

**SCHOOL DISTRICT OF
LOGAN TOWNSHIP**

LOGAN BOARD OF EDUCATION
Logan Township, New Jersey
County of Gloucester

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

LOGAN TOWNSHIP BOARD OF EDUCATION

LOGAN TOWNSHIP, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Prepared by

**Logan Township Board of Education
Business Office**

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INTRODUCTORY SECTION

Logan Township School District

110 School Lane
Logan Township, NJ 08085

Janine M. Wechter
School Business Administrator
(856) 467-5133, Ext. 307
(856) 241-1426 Fax

September 7, 2011

Honorable President and
Members of the Board of Education
Logan Township School District
County of Gloucester
Logan Township, New Jersey

Dear Board Members:

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the basic 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 1984 as amended in 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and the state Treasury Circular Letter 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. Reporting Entity and Its Services

Logan Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Logan Township School District is a K - 12 School District operating 2 schools (an Early Childhood Educational Center serving grades Pre-Kindergarten to 1 and an Elementary/Middle School serving grades 2 to 8) while maintaining a sending relationship with the near-by Kingsway Regional High School District to serve grades 9 to 12.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, as well as special education for gifted and handicapped youngsters. The District completed the 2010-2011 fiscal year with an enrollment of 874 students, which represents a decrease of 30 students over the previous year's enrollment. This decrease was due to the fact that the ARRA funds used during the 2009-2010 school year to provide a tuition-free Pre-Kindergarten program to all 4 year old Logan residents were no longer

available in the same amount as was used during the 2010-2011 school year. Even though the Pre-Kindergarten was partially funded by ARRA, there was a tuition charge of \$2,500.00 per Pre-K student which significantly reduced the Pre-K population by approximately 15 to 20 students. Continuation of the expanded preschool program in the future will be dependent on parent tuition and the District investment. We are hopeful that the Board of Education will continue to partially support the Pre-Kindergarten program as they were able to do for the 2011-2012 school year which allows more at-risk Pre-Kindergarten students to be educated in an inclusive environment. The following details the changes in the student enrollment of the District over the last five years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2010-11	874.1	(3.23%)
2009-10	903.3	0.40%
2008-09	899.7	2.73%
2007-08	875.8	(6.17%)
2006-07	933.4	0.46%

When reviewing the average daily enrollment over the past three years, it seems that if the expansion of the Pre-Kindergarten program was taken out of the mix, student enrollment seems to be hovering at about 870 students over these past three academic years.

2. Economic Condition and Outlook

Three large industrial parks are located in Logan Township. The Logistic Center at Logan comprises 1,100 acres and the Pureland Industrial Complex covers 3,000 acres. The third industrial park, the Commodore Business Center, is located along the Rt. 322 industrial corridor partially in Logan Township and partially in adjacent Woolwich Township. Pureland Industrial Park is the largest industrial park in the state and has been hailed as the top "ultra-successful" business park in the U.S. according to Site Selection magazine. The Logan Township population has continued to increase steadily from 3,078 in 1980 to 6,732 in 2010. However, the staggering fiscal woes in the State of New Jersey coupled with the recession plaguing the country since 2008 has led to decreasing state aid as well as contracting property values and tax rates. Increasing unemployment, property taxes, and the cost of living correlate to a higher burden on school districts to provide the accustomed services with diminishing resources. These combined forces are applying increased pressure on the District to practice fiscal discipline while maintaining a quality education.

For the 2011-12 school year, there was a decrease in tax rates in the township by \$3,797,627.00.

- 2010 - \$618,309,615
- 2011 - \$614,511,988

It is important to note here that the increasing unemployment not only correlates an increase to a higher burden on school districts but also on families which is reflected on the doubling of low-income students over the past six years. (See chart below)

<u>Fiscal Year</u>	<u>Total Free & Reduced</u>	<u>Percentage of Population Which is Free & Reduced</u>
2011-12	177	20.5%
2010-11	153	17.6%
2009-10	141	15.6%
2008-09	127	14.1%
2007-08	116	13.2%
2006-07	99	10.6%

3. Major Initiatives

Logan Township is an innovative school district which places a priority on excellence. To this end, technology tools are used to enhance student learning. Our District has a one-on-one laptop initiative for our 7th & 8th grade students. In addition to this, the number of computers in the district exceeds the number of students in our District. (This is due to the fact that all secretaries and Administrators have computers and the district houses three computer labs.) All students in grades 1 to 7 have regular Spanish instruction. Eighth grade students have the option to choose to take a full year of Spanish I or Italian I. Eighth grade students who are eligible may study Algebra I. Technology Education (S.T.E.M./Science Technology/Engineering and Mathematics) is provided for all students in grades 2 to 8. After school programs and clubs provide opportunities to participate in drama, gardening, athletics, and many other extra-curricular areas. Performing Arts activities provide opportunities for students to share their particular talent. As our schools are centered in a culturally diverse community, our faculty is dedicated to providing programs that feature a variety of world cultures and concepts.

The District strives to remain on the cutting edge in the area of technology in order that our students have the proper technological skills that are required in the 21st century workplace environment. The Three-Year Technology Plan (2010 to 2013) was developed during the latter part of the 2009-2010 school year which includes a heavy emphasis on upgrading hardware, software, and infrastructure. The plan emphasizes increased utilization of wireless technology and the use of Web 2.0 tools by both students and teachers. A tiered professional development plan, to address the technological needs of our teaching staff, is part of the most recent technology plan.

The District continues to be a leader in pre-school education. A State grant has been used over the past six years to expand the District-funded program to service the at-risk population. Over the past two years, the District was able to utilize ARRA Federal Stimulus Funds to expand the pre-school program. Continuation of the pre-school program in the future will be dependent on the on-going commitment of the Board of Education, on State pre-school aid and or tuition from parents.

The District continues to be proactive in addressing building maintenance issues. Many components of the Five-Year Facility Maintenance Plan have been addressed. These include rug replacements, parking lot resurfacing, ceiling tile replacement, painting, and upgrades to the security cameras to include new placements in corridors and additional placements around the exterior of Logan Elementary School and Center Square School. The District also participated in a Board of Public Utilities grant program to perform an energy audit of the district facilities to identify energy conservation projects and strategies. Findings from this audit have been reviewed by a Board of Education sub-committee and recommendations were made for energy-cost savings initiatives including changes to the lighting in several large group areas.

District curricula are once again being re-aligned to the latest state's Core Curriculum Content Standards and to the Common Core Standards for ELA and Mathematics. A continuous upgrading of instructional resources and teacher training, provided by consultants and coaches, help focus the instruction on the State's Core Curriculum Standards.

Professional development is carefully planned and executed. A professional development plan is prepared and followed annually in accordance with state regulations. In addition, a comprehensive mentor plan outlines services and support provided to teachers new to the profession. The 2011-2012 Professional Development Plan was approved by the county Board in June 2011 with high praise for the content of the plan.

4. Internal Accounting Controls

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial

statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5. Budgetary Controls

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the 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, 2010.

6. Accounting System and Reports

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

7. Financial Information at Fiscal Year-End

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2011, and the amount and percentage of increases and decreases in relation to the prior year's revenues:

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2009</u>	<u>Percent of Increase (Decrease)</u>
Local sources	\$ 12,224,066.00	63.73	\$ (84,387.00)	(0.69)
State sources	6,458,976.00	33.67	527,352.00	8.89
Federal sources	498,671.00	2.60	(879,709.00)	(63.82)
Total	<u>\$ 19,181,713.00</u>	<u>100.00</u>	<u>\$(436,744.00)</u>	<u>(2.23)</u>

The following schedule presents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2011, and the amount and percentage of increases and decreases in relation to the prior year's expenditures:

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2009</u>	<u>Percent of Increase (Decrease)</u>
Current expense:				
Instruction	\$ 5,495,380.00	30.03	\$ (121,112.00)	(2.16)
Undistributed expenditures	10,639,748.00	58.13	(1,482,823.00)	(12.23)
Capital outlay	216,153.00	1.18	(190,863.00)	(46.89)
Special schools	0.00	0.00	(30,829.00)	(100.00)
Special revenue:				
Federal	466,588.00	2.55	(32,413.00)	(6.50)
State	42,329.00	0.23	(1,004.00)	(2.43)
Debt service:				
Principal	1,160,000.00	6.34	10,000.00	100.00
Interest	<u>282,180.00</u>	<u>1.54</u>	<u>(54,100.00)</u>	<u>(16.09)</u>
Total	<u>\$ 18,302,378.00</u>	<u>100.00</u>	<u>\$ (1,903,144.00)</u>	<u>(9.42)</u>

8. Debt Administration

The district took advantage of low interest rates in April 2005 and refinanced the callable bonds from July 1999. On April 28, 2005, the District sold \$4,840,000.00 of general obligation bonds dated April 28, 2005, which have annual maturities to July 15, 2018. Of these bonds, \$4,130,000.00 was outstanding at June 30, 2011.

The District has taken advantage of the current low interest rate and refinanced the October, 1992 bonds. Bonds in the amount of \$7,630,000.00 are dated April 15, 2002, and having maturities from July 15, 2004 through July 15, 2013. Of these bonds, \$2,035,000.00 was outstanding at June 30, 2011.

9. Cash Management

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

10. Risk Management

In 1998, the district entered into an agreement with 14 other districts in Gloucester, Cumberland, and Salem Counties to form a Joint Insurance Fund (JIF). The JIF provides a comprehensive insurance package across all lines of coverage including, but not limited to, general liability, automobile liability and comprehensive/collision, hazard, and theft insurance on property and contents. Fidelity Bonds and Student/Volunteer Accident Insurance is also carried by the district separately from the JIF.

The JIF has been an excellent insurance program for the district providing stable premiums since its inception along with a proactive risk management program and over 59 safety training opportunities for the District employees.

11. Other Information

A. Independent Audit

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman & Frenia, LLP, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as amended in 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04. The auditor's report on the basic financial statements and the combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

We would like to express our appreciation to the members of the Logan Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

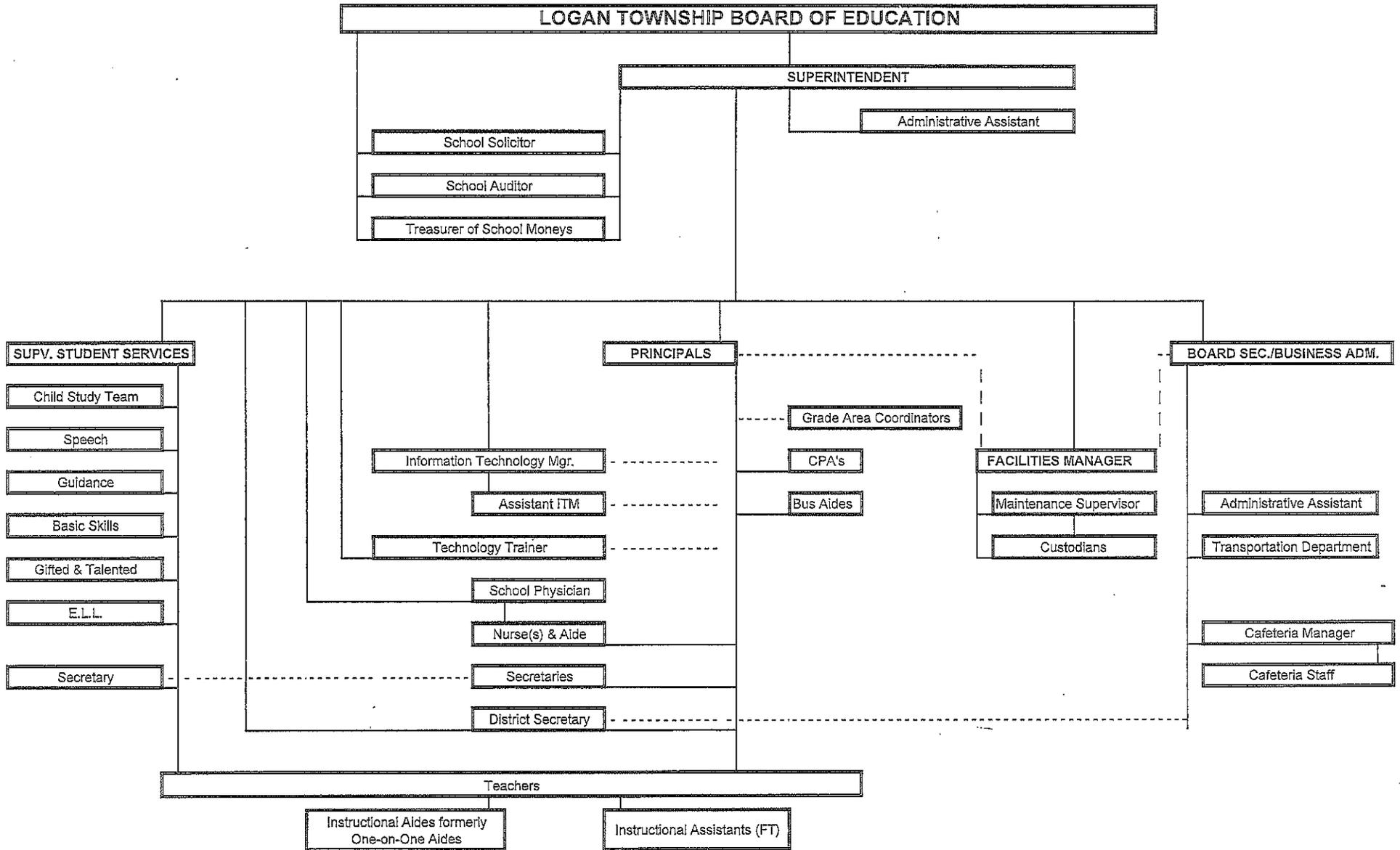
Respectfully submitted,

Signed: Patricia L. Harvey
Title: Superintendent
Date: 9/8/11

Signed: Janine M. Wehler
Title: SBA
Date: 9/8/11

**LOGAN TOWNSHIP BOARD OF EDUCATION
LOGAN TOWNSHIP, NEW JERSEY**

ORGANIZATIONAL CHART



7

LOGAN TOWNSHIP BOARD OF EDUCATION
110 School Lane
Logan Township, New Jersey 08085

ROSTER OF OFFICIALS
JUNE 30, 2011

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Francis E. Donnelly, President	2012
William G. Toner, Jr., Vice President	2013
Brian Bowen	2014
Brian K. Blackburn	2013
Carolyn W. Kegler	2012
Kelley Mason	2013
Shawn Donnelly	2014
Charles David Perdue	2012
Amy Warlin-Mulholland	2014

OTHER OFFICIALS

Patricia L. Haney, Superintendent
Janine M. Wechter Business Administrator
Lisa Toff /Board Secretary
Robert L. Best, Treasurer
Raymond J. Zane, Esq., Solicitor – General
Alan R. Schmoll, Esq., Solicitor - Personnel

LOGAN TOWNSHIP BOARD OF EDUCATION
110 School Lane
Logan Township, New Jersey 08085

CONSULTANTS AND ADVISORS

AUDIT FIRM

Holman & Frenia, P. C.
Kevin P. Frenia, CPA, PSA
618 Stokes Road
Medford, New Jersey 08055

ATTORNEY - GENERAL

Raymond J. Zane, Esq.
131 North Delaware Street
Woodbury, New Jersey 08096

ATTORNEY - PERSONNEL

Alan R. Schmoll, Esq.
Capehart & Scatchard
Laurel Corporate Center, Suite 300
8000 Midlantic Drive
Mt. Laurel, New Jersey 08054

FISCAL AGENT

US Bank
Corporate Trust Services
EP-MN-WS3W
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OFFICIAL DEPOSITORY

The Bank (Fulton Bank)
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FINANCIAL ADVISOR

Capital Financial Advisors, Inc.
Robbi Acampora
8000 Midlantic Drive, Suite 110S
Mt. Laurel, New Jersey 08054

FINANCIAL SECTION



Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Logan Township School District
County of Gloucester
Swedesboro, New Jersey 08085

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 7, 2011, on our consideration of the Logan Township Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

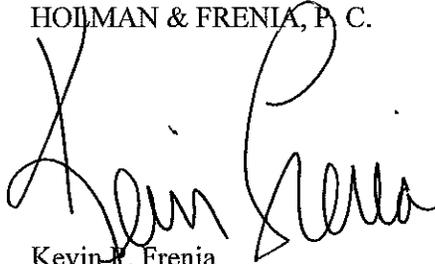
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 12 through 18 and 54 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers

it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Logan Township Board of Education's basic financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, schedule of expenditures of state financial assistance and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and is also not a required part of the financial statements. The combining and individual fund financial statements, long-term debt schedules and the accompanying schedule of expenditures of state financial assistance have been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical information 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,

HOILMAN & FRENIA, P. C.



Kevin J. Frenia
Certified Public Accountant
Public School Accountant
No. 1011

Medford, New Jersey
September 7, 2011

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis

LOGAN TOWNSHIP BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year ended June 30, 2011

UNAUDITED

The discussion and analysis of the Logan Township 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

- Total revenues of \$19,618,457 were comprised of general revenues in the amount of \$19,078,131 or 97.25 percent and program specific revenues from charges for services, grants, and contributions in the amount of \$540,326 or 1.95 percent.
- The District had \$19,948,453 in expenses related to governmental activities; only \$540,326 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes and state aid) of \$19,618,457 along with designated fund balances were sufficient to provide for these programs.
- Among major funds, the General Fund had \$17,599,480 in revenues and \$17,921,847 in expenditures. The General Fund's balance decreased by \$352,367 under 2009. This decrease was the direct result of mid-year cuts in state aid. The economic malaise being experienced across the nation has impacted the State of New Jersey negatively and this has filtered down to all of the districts in the state.

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 Logan Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the assets and liabilities of the District, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the net assets of the District changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event

giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused sick leave).

The government-wide financial statements can be found on pages 19 to 21 of this report.

Fund financial statements. A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the special revenue fund, the debt service fund, and the capital projects fund, each of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 22 to 24 of this report.

- **Proprietary funds.** The District maintains one proprietary fund type. The *food service fund* has historically operated as an *enterprise fund* using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the district as a whole.
- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are *not* reflected in the government-wide financial statement because the District cannot use these funds to finance its operations.

The District uses an agency fund to account for resources held for student activities and groups. The basic fiduciary fund financial statement can be found on page 26 of this report.

Notes to the financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 to 53 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 54 to 67 of this report.

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.

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 2011 and 2010.

