

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

**Borough of South Plainfield School District
Board of Education
South Plainfield, New Jersey**

For the Fiscal Year Ended June 30, 2011

Prepared by

**Borough of South Plainfield School District
Board of Education
Finance Department**

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

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INTRODUCTORY SECTION

South Plainfield Board of Education

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Dr. Gary Bowen
Interim Superintendent
of Schools

Dr. Frank A. Cocchiola
Interim Assistant
Superintendent

Mr. Mark Resnick
Interim Business Administrator/
Board Secretary

November 30, 2011

Honorable President and
Members of the Board of Education
South Plainfield School District
County of Middlesex, New Jersey

Dear Board Members:

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

The District has implemented Statement No. 34 of the Governmental Accounting Standards Board (GASB) entitled *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This standard, issued in June 1999, creates a new reporting model of financial information and disclosure, which represents a significant departure from the previously used reporting model. The reader will notice that the two main basic financial statements created by this standard, the Statement of Net Assets and the Statement of Activities, do not contain numerous columns for various funds that have been seen in past governmental financial statements. These two financial statements consolidate much of the detailed information contained in fund based financial statements of the South Plainfield School District.

Also required as part of "Required Supplementary Information" by GASB Statement No. 34 is a "Management's Discussion and Analysis" (MD&A) which allows the District to explain in layman's terms its financial position and results of operations of the past fiscal year.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, Management's Discussion and Analysis (MD&A), supplemental information, the combining of individual schedules as well as the auditor's report thereon. The statistical section includes selected financial and demographic information,

generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended, and the U.S. Office of Management and Budget 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*. 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.

Generally accepted accounting principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A of South Plainfield School District can be found immediately following the report of the independent auditors.

1. Reporting Entity and its Services: South Plainfield School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds of the District are included in this report. The South Plainfield Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, limited English-proficient, as well as special education for educationally handicapped youngsters.

The District operated the 2010-2011 fiscal year with an enrollment of 3713.0 students, which is .7% less students than the previous year's enrollment. The following details the changes in the student enrollment of the district over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2010-2011	3,713.0	<0.70%>
2009-2010	3,739.0	.91%
2008-2009	3,705.4	<0.43%>
2007-2008	3,721.3	<2.00%>
2006-2007	3,797.2	0.02%
2005-2006	3,791.3	<1.36%>
2004-2005	3,843.5	0.34%
2003-2004	3,830.6	0.78%
2002-2003	3,801.0	1.18%
2001-2002	3,756.8	1.76%

2. Economic Condition and Outlook: South Plainfield's economy benefits from its location as a convenient commutation point to major employment centers, including New York City. The economy mirrors the national economy that is reportedly ending a recession but has not yet recovered.
3. Internal Accounting Controls: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principals (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that recognizes: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

4. Budgetary Controls: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

5. Accounting System and Reports: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The District had implemented GASB No. 34 for the fiscal year ended June 30, 2006 as explained in the Notes to the Basic Financial Statements.
6. Debt Administration: The Board of Education issued bonds to pay for the school district's capital project. The proposal was approved by the voters at the April 17, 2001 school election for a total of \$19,283,380.00. The State's share of the project was \$6,647,000, and the local share of the project was \$12,636,380.00. The project included the building of a new elementary school; expansion of Grant School to include grades 5 and 6; and two (2) contracts for electrical and technology upgrades. On August 14, 2009 the Board of Education sold and issued \$9,765,000 Refunding School Bonds resulting in a savings of \$341,112. As of June 30, 2011, the outstanding principal was \$10,495.00.
7. Cash Management: The investment policy of the District is guided in large part by state statute as detailed in the "Notes to Basic Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit its funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
8. Risk Management: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.
9. Other Information:

Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of VM Associates, CPA's, was selected by the Board. In addition to meeting the requirements set forth in

state statutes, the audit also was designed to meet the requirements of the Single Audit Act, as amended, and the related OMB Circular A-133 and New Jersey OMB Circular 04-04. The auditor's report of the CAFR is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

10. Acknowledgments:

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

Respectfully submitted,



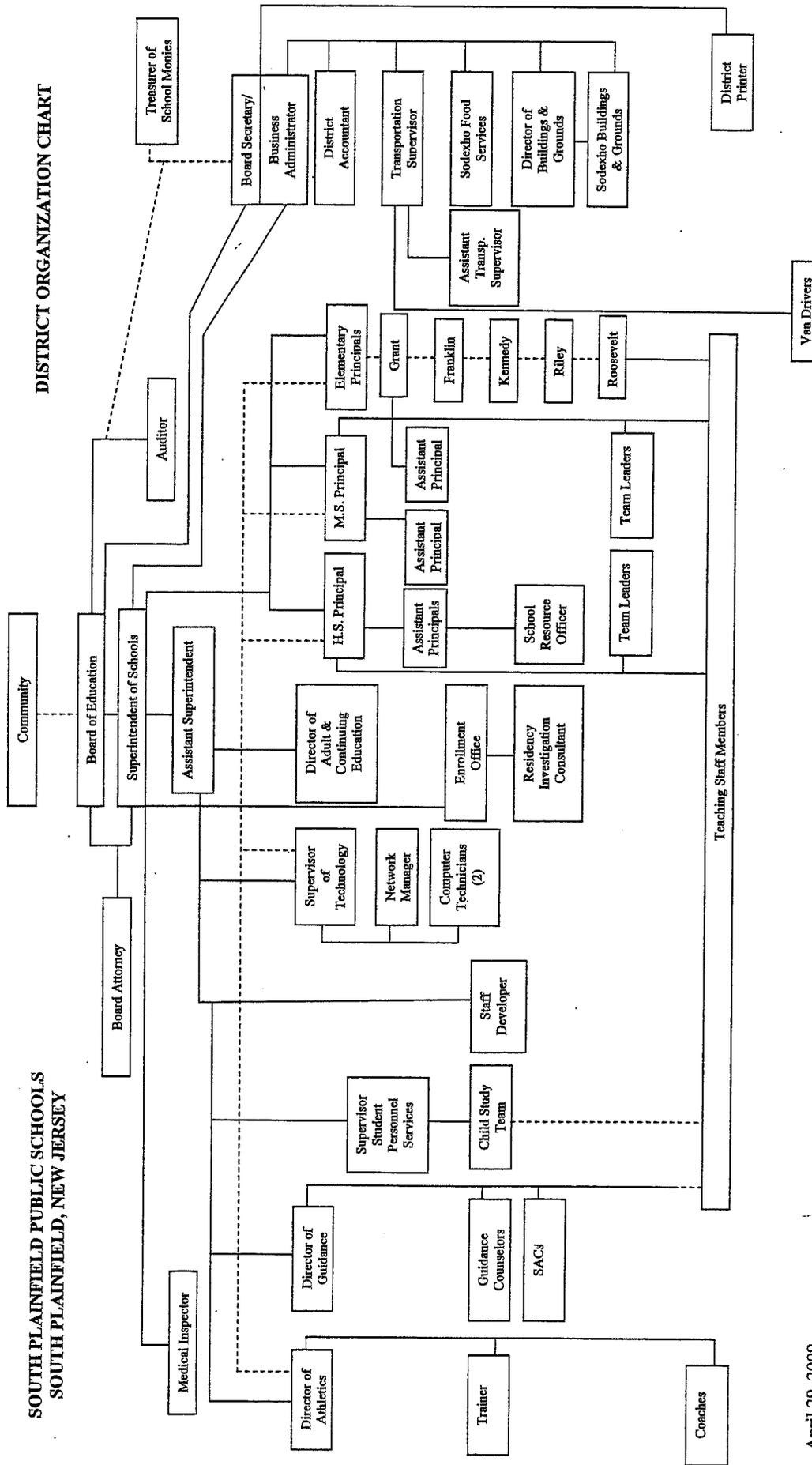
Gary R. Bowen, Ed.D.
Interim Superintendent of Schools



Mark Resnick
Interim School Business Administrator/
Board Secretary

**SOUTH PLAINFIELD PUBLIC SCHOOLS
SOUTH PLAINFIELD, NEW JERSEY**

DISTRICT ORGANIZATION CHART



BOROUGH OF SOUTH PLAINFIELD BOARD OF EDUCATION

ROSTER OF OFFICIALS JUNE 30, 2011

<u>Members of the Board of Education</u>		<u>Term Expires</u>
Jim Giannakis	President	2012
Pio Pennisi	Vice-President	2011
Steven D. Bohn	Member	2011
Deborah Boyle	Member	2013
Carol Byrne	Member	2012
Christopher Hubner	Member	2013
Sharon R. Miller	Member	2011
William Seesselberg	Member	2012
Gary Stevenson	Member	2013

Other Officials

Dr. Gary Bowen	Acting Superintendent
Nicholas C. Puleio	Interim Business Administrator/Board Secretary
Glenn Cullen	Treasurer of School Monies

BOROUGH OF SOUTH PLAINFIELD BOARD OF EDUCATION
CONSULTANTS AND ADVISORS

AUDIT FIRM

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111 Howard Boulevard, Suite 212
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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT



VM ASSOCIATES, INC.

Vincent M. Montanino, RMA, PSA
Michael S. Zambito, CPA, RMA
Antonia Russo, Associate

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Borough of South Plainfield School District
County of Middlesex, New Jersey

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Borough of South Plainfield School District as of and for the 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 Borough of South Plainfield School District's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Borough of South Plainfield School District 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 30, 2011 on our consideration of the Borough of South Plainfield School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on 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.

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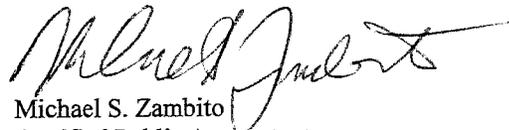
The Management's Discussion and Analysis on page 13 through 19 and budgetary comparison information on schedules C-1 and C-2 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of South Plainfield School District's basic financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and long-term debt schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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



Vincent M. Montanino
Public School Accountant
License No. CS000495



Michael S. Zambito
Certified Public Accountant
License No. 20CC00789500

November 30, 2011

**REQUIRED SUPPLEMENTARY INFORMATION -
PART I**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Borough of South Plainfield School District financial activities for the fiscal year ended June 30, 2011. Please read it in conjunction with the transmittal letter on page 1 and the District's financial statements, which begin on page 22.

FINANCIAL HIGHLIGHTS

- The District's net assets decreased \$22,148.32 as a result of this year's operations. Net assets of our business-type activities increased by \$78,936.94, or 6.8 percent, and net assets of our governmental activities decreased by \$101,085.26 or 0.07 percent.
- Total cost of all of the District's programs was \$56,116,433.51 in 2010-2011 compared to \$59,572,570.62 in 2009-2010.
- During the year, the District had expenses for governmental activities that were \$101,085.26 more than the \$53,900,370.50 generated in tax and other program revenues.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 22 and 23) provide information about the activities of the District as a whole and present a longer-term view on the District's finances. Fund financial statements start on page 26. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operation in more detail than the government-wide statements by providing information about the District's most financially significant funds

Reporting the District as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the District as a whole begins on page 15. One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in them. You can think of the District's net assets, the difference between assets and liabilities, as one way to measure the District's financial health, or *financial position*. Over time, *increases* or *decreases* in the District's net assets are one indicator whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's property tax base, and the condition of the District's capital assets to assess the overall *health* of the District.

In the Statement of Net Assets and the Statement of Activities, we divide the District into two kinds of activities:

- Governmental activities: most of the District's basic services are reported here, including general administration. Local taxes, tuition and state and federal aid finance most of these activities.
- Business-type-activities: the District has four proprietary funds as shown on pages 30 to 32.

Reporting the District's Most Significant Funds

Fund Financial Statements

Our analysis of the District's major funds begins on page 17. The fund financial statements begin on page 26 and provide detailed information about the most significant funds-not the District as a whole. Some funds are required to be established by State law. The District's two kinds of funds, governmental and proprietary, use different accounting approaches.

Governmental funds: most of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. 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 District's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation on page 28.

Proprietary funds: when the District charges customers for the full cost of the services it provides, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the District's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or *fiduciary*, for the Unemployment Compensation Trust, Scholarship Funds and Agency Funds. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages 34 and 35. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE DISTRICT AS A WHOLE

The District's *combined* net assets changed from a year ago, *increasing* from \$14,159,188.05 to \$14,137,039.73. Looking at the net assets and net expenses of governmental and business-type activities separately, different stories emerge. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the District's governmental and business-type activities as of June 30.

Table 1
Net Assets (in Thousands)

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2011	2010	2011	2010	2011	2010
Current and Other Assets	\$6,023,943.73	\$7,176,909.04	\$1,296,086.24	\$1,258,878.54	\$7,320,029.97	\$8,435,787.58
Capital Assets	18,957,711.01	18,684,986.00	77,411.00	90,092.00	19,035,122.01	18,775,078.00
Total Assets	24,981,654.74	25,861,895.04	1,373,497.24	1,348,970.54	26,355,151.98	27,210,865.58
Long-Term Debt Outstanding	11,355,433.22	12,108,561.09			11,355,433.22	12,108,561.09
Other Liabilities	715,257.99	741,285.16	147,421.04	201,831.28	862,679.03	943,116.44
Total Liabilities	12,070,691.21	12,849,846.25	147,421.04	201,831.28	12,218,112.25	13,051,677.53
Net Assets:						
Invested in Capital Assets, Net of Debt	8,462,711.01	7,499,986.00	77,411.00	90,092.00	8,540,122.01	7,590,078.00
Restricted	5,156,706.53	5,861,709.58			5,156,706.53	5,861,709.58
Unrestricted (deficit)	(708,454.01)	(349,646.79)	1,148,665.20	1,057,047.26	440,211.19	707,400.47
Total Net Assets	\$12,910,963.53	\$13,012,048.79	\$1,226,076.20	\$1,147,139.26	\$14,137,039.73	\$14,159,188.05

Net assets of the District's governmental activities decreased by 0.77 percent. Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – decreased \$358,807.22. Restricted net assets, those restricted mainly for capital projects decreased by \$705,003.05. The investment in capital assets net of debt category increased by \$962,725.01.

Table 2
Changes in Net Assets

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues:						
Charges for Services	\$ 744,247.36	\$ 131,188.00	\$ 1,746,870.17	\$ 1,722,025.34	\$ 2,491,117.53	\$ 1,853,213.34
Operating Grants and Contributions	8,369,423.27	8,354,393.80	442,430.88	422,601.49	8,811,854.15	8,776,995.29
General Revenues:						
Property Taxes	40,189,888.11	39,864,996.58			40,189,888.11	39,864,996.58
Federal and State Aid	4,452,377.73	9,538,921.14			4,452,377.73	9,538,921.14
Interest and Investment Earnings	24,138.57	134,801.16	4,613.64	8,875.99	28,752.21	143,677.15
Other General Revenues	120,295.46	505,618.63	-	23,263.10	120,295.46	528,881.73
Total Revenues:	53,900,370.50	58,529,919.31	2,193,914.69	2,176,765.92	56,094,285.19	60,706,685.23
Program Expenses Including Indirect Expenses						
Instruction:						
Regular	24,293,198.98	24,613,370.65			24,293,198.98	24,613,370.65
Special	7,674,924.09	7,502,097.73			7,674,924.09	7,502,097.73
Other Instruction	1,815,959.57	1,920,632.43			1,815,959.57	1,920,632.43
Support services:						
Tuition	1,134,463.47	1,252,047.47			1,134,463.47	1,252,047.47
Student and Instruction Related Services	5,901,184.86	6,341,026.82			5,901,184.86	6,341,026.82
School Administrative Services	3,022,551.45	3,013,614.68			3,022,551.45	3,013,614.68
General and Business Administrative Services	2,776,402.26	2,524,526.89			2,776,402.26	2,524,526.89
Plant Operations and Maintenance	4,811,259.23	5,562,927.82			4,811,259.23	5,562,927.82
Pupil Transportation	1,896,037.43	2,048,352.19			1,896,037.43	2,048,352.19
Special Schools	42,467.72	605,640.86			42,467.72	605,640.86
Charter Schools	8,044.36	32,262.00			8,044.36	32,262.00
Interest on Long-Term Debt	431,234.89	416,205.42			431,234.89	416,205.42
Debt Service Assessment	68,734.00	-			68,734.00	-
Special Items	124,993.45	1,753,757.59			124,993.45	1,753,757.59
Business-Type Activities:						
Food Services			1,209,946.00	1,163,547.83	1,209,946.00	1,163,547.83
Preschool			240,803.66	219,024.39	240,803.66	219,024.39
Latchkey			391,478.86	333,947.36	391,478.86	333,947.36
Adult and Continuing Education	-	-	272,749.23	269,588.49	272,749.23	269,588.49
Total Expenses	54,001,455.76	57,586,462.55	2,114,977.75	1,986,108.07	56,116,433.51	59,572,570.62
Increase (Decrease) in Net Assets	\$ (101,085.26)	\$ 943,456.76	\$ 78,936.94	\$ 190,657.85	\$ (22,148.32)	\$ 1,134,114.61

THE DISTRICT'S FUNDS

Governmental Activities

Table 3

Information below compares revenues and expenditures for all governmental fund types for 2010-2011 and 2009-2010.

