ROOSEVELT SCHOOL DISTRICT
ROOSEVELT, NEW JERSEY

FISCAL YEAR ENDED JUNE 30, 2011

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS

		Page
INTRODUCTORY SECTION		
Letter of Transmittal		1
Organizational Chart		2
Roster of Officials		3
Consultants and Advisors		4
FINANCIAL SECTION		
Independent Auditor's Report on General Purpose Financial Statements		5-7
Required Supplementary Information - Part I		
Management's Discussion and Analysis		8-16
BASIC FINANCIAL STATEMENTS		
A.	District-wide Financial Statements	
A-1	Statement of Net Assets	17
A-2	Statement of Activities	18
B.	Fund Financial Statements	
	Governmental Funds:	
B-1	Balance Sheet	19
B-2	Statement of Revenues, Expenditures and Changes in Fund Balance	20
B-3	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
	Proprietary Fund:	
B-4	Statement of Fund Net Assets	22
B-5	Statement of Revenues, Expenditures and Changes in Fund Net Assets	23
B-6	Statement of Cash Flows	24
	Fiduciary Funds:	
B-7	Statement of Fiduciary Net Assets	25
B-8	Statement of Changes in Fiduciary Net Assets	N/A
Notes to the Basic Financial Statements		26-50
Required Supplementary Information - Part II		

TABLE OF CONTENTS

FINANCIAL SECTION (continued)

BASIC FINANCIAL STATEMENTS (continued)

		Page
C.	Budgetary Comparison Schedules	
C-1	Budgetary Comparison Schedule - General Fund	51-53
C-2	Budgetary Comparison Schedule - Special Revenue Fund	54
Notes to the Required Supplementary Information		
C-3	Budget-to-GAAP Reconciliation	55
Other Supplementary Information		
D.	School Level Schedules	
D-1	Combining Balance Sheet	N/A
D-2	Blended Resource Fund - Schedule of Expenditures Allocated By Resource Type - Actual	N/A
D-3	Blended Resource Fund - Schedule of Blended Expenditures Budget and Actual	N/A
E.	Special Revenue Fund	
E-1	Combining Schedule of Program Revenues and Expenditures, Special Revenue Fund - Budgetary Basis	56
E-2	Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F.	Capital Projects Fund:	
F-1	Summary Statement of Project Expenditures	N/A
F-2	Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	N/A
F-2a	Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis	N/A

TABLE OF CONTENTS

FINANCIAL SECTION (continued)

BASIC FINANCIAL STATEMENTS (continued)

		Page
G.	Proprietary Funds:	
	Enterprise Fund:	
G-1	Combining Statement of Net Assets	N/A
G-2	Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets	N/A
G-3	Combining Schedule of Cash Flows	N/A
	Internal Service Fund:	
G-4	Combining Statement of Net Assets	N/A
G-5	Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets	N/A
G-6	Combining Schedule of Cash Flows	N/A
H.	Fiduciary Funds:	
H-1	Combining Statement of Fiduciary Net Assets	57
H-2	Combining Schedule of Revenues, Expenses and Changes in Fiduciary Net Assets	N/A
H-3	Student Activity Fund Schedule of Receipts and Disbursements	58
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	59
I.	Long-Term Debt:	
I-1	Schedule of Serial Bonds	60
I-2	Schedule of Obligations Under Capital Leases	N/A
I-3	Debt Service Fund Budgetary Comparison Schedule	61
I-4	Statement of Loans Payable - N.J.E.D.A.	N/A

TABLE OF CONTENTS

J. STATISTICAL SECTION		Page
Financial Trends Information/Schedules:		
J-1	Net Assets By Component	62
J-2	Changes in Net Assets	63-64
J-3	Fund Balances, Governmental Funds	65
J-4	Changes in Fund Balances, Governmental Funds	66
J-5	General Fund - Other Local Revenue by Source	67
Revenue Capacity Information:		
J-6	Assessed Value and Actual Value of Taxable Property	68
J-7	Direct and Overlapping Property Tax Rates	69
J-8	Principal Property Taxpayers	70
J-9	Property Tax Levies and Collections	71
Debt Capacity Information:		
J-10	Ratio of Outstanding Debt By Type	72
J-11	Ratios of Net General Bonded Debt Outstanding	73
J-12	Direct and Overlapping Governmental Activities Debt	74
J-13	Legal Debt Margin Information	75
Demographic and Economic Information:		
J-14	Demographic and Economic Statistics	76
J-15	Principal Employers	77
Operating Information:		
J-16	Full-Time Equivalent District Employees By Function/Program	78
J-17	Operating Statistics	79
J-18	School Building Information	80
J-19	Schedule of Required Maintenance	81
J-20	Insurance Schedule	82

TABLE OF CONTENTS

K. SINGLE AUDIT SECTION

K-1	Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	83-85
K-2	Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04	86-88
K-3	Schedule of Expenditures of Federal Awards, Schedule A	89
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	90
K-5	Notes to Schedules of Awards and Financial Assistance	91-92
K-6	Schedule of Findings and Questioned Costs	
	Part 1 - Summary of Auditor's Results	93
	Part 2 - Schedule of Financial Statement Findings	94-95
	Part 3 - Schedule of Federal and State Award Findings and Questioned Costs	95
K-7	Summary Schedule of Prior-Year Audit Findings	96

INTRODUCTORY SECTION

ROOSEVELT PUBLIC SCHOOL

www.rps1.org

2a School Lane, PO Box 160
Roosevelt, NJ 08555-0160
T 609.448.2798
F 609.448.2681
Shari Payson,
Interim CSA/Principal

November 23, 2011

Honorable President and
Members of the Board of Education
Roosevelt School District
County of Monmouth
2A School Lane, PO Box 160
Roosevelt, New Jersey 08555

Dear Board Members:

The comprehensive annual financial report of the Roosevelt School District ("District") for the fiscal year ending June 30, 2011 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Roosevelt Board of Education ("Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation 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, a roster of principal officials and a list of consultants and advisors. The financial section includes the district-wide and fund financial statements and schedules, as well as the auditor's report and the Management's Discussion and Analysis. The statistical section includes selected financial statements and schedules as well as information generally presented on a multi-year basis.

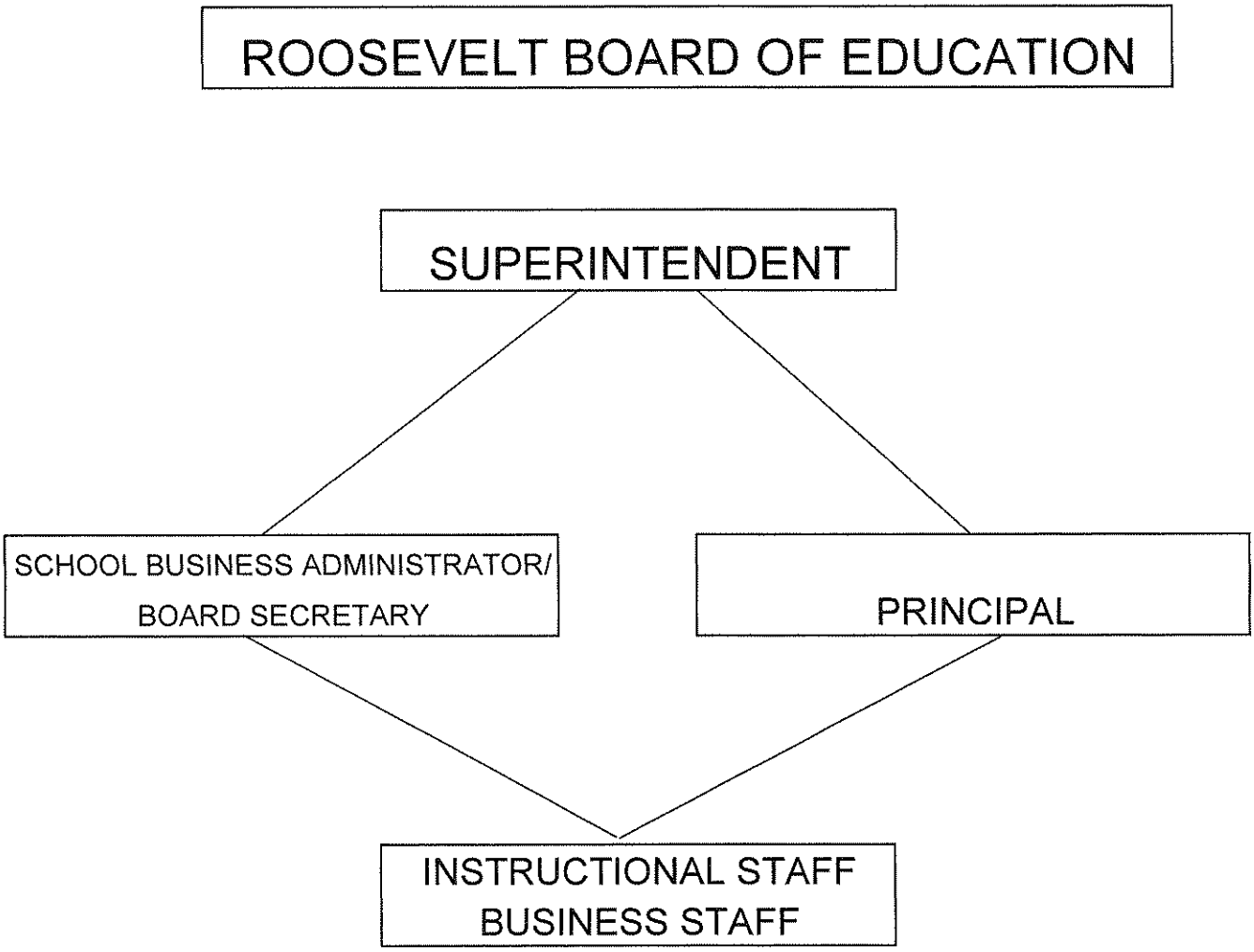
The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the U.S. Office of Management and Budget ("OMB") Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and the State Treasury OMB Circular 04-04, Single 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.

Respectfully submitted,

Shari Payson
Interim Superintendent of Schools

Mark Resnick
Interim Business Administrator/
Board Secretary

ROOSEVELT BOARD OF EDUCATION
ORGANIZATIONAL CHART



ROOSEVELT BOARD OF EDUCATION
ROOSEVELT, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2011

Members of the Board of Education	Term Expires
Natalie Warner, Board President	2012
Assenka Oksiloff, Vice President	2014
Anna Johnson	2012
Eric Vuolle	2012
Edward Goetzmann	2013
Jaymie Kosa	2013
Kelly Yang	2013
Seth Ditchick	2014
Allen Newrath	2014

Other Officials

Shari Payson, Interim Superintendent of Schools/Principal

Mark Resnick, Board Secretary/School Business Administrator

George Lang, Treasurer

David Rubin, Solicitor

ROOSEVELT BOARD OF EDUCATION
ROOSEVELT, NEW JERSEY

CONSULTANTS AND ADVISORS

JUNE 30, 2011

Auditor/Audit Firm

Robert W. Allison, CPA, RMA, PSA
Hutchins, Farrell, Meyer & Allison, P.A.
912 Highway 33
Suite 2
Freehold, New Jersey 07728

Attorney

David Rubin, P.C.
Attorney at Law
44 Bridge Street
P.O. Box 4579
Metuchen, New Jersey 08840

Official Depositories

TD Bank
2059 Springdale Road
Cherry Hill, NJ 08003

FINANCIAL SECTION

Hutchins, Farrell, Meyer & Allison, P.A.

Certified Public Accountants • Business & Financial Advisors

Robert H. Hutchins, CPA, CVA, CFF
Eugene M. Farrell, CPA, RMA, CFP
Robert W. Allison, CPA, RMA
Alan E. Meyer, CPA/ABV, CFF
Joann DiLieto, CPA

Patrice R. Antonucci, CPA
Glenn G. VanPell, CPA
Karen D. Davis, CPA, CVA
Crystal L. Fitzpatrick, CPA
Hélène T. Morizzo, CPA

Monmouth County Office
912 Highway 33 • Suite 2
Freehold, NJ 07728
(732) 409-0800
Fax: (732) 866-9312

Ocean County Office
512 Main Street • PO Box 1778
Toms River, NJ 08754
(732) 240-5600
Fax: (732) 505-8358

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Roosevelt School District
County of Monmouth
Roosevelt, New Jersey

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

In accordance with Government Auditing Standards, we have also issued our report dated November 23, 2011 on our consideration of the Roosevelt Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison information on pages 8 through 16 and 51 through 55 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 to 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 Roosevelt Board of Education's basic financial statements. The Introductory Section, Combining and Individual Fund Financial Statements, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget ("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 respectively, and are also not a required part of the basic financial statements. The Combining and Individual Fund Financial Statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material

respects in relation to the financial statements as a whole. The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Robert W. Allison
Licensed Public School Accountant
No. 897
Hutchins, Farrell, Meyer & Allison, P.A.

November 23, 2011

REQUIRED SUPPLEMENTARY INFORMATION – PART I

ROOSEVELT SCHOOL DISTRICT
ROOSEVELT, NEW JERSEY

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

UNAUDITED

The discussion and analysis of Roosevelt 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 notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2011 are as follows:

- General revenues accounted for $2,256,415 in revenue or 93.91 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for $146,347 or 6.09 percent of total revenues of $2,402,762.

- Total assets of governmental activities decreased by $(127,424).

- The School District had $2,456,055 in expenses; only $146,347 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of $2,256,415 were adequate to provide for these programs.

- The General Fund had $2,252,996 in revenues and $2,406,899 in expenditures. The General Fund's balance decreased $(153,903) over 2010. This decrease was anticipated by the Board of Education.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

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

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

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

- Governmental Activities – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

- Business-Type Activities – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major (all) funds is included in the 2009-10 Comprehensive Annual Financial Report as presented by the School District. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

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

Enterprise Fund

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

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

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

Table 1

Net Assets

	2011	2010
Assets:		
Cash and Cash Equivalents	$ 203,476.91	$ 305,057.89
Receivables, Net	36,809.66	79,824.70
Restricted Assets:		
Cash and Cash Equivalents	31,027.09	31,012.52
Capital Assets, Net	881,125.97	865,560.97
Total Assets	1,152,439.63	1,281,456.06
Liabilities:		
Accounts Payable	5,296.25	6,840.00
Interfund Payable	2,771.77	
Payable to State Government	606.00	2,277.00
Deferred Revenue	13,460.19	3,646.99
Noncurrent Liabilities:		
Due Within One Year	70,000.00	65,000.00
Due Beyond One Year	167,431.00	257,525.00
Total Liabilities	259,565.21	335,288.99
Net Assets:		
Invested in Capital Assets, Net of Related Debt	658,125.97	577,560.97
Restricted for:		
Capital Projects	31,027.09	31,012.52
Debt Service	(5,294.75)	
Other Purposes	200,990.62	362,705.26
Unrestricted	8,025.49	(25,111.66)
Total Net Assets	$ 892,874.42	$ 946,167.09

Table 2 provides a comparison analysis of District-wide changes in net assets from fiscal years 2010 and 2011.

