	-
Total Revenues	<u>-</u>	<u>165,722</u>	<u>165,722</u>	<u>165,722</u>
Expenditures and Other Financing Uses				
Salaries - Project Management		3,333	3,333	10,000
Construction Services			-	155,722
Total Expenditures	<u>-</u>	<u>3,333</u>	<u>3,333</u>	<u>165,722</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 162,389</u>	<u>\$ 162,389</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	2670-040-10-1001			
Grant Date	12/14/2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 165,722			
Additional Authorized Cost	-			
Revised Authorized Cost	165,722			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	2.01%			
Original Target Completion Date	9/1/2011			
Revised Target Completion Date	10/1/2011			

Board of Education of the Lindenwold Public Schools
CAPITAL PROJECTS FUND
Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
School Four Playground Installation
From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ -	\$ 71,911	\$ 71,911	\$ 71,911
Bond Proceeds and Transfers			-	-
Contributions from Private Source			-	-
Transfer from Capital Reserve	-	30,650	30,650	30,650
Transfer from Capital Outlay	-		-	-
Total Revenues	-	102,561	102,561	102,561
Expenditures and Other Financing Uses				
Salaries - Project Management		667	667	2,000
Construction Services		39,563	39,563	100,561
Total Expenditures	-	40,230	40,230	102,561
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 62,331</u>	<u>\$ 62,331</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	2670-040-10-1005			
Grant Date	12/14/2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 102,561			
Additional Authorized Cost	-			
Revised Authorized Cost	102,561			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	39.23%			
Original Target Completion Date	9/1/2011			
Revised Target Completion Date	9/1/2011			

Board of Education of the Lindenwold Public Schools
CAPITAL PROJECTS FUND
Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
School Four Partial Roof Replacement
From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ -	\$ 78,572	\$ 78,572	\$ 78,572
Bond Proceeds and Transfers			-	-
Contributions from Private Source			-	-
Transfer from Capital Reserve	-	33,488	33,488	33,488
Transfer from Capital Outlay	-		-	-
Total Revenues	<u>-</u>	<u>112,060</u>	<u>112,060</u>	<u>112,060</u>
Expenditures and Other Financing Uses				
Salaries - Project Management		2,333	2,333	7,000
Construction Services		-	-	105,060
Total Expenditures	<u>-</u>	<u>2,333</u>	<u>2,333</u>	<u>112,060</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 109,727</u>	<u>\$ 109,727</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	2670-040-10-1002			
Grant Date	12/14/2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 112,060			
Additional Authorized Cost	-			
Revised Authorized Cost	112,060			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	2.08%			
Original Target Completion Date	9/1/2011			
Revised Target Completion Date	9/1/2011			

Board of Education of the Lindenwold Public Schools
CAPITAL PROJECTS FUND
Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
School Number Five Security Camera and Card Swipe Access Sytem and Door Installation
From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ -	\$ 85,557	\$ 85,557	\$ 85,557
Bond Proceeds and Transfers			-	-
Contributions from Private Source			-	-
Transfer from Capital Reserve	-	36,465	36,465	36,465
Transfer from Capital Outlay	-		-	-
Total Revenues	<u>-</u>	<u>122,022</u>	<u>122,022</u>	<u>122,022</u>
Expenditures and Other Financing Uses				
Salaries - Project Management		3,667	3,667	11,000
Construction Services		-	-	111,022
Total Expenditures	<u>-</u>	<u>3,667</u>	<u>3,667</u>	<u>122,022</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 118,355</u>	<u>\$ 118,355</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	2670-050-10-1003			
Grant Date	12/14/2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 122,022			
Additional Authorized Cost	-			
Revised Authorized Cost	122,022			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	3.01%			
Original Target Completion Date	9/1/2011			
Revised Target Completion Date	10/1/2011			

Board of Education of the Lindenwold Public Schools
CAPITAL PROJECTS FUND
Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
School Five Playground Installation
From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ -	\$ 71,415	\$ 71,415	\$ 71,415
Bond Proceeds and Transfers			-	-
Contributions from Private Source			-	-
Transfer from Capital Reserve	-	30,438	30,438	30,438
Transfer from Capital Outlay	-		-	-
Total Revenues	<u>-</u>	<u>101,853</u>	<u>101,853</u>	<u>101,853</u>
Expenditures and Other Financing Uses				
Salaries - Project Management		667	667	2,000
Construction Services		36,305	36,305	99,853
Total Expenditures	<u>-</u>	<u>36,972</u>	<u>36,972</u>	<u>101,853</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 64,881</u>	<u>\$ 64,881</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	2670-050-10-1006			
Grant Date	12/14/2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 101,853			
Additional Authorized Cost	-			
Revised Authorized Cost	101,853			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	36.30%			
Original Target Completion Date	9/1/2011			
Revised Target Completion Date	9/1/2011			

Board of Education of the Lindenwold Public Schools
CAPITAL PROJECTS FUND
Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
School Five Partial Roof Replacement
From Inception and for the Fiscal Year Ended June 30, 2011

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ -	\$ 83,620	\$ 83,620	\$ 83,620
Bond Proceeds and Transfers			-	-
Contributions from Private Source			-	-
Transfer from Capital Reserve	-	35,640	35,640	35,640
Transfer from Capital Outlay	-		-	-
Total Revenues	<u>-</u>	<u>119,260</u>	<u>119,260</u>	<u>119,260</u>
Expenditures and Other Financing Uses				
Salaries - Project Management		2,333	2,333	7,000
Construction Services		-	-	112,260
Total Expenditures	<u>-</u>	<u>2,333</u>	<u>2,333</u>	<u>119,260</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 116,927</u>	<u>\$ 116,927</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	2670-050-10-1007			
Grant Date	12/14/2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 119,260			
Additional Authorized Cost	-			
Revised Authorized Cost	119,260			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	1.96%			
Original Target Completion Date	9/1/2011			
Revised Target Completion Date	9/1/2011			

PROPRIETARY FUNDS

Board of Education of the Lindenwold Public Schools
Statement of Net Assets
Proprietary Funds
June 30, 2011

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 330,698
Accounts Receivable:	
State	1,101
Federal	56,328
Inventories	<u>10,638</u>
Total Current Assets	<u>398,765</u>
Noncurrent Assets:	
Furniture, Machinery and Equipment	389,691
Less Accumulated Depreciation	<u>(274,858)</u>
Total Noncurrent Assets	<u>114,833</u>
Total Assets	<u><u>\$ 513,598</u></u>
LIABILITIES :	
Current Liabilities:	
Accounts Payable	<u>\$ 17,523</u>
Total Current Liabilities	<u>17,523</u>
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	114,833
Unrestricted Net Assets	<u>381,242</u>
Total Net Assets	<u>496,075</u>
	<u><u>\$ 513,598</u></u>

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

Board of Education of the Lindenwold Public Schools
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

	<u>Business-Type Activities - Enterprise Fund</u>
	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 131,887
Daily Sales - Non-Reimbursable Programs	49,778
Special Functions	<u>8,270</u>
Total Operating Revenues	<u>189,935</u>
OPERATING EXPENSES:	
Salaries	327,909
Employee Benefits	93,449
Supplies and Materials	34,156
Cost of Sales	541,675
Management Fee	41,459
Repairs and Maintenance	12,933
Depreciation	<u>18,952</u>
Total Operating Expenses	<u>1,070,533</u>
Operating Income (Loss)	<u>(880,598)</u>
NONOPERATING REVENUES:	
State Sources:	
State School Lunch Program	14,975
Federal Sources:	
Food Service Equipment Grant	20,266
After School Snack Program	11,976
National School Lunch Program	701,848
School Breakfast Program	143,843
United States Department of Agriculture Commodities	48,187
Interest and Investment Revenue	<u>3,116</u>
Total Nonoperating Revenues	<u>944,211</u>
Change in Net Assets	63,613
Total Net Assets -- July 1	<u>432,462</u>
Total Net Assets -- June 30	<u>\$ 496,075</u>

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

Board of Education of the Lindenwold Public Schools
 Enterprise Fund
 Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2011

	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 189,935
Payments to Employees	(327,909)
Payments for Employee Benefits	(93,449)
Payments to Suppliers	<u>(593,997)</u>
Net Cash Provided by (used for) Operating Activities	<u>(825,420)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Cash Received from Federal and State Reimbursements	<u>899,165</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>899,165</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchase of Capital Assets	<u> </u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and Dividends	<u>3,116</u>
Net Cash Provided by (used for) Investing Activities	<u>3,116</u>
Net Increase (Decrease) in Cash and Cash Equivalents	76,861
Cash and Cash Equivalents -- July 1	<u>253,837</u>
Cash and Equivalents -- June 30	<u>\$ 330,698</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (880,598)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	18,952
Federal Commodities	48,187
(Increase) Decrease in Inventories	317
Increase (Decrease) in Other Current Liabilities	<u>(12,278)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (825,420)</u>