<u>Revenues by Source:</u>	<u>2010-2011</u>	<u>2009-2010</u>	<u>% Change</u>
Local Tax Levy	\$ 40,621,123.00	\$ 40,281,202.00	0.84%
Tuition Charges	535,779.36	10,584.00	100.00%
Transportation Fees	208,468.00	120,604.00	72.85%
Interest Earned to Investments	24,138.57	134,801.16	-82.09%
Miscellaneous	120,295.46	505,618.63	-76.21%
Total - Local Sources	41,509,804.39	41,052,809.79	1.11%
State Sources	10,847,991.41	14,480,558.03	-25.09%
Federal Sources	1,542,574.70	2,996,551.49	-48.52%
Total Revenues	\$ 53,900,370.50	\$ 58,529,919.31	-7.91%

<u>Expenditures by Function:</u>	<u>2010-2011</u>	<u>2009-2010</u>	<u>% Change</u>
Current:			
Regular Instruction	17,343,994.43	18,171,974.13	-4.56%
Special Education	5,852,405.42	5,892,110.41	-0.67%
Other Instruction	1,405,314.11	1,533,099.43	-8.34%
Support Services and Undistributed Costs:			
Tuition	1,134,463.47	1,252,047.47	-9.39%
Student and Instruction Related Services	4,395,094.38	4,864,502.50	-9.65%
School Administrative Services	2,155,639.57	2,174,202.40	-0.85%
General and Business Administrative Services	2,219,680.88	2,113,187.89	5.04%
Plant Operations and Maintenance	4,064,956.25	4,760,982.11	-14.62%
Pupil Transportation	1,627,766.75	1,690,549.46	-3.71%
Employee Benefits	12,201,179.13	11,397,191.29	7.05%
Capital Outlay	1,273,541.01	3,651,216.96	-65.12%
Charter School	8,044.36	32,262.00	-75.07%
Special Schools	30,266.54	449,499.35	-93.27%
Debt Service Assessment	68,734.00	-	100.00%
Debt Service:			
Principal	690,000.00	660,000.00	4.55%
Interest on Long-Term Debt	446,125.00	463,691.04	-3.79%
Other Adjustments	124,993.45	-	100.00%
Total Expenditures	\$ 55,042,198.75	\$ 59,106,516.44	-6.88%

Business-type Activities

The District's major Enterprise Funds consist of the Food Service, Preschool Program, Latchkey Program, and the Adult Education Program. The basic financial statements for the major funds are included in this report. Because the focus on business-type funds is a cost of service measurement or capital maintenance, we have included these funds in Table 4, which demonstrates return on ending assets and return on ending net assets.

Table 4

	Food Service	Preschool Program	Latchkey Program	Adult Education
Total Assets	\$ 269,165.78	\$ 271,133.25	\$ 549,665.12	\$ 283,533.09
Net Assets	168,250.32	230,258.25	544,124.54	283,443.09
Change in Net Assets	4,053.36	48,766.80	(6,109.33)	32,226.11
Return on Ending Total Assets	1.51 %	17.99 %	(1.11) %	11.37
Return on Ending Net Assets	2.41 %	21.18 %	(1.12) %	11.37

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Table 5

**Capital Assets at Year-end
(Net of Depreciation)**

Governmental Activities		Business-type Activities		Totals	
2011	2010	2011	2010	2011	2010
\$ 1,265,266.00	\$ 1,265,266.00			\$ 1,265,266.00	\$ 1,265,266.00
2,861,340.00	2,861,340.00			2,861,340.00	2,861,340.00
31,730,068.00	31,730,068.00			31,730,068.00	31,730,068.00
5,357,696.00	5,357,696.00	377,880.00	377,880.00	5,735,576.00	5,735,576.00
1,273,541.01	-	-	-	1,273,541.01	-
42,487,911.01	41,214,370.00	377,880.00	377,880.00	42,865,791.01	41,592,250.00
(23,530,200.00)	(22,529,384.00)	(300,469.00)	(287,788.00)	(23,830,669.00)	(22,817,172.00)
\$ 18,957,711.01	\$ 18,684,986.00	\$ 77,411.00	\$ 90,092.00	\$ 19,035,122.01	\$ 18,775,078.00

This year's major additions in the Governmental Activities included construction in progress for building improvements to the HVAC system at the high school, machinery and equipment.

More detailed information about the District capital assets is presented in Note II:C. to the basic financial statements

DEBT

At year – end the District had total debt of \$11,355,433.22 outstanding versus \$12,108,561.09 last year – a decrease of 6.63 percent – as shown in Table 6.

**Outstanding Debt, at Year –End
Table 6**

		Governmental	
		Activities	
		2011	2010
Serial Bonds		\$ 10,495,000.00	\$ 11,185,000.00
Compensated Absences		860,433.22	923,561.09
		<u>\$ 11,355,433.22</u>	<u>\$ 12,108,561.09</u>

An analysis of District Debt is presented in Note III:B. to the basic financial statements.

BUDGETS

The significant variances between the originally adopted budget for the 2010-2011 school year and the final budget were caused by the treatment of 2009-2010 encumbrances that are added to the original budget. See Exhibit C-1 for an analysis of the budget variances.

It should be noted that there were a number of transfers within the budget itself from one line account to another. These transfers were approved by the board to address unanticipated expenditures that arose after the budget was drafted.

CONTACTING THE DISTRICT’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District’s finances and to show the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School Business Administrator, Borough of South Plainfield School District, 125 Jackson Avenue, South Plainfield, NJ 07080.

BASIC FINANCIAL STATEMENTS

SECTION A
DISTRICT – WIDE FINANCIAL STATEMENTS

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Statement of Net Assets
June 30, 2011**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,245,095.82	\$ 1,145,641.30	\$ 2,390,737.12
Receivables, Net	4,132,834.23	44,749.97	4,177,584.20
Interfund Receivable	-		-
Inventory		21,344.67	21,344.67
Restricted Assets:			
Cash and Cash Equivalents	646,013.68		646,013.68
Capital Assets, Net	<u>18,957,711.01</u>	<u>77,411.00</u>	<u>19,035,122.01</u>
Total Assets	<u>24,981,654.74</u>	<u>1,373,497.24</u>	<u>26,355,151.98</u>
LIABILITIES			
Accounts Payable	-	100,956.04	100,956.04
Interfund Payable	84,350.30	-	84,350.30
Payable to Federal Government	91.36		91.36
Payable to State Government	54,278.30		54,278.30
Bond Interest Payable	196,963.02		196,963.02
Deferred Revenue	379,575.01	46,465.00	426,040.01
Noncurrent Liabilities:			
Due Within One Year	730,000.00		730,000.00
Due Beyond One Year	<u>10,625,433.22</u>	<u>-</u>	<u>10,625,433.22</u>
Total Liabilities	<u>12,070,691.21</u>	<u>147,421.04</u>	<u>12,218,112.25</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	8,462,711.01	77,411.00	8,540,122.01
Restricted For:			
Special Revenue Fund	(5,280.00)		(5,280.00)
Capital Projects	1,628,534.31		1,628,534.31
Debt Service	(50,714.96)		(50,714.96)
Other Purposes	3,584,167.18		3,584,167.18
Unrestricted	<u>(708,454.01)</u>	<u>1,148,665.20</u>	<u>440,211.19</u>
Total Net Assets	<u>\$12,910,963.53</u>	<u>\$ 1,226,076.20</u>	<u>\$ 14,137,039.73</u>

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

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Statement of Activities
For the Year Ended June 30, 2011**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 24,293,198.98	\$ 535,779.36	\$ 2,153,628.07	\$ -	\$ (21,603,791.55)	\$ -	\$ (21,603,791.55)
Special Education	7,674,924.09		4,326,932.75		(3,347,991.34)		(3,347,991.34)
Other	1,815,959.57		120,476.28		(1,695,483.29)		(1,695,483.29)
Support Services:							
Tuition	1,134,463.47				(1,134,463.47)		(1,134,463.47)
Student and Instruction Related Services	5,901,184.86		470,187.07		(5,430,997.79)		(5,430,997.79)
School Administrative Services	3,022,551.45		262,191.54		(2,760,359.91)		(2,760,359.91)
General and Business Administrative Services	2,414,732.82		144,644.78		(2,270,088.04)		(2,270,088.04)
Information and Technology Services	361,669.44				(361,669.44)		(361,669.44)
Plant Operations and Maintenance	4,811,259.23				(4,811,259.23)		(4,811,259.23)
Pupil Transportation	1,896,037.43	208,468.00	434,860.83		(1,252,708.60)		(1,252,708.60)
Special Schools	42,467.72		25,267.06		(17,200.66)		(17,200.66)
Charter Schools	8,044.36				(8,044.36)		(8,044.36)
Interest on Long-Term Debt	431,234.89		431,234.89		-		-
Debt Service Assessment	68,734.00				(68,734.00)		(68,734.00)
Total Governmental Activities	53,876,462.31	744,247.36	8,369,423.27	-	(44,762,791.68)	-	(44,762,791.68)
Business-Type Activities:							
Food Service	1,209,946.00	770,978.11	442,430.88			3,462.99	3,462.99
Preschool Program	240,803.66	288,640.75				47,837.09	47,837.09
Latchkey Program	391,478.86	383,424.59				(8,054.27)	(8,054.27)
Adult Education Program	272,749.23	303,826.72				31,077.49	31,077.49
Total Business-Type Activities	2,114,977.75	1,746,870.17	442,430.88			74,323.30	74,323.30
Total Primary Government	\$55,991,440.06	\$ 2,491,117.53	\$ 8,811,854.15	\$ -	\$ (44,762,791.68)	\$ 74,323.30	\$ (44,688,468.38)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					\$ 39,438,003.00	\$ -	\$ 39,438,003.00
Property Taxes, Levied for Debt Service Principal					751,885.11		751,885.11
Federal and State Aid Not Restricted					4,452,377.73		4,452,377.73
Investment Earnings					24,138.57	4,613.64	28,752.21
Miscellaneous Income					120,295.46		120,295.46
Special Items					(124,993.45)		(124,993.45)
Total General Revenues, Special Items, Extraordinary Items and Transfers					44,661,706.42	4,613.64	44,666,320.06
Change in Net Assets					(101,085.26)	78,936.94	(22,148.32)
Net Assets—Beginning					13,012,048.79	1,147,139.26	14,159,188.05
Net Assets—Ending					\$ 12,910,963.53	\$ 1,226,076.20	\$ 14,137,039.73

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

SECTION B
FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Balance Sheet
Governmental Funds
June 30, 2011**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 2,385,651.27	\$ (901,092.33)	\$ (188,708.16)	\$ (50,754.96)	\$ 1,245,095.82
Interfunds Receivable	-	46,593.45			46,593.45
Receivables From Other Governments	975,314.68	1,223,955.78	1,874,316.00	40.00	4,073,626.46
Other Receivables		59,207.77			59,207.77
Restricted Cash and Cash Equivalents	<u>646,013.68</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>646,013.68</u>
Total Assets	<u>\$ 4,006,979.63</u>	<u>\$ 428,664.67</u>	<u>\$ 1,685,607.84</u>	<u>\$ (50,714.96)</u>	<u>\$ 6,070,537.18</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfunds Payable	\$ 130,943.75	\$ -	\$ -	\$ -	\$ 130,943.75
Payable to Federal Government		91.36			91.36
Payable to State Government		54,278.30			54,278.30
Deferred Revenue - State and Federal		250,740.00			250,740.00
Deferred Revenue - Local	<u>-</u>	<u>128,835.01</u>	<u>-</u>	<u>-</u>	<u>128,835.01</u>
Total Liabilities	<u>130,943.75</u>	<u>433,944.67</u>	<u>-</u>	<u>-</u>	<u>564,888.42</u>
Fund Balances:					
Restricted Fund Balance:					
Excess Surplus	1,343,401.54				1,343,401.54
Emergency Reserve Account	196,532.50				196,532.50
Maintenance Reserve Account	449,481.18				449,481.18
Capital Reserve Account	551,600.00				551,600.00
Assigned Fund Balance:					
Encumbrances	386,078.43		57,073.53		443,151.96
Unreserved - Designated for Subsequent Year's Expenditures	600,000.00				600,000.00
Unassigned Fund Balance, Reported in:					
General Fund	348,942.23				348,942.23
Special Revenue Fund		(5,280.00)			(5,280.00)
Debt Service Fund				(50,714.96)	(50,714.96)
Capital Projects Fund	<u>-</u>	<u>-</u>	<u>1,628,534.31</u>	<u>-</u>	<u>1,628,534.31</u>
Total Fund Balances	<u>3,876,035.88</u>	<u>(5,280.00)</u>	<u>1,685,607.84</u>	<u>(50,714.96)</u>	<u>5,505,648.76</u>
Total Liabilities and Fund Balances	<u>\$ 4,006,979.63</u>	<u>\$ 428,664.67</u>	<u>\$ 1,685,607.84</u>	<u>\$ (50,714.96)</u>	

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

Adjustment to net assets for the accrual of interest expense. (196,963.02)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$42,487,911.01 and the accumulated depreciation is \$23,530,200.00. 18,957,711.01

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (11,355,433.22)

Net assets of governmental activities \$12,910,963.53

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

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2011

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
REVENUES					
Local Sources:					
Local Tax Levy	\$ 39,438,003.00	\$ -	\$ -	\$ 1,183,120.00	\$ 40,621,123.00
Tuition Charges	535,779.36				535,779.36
Transportation Fees	208,468.00				208,468.00
Interest Earned on Investments	8,784.85				8,784.85
Interest Earned on Capital Reserve Funds	15,353.72				15,353.72
Miscellaneous	116,509.78	3,785.68	-	-	120,295.46
Total - Local Sources	40,322,898.71	3,785.68	-	1,183,120.00	41,509,804.39
State Sources	10,666,616.71	181,374.70		-	10,847,991.41
Federal Sources	31,977.57	1,510,597.13	-	-	1,542,574.70
Total Revenues	<u>51,021,492.99</u>	<u>1,695,757.51</u>	<u>-</u>	<u>1,183,120.00</u>	<u>53,900,370.50</u>
EXPENDITURES					
Current:					
Regular Instruction	17,246,722.30	97,272.13			17,343,994.43
Special Education Instruction	4,431,707.49	1,420,697.93			5,852,405.42
Other Instruction	1,405,314.11	-			1,405,314.11
Support Services and Undistributed Costs:					
Tuition	1,134,463.47				1,134,463.47
Student and Instruction Related Services	4,351,921.03	43,173.35			4,395,094.38
School Administrative Services	2,155,639.57				2,155,639.57
General and Business Administrative Services	1,853,213.99				1,853,213.99
Administrative Technology	366,466.89				366,466.89
Plant Operations and Maintenance	4,064,956.25				4,064,956.25
Pupil Transportation	1,627,766.75				1,627,766.75
Unallocated Benefits	12,201,179.13				12,201,179.13
Special Schools	30,266.54				30,266.54
Transfer to Charter School	8,044.36				8,044.36
Capital Outlay	40,215.85	139,894.10	1,093,431.06		1,273,541.01
Debt Service Assessment	68,734.00				68,734.00
Debt Service:					
Principal				690,000.00	690,000.00
Interest and Other Charges	-	-	-	446,125.00	446,125.00
Total Expenditures	<u>50,986,611.73</u>	<u>1,701,037.51</u>	<u>1,093,431.06</u>	<u>1,136,125.00</u>	<u>54,917,205.30</u>
Excess (Deficiency) of Revenues over Expenditures	<u>34,881.26</u>	<u>(5,280.00)</u>	<u>(1,093,431.06)</u>	<u>46,995.00</u>	<u>(1,016,834.80)</u>
OTHER FINANCING SOURCES AND (USES)					
E.D.A. Grants Receivable Cancelled			(78,400.00)		(78,400.00)
Reallocation to Expenditures from Special Revenue Fund	(46,593.45)				(46,593.45)
Transfers In	551,600.00		3,161.14		554,761.14
Transfers (Out)	(3,161.14)	-	(551,600.00)	-	(554,761.14)
Total Other Financing Sources and (Uses)	<u>501,845.41</u>	<u>-</u>	<u>(626,838.86)</u>	<u>-</u>	<u>(124,993.45)</u>
Net Change in Fund Balances	536,726.67	(5,280.00)	(1,720,269.92)	46,995.00	(1,141,828.25)
Fund Balance—July 1	3,339,309.21	-	3,405,877.76	(97,709.96)	6,647,477.01
Fund Balance—June 30	<u>\$ 3,876,035.88</u>	<u>\$ (5,280.00)</u>	<u>\$ 1,685,607.84</u>	<u>\$ (50,714.96)</u>	<u>\$ 5,505,648.76</u>