Table 2

Changes in Net Assets

	2011	2010
Revenues		
Program Revenues:		
Charges for Services	$ 52,293	$ 48,160
Operating Grants and Contributions	94,054	87,067
General Revenues:		
Property Taxes	1,445,132	1,367,021
Grants and Entitlements	808,389	898,819
Other	2,895	
Total Revenues	2,402,763	2,401,067
Program Expenses		
Instruction	1,059,429	898,444
Support Services:		
Pupils and Instructional Staff	862,360	958,600
General Administration, School Administration, Business	186,896	137,383
Operations and Maintenance of Facilities	173,670	125,235
Pupil Transportation	155,942	137,383
Interest on Debt	13,020	24,581
Food Service	4,739	18,581
Total Expenses	2,456,056	2,300,207
(Decrease)/Increase in Net Assets	$ (53,293)	$ 100,860

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 60.14 percent of revenues for governmental activities for the Roosevelt School District for fiscal year 2011. The School District's total revenues were $2,402,763 for the fiscal year ended June 30, 2011. Federal, state and local grants accounted for another 33.64 percent.

The total cost of all program and services was $2,456,056. Instruction comprises 43.13 percent of School District expenses.

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

- Food service expenses exceeded revenues by $(2,769).
- Charges for services represent $1,970 of revenue. This represents amount paid by patrons for daily food services.
- Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities was $1,176.

Governmental Activities

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

Table 3

Governmental Activities

	2011		2010	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	$ 1,059,429	$ 1,059,429	$ 1,082,141.30	$ 1,022,897.10
Support Services:				
Pupils & Instructional Staff	862,360	862,360	936,038.55	887,878.55
General Administration, School Administration, Business	186,896	186,896	250,022.38	250,022.38
Operation and Maintenance of Facilities	173,670	173,670	171,169.92	171,169.92
Pupil Transportation	155,942	85,213	135,921.32	135,921.32
Interest and Fiscal Charges	13,020	(9,128)	16,724.75	(10,544.25)
Total Expenses	$ 2,451,316	$ 2,308,115	$ 2,592,018.22	$ 2,457,345.02

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

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

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

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

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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.

Extracurricular activities includes expenses related to student activities provided by the School District which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

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

Other includes unallocated depreciation and amortization.

The School District's Funds

Information about the School District's major funds is included in the 2010-11 Comprehensive Annual Financial Report as presented by the School District. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., General Fund, Special Revenue Fund, Capital Projects and Debt Service Fund presented in the fund-based statements) had total revenues and of $2,399,616 and expenditures of $2,553,519. The net positive/(negative) change in fund balance for the year was most significant in the General Fund, a decrease of $(153,903).

As demonstrated by the various statements and schedules included in the financial section of this report, the School District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the revenues of the governmental funds (excluding capital projects) for the fiscal year ended June 30, 2011, and the amount and percentage of increases and decreases in relation to prior-year revenues.

Revenue	Amount	Percent of Total	Increase/ (Decrease) From 2009/10	Percent of Increase/ (Decrease)
Local Sources	$ 1,498,350	62.44%	$ 79,606	5.61%
State Sources	834,231	34.77	132,811	18.93
Federal Sources	67,035	2.79	(67,120)	(50.03)
Total	$ 2,399,616	100.00%	$ 145,297	6.44%

The increase in Local Sources is attributed to an increase in the local tax levy and tuition students.

The increase in State Sources is due to an increase in State Aid.

The decrease in Federal Sources is due to a decrease in ARRA funding.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2011.

Expenditures	Amount	Percent of Total	Increase/ (Decrease) From 2009/10	Percent Increase/ (Decrease)
Current:				
Instruction	$ 949,190	37.17%	$ 40,853	4.50%
Undistributed Expenditures	1,468,530	57.51	(113,967)	(7.20)
Capital Outlay	56,235	2.20	56,235	100.00
Debt Service:				
Principal	65,000	2.55	0	0.00
Interest	14,564	0.57	(3,705)	(20.28)
Total	$ 2,553,519	100.00%	$ (20,584)	(0.80)%

The increase in Current - Instruction is attributed to contracted staff compensation.

The decrease in Current - Undistributed Expenditures is attributed to Tuition and Transportation costs.

The increase in Capital Outlay is attributed to the Air Handler Replacement Project.

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 modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2011, the School District amended its General Fund budget as needed. The School District uses program-based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

- Staffing changes based on student needs.
- Additional costs for student transportation both in regular education and special education.
- Accounting changes in maintenance and operations.
- Changes in appropriations to prevent budget overruns.

While the School District's final budget for the General Fund anticipated that revenues and expenditures would roughly equal, the actual results for the year show a $(120,239) decrease in surplus funds for a total unrestricted free balance (GAAP) of $19,854 at June 30, 2011.

Capital Assets

At the end of the fiscal year 2011, the School District had $881,126 invested in land, buildings, and machinery and equipment.

Table 4

Capital Assets (Net of Depreciation) at June 30, 2011 and 2010

	2011	2010
Land	$ 57,843	$ 57,843
Site Improvements	10,290	11,265
Building and Improvements	764,621	741,981
Machinery and Equipment	48,372	54,472
Total	$ 881,126	$ 865,561

Debt Administration

At June 30, 2011, the School District had $237,431 as outstanding debt. Of this amount, $14,431 is for compensated absences, and $223,000 for bonds for school construction.

For the Future

The Roosevelt Public School District is committed to providing an excellent academic program in a safe, well-maintained building and grounds. The future plans that need to be addressed are:

- Certain areas of the roof for repair, with the possibility of exploring solar panel installation for energy efficiency.
- Exploring and developing proper means of internal communication through a phone/intercom system.
- The area of technology will continued to be explored in order to meet the needs of students needs as well as projected standardized assessment via the internet.

These areas will be consistently considered as the district proceeds for optimal education with upgrades to the building and grounds when appropriate and fiscally possible.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, please contact the School Business Administrator/Board Secretary at Roosevelt Board of Education, School Lane, PO Box 160, Roosevelt, NJ 08555.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The Statement of Net Assets and the Statement of Activities display information about the District. These Statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These Statements distinguish between the governmental and business-type activities of the District.

ROOSEVELT SCHOOL DISTRICT

STATEMENT OF NET ASSETS

June 30, 2011

	Governmental Activities	Business -Type Activities	Total
Assets:			
Cash and Cash Equivalents	$ 201,029.16	$ 2,447.75	$ 203,476.91
Receivables, Net	36,654.70	154.96	36,809.66
Restricted Assets:			
Cash and Cash Equivalents	31,027.09		31,027.09
Capital Assets, Net (Note 8)	881,125.97		881,125.97
Total Assets	1,149,836.92	2,602.71	1,152,439.63
Liabilities:			
Accounts Payable	5,296.25		5,296.25
Interfund Payable	2,771.77		2,771.77
Payable to State Government	606.00		606.00
Deferred Revenue	13,460.19		13,460.19
Noncurrent Liabilities (Note 9):			
Due Within One Year	70,000.00		70,000.00
Due Beyond One Year	167,431.00		167,431.00
Total Liabilities	259,565.21		259,565.21
Net Assets:			
Invested in Capital Assets, Net of Related Debt	658,125.97		658,125.97
Restricted for:			
Capital Projects	31,027.09		31,027.09
Debt Service	(5,294.75)		(5,294.75)
Other Purposes	200,990.62		200,990.62
Unrestricted	5,422.78	2,602.71	8,025.49
Total Net Assets	$ 890,271.71	$ 2,602.71	$ 892,874.42

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

ROOSEVELT SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

For the fiscal year ended June 30, 2011

Functions/Programs	Expenses	Indirect Expenses Allocation	Total	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-Type Activities	Net (Expense) Revenue and Changes in Net Assets: Total
GOVERNMENTAL ACTIVITIES									
Instruction:									
Regular	$ 854,881.70	$ 99,771.67	$ 954,653.37	$ 50,323.11			$ (904,330.26)		$ (904,330.26)
Special Education	76,382.08	10,466.89	86,848.97				(86,848.97)		(86,848.97)
Other Special Instruction	17,161.88		17,161.88				(17,161.88)		(17,161.88)
Other Instruction	764.41		764.41				(764.41)		(764.41)
Support Services:									
Tuition	715,655.58		715,655.58				(715,655.58)		(715,655.58)
Student and Instruction Related Services	140,734.30	5,969.76	146,704.06				(146,704.06)		(146,704.06)
General Administrative Services	72,503.78	3,817.24	76,321.02				(76,321.02)		(76,321.02)
School Administrative Services	32,950.10	12,175.38	45,125.48				(45,125.48)		(45,125.48)
Central Services	65,449.02		65,449.02				(65,449.02)		(65,449.02)
Plant Operations and Maintenance	173,670.20		173,670.20				(173,670.20)		(173,670.20)
Pupil Transportation	155,942.20		155,942.20		$ 70,729.64		(85,212.56)		(85,212.56)
Interest on Long-Term Debt	13,019.75		13,019.75		22,148.00		9,128.25		9,128.25
Total Government Activities	2,319,115.00	132,200.94	2,451,315.94	50,323.11	92,877.64		(2,308,115.19)		(2,308,115.19)
BUSINESS-TYPE ACTIVITIES									
Food Service	4,739.14		4,739.14	1,970.35	1,175.95			$ (1,592.84)	(1,592.84)
Total Business-Type Activities	4,739.14		4,739.14	1,970.35	1,175.95			(1,592.84)	(1,592.84)
Total Primary Government	$ 2,323,854.14	$ 132,200.94	$ 2,456,055.08	$ 52,293.46	$ 94,053.59	$ 0.00	$ (2,308,115.19)	$ (1,592.84)	$ (2,309,708.03)
GENERAL REVENUES									
Property Taxes Levied for:									
General Purposes							$ 1,387,716.00		$ 1,387,716.00
Debt Service							57,416.00		57,416.00
Federal and State Aid Not Restricted							808,388.57		808,388.57
Investment Earnings							1,110.48		1,110.48
Miscellaneous Income							1,784.31		1,784.31
Total General Revenues							2,256,415.36		2,256,415.36
Change in Net Assets							(51,699.83)	$ (1,592.84)	(53,292.67)
Net Assets - Beginning							941,971.54	4,195.55	946,167.09
Net Assets - Ending							$ 890,271.71	$ 2,602.71	$ 892,874.42

FUND FINANCIAL STATEMENTS

The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

ROOSEVELT SCHOOL DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2011

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	$ 188,464.11	$ 12,563.55	$ 1.50	$ 201,029.16
Capital Reserve Accounts	31,027.09			31,027.09
Due From Other Funds	18,387.12			18,387.12
Intergovernmental Receivables	1,447.25	19,889.76		21,337.01
Other Receivables	15,317.69			15,317.69
Total Assets	254,643.26	32,453.31	1.50	287,098.07
Liabilities and Fund Balances:				
Liabilities:				
Interfunds Payable	2,771.77	18,387.12		21,158.89
Payable To State Government		606.00		606.00
Deferred Revenue		13,460.19		13,460.19
Total Liabilities	2,771.77	32,453.31		35,225.08
Fund Balances:				
Restricted:				
Capital Reserve	31,027.09			31,027.09
Maintenance Reserve	32,565.00			32,565.00
Debt Service			1.50	1.50
Assigned:				
Other Purpose - Year-end Encumbrances	3,425.62			3,425.62
Designated for Subsequent Year's Expenditures	165,000.00			165,000.00
Unassigned	19,853.78			19,853.78
Total Fund Balances	251,871.49		1.50	251,872.99
Total Liabilities and Fund Balances	$ 254,643.26	$ 32,453.31	$ 1.50	

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The cost of the assets is $1,816,717.97 and the accumulated depreciation is $935,592.00 (Note 8).	881,125.97
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the fund:	
Serial Bonds Payable	(223,000.00)
Compensated Absences	(14,431.00)
Accrued interest on long-term liabilities are not reported as liabilities in the Fund (Note 9).	(5,296.25)
Net Assets of Governmental Activities	$ 890,271.71

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

ROOSEVELT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the fiscal year ended June 30, 2011

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
Revenues:				
Local Sources:				
Local Tax Levy	$ 1,387,716.00		$ 57,416.00	$ 1,445,132.00
Tuition Charges	50,323.11			50,323.11
Interest Earned on Investments	1,095.91			1,095.91
Interest Earned on Capital Reserve	14.57			14.57
Miscellaneous	1,763.71	$ 20.60		1,784.31
Total - Local Sources	1,440,913.30	20.60	57,416.00	1,498,349.90
State Sources	812,082.94		22,148.00	834,230.94
Federal Sources		67,035.27		67,035.27
Total Revenues	2,252,996.24	67,055.87	79,564.00	2,399,616.11
Expenditures:				
Current:				
Regular Instruction	820,831.47	34,050.23		854,881.70
Special Education Instruction	76,382.08			76,382.08
Other Special Instruction	17,161.88			17,161.88
Other Instruction	764.41			764.41
Support Services and Undistributed Costs:				
Tuition	715,655.58			715,655.58
Student and Instruction Related Services	107,544.06	33,005.64		140,549.70
General Administration	72,503.78			72,503.78
School Administrative Services	32,950.10			32,950.10
Central Services	65,449.02			65,449.02
Plant Operations and Maintenance	172,985.20			172,985.20
Pupil Transportation	155,942.20			155,942.20
Employee Benefits	112,494.94			112,494.94
Debt Service:				
Principal			65,000.00	65,000.00
Interest and Other Charges			14,563.50	14,563.50
Capital Outlay	56,234.60			56,234.60
Total Expenditures	2,406,899.32	67,055.87	79,563.50	2,553,518.69
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(153,903.08)		0.50	(153,902.58)
Fund Balance - July 1	405,774.57		1.00	405,775.57
Fund Balance - June 30	$ 251,871.49	$ 0.00	$ 1.50	$ 251,872.99