FIDUCIARY FUNDS

Board of Education of the Lindenwold Public Schools
Fiduciary Funds
Combining Statement of Fiduciary Net Assets
June 30, 2011

	Trust Funds			Agency Funds		
	<u>Unemployment Compensation</u>	<u>Private Purpose</u>	<u>Total Trust Fund</u>	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Fund</u>
ASSETS:						
Cash and Cash Equivalents	\$ 382,108	\$ 5,395	\$ 387,503	\$ 237,033	\$ 216,395	\$ 453,428
Total Assets	<u>382,108</u>	<u>5,395</u>	<u>387,503</u>	<u>237,033</u>	<u>216,395</u>	<u>453,428</u>
LIABILITIES:						
Payable to Student Groups				237,033		237,033
Payroll Deductions and Withholdings					216,287	216,287
Interfund Accounts Payable Due General Fund					<u>108</u>	<u>108</u>
Total Liabilities				<u>\$ 237,033</u>	<u>\$ 216,395</u>	<u>\$ 453,428</u>
NET ASSETS:						
Reserved	<u>382,108</u>	<u>5,395</u>	<u>387,503</u>			
Total Net Assets	<u>\$ 382,108</u>	<u>\$ 5,395</u>	<u>\$ 387,503</u>			

Board of Education of the Lindenwold Public Schools
 Fiduciary Funds
 Combining Statement of Changes in Fiduciary Net Assets
 For the Fiscal Year Ended June 30, 2011

	Unemployment Compensation Trust	Private Purpose Scholarship Trust
ADDITIONS:		
Contributions:		
Employer Contribution	\$ 177,498	
Employee Withholdings	33,196	
Gifts and Contributions		\$ 500
Total Contributions	<u>210,694</u>	<u>500</u>
Investment Earnings:		
Interest	<u>3,020</u>	<u>57</u>
Net Investment Earnings	<u>3,020</u>	<u>57</u>
Total Additions	<u>213,714</u>	<u>557</u>
DEDUCTIONS:		
Unemployment Compensation		
Insurance Claims	163,578	
Scholarships Awarded		500
Total Deductions	<u>163,578</u>	<u>500</u>
Change in Net Assets	50,136	57
Net Assets -- July 1	<u>331,972</u>	<u>5,338</u>
Net Assets -- June 30	<u>\$ 382,108</u>	<u>\$ 5,395</u>

Board of Education of the Lindenwold Public Schools
 Fiduciary Funds
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2011

	<u>Balance June 30, 2010</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2011</u>
ELEMENTARY SCHOOLS:				
Elementary & Middle School	\$ 150,865	\$ 319,437	\$ 303,420	\$ 166,882
High School	-			
Athletics	<u>58,521</u>	<u>38,494</u>	<u>26,864</u>	<u>70,151</u>
Total All Schools	<u><u>\$ 209,386</u></u>	<u><u>\$ 357,931</u></u>	<u><u>\$ 330,284</u></u>	<u><u>\$ 237,033</u></u>

Board of Education of the Lindenwold Public Schools
 Fiduciary Funds
 Payroll Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2011

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
ASSETS:				
Cash and Cash Equivalents	\$ 219,051	\$ 8,996,391	\$ 8,999,047	\$ 216,395
Total Assets	<u>\$ 219,051</u>	<u>\$ 8,996,391</u>	<u>\$ 8,999,047</u>	<u>\$ 216,395</u>
LIABILITIES:				
Payroll Deductions and Withholdings	\$ 218,943	\$ 8,996,391	\$ 8,999,047	\$ 216,287
Interfund Accounts Payable:				
Due General Fund	<u>108</u>	<u></u>	<u></u>	<u>108</u>
Total Liabilities	<u>\$ 219,051</u>	<u>\$ 8,996,391</u>	<u>\$ 8,999,047</u>	<u>\$ 216,395</u>

LONG-TERM DEBT

Board of Education of the Lindenwold Public Schools
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2011

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date</u>	<u>Annual Maturities Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2010</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2011</u>
Refunding Bonds of 2003	7/30/03	\$ 1,515,000	10/1/11	\$ 130,000	5.35%				
			10/1/12	140,000	5.35%				
			10/1/13	150,000	5.35%				
			10/1/14	155,000	5.35%				
			10/1/15	165,000	5.35%				
			10/1/16	30,000	5.35%				
			10/1/17	35,000	5.35%				
			10/1/18	35,000	5.35%				
			10/1/19	35,000	5.35%				
			10/1/20	35,000	5.35%			\$ 1,035,000	\$ 125,000
Refunding Bonds of 2005	1/25/05	17,945,000	6/1/12	985,000	4.50%				
			6/1/13	1,005,000	4.50%				
			6/1/14	1,005,000	5.00%				
			6/1/15	1,055,000	3.80%				
			6/1/16	1,080,000	3.90%				
			6/1/17	1,135,000	4.00%				
			6/1/18	1,165,000	4.00%				
			6/1/19	1,160,000	4.00%				
			6/1/20	1,175,000	4.00%				
			6/1/21	1,160,000	4.13%				
6/1/22	1,175,000	4.25%							
6/1/23	1,165,000	4.25%							
6/1/24	1,175,000	4.38%							
6/1/25	1,165,000	4.38%			16,535,000	930,000	15,605,000		
						\$ 17,570,000	\$ -	\$ 1,055,000	\$ 16,515,000

Board of Education of the Lindenwold Public Schools
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,085,298		\$ 1,085,298	\$ 1,085,298	\$ -
State Sources:					
Debt Service Aid Type II	729,206		729,206	729,206	
Total Revenues	<u>1,814,504</u>		<u>1,814,504</u>	<u>1,814,504</u>	
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds	759,504		759,504	759,504	
Redemption of Principal	1,055,000		1,055,000	1,055,000	
Total Regular Debt Service	<u>1,814,504</u>		<u>1,814,504</u>	<u>1,814,504</u>	
Total Expenditures	<u>1,814,504</u>		<u>1,814,504</u>	<u>1,814,504</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures					
Other Financing Sources:					
Operating Transfers In:					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures					
Fund Balance, July 1					
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures:					
Budgeted Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. Note that Exhibits J-1, J-2 and J-3 are only presented for the last nine fiscal years as the School District's first year of implementation of the Governmental Accounting Standards Board Statement No. 34 was for the fiscal year ended June 30, 2003; thus, ten year comparative financial information is unavailable.

BOROUGH OF LINDENWOLD SCHOOL DISTRICT

Net Assets by Component
Last Nine Fiscal Years (accrual basis of accounting)
Unaudited

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Fiscal Year Ending June 30.									
Governmental Activities									
Invested in Capital Assets, Net of Related Debt Restricted	\$ 5,554,417	\$ 5,139,472	\$ 5,296,747	\$ 4,986,556	\$ 4,555,138	\$ 3,696,586	\$ 5,640,869	\$ 4,812,454	\$ 5,073,189
Unrestricted	2,776,274	2,504,335	3,977,190	1,647,956	1,480,439	2,069,198	2,154,632	2,464,127	2,872,890
	(789,456)	(2,222,237)	(2,411,268)	(832,083)	(755,411)	(750,912)	(2,046,316)	(3,921,971)	(2,615,491)
Total Governmental Activities Net Assets	\$ 7,541,235	\$ 5,421,570	\$ 6,862,669	\$ 5,802,429	\$ 5,280,166	\$ 5,014,872	\$ 5,749,185	\$ 3,354,610	\$ 5,330,588
Business-type Activities									
Invested in Capital Assets, Net of Related Debt Restricted	\$ 114,833	\$ 133,785	\$ 114,833	\$ 170,087	\$ 182,936	\$ 175,637	\$ 159,792	\$ 172,458	\$ 275,527
Unrestricted	381,242	298,677	292,802	297,817	265,466	216,837	235,518	234,830	269,692
Total Business-type Activities Net Assets	\$ 496,075	\$ 432,462	\$ 407,635	\$ 467,904	\$ 448,402	\$ 392,474	\$ 395,310	\$ 407,288	\$ 545,219
District-wide									
Invested in Capital Assets, Net of Related Debt Restricted	\$ 5,669,250	\$ 5,273,257	\$ 5,464,939	\$ 5,156,643	\$ 4,738,074	\$ 3,872,223	\$ 5,800,661	\$ 4,984,912	\$ 5,348,716
Unrestricted	2,776,274	2,504,335	3,977,190	1,647,956	1,480,439	2,069,198	2,154,632	2,464,127	2,872,890
	(408,214)	(1,923,560)	(2,118,466)	(534,266)	(489,945)	(534,075)	(1,810,798)	(3,687,141)	(2,345,799)
Total District-wide Net Assets	\$ 8,037,310	\$ 5,854,032	\$ 7,323,663	\$ 6,270,333	\$ 5,728,568	\$ 5,407,346	\$ 6,144,495	\$ 3,761,898	\$ 5,875,807

Source: District Records

This schedule does not contain ten years of information as GASB #44 was implemented during fiscal year ending June 30, 2003.