**Table 1
Net Assets**

Assets	2011			2010		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	2,047,557	74,915	2,122,472	1,142,262	87,723	1,229,985
Capital assets	11,700,866	32,371	11,733,237	12,184,748	32,965	12,217,713
Total Assets	13,748,423	107,286	13,855,709	13,327,010	120,688	13,447,698
Liabilities						
Current and other liabilities	212,896	5,919	218,815	210,357	12,850	223,207
Long-term liabilities	6,596,227		6,596,227	7,967,950		7,967,950
Total Liabilities	6,809,123	5,919	6,815,042	8,178,307	12,850	8,191,157
Net assets:						
Invested in capital assets, net of related debt	5,234,131	32,371	5,266,502	4,377,078	32,965	4,410,043
Debt Service	(117,511)		(117,511)	(139,860)		(139,860)
Other purposes	2,081,774		2,081,774	1,267,217		1,267,217
Unrestricted	(259,094)	68,996	(190,098)	(355,732)	74,873	(280,859)
Total Net Assets	6,939,300	101,367	7,040,667	5,148,703	107,838	5,256,541

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

Table 2
Changes in Net
Assets

	2011			2010		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Revenues						
Program revenues:						
Charges for services:		\$ 224,536	224,536		\$ 240,049	240,049
Operating grants & contributions	508,917	100,546	609,463	540,326	102,391	642,717
General Revenues:						
Property Taxes	12,004,146		12,004,146	12,146,909		12,146,909
Grants & Entitlements	6,448,730		6,448,730	6,769,678		6,769,678
Miscellaneous	219,920		219,920	161,544		161,544
Transfers In	-	-	-	(30,000)	30,000	-
Total revenues	<u>19,181,713</u>	<u>325,082</u>	<u>19,506,795</u>	<u>19,588,457</u>	<u>372,440</u>	<u>19,960,897</u>
Expenses:						
Program Expenses:						
Instruction	5,898,597		5,898,597	6,082,434		6,082,434
Tuition	3,584,333		3,584,333	4,441,648		4,441,648
Student & Instruction Related Svcs	1,128,319		1,128,319	1,276,585		1,276,585
School Administration	347,943		347,943	385,887		385,887
General & Business Services	520,965		520,965	518,127		518,127
Plant Operations & Maintenance	1,344,578		1,344,578	1,358,684		1,358,684
Transportation	871,551		871,551	1,250,299		1,250,299
Unallocated Benefit Expenses	2,739,236		2,739,236	2,741,355		2,741,355
Special Schools	-		-	30,829		30,829
Interest on long-term liabilities	259,683		259,683	310,109		310,109
Unallocated Depreciation	695,911		695,911	674,708		674,708
Food Service		331,553	331,553		354,875	354,875
Total Expenses	<u>17,391,116</u>	<u>331,553</u>	<u>17,722,669</u>	<u>19,070,665</u>	<u>354,875</u>	<u>19,425,540</u>
Increase (Decrease) in net assets	\$ 1,790,597	\$ (6,471)	\$ 1,784,126	\$ 517,792	\$ 17,565	\$ 535,357

Governmental Activities.

Property taxes decreased by \$142,763, which is a 1.18 percent decrease over the prior year. Significant savings in the key area of health benefits (by changing Health Care provider) and the announced retirement of several full time teachers during the 2010-2011 school year enabled the district to maintain a budget with a tax levy of decrease of .4 cents over last year.

The Statement of Activities shows the cost of program services and the charges for these services and offsetting grants. Table 3 shows, for government activities, the total cost and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Government Activities

	2011		2010	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	\$ 5,898,597	\$ 5,495,380	\$ 6,082,434	\$ 5,616,492
Tuition	3,584,333	3,584,333	4,441,648	4,441,648
Student & Instruction Related Svcs	1,128,319	1,022,619	1,276,585	1,202,201
School Administration	347,943	347,943	385,887	385,887
General Admin. & Business Svcs	520,965	520,965	518,127	518,127
Plant Operations & Maintenance	1,344,578	1,344,578	1,358,684	1,358,684
Pupil Transportation	871,551	871,551	1,250,299	1,250,299
Unallocated Benefit Expenses	2,739,236	2,739,236	2,741,355	2,741,355
Special Schools	-	-	30,829	30,829
Interest on long-term liabilities	259,683	259,683	310,109	310,109
Unallocated Depreciation	695,911	695,911	674,708	674,708
Total Expenses	<u>\$ 17,391,116</u>	<u>\$ 16,882,199</u>	<u>\$ 19,070,665</u>	<u>\$ 18,530,339</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Tuition expenses include the cost of sending the District's students in grades 9 – 12 to Kingsway Regional High School, and all special education out of district placements.

Student & Instruction Related Services expenses 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 services include expenses associated with the administrative and financial supervision of the District.

Plant Operations and Maintenance expenses involve keeping the school grounds, buildings, and equipment in effective working condition and maintaining the safety of all students and staff while on campus.

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.

Unallocated benefit expenses include the costs of providing health and welfare insurance programs for the school district staff as well as other fringe benefits.

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

Unallocated depreciation is the depreciation expense of the District fixed assets.

The District's Funds

The District's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$19,181,713 and expenditures of \$18,302,378. The net change in fund balance was most significant in the general fund due to the reduction of expenditures over the prior year by \$1,893,210, while revenues only dropped \$436,744.

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.

During the course of fiscal 2011 the School District amended its General Fund budget numerous times. Generally these amendments are a reallocation of resources to facilitate changes in spending priorities in the district. The district uses a school-based budgeting system designed to tightly control the total school budget but provide the flexibility for location management.

For the General Fund, the final budget basis revenue was \$16,275,928 – an amount very close to the original budget estimate. For the General Fund, the final budget basis expenditures were \$15,490,490.

The District's ending unobligated fund balance was \$341,003.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2011, the District had \$23,392,298 invested in land, buildings, and equipment; \$23,225,299 in governmental activities. Please refer to Note 6 in the Notes to the Financial Statements for additional detail.

Table 4
Capital Assets at June 30, 2010

	2011			2010		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	115,872		115,872	115,872		115,872
Site Improvements	594,456		594,456	594,456		594,456
Buildings and building improvements	19,105,303		19,105,303	19,105,303		19,105,303
Machinery and Equipment	3,409,668	166,999	3,576,667	3,197,639	162,573	3,360,212
Total	23,225,299	166,999	23,392,298	23,013,270	162,573	23,175,843

Debt

At June 30, 2011, the District had \$6,596,227 in debt outstanding; \$1,316,893 due within one year. Table 5 summarizes debt outstanding. Please refer to Note 7 in the Notes to the Financial Statements for additional detail.

Table 5
Outstanding Debt at June 30, 2010

	2011		2010	
	Governmental Activities	Total	Governmental Activities	Total
Refunding of 1992 Bonds for the Construction of Logan Elementary School				
2002 School Bonds	2,035,000	2,035,000	2,735,000	2,735,000
Refunding bond issue 2005	4,130,000	4,130,000	4,590,000	4,590,000
Capital Leases	301,735	301,735	482,670	482,670
Compensated Absences	129,492	129,492	164,280	164,280
Total	6,596,227	6,596,227	7,971,950	7,971,950

On April 15, 2002, the District issued \$7,630,000.00 general obligation bonds at 3.00 – 5.00 percent variable rates to refund the 1992 School Bonds. The final maturity of these bonds is July 15, 2013. The District will realize a savings of approximately \$901,000 over the life of this refunding.

On April 20, 2005, the District issued \$4,840,000.00 general obligation bonds at 3.00-4.00 percent variable rates to refund the final 10 years on the 1999 School Bonds. The final maturity of these bonds is July 15, 2018. The District will realize a savings of approximately \$145,000.00 over the life of this refunding.

At June 30, 2011, the District's overall legal debt margin was \$29,323,312. The District maintains an AAA bond rating.

Current Financial Issues and Concerns

- The Logan Township School District is financially stable. The District is proud of its community support of the public schools. The NJ Department of Education released Accountability Regulations in January 2009. These regulations established additional regulatory authority over district budgets by the Executive County Superintendent, established rules and regulations regarding district travel expenses, administrator compensation, budget preparation, excessive spending, district consolidation, etc.
- In early 2010, the recently elected Governor Christy declared a Fiscal Crisis in the State of New Jersey, curtailing spending statewide. Shortly after that, the District saw an unprecedented reduction in current state aid funding. Logan Township School District was forced to reduce its budget for the fiscal year 2011 by over \$1 million and either laid off or reduced hours and benefits for seventeen staff members. The district was able to achieve savings in tuition and transportation in fiscal year 2011 to help offset these cuts.
- The Logan Township School District's budget for 2011-12 passed for the 26th consecutive year.
- A three-year labor agreement for teachers, aides, and custodians was unanimously approved by the District Board of Education and by the Logan Teacher Education Association (LTEA) on June 28, 2011. The settlement with a 2.5% increase for each of the next three years is considered a reasonable settlement.
- The District routinely monitors the rules and regulations of the No Child Left Behind federal legislation to assess and ensure financial compliance.
- It is important that the District continues to be able to complete capital improvement projects. It is one of the Board of Education's goals and a budget priority to continue to upgrade and maintain the physical plants of the district. The District completed an energy audit funded by the State of New Jersey Board of Public Utilities to assess energy saving strategies. A sub-committee of the Board of Education continues to evaluate the audit findings.
- The District expects limited growth in enrollment over the next few years. The current schools' capacity is sufficient to accommodate this growth. There is a small tract of property being developed with approximately 78 new homes. There were plans being developed and proposed to the township for the development of large parcels of farmland in the Repaupo area of the township. However, the current economic recession which began in 2008 and still grips the nation appears to have halted any further planning for this project. It may be years before the economy rebounds sufficiently for this proposal to become economically viable. Nevertheless, it still must be noted that this proposal has the potential to develop into a significant impact upon the district.

In conclusion, the Logan Township School District has committed itself to financial excellence for many years. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Requests for Information

This financial report is designed to provide a general overview of the Logan Township School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Business Administrator, Logan Township School District, 110 School Lane, Logan Township, NJ 08085. Please visit our website at www.logan.k12.nj.us.

BASIC FINANCIAL STATEMENTS

A. District-Wide Financial Statements

LOGAN TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET ASSETS
JUNE 30, 2011
(With Comparative Totals for June 30, 2010)

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 2011	JUNE 30, 2010
Cash & Cash Equivalents	\$1,900,216	41,569	1,941,785	676,141
Receivables, Net	147,341	26,659	174,000	187,474
Inventory		6,687	6,687	9,032
Restricted Assets:				
Capital Reserve Account - Cash				357,338
Capital Assets, Net (Note 6)	11,700,866	32,371	11,733,237	12,217,713
Total Assets	13,748,423	107,286	13,855,709	13,447,698
LIABILITIES				
Accounts Payable	95,341		95,341	65,589
Accrued Interest on Debt	117,511		117,511	140,932
Prepaid Lunches		5,919	5,919	5,505
Accrued Salaries & Benefits				2,387
Unearned Revenue	44		44	8,794
Noncurrent Liabilities (Note 7):				
Due Within One Year	1,316,893		1,316,893	1,368,203
Due Beyond One Year	5,279,334		5,279,334	6,599,747
Total Liabilities	6,809,123	5,919	6,815,042	8,191,157
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	5,234,131	32,371	5,266,502	4,410,043
Restricted For:				
Debt Service	(117,511)		(117,511)	(139,860)
Other Purposes	2,081,774		2,081,774	1,262,275
Unrestricted	(259,094)	68,996	(190,098)	(275,917)
Total Net Assets	\$6,939,300	101,367	7,040,667	5,256,541

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

**LOGAN TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS				
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
						(MEMORANDUM ONLY)	
					JUNE 30, 2011	JUNE 30, 2010	
Governmental Activities:							
Instruction:							
Regular	\$5,092,056		403,217	(4,688,839)		(4,688,839)	(4,634,508)
Special Education	533,494			(533,494)		(533,494)	(548,382)
Basic Skill/Remedial Instruction	240,767			(240,767)		(240,767)	(370,020)
Other Instruction	32,280			(32,280)		(32,280)	(63,582)
Support Services & Undistributed Costs:							
Tuition	3,584,333			(3,584,333)		(3,584,333)	(4,441,648)
Student & Instruction Related Services	1,128,319		105,700	(1,022,619)		(1,022,619)	(1,202,201)
School Administrative Services	347,943			(347,943)		(347,943)	(385,887)
General & Business Administrative Services	520,965			(520,965)		(520,965)	(518,127)
Plant Operations & Maintenance	1,344,578			(1,344,578)		(1,344,578)	(1,358,684)
Pupil Transportation	871,551			(871,551)		(871,551)	(1,250,299)
Unallocated Benefits	2,739,236			(2,739,236)		(2,739,236)	(2,741,355)
Special Schools							(30,829)
Interest on Long-Term Debt	259,683			(259,683)		(259,683)	(310,109)
Unallocated Depreciation	695,911			(695,911)		(695,911)	(674,708)
Total Governmental Activities	17,391,116		508,917	(16,882,199)		(16,882,199)	(18,530,339)

LOGAN TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Totals for June 30, 2010)

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
						JUNE 30, 2011	JUNE 30, 2010
Business-Type Activities:							
Food Service	331,553	224,536	100,546		(6,471)	(6,471)	(12,435)
Total Business - Type Activities	331,553	224,536	100,546		(6,471)	(6,471)	(12,435)
Total Primary Government	\$17,722,669	224,536	609,463	(16,882,199)	(6,471)	(16,888,670)	(18,542,774)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				11,023,468		11,023,468	11,224,583
Taxes Levied for Debt Service				980,678		980,678	922,326
Federal & State Aid Not Restricted				6,448,730		6,448,730	6,769,678
Tuition Received				214,851		214,851	124,076
Miscellaneous Income				5,069		5,069	37,468
Total General Revenues & Transfers				18,672,796		18,672,796	19,078,131
Change In Net Assets				1,790,597	(6,471)	1,784,126	535,357
Net Assets - Beginning				5,148,703	107,838	5,256,541	4,721,184
Net Assets - Ending				\$6,939,300	101,367	7,040,667	5,256,541

See Accompanying Notes to Financial Statements

B. Fund Financial Statements

Governmental Funds

**LOGAN TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS (MEMORANDUM ONLY)	
				JUNE 30, 2011	JUNE 30, 2010
Assets:					
Cash & Cash Equivalents	\$1,985,145			1,985,145	685,136
Receivables, Net	65,090	82,251		147,341	152,137
Due from Other Funds	906			906	133
Restrict Cash & Cash Equivalents					357,338
Total Assets	\$2,051,141	82,251		2,133,392	1,194,744
Liabilities & Fund Balances:					
Liabilities:					
Cash Deficit		84,929		84,929	52,349
Accounts Payable	\$73,817	2		73,819	58,244
Interfund Payable	21,522	906		22,428	133
Accrued Salaries & Benefits					2,387
Deferred Revenue		44		44	8,794
Total Liabilities	95,339	85,881		181,220	121,907
Fund Balances:					
Restricted for:					
Year-End Encumbrances	104,976			104,976	19,119
Capital Reserve Account					125,299
Maintenance Reserve					232,039
Excess Surplus	1,236,510			1,236,510	351,346
Excess Surplus Designated for Subsequent Year's Expenditures	351,346			351,346	505,472
Assigned to:					
Unreserved Designated for Subsequent Year's Year's Expenditures	388,942			388,942	29,000
Unassigned Fund Balance:					
General Fund	(125,972)			(125,972)	(186,880)
Special Revenue Fund		(3,630)		(3,630)	(3,630)
Debt Service Fund					1,072
Total Fund Balances	1,955,802	(3,630)		1,952,172	1,072,837
Total Liabilities & Fund Balances	\$2,051,141	82,251	-		

Amounts reported for *governmental activities* in the statement of net assets (A-5) 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 \$23,225,299, and the accumulated depreciation is \$11,524,433.	11,700,866	12,184,748
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.	(6,596,227)	(7,967,950)
Interest on long-term debt in the statement of activities, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(117,511)	(140,932)
Net assets of Governmental Activities	\$6,939,300	5,148,703

See Accompanying Notes to Financial Statements

**LOGAN TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS (MEMORANDUM ONLY)	
				JUNE 30, 2011	JUNE 30, 2010
Revenues:					
Local Sources:					
Local Tax Levy	\$11,023,468		980,678	12,004,146	12,146,909
Tuition Charges	214,851			214,851	124,076
Miscellaneous	5,069			5,069	37,468
Total Local Sources	11,243,388		980,678	12,224,066	12,308,453
State Sources	5,957,817	42,329	458,830	6,458,976	5,931,624
Federal Sources	32,083	466,588		498,671	1,378,380
Total Revenues	17,233,288	508,917	1,439,508	19,181,713	19,618,457
Expenditures:					
Current:					
Regular Instruction	4,688,839	403,217		5,092,056	5,100,450
Special Education Instruction	533,494			533,494	548,382
Basic Skills/Remedial - Instruction	240,767			240,767	370,020
Other Instruction	32,280			32,280	63,582
Support Services & Undistributed Costs:					
Tuition	3,584,333			3,584,333	4,441,648
Student & Instruction Related Services	1,203,554	105,700		1,309,254	1,514,038
School Administrative Services	347,943			347,943	385,887
General & Business Administrative Services	520,965			520,965	518,127
Plant Operations & Maintenance	1,341,378			1,341,378	1,333,638
Pupil Transportation	871,551			871,551	1,250,299
Unallocated Benefits	2,770,024			2,770,024	2,745,392
Capital Outlay	216,153			216,153	407,016
Special Schools					30,829
Debt Service:					
Principal			1,160,000	1,160,000	1,150,000
Interest & Other Charges			282,180	282,180	336,280
Total Expenditures	16,351,281	508,917	1,442,180	18,302,378	20,195,588
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	882,007		(2,672)	879,335	(577,131)
Other Financing Sources/(Uses):					
Capital Lease (Nonbudget)					247,135
Transfers In			1,600	1,600	
Transfers Out	(1,600)			(1,600)	(30,000)
Total Other Financing Sources & Uses	(1,600)		1,600		217,135
Net Change in Fund Balances	880,407		(1,072)	879,335	(359,996)
Fund Balance - July 1	1,075,395	(3,630)	1,072	1,072,837	1,432,833
Fund Balance - June 30	\$1,955,802	(3,630)	-	1,952,172	1,072,837

See Accompanying Notes to Financial Statements

**LOGAN TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011**

Total Net Change in Fund Balances - Governmental Funds (From B-2)		<u>\$879,335</u>
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Amounts reported for governmental activities in the statement of activities (A-2) are different as follows:

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. The amount that exceeded capital outlays is as follows:

Depreciation Expense	(\$695,911)	
Capital Outlays	212,029	(483,882)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statements of Net Assets and is not reported in the Statement of Activities.