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

ROOSEVELT SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

For the fiscal year ended June 30, 2011

Total Net Change in Fund Balances - Governmental Funds (from B-2)		$ (153,902.58)
Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, on the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.		
Depreciation Expense	$ (39,800.00)	
Capital Outlay	55,365.00	
		15,565.00
In the Statement of Activities, certain operating expenses, e.g., compensated absences (vacation and sick pay) 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.		20,094.00
Repayment of bond, loans and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets and is not reported in the Statement of Activities.		65,000.00
In the Statement of Activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The decrease in accrued interest over the previous year is an increase in the reconciliation.		1,543.75
Change in Net Assets of Governmental Activities		$ (51,699.83)

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

Exhibit B-4

ROOSEVELT SCHOOL DISTRICT

STATEMENT OF FUND NET ASSETS

PROPRIETARY FUNDS

June 30, 2011

	Business-Type Activities - Enterprise Funds
Assets:	
Current Assets:	
Cash and Cash Equivalents	$ 2,447.75
Intergovernmental Receivables	154.96
Total - Current Assets	$ 2,602.71
Noncurrent Assets:	
Furniture, Machinery and Equipment	
Less:	
Accumulated Depreciation	
Total - Noncurrent Assets	
Total Assets	$ 2,602.71
Net Assets:	
Unrestricted	$ 2,602.71
Total Net Assets	$ 2,602.71

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

Exhibit B-5

ROOSEVELT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

PROPRIETARY FUNDS

For the fiscal year ended June 30, 2011

	Business-Type Activities - Enterprise Funds Food Service
Operating Revenues:	
Charges for Services:	
Daily Sales - Non-Reimbursable Programs	$ 1,970.35
Total Operating Revenues	1,970.35
Operating Expenses:	
Cost of Sales	4,739.14
Total Operating Expenses	4,739.14
Operating Loss	(2,768.79)
Nonoperating Revenues:	
Federal Sources:	
Special Milk Program	1,175.95
Total Nonoperating Revenues	1,175.95
Change in Net Assets	(1,592.84)
Total Net Assets - Beginning	4,195.55
Total Net Assets - Ending	$ 2,602.71

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

Exhibit B-6

ROOSEVELT SCHOOL DISTRICT

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the fiscal year ended June 30, 2011

	Business-Type Activities - Enterprise Funds Food Service
Cash Flows From Operating Activities:	
Receipts From Customers	$ 1,970.35
Payments To Employees	(4,739.14)
Net Cash Used For Operating Activities	(2,768.79)
Cash Flows From Noncapital Financing Activities:	
Federal Sources	1,020.99
Net Cash Provided By Noncapital Financing Activities	1,020.99
Net Decrease in Cash and Cash Equivalents	(1,747.80)
Balance - Beginning of Year	4,195.55
Balance - End of Year	$ 2,447.75
Reconciliation of Operating Loss To Net Cash Used for Operating Activities:	
Operating Loss	$ (2,768.79)
Net Cash Used for Operating Activities	$ (2,768.79)

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

Exhibit B-7

ROOSEVELT SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

June 30, 2011

	Agency Fund	Totals
Assets:		
Cash and Cash Equivalents	$ 48,776.42	$ 48,776.42
Interfund Receivable	2,771.77	2,771.77
Total Assets	$ 51,548.19	$ 51,548.19
Liabilities:		
Payable To Student Groups	$ 5,770.64	$ 5,770.64
Payroll Deductions and Withholdings	45,777.55	45,777.55
Total Liabilities	$ 51,548.19	$ 51,548.19
Total Liabilities and Net Assets	$ 51,548.19	$ 51,548.19

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education ("Board") of the Roosevelt School District ("District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Roosevelt School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year staggered terms. The purpose of the District is to educate students in grades PreK-6. The Roosevelt School District had an approximate enrollment of 62 students at June 30, 2011.

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District.

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Basis of Presentation, Basis of Accounting:

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

Basis of Presentation

District-Wide Statements: The Statement of Net Assets and the Statement of Activities display information about the District as a whole. These Statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These Statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Net Assets presents the financial condition of the governmental and business-type activity of the District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The Fund Financial Statements provide information about the District's funds, including its fiduciary funds. Separate statements for each Fund category – governmental, proprietary, and fiduciary – are presented. The New Jersey Department of Education ("NJDOE") has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among District financial reporting models.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Presentation (Cont'd):

The District reports the following governmental funds:

General Fund - The General Fund is the general operating fund of the District 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 subfund.

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Presentation (Cont'd):

The District reports the following proprietary fund:

> **Enterprise (Food Service) Fund** - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's cafeteria operations. The Food Service Fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the costs (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

The District reports the following fund types:

> **Agency Funds** - The Agency Funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other Funds within the District.

Basis of Accounting

Basis of Accounting determines when transactions are recorded in the financial records and reported on the financial statements.

District-Wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the Enterprise Fund and Fiduciary Funds use the accrual basis of accounting. Differences in the accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as, under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "Accounts Receivable". Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Accounting (Cont'd):

Governmental Fund Financial Statements: Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when 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. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business-type activities and Enterprise Funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

C. 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, except for the Special Revenue Fund. The legal level of budgetary control is established at line item accounts within each Fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be approved by Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally-authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The Capital Projects Fund presents the remaining project appropriations compared to current-year expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Budgets/Budgetary Control (Cont'd):

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

The accounting records of the Special Revenue Fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports. At June 30, 2011, there was a reconciling difference of $13,526.00 between the budgetary basis and GAAP basis in the General Fund and of $13,460.19 in the Special Revenue Fund.

The following presents a reconciliation of the General Fund revenues and Special Revenue Fund revenues and expenditures from the budgetary basis of accounting as presented in the Budgetary Comparison Schedules - General and Special Revenue 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. Note that the District does not report encumbrances outstanding at year-end as expenditures in the General Fund since the General Fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Budgets/Budgetary Control (Cont'd):

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	$ 2,239,470.24	$ 80,516.06
Adjustments for Encumbrances:		
Less Current Year Encumbrances		(13,460.19)
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	81,168.00	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(67,642.00)	
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	$ 2,252,996.24	$ 67,055.87
USES/OUTFLOWS OF RESOURCES		
Actual amounts (budgetary basis) "total outflows" from the Budgetary Comparison Schedule	$ 2,406,899.32	$ 80,516.06
Difference - 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.		
Add Prior Year Encumbrances		
Less Current Year Encumbrances		(13,460.19)
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	$ 2,406,899.32	$ 67,055.87

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Encumbrance Accounting:

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

Open encumbrances in the Special Revenue Fund, for which the District has received advances, are reflected in the Balance Sheet as deferred revenues at fiscal year-end.

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

E. Assets, Liabilities, and Equity:

Interfund Transactions:

Transfers between Governmental and Business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Interfund transfers. Interfund transfers are reported as other financing sources/uses in Governmental Funds and after non-operating revenues/expenses in the Enterprise Fund. Repayment from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories:

Inventory purchases, other than those recorded in the Enterprise Fund, are recorded as expenditures during the first year of purchase. Enterprise Fund inventories are valued at cost, which approximates market, using the first-in/first-out ("FIFO") method.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Assets, Liabilities, and Equity (Cont'd):

Capital Assets:

The District has an established formal system of accounting for its Capital Assets. Purchased or constructed Capital Assets are reported at cost. Donated Capital Assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The District does not possess any infrastructure.

All reported Capital Assets except for Land and Construction in Progress are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
School Buildings	50
Building Improvements	20
Temporary or Portable Buildings	25
Vehicles	5
Carpeting	7
Office and Computer Equipment	5-10
Instructional Equipment	10
Grounds Equipment	15
Site Improvements	20
Custodial Equipment	12

Compensated Absences:

The District accounts for Compensated Absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting 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 the employees earn the rights to the benefits.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Assets, Liabilities, and Equity (Cont'd):

Compensated Absences (Cont'd):

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

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

Deferred Revenue:

Deferred Revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2011, but which were levied to finance fiscal year 2012 operations, have been recorded as Deferred Revenue. Grants and entitlement received before the eligibility requirements are met are also recorded as Deferred Revenue.

Accrued Liabilities and Long-Term Obligations:

All Payables, Accrued Liabilities, and Long-Term Obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, contractually-required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

Net Assets:

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Assets, Liabilities, and Equity (Cont'd):

Fund Balance Reserves:

The District reserves those portions of Fund Balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved Fund Balance indicates that portion which is available for appropriation in future periods. A Fund Balance Reserve has been established for encumbrances, maintenance, capital and subsequent years expenditures.

Revenues – Exchange and Nonexchange Transactions:

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

Nonexchange Transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from Nonexchange Transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, and tuition.

Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Assets, Liabilities, and Equity (Cont'd):

Allocation of Indirect Expenses:

The District reports all Direct Expenses by function in the Statement of Activities. Direct Expenses are those that are clearly identifiable with a function. Indirect Expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of Social Security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the Indirect Expense column of the Statement of Activities. Depreciation expense that could not be attributable to a specific function is considered an Indirect Expense and is reported separately in the Statement of Activities. Interest on long-term debt is considered an Indirect Expense and is reported separately on the Statement of Activities.

Extraordinary and Special Items:

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

Management Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. CAPITAL RESERVE ACCOUNT

A Capital Reserve Account was established by the Roosevelt Board of Education by inclusion of $30,000.00 on September 28, 2000 for the accumulation of funds for use as Capital Outlay expenditures in subsequent fiscal years. The Capital Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the Capital Reserve Account are restricted to Capital Projects in the District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a District may increase the balance in the Capital Reserve by appropriating funds in the annual General Fund budget certified for taxes or by transfer by Board Resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A District may also appropriate additional amounts when the excess approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the Account cannot at any time exceed the local support costs of uncompleted Capital Projects in its approved LRFP.

During the fiscal year ended June 30, 2011, the District had actual interest earnings of $14.57.

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	$ 31,012.52
Interest Earnings	14.57
Ending Balance, June 30, 2011	$ 31,027.09

The June 30, 2011 LRFP balance of local support costs of uncompleted Capital Projects at June 30, 2011 is $428,000.00.

3. MAINTENANCE RESERVE ACCOUNT

A Maintenance Reserve Account was established by the Roosevelt Board of Education by inclusion of $100,000.00 for the accumulation of funds for use as maintenance of Capital Projects in subsequent fiscal years. The Maintenance Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget. Funds placed in the Maintenance Reserve Account are to provide maintenance for completed projects in the District's approved LRFP.

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

Beginning Balance, July 1, 2010	$ 100,000.00
Less: Transfer of Funds	67,435.00
Ending Balance, June 30, 2011	$ 32,565.00

4. DEPOSITS AND INVESTMENTS

The Board of Education considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as Cash and Cash Equivalents.

Deposits

The Board's deposits are insured through the Federal Deposit Insurance Corporation ("FDIC") or New Jersey's Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA requires all banks doing business in the State of New Jersey to maintain additional collateral in the amount of 5% of the average public deposits and to deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

Bank balances are insured up to $250,000.00 in the aggregate by the FDIC for each bank. At June 30, 2011 and 2010, the book values of the Board's deposits were $283,280.43 and $365,707.94, respectively.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first $250,000.00 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

At June 30, 2011 and 2010, the Board's bank balances were $326,890.63 and $423,641.20, respectively, were exposed to Custodial Credit Risk as follows:

	2011	2010
Insured	$ 326,890.63	$ 423,641.20

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully-collaterized securities, if transacted in accordance with the above statute.

As of June 30, 2011, the Board had no investments.

4. DEPOSITS AND INVESTMENTS (CONT'D)

Interest Rate Risk

The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Investment and interest earnings in the Capital Projects Fund are assigned to the Debt Service Fund in accordance with Board policy.

5. RECEIVABLES

Receivables at June 30, 2011 consisted of other and intergovernmental amounts. All Receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	District-Wide Financial Statements
Federal Aid	$ 19,889.76	$ 20,044.72
State Aid	1,447.25	1,447.25
Interfunds	18,387.12	
Other	15,317.69	15,317.69
	55,041.82	36,809.66
Less Allowance for Uncollectibles	0.00	0.00
Total Receivables, Net	$ 55,041.82	$ 36,809.66

6. INTERFUND BALANCES AND TRANSFERS

Balances due to/from other funds at June 30, 2011 consist of the following:

$18,387.12	Due To General Fund From Special Revenue Fund representing a cash advance.
2,771.77	Due To Payroll Agency From General Fund representing cash advance.
$21,158.89	

Transfers

Not applicable.

7. INVENTORY

The Food Service Fund does not have an inventory at June 30, 2011.

The value of Federal-donated commodities as reflected on Schedule A (required by the Single Audit Act of 1996, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

8. CAPITAL ASSETS

June 30, 2011

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

Governmental Activities:	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	$ 57,843.00			$ 57,843.00
Total Capital Assets Not Being Depreciated	57,843.00			57,843.00
Capital Assets Being Depreciated:				
Site Improvements	39,709.50			39,709.50
Building and Building Improvements	1,241,523.37	$ 55,365.00		1,296,888.37
Machinery and Equipment	422,277.10			422,277.10
Totals at Historical Cost	1,703,509.97	55,365.00		1,758,874.97
Less Accumulated Depreciation for:				
Site Improvements	(28,445.00)	(975.00)		(29,420.00)
Building and Building Improvements	(499,542.00)	(32,725.00)		(532,267.00)
Machinery and Equipment	(367,805.00)	(6,100.00)		(373,905.00)
Total Accumulated Depreciation	(895,792.00)	(39,800.00)		(935,592.00)
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	807,717.97	15,565.00		823,282.97
Government Activity Capital Assets, Net	865,560.97	15,565.00		881,125.97
Enterprise Fund Capital Assets, Net	0.00	0.00		0.00
Total	$ 865,560.97	$ 15,565.00	$ 0.00	$ 881,125.97

8. CAPITAL ASSETS (CONT'D)

The NJ State Department of Education has set the capitalization threshold used by school districts in the State of New Jersey at $2,000.00.

Depreciation expense was charged to functions as follows:

School Administrative Services	$ 10,348.06
Student and Instructional-Related Services	5,969.76
Instruction - Special	1,592.26
Instruction - Regular	19,900.00
General and Business Administrative Services	1,989.92
Total	$ 39,800.00

9. LONG-TERM OBLIGATIONS

A. Long-Term Obligation Activity:

Changes in Long-Term Obligations for the year ended June 30, 2011, are as follows:

	Balance June 30, 2010	Increase/ (Decrease)	Balance June 30, 2011	Amounts Due Within One Year
Governmental Activities:				
Bonds Payable	$ 288,000.00	$ (65,000.00)	$ 223,000.00	$ 70,000.00
Compensated Absences Payable	34,525.00	(20,094.00)	14,431.00	
	$ 322,525.00	$ (85,094.00)	$ 237,431.00	$ 70,000.00

Compensated absences and capital leases, if applicable, have been liquidated in the General Fund.