BOROUGH OF LINDENWOLD SCHOOL DISTRICT

Changes in Net Assets
Last Nine Fiscal Years (accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses									
Governmental Activities									
Instruction									
Regular	\$ 14,661,654	\$ 15,632,833	\$ 14,509,452	\$ 13,491,378	\$ 13,788,771	\$ 12,666,776	\$ 12,562,169	\$ 11,524,472	\$ 10,451,408
Special Education	3,729,694	3,640,152	3,365,958	3,193,350	3,200,561	3,324,055	4,322,956	2,434,457	2,137,784
Other Special Education	2,801,338	2,679,673	2,479,861	3,442,983	2,775,506	2,795,667	1,221,065	1,232,278	1,250,759
Vocational									
Other Instruction									
Nonpublic School Programs									
Adult/Continuing Education Programs									
Support Services:									
Tuition	2,181,191	2,141,219	2,037,096	2,381,280	2,233,994	2,099,521	1,910,173	1,759,736	1,805,661
Student & Instruction Related Services	5,809,206	5,733,728	5,305,871	5,065,431	5,300,558	4,855,181	4,394,748	3,387,833	3,828,267
General and Business Administrative Services	813,817	930,570	1,193,466	1,713,981	1,661,364	1,936,032	1,734,032	1,284,209	801,507
School/Administrative Services	2,072,514	2,034,921	1,770,860	1,813,229	2,033,648	1,945,379	1,766,443	1,293,503	1,233,503
Business Administrative Services	1,194,263	1,324,154	1,179,771	1,029,941	1,135,293	1,066,513	1,066,443	468,409	211,643
Plant Operations and Maintenance	4,667,562	4,898,187	4,422,962	4,510,849	3,873,543	3,622,325	3,173,392	2,810,777	2,121,164
Pupil Transportation	1,548,395	1,700,853	1,570,558	1,790,291	1,641,795	1,520,106	1,071,732	1,140,738	1,101,767
Special Schools	39,213	99,156	59,065	62,595	111,051	84,651	35,220	34,135	30,303
Charter Schools									
Interest on Long-term Debt	775,353	1,047,622	1,134,991	1,148,195	1,202,561	1,249,626	1,222,721	1,128,244	1,170,034
Unallocated Depreciation								112,361	535,229
Total Governmental Activities Expenses	40,294,700	41,863,068	39,029,911	39,643,503	38,958,645	37,165,832	33,404,651	28,043,421	26,679,029
Business-type Activities:									
Food Service	1,070,533	1,112,903	1,017,060	960,893	917,929	966,700	945,607	1,134,352	1,041,061
Child Care									
Total Business-type Activities Expense	1,070,533	1,112,903	1,017,060	960,893	917,929	966,700	945,607	1,134,352	1,041,061
Total District Expenses	\$ 41,365,233	\$ 42,975,971	\$ 40,046,971	\$ 40,604,396	\$ 39,876,574	\$ 38,132,532	\$ 34,350,258	\$ 29,177,773	\$ 27,720,090

(Continued)

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Changes in Net Assets
 Last Nine Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Program Revenues									
Governmental Activities:									
Charges for Services:									
Instruction (tuition)									
Pupil Transportation									
Business and Other Support Services									
Operating Grants and Contributions	\$ 4,072,089	\$ 3,410,852	\$ 2,814,977	\$ 5,085,487	\$ 4,547,528	\$ 4,738,727	\$ 4,569,353	\$ 6,635,196	\$ 6,406,382
Capital Grants and Contributions									
Total Governmental Activities Program Revenues	4,072,089	3,410,852	2,814,977	5,085,487	4,547,528	4,738,727	4,569,353	6,635,196	6,406,382
Business-type activities:									
Charges for services:									
Food Service	189,935	241,376	260,033	285,165	294,957	304,445	323,152	351,565	385,788
Child Care	941,095	842,938	749,623	691,464	674,686	655,598	610,477	555,380	484,377
Operating Grants and Contributions									
Capital Grants and Contributions									
Total Business-type Activities Program Revenues	1,131,030	1,084,314	1,009,656	976,629	969,643	960,043	933,629	906,945	870,165
Total District Program Revenues	\$ 5,203,119	\$ 4,495,166	\$ 3,824,633	\$ 6,062,116	\$ 5,517,171	\$ 5,698,770	\$ 5,502,982	\$ 7,542,141	\$ 7,276,547
Net (Expense)/Revenue									
Governmental Activities	\$ (36,222,611)	\$ (38,452,216)	\$ (36,214,934)	\$ (34,558,016)	\$ (34,411,117)	\$ (32,427,105)	\$ (29,733,818)	\$ (27,993,663)	\$ (25,239,583)
Business-type Activities	60,497	(28,589)	(7,404)	15,736	51,714	(6,657)	(11,978)	(227,407)	(170,896)
Total District-wide Net Expense	\$ (36,162,114)	\$ (38,480,805)	\$ (36,222,338)	\$ (34,542,280)	\$ (34,359,403)	\$ (32,433,762)	\$ (29,745,796)	\$ (28,221,070)	\$ (25,410,479)

(Continued)

BOROUGH OF LINDENWOLD SCHOOL DISTRICT

Changes in Net Assets
Last Nine Fiscal Years (accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Property Taxes Levied for General Purposes, Net	\$ 11,010,144	\$ 10,721,531	\$ 11,290,216	\$ 13,050,125	\$ 13,587,700	\$ 11,371,437	\$ 10,151,190	\$ 9,877,819	\$ 10,919,153
Taxes Levied for Debt Service	1,085,298	961,536	1,011,929	998,738	986,467	981,126	1,024,695	860,063	300,848
Unrestricted Grants and Contributions	24,484,800	25,826,751	23,530,875	19,928,621	19,914,131	19,245,599	19,071,403	15,193,713	14,206,623
Restricted State Aid	1,410,480	866,829	1,154,746	917,548	-	5,070	6,474	8,838	8,838
Tuition Received	48,600	93,375	98,452	67,279	91,630	52,250	51,327	1,450	95,265
Investment Earnings	-	2,637	13,126	117,968	96,483	37,310	3,123	254,102	80,699
Miscellaneous Income	56,991	(1,461,542)	175,830	117,968	96,483	37,310	3,123	(175,936)	(174,299)
Transfers									
Total Governmental Activities	38,096,313	37,011,117	37,275,174	35,080,279	34,676,411	31,692,792	30,301,738	26,017,685	25,437,127
Business-type Activities:									
Investment Earnings	3,116	57	494	3,766	4,214	3,821	-	949	1,968
Transfers								175,936	174,299
Total Business-type Activities	3,116	57	494	3,766	4,214	3,821	-	176,885	176,267
Total District-wide	\$ 38,099,429	\$ 37,011,174	\$ 37,275,668	\$ 35,084,045	\$ 34,680,625	\$ 31,696,613	\$ 30,301,738	\$ 26,194,570	\$ 25,613,394
Change in Net Assets									
Governmental Activities	\$ 1,873,702	\$ (1,441,099)	\$ 1,060,240	\$ 522,263	\$ 265,294	\$ (734,313)	\$ 567,920	\$ (1,975,978)	\$ 197,544
Business-type Activities	63,613	(28,532)	(6,910)	19,502	55,928	(2,836)	(11,978)	(50,522)	5,371
Total District	\$ 1,937,315	\$ (1,469,631)	\$ 1,053,330	\$ 541,765	\$ 321,222	\$ (737,149)	\$ 555,942	\$ (2,026,500)	\$ 202,915

This schedule does not contain ten years of information as GASB #44 was implemented during fiscal year ending June 30, 2003.
Source: District Records

BOROUGH OF LINDENWOLD SCHOOL DISTRICT

Fund Balances, Governmental Funds
 Last Nine Fiscal Years (modified accrual basis of accounting)
 Unaudited