Serial Bonds	1,160,000	
Capital Lease Payments	180,935	1,340,935

Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.

Prior Year	140,932	
Current Year	(117,511)	23,421

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 a reduction in the reconciliation (-), when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

Prior Year	160,280	
Current Year	(129,492)	30,788

Change in Net Assets of Governmental Activities		<u>\$1,790,597</u>
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See Accompanying Notes to Financial Statements

Proprietary Funds

LOGAN TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2011
(With Comparative Totals for June 30, 2010)

ASSETS	BUSINESS-TYPE	TOTALS	
	ACTIVITIES - ENTERPRISE FUNDS	(MEMORANDUM ONLY)	
	FOOD SERVICE	JUNE 30, 2011	JUNE 30, 2010
Current Assets:			
Cash & Cash Equivalents	\$41,569	41,569	43,354
Accounts Receivable	26,659	26,659	35,337
Inventories	6,687	6,687	9,032
Total Current Assets	74,915	74,915	87,723
Noncurrent Assets:			
Furniture, Machinery & Equipment	166,999	166,999	162,573
Less: Accumulated Depreciation	(134,628)	(134,628)	(129,608)
Total Noncurrent Assets	32,371	32,371	32,965
Total Assets	107,286	107,286	120,688
LIABILITIES			
Current Liabilities:			
Accounts Payable			7,345
Prepaid Lunches	5,919	5,919	5,505
Total Liabilities	5,919	5,919	12,850
NET ASSETS			
Investments in Capital Assets	32,371	32,371	32,965
Unrestricted	68,996	68,996	74,873
Total Net Assets	\$101,367	101,367	107,838

See Accompanying Notes to Financial Statements

**LOGAN TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET ASSETS
 AS OF JUNE 30, 2011
 (With Comparative Totals for June 30, 2010)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS	TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE	JUNE 30, 2011	JUNE 30, 2010
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$158,955	158,955	169,630
Daily Sales - Nonreimbursable Programs	65,581	65,581	70,419
Total Operating Revenues	224,536	224,536	240,049
Operating Expenses:			
Salaries & Benefits	154,338	154,338	174,423
Supplies & Materials	7,966	7,966	8,048
Cost of Sales	145,284	145,284	141,815
Depreciation	5,020	5,020	4,865
Miscellaneous	18,945	18,945	25,724
Total Operating Expenses	331,553	331,553	354,875
Operating Income/(loss)	(107,017)	(107,017)	(114,826)
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	3,968	3,968	4,942
Federal Sources:			
National School Lunch Program	78,118	78,118	69,887
Food Distribution Program	18,174	18,174	27,298
Interest & Investment Revenue	286	286	264
Total Nonoperating Revenues/(Expenses)	100,546	100,546	102,391
Income/(Loss) Before Contributions & Transfers	(6,471)	(6,471)	(12,435)
Board Contributions			
Transfer to Cover Deficit			30,000
Total Board Contribution			30,000
Change in Net Assets	(6,471)	(6,471)	17,565
Total Net Assets - Beginning	107,838	107,838	90,273
Total Net Assets - Ending	\$101,367	101,367	107,838

See Accompanying Notes to Financial Statements

**LOGAN TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
AS OF JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS	TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE	JUNE 30, 2011	JUNE 30, 2010
Cash Flows From Operating Activities:			
Receipts from Customers	\$228,628	228,628	168,334
Payments to Employees	(154,338)	(154,338)	(174,423)
Payments to Suppliers	(154,021)	(154,021)	(148,289)
Net Cash Provided/(Used) by Operating Activities	(79,731)	(79,731)	(154,378)
Cash Flows From Noncapital Financing Activities:			
State and Federal Sources	82,086	82,086	74,829
Operating Subsidies			30,000
Net Cash Provided/(Used) by Noncapital Financing Activities	82,086	82,086	104,829
Cash Flows From Capital & Related Financing Activities:			
Purchase of Capital Assets	(4,426)	(4,426)	(6,048)
Net Cash Provided/(Used) by Capital & Related Financing Activities	(4,426)	(4,426)	(6,048)
Cash Flows From Investing Activities:			
Net Cash Provided/(Used) by Investing Activities	286	286	264
Net Cash Provided/(Used) by Investing Activities	286	286	264
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,785)	(1,785)	(55,333)
Balances - Beginning of Year	43,354	43,354	98,687
Balances - End of Year	\$41,569	41,569	43,354

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	(\$107,017)	(107,017)	(114,826)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	5,020	5,020	4,865
Food Distribution Program	18,174	18,174	27,298
Changes in Assets & Liabilities:			
(Increase)/Decrease in Accounts Receivable	8,678	8,678	(30,532)
(Increase)/Decrease in Inventories	2,345	2,345	(2,221)
Increase/(Decrease) in Current Liabilities	(6,931)	(6,931)	(38,962)
Total Adjustments	27,286	27,286	(39,552)
Net Cash Provided/(Used) by Operating Activities	(\$79,731)	(79,731)	(154,378)

See Accompanying Notes to Financial Statements

Fiduciary Fund

LOGAN TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMPARATIVE COMBINING STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2011
(With Comparative Totals for June 30, 2010)

ASSETS	PRIVATE PURPOSE				TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST FUND	SCHOLARSHIP	AGENCY STUDENT ACTIVITY	PAYROLL	(MEMORANDUM ONLY) JUNE 30, 2011	JUNE 30, 2010
Cash & Cash Equivalents	\$6,220	8,372	32,322	128,005	174,919	252,163
Total Assets	6,220	8,372	32,322	128,005	174,919	252,163
LIABILITIES						
Payroll Deductions & Withholdings				121,818	121,818	142,331
Flexible Spending			32,322	6,187	38,509	38,087
Total Liabilities			32,322	128,005	160,327	180,418
NET ASSETS						
Held in Trust for Unemployment Claims & Other Purposes	6,220				6,220	63,249
Reserved for Scholarships		8,372			8,372	8,496
Total Net Assets	\$6,220	8,372	-	-	14,592	71,745

See Accompanying Notes to Financial Statements

**LOGAN TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

ADDITIONS	PRIVATE PURPOSE		TOTALS (MEMORANDUM ONLY)	
	SCHOLARSHIP	UNEMPLOYMENT COMPENSATION	JUNE 30, 2011	JUNE 30, 2010
Local Sources:				
Transfer from Payroll Agency Account		\$8,764	8,764	12,065
Scholarships Established				83
Investment Earnings:				
Interest	\$26	\$43	69	167
Total Additions	26	8,807	8,833	12,315
DEDUCTIONS				
Quarterly Contributions Reports		65,836	65,836	5,100
Scholarships Awarded	150		150	250
Total Deductions	150	65,836	65,986	5,350
Change in Net Assets	(124)	(57,029)	(57,153)	6,965
Net Assets - Beginning of the Year	8,496	63,249	71,745	64,780
Net Assets - End of the Year	\$8,372	6,220	14,592	71,745

See Accompanying Notes to Financial Statements

**LOGAN TOWNSHIP
BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011**

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the Logan Township Board of Education have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). In June 1999 the GASB issued Statement 34 *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. This statement established new financial reporting requirements for state and local governmental entities throughout the United States. They require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in prior years is affected.

The District has implemented these standards for the fiscal year-ending June 30, 2004. With the implementation of GASB Statement 34, the District has prepared required supplementary information titled *Management’s Discussion and Analysis*, which precedes the basic financial statements.

Other GASB Statements are required to be implemented in conjunction with GASB Statement 34. Therefore, the District has implemented the following GASB Statements in the current fiscal year: Statement 33 – *Accounting and Financial Reporting for Nonexchange Transactions*; Statement 36 – *Recipient Reporting for Certain Shared Nonexchange Revenues*; Statement 37 – *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus* and Statement 38 – *Certain Financial Statement Note Disclosures*; Statement 40 – *Deposit and Investment Risk Disclosures* and Statement 44 – *Economic Condition Reporting – The Statistical Section*; Statement 45 – *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* and Statement 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*.

The accompanying financial statements present the financial position of the District and the various funds and fund types, the results of operations of the District and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2011 and for the year then ended with comparative totals as of and for the year ended June 30, 2010 (Memorandum Only).

A. Reporting Entity:

The Logan Township Board of Education is a Type II district located in the County of Gloucester, 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 appointed to three-year terms. The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The Logan Township Board of Education has an approximate enrollment at June 30, 2011 of 869 students.

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

- ◆ the organization is legally separate (can sue or be sued in their own name)
- ◆ the District holds the corporate powers of the organization

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED JUNE 30, 2011

Note 1. Summary of Significant Accounting Policies (continued):

- ◆ the District appoints a voting majority of the organization's board
- ◆ the District is able to impose its will on the organization
- ◆ the organization has the potential to impose a financial benefit/burden on the District
- ◆ there is a fiscal dependency by the organization on the District

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

B. District-Wide and Fund Financial Statements

The district-wide financial statements (the statement of net assets and the statement of activities) report information of all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these district-wide statements. District activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or component unit are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, segment, or component unit. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function, segment or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment, or component unit. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District does not allocate general government (indirect) expenses to other functions.

Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds and similar component units, and major component units. However, the fiduciary funds are not included in the district-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

District-Wide Financial Statements – The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED JUNE 30, 2011

Note 1. Summary of Significant Accounting Policies (continued):

cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements – The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

D. Fund Accounting:

The accounts of the Logan Township Board of Education are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

Governmental Funds

General Fund - The general fund is the general operating fund of the Logan Township Board of Education and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey Department of Education, Logan Township Board of Education includes budgeted Capital Outlay in this fund. Generally accepted accounting

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED JUNE 30, 2011

Note 1. Summary of Significant Accounting Policies (continued):

D. Fund Accounting (continued):

principles (GAAP), 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, interest earnings, and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

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

Proprietary Fund

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

Enterprise - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

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

LOGAN TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 1. Summary of Significant Accounting Policies (continued):

D. Fund Accounting (continued):

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

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

Food Service Fund:	
Equipment	5-15 Years

Fiduciary Fund

Fiduciary funds are used to account for assets held by a governmental entity for other parties (either as trustee or as an agent) and that cannot be used to finance the governmental entity’s own operating programs which includes private purpose trust funds and agency funds.

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains an Unemployment Trust Fund as a private purpose trust.

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity’s own operating programs. The District currently maintains Payroll funds and Student Activity Funds as Agency Funds.

E. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED JUNE 30, 2011

Note 1. Summary of Significant Accounting Policies (continued):

E. Basis of Accounting (continued):

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

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

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

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

F. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office 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.6:20-2A(m)1*. All budget amendments must be approved by School Board resolution.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis

LOGAN TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 1. Summary of Significant Accounting Policies (continued):

F. Budgets/Budgetary Control (continued):

of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

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

**Notes to Required Supplementary Information.
Budgetary Comparison Schedule**

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$17,138,319	\$502,888
Difference – Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		6,029
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	561,944	3,630
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(466,975)</u>	<u>(3,630)</u>

LOGAN TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 1. Summary of Significant Accounting Policies (continued):

F. Budgets/Budgetary Control (continued):

	General Fund	Special Revenue Fund
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$17,233,288</u>	<u>\$508,917</u>
Uses/Outflows of Resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$16,352,881	\$502,888
Differences – budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes	<u> </u>	<u>6,029</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	<u>\$16,352,881</u>	<u>\$508,917</u>

G. Encumbrances:

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

Open encumbrances in the special revenue fund for which the Logan Township Board of Education has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end.

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

H. Cash, Cash Equivalents and Investments:

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

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED JUNE 30, 2011

Note 1. Summary of Significant Accounting Policies (continued):

H. Cash, Cash Equivalents and Investments (continued):

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

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

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

I. Tuition Receivable/Payable

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

These adjustments are recorded upon certification by the State Board of Education, which is normally three years following the contract year. The cumulative adjustments through June 30, 2011, which have not been recorded, are not determinable.

The tuition rate adjustments for the years 2007-2008 and 2008-2009 have been established and the District has billed/paid the school boards that have adjustments.

J. Inventories & Prepaid Expenses

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.

LOGAN TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 1. Summary of Significant Accounting Policies (continued):

J. Inventories & Prepaid Expenses (continued):

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditure during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2011.

K. Short-Term Interfund Receivables/Payables

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

L. Capital Assets:

Capital assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Fixed assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of one year or more. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed were valued by an independent appraisal company. General fixed assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General fixed assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

Buildings	20-50 Years
Machinery and Equipment	5-10 Years
Other Improvements	10-20 Years

M. Accrued Salaries and Wages

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is an accrual as of June 30, 2011 for such salaries.

N. Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its

LOGAN TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 1. Summary of Significant Accounting Policies (continued):

N. Compensated Absences (continued):

employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In the District-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

O. Deferred Revenue

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

P. Long-term Obligations

In district-wide financial statements, under governmental activities, long-term debt is recognized as a liability in the general fund as debt is incurred.

Q. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

In accordance with State of New Jersey statutes, the fund balance to be utilized in the subsequent year budget is not legally restricted and therefore has been classified as fund balance designated for subsequent year's expenditures and is not reserved.

R. Subsequent Events

Logan Township Board of Education has evaluated subsequent events occurring after June 30, 2011 through the date of September 7, 2011, which is the date the financial statements were available to be issued.

Note 2. Cash and Cash Equivalents and Investments

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2011, and reported at fair value are as follows:

LOGAN TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 2. Cash and Cash Equivalents and Investments (continued):

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$2,116,704</u>
Total Deposits	<u>\$2,116,704</u>
Reconciliation of Cash and Cash Equivalents:	
Governmental Activities	\$1,900,216
Business-type Activities	41,569
Fiduciary Funds	<u>174,919</u>
Total Cash and Cash Equivalents	<u>\$2,116,704</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$2,267,505 at June 30, 2011 . Of the bank balance \$250,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$2,017,505 was secured by a collateral pool held by the bank, but not in the District’s name, as required by New Jersey’s Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

Investment Interest Rate Risk – The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at June 30, 2011, are provided in the above schedule.

Investment Credit Risk – The District has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the District or bonds or other obligations of the local unit or units within which the District is located;

LOGAN TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED JUNE 30, 2011

Note 2. Cash and Cash Equivalents and Investments (continued):

- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the District;
- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities with certain limitations.

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

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The District has deposited cash in 2011 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

LOGAN TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 3. Governmental Unit Deposit Protection Act (GUDPA) (continued):

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The District should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

Note 4. Capital Reserve Account

A capital reserve account was established by the Logan Township Board of Education by inclusion of \$150,000 in the original 1995-96 annual capital budget, which was certified for taxes and for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to

LOGAN TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 4. Capital Reserve Account (continued):

N.J.S.A.19:60-2. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFPP.

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	\$125,299
Utilized in 10/11 Budget	<u>(125,299)</u>
Ending Balance, June 30, 2011	<u>\$ -</u>

Note 5. Transfers to Capital Outlay

During the year ending June 30, 2011, the District transferred \$-0- to the capital outlay account.

Note 6. Capital Assets

The following schedule is a summarization of the capital assets by source for the fiscal year ended June 30, 2011:

	June 30, 2010	Additions	Deletions	June 30, 2011
Land	\$ 115,872		\$ -	\$ 115,872
Site Improvements	594,456			594,456
Buildings	19,105,303			19,105,303
Equipment	<u>3,197,639</u>	<u>\$ 212,029</u>		<u>3,409,668</u>
Subtotal	23,013,270	212,029		23,225,299
Accumulated Depreciation	<u>(10,828,522)</u>	<u>(695,911)</u>		<u>(11,524,433)</u>
Total	<u>\$12,184,748</u>	<u>\$(483,882)</u>	<u>\$ -</u>	<u>\$ 11,700,866</u>

The following schedule is a summarization of the proprietary fund capital assets recorded at historical cost by source for the fiscal year ended June 30, 2011:

LOGAN TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 6. Capital Assets (continued):

	June 30, 2010	Additions	Deletions	June 30, 2011
Machinery & Equipment	\$162,573	\$4,426	\$ -	\$166,999
Less: Accumulated Depreciation	<u>(129,608)</u>	<u>(5,020)</u>		<u>(134,628)</u>
Net Fixed Assets	<u>\$ 32,965</u>	<u>\$ (594)</u>	<u>\$ -</u>	<u>\$ 32,371</u>

Note 7. Long-Term Debt

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

	Balance 6/30/10	Issued	Retired/ Adjustments	Balance 6/30/11	Due Within One Year
Compensated Absences Payable	\$ 164,280	\$ -	\$ (30,788)	\$ 129,492	
Capital Lease Obligations	482,670		(180,935)	301,735	\$ 151,893
Bonds Payable	<u>7,325,000</u>		<u>(1,160,000)</u>	<u>6,165,000</u>	<u>1,165,000</u>
Total	<u>\$7,967,950</u>	<u>\$ -</u>	<u>\$(1,371,723)</u>	<u>\$6,596,227</u>	<u>\$1,316,893</u>

Bonds and loans payable have been liquidated in the Debt Service Fund compensated absences have been liquidated in the General Fund.

A. Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with state law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

Principal and interest due on the 2002 Serial Bonds outstanding is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2012	\$1,165,000	\$ 231,419	\$1,396,419
2013	1,165,000	181,084	1,346,084
2014	1,160,000	130,678	1,290,678
2015	515,000	95,388	610,388
2016	530,000	74,438	604,438
2017-2019	<u>1,630,000</u>	<u>97,119</u>	<u>1,727,119</u>
Total	<u>\$6,165,000</u>	<u>\$ 810,074</u>	<u>\$6,975,074</u>

LOGAN TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 7. Long-Term Debt (continued):

B. Bonds Authorized But Not Issued

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

C. Capital Lease Payable

As of June 30, 2011, the District had eight capital leases outstanding for the acquisition of equipment in the amount of \$301,735.

The following is a schedule of the future minimum lease payments under this lease and present value of the net minimum lease payments at June 30, 2011:

Year-ending June 30,	
2012	\$184,703
2013	118,037
2014	<u>23,214</u>
Total Minimum Lease Payments	325,954
Less: Amount Representing Interest	<u>(24,219)</u>
Present Value of Net Minimum Lease Payments	<u>\$301,735</u>

D. Interest Expense

No interest expense was capitalized during the fiscal year ending June 30, 2011. Interest expense totaling \$282,180 was paid by the debt service fund for the fiscal year ending June 30, 2011.

E. Defeased Bonds

On April 26, 2005, the District issued \$4,840,000 of refunding bonds to defease the School District's bonds dated June 29, 1999, maturing in the years 2009 through 2018; and pay costs and expenses incidental to the issuance of the bonds. The purpose of the refinancing was to achieve debt service savings.