9. LONG-TERM OBLIGATIONS (CONT'D)

B. Bonds Payable

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

Debt Service Requirements on serial bonds payable at June 30, 2011 are as follows:

	Principal	Interest	Total
2011-12	$ 70,000.00	$ 10,716.00	$ 80,716.00
2012-13	75,000.00	6,583.50	81,583.50
2013-14	78,000.00	2,223.00	80,223.00
	$ 223,000.00	$ 19,522.50	$ 242,522.50

C. Bonds Authorized But Not Issued

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

10. OPERATING LEASES

At June 30, 2011 the District had no operating leases.

11. PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by New Jersey Division of Pension of 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 is required supplementary information for the Public Employees Retirement Systems and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

11. PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund ("TPAF") - The Teachers' Pension and Annuity Fund was established as of 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 non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional, and certified.

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

Members always full 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 account.

11. PENSION PLANS (CONT'D)

Significant Legislation - During the year ended June 30, 1997, legislation was enacted 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 assets 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 reduction in the employee's rate after calendar year 1999 providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and to 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.

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 non-contributing employer of the TPAF.

Three-Year Trend Information for PERS

Year Funding June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2011	$ 2,771.77	100.00%	$ 0.00
2010	9,557.00	100.00	0.00
2009	0.00	100.00	0.00

Three-Year Trend Information (Paid on Behalf of District)

Year Funding June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation`
2011	$ 52,200.00	100.00%	$ 0.00
2010	49,490.00	100.00	0.00
2009	47,552.00	100.00	0.00

11. PENSION PLANS (CONT'D)

Contribution Requirements: (cont'd)

During the year ended June 30, 2011, the State of New Jersey contributed $2,347.00 to the TPAF for NCGI premiums and $49,853.00 for post-retirement medical 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 $60,294.94 during the year ended June 30, 2011 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as a revenues and expenditures in accordance with GASB 24.

Legislation enacted during 1991 provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1992 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional $500 per month for two years for employees at least age 60 with 10 but less than 20 years of service. The District will assume the increased cost for the early retirement as it affects their district.

12. POST – RETIREMENT BENEFITS

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

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

12. POST – RETIREMENT BENEFITS (CONT'D)

The State will set the contribution rate based on the annual required contribution of the employers ("ARC"), an amount actuarially-determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed 30 years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the District for the years ended June 30, 2011, 2010 and 2009 were $52,200.00, $46,988.00, and $45,184.00, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the District was not determined or made available by the State of New Jersey.

13. DEFERRED COMPENSATION

The Board offers its employees 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, permit participants to defer a portion of their salary until future years. Amounts deferred under the Plans are not available to employees until termination, retirement, death or unforeseeable emergency. The Plan Administrators are as follows:

Variable Annuity Life Insurance Company ("VALIC")
First Financial
Fidelity Investments

14. 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.

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method".

15. CONTINGENT LIABILITIES

Grant Programs

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

16. FUND BALANCE APPROPRIATED

The District has implemented GASB 54 during fiscal year 2011.

As such, fund balance will be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable Fund Balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).
- Restricted Fund Balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed Fund Balance – amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest-level action to remove or change the constraint.
- Assigned Fund Balance – amounts a District ***intends*** to use for a specific purpose; intent can be expressed by the Board or by an official or body to which the Board delegates the authority.
- Unassigned Fund Balance – amounts that are available for any purpose; these amounts are reported only in the General Fund.

Fund balance reporting is the result of State Statutes, New Jersey Department of Education regulations and motions (resolutions/ordinances) that are passed at Board meetings. The Board acts on these motions under the guidance of the District's Superintendent and Business Administrator.

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of each fiscal year, utilizing adjusting journal entries.

First, non-spendable fund balances are determined; then, restricted fund balances for specific purposes are determined (not including non-spendable amounts). Any remaining fund balance amounts for the non-General Funds are classified as restricted fund balances.

There is a potential for the non-General Funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purpose amounts exceed the positive fund balances for the non-General Funds.

16. FUND BALANCE APPROPRIATED (CONT'D)

Classification Totals

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Fund Balances:					
Restricted	$ 63,592.09		$ 1.50		$ 63,593.59
Assigned	168,425.62				168,425.62
Unassigned	19,853.78				19,853.78
	$ 251,871.49	$ 0.00	$ 1.50	$ 0.00	$ 251,872.99

17. CALCULATION OF EXCESS SURPLUS

Not applicable

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

ROOSEVELT SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Fiscal year ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
REVENUES					
Local Sources:					
Local Tax Levy	$ 1,387,716.00		$ 1,387,716.00	$ 1,387,716.00	
Tuition	36,400.00		36,400.00	50,323.11	$ 13,923.11
Interest Earned on Capital Reserve Funds				14.57	14.57
Unrestricted Miscellaneous Revenues	4,200.00		4,200.00	2,859.62	(1,340.38)
Total Local Sources	1,428,316.00		1,428,316.00	1,440,913.30	12,597.30
State Sources:					
Categorical Special Education Aid	64,903.00		64,903.00	64,903.00	
Equalization Aid	485,064.00		485,064.00	485,064.00	
Categorical Security Aid	8,640.00		8,640.00	8,640.00	
Adjustment Aid	56,873.00		56,873.00	56,873.00	
Categorical Transportation Aid	69,190.00		69,190.00	69,190.00	
Extraordinary Aid	22,115.00		22,115.00		(22,115.00)
Non Public Transportation Aid				1,392.00	1,392.00
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				49,853.00	49,853.00
TPAF NCGI Premium (On-Behalf - Non-Budgeted)				2,347.00	2,347.00
TPAF Social Security (Reimbursed - Non-Budgeted)				60,294.94	60,294.94
Total State Sources	706,785.00		706,785.00	798,556.94	91,771.94
Total Revenues	2,135,101.00		2,135,101.00	2,239,470.24	104,369.24
EXPENDITURES					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	89,600.00	$ 15,064.00	104,664.00	104,512.05	151.95
Grades 1-5	400,895.00	5,042.00	405,937.00	405,936.03	0.97
Grades 6-8	58,600.00	334.00	58,934.00	58,333.06	600.94
Regular Programs - Home Instruction:					
Salaries of Teachers	300.00		300.00		300.00
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	46,410.00	33,012.00	79,422.00	79,421.99	0.01
Purchased Technical Services	27,750.00	(24,454.00)	3,296.00		3,296.00
General Supplies	23,500.00	(4,433.00)	19,067.00	16,403.22	2,663.78
Textbooks	6,500.00	(2,100.00)	4,400.00	4,362.01	37.99
Other Objects	325.00	366.00	691.00	686.33	4.67
Total Regular Programs - Instruction	653,880.00	22,831.00	676,711.00	669,654.69	7,056.31
Resource Room/Resource Center:					
Salaries of Teachers	65,800.00	10,428.41	76,228.41	75,928.41	300.00
Other Salaries for Instruction	2,190.00	(1,640.41)	549.59		549.59
Purchased Professional - Educational Services	125.00		125.00		125.00
Purchased Technical Services	950.00		950.00		950.00
General Supplies	850.00		850.00	453.67	396.33
Textbooks	150.00		150.00		150.00
Total Resource Room/Resource Center	70,065.00	8,788.00	78,853.00	76,382.08	2,470.92
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	10,800.00	4,990.00	15,790.00	15,280.22	509.78
General Supplies	400.00	1,482.00	1,882.00	1,881.66	0.34
Textbooks	150.00		150.00		150.00
Total Basic Skills/Remedial - Instruction	11,350.00	6,472.00	17,822.00	17,161.88	660.12
School Sponsored Co/Extra-Curr. Activities - Instruction:					
Salaries	400.00		400.00	200.00	200.00
Supplies and Materials	600.00		600.00	564.41	35.59
Total School Sponsored Cocurricular Activities - Instruction	1,000.00		1,000.00	764.41	235.59
Total - Instruction	736,295.00	38,091.00	774,386.00	763,963.06	10,422.94
Undist. Expend. - Instruction:					
Tuition To Other LEAs Within the State - Regular	576,700.00	65,216.00	641,916.00	641,915.78	0.22
Tuition To Other LEAs Within the State - Special	135,000.00	(126,197.50)	8,802.50	8,794.80	7.70
Tuition To County Vocational School District - Regular	15,100.00	15,740.00	30,840.00	30,840.00	
Tuition To County Vocational School District - Special	28,000.00	(27,000.00)	1,000.00	760.00	240.00
Tuition To Private Schools for the Disabled Within State	64,000.00	(30,655.00)	33,345.00	33,345.00	
Total Undist. Expend. - Instruction	818,800.00	(102,896.50)	715,903.50	715,655.58	247.92

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

ROOSEVELT SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Fiscal year ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES (continued)					
Undist. Expend. - Attendance and Social Work Services:					
Salaries	2,450.00		2,450.00	2,420.28	29.72
Total Undist. Expend. - Attendance and Social Work Services	2,450.00		2,450.00	2,420.28	29.72
Undist. Expend. - Health Services:					
Salaries	9,000.00	6,573.00	15,573.00	15,573.00	
Purchased Professional and Technical Services	600.00	(500.00)	100.00		100.00
Supplies and Materials	450.00		450.00	232.60	217.40
Total Undist. Expend. - Health Services	10,050.00	6,073.00	16,123.00	15,805.60	317.40
Undist. Expend. - Speech, OT, PT & Related Svc:					
Salaries	29,590.00	187.00	29,777.00	29,776.20	0.80
Purchased Professional - Educational Services	150.00		150.00		150.00
Supplies and Materials	450.00	(400.00)	50.00	4.65	45.35
Total Undist. Expend. - Speech, OT, PT & Related Svc.	30,190.00	(213.00)	29,977.00	29,780.85	196.15
Undist. Expend. - Child Study Teams:					
Other Purchased Professional and Technical Services	4,600.00	(4,233.00)	367.00		367.00
Supplies and Materials	300.00		300.00		300.00
Total Undist. Expend. - Child Study Teams	4,900.00	(4,233.00)	667.00		667.00
Undist. Expend. - Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	59,510.00		59,510.00	55,580.09	3,929.91
Purchased Professional - Educational Services	4,020.00	(3,800.00)	220.00		220.00
Total Undist. Expend. - Improvement of Instructional Services	63,530.00	(3,800.00)	59,730.00	55,580.09	4,149.91
Undist. Expend. - Educational Media/School Library:					
Supplies and Materials	3,000.00	(2,800.00)	200.00		200.00
Total Undist. Expend. - Educational Media/School Library	3,000.00	(2,800.00)	200.00		200.00
Undist. Expend. - Instructional Staff Training Services:					
Purchased Professional - Educational Services	4,000.00	(3,500.00)	500.00		500.00
Total Undist. Expend. - Instructional Staff Training Services	4,000.00	(3,500.00)	500.00		500.00
Undist. Expend. - Support Services - General Administration:					
Salaries	9,356.00	14,912.00	24,268.00	24,267.39	0.61
Legal Services	2,000.00	2,781.00	4,781.00	4,780.60	0.40
Other Purchased Professional Services	17,500.00	8,656.00	26,156.00	23,255.96	2,900.04
Misc. Purchased Services (400-500)	250.00		250.00		250.00
General Supplies	250.00	73.00	323.00	322.32	0.68
Miscellaneous Expenditures	7,900.00	12,054.00	19,954.00	19,877.51	76.49
Total Undist. Expend. - Support Services - General Administration	37,256.00	38,476.00	75,732.00	72,503.78	3,228.22
Undist. Expend. - Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Prog Dir	25,968.00		25,968.00	23,913.62	2,054.38
Total Undist. Expend. - Support Services - School Administration	25,968.00		25,968.00	23,913.62	2,054.38
Undistributed Expenditures - Central Services:					
Salaries	44,964.00	6,010.00	50,974.00	50,971.05	2.95
Purchased Technical Services	28,875.00	(19,263.00)	9,612.00	9,612.00	
Misc. Purchased Services (400-500)	2,500.00	559.00	3,059.00	3,058.55	0.45
Supplies and Materials	250.00	250.00	500.00	491.00	9.00
Miscellaneous Expenditures	1,000.00	260.00	1,260.00	1,259.42	0.58
Total Undistributed Expenditures - Central Services	77,589.00	(12,184.00)	65,405.00	65,392.02	12.98
Undist. Expend. - Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	110,500.00	(7,927.90)	102,572.10	81,703.11	20,868.99
General Supplies	5,000.00	17,536.55	22,536.55	19,110.06	3,426.49
Other Objects	15,000.00	8,199.50	23,199.50	23,198.87	0.63
Total Undist. Expend. - Required Maintenance for School Facilities	130,500.00	17,808.15	148,308.15	124,012.04	24,296.11
Undist. Expend. - Custodial Services:					
Purchased Professional and Technical Services	500.00		500.00		500.00
Insurance	28,000.00	(9,000.00)	19,000.00	18,461.48	538.52
Miscellaneous Purchased Services	8,000.00		8,000.00	4,867.86	3,132.14
Energy (Electricity)	28,000.00	1,072.61	29,072.61	20,481.79	8,590.82
Energy (Natural Gas)	20,000.00	(6,063.00)	13,937.00	2,132.03	11,804.97
Energy (Oil)		4,000.00	4,000.00	3,030.00	970.00
Total Undist. Expend. - Custodial Services	84,500.00	(9,990.39)	74,509.61	48,973.16	25,536.45
Total Undist. Expend. - Oper. & Maint. of Plant	215,000.00	7,817.76	222,817.76	172,985.20	49,832.56