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Fund									
Reserved	\$ 3,391,259	\$ 2,495,139	\$ 3,655,461	\$ 1,642,748	\$ 1,480,334	\$ 1,345,770	\$ 1,676,360	\$ 974,056	\$ 2,835,672
Unreserved	(1,373,678)	(1,443,455)	(1,522,296)	(132,371)	(95,300)	(166,231)	66,120	1,511,360	828,037
Total General Fund	\$ 2,017,581	\$ 1,051,684	\$ 2,133,165	\$ 1,510,377	\$ 1,385,034	\$ 1,179,539	\$ 1,742,480	\$ 2,485,416	\$ 3,663,709
All Other Governmental Funds									
Reserved	\$ 887,900	\$ 9,196	\$ 316,521		\$ -	\$ 639,469	\$ 129,724	\$ -	\$ 37,218
Unreserved, Reported in:									
Special Revenue Fund	(64,520)	(30,706)	(30,706)	(126,643)	(93,043)	(93,043)	(93,043)	(55,876)	(1,643)
Capital Projects Fund						83,758	329,709		
Debt Service Fund			5208	5208	105	201	18,838	57,424	1,500
Permanent Fund									
Total All Other Governmental Funds	\$ 823,380	\$ (21,510)	\$ 291,023	\$ (121,435)	\$ (92,938)	\$ 630,385	\$ 385,228	\$ 1,548	\$ 37,075

This schedule does not contain ten years of information as GASB#44 was implemented during the fiscal year ending June 30, 2003.

Source: District Records

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)

Unaudited

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Revenues										
Tax Levy	\$ 12,095,442	\$ 11,683,067	\$ 12,302,145	\$ 14,048,863	\$ 14,574,167	\$ 12,352,563	\$ 11,175,885	\$ 10,737,882	\$ 11,220,001	\$ 10,116,897
Tuition Charges	48,600	2,637,000	98,452,000			5,070,000		6,474,000		8,683,000
Interest Earnings	245,963	93,375	13,126	67,279	91,630	52,250	51,327	1,450	11,202	75,944
Miscellaneous	56,991	52,264	175,830	117,968	96,483	37,310	3,123	195,306	173,601	185,743
State Sources	26,634,488	22,793,570	24,938,988	23,767,880	22,026,212	21,405,917	21,255,876	19,682,452	18,740,147	18,543,481
Federal Sources	3,332,881	7,310,862	2,561,610	2,163,776	2,450,711	2,578,409	2,384,880	2,173,959	1,934,727	1,085,995
Total Revenue	42,414,365	41,935,775	40,090,151	40,165,766	39,239,203	36,431,519	34,871,091	32,797,523	32,079,678	30,016,743
Expenditures										
Instruction										
Regular Instruction	10,566,790	11,642,002	10,661,565	9,824,419	10,090,130	9,275,724	9,556,641	10,722,624	10,087,163	7,269,193
Special Education Instruction	2,704,093	2,719,223	2,513,368	2,286,160	2,272,236	2,321,206	3,356,307	2,434,457	2,137,784	2,199,809
Other Special Instruction	2,209,220	2,147,820	1,982,126	2,736,837	2,220,609	2,256,302	917,454	1,232,278	1,250,759	698,793
Vocational Education										475,144
Other Instruction										
Nonpublic School Programs										
Adult/Continuing Education Programs										
Support Services:										
Tuition	2,181,191	2,141,219	2,037,095	2,381,280	2,233,994	2,099,521	1,910,173	1,759,736	1,805,661	1,929,518
Student & Instruction Related Services	4,362,118	4,395,557	4,066,011	3,752,684	3,854,398	3,546,308	3,275,231	3,387,966	3,828,267	2,265,672
General Administrative Services	585,307	685,171	889,925	1,320,197	1,170,465	1,351,942	1,439,847	638,948	697,437	642,860
School Administrative Services	1,490,578	1,498,295	1,320,467	1,285,391	1,432,746	1,358,469	1,266,606	1,284,209	1,233,503	1,102,022
Business Administrative Services								463,302	271,685	293,148
Central Services	653,911	750,673	550,517	516,296	630,921	650,200				
Administrative Information Technology	540,352	573,481	629,254	513,645	504,372	416,313				
Plant Operations and Maintenance	3,356,968	3,606,494	3,298,044	3,237,810	2,769,855	2,568,401	2,678,210	2,586,361	2,121,164	2,039,882
Pupil Transportation	1,113,625	1,252,324	1,171,109	1,269,130	1,156,678	1,061,498	1,071,732	1,140,738	1,101,767	1,087,523
Other Support Services					5,684					
Unallocated Employee Benefits	8,359,543	8,273,407	7,446,227	8,350,840	8,282,048	6,935,643	6,701,279	6,034,456	5,338,255	3,499,620
Reimbursed TPAF Soc. Sec. Contributions										981,748
Special Schools	39,213	99,156	59,065	62,595	111,051	84,651	35,220	34,135	11,718	45
Charter Schools										30,116
Capital Outlay	626,165	1,711,394	497,654	620,453	1,069,430	877,308	993,952	282,175	1,042,072	981,709
Special Revenue Expenditures										2,968,852
Debt Service:										2,075,788
Principal	1,055,000	1,035,000	1,080,436	1,012,037	983,638	945,240	1,051,841	764,574	861,176	
Interest and Other Charges	759,504	798,573	852,042	899,146	953,512	1,000,577	1,206,144	1,128,244	1,170,034	
Total Expenditures	40,603,578	43,329,789	39,054,905	40,068,920	39,741,767	36,749,303	35,462,637	33,894,203	32,977,030	30,541,442
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,810,787	(1,394,014)	1,035,246	96,846	(502,564)	(317,784)	(591,546)	(1,096,680)	(897,352)	(524,699)
Other Financing Sources (Uses)										
Capital Leases (Non-budgeted)							25,256			
Bond Proceeds										
Proceeds of Refunding Debt								58,796		
Payment to Refunded Debt Escrow Agent								60,246	380,127	544,726
Par Amount of Bonds								(236,182)	(554,426)	(724,476)
Original Issue Premium										
Accrued Interest										
Costs of Issuance										
Accrued Interest										
Prior Year Payables Cancelled										
Transfers In			105,858		(15,264)	468,150	433,632			
Transfers Out			(105,858)			(468,150)	(433,632)			
Total Other Financing Sources (Uses)							232,290	(117,140)	(174,299)	(179,750)
Net Change in Fund Balances	\$ 1,810,787	\$ (1,394,014)	\$ 1,035,246	\$ 96,846	\$ (517,828)	\$ (317,784)	\$ (359,256)	\$ (1,213,820)	\$ (1,071,651)	\$ (704,449)
Debt Service as a Percentage of Noncapital Expenditures	4.5%	4.4%	5.0%	4.8%	5.0%	5.4%	6.6%	5.6%	6.4%	7.0%

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Interest on Investments	\$ 48,600	\$ 2,637	\$ 13,126	\$ 67,279	\$ 91,630	\$ 2,007	\$ 51,327	\$ 29,995	\$ 84,063	\$ 99,619
Tuition	245,963	93,375	57,713	44,105	-	5,070		6,474	8,838	8,683
Refunds of Prior Year Expenditures								106,515	18,829	2,762
Sales of Used Equipment									61,840	76,255
NJ Smart Refund								58,796		
Cancellation of Prior Year Payables	56,991	52,264	118,117	73,863	96,483	37,310	3,123			2,343
Miscellaneous										
	\$ 351,554	\$ 148,276	\$ 188,956	\$ 185,247	\$ 188,113	\$ 44,387	\$ 54,450	\$ 201,780	\$ 173,570	\$ 189,662

Source: District Records.