The District has placed the proceeds from the refunding issue in an irrevocable escrow account with an agent to ensure payment of debt service on the refunding bonds.

Accordingly, the trust account's assets and liabilities for the defeased bonds are not included in the District's financial statements. Although defeased, the refinanced debt from the earlier issue will not actually be retired until the call dates have come due.

LOGAN TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED JUNE 30, 2011

Note 8. Pension Plans

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

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

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

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by *N.J.S.A. 43:15A* and *43.3B* and *N.J.S.A. 18A:66* for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

LOGAN TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 8. Pension Plans (continued):

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

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the TPAF and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Contribution Requirements – The contribution policy is set by *N.J.S.A.43:15A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees’ annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a noncontributing employer of the TPAF.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/11	\$ 107,244	100%	\$ -0-
6/30/10	83,271	100%	-0-
6/30/09	70,761	100%	-0-

LOGAN TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 8. Pension Plans (continued):

Three-Year Trend Information for TPAF (Paid on behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/11	\$421,299	100%	\$ -0-
6/30/10	407,954	100%	-0-
6/30/09	373,033	100%	-0-

During the year ended June 30, 2011 the State of New Jersey contributed \$421,299 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A. 18A:66-66* the State of New Jersey reimbursed the District \$441,092 for the year ended June 30, 2011 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

Note 9. Post-Retirement 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 87,288 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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

Note 10. Risk Management

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

LOGAN TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 10. Risk Management (continued):

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

New Jersey Unemployment Compensation Insurance – The District has elected to fund their New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, employee contributions and 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 years:

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2010-2011	\$ 43	\$ 8,764	\$65,836	\$ 6,220
2009-2010	137	12,065	5,100	63,249
2008-2009	694	15,868	2,002	56,147

Joint Insurance Pool – The Township of Logan School District participates in the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (GCSSDSIF), public entity risk pool, which was formed July 1, 1999. The Fund provides its members with the following coverage’s:

- Property – Blanket Building and Grounds
- Boiler and Machinery
- General and Automobile Liability
- Workers’ Compensation
- School Board Legal Liability

- Crime Coverage

Note 11. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2011 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and

LOGAN TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 11. Contingent Liabilities (continued):

regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

Note 12. Economic Dependency

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the District's programs and activities.

Note 13. Interfund Receivables and Payables

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

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 906	\$21,522
Special Revenue		906
Food Service Fund	<u>21,522</u>	<u> </u>
Total	<u>\$22,428</u>	<u>\$22,428</u>

The purpose of these interfunds is short-term borrowing.

Note 14. GASB #54 – Fund Balance Disclosures

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the North Hanover School District classifies governmental fund balances as follows:

- Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because legal or contractual constraints.

LOGAN TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011

Note 14. GASB #54 – Fund Balance Disclosures (continued):

- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.

Unassigned – includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

General Fund (Exhibit B-1) – Of the \$1,955,802 General Fund balance at June 30, 2011; \$104,976 has been restricted for year-end encumbrances; \$351,346 has been restricted as excess surplus and has been appropriated and included as anticipated revenue for year ending June 30, 2011; \$1,236,510 has been restricted for excess surplus; \$388,942 has been appropriated and also included as anticipated revenue for the year ending June 30, 2012 and \$(125,972) is unassigned.

Note 15. Deferred Compensation

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

Equitable Life Assurance Society

Lincoln Investment Planning, Inc,

Note 16. Compensated Absences

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

LOGAN TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2011**

Note 16. Compensated Absences (continued):

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after four years of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2011 is \$129,492.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2011 no liability existed for compensated absences in the proprietary fund types.

Note 17. Calculation of Excess Surplus

In accordance with *N.J.S.A.18A:7F-7*, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2011 is \$1,236,510.

Note 18. Inventory

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

Food	\$5,437
Supplies	<u>1,250</u>
Total	<u>\$6,687</u>

The value of federal donated commodities as reflected on Schedule A (required by Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules

LOGAN TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010

	ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:											
Local Sources:											
Local Tax Levy	10-1210-000-000	\$11,023,468		11,023,468	11,023,468		11,224,583		11,224,583	11,224,583	
Tuition	10-1300-000-000	236,000		236,000	214,851	(21,149)	87,000		87,000	124,076	37,076
Interest Earned on Capital Reserve	10-1000-000-000						1,600		1,600	446	(1,154)
Interest Earned on Maintenance Reserve	10-1000-000-000						1,200		1,200	630	(570)
Miscellaneous	10-1000-000-000	41,300		41,300	5,069	(36,231)	10,000		10,000	36,392	26,392
Total Local Sources		11,300,768		11,300,768	11,243,388	(57,380)	11,324,383		11,324,383	11,386,127	61,744
State Sources:											
Extraordinary Aid	10-3000-000-000				22,316	22,316				21,861	21,861
Other State Aid	10-3200-000-000				8,877	8,877				6,717	6,717
Categorical Special Education Aid	10-3132-000-000	600,222		600,222	600,222		614,020		614,020	614,020	
Equalization Aid	10-3176-000-000	4,244,110		4,244,110	4,244,110		4,846,503	(879,379)	3,967,124	3,400,903	(566,221)
Categorical Security Aid	10-3177-000-000	100,890		100,890	100,890		100,557		100,557	100,557	
Categorical Transportation Aid	10-3121-000-000	24,042		24,042	24,042		309,393		309,393	309,393	
Nonbudgeted:											
On-Behalf TPAF Pension Contributions					421,299	421,299				407,954	407,954
Reimbursed TPAF Social Contributions					441,092	441,092				466,712	466,712
Total State Sources		4,969,264		4,969,264	5,862,848	893,584	5,870,473	(879,379)	4,991,094	5,328,117	337,023
Federal Sources:											
Ed Jobs			32,858	32,858	32,083	(775)					
ARRA - ESF								846,606	846,606	846,606	
ARRA - GSF								32,773	32,773	32,773	
Total Federal Sources			32,858	32,858	32,083	(775)		879,379	879,379	879,379	
Total Revenues		16,270,032	32,858	16,302,890	17,138,319	835,429	17,194,856		17,194,856	17,593,623	398,767
Expenditures:											
Current Expense:											
Instruction - Regular Programs:											
Salaries of Teachers:											
Preschool	11-105-100-101	99,181	(47,882)	51,299	48,327	2,972	47,491	51,411	98,902	98,130	772
Kindergarten	11-110-100-101	464,134	210	464,344	463,407	937	494,781	945	495,726	495,124	602
Grades 1 - 5	11-120-100-101	1,985,739	(24,546)	1,961,193	1,955,088	6,105	1,961,526	(40,134)	1,921,392	1,875,643	45,749
Grades 6 - 8	11-130-100-101	1,548,732	139,775	1,688,507	1,626,398	62,109	1,606,804		1,606,804	1,531,134	75,670

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**LOGAN TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010**

	ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Instruction - Regular Programs:											
Home Instruction:											
Salaries of Teachers	11-150-100-101	4,000	(1,900)	2,100		2,100	4,000		4,000	627	3,373
Purchased Professional - Educational Services	11-150-100-320	2,500	1,900	4,400	4,320	80	600	26,000	26,600	8,217	18,383
Other Purchased Services	11-150-100-500	100		100		100	100		100	100	
Regular Programs - Undistributed Instruction:											
Purchased Professional - Educational Services	11-190-100-320						8,000		8,000	6,115	1,885
Purchased Technical Services	11-190-100-340	75,550	(2,000)	73,550	60,818	12,732	42,250		42,250	39,014	3,236
Other Purchased Services	11-190-100-500	339,517	(14,100)	325,417	296,580	28,837	331,238	(7,000)	324,238	314,081	10,157
General Supplies	11-190-100-610	242,696	(3,515)	239,181	192,827	46,354	271,976	9,500	281,476	231,676	49,800
Textbooks	11-190-100-640	40,991	1,015	42,006	33,982	8,024	33,493	4,139	37,632	34,245	3,387
Other Objects	11-190-100-800	8,165	325	8,490	7,092	1,398	2,600		2,600	402	2,198
Total Regular Programs - Instruction		4,811,305	49,282	4,860,587	4,688,839	171,748	4,804,859	44,861	4,849,720	4,634,508	215,212
Special Education:											
Learning & Language Disabilities:											
Salaries of Teachers	11-204-100-101	79,524	3,120	82,644	82,636	8	77,190	90	77,280	77,280	
Other Salaries for Instruction	11-204-100-106	20,000	620	20,620	20,617	3	16,653		16,653	16,653	
General Supplies	11-204-100-610	875		875	198	677	1,650		1,650	225	1,425
Total Learning & Language Disabilities		100,399	3,740	104,139	103,451	688	95,493	90	95,583	94,158	1,425
Multiple Disabilities:											
Salaries of Teachers	11-212-100-101	108,667	4,421	113,088	103,488	9,600	102,388	624	103,012	103,010	2
Other Salaries for Instruction	11-212-100-106	20,600	690	21,290	21,286	4	28,355		28,355	28,331	24
General Supplies	11-212-100-610	1,750		1,750	1,645	105	3,300		3,300	3,190	110
Total Multiple Disabilities		131,017	5,111	136,128	126,419	9,709	134,043	624	134,667	134,531	136
Resource Room/Resource Center:											
Salaries of Teachers	11-213-100-101	258,008	(3,953)	254,055	254,037	18	247,898	690	248,588	248,586	2
Other Salaries for Instruction	11-213-100-106	21,200	(310)	20,890	19,973	917	40,057	140	40,197	40,192	5
General Supplies	11-213-100-610	2,800		2,800	2,583	217	4,950		4,950	4,837	113
Total Resource Room/Resource Center		282,008	(4,263)	277,745	276,593	1,152	292,905	830	293,735	293,615	120
Preschool Disabilities - Part-Time:											
Salaries of Teachers	11-215-100-101	26,527		26,527	26,374	153	25,336		25,336	25,178	158
General Supplies	11-215-100-610	663		663	657	6	900		900	900	

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LOGAN TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010

ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Preschool Disabilities - Part-Time	27,190		27,190	27,031	159	26,236		26,236	26,078	158	
Total Special Education	540,614	4,588	545,202	533,494	11,708	548,677	1,544	550,221	548,382	1,839	
Basic Skills/Remedial:											
Salaries of Teachers	11-230-100-101	288,756	(49,209)	239,547	239,542	5	307,617	54,387	362,004	361,300	704
General Supplies	11-230-100-610	1,225		1,225	1,225		7,000	1,944	8,944	8,720	224
Total Basic Skills/Remedial		289,981	(49,209)	240,772	240,767	5	314,617	56,331	370,948	370,020	928
School Sponsored Cocurricular Activities:											
Salaries	11-401-100-100	14,600		14,600	13,128	1,472	28,200		28,200	25,835	2,365
Purchased Services	11-401-100-500	15,000		15,000		15,000	15,500	(3,000)	12,500	8,231	4,269
Supplies and Materials	11-401-100-600	8,000		8,000	5,677	2,323	12,300		12,300	3,963	8,337
Total School Sponsored Cocurricular Activities		37,600		37,600	18,805	18,795	56,000	(3,000)	53,000	38,029	14,971
Other Instructional Programs - Instruction:											
Salaries	11-403-100-100	4,000	930	4,930	4,928	2	4,200	245	4,445	4,441	4
Purchased Services	11-403-100-500	2,800		2,800	2,800		3,100		3,100	3,100	
Supplies and Materials	11-403-100-600	2,000	(680)	1,320	1,312	8	2,200	(245)	1,955	955	1,000
Total Other Instructional Programs - Instruction		8,800	250	9,050	9,040	10	9,500		9,500	8,496	1,004
Before/After School Programs - Instruction:											
Salaries	11-421-100-101	6,700		6,700	4,435	2,265	6,700		6,700	2,965	3,735
Supplies and Materials	11-421-100-600						225		225	133	92
Total Before/After School Programs - Instruction		6,700		6,700	4,435	2,265	6,925		6,925	3,098	3,827
Summer School - Instruction:											
Salaries	11-422-100-101						8,935		8,935	8,059	876
Other Salaries of Instruction	11-422-100-106						4,431		4,431		4,431
Supplies and Materials	11-422-100-610						500		500	96	404
Total Summer School - Instruction							13,866		13,866	8,155	5,711
Summer School - Support Services:											
Salaries	11-422-200-100						5,804		5,804	5,804	
Total Summer School - Support Services							5,804		5,804	5,804	

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**LOGAN TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010**

ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Instruction	5,695,000	4,911	5,699,911	5,495,380	204,531	5,760,248	99,736	5,859,984	5,616,492	243,492	
Undistributed Expenditures:											
Instruction:											
Tuition to Other LEA's -State Regular	11-000-100-561	2,586,638		2,586,638	2,515,132	71,506	3,496,193		3,496,193	3,494,353	1,840
Tuition to Other LEA's -State Special	11-000-100-562	685,495	(2,200)	683,295	383,907	299,388	514,263	(98,216)	416,047	367,846	48,201
Tuition to County Vocational Special	11-100-100-564	94,000		94,000	94,000		59,580		59,580	57,475	2,105
Tuition to County Special Services & Day Schools	11-000-100-565	65,580	9,454	75,034	73,034	2,000	388,920	(16,200)	372,720	298,781	73,939
Tuition to Private Schools for the Handicapped - State	11-100-100-566	462,270	(9,454)	452,816	360,455	92,361	271,195	(26,000)	245,195	192,443	52,752
Tuition - State Facilities	11-100-100-568	272,738		272,738	157,805	114,933	30,750		30,750	30,750	
Total Undistributed Expenditures - Instruction	4,166,721	(2,200)	4,164,521	3,584,333	580,188	4,760,901	(140,416)	4,620,485	4,441,648	178,837	
Attendance & Social Work Services:											
Salaries of Teachers	11-000-211-100	10,171		10,171	8,725	1,446	23,814		23,814	23,247	567
Total Attendance & Social Work Services		10,171		10,171	8,725	1,446	23,814		23,814	23,247	567
Health Services:											
Salaries	11-000-213-100	125,666		125,666	125,572	94	135,998	1,200	137,198	137,196	2
Purchased Professional & Technical Services	11-000-213-300	3,500		3,500	3,500		3,500		3,500	3,500	
Other Purchased Services	11-000-213-500	6,996	(219)	6,777	4,854	1,923	7,373		7,373	5,160	2,213
Supplies and Materials	11-000-213-600	1,790	500	2,290	1,662	628	2,957		2,957	1,787	1,170
Other Objects	11-000-213-800	860	(281)	579	568	11					
Total Health Services		138,812		138,812	136,156	2,656	149,828	1,200	151,028	147,643	3,385
Other Support Services - Students - Related Services:											
Salaries	11-000-216-100	150,309		150,309	147,929	2,380	147,617		147,617	142,484	5,133
Purchased Professional - Educational Services	11-000-216-320	49,650		49,650	45,988	3,662	43,500	16,200	59,700	59,700	
Supplies and Materials	11-000-216-600	2,630		2,630	1,461	1,169	3,050		3,050	2,989	61
Total Other Support Services - Students - Related Services		202,589		202,589	195,378	7,211	194,167	16,200	210,367	205,173	5,194

**LOGAN TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010**

	ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Other Support Services - Special Education - Extraordinary Services:											
Salaries	11-000-217-100	147,930		147,930	137,224	10,706	123,118	17,326	140,444	134,437	6,007
Other Objects	11-000-217-800		2,200	2,200	2,121	79					
Total Other Support Services - Special Education - Extraordinary Services		147,930	2,200	150,130	139,345	10,785	123,118	17,326	140,444	134,437	6,007
Other Support Services - Students - Regular:											
Salaries of Other Professional Staff	11-000-218-104	31,810	19,130	50,940	50,402	538	77,690		77,690	77,690	
Salaries of Secretarial & Clerical Assistants	11-000-218-105						10,150		10,150	9,908	242
Other Purchased Professional & Technical Services	11-000-218-390	3,500	50	3,550	2,970	580	4,300		4,300	4,175	125
Other Purchased Services	11-000-218-500						350		350		350
Supplies and Materials	11-000-218-600	7,050		7,050	5,298	1,752	605		605	523	82
Total Other Support Services - Students- Regular		42,360	19,180	61,540	58,670	2,870	93,095		93,095	92,296	799
Other Support Services - Students - Special Services:											
Salaries of Other Professional Staff	11-000-219-104	286,720	1,445	288,165	288,161	4	294,605		294,605	293,379	1,226
Salaries of Secretarial & Clerical Assistants	11-000-219-105	40,780		40,780	39,809	971	39,785		39,785	38,838	947
Purchased Professional - Technical Services	11-000-219-390	4,725		4,725	1,275	3,450	4,600		4,600	3,350	1,250
Miscellaneous Purchased Services	11-000-219-592	5,000		5,000	3,404	1,596	5,000		5,000	165	4,835
Supplies and Materials	11-000-219-600	4,000		4,000	1,326	2,674	4,000		4,000	3,471	529
Other Objects	11-000-219-800						4,550		4,550	4,157	393
Total Other Support Services - Students Special Services		341,225	1,445	342,670	333,975	8,695	352,540		352,540	343,360	9,180
Improvement of Instruction Services/Other Support Services - Instruction Staff:											
Salaries of Supervisors of Instruction	11-000-221-102	104,841	7,400	112,241	112,236	5	101,430		101,430	99,015	2,415
Salaries of Secretarial & Clerical Assistants	11-000-221-105						23,682		23,682	23,118	564
Salaries of Facilitators, Math & Literacy Coaches	11-000-221-176						75,490		75,490	66,490	9,000