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

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2011**

Total net change in fund balances - governmental funds (from B-2) **\$ (1,141,828.25)**

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

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

	Depreciation expense	\$ (1,000,816.00)	
	Capital outlays	<u>1,273,541.01</u>	272,725.01

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. 690,000.00

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

	Proceeds of long-term debt		
	Capital lease proceeds	-	-

In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed. (-)

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

	Interest paid	446,125.00	
	Interest accrued	<u>(431,234.89)</u>	14,890.11

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and unused 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 reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition in the reconciliation (+). 63,127.87

Revenues in the statement of activities which do not provide current financial resources are not reported as revenues in the funds. (+)

Change in net assets of governmental activities **\$ (101,085.26)**

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

PROPRIETARY FUNDS

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Statement of Net Assets
Proprietary Funds
June 30, 2011**

	Business-type Activities - Enterprise Funds				<u>Totals</u>
	<u>Food Service</u>	<u>Preschool Program</u>	<u>Latchkey Program</u>	<u>Adult Education</u>	
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 41,309.84	\$ 271,133.25	\$ 549,665.12	\$ 283,533.09	\$ 1,145,641.30
Interfund Receivable	84,350.30				84,350.30
Subsidy Receivable	28,638.61				28,638.61
Other Receivables	16,111.36				16,111.36
Inventories	21,344.67	-	-	-	21,344.67
Total Current Assets	<u>191,754.78</u>	<u>271,133.25</u>	<u>549,665.12</u>	<u>283,533.09</u>	<u>1,296,086.24</u>
Noncurrent Assets:					
Furniture, Machinery and Equipment	377,880.00				377,880.00
Less Accumulated Depreciation	(300,469.00)	-	-	-	(300,469.00)
Total Noncurrent Assets	<u>77,411.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,411.00</u>
Total Assets	<u>269,165.78</u>	<u>271,133.25</u>	<u>549,665.12</u>	<u>283,533.09</u>	<u>1,373,497.24</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	100,915.46		40.58		100,956.04
Interfund Accounts Payable	-				-
Deferred Revenue	-	40,875.00	5,500.00	90.00	46,465.00
Total Current Liabilities	<u>100,915.46</u>	<u>40,875.00</u>	<u>5,540.58</u>	<u>90.00</u>	<u>147,421.04</u>
Total Liabilities	<u>100,915.46</u>	<u>40,875.00</u>	<u>5,540.58</u>	<u>90.00</u>	<u>147,421.04</u>
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	77,411.00				77,411.00
Unrestricted	90,839.32	230,258.25	544,124.54	283,443.09	1,148,665.20
Total Net Assets	<u>\$ 168,250.32</u>	<u>\$ 230,258.25</u>	<u>\$ 544,124.54</u>	<u>\$ 283,443.09</u>	<u>\$ 1,226,076.20</u>

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

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2011**

	Business-type Activities - Enterprise Funds				Totals
	Food Service	Preschool Program	Latchkey Program	Adult Education	
Operating Revenues:					
Charges for Services:					
Daily Sales	\$ 692,172.87	\$ -	\$ -	\$ -	\$ 692,172.87
Special Functions	25,826.11				25,826.11
Program Fees		288,640.75	383,424.59	303,826.72	975,892.06
Miscellaneous	<u>52,979.13</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,979.13</u>
Total Operating Revenues	<u>770,978.11</u>	<u>288,640.75</u>	<u>383,424.59</u>	<u>303,826.72</u>	<u>1,746,870.17</u>
Operating Expenses:					
Cost of Sales	462,847.12				462,847.12
Salaries	441,116.50	224,630.12	328,451.59	20,696.55	1,014,894.76
Employee Benefits	94,565.70	3,549.78	3,549.78		101,665.26
Purchased Property Service	36,913.64				36,913.64
Other Purchased Professional Services	59,085.00			83,882.50	142,967.50
Cleaning, Repair and Maintenance Services	6,795.33				6,795.33
Other Purchased Services	41,558.94	9,091.78	32,458.46	148,608.58	231,717.76
Miscellaneous	12,582.01	232.06	23,302.25	14,905.14	51,021.46
General Supplies	41,800.76	3,299.92	3,716.78	4,656.46	53,473.92
Depreciation	<u>12,681.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,681.00</u>
Total Operating Expenses	<u>1,209,946.00</u>	<u>240,803.66</u>	<u>391,478.86</u>	<u>272,749.23</u>	<u>2,114,977.75</u>
Operating (Loss)	<u>(438,967.89)</u>	<u>47,837.09</u>	<u>(8,054.27)</u>	<u>31,077.49</u>	<u>(368,107.58)</u>
Nonoperating Revenues (Expenses):					
State Sources:					
State School Lunch Program	13,990.16				13,990.16
School Breakfast Program	-				-
Federal Sources:					
National School Lunch Program	338,774.06				338,774.06
School Breakfast Program	37,643.66				37,643.66
Food Distribution Program	52,023.00				52,023.00
Interest and Investment Revenue	<u>590.37</u>	<u>929.71</u>	<u>1,944.94</u>	<u>1,148.62</u>	<u>4,613.64</u>
Total Nonoperating Revenues (Expenses)	<u>443,021.25</u>	<u>929.71</u>	<u>1,944.94</u>	<u>1,148.62</u>	<u>447,044.52</u>
Change in Net Assets	4,053.36	48,766.80	(6,109.33)	32,226.11	78,936.94
Total Net Assets—Beginning	<u>164,196.96</u>	<u>181,491.45</u>	<u>550,233.87</u>	<u>251,216.98</u>	<u>1,147,139.26</u>
Total Net Assets—Ending	<u>\$ 168,250.32</u>	<u>\$ 230,258.25</u>	<u>\$ 544,124.54</u>	<u>\$ 283,443.09</u>	<u>\$ 1,226,076.20</u>

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

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2011**

	Business-type Activities - Enterprise Funds				Totals
	Food Service	Preschool Program	Latchkey Program	Adult School	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	\$ 770,978.11	\$ 310,715.75	\$ 383,724.59	\$ 303,916.72	\$ 1,769,335.17
Payments to Employees	(441,116.50)	(224,630.12)	(328,451.59)	(20,696.55)	(1,014,894.76)
Payments for Employee Benefits	(94,565.70)	(3,549.78)	(3,549.78)		(101,665.26)
Payments to Suppliers	(618,997.84)	(12,623.76)	(59,436.91)	(252,052.68)	(943,111.19)
Net Cash Provided By (Used for) Operating Activities	<u>(383,701.93)</u>	<u>69,912.09</u>	<u>(7,713.69)</u>	<u>31,167.49</u>	<u>(290,336.04)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
State Sources	14,583.95				14,583.95
Federal Sources	375,057.91				375,057.91
Operating Subsidies and Transfers to Other Funds	(115,657.60)	-	-	-	(115,657.60)
Net Cash Provided By Non-capital Financing Activities	<u>273,984.26</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>273,984.26</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and Dividends	590.37	929.71	1,944.94	1,148.62	4,613.64
Net Cash Provided By (Used for) Investing Activities	<u>590.37</u>	<u>929.71</u>	<u>1,944.94</u>	<u>1,148.62</u>	<u>4,613.64</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(109,127.30)	70,841.80	(5,768.75)	32,316.11	(11,738.14)
Balances—Beginning of Year	150,437.14	200,291.45	555,433.87	251,216.98	1,157,379.44
Balances—End of Year	<u>\$ 41,309.84</u>	<u>\$ 271,133.25</u>	<u>\$ 549,665.12</u>	<u>\$ 283,533.09</u>	<u>\$ 1,145,641.30</u>
Reconciliation of Operating (Loss) to Net Cash					
(Used for) Operating Activities:	\$ -				
Operating Income (Loss)	\$ (438,967.89)	\$ 47,837.09	\$ (8,054.27)	\$ 31,077.49	\$ (368,107.58)
Adjustments to Reconcile Operating (Loss) to Net Cash					
Provided By/(Used for) Operating Activities:					
Depreciation and Net Amortization	12,681.00				12,681.00
(Increase) in Inventories	(743.16)				(743.16)
(Increase) Decrease in Other Current Assets	35,911.64				35,911.64
Increase (Decrease) in Accounts Payable	7,416.48		40.58		7,457.06
Increase (Decrease) in Deferred Revenue	-	22,075.00	300.00	90.00	22,465.00
Total Adjustments	<u>55,265.96</u>	<u>22,075.00</u>	<u>340.58</u>	<u>90.00</u>	<u>77,771.54</u>
Net Cash Provided By/(Used for) Operating Activities	<u>\$ (383,701.93)</u>	<u>\$ 69,912.09</u>	<u>\$ (7,713.69)</u>	<u>\$ 31,167.49</u>	<u>\$ (290,336.04)</u>

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

FIDUCIARY FUNDS

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

	Unemployment Compensation <u>Trust</u>	Agency <u>Fund</u>
ASSETS		
Cash and Cash Equivalents	\$ 116,821.21	\$ 277,411.72
Amount Due from Payroll Agency	<u>51,291.07</u>	<u>-</u>
Total Assets	<u>\$ 168,112.28</u>	<u>\$ 277,411.72</u>
LIABILITIES		
Payable to Unemployment Trust		51,291.07
Payable to Student Groups		123,072.52
Payroll Deductions and Withholdings		<u>103,048.13</u>
Total Liabilities		<u>\$ 277,411.72</u>
NET ASSETS		
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 168,112.28</u>	

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

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2011**

	Unemployment Compensation <u>Trust</u>
ADDITIONS	
Contributions:	
Plan Member	\$ 51,291.07
Other	<u>172,215.37</u>
Total Contributions	<u>223,506.44</u>
Investment Earnings:	
Interest	<u>627.19</u>
Net Investment Earnings	<u>627.19</u>
Total Additions	<u>224,133.63</u>
DEDUCTIONS	
Unemployment Claims	<u>250,435.75</u>
Total Deductions	<u>250,435.75</u>
Change in Net Assets	<u>(26,302.12)</u>
Net Assets—Beginning	<u>194,414.40</u>
Net Assets—Ending	<u>\$ 168,112.28</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

Note I: Summary of Significant Accounting Policies

A. Basis of Presentation

The financial statements of the Board of Education (Board) of the Borough of South Plainfield School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District is required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the District has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the District has chosen not to do so. The more significant accounting policies established in GAAP and used by the District are discussed below.

B. Reporting Entity

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

C. Basic Financial Statements- Government-Wide Statements

The statement of net assets and the statement of activities display information about the District. These statements include the financial activities of the 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. 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 activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities 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) 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.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

D. Basic Financial Statements- Fund Financial Statements

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

The following fund types are used by the District:

Governmental Fund Types

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

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

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

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 and, excluding equipment, with County Superintendent approval.

Special Revenue Fund – The Special 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 specially 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.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

D. Basic Financial Statements- Fund Financial Statements (Continued)

Proprietary Fund Type

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

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

The District's Enterprise Funds are comprised of the Food Service Fund, Preschool Fund, Latchkey Fund, and Adult School operations.

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

Food Service Fund:	
Equipment	12 Years
Light Trucks and Vehicle	4 Years
Heavy Trucks and Vehicle	6 Years

Fiduciary Fund Types

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

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (Unemployment Compensation, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

E. Measurement Focus and Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include state and federal aid, property taxes, grants entitlements and donations.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

E. Measurement Focus and Basis of Accounting (Continued)

Government 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. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. 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.

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

F. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments must be approved by School Board resolution. Appropriation of maintenance reserve balance in the amount of \$64,935.00 and prior year encumbrances in the amount of \$394,799.95 were made during the year ended June 30, 2011. The significant budget transfers and amendments approved in the school year are presented on Exhibit C-1.

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 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.

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 reconciliation of the general and special revenue funds from the budgetary basis of accounting to the GAAP basis of accounting is presented on Exhibit C-3.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

G. Assets, Liabilities and Fund Equity

1. Deposits and Investments

Deposits are cash and cash equivalents including petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Other than Certificates of Deposit, deposits with maturities of greater than three months are considered to be Investments. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

2. Short – term Interfund Receivables/Payables

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

3. Inventories and Prepaid Expenses

Inventories, which benefit future periods, other than those recorded in the enterprise fund are recorded as expenditure during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method.

Prepaid expenses represent payments made to vendors for services that will benefit periods beyond June 30, 2010.

4. Capital Assets

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on the following assets is provided on the straight – line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and Equipment	5-10 years
Land Improvements	10-20 years
Other Infrastructure	10-50 years

Land and Construction in Progress are not depreciated.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

G. Assets, Liabilities and Fund Equity (Continued)

4. Capital Assets (Continued)

GASB No. 34 requires the District to report and depreciate new infrastructure assets effective with the beginning of the current year. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period and was first effective for fiscal years ending in 2006.

5. Compensated Absences

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government – wide presentations. (See Note IX)

6. Deferred Revenue

Deferred revenue in the special revenue fund represents cash which has been received but not yet earned. See Note I(F) regarding the special revenue fund.

7. Long – term Obligations

Long – term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long – term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government – wide presentations.

8. Fund Equity

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

9. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note I: Summary of Significant Accounting Policies (Continued)

H. Recent Accounting Pronouncements

The District elected to implement GASB No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable-includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted- includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed- includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned- includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance.

Unassigned- includes amounts that have not been assigned to other funds or restricted, committed, or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

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BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note II: Detailed Disclosure Regarding Assets and Revenues

A. Deposits and Investments

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (FDIC), the Savings Association Insurance Fund, or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

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

At June 30, 2011 the Borough of South Plainfield School District's cash and cash equivalent's amounted to \$4,958,932.01, of this amount, \$250,000.00 was covered by federal depository insurance (F.D.I.C.) and \$4,708,932.01 was covered by a collateral pool maintained by the banks as required by GUDPA

At June 30, 2011 the Borough of South Plainfield School District did not participate in the State of New Jersey Cash Management Fund.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires the disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Borough of South Plainfield School District will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party.

As of June 30, 2011, none of the Borough of South Plainfield School District's cash and cash equivalents of \$4,958,932.01 was exposed to custodial credit.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note II: Detailed Disclosure Regarding Assets and Revenues (Continued)

A. Deposits and Investments (Continued)

Investments

New Jersey statutes (N.J.S.A. 18A:20-37) permit the Borough of South Plainfield School District to purchase the following types of securities:

a. When authorized by resolution adopted by a majority vote of all its members the board of education of any school district may use moneys which may be in hand for the purchase of the following types of securities which, if suitable for registry, may be registered in the name of the school district;

(1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

(2) Government money market mutual funds;

(3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

(4) Bonds or other obligations of the school district or bonds or other obligations of local unit or units within which the school district is located;

(5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by school district;

(6) Local government investment pools;

(7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4) or

(8) Agreements for the repurchase of fully collateralized securities, if:

(a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a;

(b) the custody of collateral is transferred to a third party;

(c) the maturity of the agreement is not more than 30 days;

(d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41) and for which a master repurchase agreement providing for the custody and security of collateral is executed.