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

ROOSEVELT SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Fiscal year ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES (continued)					
Undist. Expend. - Student Transportation Services:					
Contracted Services (Bet. Home & School) - Vendors	15,000.00	5,910.00	20,910.00	20,906.60	3.40
Contracted Services (Other Than Bet. Home & School) - Vendors	2,000.00		2,000.00	1,095.00	905.00
Contracted Services (Bet. Home & Sch) - Joint Agreements	55,000.00	19,285.00	74,285.00	74,284.60	0.40
Contracted Services (Special Ed. Students) - Vendors	69,000.00	2,793.00	71,793.00	59,656.00	12,137.00
Total Undist. Expend. - Student Transportation Services	141,000.00	27,988.00	168,988.00	155,942.20	13,045.80
Regular Programs - Instruction - Employee Benefits:					
Health Benefits	147,178.00	11,861.00	159,039.00	134,141.60	24,897.40
Other Employee Benefits	31,300.00	2,000.00	33,300.00	17,035.18	16,264.82
Total Regular Programs - Instruction - Employee Benefits	178,478.00	13,861.00	192,339.00	151,176.78	41,162.22
Support Services - General Administration - Employee Benefits:					
Health Benefits	4,090.00	590.00	4,680.00	3,957.24	722.76
Total Support Services - Gen. Admin. - Employee Benefits	4,090.00	590.00	4,680.00	3,957.24	722.76
Support Services - School Administration - Employee Benefits:					
Health Benefits	2,820.00	6,218.00	9,038.00	9,036.48	1.52
Total Support Services - School Admin. - Employee Benefits	2,820.00	6,218.00	9,038.00	9,036.48	1.52
Support Services - Central Services - Employee Benefits:					
Health Benefits		57.00	57.00	57.00	
Total Support Services - Central Services - Employee Benefits		57.00	57.00	57.00	
Total Allocated Benefits - Employee Benefits	185,388.00	20,726.00	206,114.00	164,227.50	41,886.50
Unallocated Benefits - Employee Benefits:					
Other Retirement Contributions - Regular	18,000.00		18,000.00		18,000.00
Total Unallocated Benefits - Employee Benefits	18,000.00		18,000.00		18,000.00
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				49,853.00	(49,853.00)
TPAF NCGI Premium (On-Behalf - Non-Budgeted)				2,347.00	(2,347.00)
TPAF Social Security (Reimbursed - Non-Budgeted)				60,294.94	(60,294.94)
Total On-Behalf Contributions				112,494.94	(112,494.94)
Total Personal Services - Employee Benefits	203,388.00	20,726.00	224,114.00	276,722.44	(52,608.44)
Total Undistributed Expenditures	1,637,121.00	(28,545.74)	1,608,575.26	1,586,701.66	21,873.60
Total Expenditures - Current Expense	2,373,416.00	9,545.26	2,382,961.26	2,350,664.72	32,296.54
CAPITAL OUTLAY					
Facilities Acquisition and Construction Services:					
Other Purchased Professional and Technical Services		3,465.00	3,465.00	3,465.00	
Facilities Acquisition and Construction Services		57,775.00	57,775.00	52,769.60	5,005.40
Other Objects	685.00	(685.00)			
Total Capital Outlay	685.00	60,555.00	61,240.00	56,234.60	5,005.40
Total Expenditures	2,374,101.00	70,100.26	2,444,201.26	2,406,899.32	37,301.94
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(239,000.00)	(70,100.26)	(309,100.26)	(167,429.08)	141,671.18
Other Financing Sources/(Uses):					
Transfer To Food Services - Board Contribution	(21,000.00)		(21,000.00)		21,000.00
Total Other Financing Sources/(Uses)	(21,000.00)		(21,000.00)		21,000.00
Excess/(Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Sources/(Uses)	(260,000.00)	(70,100.26)	(330,100.26)	(167,429.08)	162,671.18
Fund Balances, July 1	486,942.57		486,942.57	486,942.57	
Fund Balances, June 30	$ 226,942.57	$ 0.00	$ 156,842.31	$ 319,513.49	$ 162,671.18

Recapitulation:	
Restricted:	
Capital Reserve	$ 31,027.09
Maintenance Reserve	32,565.00
Assigned:	
Designated for Subsequent Year's Expenditures	165,000.00
Year-End Encumbrances	3,425.62
Unassigned	87,495.78
	319,513.49
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payment not recognized on GAAP Basis	(67,642.00)
Fund Balance per Governmental Funds (GAAP)	$ 251,871.49

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

ROOSEVELT SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

Fiscal year ended June 30, 2011

	Final Budget	Actual	Variance Final To Actual
Revenues:			
Local Sources	$ 535.42	$ 535.42	
Federal Sources	83,815.00	79,980.64	$ 3,834.36
Total Revenues	84,350.42	80,516.06	3,834.36
Expenditures:			
Instruction:			
Purchased Professional & Technical Services	1,926.00	3,926.00	(2,000.00)
General Supplies	45,584.42	33,627.42	11,957.00
Total Instruction	47,510.42	37,553.42	9,957.00
Support Services:			
Salaries Of Other Professional Staff	26,191.00	26,191.00	
Personal Services- Employee Benefits	10,649.00	6,814.64	3,834.36
Total Support Services	36,840.00	33,005.64	3,834.36
Facilities Acquisition and Construction Services:			
Instructional Equipment		9,957.00	(9,957.00)
Total Facilities Acquisition and Construction Services		9,957.00	(9,957.00)
Total Expenditures	84,350.42	80,516.06	3,834.36
Total Outflows	84,350.42	80,516.06	3,834.36
Excess/(Deficiency) of Revenues Over/(Under) Expenditures and Other Financing Uses	$ 0.00	$ 0.00	$ 0.00

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

ROOSEVELT SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

BUDGET-TO-GAAP RECONCILIATION

Fiscal year ended June 30, 2011

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	$ 2,239,470.24	$ 80,516.06
Adjustments for Encumbrances:		
Less Current Year Encumbrances		(13,460.19)
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	81,168.00	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(67,642.00)	
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	$ 2,252,996.24	$ 67,055.87
USES/OUTFLOWS OF RESOURCES		
Actual amounts (budgetary basis) "total outflows" from the Budgetary Comparison Schedule	$ 2,406,899.32	$ 80,516.06
Difference - 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.		
Less Current Year Encumbrances		(13,460.19)
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	$ 2,406,899.32	$ 67,055.87

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

ROOSEVELT SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

For the fiscal year ended June 30, 2011

	A.R.R.A. I.D.E.A. Basic Regular	A.R.R.A. I.D.E.A. Preschool	IDEA Basic Regular	IDEA Basic Regular 09/10	IDEA Preschool	N.C.L.B Title II	N.C.L.B Title II 09/10	Rural Education Achievement Program	NJSBAIG Safety Grant	Totals
Revenues										
Local Sources									$ 535.42	$ 535.42
Federal Sources	$ 19,273.00	$ 1,049.00	$ 27,594.64	$ 5,411.00	$ 1,503.00	$ 1,926.00	$ 2,160.00	$ 21,064.00		79,980.64
Total Revenues	$ 19,273.00	$ 1,049.00	$ 27,594.64	$ 5,411.00	$ 1,503.00	$ 1,926.00	$ 2,160.00	$ 21,064.00	$ 535.42	$ 80,516.06
Expenditures										
Instruction:										
Purchased Prof & Technical Services	$ 2,000.00					$ 1,926.00				$ 3,926.00
General Supplies	7,316.00	$ 1,049.00			$ 1,503.00		$ 2,160.00	$ 21,064.00	$ 535.42	33,627.42
Total Instruction	9,316.00	1,049.00			1,503.00	1,926.00	2,160.00	21,064.00	535.42	37,553.42
Support Services:										
Salaries Of Other Professional Staff			$ 26,191.00							26,191.00
Personal Services - Employee Benefits			1,403.64	$ 5,411.00						6,814.64
Total Support Services			27,594.64	5,411.00						33,005.64
Facilities Acquisition and Construction Services:										
Instructional Equipment	9,957.00									9,957.00
Total Facilities Acquisition and Construction Services	9,957.00									9,957.00
Total Expenditures	$ 19,273.00	$ 1,049.00	$ 27,594.64	$ 5,411.00	$ 1,503.00	$ 1,926.00	$ 2,160.00	$ 21,064.00	$ 535.42	$ 80,516.06

CAPITAL PROJECTS FUND
DETAIL STATEMENTS

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

PROPRIETARY FUND
DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the District's Board is that the costs of providing goods or services be financed through user charges.

FOOD SERVICE FUND

This Fund provides for the operation of food services within the School District.

This section has already been included in Statements B-4, B-5, and B-6.

FIDUCIARY FUNDS
DETAIL STATEMENTS

Fiduciary Funds are used to account for funds received by the School District for a specific purpose.

Agency Funds are used to account for assets held by the School District as an agent for individuals, private organizations, other governments and/or other funds.

Student Activity Fund:	This Agency Fund is used to account for student funds held at the schools.
Payroll Fund:	This Agency Fund is used to account for the payroll transactions of the School District.

ROOSEVELT SCHOOL DISTRICT

COMBINING STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

June 30, 2011

	Agency Fund	Totals
Assets:		
Cash and Cash Equivalents	$ 48,776.42	$ 48,776.42
Interfund Receivable	2,771.77	2,771.77
Total Assets	$ 51,548.19	$ 51,548.19
Liabilities:		
Payable To Student Groups	$ 5,770.64	$ 5,770.64
Payroll Deductions and Withholdings	45,777.55	45,777.55
Total Liabilities	51,548.19	51,548.19
Total Liabilities and Net Assets	$ 51,548.19	$ 51,548.19

Exhibit H-3

ROOSEVELT SCHOOL DISTRICT

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

STUDENT ACTIVITY AGENCY FUND

For the fiscal year ended June 30, 2011

	Balance July 1, 2010	Cash Receipts	Cash Disbursements	Balance June 30, 2011
Elementary Schools:				
Roosevelt Elementary	$ 5,476.21	$ 8,602.12	$ 8,307.69	$ 5,770.64
Total Assets	$ 5,476.21	$ 8,602.12	$ 8,307.69	$ 5,770.64

ROOSEVELT SCHOOL DISTRICT

PAYROLL AGENCY FUND

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

For the fiscal year ended June 30, 2011

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Assets				
Cash	$ 24,161.32	$ 1,271,895.96	$ 1,253,051.50	$ 43,005.78
Interfund Receivable		2,771.77		2,771.77
Total Assets	$ 24,161.32	$ 1,274,667.73	$ 1,253,051.50	$ 45,777.55
Liabilities				
Payroll Deductions and Withholdings	$ 24,161.32	$ 1,274,667.73	$ 1,253,051.50	$ 45,777.55
Total Liabilities	$ 24,161.32	$ 1,274,667.73	$ 1,253,051.50	$ 45,777.55

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the School District. This includes serial bonds outstanding and obligations under capital leases.

ROOSEVELT SCHOOL DISTRICT

STATEMENT OF SERIAL BONDS

June 30, 2011

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2010	Retired	Balance June 30, 2011
Construction and Renovations To School; Remove Certain Asbestos Materials	08/01/92	$ 948,000.00	08/01/11	$ 70,000.00				
			08/01/12	75,000.00				
			08/01/13	78,000.00	5.70%	$ 288,000.00	$ 65,000.00	$ 223,000.00

Exhibit I-3

ROOSEVELT SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE

DEBT SERVICE FUND

For the fiscal year ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive/(Negative) Final To Actual
Revenues					
Local Sources:					
Local Tax Levy	$ 57,416.00		$ 57,416.00	$ 57,416.00	
State Sources:					
Debt Service Aid - Type II	22,148.00		22,148.00	22,148.00	
Total Revenues	79,564.00		79,564.00	79,564.00	
Expenditures					
Regular Debt Service:					
Interest on Bonds	14,564.00		14,564.00	14,563.50	$ (0.50)
Redemption of Principal	65,000.00		65,000.00	65,000.00	
Total Regular Debt Service	79,564.00		79,564.00	79,563.50	(0.50)
Total Expenditures	79,564.00		79,564.00	79,563.50	(0.50)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures				0.50	0.50
Fund Balance, July 1	0.50		0.50	1.00	0.50
Fund Balance, June 30	$ 0.50	$ 0.00	$ 0.50	$ 1.50	$ 0.00
Recapitulation of Excess/ (Deficiency) of Revenues Over/(Under) Expenditures					
Budgeted Fund Balance	$ 0.00	$ 0.00	$ 0.00	$ 0.50	$ 0.50

STATISTICAL SECTION

FINANCIAL TRENDS/INFORMATION SCHEDULES

ROOSEVELT SCHOOL DISTRICT

NET ASSETS BY COMPONENT

LAST SEVEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	June 30,						
	2005	2006	2007	2008	2009	2010	2011
Government Activities:							
Invested in Capital Assets, Net of Related Debt	$ 365,179.39	$ 413,367.00	$ 472,642.33	$ 518,570.49	$ 572,495.97	$ 577,560.97	$ 658,125.97
Restricted	776,050.97	962,750.97	785,473.38	696,161.96	545,469.87	393,717.78	226,722.96
Unrestricted	37,999.50	34,668.99	200,254.72	203,300.50	162,704.50	(29,307.21)	5,422.78
Total Government Activities Net Assets	$ 1,179,229.86	$ 1,410,786.96	$ 1,458,370.43	$ 1,418,032.95	$ 1,280,670.34	$ 941,971.54	$ 890,271.71
Business-Type Activities:							
Unrestricted	$ 5,524.09	$ 4,083.57	$ 4,102.27	$ 3,648.15	$ 3,858.62	$ 4,195.55	$ 2,602.71
Total Business-Type Activities Net Assets	$ 5,524.09	$ 4,083.57	$ 4,102.27	$ 3,648.15	$ 3,858.62	$ 4,195.55	$ 2,602.71
District-wide:							
Invested in Capital Assets, Net of Related Debt	$ 365,179.39	$ 413,367.00	$ 472,642.33	$ 518,570.49	$ 572,495.97	$ 577,560.97	$ 658,125.97
Restricted	776,050.97	962,750.97	785,473.38	696,161.96	545,469.87	393,717.78	226,722.96
Unrestricted	43,523.59	38,752.56	204,356.99	206,948.65	166,563.12	(25,111.66)	8,025.49
Total District Net Assets	$ 1,184,753.95	$ 1,414,870.53	$ 1,462,472.70	$ 1,421,681.10	$ 1,284,528.96	$ 946,167.09	$ 892,874.42