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years
 Unaudited

(Fiscal) Ended Dec. 31, (June 30)	Vacant Land	Residential	Farm Res.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (L)	Net Valuation Taxable	Tax Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (Z)
2010	\$ 5,428,300	\$ 286,186,900	-	-	\$ 37,177,400	\$ 1,411,100	\$ 87,600,000	\$ 417,803,700	\$ 814,107	\$ 418,617,807	\$ 625,500	\$ 798,491,466	2.840
2009	5,690,300	286,506,600	-	-	36,299,700	1,411,100	87,600,000	417,507,700	808,871	418,316,571	599,600	791,516,690	2.866
2008	5,697,300	285,719,100	-	-	36,496,700	1,411,100	95,561,500	424,885,700	701,750	425,587,450	647,400	804,648,202	3.095
2007	5,291,800	282,747,700	-	-	36,424,700	1,411,100	103,069,900	428,945,200	797,266	429,742,466	537,300	870,163,298	3.330
2006	5,255,100	282,591,900	-	-	36,704,200	1,424,900	103,069,900	429,946,000	896,614	429,942,614	462,300	727,555,991	3.130
2005	5,285,800	281,456,100	-	-	36,282,300	1,424,900	103,069,900	427,519,000	1,180,889	428,699,889	463,700	632,298,397	2.740
2004	5,542,300	281,314,700	-	-	36,002,000	1,424,900	103,917,000	427,746,700	1,413,632	429,160,332	501,600	525,976,783	2.615
2003	5,826,100	280,628,900	-	-	35,949,800	1,424,900	103,917,000	427,746,700	1,614,312	429,361,012	459,200	473,793,029	2.492
2002	6,082,900	280,245,300	-	-	35,903,500	1,424,900	92,927,100	416,583,700	1,580,811	418,164,511	471,500	428,058,800	2.240
2001	7,009,400	281,241,000	-	-	34,904,700	1,424,900	84,985,100	409,565,100	1,609,544	411,174,644	525,600	425,502,216	2.171

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax Rates are per \$100.00 of Assessed Valuation

GASB Statement 44 requires that the information in this schedule be shown for each "period for which levied" and should be consistent with the periods shown in the schedule of direct and overlapping property tax rates and schedule of property tax levies and collections.

BOROUGH OF LINDENWOLD SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten (Fiscal) Years

(rate per \$100 of assessed value)

Unaudited

(Fiscal) Year Ended Dec. 31, (June 30,)	District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate (1)	General Obligation Debt Service (2)	Total Direct School Tax Rate	Regional School District	Borough of Lindenwold	County of Camden	
2010	2.596	0.244	2.840	0.000	1.941	1.246	6.027
2009	2.636	0.230	2.866	0.000	1.796	1.174	5.836
2008	2.857	0.238	3.095	0.000	1.690	1.290	6.075
2007	3.098	0.232	3.330	0.000	1.552	1.192	6.074
2006	2.905	0.225	3.130	0.000	1.427	1.190	5.747
2005	2.532	0.208	2.740	0.000	1.313	1.017	5.070
2004	2.353	0.262	2.615	0.000	1.176	0.978	4.769
2003	2.422	0.070	2.492	0.000	1.048	0.990	4.530
2002	2.192	0.048	2.240	0.000	0.969	1.001	4.210
2001	2.148	0.023	2.171	0.000	0.909	0.930	4.010

(1) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

(2) Rates for debt service are based on each year's requirements.

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 prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any growth adjustments.

Source: Municipal Tax Collector

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Principal Property Tax Payers
 Current Year and Ten Years Ago
 Unaudited

	2010				2000			
	Taxable Assessed Value	#	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	
TGM Village Bridge	\$ 12,366,900	1		2.95%	\$ 10,600,000	2	2.60%	
Siayata Associates	8,200,000	4		1.96%	11,200,000	1	2.75%	
Coolidge Stonington Court Associates	10,000,000	2		2.39%				
East Coast Pines at Arborwood, LLC	9,436,900	3		2.25%				
Trent Court	7,150,000	5		1.71%				
Timber Ridge, LLC	6,100,000	6		1.46%	5,200,000	6	1.28%	
Heathers Realty, LLC	5,315,800	7		1.27%			0.00%	
Kingswold Limited Partnership	4,771,700	8		1.14%	4,200,000	7	1.03%	
Lindenwold PH, LP	4,200,000	9		1.00%	3,500,000	8	0.86%	
411 Gibbsboro LLC	2,975,000	10		0.71%				
Fairway Management					8,300,000	3	2.04%	
Linden Hill					7,650,000	4	1.88%	
Samson Lindenwold Partners					7,500,000	5	1.84%	
Lands End					3,300,000	9	0.81%	
FNB Real Estate Corp.					2,800,000	10	0.69%	
Total	\$ 70,516,300			16.84%	\$ 64,250,000		15.78%	

Source: Municipal Tax Assessor

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Fiscal Years
 Unaudited

Fiscal Year <u>Ended June 30,</u>	School Taxes Levied for the <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		Collections in <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2011	\$ 12,095,442	\$ 12,095,442	100.00%	-
2010	11,683,067	11,683,067	100.00%	-
2009	12,302,145	12,302,145	100.00%	-
2008	14,048,863	14,048,863	100.00%	-
2007	14,574,167	14,574,167	100.00%	-
2006	12,317,491	12,317,491	100.00%	-
2005	11,735,100	11,735,100	100.00%	-
2004	10,178,667	10,178,667	100.00%	-
2003	11,220,001	11,220,001	100.00%	-
2002	10,116,897	10,116,897	100.00%	-

(1) 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.

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

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds (1)	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2011	\$ 16,515,000	-	-	-	-	\$ 16,515,000	NA	NA
2010	17,570,000	-	-	-	-	17,570,000	NA	NA
2009	18,595,000	-	-	-	-	18,595,000	NA	NA
2008	19,605,000	-	-	-	-	19,605,000	NA	NA
2007	20,540,000	-	-	-	-	20,540,000	NA	NA
2006	21,450,000	-	-	-	-	21,450,000	NA	NA
2005	22,325,000	-	-	-	-	22,325,000	0.15%	34,422
2004	21,329,000	-	-	-	-	21,329,000	0.16%	33,073
2003	22,129,000	-	-	-	-	22,129,000	0.14%	31,873
2002	22,929,000	-	-	-	-	22,929,000	0.14%	31,117

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

(1) Includes Early Retirement Incentive Plan (ERIP) refunding

(2) 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.

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Ratios of Net General Bonded Debt Outstanding
 Last Thirteen Fiscal Years
 Unaudited

General Bonded Debt Outstanding

<u>Fiscal Year Ended June 30.</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding (1)</u>	<u>Percentage of Net Assessed Valuation Taxable (2)</u>	<u>Per Capita (3)</u>
2011	\$ 16,515,000		\$ 16,515,000	3.95%	NA
2010	17,570,000	-	17,570,000	4.19%	NA
2009	18,595,000	-	18,595,000	4.45%	NA
2008	19,605,000	-	19,605,000	4.61%	NA
2007	20,540,000	-	20,540,000	4.79%	NA
2006	21,450,000	-	21,450,000	5.00%	NA
2005	22,325,000	-	22,325,000	5.22%	34,422
2004	21,329,000	-	21,329,000	4.98%	33,073
2003	22,129,000	-	22,129,000	5.17%	31,873
2002	22,929,000	-	22,929,000	5.50%	31,117

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

- (1) District Records
- (2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- (3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce C

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2010 [June 30, 2011]
Unaudited

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Borough of Lindenwold</u>	<u>County Debt Authorized But Not Issued</u>
Municipal Debt: (1)					
Borough of Lindenwold School District	\$ 16,515,000		\$ 16,515,000	\$ 16,515,000	
Borough of Lindenwold	5,128,148	\$ 2,054,650	3,073,498	3,073,498	
	<u>21,643,148</u>	<u>2,054,650</u>	<u>19,588,498</u>	<u>19,588,498</u>	
Overlapping Debt Apportioned to the Municipality:					
County of Camden: (2)					
General:					
Bonds	37,661,151		25,281,509	480,349 (5)	\$ 3,184,000
Loan Agreement	128,370,000	12,379,642 (3)	128,370,000	2,439,030 (5)	
Bonds Issued by Other Public Bodies					
Guaranteed by the County	721,218,197	721,218,197 (4)	-		
Lindenwold Borough Fire District (1)					
	<u>887,249,348</u>	<u>733,597,839</u>	<u>153,651,509</u>	<u>2,919,379</u>	<u>3,184,000.00</u>
	\$ <u>908,892,496</u>	\$ <u>735,652,489</u>	\$ <u>173,240,007</u>	\$ <u>22,507,877</u>	\$ <u>3,184,000.00</u>

Sources:

- (1) 2010 Annual Debt Statement
 - (2) County of Camden
 - (3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
 - (4) Deductible in accordance with N.J.S. 40:37A-80.
 - (5) Such debt is allocated as a proportion of the Township's share of the total 2010 Equalized Value, which is 1.90%.
- The source for this computation was the 2008 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2009

Equalized valuation basis	
2010	\$ 798,491,466
2009	794,042,792
2008	803,946,452
[A]	<u>\$ 2,396,480,710</u>
[A/3]	\$ 798,826,903
[B]	31,953,076
[C]	<u>17,570,000</u>
[B-C]	<u>\$ 14,383,076</u>