The Borough of South Plainfield School District had no investments as described in Note I:G.1 at June 30, 2011.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note II: Detailed Disclosure Regarding Assets and Revenues (Continued)

A. Deposits and Investments (Continued)

Investments (Continued)

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating agencies such as Moody's Investors Service, Inc. (Moody's) or Standard & Poor's Corporation (S&P). U.S. government debt is considered to have no credit risk.

The custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the Borough of South Plainfield School District will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party. Since certificates of deposits are covered by F.D.I.C. and GUDPA and U. S. government debt is guaranteed, there is no custodial credit risk.

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. There are no restrictions in the amount that can be invested in a single issuer. 100 % of the investments are U.S. government debt.

B. Interfund Receivables and Payables

As of June 30, 2011, interfund receivables and payables resulting from various interfund transactions were as follows:

	<u>Due from</u> <u>Other Funds</u>	<u>Due to</u> <u>Other Funds</u>
General Fund	\$	\$130,943.75
Special Revenue Fund	46,593.45	
Enterprise Fund	<u>84,350.30</u>	
	<u>\$130,943.75</u>	<u>\$130,943.75</u>

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BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note II: Detailed Disclosure Regarding Assets and Revenues (Continued)

C. Capital Assets

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 1,265,266.00	\$ -	\$ -	\$ 1,265,266.00
Construction in Progress	<u>-</u>	<u>1,273,541.01</u>	<u>-</u>	<u>1,273,541.01</u>
Total Capital Assets Not Being Depreciated	<u>1,265,266.00</u>	<u>1,273,541.01</u>	<u>-</u>	<u>2,538,807.01</u>
Land Improvements	2,861,340.00			2,861,340.00
Buildings and Improvements	31,730,068.00			31,730,068.00
Machinery and Equipment	<u>5,357,696.00</u>			<u>5,357,696.00</u>
Totals at Historical Cost	<u>39,949,104.00</u>	<u>-</u>	<u>-</u>	<u>39,949,104.00</u>
Less Accumulated Depreciation For:				
Land Improvements	(1,446,359.00)	(77,811.00)		(1,524,170.00)
Buildings and Improvements	(18,345,450.00)	(634,560.00)		(18,980,010.00)
Machinery and Equipment	<u>(2,737,575.00)</u>	<u>(288,445.00)</u>		<u>(3,026,020.00)</u>
Total Accumulated Depreciation	<u>(22,529,384.00)</u>	<u>(1,000,816.00)</u> (1)	<u>-</u>	<u>(23,530,200.00)</u>
Net Capital Assets Being Depreciated	<u>17,419,720.00</u>	<u>(1,000,816.00)</u>	<u>-</u>	<u>16,418,904.00</u>
Governmental Activities Capital Assets, Net	<u>\$ 18,684,986.00</u>	<u>\$ 272,725.01</u>	<u>\$ -</u>	<u>\$ 18,957,711.01</u>
Business - Type Activities:				
Equipment	\$ 377,880.00	\$ -		\$ 377,880.00
Less Accumulated Depreciation	<u>(287,788.00)</u>	<u>(12,681.00)</u>		<u>(300,469.00)</u>
Business - Type Activities Capital Assets, Net	<u>\$ 90,092.00</u>	<u>\$ (12,681.00)</u>	<u>\$ -</u>	<u>\$ 77,411.00</u>

(1) Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 270,220.32
Special Education	35,028.56
Other Instruction	8,006.53
Student and Instruction Related Services	9,007.34
School Administrative Services	4,003.26
General and Business Administrative Services	9,007.34
Plant Operations and Maintenance	640,522.25
Pupil Transportation	<u>25,020.40</u>
	<u>\$1,000,816.00</u>

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note III: Detailed Disclosures Regarding Liabilities and Expenses/Expenditures

A. Operating Leases

The District has no commitments under operating leases at June 30, 2011.

B. Long - Term Liabilities

Long - Term liability activity for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Adjustments</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Long - Term Debt:					
Serial Bonds	\$11,185,000.00	\$ -	\$(690,000.00)	\$10,495,000.00	\$730,000.00
Total Debt Payable	<u>11,185,000.00</u>	<u>-</u>	<u>(690,000.00) (1)</u>	<u>10,495,000.00</u>	<u>730,000.00</u>
Other Liabilities:					
Compensated Absences	923,561.09	207,667.24	(270,795.11) (2)	860,433.22	-
Total Other Liabilities	<u>923,561.09</u>	<u>207,667.24</u>	<u>(270,795.11)</u>	<u>860,433.22</u>	<u>-</u>
Governmental Activities					
Long - Term Liabilities	<u>\$12,108,561.09</u>	<u>\$207,667.24</u>	<u>\$(960,795.11)</u>	<u>\$11,355,433.22</u>	<u>\$730,000.00</u>

(1) Paid by Debt Service Fund

(2) Paid by General Fund

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note III: Detailed Disclosure Regarding Liabilities and Expenses/Expenditures (Continued)

B. Long – Term Liabilities (Continued)

1. 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.

Serial Bonds outstanding as of June 30, 2011 consisted of the following:

<u>Description</u>	<u>Interest</u> <u>Rate</u>	<u>Due</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>	<u>Amount Issued</u>	<u>Amount</u> <u>Outstanding</u>
School Bonds of 2001	4.75%	7/15	7/15/11	\$12,636,000.00	\$ 730,000.00
Refunding Bonds of 2009	2.0%- 5.0%	7/15	7/15/21	\$9,765,000.00	<u>\$9,765,000.00</u>
					<u>\$10,495,000.00</u>

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

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 730,000.00	\$ 412,112.50	\$ 1,142,112.50
2013	725,000.00	387,525.00	1,112,525.00
2014	845,000.00	371,825.00	1,216,825.00
2015	870,000.00	345,975.00	1,215,975.00
2016	910,000.00	308,100.00	1,218,100.00
2017	960,000.00	263,625.00	1,223,625.00
2018	995,000.00	224,700.00	1,219,700.00
2019	1,040,000.00	187,675.00	1,227,675.00
2020	1,085,000.00	141,162.50	1,226,162.50
2021	1,140,000.00	88,250.00	1,228,250.00
2022	<u>1,195,000.00</u>	<u>29,875.00</u>	<u>1,224,875.00</u>
	<u>\$10,495,000.00</u>	<u>\$ 3,760,825.00</u>	<u>\$13,255,825.00</u>

2. Bonds Authorized But Not Issued

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

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note IV: Detailed Disclosure Regarding Fund Equity

A. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L.2004, C.73 (S1701), the designation for Reserved Fund Balance—Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2011 is \$1,343,401.54. This reserved fund balance will be appropriated in the fiscal year 2012 -2013.

B. Capital Reserve Account

A capital reserve account was established by the Borough of South Plainfield Board of Education by resolution on June 18, 2008 in the amount of \$1,552,736.00 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. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23-2.13(g) the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2007 to June 30, 2011 fiscal years is as follows:

Beginning Balance, July 1, 2007	\$ 0.00
Deposits	
Board Resolution 2007-2008	1,552,736.00
Board Resolution 2010-2011	551,600.00
Interest Earnings	37,000.00
Budget Appropriation	1,885,264.00
Budgeted Withdrawal 2009-2010	<u>(3,475,000.00)</u>
Ending Balance June 30, 2011	<u>\$551,600.00</u>

C. Maintenance Reserve Account

New Jersey Statute 18A:7G-9 permits districts to accumulate funds for the required maintenance of a facility in accordance with the Educational Facilities Construction and Financing Act (EFCFA). The balance may only be increased through an appropriation in the annual general fund budget certified for taxes. Upon completion of a school facilities project, districts are required to submit a plan for the maintenance of that facility. As of June 30, 2011, the District has reserved \$449,481.18 for maintenance.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note IV: Detailed Disclosure Regarding Fund Equity (Continued)

D. Emergency Reserve Account

The emergency reserve account is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time is the greater of \$250,000 or 1 percent of the general fund budget not to exceed \$1 million. Deposits may be made by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. Withdrawals from the reserve require approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of 4 percent. As of June 30, 2011, the District has reserved \$196,532.50.

E. Deficit Fund Balances

The Borough of South Plainfield School District has a deficit fund balance of \$50,714.96 in the Debt Service Fund as of June 30, 2011 as reported in the fund statements (modified accrual basis). This was the result of the District's refinancing of the School Bonds of 2001. The District has raised this deficit in the 2011-2012 budget.

Note V: Pension Plans

Description of Systems

Substantially all of the Board's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Teachers' Pension and Annuity Fund retirement system is considered a cost sharing plan with special funding situations as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers. The PERS is considered a cost sharing multiple-employer defined benefit plan.

The Public Employees' Retirement System (PERS) was established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service for pension benefits and 25 years for post – retirement health care coverage.

The Teachers' Pension and Annuity Fund (TPAF) was established in January 1955, under the provisions of N.J.S.A. 18:66 to provide coverage including post-retirement health care to substantially all full time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post – retirement health care coverage.

According to the state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement systems terminate. The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits issues a publicly available financial report that includes the financial statements and required supplementary information of each of the above systems. These reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625-0295.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note V: Pension Plans (Continued)

Retirement Benefits

For PERS and TPAF employees, the benefits will be 1/55 of the average of the three highest years compensation for each year of service. However, for PERS and TPAF who are veterans of the U.S. armed forces, the benefits will be 1/55 of final compensation for each year of service.

Significant Legislation

Chapter 89, P.L. 2008, effective November 1, 2008, increased TPAF and PERS retirement age. If a person becomes a member on or after November 1, 2008 that person must be at least 62 years of age in order to retire without a reduction in their retirement allowance.

Chapter 99, P.L. 2009, effective March 17, 2009 gives local PERS employers the option to defer 50% of their contributions in fiscal year 2009 the normal and accrued liability and pay 50 percent of the certified amount as determined by the actuary or pay the full 100% certified amount.

Contribution Requirements

The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.50 percent for TPAF and PERS of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the TPAF and PERS. In the PERS and TPAF, the employer contribution includes funding for post-retirement medical premiums.

During the year ended June 30, 2010, for TPAF, which is a cost sharing plan with special funding situations, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, annual pension cost equals contributions made.

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BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note V: Pension Plans (Continued)

Contributions – Actual

The District total payroll for the year ended June 30, 2011 was \$31,901,760.79 and covered payroll was \$24,986,350.00 for TPAF and \$4,299,633.00 for PERS. Contributions to the TPAF and the PERS for the last three years ended June 30 made by the employees, the Board, and the State of New Jersey on behalf of the Board were as follows:

		TPAF	Percent of Covered Payroll	PERS	Percent of Covered Payroll
Employees	6/30/09	1,374,796.28	5.56%	230,601.97	5.60%
	6/30/10	1,437,137.71	5.53%	246,971.64	5.52%
	6/30/11	1,383,090.26	5.54%	236,845.70	5.51%
Board of Education	6/30/09	N/A		469,045.00	11.39%
	6/30/10	N/A		343,808.00	7.69%
	6/30/11	N/A		468,295.00	10.89%
State of New Jersey	6/30/09	1,767,745.00	7.15%	N/A	
	6/30/10	1,679,517.00	6.46%	N/A	
	6/30/11	1,732,119.00	6.93%	N/A	

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,915,285.71 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 and the State of New Jersey's Contribution to the TPAF have been included in the basic financial statements and the budgetary comparison schedule – General Fund as a revenue and expenditure in accordance with GASB 24.

Note VI: Post-Retirement Medical Benefits

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2010 there were 87,288 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

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

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011
(CONTINUED)

Note VII: Risk Management

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

<u>Fiscal Year</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2010-2011	\$172,215.37	\$51,291.07	\$250,435.75	\$168,112.28
2009-2010	\$ 1,096.50	\$34,789.91	\$ 70,765.37	\$194,414.40
2008-2009	\$ 1,077.00	\$23,537.74	\$ 28,620.56	\$227,447.00

Note VIII: Compensated Absences

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

District employees are granted vacation and sick leave in varying amounts under the District’s personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after 25 years of service.

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

Note IX: Contingent Liabilities

The Borough of South Plainfield School District is a defendant in several lawsuits, none of which is unusual for a Board of Education of its size. Additional liabilities, if not covered by insurance, should not be material in amount.

Note X: Subsequent Events

The Borough of South Plainfield School District’s management has informed us that they have been made aware of some improper transactions involving the athletic account and are in the process of investigating them. This matter will be monitored and reported on in the District’s next Comprehensive Annual Financial Report.

**REQUIRED SUPPLEMENTARY INFORMATION -
PART II**

SECTION C
BUDGETARY COMPARISON SCHEDULES

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2011**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>	
REVENUES:						
Local Sources:						
Local Tax Levy	\$ 39,438,003.00	\$ -	\$ 39,438,003.00	\$ 39,438,003.00	\$ -	
Tuition		-		535,779.36	535,779.36	
Transportation Fees	140,175.00	-	140,175.00	206,468.00	68,293.00	
Interest Earned on Investments	70,375.00	-	70,375.00	8,784.85	(61,590.15)	
Interest Earned on Reserve Funds	-	-	-	15,353.72	15,353.72	
Miscellaneous	219,574.00	-	219,574.00	116,509.78	(103,064.22)	
Total - Local Sources	39,868,127.00	-	39,868,127.00	40,322,898.71	454,771.71	
State Sources:						
Equalization Aid	6,944,808.00	(1,824,696.00)	5,120,112.00	5,120,112.00	-	
Special Education Aid	261,882.00	1,824,696.00	2,086,578.00	2,086,578.00	-	
Extraordinary Aid	100,000.00	-	100,000.00	154,416.00	54,416.00	
Non-Public Transportation Aid	-	-	-	25,056.00	25,056.00	
TPAF Pension (On-Behalf - Non-Budgeted)	-	-	-	1,732,119.00	1,732,119.00	
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	1,915,285.71	1,915,285.71	
Total State Sources	7,306,690.00	-	7,306,690.00	11,033,566.71	3,726,876.71	
Federal Sources:						
Medical Assistance Program	29,627.00	-	29,627.00	31,977.57	2,350.57	
Total - Federal Sources	29,627.00	-	29,627.00	31,977.57	2,350.57	
Total Revenues	47,204,444.00	-	47,204,444.00	51,388,442.99	4,183,998.99	
EXPENDITURES:						
Current Expense:						
Regular Programs - Instruction						
Preschool - Salaries of Teachers	105-100-101	\$ 123,596.00	\$ 2,550.00	\$ 126,146.00	\$ 125,790.00	\$ 356.00
Kindergarten - Salaries of Teachers	110-100-101	948,145.00	6,440.00	954,585.00	950,740.51	3,844.49
Grades 1-5 - Salaries of Teachers	120-100-101	6,515,790.00	(359,530.94)	6,156,259.06	6,113,585.21	42,673.85
Grades 6-8 - Salaries of Teachers	130-100-101	4,331,576.00	(175,250.00)	4,156,326.00	4,134,867.45	21,458.55
Grades 9-12 - Salaries of Teachers	140-100-101	5,569,305.00	(332,152.73)	5,237,152.27	5,230,544.77	6,607.50
Regular Programs - Home Instruction:						
Salaries of Teachers	150-100-101	30,000.00	(1,307.27)	28,692.73	11,120.00	17,572.73
Purchased Professional-Educational Services	150-100-320	15,000.00	-	15,000.00	1,276.00	13,724.00
Regular Programs - Undistributed Instruction						
Personal Services- Salaries	190-100-100	6,182.00	(5,581.00)	601.00	226.68	374.32
Other Salaries for Instruction	190-100-106	45,620.00	6,928.00	52,548.00	52,339.36	208.64
Purchased Professional-Educational Services	190-100-320	2,500.00	2,500.00	5,000.00	680.00	4,320.00
Purchased Technical Services	190-100-340	105,500.00	-	105,500.00	97,506.84	7,993.16
Other Purchased Services (400-500 series)	190-100-500	86,225.00	4,507.59	90,732.59	76,937.92	13,794.67
General Supplies	190-100-610	402,269.00	8,326.76	410,595.76	390,424.73	20,171.03
Textbooks	190-100-640	68,154.00	106.84	68,260.84	59,128.83	9,132.01
Other Objects	190-100-800	5,785.00	-	5,785.00	1,554.00	4,231.00
TOTAL REGULAR PROGRAMS - INSTRUCTION		18,255,647.00	(842,462.75)	17,413,184.25	17,246,722.30	166,461.95
SPECIAL EDUCATION - INSTRUCTION						
Learning and/or Language Disabilities:						
Salaries of Teachers	204-100-101	298,223.00	(76,562.76)	221,660.24	221,660.24	-
Other Salaries for Instruction	204-100-106	70,903.00	(575.10)	70,327.90	70,327.90	-
General Supplies	204-100-610	3,852.00	(767.57)	3,084.43	3,084.43	-
Total Learning and/or Language Disabilities		372,978.00	(77,905.43)	295,072.57	295,072.57	-
Multiple Disabilities:						
Salaries of Teachers	212-100-101	274,202.00	1,493.62	275,695.62	275,695.62	-
Other Salaries for Instruction	212-100-106	87,270.00	(18,935.76)	68,334.24	66,307.98	2,026.26
General Supplies	212-100-610	8,899.00	(867.86)	8,031.14	7,489.83	541.31
Total Multiple Disabilities		370,371.00	(18,310.00)	352,061.00	349,493.43	2,567.57
Resource Room/Resource Center:						
Salaries of Teachers	213-100-101	2,404,606.00	202,983.17	2,607,589.17	2,607,589.17	-
Other Salaries for Instruction	213-100-106	527,970.00	127,326.72	655,296.72	655,296.72	-
General Supplies	213-100-610	17,197.00	(235.69)	16,961.31	16,961.31	-
Total Resource Room/Resource Center		2,949,773.00	330,074.20	3,279,847.20	3,279,847.20	-
Autism:						
Salaries of Teachers	214-100-101	102,548.00	(3,225.94)	99,322.06	99,322.06	-
Other Salaries for Instruction	214-100-106	67,170.00	939.35	68,109.35	68,109.35	-
Total Autism		169,718.00	(2,286.59)	167,431.41	167,431.41	-
Preschool Disabilities - Full-Time:						
Salaries of Teachers	216-100-101	154,921.00	(11,575.70)	143,345.30	142,852.07	493.23
Other Salaries for Instruction	216-100-106	113,755.00	65,953.47	179,708.47	173,921.35	5,787.12
General Supplies	216-100-610	2,112.00	(25.54)	2,086.46	1,486.46	600.00
Total Preschool Disabilities - Full-Time		270,788.00	54,352.23	325,140.23	318,259.88	6,880.35
Home Instruction:						
Salaries of Teachers	219-100-101	30,000.00	(6,444.12)	23,555.88	18,856.00	-
Purchased Professional-Educational Services	219-100-320	15,000.00	(3,413.21)	11,586.79	2,747.00	8,839.79
Total Home Instruction		45,000.00	(9,857.33)	35,142.67	21,603.00	8,839.79
TOTAL SPECIAL EDUCATION - INSTRUCTION		4,178,628.00	276,067.08	4,454,695.08	4,431,707.49	18,287.71