ROOSEVELT SCHOOL DISTRICT

CHANGES IN NET ASSETS

LAST SEVEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	June 30,						
	2005	2006	2007	2008	2009	2010	2011
Expenses:							
Governmental Activities:							
Instruction:							
Regular	$ (658,932.43)	$ (762,139.49)	$ (844,109.08)	$ (899,304.83)	$ (866,548.69)	$ (1,002,679.50)	$ (954,653.37)
Special Education	(58,081.55)	(68,170.55)	(78,189.34)	(99,290.06)	(96,448.27)	(78,485.96)	(86,848.97)
Other Special Education	(3,216.96)	(4,551.77)	(10,317.75)				(17,161.88)
Other Instruction	(7,024.86)	(3,034.84)	(3,000.00)	(2,233.21)	(2,425.99)	(975.84)	(764.41)
Support Services:							
Tuition	(710,456.30)	(601,764.71)	(752,881.20)	(799,575.00)	(859,219.67)	(787,106.78)	(715,655.58)
Student and Instruction Related Services	(74,244.96)	(90,517.54)	(134,554.85)	(136,596.00)	(155,619.55)	(148,931.77)	(146,704.06)
School Administrative Services	(93,267.41)	(25,463.22)	(43,449.11)	(45,684.29)	(38,537.46)	(46,537.90)	(45,125.48)
General Administration	(227,657.48)	(116,271.85)	(28,251.53)	(29,864.03)	(51,018.89)	(86,431.21)	(76,321.02)
Central Services			(78,585.48)	(85,150.28)	(89,873.65)	(117,053.27)	(65,449.02)
Plant Operations and Maintenance	(94,249.86)	(175,640.79)	(158,253.28)	(173,040.91)	(112,598.05)	(171,169.92)	(173,670.20)
Pupil Transportation	(81,757.40)	(79,607.60)	(89,010.67)	(114,967.93)	(166,159.97)	(135,921.32)	(155,942.20)
Interest on Long-Term Debt	(30,345.00)	(32,602.25)	(26,284.13)	(24,455.37)	(20,406.00)	(16,724.75)	(13,019.75)
Total Governmental Activities Expenses	(2,039,234.21)	(1,959,764.61)	(2,246,886.42)	(2,410,161.91)	(2,458,856.19)	(2,592,018.22)	(2,451,315.94)
Business-Type Activities:							
Food Service	(5,189.90)	(21,420.53)	(21,767.00)	(20,192.96)	(20,733.58)	(5,250.33)	(4,739.14)
Total Business-Type Activities Expenses	(5,189.90)	(21,420.53)	(21,767.00)	(20,192.96)	(20,733.58)	(5,250.33)	(4,739.14)
Total District Expenses	$ (2,044,424.11)	$ (1,981,185.14)	$ (2,268,653.42)	$ (2,430,354.87)	$ (2,479,589.77)	$ (2,597,268.55)	$ (2,456,055.08)
Program Revenues:							
Governmental Activities:							
Charges for Services:							
Instruction (Tuition)	$ 8,000.00	$ 12,200.00	$ 31,500.00	$ 40,945.00	$ 41,370.00	$ 48,160.00	$ 50,323.11
Operating Grants and Contributions	98,286.01	97,083.01	55,832.00	102,510.00	80,615.73	74,849.01	92,877.64
Capital Grants and Contributions							
Total Governmental Activities Program Revenues	106,286.01	109,283.01	87,332.00	143,455.00	121,985.73	123,009.01	143,200.75
Business-Type Activities:							
Charges for Services:							
Food Service	2,878.75	2,517.75	3,414.50	3,144.25	4,603.50	3,105.90	1,970.35
Operating Grants and Contributions	2,520.08	1,557.53	2,049.31	2,435.93	2,476.71	1,481.76	1,175.95
Total Business-Type Activities Program Revenues	5,398.83	4,075.28	5,463.81	5,580.18	7,080.21	4,587.66	3,146.30
Total District Program Revenues	$ 111,684.84	$ 113,358.29	$ 92,795.81	$ 149,035.18	$ 129,065.94	$ 127,596.67	$ 146,347.05

ROOSEVELT SCHOOL DISTRICT

CHANGES IN NET ASSETS

LAST SEVEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	June 30,						
	2005	2006	2007	2008	2009	2010	2011
Net (Expense)/Revenue:							
Governmental Activities	$ (1,932,948.20)	$ (1,850,481.60)	$ (2,159,554.42)	$ (2,266,706.91)	$ (2,336,870.46)	$ (2,469,009.21)	$ (2,308,115.19)
Business-Type Activities	208.93	(17,345.25)	(16,303.19)	(14,612.78)	(13,653.37)	(662.67)	(1,592.84)
Total District-wide Net (Expense)/Revenue	$ (1,932,739.27)	$ (1,867,826.85)	$ (2,175,857.61)	$ (2,281,319.69)	$ (2,350,523.83)	$ (2,469,671.88)	$ (2,309,708.03)
General Revenues and Other Changes in Net Assets:							
Governmental Activities:							
Property Taxes Levied for General Purposes, Net	$ 1,149,280.00	$ 1,149,280.00	$ 1,170,752.00	$ 1,217,582.00	$ 1,266,285.00	$ 1,311,021.00	$ 1,387,716.00
Taxes Levied for Debt Service	56,549.00	54,632.00	55,983.00	53,874.00	55,031.00	56,000.00	57,416.00
Unrestricted Grants and Contributions	859,331.01	912,031.71	945,580.31	936,774.34	882,840.45	760,726.39	808,388.57
Investment Earnings	16,555.15	38,088.65	48,877.60	28,981.83	5,565.65	2,503.88	1,110.48
Miscellaneous Income	9,730.11	1,878.46	2,266.87	3,315.92	3,649.59	1,058.74	1,784.31
Transfers		(15,904.73)	(16,321.89)	(14,158.66)	(13,863.84)	(999.60)	
Total Governmental Activities	2,091,445.27	2,140,006.09	2,207,137.89	2,226,369.43	2,199,507.85	2,130,310.41	2,256,415.36
Business-Type Activities:							
Transfers		15,904.73	16,321.89	14,158.66	13,863.84	999.60	
Total Business-Type Activities		15,904.73	16,321.89	14,158.66	13,863.84	999.60	
Total District-wide	$ 2,091,445.27	$ 2,155,910.82	$ 2,223,459.78	$ 2,240,528.09	$ 2,213,371.69	$ 2,131,310.01	$ 2,256,415.36
Changes in Net Assets:							
Governmental Activities	$ 158,497.07	$ 289,524.49	$ 47,583.47	$ (40,337.48)	$ (137,362.61)	$ (338,698.80)	$ (51,699.83)
Business-Type Activities	208.93	(1,440.52)	18.70	(454.12)	210.47	336.93	(1,592.84)
Total District	$ 158,706.00	$ 288,083.97	$ 47,602.17	$ (40,791.60)	$ (137,152.14)	$ (338,361.87)	$ (53,292.67)

Exhibit J-3

ROOSEVELT SCHOOL DISTRICT

FUND BALANCES, GOVERNMENTAL FUNDS

LAST SEVEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	June 30,						
	2005	2006	2007	2008	2009	2010	2011
General Fund:							
Reserved	$ 776,050.97	$ 962,750.97	$ 785,473.38	$ 696,161.96	$ 553,853.62	$ 265,682.40	
Unreserved	60,654.00	60,654.00	211,879.00	212,299.00	171,704.00	140,092.17	
Restricted							$ 63,592.09
Assigned							168,425.62
Unassigned							19,853.78
Total General Fund	$ 836,704.97	$ 1,023,404.97	$ 997,352.38	$ 908,460.96	$ 725,557.62	$ 405,774.57	$ 251,871.49
All Other Governmental Funds:							
Unreserved, Reported In:							
Debt Service Fund	$ 0.50	$ 0.50	$ 1.00	$ 1.50	$ 0.50	$ 1.00	
Restricted:							
Debt Service Fund							$ 1.50
Total All Other Governmental Funds	$ 0.50	$ 0.50	$ 1.00	$ 1.50	$ 0.50	$ 1.00	$ 1.50

ROOSEVELT SCHOOL DISTRICT

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2002*	2003*	2004*	2005	2006	2007	2008	2009	2010	2011
Revenues:										
Tax Levy	$ 1,195,092.00	$ 1,186,232.00	$ 1,204,288.00	$ 1,205,829.00	$ 1,203,912.00	$ 1,226,735.00	$ 1,271,456.00	$ 1,321,316.00	$ 1,367,021.00	$ 1,445,132.00
Tuition Charges					12,200.00	31,500.00	40,945.00	41,370.00	48,160.00	50,323.11
Interest Earnings					38,088.65	48,877.60	28,981.83	5,565.65	2,503.88	1,110.48
Miscellaneous	28,165.16	51,304.35	18,100.37	34,285.26	1,878.46	2,266.87	3,315.92	3,649.59	1,058.74	1,784.31
State Sources	801,211.52	837,766.92	888,283.55	892,081.02	905,787.99	946,759.11	984,453.18	907,787.35	701,420.20	834,230.94
Federal Sources	25,335.22	30,627.38	55,929.91	65,536.00	61,106.73	54,653.20	54,831.16	55,668.83	134,155.20	67,035.27
Total Revenues	2,049,803.90	2,105,930.65	2,166,601.83	2,197,731.28	2,222,973.83	2,310,791.78	2,383,983.09	2,335,357.42	2,254,319.02	2,399,616.11
Expenditures:										
Instruction:										
Regular	447,539.30	462,068.74	474,232.26	501,402.01	579,072.93	692,135.81	738,366.34	674,801.78	851,478.18	820,831.47
Special	43,993.68	44,338.69	43,604.89	44,229.68	52,620.55	57,267.67	77,022.31	64,868.90	55,882.55	76,382.08
Other	3,056.25	3,098.71	2,109.37	2,188.10	3,537.50	10,317.75	2,233.21	16,466.00	975.84	17,161.88
School-Sponsored/Other Instructional	1,937.69	1,555.15	2,303.78	7,024.86	3,034.84	3,000.00	799,575.00	2,425.99		764.41
Undistributed:										
Instruction	689,863.93	757,467.42	746,302.32	717,891.04	601,764.71	752,881.20	51,423.64	947,309.84	787,106.78	715,655.58
Support Services - Students	54,779.91	55,211.05	52,563.46	55,777.97	68,009.92	85,493.26	37,999.66	148,132.30	139,941.88	107,544.06
General Administration	86,410.50	92,755.27	186,018.21	99,367.29	91,064.30	31,148.11	32,543.29	35,406.77	63,228.95	72,503.78
School Administrative Services	54,500.04	56,477.45	64,629.90	132,219.43	18,594.80	20,020.00	21,021.00	25,558.96	30,954.70	32,950.10
Central Services						72,718.95	78,834.25	76,757.28	96,847.66	65,449.02
Plant Operations and Maintenance	71,868.33	82,014.24	97,730.39	94,249.86	140,680.92	158,253.28	173,040.91	112,598.05	171,169.92	172,985.20
Pupil Transportation	136,508.49	120,607.54	101,685.83	81,757.40	79,607.60	89,010.67	114,967.93	166,159.97	135,921.32	155,942.20
Business and Other Support Services:										
Employee Benefits	77,585.66	91,378.20	113,931.18	108,952.05	196,690.16	2,706.60		7,224.00	156,325.69	
Other	91,026.68	87,407.29		16,217.37			5,014.40			
On-Behalf TPAF Post Retirement Contribution						39,666.00	48,296.00	45,184.00	46,988.00	49,853.00
On-Behalf TPAF Pension Contribution		15,885.00	24,761.00	25,570.00	39,386.00	52,469.00	49,212.00	2,368.00	2,502.00	2,347.00
Reimbursed TPAF Social Security Contributions	47,733.42	49,468.01	50,374.46	49,013.10	48,991.99	52,031.11	54,455.18	63,271.35	57,621.20	60,294.94
Capital Outlay	13,332.00	8,433.85	3,966.00	37,932.44	27,054.59	53,505.87	29,570.54	34,033.73		56,234.60
Special Revenue	40,160.89	57,009.79	67,647.23	70,409.74	65,295.26	64,653.20	65,031.16		55,578.12	67,055.87
Debt Service:										
Principal	40,000.00	40,000.00	45,000.00	50,000.00	50,000.00	55,000.00	55,000.00	60,000.00	65,000.00	65,000.00
Interest and Other Charges	41,496.00	39,216.00	36,793.50	34,086.00	31,236.00	28,243.50	25,108.50	21,831.00	18,268.50	14,563.50
Total Expenditures	1,941,792.77	2,064,392.40	2,113,653.78	2,128,288.34	2,096,642.07	2,320,521.98	2,458,715.32	2,504,397.92	2,735,791.29	2,553,518.69
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	108,011.13	41,538.25	52,948.05	69,442.94	126,331.76	(9,730.20)	(74,732.23)	(169,040.50)	(481,472.27)	(153,902.58)
Other Financing Sources/(Uses):	***	***								
Transfers In							29,570.54			
Transfers Out			(6,117.00)		(72,944.73)	(16,321.89)	(43,729.20)	(13,863.84)	(999.60)	
Total Other Financing Sources/(Uses)			(6,117.00)		(72,944.73)	(16,321.89)	(14,158.66)	(13,863.84)	(999.60)	
Net Change in Fund Balances	$ 108,011.13	$ 41,538.25	$ 46,831.05	$ 69,442.94	$ 53,387.03	$ (26,052.09)	$ (88,890.89)	$ (182,904.34)	$ (482,471.87)	$ (153,902.58)
Debt Service as a Percentage of Noncapital Expenditures	4.23%	3.85%	3.88%	4.02%	3.93%	3.67%	3.30%	3.31%	3.04%	3.19%

Source: District records

Note: Noncapital expenditures are total expenditures less Capital Outlay.
Central Service and Administrative Information Technology account classifications were added beginning with year-end June 30, 2005.
Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

* Special Revenue allocation not available
** Debt Service breakdown not available
*** Other Financing Sources/(Uses) not available

Exhibit J-5

ROOSEVELT SCHOOL DISTRICT

GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year Ending June 30,	Miscellaneous	Interest on Investments	Prior Years' Refunds	Donations	Tuition From Individuals	Annual Totals
2002		$ 13,582.24	$ 6,032.79		$ 8,378.56	$ 27,993.59
2003	$ 5,841.24	9,268.53	27,659.02		8,535.56	51,304.35
2004	2,216.17	4,521.47			5,600.00	12,337.64
2005	8,856.37	16,555.15			8,000.00	33,411.52
2006	1,878.46	38,088.65			12,200.00	52,167.11
2007	2,266.87	48,877.60			31,500.00	82,644.47
2008	3,115.92	28,981.83			40,945.00	73,042.75
2010	1,058.74	2,503.88			48,160.00	51,722.62
2011	1,763.71	1,110.48			50,323.11	53,197.30

Source: District records

REVENUE CAPACITY INFORMATION

ROOSEVELT SCHOOL DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending June 30,		Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment
2002		$ 252,400	$ 31,278,000	$ 1,047,100	$ 180,750	$ 878,860	$ 503,100	$ 990,300
2003		216,400	31,594,500	1,183,000	180,750	878,860	503,100	990,300
2004		216,400	31,773,900	1,178,000	180,750	697,160	503,100	990,300
2005		216,400	31,869,400	1,178,000	180,750	697,160	503,100	990,300
2006		216,400	32,154,100	1,567,500	180,350	697,160	503,100	990,300
2007	R	718,200	85,183,700	4,732,500	278,300	1,183,700	1,638,700	2,101,400
2008		716,200	85,678,300	4,732,500	220,000	1,183,700	1,638,700	2,101,400
2009		881,100	85,502,900	4,301,900	196,500	1,183,700	1,638,700	2,101,400
2010		310,000	75,299,500	3,928,400	196,500	1,038,000	1,534,500	1,849,400
2011		310,000	75,246,600	3,928,400	196,500	1,038,000	1,534,500	1,849,400

		Total Assessed Value	Less: Tax-Exempt Property	Public Utilities[a]	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate[b]
2002		$ 35,130,510	$ 0	$ 91,253	$ 35,221,763	$ 46,140,371	3.356
2003		35,546,910	0	93,288	35,640,198	50,990,925	3.379
2004		35,539,610	0	78,872	35,618,482	64,873,056	3.385
2005		35,635,110	0	58,478	35,693,588	75,524,615	3.373
2006		36,308,910	0	46,036	36,354,946	89,169,546	3.374
2007	R	95,836,500	0	100,197	95,936,697	89,341,635	1.325
2008		96,270,800	0	105,546	96,376,346	98,331,033	1.371
2009		95,806,200	0	160,694	95,966,894	94,309,869	1.425
2010		84,156,300	0	157,728	84,314,028	84,156,300	1.714
2011		84,103,400	0	103,186	84,206,586	94,258,788	1.750

Source: Municipal Tax Assessor

Note: 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 the County Board of Taxation requests Treasury to order a reassessment.