Average equalized valuation of taxable property

Debt limit (4 % of average equalization value) (1)

Total Net Debt Applicable to Limit

Legal Debt Margin

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Debt limit	\$ 31,953,076	\$ 32,898,070	\$ 30,133,854	\$ 27,820,111	\$ 25,097,867	\$ 19,005,890	\$ 18,976,265	\$ 17,633,992	\$ 16,802,542	\$ 16,698,658
Total net debt applicable to limit	16,515,000	17,570,000	18,605,000	19,605,000	20,540,000	21,450,000	22,325,000	22,144,000	21,329,000	22,129,000
Legal debt margin	\$ 15,438,076	\$ 15,328,070	\$ 11,528,854	\$ 8,215,111	\$ 4,557,867	\$ (2,444,110)	\$ (3,348,735)	\$ (4,510,008)	\$ (4,526,458)	\$ (5,430,342)
Total net debt applicable to the limit as a percentage of debt limit	51.69%	53.41%	61.74%	70.47%	81.84%	112.86%	117.65%	125.58%	126.94%	132.52%

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

Demographic and Economic Information

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

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Demographic and Economic Statistics
 Last Ten Fiscal Years
 Unaudited

<u>Year</u>	<u>Population</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2011	17,729	NA	NA	16.2%
2010	NA	NA	NA	NA
2009	NA	NA	NA	15.5%
2008	NA	NA	NA	9.3%
2007	NA	NA	NA	7.6%
2006	NA	NA	NA	8.5%
2005	NA	NA	NA	7.8%
2004	17,414	\$ 599,424,708	34,422	5.8%
2003	17,377	574,709,521	33,073	6.5%
2002	17,386	554,143,978	31,873	6.2%

Source:

- (1) Population information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita personal income by municipality-estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

BOROUGH OF LINDENWOLD SCHOOL DISTRICT

Principal Non-Governmental Employers

Current Year and Ten Years Ago

Unaudited

<u>Employer</u>	<u>2010</u>			<u>2000</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of</u>
McDonalds	58	3	9.70%	55	3	11.25%
Advanced Scale Co.	34	6	5.69%	30	10	6.13%
WaWa	58	4	9.70%			
Deterdings Market	48	5	8.03%	53	4	10.84%
William Hall	21	8	3.51%	49	5	10.02%
Walgreens	30	9	5.02%	35	9	7.16%
Vacuum Sales	20	7	3.34%			
Pufferbelly Restraurant	29	2	4.13%	41	6	8.38%
PATCO Lindenwold Station	300	1	50.17%			
Forever Young				35	7	7.16%
R.E. Marshal/Tempcon	-			100	1	20.45%
Hillman's Bus Service	-			56	2	11.45%
Prestige Pontiac	-			35	8	7.16%
	<u>598</u>		<u>99.28%</u>	<u>489</u>		<u>100.00%</u>

Operating Information

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

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
 Unaudited

<u>Function/Program</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Instruction	202.0	202.0	202.0	202.0	202.0	207.8	206.8	239.8	239.8	203.8
Regular	71.5	71.5	71.5	71.5	71.5	73.5	71.2	73.2	73.2	61.2
Special education	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other special education	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vocational	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other instruction	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nonpublic school programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adult/continuing education programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support Services:										
Tuition	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Student & instruction related services	51.0	51.0	51.0	51.0	51.0	51.0	51.0	52.0	57.2	58.2
General administrative services	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	8.0	9.0
School administrative services	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	17.9	17.9
Business administrative services	5.0	5.0	5.0	5.0	5.0	4.5	4.5	6.5	6.1	6.1
Plant operations and maintenance	26.0	26.0	26.0	26.0	26.0	26.0	26.0	31.0	31.0	31.0
Pupil transportation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special Schools	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Food Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Child Care	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	376.5	376.5	376.5	376.5	376.5	383.8	380.5	423.5	433.2	387.2

Source: District Personnel Records

BOROUGH OF LINDENWOLD SCHOOL DISTRICT

Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal	Enrollment	Operating Expenditures (1)	Cost Per Pupil	Percentage Change	Teaching Staff (2)	Elementary	Middle School	Pupil/Teacher Ratio	High School	Average Daily Enrollment (ADE) (3)	Average Daily Attendance (ADA) (3)	% Change in Average Daily Enrollment	Student Attendance Percentage
2011	2,317	\$ 38,162,909	\$ 16,470.83	-7.10%	N/A	N/A	N/A	N/A	N/A	2,241	2,130	2.26%	94.42%
2010	2,244	39,784,822	17,729.42	10.37%	N/A	N/A	N/A	N/A	N/A	2,206	2,083	1.91%	92.07%
2009	2,280	36,624,773	16,063.50	-4.35%	N/A	N/A	N/A	N/A	N/A	2,220	2,044	-1.87%	92.66%
2008	2,272	38,157,737	16,794.78	5.87%	N/A	N/A	N/A	N/A	N/A	2,248	2,083	-1.88%	92.38%
2007	2,340	37,119,929	15,863.22	12.84%	N/A	01:11.2	01:09.1	01:08.8	01:08.8	2,298	2,123	3.81%	91.29%
2006	2,424	34,076,374	14,057.91	4.63%	N/A	01:12.4	01:09.9	01:10.2	01:10.2	2,240	2,045	-1.64%	91.99%
2005	2,424	32,569,246	13,436.16	2.45%	253.00	01:11.9	01:10.2	01:10.4	01:10.4	2,260	2,079	-7.39%	92.01%
2004	2,440	32,001,385	13,115.32	1.61%	266.00	01:10.1	01:11.1	01:11.1	01:12.0	2,440	2,245	3.12%	92.36%
2003	2,362	30,486,785	12,907.19	8.03%	256.00	01:11.2	01:09.2	01:09.4	01:09.4	2,357	2,177	3.81%	91.93%
2002	2,314	27,646,650	11,947.56	13.68%	260.00	01:10.6	01:07.7	01:11.5	01:11.5	2,281	2,097	64.60%	93.68%

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

Note: Enrollment based on annual October district count.

- (1) Operating expenditures equal total expenditures less debt service and capital outlay; J-14
- (2) Teaching staff includes only full-time equivalents of certificated staff.
- (3) Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<u>District Building</u>										
<u>Elementary</u>										
School 4 (1956)										
Square Feet	61,584	61,584	61,584	61,584	61,584	61,584	61,584	61,584	61,584	61,584
Capacity (students)	520	520	520	520	520	520	520	520	520	520
Enrollment	463	457	512	500	478	-	527	476	-	497
School 5 (1965)										
Square Feet	53,121	53,121	53,121	53,121	53,121	53,121	53,121	53,121	53,121	53,121
Capacity (students)	538	538	538	538	538	538	538	538	538	538
Enrollment	615	583	536	489	543	-	538	569	-	543
School 1 (1926)										
Square Feet	N/A	N/A	N/A	N/A	15,130	15,130	15,130	15,130	15,130	15,130
Capacity (students)	N/A	N/A	N/A	N/A	212	212	212	212	212	212
Enrollment	N/A									
<u>Middle School</u>										
Lindenwold Middle School (1957)										
Square Feet	103,004	103,004	103,004	103,004	103,004	103,004	103,004	103,004	103,004	103,004
Capacity (students)	641	641	641	641	641	641	641	641	641	641
Enrollment	666	642	619	649	677	-	693	696	-	738
<u>High School</u>										
Lindenwold High School (2001)										
Square Feet	162,675	162,675	162,675	162,675	162,675	162,675	162,675	162,675	162,675	162,675
Capacity (students)	751	751	751	751	751	751	751	751	751	751
Enrollment	540	556	603	626	633	-	640	676	-	591
<u>Other</u>										
Central Administration (1946)										
Square Feet	N/A	N/A	N/A	N/A	8,000	8,000	8,000	8,000	8,000	8,000
Central Administration (2008)										
Square Feet	6,944	6,944	6,944	6,944						

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

Source: District records, ASSA

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Ten Fiscal Years
 Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES

11-000-261-XXX

* School Facilities	Project # (s)	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
School #1	N/A										
School #4	N/A	\$ 46,934	\$ 111,617	\$ 162,976	\$ 122,286	\$ 93,020	\$ 57,364	\$ 22,392	\$ 67,242	\$ 66,017	\$ 51,247
School #5	N/A	46,617	107,825	41,980	90,151	70,942	39,005	31,012	66,321	63,846	45,602
Middle School	N/A	86,846	153,170	119,939	104,286	115,659	91,691	58,217	82,140	102,231	126,062
High School	N/A	198,381	157,241	235,597	110,952	96,491	47,988	67,414	51,122	21,890	
Other Facilities	N/A	4,878	15,420	7,069	11,340	4,698	6,864	6,895	10,100		
Total School Facilities		<u>383,656</u>	<u>545,273</u>	<u>567,561</u>	<u>439,015</u>	<u>380,810</u>	<u>242,912</u>	<u>185,930</u>	<u>276,925</u>	<u>253,984</u>	<u>222,911</u>
Other Facilities		-	-	-	-	-	-	-	-	-	-
Grand Total		<u>\$ 383,656</u>	<u>\$ 545,273</u>	<u>\$ 567,561</u>	<u>\$ 439,015</u>	<u>\$ 380,810</u>	<u>\$ 242,912</u>	<u>\$ 185,930</u>	<u>\$ 276,925</u>	<u>\$ 253,984</u>	<u>\$ 222,911</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

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Insurance Schedule
 June 30, 2011
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1) - Great American		
Property - blanket building & contents	\$150,000,000	\$500
Crime	\$250,000	\$500
General and Automobile Liability	\$10,000,000	
Educator's Legal Liability	\$10,000,000	
Pollution Legal Liability	\$3,000,000	
Boiler and Machinery - Chubb Insurance Co.	\$50,000,000	\$1,000
Workers' Compensation	Statutory	
Surety Bonds - Hartford Insurance Company		
Treasurer	\$230,000	
Board Secretary/Business Administrator	\$100,000	

- (1) List Insurance Company
- (2) List Insurance Company
- (3) Per Claim/Annual Aggregate
- (4) Each Accident

Source: District Records

SINGLE AUDIT SECTION

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

The Honorable President and
Members of the Board of Education
Borough of Lindenwold School District
County of Camden

Compliance

We have audited Borough of Lindenwold School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2011. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

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

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

Internal Control Over Compliance

Management of the Borough of Lindenwold School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Glen J. Walton
Certified Public Accountant
Public School Accountant
No. 20CS00205000

Voorhees, New Jersey
November 16, 2011

Board of Education of the Lindenwold Public Schools
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2011

Federal Grantor/ Pass-through Grantor / Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2010	
				From	To	Balance June 30, 2010	Carryover / (Walkover) Amount
General Fund:							
U.S. Department of Education							
Medical Assistance Program	93.778	N/A	\$ 106,763	7-1-2010	6-30-2011		
Special Revenue Fund:							
U.S. Department of Education							
Passed-through State Office of							
Community Services:							
Learn and Serve America		08-CJ11-D02	25,000	10-1-2008	9-30-2009	\$ (6,073)	
						(6,073)	-
U.S. Department of Education							
Passed-through State Department							
of Education:							
Title I, Part A Carryover	84.010A	NCLB086009	1,199,874	9-1-2008	8-31-2009	(225,507)	\$ 6,347
Title I, Part A Carryover	84.010A	NCLB086010	1,356,507	9-1-2009	8-31-2010	(1,356,507)	401,713
Title I, Part A	84.010A	NCLB267011	1,337,830	9-1-2010	8-31-2011		
Title I, School Improvement Carryover	84.010A	NCLB086009	25,090	9-1-2008	8-31-2009	(15,804)	
Title I, School Improvement Carryover	84.010A	NCLB086010	63,440	9-1-2009	8-31-2010	(63,440)	33,447
Title I, School Improvement	84.010A	NCLB267011	61,441	9-1-2010	8-31-2011		
Title II, Part A Carryover	84.367	NCLB086008	104,626	9-1-2007	8-31-2008	5,137	
Title II, Part A Carryover	84.367	NCLB086010	111,420	9-1-2009	8-31-2010	(111,420)	3,760
Title II, Part A	84.367	NCLB267011	113,634	9-1-2010	8-31-2011		
Title II, Part D - Tech Carryover	84.318	NCLB086008	7,040	9-1-2007	8-31-2008	616	
Title II, Part D - Tech Carryover	84.318	NCLB086010	13,794	9-1-2009	8-31-2010	(13,794)	167
Title II, Part D	84.318	NCLB267011	2,607	9-1-2010	8-31-2011		
Title III, Carryover	84.365A	NCLB086009	80,997	9-1-2008	8-31-2009	(7,034)	2,859
Title III, Carryover	84.365A	NCLB086010	96,369	9-1-2009	8-31-2010	(96,369)	6,264
Title III	84.365A	NCLB267011	123,912	9-1-2010	8-31-2011		
Title III Immigrant, Carryover	84.365A	NCLB086008	32,458	9-1-2007	8-31-2008	587	
Title IV Carryover	84.186	NCLB086010	19,056	9-1-2009	8-31-2010	(19,056)	1,302
Title V Carryover	84.298	NCLB086008	6,029	9-1-2007	8-31-2008	527	
ARRA - Title I, Part A	84.389	NCLB086010	815,605	7-1-2009	9-30-2011	(815,605)	402,829
ARRA - Title I, School Improvement	84.389	NCLB086010	37,330	7-1-2009	9-30-2011	(37,330)	37,330
Include Phase III	84.318X	09-CC22-J61	240,000	9-1-2009	8-31-2010	(71,573)	22,879
Include	84.318X	INCLUDE267011	235,000	9-1-2010	8-31-2011		
I.D.E.I.A. Part B, Basic Regular	84.027	IDEIA267010	564,800	9-1-2009	8-31-2010	(231,156)	179,390
I.D.E.I.A. Part B, Basic Regular	84.027	IDEA267011	567,337	9-1-2010	8-31-2011		
I.D.E.I.A. , Part B Preschool	84.027	IDEA267011	22,109	9-1-2010	8-31-2011		
ARRA - I.D.E.I.A. Part B, Basic Regular	84.027	IDEIA267010	639,881	7-1-2009	9-30-2011	(309,334)	294,854
ARRA - I.D.E.I.A. , Part B Preschool	84.173	IDEIA267010	22,992	7-1-2009	9-30-2011	(22,992)	22,992
IDEAL Special Education	84.027A	H070-D009	60,000	7-1-2009	6-30-2010	(7,750)	
Total Special Revenue Fund						(3,403,877)	1,416,133
Enterprise Fund:							
U.S. Department of Agriculture							
Passed-through State Department							
of Education:							
National School Lunch Program	10.555	N/A	606,683	7-1-2009	6-30-2010	(48,606)	
National School Lunch Program	10.555	N/A	701,848	7-1-2010	6-30-2011		
School Breakfast Program	10.553	N/A	126,944	7-1-2009	6-30-2010	(12,309)	
School Breakfast Program	10.553	N/A	143,843	7-1-2010	6-30-2011		
After School Snack Program	10.553	N/A	11,976	7-1-2010	6-30-2011		
ARRA - Food Service Equipment Grant	10.579	N/A	20,266	7-1-2009	6-30-2010		
Food Distribution Program	10.550	N/A	48,187	7-1-2010	6-30-2011		
Total Enterprise Fund						(60,915)	-
Total Federal Financial Assistance						\$ (3,464,792)	\$ 1,416,133

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

Balance June 30, 2011						
Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor at June 30, 2011
\$ 106,763	\$ 106,763					
106,763	106,763					
6,073						
6,073	-	-	-	-	-	-
225,507	5,080				\$ 1,267	
1,099,224	398,123			\$ (257,283)	3,590	
759,788	1,145,743			(578,042)	192,087	
14,107				(1,697)		
	27,450			(63,440)	5,997	
				(61,441)	61,441	
			\$ 5,137			
104,760	3,760			(6,660)	-	
56,012	96,095			(57,622)	17,539	
			616			
9,904	167			(3,890)	-	
2,050	2,440			(557)	167	
7,034	2,859			-	-	
80,506	6,264			(15,863)	-	
53,489	94,916			(70,423)	28,996	
			587		-	
17,716	1,302			(1,340)	-	
			527		-	
769,598	394,580			(46,007)	8,249	
	20,072			(37,330)	17,258	
71,573	22,879			-	-	
160,980	204,369			(74,020)	30,631	
173,924	179,390			(57,232)	-	
358,512	315,603			(208,825)	251,734	
12,096	22,109			(10,013)	-	
252,986	259,925			(56,348)	34,929	
22,992	22,992				-	
7,750					-	
4,266,581	3,226,118	-	6,867	(1,608,033)	653,885	-
48,606						
656,379	701,848			(45,469)		
12,309						
133,212	143,843			(10,631)		
11,748	11,976			(228)		
20,266	20,266					
48,187	48,187					
930,707	926,120	-	-	(56,328)	-	-
\$ 5,304,051	\$ 4,259,001	\$ -	\$ 6,867	\$ (1,664,361)	\$ 653,885	\$ -