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2011
(Continued)**

		<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Basic Skills/Remedial - Instruction						
Salaries of Teachers	230-100-101	\$ 366,922.00	\$ (75,901.20)	\$ 291,020.80	\$ 291,020.80	\$ -
General Supplies	230-100-610	-	-	-	-	-
Total Basic Skills/Remedial - Instruction		<u>366,922.00</u>	<u>(75,901.20)</u>	<u>291,020.80</u>	<u>291,020.80</u>	<u>-</u>
Bilingual Education - Instruction						
Salaries of Teachers	240-100-101	265,520.00	(394.91)	265,125.09	265,125.09	-
General Supplies	240-100-610	-	-	-	-	-
Total Bilingual Education - Instruction		<u>265,520.00</u>	<u>(394.91)</u>	<u>265,125.09</u>	<u>265,125.09</u>	<u>-</u>
School-Spon. Cocurricular Actvts. - Inst.						
Salaries	401-100-100	112,371.00	51,213.30	163,584.30	133,867.22	29,717.08
Supplies and Materials	401-100-600	21,650.00	7,007.50	28,657.50	14,900.45	13,757.05
Other Objects	401-100-800	400.00	-	400.00	150.00	250.00
Total School-Spon. Cocurricular Actvts. - Inst.		<u>134,421.00</u>	<u>58,220.80</u>	<u>192,641.80</u>	<u>148,917.67</u>	<u>43,724.13</u>
School-Spon. Athletics - Inst.						
Salaries	402-100-100	560,392.00	5,472.00	565,864.00	565,863.97	0.03
Purchased Services (300-500 series)	402-100-500	90,351.00	6,052.55	96,403.55	94,880.55	1,523.00
Supplies and Materials	402-100-600	39,811.00	(11,198.68)	28,612.32	18,181.33	10,430.99
Other Objects	402-100-800	23,717.00	83.00	23,800.00	21,324.70	2,475.30
Total School-Spon. Athletics - Inst.		<u>714,271.00</u>	<u>408.87</u>	<u>714,679.87</u>	<u>700,250.55</u>	<u>14,429.32</u>
Total Instruction		<u>23,915,409.00</u>	<u>(584,062.11)</u>	<u>23,331,346.89</u>	<u>23,083,743.90</u>	<u>242,903.11</u>
Undistributed Expenditures - Instruction:						
Tuition to Other LEAs Within the State - Regular	000-100-561	-	27,022.12	27,022.12	17,225.06	9,797.06
Tuition to Other LEAs Within the State - Special	000-100-562	135,892.00	(134,484.12)	1,407.88	606.25	801.63
Tuition to CSSD & Regional Day Schools	000-100-565	544,755.00	(224,233.00)	320,522.00	272,199.55	48,322.45
Tuition to Private Schools for the Disabled - Within State	000-100-566	995,139.00	(231,541.36)	763,597.64	746,065.01	17,532.63
Tuition - State Facilities	000-100-568	40,000.00	61,524.00	101,524.00	91,371.60	10,152.40
Tuition - Other	000-100-569	-	13,992.00	13,992.00	6,996.00	6,996.00
Total Undistributed Expenditures - Instruction:		<u>1,715,786.00</u>	<u>(487,720.36)</u>	<u>1,228,065.64</u>	<u>1,134,463.47</u>	<u>93,602.17</u>
Undistributed Expend. - Attend. & Social Work						
Salaries	000-211-100	86,281.00	(417.44)	85,863.56	85,467.68	395.88
Total Undistributed Expend. - Attend. & Social Work		<u>86,281.00</u>	<u>(417.44)</u>	<u>85,863.56</u>	<u>85,467.68</u>	<u>395.88</u>
Undist. Expend. - Health Services						
Salaries	000-213-100	643,987.00	4,026.40	648,013.40	646,785.84	1,227.56
Purchased Professional and Technical Services	000-213-300	15,889.00	(10.00)	15,879.00	13,523.69	2,355.31
Other Purchased Services (400-500 series)	000-213-500	1,300.00	(10.00)	1,290.00	375.00	915.00
Supplies and Materials	000-213-600	15,352.00	20.00	15,372.00	13,498.58	1,873.42
Other Objects	000-213-800	830.00	-	830.00	675.00	155.00
Total Undistributed Expenditures - Health Services		<u>677,358.00</u>	<u>4,026.40</u>	<u>681,384.40</u>	<u>674,858.11</u>	<u>6,526.29</u>
Undist. Expend. - Other Supp. Serv. Students - Related Serv.						
Salaries of Other Professional Staff	000-216-100	447,342.00	8,930.43	456,272.43	454,121.49	2,150.94
Purchased Professional - Educational Services	000-216-320	400,900.00	(8,370.85)	392,529.15	342,238.01	50,291.14
Supplies and Materials	000-216-600	12,233.00	(1,376.40)	10,856.60	3,721.39	7,135.21
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.		<u>860,475.00</u>	<u>(816.82)</u>	<u>859,658.18</u>	<u>800,080.89</u>	<u>59,577.29</u>
Undist. Expend. - Other Supp. Serv. Students - Extra Serv.						
Salaries of Other Professional Staff	000-217-100	96,196.00	(45,644.50)	50,551.50	40,701.40	9,850.10
Other Salaries for Instruction	000-217-106	96,243.00	50,100.00	146,343.00	93,035.53	53,307.47
Purchased Professional - Educational Services	000-217-320	169,400.00	-	169,400.00	68,930.00	100,470.00
Supplies and Materials	000-217-600	4,700.00	-	4,700.00	959.57	3,740.43
Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.		<u>366,539.00</u>	<u>4,455.50</u>	<u>370,994.50</u>	<u>203,626.50</u>	<u>167,368.00</u>
Undist. Expend. - Other Supp. Serv. Students-Reg.						
Salaries of Other Professional Staff	000-218-104	806,304.00	5,403.58	811,707.58	811,508.78	198.80
Salaries of Secretarial and Clerical Assistants	000-218-105	130,143.00	1,156.15	131,299.15	131,233.17	65.98
Other Purchased Prof. and Tech. Services	000-218-390	2,085.00	-	2,085.00	2,085.00	-
Other Purchased Services (400-500 series)	000-218-500	14,855.00	662.31	15,517.31	11,555.32	3,961.99
Supplies and Materials	000-218-600	30,470.00	-	30,470.00	17,093.32	13,376.68
Other Objects	000-218-800	2,100.00	-	2,100.00	825.33	1,274.67
Total Undist. Expend. - Other Supp. Serv. Students-Reg.		<u>985,957.00</u>	<u>7,222.04</u>	<u>993,179.04</u>	<u>974,300.92</u>	<u>18,878.12</u>

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2011
(Continued)**

		<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Other Supp. Serv. Students-Special						
Salaries of Other Professional Staff	000-219-104	\$ 719,940.00	\$ (9,969.89)	\$ 709,970.11	\$ 701,238.26	\$ 8,731.85
Salaries of Secretarial and Clerical Assistants	000-219-105	93,357.00	(960.00)	92,397.00	92,102.00	295.00
Purchased Professional - Educational Services	000-219-320	4,000.00	-	4,000.00	2,200.00	1,800.00
Other Purchased Prof. and Tech. Services	000-219-390	5,000.00	(2,779.00)	2,221.00	1,700.00	521.00
Misc. Pur. Serv. (400-500 series) Other Than Residential Costs	000-219-592	9,813.00	3,596.59	13,409.59	12,582.42	827.17
Supplies and Materials	000-219-600	10,000.00	190.82	10,190.82	6,382.23	3,808.59
Total Undist. Expend. - Other Supp. Serv. Students-Spl.		<u>842,110.00</u>	<u>(9,921.48)</u>	<u>832,188.52</u>	<u>816,204.91</u>	<u>15,983.61</u>
Undist. Expend. - Improvement of Inst. Serv.						
Salaries of Supervisor of Instruction	000-221-102	72,800.00	-	72,800.00	71,042.34	1,757.66
Salaries of Secr and Clerical Assist.	000-221-105	31,164.00	-	31,164.00	31,052.00	112.00
Purchased Prof- Educational Services	000-221-320	-	12,958.27	12,958.27	12,736.58	221.69
Other Purch Services (400-500)	000-221-500	6,411.00	325.87	6,736.87	3,910.44	2,826.43
Supplies and Materials	000-221-600	1,745.00	-	1,745.00	985.91	759.09
Other Objects	000-221-800	9,828.00	-	9,828.00	6,379.13	3,448.87
Total Undist. Expend. - Improvement of Inst. Serv.		<u>121,948.00</u>	<u>13,284.14</u>	<u>135,232.14</u>	<u>126,106.40</u>	<u>9,125.74</u>
Undist. Expend. - Edu. Media Serv./Sch. Library						
Salaries	000-222-100	486,821.00	5,361.50	492,182.50	487,447.00	4,735.50
Purchased Professional and Technical Services	000-222-300	1,200.00	-	1,200.00	901.00	299.00
Other Purchased Services (400-500 series)	000-222-500	43,073.00	(3,446.19)	39,626.81	34,646.33	4,980.48
Supplies and Materials	000-222-600	30,628.00	29,588.34	60,216.34	57,612.22	2,604.12
Other Objects	000-222-800	240.00	-	240.00	180.00	60.00
Total Undist. Expend. - Edu. Media Serv./Sch. Library		<u>561,962.00</u>	<u>31,503.65</u>	<u>593,465.65</u>	<u>580,786.55</u>	<u>12,679.10</u>
Undist. Expend. - Instructional Staff Training Serv.						
Salaries of Supervisors of Instruction	000-223-102	106,004.00	(47,500.00)	58,504.00	46,455.19	12,048.81
Salaries of Secretarial and Clerical Assist	000-223-105	15,582.00	-	15,582.00	15,376.00	206.00
Other Salaries	000-223-110	-	7,500.00	7,500.00	-	7,500.00
Purchased Professional - Educational Service	000-223-320	4,050.00	(1,500.00)	2,550.00	2,180.13	369.87
Other Purchased Services (400-500 series)	000-223-500	30,125.00	(4,225.00)	25,900.00	25,493.07	406.93
Supplies and Materials	000-223-600	905.00	-	905.00	650.78	254.22
Other Objects	000-223-800	685.00	-	685.00	333.90	351.10
Total Undist. Expend. - Instructional Staff Training Serv.		<u>157,351.00</u>	<u>(45,725.00)</u>	<u>111,626.00</u>	<u>90,489.07</u>	<u>21,136.93</u>
Undist. Expend. - Supp. Serv. - General Admin.						
Salaries	000-230-100	374,532.00	221,275.83	595,807.83	520,456.20	75,351.63
Legal Services	000-230-331	225,000.00	61,204.78	286,204.78	268,490.79	17,713.99
Audit Fees	000-230-332	33,800.00	1,000.00	34,800.00	34,800.00	-
Other Purchased Professional Services	000-230-339	48,490.00	(20,450.68)	28,039.32	14,121.88	13,917.44
Communications/Telephone	000-230-530	132,903.00	(1,512.29)	131,390.71	116,659.60	14,731.11
BOE Other Purchased Services	000-230-585	5,700.00	100.00	5,800.00	712.98	5,087.02
Other Purchased Services (400-500 series)	000-230-590	221,466.00	(17,710.00)	203,756.00	203,620.08	135.92
Supplies and Materials	000-230-600	2,020.00	1,630.00	3,650.00	2,876.00	774.00
BOE In-House Training	000-230-630	500.00	-	500.00	405.50	94.50
Miscellaneous Expenditures	000-230-890	32,190.00	-	32,190.00	31,289.09	900.91
Total Undist. Expend. - Supp. Serv. - General Admin.		<u>1,076,601.00</u>	<u>245,537.64</u>	<u>1,322,138.64</u>	<u>1,193,432.12</u>	<u>128,706.52</u>
Undist. Expend. - Support Serv. - School Admin.						
Salaries of Principals/Assistant Principals	000-240-103	1,613,384.00	(27,197.63)	1,586,186.37	1,534,460.89	51,725.48
Salaries of Secretarial and Clerical Assistants	000-240-105	525,398.00	28,584.07	553,982.07	553,982.07	-
Other Purchased Services (400-500 series)	000-240-500	39,665.00	645.17	40,310.17	33,362.27	6,947.90
Supplies and Materials	000-240-600	36,700.00	(7,679.29)	29,020.71	29,020.71	-
Other Objects	000-240-800	5,645.00	(831.37)	4,813.63	4,813.63	-
Total Undist. Expend. - Support Serv. - School Admin.		<u>2,220,792.00</u>	<u>(6,479.05)</u>	<u>2,214,312.95</u>	<u>2,155,639.57</u>	<u>58,673.38</u>
Undist. Expend. - Supp. Serv. - Central Services						
Salaries	000-251-100	493,041.00	13,940.00	506,981.00	506,980.34	0.66
Purchased Professional Services	000-251-330	14,850.00	1,439.00	16,289.00	15,158.18	1,130.82
Purchased Technical Services	000-251-340	14,720.00	(2,640.00)	12,080.00	9,720.00	2,360.00
Miscellaneous Purchased Services (400-500 series)	000-251-592	97,380.00	9,514.31	106,894.31	97,762.20	9,132.11
Supplies and Materials	000-251-600	46,425.00	(11,300.00)	35,125.00	27,508.81	7,616.19
Other Objects	000-251-890	3,720.00	-	3,720.00	2,652.34	1,067.66
Total Undist. Expend. - Supp. Serv. - Central Services		<u>670,136.00</u>	<u>10,953.31</u>	<u>681,089.31</u>	<u>659,781.87</u>	<u>21,307.44</u>