**LOGAN TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010**

ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Improvement of Instruction Services/Other Support											
Services - Instruction Staff (continued):											
Purchased Professional -											
Educational Services	11-000-221-320	46,800		46,800	46,146	654	4,000		4,000	4,000	4,000
Other Purchased Services	11-000-221-500						2,500	1,000	3,500	3,446	54
Supplies and Materials	11-000-221-600						3,500		3,500	1,595	1,905
Other Objects	11-000-221-800						1,325		1,325	826	499
<hr/>											
Total Improvement of Instruction Services/ Other Support Services Instructional Staff		151,641	7,400	159,041	158,382	659	211,927	1,000	212,927	194,490	18,437
<hr/>											
Educational Media Services/School Library:											
Salaries	11-000-222-100	95,702	(1,880)	93,822	78,387	15,435	242,644	(37,000)	205,644	204,349	1,295
Salaries of Technology Coordinators	11-000-222-177	71,195	500	71,695	71,678	17	69,458		69,458	67,804	1,654
Purchased Professional & Technical Services	11-000-222-300	5,000	(424)	4,576		4,576	5,000		5,000		5,000
Other Purchased Services	11-000-222-500	8,000		8,000	7,290	710	4,000		4,000	467	3,533
Supplies and Materials	11-000-222-600	13,600		13,600	11,365	2,235	26,780		26,780	19,376	7,404
<hr/>											
Total Educational Media Services/Library		193,497	(1,804)	191,693	168,720	22,973	347,882	(37,000)	310,882	291,996	18,886
<hr/>											
Instructional Staff Training Services:											
Purchased Professional -											
Educational Services	11-000-223-320	10,000	(1,000)	9,000	4,030	4,970	6,500		6,500	2,071	4,429
Other Purchased Services	11-000-223-500						14,304	46	14,350	9,900	4,450
Supplies & Materials	11-000-223-600	1,000		1,000	173	827	4,000		4,000	2,565	1,435
Other Objects	11-000-223-800						4,865		4,865	402	4,463
<hr/>											
Total Instructional Staff Training Services		11,000	(1,000)	10,000	4,203	5,797	29,669	46	29,715	14,938	14,777
<hr/>											
Support Services General Administration:											
Salaries	11-000-230-100	173,653	860	174,513	173,884	629	206,922		206,922	191,627	15,295
Legal Services	11-000-230-331	14,000	(740)	13,260	10,217	3,043	10,000	4,000	14,000	9,915	4,085
Audit Fees	11-000-230-332	20,900		20,900	20,900		20,700		20,700	20,300	400
Other Purchased											
Professional Services	11-000-230-339	19,430		19,430	7,500	11,930	2,430		2,430		2,430
Purchased Technical Services	11-000-230-340	8,000		8,000	5,664	2,336	9,500		9,500	5,969	3,531
Communications/Telephone	11-000-230-530	25,500		25,500	13,911	11,589	28,554		28,554	17,052	11,502
BOE Other Purchased Services	11-000-230-585	7,320		7,320	250	7,070	10,770	(4,000)	6,770	2,055	4,715
Other Purchased Services	11-000-230-590	33,155	1,000	34,155	31,104	3,051	29,199		29,199	27,325	1,874
General Supplies	11-000-230-610	4,800		4,800	2,728	2,072	5,700		5,700	3,890	1,810

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**LOGAN TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010**

	ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Support Services General Administration (continued):											
BOE In-House Training/Meeting											
Supplies	11-000-230-630	1,000		1,000	876	124	2,000		2,000	949	1,051
Miscellaneous Expenditures	11-000-230-890	3,000		3,000	2,285	715	3,000		3,000	2,025	975
BOE Membership Dues & Fees	11-000-230-895	11,485		11,485	11,014	471	11,820		11,820	11,283	537
Total Support Services General Administration		322,243	1,120	323,363	280,333	43,030	340,595		340,595	292,390	48,205
Support Services School Administration:											
Salaries of Principals & Assistant Principals	11-000-240-103	225,307		225,307	222,857	2,450	265,598		265,598	260,108	5,490
Salaries of Secretarial & Clerical Assistants	11-000-240-105	110,060	7,405	117,465	116,451	1,014	118,089		118,089	114,332	3,757
Other Purchased Services	11-000-240-500	8,290		8,290	2,966	5,324	3,500		3,500	587	2,913
Supplies and Materials	11-000-240-600	7,000		7,000	5,669	1,331	8,000		8,000	7,523	477
Other Objects	11-000-240-800						3,615		3,615	3,337	278
Total Support Services School Administration		350,657	7,405	358,062	347,943	10,119	398,802		398,802	385,887	12,915
Central Services:											
Salaries	11-000-251-100	176,209	(22,571)	153,638	153,618	20	146,838	6,776	153,614	150,790	2,824
Purchased Professional Services	11-000-251-330	8,757	(2,000)	6,757	6,653	104	8,757		8,757	6,852	1,905
Purchased Technical Services	11-000-251-340	2,375	13,605	15,980	13,268	2,712	2,375		2,375	1,660	715
Miscellaneous Purchased Services	11-000-251-592	8,700	(4,000)	4,700	1,470	3,230	10,800	(1,000)	9,800	4,141	5,659
Supplies and Materials	11-000-251-600	4,000	(20)	3,980	3,388	592	4,000	40	4,040	4,040	
Miscellaneous Expenditures	11-000-251-890	1,115		1,115	1,084	31	1,110		1,110	1,084	26
Total Central Services		201,156	(14,986)	186,170	179,481	6,689	173,880	5,816	179,696	168,567	11,129
Administrative Information Technology:											
Salaries	11-000-252-100	45,455		45,455	44,805	650	44,783		44,783	43,290	1,493
Purchased Technical Services	11-000-252-340	15,922	424	16,346	16,346		13,980		13,980	13,880	100
Total Administrative Information Technology		61,377	424	61,801	61,151	650	58,763		58,763	57,170	1,593
Allowable Maintenance for School Facilities:											
Salaries	11-000-261-100	72,256		72,256	68,729	3,527	70,572		70,572	67,099	3,473
Cleaning, Repair & Maintenance Services	11-000-261-420	31,970	2,300	34,270	33,697	573	31,570	240	31,810	29,170	2,640
General Supplies	11-000-261-610	28,000	16,033	44,033	39,939	4,094	44,900	(1,788)	43,112	30,362	12,750
Total Allowable Maintenance for School Facilities		132,226	18,333	150,559	142,365	8,194	147,042	(1,548)	145,494	126,631	18,863

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**LOGAN TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010**

ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Operation & Maintenance of Plant Services & School Facilities:											
Salaries	11-000-262-100	79,232		79,232	78,273	959	75,948	1,100	77,048	77,037	11
Salaries of Noninstructional Aides	11-000-262-107	35,355	2,240	37,595	27,777	9,818	37,133	(1,100)	36,033	31,763	4,270
Cleaning, Repair & Maintenance Services	11-000-262-420	548,967	(3,590)	545,377	530,861	14,516	531,015	(3,221)	527,794	522,669	5,125
Other Purchased Property Services	11-000-262-490	49,950		49,950	48,350	1,600	48,857		48,857	48,532	325
Insurance	11-000-262-520	46,154	600	46,754	46,529	225	43,950	5	43,955	41,366	2,589
General Supplies	11-000-262-610	21,400	4,969	26,369	16,257	10,112	22,380		22,380	21,071	1,309
Energy (Natural Gas)	11-000-262-621	81,600	15,400	97,000	83,053	13,947	77,500	3,221	80,721	80,721	
Energy (Electricity)	11-000-262-622	314,500	(16,000)	298,500	292,486	6,014	305,000		305,000	296,001	8,999
Other Objects	11-000-262-800	800		800	507	293	1,000	(11)	989	857	132
Total Operation & Maintenance of Plant Services & School Facilities		1,177,958	3,619	1,181,577	1,124,093	57,484	1,142,783	(6)	1,142,777	1,120,017	22,760
Care & Upkeep of Grounds:											
Other Purchased Professional Technical Services	11-000-263-300	61,500	9,384	70,884	59,172	11,712	59,000	8,474	67,474	63,676	3,798
Total Care & Upkeep of Grounds		61,500	9,384	70,884	59,172	11,712	59,000	8,474	67,474	63,676	3,798
Security:											
Other Purchased Professional Technical Services	11-000-266-300	15,000	(2,510)	12,490	11,633	857	25,000	(2,000)	23,000	16,040	6,960
Cleaning, Repair & Maintenance Services	11-000-266-420	9,128	(5,012)	4,116	4,115	1	8,324		8,324	7,274	1,050
Total Security		24,128	(7,522)	16,606	15,748	858	33,324	(2,000)	31,324	23,314	8,010
Student Transportation Services:											
Salaries of Noninstructional Aides	11-000-270-107		1,600	1,600	1,582	18		9,097	9,097	8,437	660
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	17,877	8,300	26,177	26,177		17,436		17,436	16,316	1,120
Other Purchased Professional Technical Services	11-000-270-390	2,000	250	2,250	2,225	25	2,000		2,000	1,950	50
Contracted Services (Between Home & School) - Vendors	11-000-270-511	440,134	24,797	464,931	452,912	12,019	781,071		781,071	781,028	43

**LOGAN TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010**

	ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Student Transportation Services (continued):											
Contracted Services (Other Than Between Home & School) - Vendors											
	11-000-270-512	87,958		87,958	24,072	63,886	124,126	(6,500)	117,626	75,348	42,278
Contracted Services (Special Education Students) - Vendors											
	11-000-270-514	14,130		14,130		14,130	12,200		12,200		12,200
Contracted Services (Between Home & School) - Joint Agreements											
	11-000-270-515	405,000	(24,797)	380,203	326,699	53,504	405,000		405,000	327,155	77,845
Contracted Service - Aid in Lieu of Payments											
	11-000-270-503	45,700	(250)	45,450	37,884	7,566	45,700		45,700	40,065	5,635
Supplies and Materials											
	11-000-270-600						500		500		500
Miscellaneous Expenditures											
	11-000-270-800	75		75		75	125		125		125
Total Student Transportation Services		1,012,874	9,900	1,022,774	871,551	151,223	1,388,158	2,597	1,390,755	1,250,299	140,456
Unallocated Benefits - Employee Benefits:											
Social Security Contributions											
	11-000-291-220	91,948		91,948	91,471	477	101,032	1,326	102,358	101,271	1,087
Other Retirement Contribution - PERS											
	11-000-291-241	87,224	20,020	107,244	107,244						
Other Retirement Contribution - Regular											
	11-000-291-249		2,530	2,530	2,525	5	87,224		87,224	83,271	3,953
Unemployment Compensation											
	11-000-291-250	290,000	(10,310)	279,690	20,973	258,717					
Workmen's Compensation											
	11-000-291-260	57,701		57,701	56,876	825	54,947	6	54,953	54,953	
Health Benefits											
	11-000-291-270	1,904,009	(20,020)	1,883,989	1,594,710	289,279	1,659,488	20,747	1,680,235	1,598,231	82,004
Tuition Reimbursements											
	11-000-291-280	35,000		35,000	22,947	12,053	40,000	(13,000)	27,000	23,740	3,260
Other Employee Benefits											
	11-000-291-290	11,300	3,148	14,448	10,887	3,561	17,200		17,200	9,260	7,940
Total Unallocated Benefits - Employee Benefits		2,477,182	(4,632)	2,472,550	1,907,633	564,917	1,959,891	9,079	1,968,970	1,870,726	98,244
Nonbudgeted:											
On-Behalf TPAF Pension Contributions											
					421,299	(421,299)				407,954	(407,954)
Reimbursed TPAF Social Security Contributions											
					441,092	(441,092)				466,712	(466,712)
Total Undistributed Expenditures		11,227,247	48,266	11,275,513	10,639,748	635,765	11,989,179	(119,232)	11,869,947	12,122,571	(252,624)
Total Expenditures - Current Expense		16,922,247	53,177	16,975,424	16,135,128	840,296	17,749,427	(19,496)	17,729,931	17,739,063	(9,132)
Capital Outlay:											
Interest Deposit to Capital Reserve											
	10-604-000-000						1,600		1,600		1,600
Increase in Maintenance Reserve											
	10-606-000-000						130,000		130,000		130,000
Interest Deposit to Maintenance Reserve											
	10-606-000-000						1,200		1,200		1,200

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LOGAN TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010

ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Equipment:											
Undistributed Expenditures:											
Instruction	12-400-100-730		6,300	6,300	6,145	155	43,318	29,541	72,859	72,859	
Maintenance of School Facilities	12-000-261-730	90,800	(10,700)	80,100	60,097	20,003					
Custodial Services	12-000-262-730						20,000		20,000	20,000	
Security	12-000-266-730	17,378		17,378	16,478	900	33,000	1,050	34,050	34,050	
Assets Acquired Under Capital											
Lease (Nonbudget) - Instruction										247,135	(247,135)
Facilities Acquisition & Construction Services:											
Other Purchased Professional & Technical Services											
Technical Services	12-000-400-390		3,200	3,200	3,200			25,046	25,046	25,046	
Construction Services	12-000-400-450	130,945		130,945	129,309	1,636					
Other Objects	12-000-400-800	924		924	924						
Capital Reserve - Transfer to											
Repayment of Debt	12-000-400-933				1,600	(1,600)	1,600		1,600		1,600
Total Capital Outlay		240,047	(1,200)	238,847	217,753	21,094	230,718	55,637	286,355	399,090	(112,735)
Summer School:											
Instruction:											
Salaries of Teachers	13-422-100-101						28,500		28,500	25,102	3,398
Other Purchased Services	13-422-100-500						5,700		5,700	5,646	54
General Supplies	13-422-100-610						1,500		1,500	81	1,419
Total Summer School							35,700		35,700	30,829	4,871
Total Expenditures		17,162,294	51,977	17,214,271	16,352,881	861,390	18,015,845	36,141	18,051,986	18,168,982	(116,996)
Excess/(Deficiency) of Revenues Over/(Under)											
Expenditures Before Other Financing Sources/(Uses)		(892,262)	(19,119)	(911,381)	785,438	1,696,819	(820,989)	(36,141)	(857,130)	(575,359)	281,771
Other Financing Sources/(Uses):											
Capital Lease (Nonbudget)											
Transfers to Food Service Fund - Board Contribution							(30,000)		(30,000)	(30,000)	
Total Other Financing Sources/(Uses)							(30,000)		(30,000)	217,135	247,135

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**LOGAN TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010**

	JUNE 30, 2011				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Excess/(Deficiency) of Revenues Over/(Under)										
Expenditures After Other Financing Sources/(Uses)	(892,262)	(19,119)	(911,381)	785,438	1,696,819	(850,989)	(36,141)	(887,130)	(358,224)	528,906
Fund Balances, July 1	1,637,339		1,637,339	1,637,339		1,995,563		1,995,563	1,995,563	
Fund Balances, June 30	<u>\$745,077</u>	<u>(19,119)</u>	<u>725,958</u>	<u>2,422,777</u>	<u>1,696,819</u>	<u>1,144,574</u>	<u>(36,141)</u>	<u>1,108,433</u>	<u>1,637,339</u>	<u>528,906</u>

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Year-End Encumbrances	\$104,976
Excess Surplus - Designated for Subsequent Year	351,346
Excess Surplus	1,236,510
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	388,942
Unassigned Fund Balance	<u>341,003</u>
Subtotal	<u>2,422,777</u>
Reconciliation to Governmental Fund Statements (GAAP):	
Last State Aid Payment Not Recognized on GAAP Basis	<u>(466,975)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$1,955,802</u>

**LOGAN TOWNSHIP BOARD OF EDUCATION
AMERICAN RECOVERY AND REINVESTMENT ACT -
BUDGET AND ACTUAL
FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND 2010**

REVENUES	ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2010				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Federal Sources		\$ -							879,379	879,379	
Total Revenues									879,379	879,379	
EXPENDITURES:											
Instruction:											
ARRA - State Fiscal Stabilization Fund											
Education Stabilization Fund:											
	Salaries of Teachers Gr 1-5 16-000-120-101								846,606	846,606	
Total Education Stabilization Fund									846,606	846,606	
ARRA - State Fiscal Stabilization Fund - ESF											
Government Services Fund:											
	Salaries of Teachers Gr 1-5 17-000-120-101								32,773	32,773	
Total Government Services Fund									32,773	32,773	
Total State Fiscal Stabilization Fund									879,379	879,379	
Total Expenditures									879,379	879,379	
Total Outflows									879,379	879,379	
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources/(Uses)		\$ -	-	-	-	-	-	-	-	-	-

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**LOGAN TOWNSHIP BOARD OF EDUCATION
EDUCATION JOBS FUND PROGRAM -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

REVENUES	ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Federal Sources		\$ -	32,858	32,858	32,083	775
Total Revenues			32,858	32,858	32,083	775
EXPENDITURES:						
Education Jobs Fund Program:						
Basic Skills/Remedial:						
Salaries of Teachers	18-230-100-101		23,930	23,930	23,929	1
Total Basic Skills/Remedial			23,930	23,930	23,929	1
Other Support Services - Students - Regular:						
Salaries	18-000-218-100		3,900	3,900	3,362	538
Total Other Support Services - Students- Regular			3,900	3,900	3,362	538
Educational Media Services/School Library:						
Salaries	18-000-222-100		220	220	174	46
Total Educational Media Services/Library			220	220	174	46
Operation & Maintenance of Plant Services & School Facilities:						
Salaries of Noninstructional Aides	18-000-262-107		1,660	1,660	1,654	6
Total Operation & Maintenance of Plant Services & School Facilities			1,660	1,660	1,654	6
Unallocated Benefits - Employee Benefits:						
Other Employee Benefits	18-000-291-290		3,148	3,148	2,964	184
Total Unallocated Benefits - Employee Benefits			3,148	3,148	2,964	184
Total Expenditures			32,858	32,858	32,083	775
Total Outflows			32,858	32,858	32,083	775
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)		\$ -	-	-	-	-

**LOGAN TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEARS ENDED JUNE 30, 2011 AND 2010**

	JUNE 30, 2011				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2010				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES:										
State Sources	\$36,300	2,803	39,103	36,300	(2,803)	36,300	4,005	40,305	37,540	(2,765)
Federal Sources	349,982	155,420	505,402	466,588	(38,814)	290,274	364,254	654,528	503,902	(150,626)
Total Revenues	386,282	158,223	544,505	502,888	(41,617)	326,574	368,259	694,833	541,442	(153,391)
EXPENDITURES:										
Instruction:										
Salaries of Teachers	99,296	25,901	125,197	109,115	16,082	34,300	90,132	124,432	112,080	12,352
Other Salaries for Instruction						43,969	(35,886)	8,083	8,083	
General Supplies	24,405	959	25,364	288,073	(262,709)		40,622	40,622	14,270	26,352
Tuition	260,696	26,956	287,652		287,652	220,015	155,262	375,277	332,625	42,652
Total Instruction	384,397	53,816	438,213	397,188	41,025	298,284	250,130	548,414	467,058	81,356
Support Services:										
Employee Benefits		12,622	12,622		12,622		16,048	16,048	54,584	(38,536)
Purchased Professional Technical Services						26,290	72,210	98,500	3,947	94,553
Purchased Professional Services		82,571	82,571	77,921	4,650		3,195	3,195	1,195	2,000
General Supplies		6,936	6,936	23,617	(16,681)		7,809	7,809	873	6,936
Other Purchased Services	1,885	2,277	4,162	4,162		2,000	10,941	12,941	5,859	7,082
Total Support Services	1,885	104,406	106,291	105,700	591	28,290	110,203	138,493	66,458	72,035
Facilities Acquisition & Construction Services:										
Instructional Equipment							7,926	7,926	7,926	
Total Facilities Acquisition & Construction Services							7,926	7,926	7,926	
Total Expenditures	386,282	158,222	544,504	502,888	41,616	326,574	368,259	694,833	541,442	153,391
Total Outflows	386,282	158,222	544,504	502,888	41,616	326,574	368,259	694,833	541,442	153,391
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/ (Uses)	\$ -	1	1	-	(1)	-	-	-	-	-

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**LOGAN TOWNSHIP BOARD OF EDUCATION
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**

	GENERAL FUND N-1	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$17,138,319	502,888
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		6,029
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	561,944	3,630
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	(466,975)	(3,630)
	<hr/>	<hr/>
Total Revenue as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	<hr/> <u>\$17,233,288</u>	<hr/> <u>508,917</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$16,352,881	502,888
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year		6,029
		<hr/>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<hr/> <u>\$16,352,881</u>	<hr/> <u>508,917</u>

N-1 The general fund budget uses GAAP basis therefore no reconciliation is necessary.