Board of Education of the Lindenwold Public Schools
 Schedule of Expenditures of State Awards, Schedule B
 For the Fiscal Year Ended June 30, 2011

<u>State Grantor/ Program Title</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>		<u>Balance at June 30, 2010</u>		
			<u>From</u>	<u>To</u>	<u>Deferred Revenue / Accounts Receivable</u>	<u>Due to Grantor</u>	<u>Carryover/ (Walkover) Amount</u>
State Department of Education (State Aid):							
General Fund:							
Equalization Aid	10-495-034-5120-078	17,464,310	7-1-2009	6-30-2010	\$ (2,033,260)		
Equalization Aid	11-495-034-5120-078	18,442,056	7-1-2010	6-30-2011			
Security Aid	10-495-034-5120-085	472,755	7-1-2009	6-30-2010	(47,276)		
Special Education Aid	10-495-034-5120-089	1,165,191	7-1-2009	6-30-2010	(116,519)		
Special Education Aid	11-495-034-5120-089	1,143,873	7-1-2010	6-30-2011			
Transportation Aid	10-495-034-5120-015	376,265	7-1-2009	6-30-2010	(37,627)		
Nonpublic Transportation Aid	10-495-034-5120-015	16,869	7-1-2009	6-30-2010	(16,869)		
Nonpublic Transportation Aid	11-495-034-5120-015	15,497	7-1-2010	6-30-2011			
Extraordinary Special Education Aid Costs	10-100-034-5120-473	98,885	7-1-2009	6-30-2010	(98,885)		
Extraordinary Special Education Aid Costs	11-100-034-5120-473	138,655	7-1-2010	6-30-2011			
Reimbursed T.P.A.F. Social Security	10-495-034-5095-002	1,228,032	7-1-2009	6-30-2010	(92,490)		
Reimbursed T.P.A.F. Social Security	11-495-034-5095-002	1,230,347	7-1-2010	6-30-2011			
Total State Aid - General Fund					(2,442,926)	-	-
State Grants:							
Special Revenue Fund:							
Preschool Education Aid	10-495-034-5120-086	307,058	7-1-2009	6-30-2010	165,643		
Preschool Education Aid	11-495-034-5120-086	645,197	7-1-2010	6-30-2011			
100% Insured For Sure	NA	25,000	7-1-2009	6-30-2010		\$ 10,376	
Total Special Revenue Fund					165,643	10,376	-
Capital Projects Fund:							
SDA Grant	2670-090-09-1001	234,197	7-1-2008	6-30-2009	(234,197)		
SDA Grant		681,274	7-1-2010	6-30-2011			
					(234,197)	-	-
Debt Service Fund:							
Debt Service Aid Type II	11-495-034-5120-125	729,206	7-1-2009	6-30-2010			
					-	-	-
Enterprise Fund:							
National School Lunch Program (State Share)	10-100-010-3360-067	25,028	7-1-2009	6-30-2010	(1,987)		
National School Lunch Program (State Share)	11-100-010-3360-067	14,975	7-1-2010	6-30-2011			
School Breakfast Program (State Share)	09-100-010-3360-096	7,306	7-1-2008	6-30-2009	(645)		
Total Enterprise Fund					(2,632)	-	-
Total State Financial Assistance					\$ (2,514,112)	\$ 10,376	\$ -

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

Cash Received	Adjustments	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2011			Memo	
				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable 6/30/2010	Cumulative Total Expenditures
\$ 2,033,260								
18,944,325		\$ 20,980,071		\$ (2,035,746)			\$ (2,035,746)	\$ 20,980,071
47,276								
116,519								
1,029,486		1,143,873		(114,387)			(114,387)	1,143,873
37,627								
16,869								
98,885		15,497		(15,497)				15,497
		138,655		(138,655)				138,655
92,490								
1,169,661		1,230,347		(60,686)				1,230,347
<u>23,586,398</u>	<u>-</u>	<u>23,508,443</u>	<u>-</u>	<u>(2,364,971)</u>	<u>-</u>	<u>-</u>	<u>(2,150,133)</u>	<u>23,508,443</u>
30,706		196,349						307,058
580,677		393,885		(64,520)	\$ 251,312		(64,520)	393,885
						\$ 10,376		
<u>611,383</u>	<u>-</u>	<u>590,234</u>	<u>-</u>	<u>(64,520)</u>	<u>251,312</u>	<u>10,376</u>	<u>(64,520)</u>	<u>700,943</u>
		95,638		(234,197)			(234,197)	
				(681,274)	585,636			
<u>-</u>	<u>-</u>	<u>95,638</u>	<u>-</u>	<u>(915,471)</u>	<u>585,636</u>	<u>-</u>	<u>(234,197)</u>	<u>-</u>
<u>729,206</u>	<u>-</u>	<u>729,206</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>729,206</u>
<u>729,206</u>	<u>-</u>	<u>729,206</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>729,206</u>
1,987								
13,874		14,975		(1,101)			(1,101)	14,975
645								
<u>16,506</u>	<u>-</u>	<u>14,975</u>	<u>-</u>	<u>(1,101)</u>	<u>-</u>	<u>-</u>	<u>(1,101.00)</u>	<u>14,975</u>
<u>\$ 24,943,493</u>	<u>\$ -</u>	<u>\$ 24,938,496</u>	<u>\$ -</u>	<u>\$ (3,346,063)</u>	<u>\$ 836,948</u>	<u>\$ 10,376</u>	<u>\$ (2,449,951)</u>	<u>\$ 24,953,567</u>

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2011

Note 1: GENERAL

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

Note 2: BASIS OF ACCOUNTING

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

Note 3: RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$84,548 for the general fund and (\$49,490) for the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the School District's basic financial statements on a GAAP basis as presented on the following page.

Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance (Cont'd)

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

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 106,763	\$ 24,683,264	\$ 24,790,027
Special Revenue	3,226,118	540,744	3,766,862
Capital Projects		95,638	
Debt Service		729,206	729,206
Food Service	926,120	14,975	941,095
	<u>\$ 4,259,001</u>	<u>\$ 26,063,827</u>	<u>\$ 30,227,190</u>

Note 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 5: OTHER

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

Note 6: MAJOR PROGRAMS

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

**BOROUGH OF LINDENWOLD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2011**

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weaknesses identified? ___ yes x no

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

Noncompliance material to financial statements noted? ___ yes x no

Federal Awards

Internal control over compliance:

Material weaknesses identified? ___ yes x no

Were significant deficiencies identified that were not considered to be material weaknesses? ___ yes x none reported

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

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

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>84.010A</u>	<u>Title I, Part A</u>
<u>84.010A</u>	<u>Title I SIA</u>
<u>84.389</u>	<u>ARRA - Title I, Part A</u>
<u>84.389</u>	<u>ARRA - Title I, SIA</u>
<u>84.027</u>	<u>IDEA Part B - Basic</u>
<u>84.137</u>	<u>IDEA Part B - Preschool</u>
<u>84.391</u>	<u>ARRA - IDEA Part B - Basic</u>
<u>10.555</u>	<u>National School Lunch Program</u>
<u>10.553</u>	<u>School Breakfast Program</u>
<u>10.553</u>	<u>After School Snack</u>
<u>10.555</u>	<u>Food Distribution Program</u>

Dollar threshold used to determine Type A programs \$ 300,000

Auditee qualified as low-risk auditee? x yes ___ no

**BOROUGH OF LINDENWOLD SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2011**

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over compliance:

Material weaknesses identified? yes no

Were significant deficiencies identified that were not considered to be material weaknesses? yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a)) or New Jersey Circular 04-04-OMB? yes no

Identification of major programs:

<u>GMS Numbers</u>	<u>Name of State Program</u>
<u>495-034-5120-078</u>	<u>Equalization Aid</u>
<u>495-034-5120-089</u>	<u>Special Education</u>
<u>495-034-5095-002</u>	<u>Reimbursed T.P.A.F. Social Security</u>
<u> </u>	<u> </u>

Dollar threshold used to determine Type A programs \$ 748,155

Auditee qualified as low-risk auditee? yes no

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 2- Schedule of Financial Statement Findings

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

No Current Year Findings

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

No Current Year Findings.

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

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

No Current Year Findings.

BOROUGH OF LINDENWOLD SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

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

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings.

FEDERAL AWARDS

No Prior Year Findings.

STATE FINANCIAL ASSISTANCE PROGRAMS

No Prior Year Findings.