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2011
(Continued)**

		<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Supp. Serv. - Information Technology						
Salaries	000-252-100	\$ 179,523.00	\$ 143,365.00	\$ 322,888.00	\$ 321,714.48	\$ 1,173.52
Purchased Technical Services	000-252-340	38,498.00	2,100.00	40,598.00	40,001.02	596.98
Other Purchased Services (400-500 series)	000-252-500	1,240.00	(205.00)	1,035.00	-	1,035.00
Supplies and Materials	000-252-600	7,000.00	(2,100.00)	4,900.00	4,751.39	148.61
Total Undist. Expend. - Supp. Serv. - Information Technology		<u>226,261.00</u>	<u>143,160.00</u>	<u>369,421.00</u>	<u>366,466.89</u>	<u>2,954.11</u>
Undist. Expend. - Required Maint. for Sch. Facil.						
Salaries	000-261-100	-	8,443.68	8,443.68	8,443.68	-
Cleaning, Repair and Maintenance Services	000-261-420	371,852.00	104,193.68	476,045.68	446,551.67	29,494.01
General Supplies	000-261-610	99,758.00	(455.46)	99,302.54	84,376.24	14,926.30
Total Undist. Expend. - Required Maint. for Sch. Facil.		<u>471,610.00</u>	<u>112,181.90</u>	<u>583,791.90</u>	<u>539,371.59</u>	<u>44,420.31</u>
Undist. Expend. - Oth. Oper. & Maint. of Plant						
Salaries	000-262-100	282,183.00	(10,978.39)	271,204.61	264,819.49	6,385.12
Purchased Professional and Technical Services	000-262-300	82,475.00	6,431.32	88,906.32	88,779.23	127.09
Cleaning, Repair and Maintenance Services	000-262-420	1,406,034.00	23,572.41	1,429,606.41	1,380,221.72	49,384.69
Other Purchased Property Services	000-262-490	85,500.00	20,963.74	106,463.74	104,161.32	2,302.42
Purchased Maintenance Services	000-262-500	-	1,300.00	1,300.00	1,231.00	69.00
Insurance	000-262-520	127,518.00	-	127,518.00	127,461.15	56.85
General Supplies	000-262-610	7,200.00	12,997.38	20,197.38	20,077.38	120.00
Energy - Natural Gas	000-262-621	550,000.00	(127,390.77)	422,609.23	303,026.63	119,582.60
Energy - Electricity	000-262-622	600,000.00	375,248.72	975,248.72	884,313.72	90,935.00
Other Objects	000-262-800	9,508.00	(9,500.00)	8.00	-	8.00
Total Undist. Expend. - Other Oper. & Maint. Of Plant		<u>3,150,418.00</u>	<u>292,644.41</u>	<u>3,443,062.41</u>	<u>3,174,091.64</u>	<u>268,970.77</u>
Care and Upkeep of Grounds						
Cleaning, Repair and Maintenance Services	000-263-420	297,453.00	12,989.63	310,442.63	310,442.63	-
General Supplies	000-263-610	19,500.00	24,226.86	43,726.86	41,050.39	2,676.47
Total Care and Upkeep of Grounds		<u>316,953.00</u>	<u>37,216.49</u>	<u>354,169.49</u>	<u>351,493.02</u>	<u>2,676.47</u>
Undist. Expend. - Student Transportation Serv.						
Salaries for Bus Aides (Between Home & School) - Regular	000-270-107	125,799.00	(20,000.00)	105,799.00	102,605.70	3,193.30
Salaries for Pupil Trans. (Between Home & School) - Regular	000-270-160	533,514.00	(91,083.00)	442,431.00	403,672.52	38,758.48
Salaries for Pupil Trans. (Between Home & School) - Special	000-270-161	307,388.00	128,996.00	436,384.00	436,383.54	0.46
Salaries for Pupil Trans. (Other than Between Home & School)	000-270-162	179,156.00	(92,366.12)	86,789.88	54,379.21	32,410.67
Cleaning, Repair and Maintenance Services	000-270-420	90,000.00	23,015.68	113,015.68	106,998.10	6,017.58
Contracted Services - Aid in Lieu of Payments	000-270-503	102,000.00	13,332.44	115,332.44	115,332.44	-
Contracted Services - Aid in Lieu of Payments Charter Schools	000-270-504	1,000.00	(1,000.00)	-	-	-
Contracted Services (Other than Between Home and School) - Vendors	000-270-512	-	7,002.00	7,002.00	4,367.00	2,635.00
Contracted Services (Special Education Students) - Vendors	000-270-514	75,000.00	(62,900.00)	12,100.00	12,100.00	-
Contracted Services (Special Education Students) - Joint Agreements	000-270-515	80,000.00	23,830.59	103,830.59	102,385.09	1,445.50
Contracted Services (Special Education Students) - ESCs	000-270-518	100,000.00	28,256.39	128,256.39	112,389.51	15,866.88
Transportation- Reimburse Trips	000-270-521	-	10,751.00	10,751.00	6,025.00	4,726.00
Miscellaneous Purchased Services - Transportation	000-270-593	55,000.00	(15,073.15)	39,926.85	39,782.85	144.00
Supplies and Materials	000-270-610	10,000.00	(442.00)	9,558.00	5,060.07	4,497.93
Bus Supplies	000-270-615	65,000.00	57,417.97	122,417.97	122,417.97	-
Miscellaneous Expenditures	000-270-890	5,000.00	-	5,000.00	3,867.75	1,132.25
Total Undist. Expend. - Student Transportation Serv.		<u>1,728,857.00</u>	<u>9,737.80</u>	<u>1,738,594.80</u>	<u>1,627,766.75</u>	<u>110,828.05</u>
UNALLOCATED BENEFITS						
Social Security Contributions	000-291-220	467,541.00	-	467,541.00	227,724.41	239,816.59
Other Retirement Contributions - Regular	000-291-241	358,000.00	110,295.00	468,295.00	468,295.00	-
Unemployment Compensation	000-291-250	424,609.00	(209,243.00)	215,366.00	172,215.37	43,150.63
Workmen's Compensation	000-291-260	213,026.00	-	213,026.00	202,289.67	10,736.33
Health Benefits	000-291-270	7,069,880.00	469,243.00	7,539,123.00	7,233,389.25	305,733.75
Tuition Reimbursement	000-291-280	50,000.00	(12,802.92)	37,197.08	37,197.08	-
Other Employee Benefits	000-291-290	49,850.00	162,813.64	212,663.64	212,663.64	-
TOTAL UNALLOCATED BENEFITS		<u>8,632,906.00</u>	<u>520,305.72</u>	<u>9,153,211.72</u>	<u>8,553,774.42</u>	<u>599,437.30</u>
On-behalf TPAF pension Contributions (non-budgeted)					1,732,119.00	(1,732,119.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)					<u>1,915,285.71</u>	<u>(1,915,285.71)</u>
TOTAL ON-BEHALF CONTRIBUTIONS					<u>3,647,404.71</u>	<u>(3,647,404.71)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS		<u>8,632,906.00</u>	<u>520,305.72</u>	<u>9,153,211.72</u>	<u>12,201,179.13</u>	<u>(3,047,967.41)</u>
TOTAL UNDISTRIBUTED EXPENDITURES		<u>24,870,301.00</u>	<u>881,148.85</u>	<u>25,751,449.85</u>	<u>27,755,607.08</u>	<u>(2,004,157.23)</u>
TOTAL GENERAL CURRENT EXPENSE		<u>48,785,710.00</u>	<u>297,086.74</u>	<u>49,082,796.74</u>	<u>50,839,350.98</u>	<u>(1,756,554.24)</u>

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2011
(Concluded)**

		Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CAPITAL OUTLAY						
Equipment						
Undistributed Expenditures - School Admin.	000-240-730	\$ -	\$ 5,375.00	\$ 5,375.00	\$ 5,375.00	\$ -
Undistributed Expenditures - Central Services	000-251-730	-	7,045.00	7,045.00	7,045.00	-
Total Equipment		-	12,420.00	12,420.00	12,420.00	-
Facilities Acquisition and Construction Services						
Construction Services	000-400-450		17,445.85	17,445.85	17,445.85	-
Non-Instructional Equipment	000-400-732		10,350.00	10,350.00	10,350.00	-
Other Objects	000-400-800	68,734.00	-	68,734.00	68,734.00	-
Total Facilities Acquisition and Construction Services		68,734.00	27,795.85	96,529.85	96,529.85	-
TOTAL CAPITAL OUTLAY		68,734.00	40,215.85	108,949.85	108,949.85	-
SPECIAL SCHOOLS						
Accred. Even./Adult H.S./Post-Grad.-Inst.						
Salaries of Teachers	601-100-101		2,431.00	2,431.00	2,431.00	-
General Supplies	601-100-610		150.00	150.00	40.92	109.08
Textbooks	601-100-640		1,230.00	1,230.00	1,230.00	-
Total Accred. Even./Adult H.S./Post-Grad.-Inst.		-	3,811.00	3,811.00	3,701.92	109.08
Accred. Even./Adult H.S./Post-Grad.-Supp. Service						
Salaries	601-200-100		65,144.00	65,144.00	26,564.62	38,579.38
Total Accred. Even./Adult H.S./Post-Grad.-Supp. Service		-	65,144.00	65,144.00	26,564.62	38,579.38
Total Accred. Even./Adult H.S./Post-Grad.		-	68,955.00	68,955.00	30,266.54	38,688.46
TOTAL SPECIAL SCHOOLS		-	68,955.00	68,955.00	30,266.54	38,688.46
Transfer of Funds to Charter Schools	000-100-56X	25,000.00	53,477.36	78,477.36	8,044.36	70,433.00
TOTAL EXPENDITURES		48,879,444.00	459,734.95	49,339,178.95	50,986,611.73	(1,717,865.78)
Excess (Deficiency) of Revenues Over (Under) Expenditures		(1,675,000.00)	(459,734.95)	(2,134,734.95)	401,831.26	2,536,566.21
Other Financing Sources and (Uses):						
Operating Transfer Out:						
Transfer to Capital Projects Fund					(3,161.14)	(3,161.14)
Reallocation of Expenditures from Special Revenue Fund					(46,593.45)	(46,593.45)
Operating Transfer In:						
Transfer from Capital Reserve Fund					551,600.00	551,600.00
Total Other Financing Sources and (Uses)		-	-	-	501,845.41	501,845.41
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)		(1,675,000.00)	(459,734.95)	(2,134,734.95)	903,676.67	3,038,411.62
Fund Balance, July 1		3,650,668.21	-	3,650,668.21	3,650,668.21	-
Fund Balance, June 30		\$ 1,975,668.21	\$ (459,734.95)	\$ 1,515,933.26	\$ 4,554,344.88	\$ 3,038,411.62
					\$ -	
Recapitulation of Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over (Under) Expenditures and Other Financing Sources (Uses):						
Increase in Capital Reserve		\$ -	\$ -	\$ -	\$ 551,600.00	\$ 551,600.00
Increase in Emergency Reserve					1,348.58	1,348.58
Decrease in Emergency Reserve		(300,215.00)		(300,215.00)	(300,215.00)	-
Increase in Maintenance Reserve					14,005.14	14,005.14
Decrease in Maintenance Reserve			(64,935.00)	(64,935.00)	(64,935.00)	-
Adjustment for Prior Year Encumbrances			(394,799.95)	(394,799.95)	(394,799.95)	-
Budgeted Fund Balance		(1,374,785.00)	-	(1,374,785.00)	1,184,175.34	2,558,960.34
Total		\$ (1,675,000.00)	\$ (459,734.95)	\$ (2,134,734.95)	\$ 991,179.11	\$ 3,125,914.06
Analysis of Fund Balance June 30, 2012:						
Restricted Fund Balance:						
Excess Surplus					\$ 1,343,401.54	
Emergency Reserve Account					196,532.50	
Maintenance Reserve Account					449,481.18	
Capital Reserve Account					551,600.00	
Assigned Fund Balance:						
Prior Year Encumbrances					386,078.43	
Designated for Subsequent Year's Expenditures					600,000.00	
Unassigned Fund Balance					1,027,251.23	
					\$ 4,554,344.88	
Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:						
Fund Balance June 30, 2011					\$ 4,554,344.88	
Last Current Year State Aid Payment Not Realized on GAAP Basis					(678,309.00)	
					\$ 3,876,035.88	

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2011**

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	<u>Actual</u>	Variance <u>Final to Actual</u>
REVENUES:					
State Sources	\$ 274,800.00	\$ (33,867.00)	\$ 240,933.00	\$ 186,654.70	\$ 54,278.30
Federal Sources	886,900.00	760,161.77	1,647,061.77	1,545,259.89	101,801.88
Local Sources	-	122,557.03	122,557.03	102,613.62	19,943.41
Total Revenues	<u>1,161,700.00</u>	<u>848,851.80</u>	<u>2,010,551.80</u>	<u>1,834,528.21</u>	<u>176,023.59</u>
EXPENDITURES:					
Instruction					
Personal Services - Salaries	52,200.00	115,937.00	168,137.00	162,409.00	5,728.00
Purchased Professional and Technical Services	25,000.00	(13,905.20)	11,094.80	8,714.76	2,380.04
Other Purchased Services (400-500 series)	905,000.00	109,767.00	1,014,767.00	938,784.70	75,982.30
General Supplies	179,500.00	(90,301.24)	89,198.76	71,115.65	18,083.11
Textbooks	-	10,970.00	10,970.00	10,970.00	-
Total Instruction	<u>1,161,700.00</u>	<u>132,467.56</u>	<u>1,294,167.56</u>	<u>1,191,994.11</u>	<u>102,173.45</u>
Support Services					
Personal Services - Salaries		218,641.73	218,641.73	181,857.52	36,784.21
Personal Services - Employee Benefits		61,597.00	61,597.00	57,167.88	4,429.12
Purchased Professional and Technical Services		160,555.71	160,555.71	155,768.08	4,787.63
Other Purchased Services (400-500 series)		53,062.04	53,062.04	50,931.00	2,131.04
Travel		1,150.00	1,150.00	1,116.84	33.16
Supplies & Materials	-	66,178.10	66,178.10	54,924.84	11,253.26
Other Objects	-	10,652.46	10,652.46	873.84	9,778.62
Total Support Services	<u>-</u>	<u>571,837.04</u>	<u>571,837.04</u>	<u>502,640.00</u>	<u>69,197.04</u>
Facilities Acquisition and Construction Services:					
Buildings		10,570.55	10,570.55	10,570.55	-
Instructional Equipment	17,000.00	28,448.65	45,448.65	45,448.65	-
Noninstructional Equipment	-	88,528.00	88,528.00	83,874.90	4,653.10
Total Facilities Acquisition and Construction Services	<u>17,000.00</u>	<u>127,547.20</u>	<u>144,547.20</u>	<u>139,894.10</u>	<u>4,653.10</u>
Total Expenditures	<u>1,178,700.00</u>	<u>831,851.80</u>	<u>2,010,551.80</u>	<u>1,834,528.21</u>	<u>176,023.59</u>
Total Outflows	<u>\$ 1,178,700.00</u>	<u>\$ 831,851.80</u>	<u>\$ 2,010,551.80</u>	<u>\$ 1,834,528.21</u>	<u>\$ 176,023.59</u>

**NOTES TO REQUIRED SUPPLEMENTARY
INFORMATION**

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
For the Fiscal Year Ended**

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

	<u>Exhibit</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1 & C-2]	\$ 51,388,442.99	\$ 1,834,528.21
Difference - budget to GAAP:			
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense in accordance with GASB 33.		(366,950.00)	(5,280.00)
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-	(133,490.70)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>\$ 51,021,492.99</u>	<u>\$ 1,695,757.51</u>
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-2]	\$ -	\$ 1,834,528.21
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.			(133,490.70)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.			
Net transfers (outflows) to general fund			-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	<u>\$ -</u>	<u>\$ 1,701,037.51</u>