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

E. Special Revenue Fund

**LOGAN TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

	I.D.E.A. - PART B				
	BASIC REGULAR PROGRAM	BASIC REGULAR PROGRAM CARRYOVER	BASIC REGULAR PROGRAM ARRA	PRESCHOOL INCENTIVE PROGRAM	TITLE I
Revenues:					
Federal Sources	\$249,981	597	98,750	8,440	57,855
State Sources					
Total Revenues	\$249,981	597	98,750	8,440	57,855
Expenditures:					
Instruction:					
Salaries of Teachers			6,520	8,440	57,855
Other Salaries					
Tuition	\$245,000		42,652		
General Supplies	3,981	597	12,103		
Total Instruction	248,981	597	61,275	8,440	57,855
Support Services:					
Teacher Stipends					
Employee Benefits					
Purchase Professional & Technical Services					
Purchased Professional Services			37,225		
General Supplies					
Other Purchased Services	1,000		250		
Total Support Services	1,000		37,475		
Facilities Acquisition & Construction Services: Instructional Equipment					
Total Facilities Acquisition & Construction Services					
Total Expenditures	\$249,981	597	98,750	8,440	57,855

**LOGAN TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

	TITLE I CARRYOVER	TITLE I ARRA	TITLE II PART A	TITLE II PART A CARRYOVER	TITLE II PART D
Revenues:					
Federal Sources	\$421	23,713	25,092	1,604	135
State Sources					
Total Revenues	\$421	23,713	25,092	1,604	135
Expenditures:					
Instruction:					
Salaries of Teachers					
Other Salaries					
Tuition					
General Supplies	\$421				
Total Instruction	421				
Support Services:					
Teacher Stipends					
Employee Benefits					
Purchase Professional & Technical Services					
Purchased Professional Services		14,000	25,092	1,604	
General Supplies		6,936			
Other Purchased Services		2,777			135
Total Support Services		23,713	25,092	1,604	135
Facilities Acquisition & Construction Services:					
Instructional Equipment					
Total Facilities Acquisition & Construction Services					
Total Expenditures	\$421	23,713	25,092	1,604	135

**LOGAN TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

	PRESCHOOL EDUCATION AID	2011	2010
Revenues:			
Federal Sources		466,588	503,902
State Sources	\$36,300	36,300	37,540
Total Revenues	\$36,300	502,888	541,442
Expenditures:			
Instruction:			
Salaries of Teachers	\$36,300	109,115	112,080
Other Salaries			8,083
Tuition			332,625
General Supplies		288,073	14,270
Total Instruction	36,300	397,188	467,058
Support Services:			
Employee Benefits			54,584
Purchased Professional & Technical Services			3,947
Purchased Professional Services		77,921	1,195
General Supplies		23,617	873
Other Purchased Services		4,162	5,859
Total Support Services		105,700	66,458
Facilities Acquisition & Construction Services:			
Instructional Equipment			7,926
Total Facilities Acquisition & Construction Services			7,926
Total Expenditures	\$36,300	502,888	541,442

**LOGAN BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
STATEMENT OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	2011		
	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$36,300	36,300	-
Total Instruction	36,300	36,300	-
 Total Expenditures	 \$36,300	 36,300	 -

CALCULATION OF BUDGET AND CARRYOVER

Total Revised 2010-2011 Preschool Education Aid Allocation	\$36,300
Add: Actual ECPA Carryover June 30, 2010	-
Total Preschool Education Aid Funds Available for 2010-2011 Budget	36,300
Less: 2010-2011 Budgeted Preschool Education Aid (Prior Year Budget Carryover)	(36,300)
Available & Unbudgeted Preschool Education Aid Funds June 30, 2011	-
Add: June 30, 2011 Unexpended Preschool Education Aid	-
Total Actual Preschool Education Aid Carryover	-
2010-2011 Preschool Education Aid Carryover Budgeted in 2011-2012	-

F. Capital Projects Fund

Not Applicable

G. Proprietary Funds

Enterprise Funds

**LOGAN TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF NET ASSETS
AS OF JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

ASSETS	BUSINESS-TYPE ACTIVITIES - <u>ENTERPRISE FUNDS</u> FOOD SERVICE	2011	2010
Current Assets:			
Cash & Cash Equivalents	\$41,569	41,569	43,354
Accounts Receivable:			
Federal	4,882	4,882	5,000
State	255	255	337
Other	21,522	21,522	30,000
Inventories	6,687	6,687	9,032
Total Current Assets	<u>74,915</u>	<u>74,915</u>	<u>87,723</u>
Noncurrent assets:			
Furniture, Machinery & Equipment	166,999	166,999	162,573
Less: Accumulated Depreciation	<u>(134,628)</u>	<u>(134,628)</u>	<u>(129,608)</u>
Total Noncurrent Assets	<u>32,371</u>	<u>32,371</u>	<u>32,965</u>
Total Assets	<u>107,286</u>	<u>107,286</u>	<u>120,688</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable			7,345
Prepaid Lunch Fees	5,919	5,919	5,505
Total Liabilities	<u>5,919</u>	<u>5,919</u>	<u>12,850</u>
NET ASSETS			
Investments in Capital Assets - Net of Related Debt	32,371	32,371	32,965
Unrestricted	68,996	68,996	74,873
Total Net Assets	<u>\$101,367</u>	<u>101,367</u>	<u>107,838</u>

**LOGAN TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

	BUSINESS-TYPE ACTIVITIES -		
	FOOD SERVICE	2011	2010
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs:			
School Lunch Program	\$158,955	158,955	169,630
Daily Sales - Nonreimbursable Programs	65,581	65,581	70,419
Total Operating Revenues	224,536	224,536	240,049
Operating Expenses:			
Salaries & Benefits	154,338	154,338	174,423
Supplies & Materials	7,966	7,966	8,048
Cost of Sales	145,284	145,284	141,815
Depreciation	5,020	5,020	4,865
Miscellaneous	18,945	18,945	25,724
Total Operating Expenses	331,553	331,553	354,875
Operating Income/(loss)	(107,017)	(107,017)	(114,826)
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	3,968	3,968	4,942
Federal Sources:			
National School Lunch Program	78,118	78,118	69,887
Food Distribution Program	18,174	18,174	27,298
Interest Revenue	286	286	264
Total Nonoperating Revenues/(Expenses)	100,546	100,546	102,391
Income/(Loss) Before Contributions & Transfers	(6,471)	(6,471)	(12,435)
Board Contributions			
Transfer to Cover Deficit			30,000
Total Board Contribution			30,000
Net Income	(6,471)	(6,471)	17,565
Total Net Assets - Beginning	107,838	107,838	90,273
Total Net Assets - Ending	\$101,367	101,367	107,838

**LOGAN TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

	BUSINESS-TYPE ACTIVITIES - FOOD SERVICE	2011	2010
Cash Flows From Operating Activities:			
Receipts from Customers	\$228,628	228,628	168,334
Payments to Employees	(154,338)	(154,338)	(174,423)
Payments to Suppliers	(154,021)	(154,021)	(148,289)
Net Cash Provided/(Used) by Operating Activities	(79,731)	(79,731)	(154,378)
Cash Flows From Investing Activities:			
Interest & Dividends	286	286	264
Net Cash Provided/(Used) by Investing Activities	286	286	264
Cash Flows From Noncapital Financing Activities:			
Cash Received from Federal & State Reimbursements	82,086	82,086	74,829
Board Contribution			30,000
Net Cash Provided/(Used) by Noncapital Financing Activities	82,086	82,086	104,829
Cash Flows From Capital & Related Financing Activities:			
Purchase of Capital Assets	(4,426)	(4,426)	(6,048)
Net Cash Provided/(Used) by Capital & Related Financing Activities	(4,426)	(4,426)	(6,048)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,785)	(1,785)	(55,333)
Balances - Beginning of Year	43,354	43,354	98,687
Balances - End of Year	\$41,569	41,569	43,354

Reconciliation of Operating Income/(Loss) to Net Cash Provided (Used) by Operating Activities:

Operating Income/(Loss)	(\$107,017)	(107,017)	(114,826)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	5,020	5,020	4,865
Food Distribution Program	18,174	18,174	27,298
Changes in Assets & Liabilities:			
(Increase)/Decrease Accounts Receivable	8,678	8,678	(30,532)
(Increase)/Decrease in Inventory	2,345	2,345	(2,221)
Increase/(Decrease) in Current Liabilities	(6,931)	(6,931)	(38,962)
Total Adjustments	27,286	27,286	(39,552)
Net Cash Provided/(Used) by Operating Activities	(\$79,731)	(79,731)	(154,378)

Internal Service Fund

Not Applicable

H. Fiduciary Fund

**LOGAN TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMPARATIVE COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

ASSETS	PRIVATE PURPOSE		AGENCY		2011	2010
	UNEMPLOYMENT COMPENSATION INSURANCE TRUST	SCHOLARSHIP	STUDENT ACTIVITY	PAYROLL		
	Cash & Cash Equivalents	\$6,220	8,372	32,322		
Total Assets	6,220	8,372	32,322	128,005	174,919	252,163
LIABILITIES						
Payroll Deductions & Withholdings				121,818	121,818	142,331
Flexible Spending				6,187	6,187	5,635
Due to Student Groups			32,322		32,322	32,452
Total Liabilities			32,322	128,005	160,327	180,418
NET ASSETS						
Reserved for Unemployment Compensation	6,220				6,220	63,249
Unreserved		8,372			8,372	8,496
Total Net Assets	\$6,220	8,372	-	-	14,592	71,745

**LOGAN TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011
(With Comparative Totals for June 30, 2010)**

ADDITIONS	PRIVATE PURPOSE		2011	2010
	SCHOLARSHIP	UNEMPLOYMENT COMPENSATION		
Local Sources:				
Transfer from Payroll Agency Account		8,764	8,764	12,065
Scholarships Established				83
Investment Earnings:				
Interest	\$26	43	69	167
Total Additions	26	8,807	8,833	12,315
DEDUCTIONS				
Quarterly Unemployment Contribution Reports		65,836	65,836	5,100
Scholarship Payments	150		150	250
Total Deductions	150	65,836	65,986	5,350
Change in Net Assets	(124)	(57,029)	(57,153)	6,965
Net Assets - Beginning of the Year	8,496	63,249	71,745	64,780
Net Assets - End of the Year	\$8,372	6,220	14,592	71,745

**LOGAN TOWNSHIP BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	BALANCE JULY 1, 2010	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2011
Student Activity	\$32,452	30,786	30,916	32,322
Total Student Activity	\$32,452	30,786	30,916	32,322

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

	BALANCE JULY 1, 2010	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2011
ASSETS				
Cash & Cash Equivalents	\$147,966	7,744,998	7,764,959	128,005
Total Assets	\$147,966	7,744,998	7,764,959	128,005
LIABILITIES				
Payroll Deductions & Withholding	\$142,331	3,069,923	3,090,436	121,818
Net Payroll		4,662,106	4,662,106	
Flexible Spending	5,635	12,449	11,897	6,187
Interfund Accounts Payable		520	520	
Total Liabilities	\$147,966	7,744,998	7,764,959	128,005

I. Long-Term Debt

**LOGAN TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2011**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE	ISSUED	RETIRED	BALANCE
			DATE	AMOUNT		JULY 1, 2010			JUNE 30, 2011
Refunding Bonds - Series 2002	04/15/2002	\$7,630,000	7/15/2011	\$690,000	5.00%	\$2,735,000		700,000	2,035,000
			7/15/2012	680,000	5.00%				
			7/15/2013	665,000	5.00%				
					5.00%				
Refunding Bonds - Series 2005	04/20/2005	4,840,000	7/15/2011	475,000	3.50%	4,590,000		460,000	4,130,000
			7/15/2012	485,000	3.25%				
			7/15/2013	495,000	3.45%				
			7/15/2014	515,000	3.40%				
			7/15/2015	530,000	4.00%				
			7/15/2016	545,000	4.00%				
			7/15/2017	540,000	3.75%				
			7/15/2018	545,000	4.00%				
					Total	\$7,325,000	-	1,160,000	6,165,000

**LOGAN TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2011**

SERIES	DATE OF LEASE	TERM OF LEASE	AMOUNT OF ORIGINAL LEASE		INTEREST RATE PAYABLE	AMOUNT OUTSTANDING JUNE 30, 2010	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2011
			PRINCIPAL	INTEREST					
Dell Computer Equipment	7/26/2006	49 Months	\$39,581	\$4,861	7.834%	\$1,468		1,468	
Technology Equipment	9/1/2007	48 Months	98,103	9,147	6.000%	27,886		24,181	3,705
Technology Equipment	10/1/2007	48 Months	115,000	12,528	5.500%	48,324		11,690	36,634
HP Computer Equipment	7/1/2008	60 Months	253,044	26,312	6.793%	128,657		59,723	68,934
Technology Equipment	10/21/2008	54 Months	153,246	16,058	3.820%	95,121		30,513	64,608
Dell Computer Equipment	8/1/2009	49 Months	247,135	27,010	6.930%	181,214		53,360	127,854
Total						<u>\$482,670</u>	-	<u>180,935</u>	<u>301,735</u>

**LOGAN TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEARS ENDED JUNE 30, 2011 AND 2010**

	ACCOUNT NUMBERS	JUNE 30, 2011				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2010				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:											
Local Sources:											
Local Tax Levy	40-1210	\$980,678		980,678	980,678		922,326		922,326	922,326	
State Sources:											
Debt Service Aid Type II	40-3160	458,830		458,830	458,830		556,325		556,325	556,325	
Total Revenues		1,439,508		1,439,508	1,439,508		1,478,651		1,478,651	1,478,651	
Expenditures:											
Regular Debt Service:											
Interest	40-701-510-834	282,180		282,180	282,180		336,280		336,280	336,280	
Redemption of Principal	40-701-510-910	1,160,000		1,160,000	1,160,000		1,150,000		1,150,000	1,150,000	
Total Expenditures		1,442,180		1,442,180	1,442,180		1,486,280		1,486,280	1,486,280	
Other Financing Sources/(Uses):											
Transfers from General Fund - Debt Service Relief					1,600	(1,600)	1,600		1,600		1,600
Total Other Financing Sources/(Uses)					1,600	(1,600)	1,600		1,600		1,600
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(2,672)		(2,672)	(1,072)	(1,600)	(6,029)		(6,029)	(7,629)	1,600
Fund Balance, July 1		1,072		1,072	1,072		8,701		8,701	8,701	
Fund Balance, June 30		(\$1,600)	-	(1,600)	-	(1,600)	2,672	-	2,672	1,072	1,600

STATISTICAL SECTION (Unaudited)

LOGAN TOWNSHIP BOARD OF EDUCATION
NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities:									
Invested in Capital Assets, Net of Related Debt	\$5,234,131	4,377,078	3,529,498	2,721,022	1,864,857	1,301,386	620,037	(399,942)	(621,047)
Restricted	1,964,263	1,122,415	1,457,899	1,039,811	1,245,159	1,634,354	950,426	562,567	893,337
Unrestricted	(259,094)	(350,790)	(356,486)	(63,085)	(87,744)	(331,565)	135,515	328,775	115,003
Total Governmental Activities Net Assets	\$6,939,300	5,148,703	4,630,911	3,697,748	3,022,272	2,604,175	1,705,978	491,400	387,293
Business-Type Activities:									
Invested in Capital Assets, Net of Related Debt	\$32,371	32,965	31,782	36,934	42,107	3,690	4,914	6,138	
Restricted									
Unrestricted	68,996	74,873	58,491	28,581	4,949	7,107	2,730	46,049	87,256
Total Business-Type Activities Net Assets	\$101,367	107,838	90,273	65,515	47,056	10,797	7,644	52,187	87,256
District-Wide:									
Invested in Capital Assets, Net of Related Debt	\$5,266,502	4,410,043	3,561,280	2,757,956	1,906,964	1,305,076	624,951	(393,804)	(621,047)
Restricted	1,964,263	1,122,415	1,457,899	1,039,811	1,245,159	1,634,354	950,426	562,567	893,337
Unrestricted	(190,098)	(275,917)	(297,995)	(34,504)	(82,795)	(324,458)	138,245	374,824	202,259
Total District Net Assets	\$7,040,667	5,256,541	4,721,184	3,763,263	3,069,328	2,614,972	1,713,622	543,587	474,549