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
b Tax rates are per $100
N/A At the time of CAFR Completion, this data was not yet available

ROOSEVELT SCHOOL DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(RATE PER $100 OF ASSESSED VALUE)
(AUDITED)

	Roosevelt School District Direct Rate			Overlapping Rates		
Fiscal Year Ending June 30,	Basic Rate[a]	General Obligation Debt Service[b]	(From J-6) Total Direct School Tax Rate	Roosevelt Borough	Monmouth County	Total Direct and Overlapping Tax Rate
2002	3.205	0.151	3.356	0.697	0.568	4.621
2003	3.225	0.154	3.379	0.697	0.553	4.629
2004	3.227	0.158	3.385	0.697	0.543	4.625
2005	3.220	0.153	3.373	0.697	0.620	4.690
2006	3.220	0.154	3.374	0.766	0.640	4.780
2007	1.269	0.056	1.325	0.442	0.256	2.023
2008	1.314	0.057	1.371	0.530	0.242	2.143
2009	1.366	0.059	1.425	0.634	0.268	2.327
2010	1.648	0.066	1.714	0.748	0.308	2.770
2011	N/A	N/A	1.750	0.747	0.320	2.817

Source: Municipal Tax Assessor

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

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable.

b Rates for debt service are based on each year's requirements.

ROOSEVELT SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2011			2002		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
	$	1		$	1	
		2			2	
		3			3	
		4			4	
		5			**DATA NOT AVAILABLE**	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
Total	$			$		

Source: Municipal Tax Assessor

ROOSEVELT SCHOOL DISTRICT

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy[a]		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	$ 1,195,092.00	$ 1,195,092.00	100.00%	-
2003	1,186,232.00	1,186,232.00	100.00%	-
2004	1,204,288.00	1,204,288.00	100.00%	-
2005	1,205,829.00	1,205,829.00	100.00%	-
2006	1,203,912.00	1,203,912.00	100.00%	-
2007	1,226,735.00	1,226,735.00	100.00%	-
2008	1,266,285.00	1,266,285.00	100.00%	-
2009	1,321,316.00	1,321,316.00	100.00%	-
2010	1,367,021.00	1,367,021.00	100.00%	-
2011	1,445,132.00	1,445,132.00	100.00%	-

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

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

DEBT CAPACITY INFORMATION

ROOSEVELT SCHOOL DISTRICT

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending June 30,	Governmental Activities				Business-Type Activities			
	General Obligation Bonds[b]	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District	Percentage of Personal Income[a]	Per Capita[a]
2002	$ 708,000.00	None	None	None	None	$ 708,000.00	1.76%	754
2003	668,000.00	None	None	None	None	668,000.00	1.66%	711
2004	623,000.00	None	None	None	None	623,000.00	1.44%	665
2005	573,000.00	None	None	None	None	573,000.00	1.29%	615
2006	523,000.00	None	None	None	None	523,000.00	1.11%	567
2007	468,000.00	None	None	None	None	468,000.00	0.94%	513
2008	413,000.00	None	None	None	None	413,000.00	0.83%	455
2009	353,000.00	None	None	None	None	353,000.00	0.71%	389
2010	288,000.00	None	None	None	None	288,000.00	N/A	N/A
2011	223,000.00	None	None	None	None	223,000.00	N/A	N/A

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

a See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

b Includes Early Retirement Incentive Plan ("ERIP") refunding

ROOSEVELT SCHOOL DISTRICT

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value[a] of Property	Per Capita[b]
2002	$ 708,000.00	-	$ 708,000.00	2.00%	$ 757
2003	668,000.00	-	668,000.00	1.87%	711
2004	623,000.00	-	623,000.00	1.75%	665
2005	573,000.00	-	573,000.00	1.61%	615
2006	523,000.00	-	523,000.00	1.44%	567
2007	468,000.00	-	468,000.00	0.49%*	513
2008	413,000.00	-	413,000.00	0.43%	455
2009	353,000.00	-	353,000.00	0.37%	389
2010	288,000.00	-	288,000.00	N/A	N/A
2011	223,000.00	-	223,000.00	N/A	N/A

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

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

ROOSEVELT SCHOOL DISTRICT

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF JUNE 30, 2011
(UNAUDITED)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable[a]	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes:			
Roosevelt Borough	$ 235,500.00	100.00%	$ 235,500.00
Monmouth County General Obligation Debt	488,135,115.00	0.076600%	373,928.86
Other Debt			
Municipal Water/Sewer Authority - Roosevelt District's Share	3,148,102.00	100.00%	3,148,102.00
Subtotal, Overlapping Debt			3,757,530.86
Roosevelt District Direct Debt			223,000.00
Total Direct and Overlapping Debt			$ 3,980,530.86

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

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

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

Exhibit J-13

ROOSEVELT SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2011

Equalized Valuation Basis

		2011	$ 98,225,487
		2010	94,149,175
		2009	94,029,385
		(A)	$ 286,404,047
Average Equalized Valuation of Taxable Property		(A/3)	$ 95,468,016
Debt Limit (2.5% of Average Equalization Value)		(B)	2,386,700 a
Total Net Debt Applicable To Limit		(C)	223,000
Legal Debt Margin		(B-C)	$ 2,163,700

	Fiscal Year				
	2002	2003	2004	2005	2006
Debt Limit	1,033,117	$ 1,084,343	$ 1,180,974	$ 1,180,974	$ 1,592,983
Total Net Debt Applicable To Limit	$ 708,000	668,000	623,000	623,000	523,000
Legal Debt Margin	$ 708,000	$ 668,000	$ 623,000	$ 557,974	$ 1,069,983
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	68.53%	61.60%	52.75%	52.75%	32.83%

	2007	2008	2009	2010	2011
Debt Limit	$ 1,911,532	$ 2,115,676	$ 744,095	$ N/A	$ 2,386,700
Total Net Debt Applicable To Limit	468,000	413,000	353,000	N/A	223,000
Legal Debt Margin	$ 1,443,532	$ 1,702,676	$ 391,095	$	$ 2,163,700
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	24.48%	19.52%	47.44%		9.34%

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

a Limit set by N.J.S.A. 18A:24-19 for a K through 12 District; other percentage limits would be applicable for other District types.

DEMOGRAPHIC AND ECONOMIC STATISTICS

ROOSEVELT SCHOOL DISTRICT

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS
(UNAUDITED)

Year	Population[a]	Personal Income[b]	Per Capita Personal Income[c]	Unemployment Rate[d]
2002	939	$ 40,207,041	$ 42,819	2.40%
2003	939	40,341,318	42,962	3.50%
2004	937	43,163,842	46,066	3.50%
2005	931	44,431,044	47,724	2.90%
2006	924	47,544,420	51,455	4.00%
2007	914	47,029,870	51,455	3.70%
2008	906	46,618,494	51,455	4.50%
2009	904	N/A	N/A	7.80%
2010	N/A	N/A	N/A	N/A
2011	N/A	N/A	N/A	N/A

Source:

[a] Population information provided by the NJ Department of Labor and Workforce Development.

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

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

[d] Unemployment data provided by the NJ Department of Labor and Workforce Development.

Exhibit J-15

ROOSEVELT SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2011			2002		
Employer	Employees	Rank (Optional)	Percentage of Total Municipal Employment	Employees	Rank (Optional)	Percentage of Total Municipal Employment
		1			1	
		2			2	
		3			3	
		4			4	
		5	**DATA NOT AVAILABLE**		5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
Total						

Source: _____

OPERATING INFORMATION

ROOSEVELT SCHOOL DISTRICT

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Instruction:										
Regular	7.000	7.000	7.000	6.000	6.000	7.000	7.000	7.000	7.000	7.350
Special Education	0.800	0.800	0.800			0.800	0.800	0.800	0.800	0.800
Other Special Education	1.575	1.575	1.715	1.715	1.715	1.715	1.715	1.715	1.715	1.715
Vocational										
Other Instruction	1.800	1.800	1.515	1.515	1.515	1.515	1.515	1.515	1.515	1.515
Nonpublic School Programs										
Adult/Continuing Education Programs										
Support Services:										
Student and Instruction Related Services										
General Administration	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.400
School Administrative Services	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.250
Other Administrative Services										1.000
Central Services										
Administrative Information Technology										
Plant Operations and Maintenance	1.000	1.000								
Pupil Transportation										
Other Support Services	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500
Special Schools										
Food Service	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Child Care										
Total	16.775	16.775	15.630	13.830	13.830	15.630	15.630	15.630	15.630	15.630

Source: District Personnel Records

Exhibit J-17

ROOSEVELT SCHOOL DISTRICT

OPERATING STATISTICS

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Enrollment	Operating Expenditures[a]	Cost Per Pupil	Percentage Change	Teaching Staff[b]	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)[c]	Average Daily Attendance (ADA)[d]	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2002	106	$ 1,310,276	$ 12,361	-21.32%	8	14:1	N/A	N/A	19,121	18,303.0	18.36%	96%
2003	100	1,408,671	14,086	13.95%	8	13:1	N/A	N/A	18,029	17,295.5	-5.71%	96%
2004	94	1,437,996	15,297	8.60%	7	12:1	N/A	N/A	17,121	16,531.5	-5.04%	97%
2005	81	1,373,580	16,958	10.86%	7	12:1	N/A	N/A	14,888	14,299.5	-13.04%	96%
2006	76	1,762,818	23,194	36.77%	7	11:1	N/A	N/A	13,462	13,016.0	-9.58%	97%
2007	90	1,781,967	19,799	-14.64%	10	9:1	N/A	N/A	16,270	15,488.0	20.86%	95%
2008	91	2,139,349	23,508	18.74%	10	9:1	N/A	N/A	16,604	15,720.0	2.05%	95%
2009	91	2,241,183	24,627	4.76%	10	9:1	N/A	N/A	16,424	15,675.0	-1.08%	95%
2010	81	2,286,538	28,229	14.62%	10	8:1	N/A	N/A	14,979	14,297.0	-8.80%	95%
2011	86	2,417,721	28,113	-0.41%	10	8:1	N/A	N/A	13,377	12,731.0	-10.69%	95%

Source: District records

Note: Enrollment based on annual October District count.

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

Exhibit J-18

ROOSEVELT SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS
(UNAUDITED)

District/Building	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Elementary:										
Roosevelt Elementary (1937)										
Square Feet	20,099	20,099	20,099	20,099	20,099	20,099	20,099	20,099	20,299	20,299
Capacity (Students)	150	150	150	150	150	150	150	150	150	150
Enrollment	106	100	94	81	76	90	91	91	81	86

Number of Schools at June 30, 2011:
Elementary = 1
Middle School = 0
Senior High School = 0
Other = 0

Source: District Facilities Office

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

ROOSEVELT SCHOOL DISTRICT

SCHEDULE OF REQUIRED MAINTENANCE

LAST TEN FISCAL YEARS
(UNAUDITED)

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

*School Facilities	Project # (s)	Roosevelt Elementary	Total
2002	N/A	$ 47,151.81	$ 47,151.81
2003	N/A	51,614.17	51,614.17
2004	N/A	64,465.29	64,465.29
2005	N/A	55,645.63	55,645.63
2006	N/A	72,022.75	72,022.75
2007	N/A	80,135.29	80,135.29
2008	N/A	90,079.09	90,079.09
2009	N/A	52,874.09	52,874.09
2010	N/A	117,188.38	117,188.38
2011	N/A	124,012.04	124,012.04
Total School Facilities		$ 755,188.54	$ 755,188.54

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

Source: District records

Exhibit J-20

ROOSEVELT SCHOOL DISTRICT

INSURANCE SCHEDULE

JUNE 30, 2011
(UNAUDITED)

	Coverage	Deductible
School Package Policy (4):		
Building and Contents (All Locations)	$ 3,309,417	
Boiler and Machinery	100,000,000	
General Automobile Liability	5,000,000	
School Board Legal Liability (1)	6,000,000	$ 15,000
Employers Liability	2,000,000	
Workers' Compensation	Statutory	
Student Accident Insurance (2)	1,000,000	
Surety Bonds (2):		
Treasurer	180,000	
Board Secretary/Business Administrator	75,000	
Environmental (4)	1,000,000	1,000
"CAP" - Excess Liability (5)	50,000,000	
Umbrella	5,000,000	

(1) New Jersey School Board Association Insurance Group
(2) Markel/McCloskey
(3) Selective Insurance Company
(4) School Alliance Insurance Fund
(5) Firemans Fund

Source: District records

SINGLE AUDIT SECTION

Hutchins, Farrell, Meyer & Allison, P.A.
Certified Public Accountants • Business & Financial Advisors

Robert H. Hutchins, CPA, CVA, CFF
Eugene M. Farrell, CPA, RMA, CFP
Robert W. Allison, CPA, RMA
Alan E. Meyer, CPA/ABV, CFF
Joann DiLieto, CPA

Patrice R. Antonucci, CPA
Glenn G. VanPell, CPA
Karen D. Davis, CPA, CVA
Crystal L. Fitzpatrick, CPA
Hélène T. Morizzo, CPA

Monmouth County Office
912 Highway 33 • Suite 2
Freehold, NJ 07728
(732) 409-0800
Fax: (732) 866-9312

Ocean County Office
512 Main Street • PO Box 1778
Toms River, NJ 08754
(732) 240-5600
Fax: (732) 505-8358

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

Honorable President and Members
of the Board of Education
Roosevelt School District
County of Monmouth
Roosevelt, New Jersey

We have audited the financial statements of the Board of Education of the Roosevelt School District, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated November 23, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board of Education of the Roosevelt School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board of Education of the Roosevelt School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Board of Education of the Roosevelt School 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 would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Board's financial statements that is more than inconsequential will not be prevented or detected by the Board's internal control. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs (Finding #s2011-4 and 2011-5) to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Board's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the significant deficiencies described above to be material weaknesses.