**LOGAN TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)
LAST NINE FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:									
Governmental Activities									
Instruction:									
Regular	\$5,092,056	5,100,450	4,920,746	4,789,042	4,466,348	4,379,210	4,287,725	4,159,840	4,000,059
Special Education	533,494	548,382	525,053	504,639	516,752	470,881	463,204	412,094	421,702
Basic Skill/Remedial Instruction	240,767	370,020	326,229	247,916	204,011	162,890	201,387	204,627	276,989
Bilingual Education				5,810	5,401	5,746	5,685	5,014	5,685
Other Instruction	32,280	63,582	51,235	42,960	46,584	47,084	40,738	44,365	43,041
Support Services:									
Tuition	3,584,333	4,441,648	4,627,793	4,848,260	4,308,893	3,864,931	3,699,124	3,565,822	3,325,273
Student & Instruction Related Services	1,128,319	1,276,585	1,138,680	1,142,732	1,163,638	1,164,174	1,010,406	1,032,383	1,019,114
School Administrative Services	347,943	385,887	379,190	395,626	374,193	377,218	377,541	362,468	352,391
General & Business Administrative Services	520,965	518,127	511,764	501,896	527,044	522,473	552,859	532,583	510,294
Plant Operations & Maintenance	1,344,578	1,358,684	1,226,154	1,228,585	1,251,158	1,211,558	1,187,609	1,148,341	1,089,894
Pupil Transportation	871,551	1,250,299	1,267,775	1,251,819	1,288,866	1,102,199	1,086,698	1,045,758	1,146,020
Allocated Benefits				1,670,079					
Unallocated Benefits	2,739,236	2,741,355	2,619,071	1,338,359	2,898,605	2,336,448	2,157,418	2,012,614	1,820,955
Special Schools		30,829	39,734	38,065	32,943	29,770	29,330	32,530	40,412
Interest on Long-Term Debt	259,683	310,109	366,909	416,784	466,131	512,928	536,518	653,912	597,193
Unallocated Depreciation	695,911	674,708	621,165	621,165	614,338	549,445	549,654	566,688	662,758
Total Governmental Activities Expenses	<u>\$17,391,116</u>	<u>19,070,665</u>	<u>18,621,498</u>	<u>19,043,737</u>	<u>18,164,905</u>	<u>16,736,955</u>	<u>16,185,896</u>	<u>15,779,039</u>	<u>15,311,780</u>
Business-Type Activities:									
Food Service	\$331,553	354,875	368,575	359,708	375,970	345,118	349,899	327,702	339,109
Total Business-Type Activities Expense	<u>331,553</u>	<u>354,875</u>	<u>368,575</u>	<u>359,708</u>	<u>375,970</u>	<u>345,118</u>	<u>349,899</u>	<u>327,702</u>	<u>339,109</u>
Total District Expenses	<u>\$17,722,669</u>	<u>19,425,540</u>	<u>18,990,073</u>	<u>19,403,445</u>	<u>18,540,875</u>	<u>17,082,073</u>	<u>16,535,795</u>	<u>16,106,741</u>	<u>15,650,889</u>

**LOGAN TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)
LAST NINE FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Program Revenues:									
Operating Grants & Contributions	508,917	540,326	382,074	372,755	391,729	1,029,820	1,567,607	1,430,797	1,417,042
Total Governmental Activities Program Revenues	508,917	540,326	382,074	372,755	391,729	1,029,820	1,567,607	1,430,797	1,417,042
Business-Type Activities:									
Charges for Services:									
Food Service	224,536	240,049	256,954	249,595	249,704	237,530	216,354	226,814	235,729
Operating Grants & Contribution	100,546	102,391	96,379	88,572	123,456	72,496	64,355	65,629	74,018
Total Business Type Activities Program Revenues	325,082	342,440	353,333	338,167	373,160	310,026	280,709	292,443	309,747
Total District Program Revenues	\$833,999	882,766	735,407	710,922	764,889	1,339,846	1,848,316	1,723,240	1,726,789
Net (Expense)/Revenue:									
Governmental Activities	(\$16,882,199)	(18,530,339)	(18,239,424)	(18,670,982)	(17,773,176)	(15,707,135)	(14,618,289)	(14,348,242)	(13,894,738)
Business-Type Activities	(6,471)	(12,435)	(15,242)	(21,541)	(2,810)	(35,092)	(69,190)	(35,259)	(29,362)
Total District-Wide Net Expense	(\$16,888,670)	(18,542,774)	(18,254,666)	(18,692,523)	(17,775,986)	(15,742,227)	(14,687,479)	(14,383,501)	(13,924,100)

**LOGAN TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)
LAST NINE FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Revenues & Other Changes in Net Assets:									
Governmental Activities:									
Property Taxes Levied for General Purposes, Net	\$11,023,468	11,224,583	11,176,687	10,746,814	10,122,574	9,245,179	8,553,494	8,142,401	7,318,785
Taxes Levied for Debt Service	980,678	922,326	963,417	980,886	992,917	1,013,324	1,023,449	1,017,321	855,296
Unrestricted Grants & Contributions	6,448,730	6,769,678	6,983,037	7,481,572	7,156,367	6,344,194	5,624,630	5,467,604	5,078,551
Tuition	214,851	124,076	66,803	95,991	160,522	82,027	71,543	54,972	30,673
Investment Earnings			21,801	80,963	136,620	102,569	51,463	21,512	34,366
Miscellaneous Income	5,069	37,468	842	232	14,178	38,857	7,471	7,989	41,454
Transfers		(30,000)	(48,701)	(40,000)	(39,069)	(37,000)	(24,000)		(33,000)
Net Increase in Capital Assets					(352,837)	(188,208)	524,816	(259,449)	(500)
Increase in Compensated Absences						4,400			
Total Governmental Activities	18,672,796	19,048,131	19,163,886	19,346,458	18,191,272	16,605,342	15,832,866	14,452,350	13,325,625
Business-Type Activities:									
Investment Earnings						1,245	551	189	534
Transfers		30,000	40,000	40,000	39,069	37,000	24,000		33,000
Total Business-Type Activities		30,000	40,000	40,000	39,069	38,245	24,551	189	33,534
Total District-Wide	\$18,672,796	19,078,131	19,203,886	19,386,458	18,230,341	16,643,587	15,857,417	14,452,539	13,359,159
Change in Net Assets:									
Governmental Activities	\$1,790,597	517,792	924,462	675,476	418,096	898,207	1,214,577	104,108	(569,113)
Business-Type Activities	(6,471)	17,565	24,758	18,459	36,259	3,153	(44,639)	(35,070)	4,172
Total District	\$1,784,126	535,357	949,220	693,935	454,355	901,360	1,169,938	69,038	(564,941)

**LOGAN TOWNSHIP BOARD OF EDUCATION
 FUND BALANCES AND GOVERNMENTAL FUNDS
 LAST NINE FISCAL YEARS
 (Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund:									
Reserved	\$1,692,832	1,233,275	1,096,301	901,779	1,184,642	1,384,469	912,714	555,398	467,903
Unreserved	262,970	(157,880)	331,461	417,536	319,446	25,768	347,613	678,200	823,095
Total General Fund	\$1,955,802	1,075,395	1,427,762	1,319,315	1,504,088	1,410,237	1,260,327	1,233,598	1,290,998
All Other Governmental Funds:									
Reserved						240,287			856
Unreserved, Reported in:									
Special Revenue Fund	(\$3,630)	(3,630)	(3,630)	(3,630)					(2,792)
Capital Projects Fund							30,729	30,729	29,873
Debt Service Fund		1,072	8,701	1	10,494	9,597	1	1	1,814
Total All Other Governmental Funds	(\$3,630)	(2,558)	5,071	(3,629)	10,494	249,884	30,730	30,730	29,751

LOGAN TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST NINE FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Revenues:									
Tax Levy	\$12,004,146	12,146,909	12,140,104	11,727,700	11,115,491	10,258,503	9,576,943	9,159,722	8,174,081
Tuition Charges	214,851	124,076	66,803	95,991	160,522	82,027	71,543	54,972	30,672
Interest Earnings							75	174	5,871
Miscellaneous	5,069	37,468	27,734	83,790	154,499	141,426	58,859	29,327	81,134
State Sources	6,458,976	5,931,624	7,017,215	7,518,262	7,193,428	7,034,950	6,826,270	6,572,298	6,234,856
Federal Sources	498,671	1,378,380	342,805	333,470	350,967	339,064	365,968	326,102	249,552
Total Revenue	19,181,713	19,618,457	19,594,661	19,759,213	18,974,907	17,855,970	16,899,658	16,142,595	14,776,166
Expenditures:									
Instruction:									
Regular Instruction	5,092,056	5,100,450	4,920,746	4,789,042	4,562,001	4,446,265	4,287,725	4,159,840	4,000,059
Special Education Instruction	533,494	548,382	525,053	504,639	516,752	470,881	463,204	412,094	421,702
Basic Skill/Remedial Instruction	240,767	370,020	326,229	247,916	204,011	162,890	201,387	204,627	276,989
Bilingual Education				5,810	5,401	5,746	5,685	5,014	5,685
Other Instruction	32,280	63,582	51,235	42,960	46,584	47,084	40,738	44,365	43,041
Support Services:									
Tuition	3,584,333	4,441,648	4,627,793	4,848,260	4,308,893	3,864,931	3,699,124	3,565,822	3,325,273
Student & Instruction Related Services	1,309,254	1,514,038	1,377,304	1,286,174	1,163,638	1,164,174	1,010,406	1,032,383	1,019,114
School Administrative Services	347,943	385,887	379,190	395,626	374,193	377,218	377,541	362,468	352,391
General & Business Administration Services	520,965	518,127	511,764	501,896	527,044	522,473	552,859	532,583	510,294
Plant Operations & Maintenance	1,341,378	1,333,638	1,226,154	1,228,585	1,251,158	1,211,558	1,187,609	1,148,341	1,089,894
Pupil Transportation	871,551	1,250,299	1,267,775	1,251,819	1,288,866	1,102,199	1,086,698	1,045,758	1,146,020
Allocated Benefits				1,670,079					
Unallocated Benefits	2,770,024	2,745,392	2,607,375	1,330,237	2,876,703	2,336,448	2,157,418	2,012,614	1,820,955
Special Schools		30,829	39,734	38,065	32,943	29,770	29,330	32,530	40,412
Capital Outlay	216,153	407,016	447,307	401,991	473,924	349,397	113,469	11,741	121,345
Debt Service:									
Principal	1,160,000	1,150,000	1,150,000	1,145,000	1,110,000	1,125,000	1,010,000	965,000	870,000
Interest & Other Charges	282,180	336,280	389,775	439,483	488,198	483,307	625,737	663,835	622,957
Total Expenditures	18,302,378	20,195,588	19,847,434	20,127,582	19,230,309	17,699,341	16,848,930	16,199,015	15,666,131

LOGAN TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST EIGHT FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Excess (Deficiency) of Revenues Over/(Under) Expenditures	879,335	(577,131)	(252,773)	(368,369)	(255,402)	156,629	50,728	(56,420)	(889,965)
Other Financing Sources/(Uses):									
Capital Leases		247,135	406,290	213,103	148,931	249,437			
Cancellation of Prior Years Grant Revenue									(500)
Transfers In	1,600		8,701			113,075			
Transfers Out	(1,600)	(30,000)	(48,701)	(40,000)	(39,069)	(150,075)	(24,000)		(33,000)
Total Other Financing Sources/(Uses)		217,135	366,290	173,103	109,862	212,437	(24,000)		(33,500)
Net Change in Fund Balances	\$879,335	(359,996)	113,517	(195,266)	(145,540)	369,066	26,728	(56,420)	(923,465)
Debt Service as a Percentage of Noncapital Expenditures	8.0%	7.5%	7.9%	8.0%	8.5%	9.3%	10.8%	11.2%	10.6%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

LOGAN TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

FISCAL YEAR ENDING JUNE 30,	TUITION	INTEREST ON INVESTMENTS	CONTRIBUTIONS FROM PRIVATE SOURCES	PRIOR YEAR'S REFUNDS	MISCELLANEOUS	TOTAL
2011	\$214,851				5,069	219,920
2010	124,076	10,172		3,889	23,407	161,544
2009	66,803	21,801	5,091		5,933	94,537
2008	95,991	80,963			2,827	179,781
2007	160,522	136,620	3,701	539	13,639	315,021
2006	82,027	102,592	50	6,914	34	191,617
2005	71,543	50,108			204	121,855
2004	54,972	21,512			785	77,269
2003	20,673	34,366	32,500	34,733	8,954	131,226
2002	11,733	75,583	65,000	4,517	5,919	162,752
Total	\$688,340	533,717	106,342	50,592	61,702	1,435,602

Source: District records

**LOGAN TOWNSHIP BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS:			NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
									TAX EXEMPT PROPERTY	PUBLIC UTILITIES				
06 2010	\$14,383,900	222,037,200	5,116,100	3,089,400	57,892,600	314,055,690	127,200	616,702,090	20,519,500	1,607,525	618,309,615	1.941	1,184,274,305	
2009	13,725,300	219,312,700	5,234,600	3,203,300	58,936,600	327,547,190	127,200	628,086,890	20,520,700	1,638,069	629,724,959	1.928	1,181,195,346	
2008	13,990,100	215,398,700	5,011,200	3,208,400	334,464,800	45,871,890	127,200	618,072,290	18,838,900	1,632,771	619,705,061	1.959	1,095,967,784	
2007	13,986,800	212,717,300	5,011,200	3,208,600	346,504,900	34,662,590	127,200	616,218,590	18,838,900	1,763,988	617,982,578	1.898	968,320,693	
2006	11,442,500	211,523,600	5,078,800	3,264,400	343,138,500	34,662,590	127,200	609,237,590	18,671,800	2,009,766	611,247,356	1.818	812,200,130	
2005	12,917,300	203,020,500	4,896,100	3,301,800	329,017,300	34,662,590	127,200	587,942,790	18,633,600	2,335,253	590,278,043	1.738	712,688,976	
2004	14,172,100	197,361,300	4,887,600	3,249,900	327,228,800	34,869,390	127,200	581,896,290	18,280,700	2,573,429	584,469,719	1.638	636,527,488	
2003	11,494,500	196,753,600	4,874,900	3,373,300	301,649,500	34,869,390	127,200	553,142,390	15,083,600	3,074,770	556,217,160	1.647	525,273,521	
2002	10,855,400	195,651,600	4,860,000	3,406,000	285,116,200	45,871,990	127,200	545,888,390	15,035,600	2,824,904	548,713,294	1.490	562,521,204	
2001	11,779,000	194,918,400	4,813,300	3,425,500	249,606,300	45,871,990	127,200	510,541,690	10,715,700	2,753,428	513,295,118	1.409	519,904,321	

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b. Tax rates are per \$100

LOGAN TOWNSHIP BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES				TOTAL DIRECT & OVERLAPPING TAX RATE
	LOCAL SCHOOL	DEBT SERVICE	TOTAL DIRECT	LOGAN TOWNSHIP	GLOUCESTER COUNTY	COUNTY LIBRARY	OTHER	
2010	1.782	0.159	1.941	0.345	1.043	0.083	0.082	3.494
2009	1.782	0.146	1.928	0.345	0.975	0.079	0.077	3.404
2008	1.804	0.155	1.959	0.345	0.924	0.075	0.072	3.375
2007	1.739	0.159	1.898	0.326	0.801	0.067	0.063	3.155
2006	1.638	0.180	1.818	0.309	0.738	0.059	0.053	2.977
2005	1.547	0.191	1.738	0.286	0.715	0.055	0.041	2.835
2004	1.456	0.182	1.638	0.289	0.603	0.052	0.032	2.614
2003	1.475	0.172	1.647	0.278	0.585	0.044	0.029	2.583
2002	1.267	0.223	1.490	0.199	0.570	0.043	0.030	2.332
2001	1.201	0.208	1.409	0.140	0.559	0.043	0.031	2.182

Source: District Records and Municipal Tax Collector

**LOGAN TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND TEN YEARS AGO**

TAXPAYER	2011		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
4B Liberty Venture I LP	\$51,905,400	1	8.000%
CPF Pureland VI LLC	13,340,800	2	2.000%
Cardinal Health 200, Inc	12,905,200	3	2.000%
SunTrust Bank	12,289,100	4	2.000%
NZ-100 East Wisconsin Avenue Joint	11,894,000	5	2.000%
Mid-Atlantic (Pureland) Industrial	11,626,000	6	2.000%
Baker-Properties, LP	9,857,100	7	2.000%
US Industrial REIT II	9,411,700	8	2.000%
Prologis NA3 NV IV LLC	8,185,300	9	1.000%
Liberty Property Development	7,741,600	10	1.000%
Total	\$149,156,200		24.000%

TAXPAYER	2002		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Pureland VI Limited Partnership	\$14,805,700	1	2.88%
First Security Bank Trust Tech Data	12,289,100	2	2.39%
The Realty Associates Fund V	10,954,700	3	2.13%
F. Greek Logan Properties, LLC	10,706,400	4	2.09%
Liberty Property LTD Partnership	9,734,000	5	1.90%
Liberty Property LTD Partnership	8,423,600	6	1.64%
Liberty Property LTD Partnership	7,305,700	7	1.42%
Prucrow Industrial Properties	7,140,200	8	1.39%
Liberty Property LTD Partnership	7,089,100	9	1.38%
Gateway Brentwood	7,031,200	10	1.37%
Total	\$95,479,700		18.60%

Source: Municipal Tax Assessor

**LOGAN TOWNSHIP BOARD OF EDUCATION
SCHOOL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2011	\$12,004,146	12,004,146	100.00%	-
2010	12,146,909	12,146,909	100.00%	-
2009	12,140,104	12,140,104	100.00%	-
2008	11,727,700	11,727,700	100.00%	-
2007	11,115,491	11,115,491	100.00%	-
2006	10,258,503	10,258,503	100.00%	-
2005	9,576,943	9,576,943	100.00%	-
2004	9,159,722	9,159,722	100.00%	-
2003	8,174,081	8,174,081	100.00%	-
2002	7,231,397	7,231,397	100.00%	-

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

**LOGAN TOWNSHIP BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PER CAPITA
	GENERAL OBLIGATION BONDS	CERTIFICATES OF PARTICIPATION	CAPITAL LEASES		
2011	\$6,165,000	-	301,735	6,466,735	N/A
2010	7,325,000	-	482,670	7,807,670	1,133
2009	8,475,000	-	472,988	8,947,988	1,433
2008	9,625,000	-	305,322	9,930,322	1,605
2007	10,770,000	-	235,661	11,005,661	1,788
2006	11,880,000	-	182,383	12,062,383	1,955
2005	13,005,000	-	-	13,005,000	2,135
2004	13,632,000	-	-	13,632,000	2,266
2003	14,597,000	-	-	14,597,000	2,428
2002	15,467,000	-	-	15,467,000	2,578

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

**LOGAN TOWNSHIP BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS			
2011	\$6,165,000	-	6,165,000	N/A	N/A
2010	7,325,000	-	7,325,000	N/A	N/A
2009	8,475,000	-	8,475,000	N/A	1,357
2008	9,625,000	-	9,625,000	1.55%	1,555
2007	10,770,000	-	10,770,000	1.74%	1,750
2006	11,880,000	-	11,880,000	1.94%	1,925
2005	13,005,000	-	13,005,000	2.20%	2,135
2004	13,632,000	-	13,632,000	2.33%	2,266
2003	14,597,000	-	14,597,000	2.62%	2,428
2002	15,467,000	-	15,467,000	2.82%	2,578

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2011**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Township of Logan		100.000%	5,770,402
County of Gloucester General Obligation Debt		4.080%	<u>12,192,242</u>
Subtotal, Overlapping Debt			17,962,644
Logan Township School District Direct Debt			<u>6,165,000</u>
Total Direct & Overlapping Debt			<u><u>\$24,127,644</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Logan Township or Gloucester County Board of Taxation.