Compliance and Other Matters

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

However, we noted certain other matters involving internal control that we have reported to the Board of Education of the Roosevelt School District in a separate Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance, dated November 23, 2011.

Honorable President and Members
of the Board of Education
Roosevelt School District
County of Monmouth
Roosevelt, New Jersey
Page 3

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

Robert W. Allison
Licensed Public School Accountant
No. 897
Hutchins, Farrell, Meyer & Allison, P.A.

November 23, 2011

Hutchins, Farrell, Meyer & Allison, P.A.
Certified Public Accountants • Business & Financial Advisors

Robert H. Hutchins, CPA, CVA, CFF
Eugene M. Farrell, CPA, RMA, CFP
Robert W. Allison, CPA, RMA
Alan E. Meyer, CPA/ABV, CFF
Joann DiLieto, CPA

Patrice R. Antonucci, CPA
Glenn G. VanPell, CPA
Karen D. Davis, CPA, CVA
Crystal L. Fitzpatrick, CPA
Hélène T. Morizzo, CPA

Monmouth County Office
912 Highway 33 • Suite 2
Freehold, NJ 07728
(732) 409-0800
Fax: (732) 866-9312

Ocean County Office
512 Main Street • PO Box 1778
Toms River, NJ 08754
(732) 240-5600
Fax: (732) 505-8358

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

The Honorable President and
Members of the Board of Education
Roosevelt School District
County of Monmouth
Roosevelt, New Jersey

Compliance

We have audited the compliance of the Board of Education of the Roosevelt School District, in the County of Monmouth, State of New Jersey, with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") Circular A-133 Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2011. Roosevelt Board of Education's major 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 state programs is the responsibility of the Roosevelt Board of Education's management. Our responsibility is to express an opinion on the Roosevelt Board of Education's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and New Jersey OMB 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 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 state program occurred. An audit includes examining, on a test basis, evidence about the Roosevelt Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Roosevelt Board of Education's compliance with those requirements.

In our opinion, the Board of Education of the Roosevelt School District, in the County of Monmouth, State of New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2011.

Internal Control Over Compliance

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

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

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

The Honorable President and
Members of the Board of Education
Roosevelt School District
County of Monmouth
Roosevelt, New Jersey
Page 3

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

Robert W. Allison
Licensed Public School Accountant
No. 897
Hutchins, Farrell, Meyer & Allison, P.A.

November 23, 2011

ROOSEVELT SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the fiscal year ended June 30, 2011

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2010	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance at June 30, 2011 (Accounts Receivable)	Balance at June 30, 2011 Deferred Revenue	Balance at June 30, 2011 Due To Grantor
U.S. Department of Agriculture:													
Passed-Through State Department of Education:													
Special Milk Program	10.556	N/A	$ 1,175.95	09/01/10	06/30/11			$ 1,020.99	$ (1,175.95)		$ (154.96)		
Total U.S. Department of Agriculture								1,020.99	(1,175.95)		(154.96)		
U.S. Department of Education:													
General Fund													
A.R.R.A. - SFSF - ESF (Educational Services)	84.394	10-495-034-5120-078	72,119.00	07/01/09	06/30/10	$ (20,031.00)		20,031.00					
A.R.R.A. - SFSF - GSF (Government Services)	84.397	10-495-034-5120-078	2,792.00	07/01/09	06/30/10	(776.00)		776.00					
Passed-Through State Department of Education:													
Special Revenue Fund													
Rural Education Achievement Program	84.358A	S358A051430	20,684.00	07/01/09	09/30/10	(20,684.00)		20,684.00					
Rural Education Achievement Program	84.358A	S358A051430	21,064.00	07/01/10	09/30/11			21,064.00	(21,064.00)				
I.D.E.A. Part B, Basic	84.027	IDEA452011	31,429.00	09/01/10	08/31/11			26,716.00	(27,594.64)		(878.64)		
A.R.R.A. I.D.E.A. Part B, Basic	84.391	IDEA452011	28,980.00	07/01/09	08/31/11	3,595.88			(19,273.00)		(15,677.12)		
I.D.E.A. Part B, Basic	84.027	IDEA452010	32,464.00	09/01/09	08/31/10	(1,085.00)		6,496.00	(5,411.00)				
A.R.R.A. I.D.E.A. Part B, Preschool	84.392	IDEA452011	1,049.00	07/01/09	08/31/11				(1,049.00)		(1,049.00)		
I.D.E.A. Part B, Preschool	84.173	IDEA452010	1,480.00	09/01/09	08/31/10	(1,480.00)		1,480.00					
I.D.E.A. Part B, Preschool	84.173	IDEA452011	1,503.00	09/01/10	08/31/11			1,503.00	(1,503.00)				
Title II - Part A - Improving Teacher Quality State Grants	84.168	NCLB452010	2,285.00	09/01/09	08/31/10	(125.00)		125.00	(2,160.00)		(2,160.00)		
Title II - Part A - Improving Teacher Quality State Grants	84.168	NCLB452011	1,926.00	09/01/10	08/31/11			1,926.00	(1,926.00)				
Title IV - Safe and Drug-Free School Communities	84.188	NCLB452010	125.00	09/01/09	08/31/10	(125.00)					(125.00)		
Total U.S. Department of Education						(40,710.12)		100,801.00	(79,980.64)		(19,889.76)		
Total Federal Financial Awards						$ (40,710.12)	$ 0.00	$ 101,821.99	$ (81,156.59)	$ 0.00	$ (20,044.72)	$ 0.00	$ 0.00

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

ROOSEVELT SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

For the fiscal year ended June 30, 2011

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2010 Deferred Revenues/ (Accounts Receivable)	Balance at June 30, 2010 Due To Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance at June 30, 2011 (Accounts Receivable)	Balance at June 30, 2011 Deferred Revenue	Balance at June 30, 2011 Due To Grantor	Memo Budgetary Receivable	Memo Cumulative Total Expenditures
State Department of Education															
General Fund															
Equalization Aid	11-495-034-5120-078	$ 485,064.00	07/01/10	06/30/11				$ 485,064.00	$ (485,064.00)					$ (47,921.92)	$ 485,064.00
Security Aid	11-495-034-5120-084	8,640.00	07/01/10	06/30/11				8,640.00	(8,640.00)					(853.59)	8,640.00
Special Education Categorical Aid	11-495-034-5120-089	64,903.00	07/01/10	06/30/11				64,903.00	(64,903.00)					(6,412.09)	64,903.00
Adjustment Aid	11-495-034-5120-085	56,873.00	07/01/10	06/30/11				56,873.00	(56,873.00)					(5,618.77)	56,873.00
Transportation Aid	11-495-034-5120-057	69,190.00	07/01/10	06/30/11				69,190.00	(69,190.00)					(6,835.63)	69,190.00
Extraordinary Aid	10-495-034-5120-044	22,115.00	07/01/09	06/30/10	$ (22,115.00)			22,115.00							
Non-Public Transportation Aid	11-495-034-5120-014	1,392.00	07/01/10	06/30/11					(1,392.00)		$ (1,392.00)			(1,392.00)	1,392.00
Non-Public Transportation Aid	10-495-034-5120-014	2,255.00	07/01/09	06/30/10	(2,255.00)			2,255.00							
On-Behalf TPAF Pension System Contribution - NCGI Premium	11-495-034-5095-007	2,347.00	07/01/10	06/30/11				2,347.00	(2,347.00)						2,347.00
On-Behalf TPAF Pension System Contribution - Post Retirement	11-495-034-5095-001	49,853.00	07/01/10	06/30/11				49,853.00	(49,853.00)						49,853.00
Reimbursed TPAF Social Security Contributions	11-495-034-5095-002	60,294.94	07/01/10	06/30/11				60,294.94	(60,294.94)						60,294.94
Reimbursed TPAF Social Security Contributions	10-495-034-5095-002	57,621.20	07/01/09	06/30/10	(11,065.02)			11,065.02							
Reimbursed TPAF Social Security Contributions	06-495-034-5095-002	48,991.99	07/01/05	06/30/06	(38.15)						(38.15)			(38.15)	
Reimbursed TPAF Social Security Contributions	05-495-034-5095-002	49,013.10	07/01/04	06/30/05	(17.10)						(17.10)			(17.10)	
Total General Fund					(35,490.27)			832,599.96	(798,556.94)		(1,447.25)			(69,089.25)	798,556.94
Debt Service Fund															
Debt Service Aid - Type II	11-100-034-5120-124	22,148.00	07/01/10	06/30/11				22,148.00	(22,148.00)						
Total Debt Service Fund								22,148.00	(22,148.00)						
Special Revenue Fund															
N.J. Nonpublic Textbook Aid	10-100-034-5120-064	1,042.00	07/01/09	06/30/10		$ 1,042.00				$ (1,042.00)					
N.J. Nonpublic Nursing Services Aid	11-100-034-5120-070	606.00	07/01/10	06/30/11				606.00					$ 606.00		
N.J. Nonpublic Nursing Services Aid	10-100-034-5120-070	1,235.00	07/01/09	06/30/10		1,235.00				(1,235.00)					
Total Special Revenue Fund						2,277.00		606.00		(2,277.00)			606.00		
Total State Financial Assistance					$ (35,490.27)	$ 2,277.00	$ 0.00	$ 855,353.96	$ (820,704.94)	$ (2,277.00)	$ (1,447.25)	$ 0.00	$ 606.00	$ (69,089.25)	$ 798,556.94

D=Deficit, not Accounts Receivable, due to expenditures exceeding last state aid payment.

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

ROOSEVELT SCHOOL DISTRICT

NOTES TO SCHEDULES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE

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 ("Board") of Roosevelt School District ("District"). The Board 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, are included on the Schedules 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 bases of accounting are described in Note 1 to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

3. Relationship to Basic Financial Statements

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

The General Fund is presented in the accompanying Schedules on the modified accrual basis, with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97.(A3521). For GAAP purposes, that payment is not recognized until the subsequent budget year due to the State deferral and recording of the last state aid payment in the subsequent year. The Special Revenue Fund is presented in the accompanying Schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The Special Revenue Fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

ROOSEVELT SCHOOL DISTRICT

NOTES TO SCHEDULES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE

June 30, 2011

3. Relationship to Basic Financial Statements (Cont'd)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $13,526.00 for the General Fund and $13,460.19 for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the General and Special Revenue Funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund		$ 812,082.94	$ 812,082.94
Special Revenue Fund	$ 67,035.27		67,035.27
Debt Service Fund		22,148.00	22,148.00
Food Service Fund	1,175.95		1,175.95
Total Awards and Financial Assistance	$ 68,211.22	$ 834,230.94	$ 902,442.16

During the year ended June 30, 2011, the State of New Jersey contributed $2,347.00 to the Teachers' Pension and Annuity Fund for NCGI premiums and $49,853.00 for post-retirement medical benefits on behalf of the District.

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. Federal and State Loans Outstanding

Not applicable.

6. Other

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

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
1) Material weakness(es) identified?	x yes ____ no
2) Significant deficiencies identified that are not considered to be material weaknesses?	____ yes x none reported
Noncompliance material to basic financial statements noted?	____ yes x no

State Awards

Dollar threshold used to distinguish between type A and type B programs?	$300,000.00
Auditee qualified as low-risk auditee?	x yes ____ no
Type of auditor's report issued in compliance for major programs:	Unqualified
Internal Control over major programs:	
1) Material weakness(es) identified?	____ yes x no
2) Significant deficiencies identified that are not considered to be material weaknesses?	____ yes x none reported
Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 04-04?	____ yes x no

Identification of major programs:

State Grant/Project Number(s)	Name of State Program
11-495-0345120-078	Equalization Aid

ROOSEVELT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(continued)

Section II - Financial Statement Findings

This section identifies the material weaknesses, significant deficiencies, and instances of noncompliance related to the financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of Government Auditing Standards.

Finding #2011-4:

Condition:

The District's bank reconciliations did not agree to the General Ledger.

Criteria:

It is critical to the internal controls over the safe-keeping of the District's assets that bank reconciliations be performed timely and accurately.

Cause:

The Business Office experienced a shortage in personnel due to illness.

Effect:

The District's financial statements required significant audit adjustments.

Recommendation:

The District should reconcile all bank balances to General Ledger balances on a timely basis.

ROOSEVELT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(continued)

Section II - Financial Statement Findings
(continued)

Finding #2011-5:

Condition:

Beginning General Ledger balances did not agree to prior-year audited balances.

Criteria:

It is critical to the internal controls over the safe-keeping of the District's assets that the beginning balances are in agreement with the prior-year audit.

Cause:

The Business Office experienced a shortage in personnel due to illness.

Effect:

The District's financial statements required significant audit adjustments.

Recommendation:

Beginning balances should be agreed to the prior-year audit on a timely basis.

Section III - State Financial Assistance Findings and Questioned Costs

This section identifies audit findings required to be reported by NJOMB Circular 04-04.

None reported.

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

This section identifies the status of prior-year findings related to the general-purpose financial statements and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, and NJOMB Circular 04-04.

STATUS OF PRIOR-YEAR FINDINGS

Prior-year finding 2010-1 remains an exception shown as finding 2011-4.