**LOGAN TOWNSHIP BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Debt Limit	\$35,488,312	34,501,243	32,190,631	28,195,875	24,322,278	20,798,779	19,059,307	17,262,100	16,276,448	15,018,675
Total Net Debt Applicable to Limit	6,165,000	7,325,000	8,475,000	9,625,000	10,770,000	11,880,000	13,005,000	13,632,000	14,597,000	15,467,000
Legal Debt Margin	\$29,323,312	27,176,243	23,715,631	18,570,875	13,552,278	8,918,779	6,054,307	3,630,100	1,679,448	(448,325)
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	17.37%	21.23%	26.33%	34.14%	44.28%	57.12%	68.23%	78.97%	89.68%	102.99%

Legal Debt Margin Calculation for Fiscal Year 2010

	Equalized Valuation Basis
	2010 \$1,186,471,441
	2009 1,183,739,251
	2008 <u>1,178,620,548</u>
	<u>\$3,548,831,240</u>
Average Equalized Valuation of Taxable Property	<u>\$1,182,943,747</u>
Debt Limit (3 % of Average Equalization Value)	\$35,488,312
Net Bonded School Debt	<u>6,165,000</u>
Legal Debt Margin	<u>\$29,323,312</u>

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

**LOGAN TOWNSHIP BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2011	N/A	N/A	N/A
2010	6,732	N/A	4.3%
2009	6,245	39,591	4.1%
2008	6,189	39,404	2.7%
2007	6,154	37,331	2.1%
2006	6,171	36,076	2.3%
2005	6,091	34,309	2.1%
2004	6,017	32,866	2.1%
2003	6,013	31,086	2.3%
2002	6,000	30,422	2.2%

Source: State of New Jersey, Department of Labor and Workforce Development, Labor Planning and Analysis.

**LOGAN TOWNSHIP BOARD OF EDUCATION
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

	2011		PERCENTAGE OF TOTAL EMPLOYMENT
	(1) EMPLOYEES	RANK	
Underwood Memorial Hospital	1,825	1	N/A
Washington Twp School District	1,648	2	N/A
County of Gloucester	1,500	3	N/A
Rowan University	1,300	4	N/A
Kennedy Hospital	1,200	5	N/A
MISSA Bay LLC	950	6	N/A
Monroe Twp School District	741	7	N/A
U.S. Foodservice	725	8	N/A
DGI Service	600	9	N/A
Delaware Valley Wholesale Florist	500	10	N/A
	<u>10,989</u>		<u>N/A</u>

2002

N/A

This exhibit reflects principal employers for Gloucester County.

Source: (1) Gloucester County Office of Economic Development for company and employee data.

(2) New Jersey Department of Labor and Workforce Development for the total employment data.

**LOGAN TOWNSHIP BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEAR**

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction:										
Regular	69	73	71	75	75	75	76	75	76	73
Special Education	9	9	9	7	7	7	7	6	6	6
Other Special Education	4	3	3	3	3	3	3	3	4	4
Support Services:										
Student & Instruction Related Services	23	20	20	20	20	20	17	17	17	17
General & Business Administrative Services	2	2	2	2	2	2	2	2	2	2
School Administrative Services	5	6	6	5	5	5	5	5	5	5
Central Services	3	3	3	4	4	4	4	4	4	4
Administrative Information Technology	1	3	3	2	2	2	2	2	2	1
Plant Operations & Maintenance	5	6	6	3	3	3	3	3	3	3
Pupil Transportation	1	1	1	1	1	1	1	1	1	
Food Service	2	2	2	4	4	4	6	6	6	6
Total	124	128	126	126	126	126	126	124	126	121

Source: School District Records.

**LOGAN TOWNSHIP BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO ELEMENTARY	AVERAGE DAILY ENROLLMENT (ADA) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2011	874	\$16,644,045	19,044	-6.04%	83	10.5:1	874.1	840.5	-3.23%	96.16%
2010	903	18,301,292	20,267	2.13%	85	10.6:1	903.3	865.5	0.40%	95.82%
2009	900	17,860,352	19,845	-4.17%	82	11.0:1	899.7	863.7	2.73%	96.00%
2008	876	18,141,108	20,709	12.61%	82	10.7:1	875.8	842.1	-6.17%	96.15%
2007	933	17,158,187	18,390	8.53%	82	11.4:1	933.4	895.7	0.46%	95.96%
2006	929	15,741,638	16,945	5.60%	82	11.3:1	929.1	892.1	-1.22%	96.02%
2005	941	15,099,724	16,046	7.47%	83	11.2:1	940.6	903.1	-3.57%	96.01%
2004	975	14,558,440	14,932	5.52%	81	12.1:1	975.4	936.2	-1.81%	95.98%
2003	993	14,051,827	14,151	7.74%	82	12.1:1	993.4	948.6	3.21%	95.49%
2002	963	12,648,301	13,134	7.34%	79	12.2:1	962.5	925.9	2.89%	96.20%

Sources: District records

**LOGAN TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR
REVISED**

DISTRICT BUILDINGS	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Elementary Schools:										
Logan Township (1991):										
Square Feet	131,068	131,068	131,068	131,068	131,068	131,068	131,068	131,068	131,068	131,068
Capacity (Students)	877	877	877	877	877	877	877	877	877	877
Enrollment	650	651	672	658	728	728	712	747	769	747
Center Square (2001):										
Square Feet	39,135	39,135	39,135	39,135	39,135	39,135	39,135	39,135	39,135	39,135
Capacity (Students)	266	266	266	266	266	266	266	266	266	266
Enrollment (a)	224	252	227	218	202	202	229	229	224	215

Number of Buildings at June 30, 2011:
 Elementary = 2
 Middle = 0
 High School = 0
 Other = 0

Source: District Facilities Office, Long Range Facility Plan - FES and District Capacity report.

**LOGAN TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

	LOGAN TOWNSHIP ELEMENTARY	CENTER SQUARE ELEMENTARY	TOTAL
2011	\$98,680	43,685	142,365
2010	95,490	31,141	126,631
2009	87,605	28,083	115,688
2008	24,564	99,644	124,208
2007	72,864	36,367	109,231
2006	97,956	17,253	115,209
2005	93,695	62,464	156,159
2004	80,125	53,635	133,760
2003	96,698	18,937	115,635
2002	68,600	19,349	87,949

Total School Facilities

* 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

**LOGAN TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2011**

	COVERAGE	GCSSDJIF SELF INSURED RETENTION	DEDUCTIBLE
School Package Policy - Gloucester, Cumberland & Salem School Districts Joint Insurance Fund:			
Property - Blanket Building & Contents	\$150,000,000	200,000	500
Automotive Physical Damages	150,000,000	100,000	500
General Automobile Liability	10,000,000	150,000	None
Commercial Inland Marine	150,000,000	100,000	500
Boiler & Machinery	50,000,000	None	1,000
Crime	500,000	200,000	500
Educator's Legal Liability	10,000,000	100,000	None
Worker's Compensation	Statutory	250,000	None
Pollution Legal Liability	3,000,000	None	25,000
Public Employees' Faithful Performance Blanket Position Bond - Ohio Casualty Insurance:			
Board Secretary/Business Administrator	5,000	None	N/A
Treasurer of School Monies	250,000	None	N/A
Volunteers Accident Coverage - Monumental Life	25,000	None	N/A
Student Accident Insurance - Monumnetal Life	5,000,000	None	N/A
Excess Carriers Involved:			
Property, Crime, General Liability, Automobile Liability, Workers' Compensation	SPELLJIF & Selective Insurance Company of America		
Catastrophic Excess General & Automobile Liability	"	"	"
Catastrophic Property Excess	"	"	"
Educator's Legal Liability	SPELLJIF & ACE American Insurance Company		
Primary Insurance Coverage Carrier:			
Boiler & Machinery	Travelers Insurance Company		
Pollution Legal Liability	ACE American Insurance Company		

Source: District records

SINGLE AUDIT SECTION



Certified Public Accountants & Consultants

EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Logan Township School District
County of Gloucester
Swedesboro, New Jersey 08085

We have audited the financial statements of the Logan Township School District, County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated September 7, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Logan Township Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings & Questioned Costs, we identified a deficiency in internal control over financial reporting that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying *Schedule of Findings & Questioned Costs* as Finding No: 2011-01 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Logan Township Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance 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.

We noted certain matters that we reported to management of Logan Township Board of Education, in a separate letter titled Administrative Findings Financial, Compliance and Performance, dated September 7, 2011.

This report is intended solely for the information of the audit committee, management, the Lumberton Township Board of Education, the New Jersey State Department of Education and other state and federal 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,

HOLMAN & FRENIA, P. C.



Kevin P. Frenia
Certified Public Accountant
Public School Accountant
No. 1011

Medford, New Jersey
September 7, 2011



Certified Public Accountants & Consultants

EXHIBIT K-2

**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 NEW JERSEY OMB CIRCULAR 04-04**

Honorable President and Members
of the Board of Education
Logan Township School District
County of Gloucester
Swedesboro, New Jersey 08085

Compliance

We have audited the compliance of the Logan Township School District, in the County of Gloucester, State of New Jersey, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey Grants Compliance Supplement* that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2011. The Logan Township 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 Logan Township School District's management. Our responsibility is to express an opinion on the Logan Township 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; the 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 New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about Board of Education of the Logan Township 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 Logan Township School District's compliance with those requirements.

In our opinion, the Logan Township School District, County of Gloucester, State of New Jersey, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2011.

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Internal Control Over Compliance

The management of the Board of Education of the Logan Township School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered Logan Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Logan Board of Education's internal control over compliance.

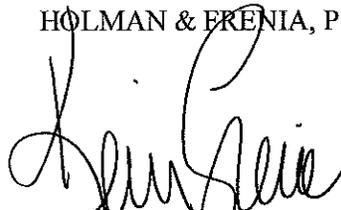
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be 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. Logan Board of Education's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Logan Board of Education's response and, accordingly, we express no opinion on it.

This report is intended for the information of the management of the Board of Education of the Logan Township School District, the New Jersey State Department of Education, other state and federal 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,

HOLMAN & FRENIA, P. C.



Kevin P. Frenia
Certified Public Accountant
Public School Accountant
No. 1011

Medford, New Jersey
September 7, 2011

**LOGAN TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

FEDERAL GRANTOR PASS-THROUGH GRANTOR GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2010	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2011	DUE TO GRANTOR JUNE 30, 2011
U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:								
Enterprise Fund:								
Food Distribution Program	10.550	\$18,174	7/1/10-6/30/11		18,174	(18,174)		
National School Lunch Program	10.555	69,887	7/1/09-6/30/10	(\$5,000)	5,000			
National School Lunch Program	10.555	78,118	7/1/10-6/30/11		73,236	(78,118)	(4,882)	
Total U.S. Department of Agriculture				(5,000)	96,410	(96,292)	(4,882)	
U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:								
General Fund:								
Education Jobs Fund	84.410	32,858	9/1/10-8/31/11		32,083	(32,083)		
Total General Fund					32,083	(32,083)		
Special Revenue Fund:								
I.A.S.A.:N.C.L.B.								
Title I	84.010	70,889	9/1/10-8/31/11		43,242	(58,276)	(15,034)	
Title I	84.010	49,061	9/1/09-8/31/10	(16,401)	16,401			
Title I - A.R.R.A.	84.389	23,713	9/1/10-8/31/11		23,713	(23,713)		
Title II - Part A	84.164	26,696	9/1/10-8/31/11		26,696	(26,696)		
Title II - Part A	84.164	25,929	9/1/09-8/31/10	(5,280)	5,280			
Title II - Part D	84.164	135	9/1/10-8/31/11		135	(135)		
Title IV	84.188	2,150	9/1/09-8/31/10	(1,809)	1,809			
I.D.E.A. B -Basic	84.027	250,578	9/1/10-8/31/11		201,575	(250,578)	(49,003)	
I.D.E.A. B -Basic	84.027	247,602	9/1/09-8/31/10	(25,353)	25,353			
I.D.E.A. - Preschool	84.173	9,086	9/1/10-8/31/11		7,502	(8,440)	(938)	
I.D.E.A. - Preschool	84.173	8,701	9/1/09-8/31/10	(1,427)	1,427			
I.D.E.A. B -Basic - A.R.R.A.	84.391	124,304	9/1/10-8/31/11		79,475	(98,750)		
I.D.E.A. B -Basic - A.R.R.A.	84.391	260,749	9/1/09-8/31/10	(18,034)	18,034			
I.D.E.A. - Preschool - A.R.R.A.	84.392	9,425	9/1/09-8/31/10	(99)	99			
Total Special Revenue Fund				(68,403)	450,741	(466,588)	(64,975)	
Total Federal Financial Assistance				(\$73,403)	579,234	(594,963)	(69,857)	

LOGAN TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT			(ACCOUNTS RECEIVABLE) AT JUNE 30, 2011	DEFERRED REVENUE AT JUNE 30, 2011	MEMO	
				JUNE 30, 2010	CASH RECEIVED	BUDGETARY EXPENDITURES			BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education										
General Fund:										
Current Expense:										
Equalization Aid	11-495-034-5120-078	\$4,244,110	7/1/10-6/30/11		4,244,110	(4,244,110)			398,830	4,244,110
Transportation Aid	11-495-034-5120-014	24,042	7/1/10-6/30/11		24,042	(24,042)			2,259	24,042
Special Education Categorical Aid	11-495-034-5120-089	600,222	7/1/10-6/30/11		600,222	(600,222)			56,405	600,222
Security Aid	11-495-034-5120-084	100,890	7/1/10-6/30/11		100,890	(100,890)			9,481	100,890
Extraordinary Aid	10-495-034-5120-473	21,861	7/1/09-6/30/10	(\$21,861)	21,861					
Extraordinary Aid	11-495-034-5120-473	22,316	7/1/10-6/30/11			(22,316)	(22,316)			22,316
Non Public Transportation Aid	10-495-034-5120-068	6,717	7/1/09-6/30/10	(6,717)	6,717					
Non Public Transportation Aid	11-495-034-5120-068	8,877	7/1/10-6/30/11			(8,877)	(8,877)			8,877
On-Behalf TPAF Pension Contribution	11-495-034-5095-006	421,299	7/1/10-6/30/11		421,299	(421,299)				421,299
On-Behalf TPAF Social Security Reimbursement	10-495-034-5095-002	447,166	7/1/09-6/30/10	(23,147)	23,147					
On-Behalf TPAF Social Security Reimbursement	11-495-034-5095-002	441,092	7/1/10-6/30/11		419,652	(441,092)	(21,440)			441,092
Total General Fund				(51,725)	5,861,940	(5,862,848)	(52,633)		466,975	5,862,848
Special Revenue Fund:										
Character Education Aid - Carryover	06-495-034-5120-053	4,000	7/1/05-6/30/06		45			45		
Early Launch to Learning Initiative	08-495-034-5120-062	36,300	7/1/07-6/30/08		722			722		
Preschool Education Aid	09-495-034-5120-086	36,300	7/1/09-6/30/10	(1,630)	3,630	(2,000)				2,000
Preschool Education Aid	10-495-034-5120-086	36,300	7/1/10-6/30/11		32,670	(34,300)	(1,630)			
Total Special Revenue Fund				(863)	36,300	(36,300)	(1,630)	767		2,000
Debt Service Fund:										
Debt Service Aid Type II	10-495-034-5120-125	458,830	7/1/09-6/30/10		458,830	(458,830)				458,830
Total Debt Service Fund					458,830	(458,830)				458,830
Enterprise Fund:										
National School Lunch Program (State Share)	09-100010-3360-067	3,968	7/1/10-6/30/11		3,713	(3,968)	(255)			3,968
National School Lunch Program (State Share)	08-100010-3360-067	4,942	7/1/09-6/30/10	(337)	337					
Total Enterprise Fund				(337)	4,050	(3,968)	(255)			3,968
Total State Financial Assistance				(\$52,925)	6,361,120	(6,361,946)	(54,518)	767	466,975	6,327,646

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**LOGAN TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2011**

1. General

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

2. Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Board's basic financial statements.

3. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$94,969 for the general fund and \$6,029 for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**LOGAN TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2011**

3. Relationship to Basic Financial Statements (continued):

	State	Federal	Total
General Fund	\$5,957,817	\$ 32,083	\$5,989,900
Special Revenue Fund	42,329	466,588	508,917
Debt Service Fund	458,830		458,830
Food Service Fund	<u>3,968</u>	<u>96,292</u>	<u>100,260</u>
Total Financial Assistance	<u>\$6,462,944</u>	<u>\$594,963</u>	<u>\$7,057,907</u>

4. Relationship to Federal and State Financial Reports

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

5. Other

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

Note 6. Federal and State Loans Outstanding

Logan Township Board of Education had no loan balances outstanding at June 30, 2011.

**LOGAN TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2011**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	Yes
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to basic financial Statements noted?	No

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133?	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027	I.D.E.A. – Part B
84.391	I.D.E.A. – Part B – ARRA

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	No

**LOGAN TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2011
Section I – Summary of Auditor’s Results**

Financial Statements

Type of auditor’s report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to basic financial Statements noted?	No

State Awards

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered To be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04	No

Identification of major programs:

GMIS Number(s)	Name of State Program
11-495-034-5120-078	Equalization Aid
11-495-034-5120-125	Debt Service Aid Type II
11-495-034-5120-084	Security Aid

**LOGAN TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2011**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements for which *Government Auditing Standards* requires reporting in a Circular A-133 audit.

Finding 2011-01:

Criteria or Specific Requirement:

The School District should have adequate internal control procedures over its capital assets, including periodic updated of the general ledger for additions and disposals.

Condition:

The School District does not maintain and update a fixed assets ledger.

Context:

A fixed asset ledger is vital in tracking property held by the School District, as well as calculating depreciation costs on the property.

Effect:

The School District risks losing track of assets held and not being able to properly calculate depreciation costs.

Cause:

Fixed assets are not being tracked in the computer system utilized by the School District.

Recommendation:

That the Board considers hiring an appraisal company to properly identify, classify and value assets held by the School District.

Views of Responsible Officials and Planned Corrective Action:

The District agrees with this finding and will take the proper steps to ensure a fixed asset ledger is properly maintained in the future.

**LOGAN TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2011**

Section III – Federal Awards & State Financial Assistance Finding & Questioned Costs

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB's Circular Letter 04-04.

No Current Year Findings

**LOGAN TOWNSHIP BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMET
For the Fiscal Year Ended June 30, 2011**

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

No Prior Year Findings