OTHER SUPPLEMENTARY INFORMATION

SECTION D
SCHOOL LEVEL SCHEDULES

SECTION E
SPECIAL REVENUE FUND

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2011

		<u>Total</u>	<u>State Aid</u>	<u>Federal Aid</u>	<u>Local Aid</u>
REVENUES					
State Sources		\$ 186,654.70	\$186,654.70	\$ -	\$ -
Federal Sources		1,545,259.89	-	1,545,259.89	-
Local Sources		<u>102,613.62</u>	<u>-</u>	<u>-</u>	<u>102,613.62</u>
Total Revenues		<u>1,834,528.21</u>	<u>186,654.70</u>	<u>1,545,259.89</u>	<u>102,613.62</u>
EXPENDITURES:					
Instruction:					
Personal Services - Salaries	100-100	162,409.00	51,550.00	110,859.00	
Purchased Professional and Technical Services	100-300	8,714.76	-	8,714.76	
Other Purchased Services (400-500 series)	100-500	938,784.70	101,830.70	836,954.00	
General Supplies	100-600	71,115.65	600.00	39,366.28	31,149.37
Textbooks	100-640	<u>10,970.00</u>	<u>10,970.00</u>	<u>-</u>	<u>-</u>
Total Instruction		<u>1,191,994.11</u>	<u>164,950.70</u>	<u>995,894.04</u>	<u>31,149.37</u>
Support Services:					
Personal Services - Salaries	200-100	181,857.52	-	181,857.52	-
Personal Services - Employee Benefits	200-200	57,167.88	-	57,167.88	-
Purchased Professional and Technical Services	200-300	155,768.08	21,704.00	127,764.08	6,300.00
Other Purchased Services (400-500 series)	200-500	50,931.00	-	37,752.33	13,178.67
Travel	200-580	1,116.84	-	-	1,116.84
Supplies and Materials	200-600	54,924.84	-	54,924.84	-
Other Objects	200-800	<u>873.84</u>	<u>-</u>	<u>-</u>	<u>873.84</u>
Total Support Services		<u>502,640.00</u>	<u>21,704.00</u>	<u>459,466.65</u>	<u>21,469.35</u>
Facilities Acquisition and Const. Serv.:					
Buildings	400-720	10,570.55	-	10,570.55	-
Instructional Equipment	400-731	45,448.65	-	45,448.65	
Noninstructional Equipment	400-732	<u>83,874.90</u>	<u>-</u>	<u>33,880.00</u>	<u>49,994.90</u>
Total Facilities Acquisition and Const. Serv.		<u>139,894.10</u>	<u>-</u>	<u>89,899.20</u>	<u>49,994.90</u>
Total Expenditures		<u>\$ 1,834,528.21</u>	<u>\$ 186,654.70</u>	<u>\$ 1,545,259.89</u>	<u>\$ 102,613.62</u>

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
 Special Revenue Fund
 Combining Schedule of Federal Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2011

	Total	N.C.L.B.				I.D.E.A. Part B		Emergency Immigrant Education
		Title I	Title II	Title III	Title IV	Basic	Preschool	
REVENUES								
Federal Sources	\$ 1,545,259.89	\$ 307,018.99	\$ 107,327.60	\$ 17,618.00	\$ 2,175.38	\$ 1,066,574.82	\$ 32,379.44	\$ 12,165.66
Total Federal Revenues	<u>1,545,259.89</u>	<u>307,018.99</u>	<u>107,327.60</u>	<u>17,618.00</u>	<u>2,175.38</u>	<u>1,066,574.82</u>	<u>32,379.44</u>	<u>12,165.66</u>
EXPENDITURES:								
Instruction:								
Personal Services - Salaries	110,859.00	110,859.00						
Purchased Professional and Technical Services	8,714.76	6,435.03	807.66	8.96				1,463.11
Other Purchased Services (400-500 series)	836,954.00							
General Supplies	39,366.28	6,868.01	4,550.88	2,166.42		807,828.00	29,126.00	
Total Instruction	<u>995,894.04</u>	<u>124,162.04</u>	<u>5,358.54</u>	<u>2,175.38</u>		<u>23,564.19</u>	<u>1,153.44</u>	<u>1,063.34</u>
Support Services:								
Personal Services - Salaries	181,857.52	65,932.64	74,772.89	12,267.00		28,884.99		
Personal Services - Employee Benefits	57,167.88	33,894.00	21,371.88	938.00				964.00
Purchased Professional and Technical Services	127,764.08	26,321.00				101,443.08		
Purchased Professional - Educational Services								
Other Purchased Services (400-500 series)	37,752.33	31,786.70	5,824.29					141.34
Supplies and Materials	54,924.84	24,922.61	4,413.00			17,055.36		8,533.87
Total Support Services	<u>459,466.65</u>	<u>182,856.95</u>	<u>101,969.06</u>	<u>17,618.00</u>		<u>147,383.43</u>	<u>2,100.00</u>	<u>9,639.21</u>
Facilities Acquisition and Const. Serv.:								
Buildings	10,570.55					10,570.55		
Instructional Equipment	45,448.65					43,348.65	2,100.00	
Noninstructional Equipment	33,880.00					33,880.00		
Total Facilities Acquisition and Const. Serv.	<u>89,899.20</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,799.20</u>	<u>2,100.00</u>	<u>-</u>
Total Expenditures	<u>\$ 1,545,259.89</u>	<u>\$ 307,018.99</u>	<u>\$ 107,327.60</u>	<u>\$ 17,618.00</u>	<u>\$ 2,175.38</u>	<u>\$ 1,066,574.82</u>	<u>\$ 32,379.44</u>	<u>\$ 12,165.66</u>

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**
Special Revenue Fund
Combining Schedule of Local Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2011

	Total	Music Festival Program	Pandemic Grant	Woman's Club	NJSBAIG Grant
REVENUES					
Local Sources	\$ 102,613.62	\$ 873.84	\$ 49,949.88	\$ 1,795.00	\$ 49,994.90
Total Federal Revenues	<u>102,613.62</u>	<u>873.84</u>	<u>49,949.88</u>	<u>1,795.00</u>	<u>49,994.90</u>
EXPENDITURES:					
Instruction:					
General Supplies	31,149.37		29,354.37	1,795.00	
Total Instruction	<u>31,149.37</u>		<u>29,354.37</u>	<u>1,795.00</u>	
Support Services:					
Purchased Professional and Technical Services	6,300.00		6,300.00		
Other Purchased Services (400-500 series)	13,178.67		13,178.67		
Travel	1,116.84		1,116.84		
Other Objects	873.84	873.84	-		
Total Support Services	<u>21,469.35</u>	<u>873.84</u>	<u>20,595.51</u>		
Facilities Acquisition and Const. Serv.:					
Noninstructional Equipment	49,994.90				49,994.90
Total Facilities Acquisition and Const. Serv.	<u>49,994.90</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,994.90</u>
Total Expenditures	<u>\$ 102,613.62</u>	<u>\$ 873.84</u>	<u>\$ 49,949.88</u>	<u>\$ 1,795.00</u>	<u>\$ 49,994.90</u>

SECTION F
CAPITAL PROJECTS FUND

**BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Year Ended June 30, 2011**

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2011
			Prior Years	Current Year	
Kindergarten Bathrooms	5/1/2009	\$ 600,000.00	\$ 379,944.40	\$ -	\$ 220,055.60
Middle School Bleachers	7/31/2009	240,789.69	240,789.69	-	-
Middle School Girls Gym Lockers	7/1/2009	92,000.00	31,598.00	-	60,402.00
High School HVAC	5/1/2009	2,450,000.00	1,325,836.79	141,128.81	983,034.40
Kennedy School Boiler Replacement	5/1/2009	19,000.00	19,000.00	-	-
Roosevelt/Administration Boiler Replacement	7/1/2009	36,000.00	36,000.00	-	-
High School Air Handlers	7/1/2009	45,000.00	-	-	45,000.00
Various Schools Bathroom Improvements	7/31/2009	920,000.00	653,872.90	-	266,127.10
Franklin School Hot Water Pumps	7/1/2009	29,000.00	-	-	29,000.00
Middle School Fire Alarm Replacement	7/31/2009	475,000.00	450,084.79	-	24,915.21
Middle School Science Lab Upgrade	7/1/2009	22,161.14	22,161.14	-	-
Totals		\$ 4,928,950.83	\$ 3,159,287.71	\$ 141,128.81	\$ 1,628,534.31

**BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2011**

REVENUES AND OTHER FINANCING SOURCES

State Sources - SCC Grant	\$ (78,400.00)
Transfer from Capital Reserve	(551,600.00)
Transfer from Capital Outlay	<u>3,161.14</u>
Total Revenues	<u>(626,838.86)</u>

EXPENDITURES AND OTHER FINANCING USES

Other Purchased Professional and Technical Services (390)	27,635.81
Construction Services (450)	113,493.00
Other Objects (800)	<u>-</u>
Total Expenditures	<u>141,128.81</u>

Excess (deficiency) of revenues over (under) expenditures	(767,967.67)
Fund Balance - July 1	<u>2,396,501.98</u>
Fund Balance - June 30	<u>\$ 1,628,534.31</u>

**BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Kindergarten Bathrooms
From Inception and for the Year Ended June 30, 2011**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SCC Grant	\$ 240,000.00	\$ -	\$ 240,000.00	\$ 240,000.00
Transfer from Capital Reserve	360,000.00	-	360,000.00	360,000.00
Total Revenues	<u>600,000.00</u>	<u>-</u>	<u>600,000.00</u>	<u>600,000.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Other Purchased Professional and Technical Services (390)	43,144.40	-	43,144.40	45,000.00
Construction Services (450)	336,800.00	-	336,800.00	555,000.00
Total Expenditures	<u>379,944.40</u>	<u>-</u>	<u>379,944.40</u>	<u>600,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 220,055.60</u>	<u>\$ -</u>	<u>\$ 220,055.60</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	4910-050-09-3001			
Grant Date	5/1/09			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 600,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 600,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completed	63.32%			
Original Target Completion Date	9/1/10			
Revised Target Completion Date	9/1/10			

**BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Middle School Bleachers
From Inception and for the Year Ended June 30, 2011**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SCC Grant	\$ 96,316.00	\$ -	\$96,316.00	\$ 96,316.00
Transfer from Capital Reserve	120,000.00		120,000.00	120,000.00
Transfer from Capital Outlay	<u>24,473.69</u>	<u>-</u>	<u>24,473.69</u>	<u>24,473.69</u>
Total Revenues	<u>240,789.69</u>	<u>-</u>	<u>240,789.69</u>	<u>240,789.69</u>
EXPENDITURES AND OTHER FINANCING USES				
Other Purchased Professional and Technical Services (390)	23,299.52		23,299.52	25,000.00
Construction Services (450)	<u>217,490.17</u>	<u>-</u>	<u>217,490.17</u>	<u>215,789.69</u>
Total Expenditures	<u>240,789.69</u>	<u>-</u>	<u>240,789.69</u>	<u>240,789.69</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	4910-053-09-2017			
Grant Date	7/31/09			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 240,790			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 240,790			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completed	100.00%			
Original Target Completion Date	9/1/10			
Revised Target Completion Date	9/1/10			

BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Middle School Girls Gym Lockers
From Inception and for the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 92,000.00	\$ -	\$92,000.00	\$ 92,000.00
Total Revenues	<u>92,000.00</u>	<u>-</u>	<u>92,000.00</u>	<u>92,000.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Other Purchased Professional and Technical Services (390)			-	
Construction Services (450)	31,598.00	-	31,598.00	92,000.00
Total Expenditures	<u>31,598.00</u>	<u>-</u>	<u>31,598.00</u>	<u>92,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 60,402.00</u>	<u>\$ -</u>	<u>\$60,402.00</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number		N/A		
Grant Date		N/A		
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost	\$ 92,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 92,000			
Percentage Increase over Original Authorized Cost			0.00%	
Percentage Completed			34.35%	
Original Target Completion Date			9/1/10	
Revised Target Completion Date			9/1/10	

BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
High School HVAC
From Inception and for the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SCC Grant	\$ 980,000.00		\$ 980,000.00	\$ 980,000.00
Transfer from Capital Reserve	1,470,000.00	-	1,470,000.00	1,470,000.00
Total Revenues	<u>2,450,000.00</u>	<u>-</u>	<u>2,450,000.00</u>	<u>2,450,000.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Other Purchased Professional and Technical Services (390)	44,483.89	27,635.81	72,119.70	150,000.00
Construction Services (450)	1,281,352.90	113,493.00	1,394,845.90	2,300,000.00
Total Expenditures	<u>1,325,836.79</u>	<u>141,128.81</u>	<u>1,466,965.60</u>	<u>2,450,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,124,163.21</u>	<u>\$ (141,128.81)</u>	<u>\$ 983,034.40</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	4910-050-09-3002			
Grant Date	5/1/09			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 2,470,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 2,470,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completed	59.88%			
Original Target Completion Date	9/1/10			
Revised Target Completion Date	9/1/10			

**BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Kennedy School Boiler Replacement
From Inception and for the Year Ended June 30, 2011**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SCC Grant	\$ 78,400.00	\$ (78,400.00)	\$ -	\$ -
Transfer from Capital Reserve	117,600.00	(117,600.00)	-	-
Transfer from Capital Outlay	-	19,000.00	19,000.00	19,000.00
Total Revenues	<u>196,000.00</u>	<u>(177,000.00)</u>	<u>19,000.00</u>	<u>19,000.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Other Purchased Professional and Technical Services (390)	<u>19,000.00</u>	<u>-</u>	<u>19,000.00</u>	<u>19,000.00</u>
Total Expenditures	<u>19,000.00</u>	<u>-</u>	<u>19,000.00</u>	<u>19,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 177,000.00</u>	<u>\$(177,000.00)</u>	<u>\$ -</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	4910-055-09-1004			
Grant Date	5/1/09			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 196,000			
Additional Authorized Cost	\$ (177,000)			
Revised Authorized Cost	\$ 19,000			
Percentage Increase over Original Authorized Cost	-90.31%			
Percentage Completed	100.00%			
Original Target Completion Date	9/1/10			
Revised Target Completion Date	9/1/10			

**BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Roosevelt/Administration Boiler Replacement
From Inception and for the Year Ended June 30, 2011**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$323,000.00	\$(323,000.00)	\$ -	\$ -
Transfer from Capital Outlay	<u>-</u>	<u>36,000.00</u>	<u>36,000.00</u>	<u>36,000.00</u>
Total Revenues	<u>323,000.00</u>	<u>(287,000.00)</u>	<u>36,000.00</u>	<u>36,000.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Other Purchased Professional and Technical Services (390)	<u>36,000.00</u>	<u>-</u>	<u>36,000.00</u>	<u>36,000.00</u>
Total Expenditures	<u>36,000.00</u>	<u>-</u>	<u>36,000.00</u>	<u>36,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$287,000.00</u>	<u>\$(287,000.00)</u>	<u>\$ -</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 323,000			
Additional Authorized Cost	\$ (287,000)			
Revised Authorized Cost	\$ 36,000			
Percentage Increase over Original Authorized Cost	-88.85%			
Percentage Completed	100.00%			
Original Target Completion Date	9/1/10			
Revised Target Completion Date	9/1/10			

BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
High School Air Handlers
From Inception and for the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
Transfer from Capital Reserve	\$ 27,000.00	\$ -	\$ 27,000.00	\$ 27,000.00
Transfer from Capital Outlay	18,000.00	-	18,000.00	18,000.00
Total Revenues	<u>45,000.00</u>	<u>-</u>	<u>45,000.00</u>	<u>45,000.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Construction Services (450)	-	-	-	45,000.00
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 45,000.00</u>	<u>\$ -</u>	<u>\$ 45,000.00</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 45,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 45,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completed	0.00%			
Original Target Completion Date	9/1/10			
Revised Target Completion Date	9/1/10			

**BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Various Schools Bathroom Improvements
From Inception and for the Year Ended June 30, 2011**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SCC Grant	\$368,000.00	\$ -	\$368,000.00	\$368,000.00
Transfer from Capital Reserve	<u>552,000.00</u>	<u>-</u>	<u>552,000.00</u>	<u>552,000.00</u>
Total Revenues	<u>920,000.00</u>	<u>-</u>	<u>920,000.00</u>	<u>920,000.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Other Purchased Professional and Technical Services (390)	80,872.90		80,872.90	90,000.00
Construction Services (450)	<u>573,000.00</u>	<u>-</u>	<u>573,000.00</u>	<u>830,000.00</u>
Total Expenditures	<u>653,872.90</u>	<u>-</u>	<u>653,872.90</u>	<u>920,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$266,127.10</u>	<u>\$ -</u>	<u>\$266,127.10</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Numbers	4910-070-09-1013 4910-055-09-1014 4910-058-09-1020 4910-060-09-1022			
Grant Date	7/31/09			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 920,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 920,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completed	71.07%			
Original Target Completion Date	9/1/10			
Revised Target Completion Date	9/1/10			

BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Franklin School Hot Water Pumps
From Inception and for the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SCC Grant	\$ -	\$ -	\$ -	\$ -
Transfer from Capital Reserve	17,400.00	-	17,400.00	17,400.00
Transfer from Capital Outlay	<u>11,600.00</u>	<u>-</u>	<u>11,600.00</u>	<u>11,600.00</u>
Total Revenues	<u>29,000.00</u>	<u>-</u>	<u>29,000.00</u>	<u>29,000.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Other Purchased Professional and Technical Services (390)			-	
Construction Services (450)			-	29,000.00
Other Objects (800)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 29,000.00</u>	<u>\$ -</u>	<u>\$ 29,000.00</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 29,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 29,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completed	0.00%			
Original Target Completion Date	9/1/10			
Revised Target Completion Date	9/1/10			

**BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Middle School Fire Alarm Replacement
From Inception and for the Year Ended June 30, 2011**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SCC Grant	\$ 190,000.00	\$ -	\$ 190,000.00	\$ 190,000.00
Transfer from Capital Reserve	<u>285,000.00</u>	<u>-</u>	<u>285,000.00</u>	<u>285,000.00</u>
Total Revenues	<u>475,000.00</u>	<u>-</u>	<u>475,000.00</u>	<u>475,000.00</u>
EXPENDITURES AND OTHER FINANCING USES				
Other Purchased Professional and Technical Services (390)	63,284.79		63,284.79	65,000.00
Construction Services (450)	<u>386,800.00</u>	<u>-</u>	<u>386,800.00</u>	<u>410,000.00</u>
Total Expenditures	<u>450,084.79</u>	<u>-</u>	<u>450,084.79</u>	<u>475,000.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 24,915.21</u>	<u>\$ -</u>	<u>\$ 24,915.21</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	4910-053-09-2018			
Grant Date	7/31/09			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 475,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 475,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completed	94.75%			
Original Target Completion Date	9/1/10			
Revised Target Completion Date	9/1/10			

BOARD OF EDUCATION
SOUTH PLAINFIELD SCHOOL DISTRICT
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Middle School Science Lab Upgrade
From Inception and for the Year Ended June 30, 2011

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SCC Grant	\$ -	\$ -	\$ -	\$ -
Transfer from Capital Reserve	111,000.00	(111,000.00)	-	-
Transfer from Capital Outlay	<u>74,000.00</u>	<u>(51,838.86)</u>	<u>22,161.14</u>	<u>22,161.14</u>
Total Revenues	<u>185,000.00</u>	<u>(162,838.86)</u>	<u>22,161.14</u>	<u>22,161.14</u>
EXPENDITURES AND OTHER FINANCING USES				
Other Purchased Professional and Technical Services (390)	22,161.14	-	22,161.14	22,161.14
Construction Services (450)	-	-	-	-
Other Objects (800)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>22,161.14</u>	<u>-</u>	<u>22,161.14</u>	<u>22,161.14</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 162,838.86</u>	<u>\$(162,838.86)</u>	<u>\$ -</u>	<u>\$ -</u>
ADDITIONAL PROJECT INFORMATION				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 185,000.00			
Additional Authorized Cost	\$(162,838.86)			
Revised Authorized Cost	\$ 22,161.14			
Percentage Increase over Original Authorized Cost	-88.02%			
Percentage Completed	100.00%			
Original Target Completion Date	9/1/10			
Revised Target Completion Date	9/1/10			

SECTION G
PROPRIETARY FUNDS

ENTERPRISE FUND

INTERNAL SERVICE FUND

SECTION H
FIDUCIARY FUND

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Student Activity Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2011**

<u>Schools</u>	<u>Balance June 30, 2010</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2011</u>
Junior Schools:				
Middle School Student Council	\$ 960.53	\$ 102,054.79	\$ 99,342.99	\$ 3,672.33
Middle School Student Activity	16,810.12	62,487.67	53,668.36	25,629.43
Grant School Student Activity	5,834.44	30,727.86	30,242.33	6,319.97
High School Student Activity	<u>105,904.34</u>	<u>188,849.13</u>	<u>207,302.68</u>	<u>87,450.79</u>
	<u>\$ 129,509.43</u>	<u>\$ 384,119.45</u>	<u>\$ 390,556.36</u>	<u>\$ 123,072.52</u>

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2011**

	<u>Balance June 30, 2010</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2011</u>
Payroll Deductions and Withholdings	\$ 391,309.35	\$ 13,895,922.05	\$ 14,186,409.53	\$ 100,821.87
Net Salaries and Wages	605.27	20,486,365.55	20,484,744.56	2,226.26
Interfund Accounts Payable	<u>-</u>	<u>51,291.07</u>	<u>-</u>	<u>51,291.07</u>
	<u>\$ 391,914.62</u>	<u>\$ 34,433,578.67</u>	<u>\$ 34,671,154.09</u>	<u>\$ 154,339.20</u>

SECTION I
LONG – TERM DEBT

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Long - Term Debt
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2011**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities of Bonds Outstanding June 30, 2011</u>			<u>Retired Current Year</u>	<u>Balance June 30, 2010</u>	<u>Balance June 30, 2011</u>
			<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>			
School Improvements	7/15/2001	\$ 12,636,000.00	7/15/2011	\$ 730,000.00	4.75%	\$ 1,420,000.00	\$ 730,000.00	
School Refunding Bonds	7/15/2009	9,765,000.00	7/15/2012	725,000.00	2.00%	9,765,000.00	9,765,000.00	
			7/15/2013	845,000.00	2.00%			
			7/15/2014	870,000.00	4.00%			
			7/15/2015	910,000.00	4.50%			
			7/15/2016	960,000.00	5.00%			
			7/15/2017	995,000.00	3.00%			
			7/15/2018	1,040,000.00	4.25%			
		7/15/2019	1,085,000.00	4.50%				
		7/15/2020	1,140,000.00	5.00%				
		7/15/2021	1,195,000.00	5.00%				
						<u>\$ 690,000.00</u>	<u>\$ 11,185,000.00</u>	<u>\$ 10,495,000.00</u>

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2011**

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	Actual	Variance Final to <u>Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,183,120.00	\$ -	\$ 1,183,120.00	\$ 1,183,120.00	\$ -
Total Revenues	<u>1,183,120.00</u>	<u>-</u>	<u>1,183,120.00</u>	<u>1,183,120.00</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Redemption of Principal	690,000.00		690,000.00	690,000.00	-
Interest	493,120.00		493,120.00	446,125.00	(46,995.00)
Total Regular Debt Service	<u>1,183,120.00</u>		<u>1,183,120.00</u>	<u>1,136,125.00</u>	<u>(46,995.00)</u>
Total Expenditures	<u>1,183,120.00</u>	<u>-</u>	<u>1,183,120.00</u>	<u>1,136,125.00</u>	<u>(46,995.00)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	46,995.00	46,995.00
Fund Balance, July 1	(97,709.96)		(97,709.96)	(97,709.96)	-
Fund Balance, June 30	<u>\$ (97,709.96)</u>	<u>\$ -</u>	<u>\$ (97,709.96)</u>	<u>\$ (50,714.96)</u>	<u>\$ 46,995.00</u>
Recapitulation of Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures					
Budgeted Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,995.00</u>	<u>\$ 46,995.00</u>

STATISTICAL SECTION (Unaudited)

Financial Trends

J-1	Net Assets by Component
J-2	Changes in Net Assets
J-3	Fund Balances - Governmental Funds
J-4	Changes in Fund Balances - Governmental Funds
J-5	General Fund - Other Local Revenue by Source

Revenue Capacity

J-6	Assessed Value and Estimated Actual Value of Taxable Property
J-7	Direct and Overlapping Property Tax Rates
J-8	Principal Property Taxpayers
J-9	Property Tax Levies and Collections

Debt Capacity

J-10	Ratios of Outstanding Debt by Type
J-11	Ratios of Net General Bonded Debt Outstanding
J-12	Direct and Overlapping Governmental Activities Debt as of June 30
J-13	Legal Debt Margin Information

Demographic and Economic Information

J-14	Demographic and Economic Statistics
J-15	Principal Employers

Operating Information

J-16	Full-time Equivalent District Employees by Function/Program
J-17	Operating Statistics
J-18	School Building Information
J-19	Schedule of Required Maintenance for School Facilities
J-20	Insurance Schedule

Certain Exhibits do not contain ten years of information since GASBS No. 44 was implemented as of the fiscal year ending June 30, 2003.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

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

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities									
Invested in Capital Assets, Net of Related Debt	\$ 8,462,711.01	\$ 7,499,986.00	\$ 5,943,342.63	\$ 4,687,615.05	\$ 4,393,358.00	\$ 2,760,586.00	\$ 21,420,102.00	\$ 26,140,591.00	\$ 8,889,891.00
Restricted	5,156,706.53	5,861,709.58	6,950,391.63	5,917,921.37	260,938.00	1,359,242.00	4,965,790.00	1,359,242.00	4,965,790.00
Unrestricted	(708,454.01)	(349,646.79)	(825,142.23)	(195,897.34)	1,689,210.00	696,887.00	(307,261.00)	(1,078,194.00)	(261,678.00)
Total Governmental Activities Net Assets	\$ 12,910,963.53	\$ 13,012,048.79	\$ 12,068,592.03	\$ 10,409,639.08	\$ 6,082,568.00	\$ 3,457,473.00	\$ 21,373,779.00	\$ 26,421,639.00	\$ 13,694,003.00
Business-type activities									
Invested in Capital Assets, Net of Related Debt	\$ 77,411.00	\$ 90,092.00	\$ 83,034.90	\$ 90,355.90	\$ 97,677.00	\$ 95,208.00	\$ 10,695.00	\$ 12,838.00	\$ 14,981.00
Unrestricted	1,148,665.2	1,057,047.26	873,446.51	654,732.18	430,615.00	348,620.00	128,217.00	80,658.00	392,507.00
Total Business-Type Activities Net Assets	\$ 1,226,076.20	\$ 1,147,139.26	\$ 956,481.41	\$ 745,088.08	\$ 528,292.00	\$ 443,828.00	\$ 138,912.00	\$ 93,496.00	\$ 407,488.00
District-Wide									
Invested in Capital Assets, Net of Related Debt	\$ 6,540,122.01	\$ 7,590,078.00	\$ 6,026,377.53	\$ 4,777,970.95	\$ 4,491,035.00	\$ 2,855,794.00	\$ 21,430,797.00	\$ 26,153,429.00	\$ 9,004,872.00
Restricted	5,156,706.53	5,861,709.58	6,950,391.63	5,917,921.37	-	-	260,938.00	1,359,242.00	4,965,790.00
Unrestricted	440,211.19	707,400.47	48,304.28	458,834.84	2,119,825.00	1,045,507.00	(179,044.00)	(997,536.00)	130,829.00
Total District Net Assets	\$ 14,137,039.73	\$ 14,159,188.05	\$ 13,025,073.44	\$ 11,154,727.16	\$ 6,610,860.00	\$ 3,901,301.00	\$ 21,512,691.00	\$ 26,515,135.00	\$ 14,101,491.00

Source: District Records

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

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

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses									
Governmental Activities									
Instruction									
Regular	\$ 24,293,199.98	\$ 24,613,370.65	\$ 23,907,311.98	\$ 23,899,746.49	\$ 24,943,639.00	\$ 17,814,248.00	\$ 17,323,031.00	\$ 17,971,292.00	\$ 15,694,152.00
Special Education	7,674,924.09	7,502,097.73	5,990,400.14	6,090,214.73	7,128,497.00	3,996,562.00	3,475,017.00	2,493,755.00	3,013,880.00
Other Instruction	1,815,959.57	1,920,632.43	1,763,814.81	1,954,056.62	1,134,712.00	937,506.00	854,849.00	758,804.00	551,306.00
Support Services:									
Tuition	1,134,463.47	1,252,047.47	1,189,629.63	1,195,972.96		1,251,452.00	1,598,432.00	1,610,731.00	1,409,240.00
Student and Instruction Related Services	5,901,184.86	6,341,026.82	6,149,739.89	6,195,047.46	7,208,508.00	4,968,106.00	4,857,894.00	4,953,956.00	4,375,442.00
School Administrative Services	3,022,551.45	3,013,614.68	2,871,127.33	2,538,730.90	2,222,792.00	1,539,825.00	1,908,934.00	1,923,376.00	2,072,594.00
General and Business Administrative Services	2,414,732.82	2,143,003.57	2,088,527.02	2,596,815.90	2,155,173.00	1,880,559.00	2,267,904.00	2,350,397.00	1,891,718.00
Administrative Information Technology	361,669.44	381,523.32	573,255.91						
Plant Operations and Maintenance	4,811,259.23	5,562,927.82	5,700,095.05	5,416,829.64	5,192,664.00	4,706,599.00	3,979,153.00	4,693,654.00	4,031,378.00
Pupil Transportation	1,896,037.43	2,048,352.19	1,943,771.66	1,976,627.25	1,821,280.00	1,388,192.00	1,493,821.00	1,467,387.00	1,423,005.00
Special Schools	42,467.72	605,640.86	496,765.77	527,196.63		302,977.00	297,507.00	346,495.00	290,899.00
Charter Schools	8,044.36	32,262.00	28,669.00	4,478.00					
Interest on Long-Term Debt	431,234.89	416,205.42	567,011.25	603,100.63	697,772.00	703,000.00	679,567.00	668,468.00	676,142.00
Debt Service Assessment	68,734.00								
Other Unallocated Expenses									
Total Governmental Activities Expenses	53,876,462.31	55,832,704.96	53,270,119.44	52,998,817.21	52,505,037.00	10,902,530.00	14,138,609.00	11,436,495.00	10,578,582.00
Business-Type Activities:									
Food Service	1,209,946.00	1,163,547.83	1,186,805.75	1,140,613.84	1,121,588.00	1,035,844.00	1,030,476.00	985,927.00	872,367.00
Preschool Program	240,803.66	219,024.39	203,322.62	207,069.21					
Latchkey Program	391,478.86	333,947.36	373,795.20	377,680.98	240,540.00	114,868.00	173,976.00	809,485.00	-
Adult Education Program	272,749.23	269,588.49	262,137.75	222,133.18	571,671.00	489,180.00	571,715.00	546,836.00	519,114.00
Total Business-Type Activities Expense	2,114,977.75	1,986,108.07	2,026,061.32	1,947,497.21	1,933,799.00	1,639,892.00	1,776,167.00	2,342,248.00	1,391,481.00
Total District-Wide Expenses	55,991,440.06	57,818,813.03	55,296,180.76	54,946,314.42	54,438,836.00	52,031,418.00	54,650,885.00	53,019,055.00	47,999,819.00
Program Revenues									
Governmental Activities:									
Charges for Services:									
Instruction	535,779.36								
Pupil Transportation	208,468.00								
Operating Grants and Contributions	8,369,423.27	8,354,393.80	8,505,199.63	10,759,446.95	10,052,011.00	3,760,692.00	3,343,598.00	3,190,737.00	74,827.00
Interest on Long-Term Debt									
Unallocated Benefits									
Total Governmental Activities Program Revenues	9,113,670.63	8,354,393.80	8,505,199.63	10,759,446.95	10,052,011.00	3,760,692.00	3,343,598.00	3,190,737.00	2,563,504.00
									2,638,331.00

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Business-Type Activities:									
Charges for Services									
Food Service	\$ 770,978.11	\$ 751,141.52	\$ 846,811.20	\$ 795,170.75	\$ 804,496.00	\$ 823,703.00	\$ 812,091.00	\$ 817,982.00	\$ 716,779.00
Preschool Program	288,840.75	304,574.80	263,628.00	239,418.33					
Latchkey Program	383,424.59	394,804.51	515,361.37	473,314.05	296,227.00	148,629.00	173,976.00	759,370.00	-
Adult Education Program	303,826.72	271,504.51	283,090.57	262,396.29	654,852.00	643,156.00	610,496.00	521,650.00	603,336.00
Operating Grants and Contributions	442,430.88	422,601.49	328,563.51	297,316.12	288,812.00	242,663.00	225,020.00	123,555.00	249,950.00
Total Business-Type Activities Program Revenues	2,189,301.05	2,144,626.83	2,237,454.85	2,067,615.54	2,044,387.00	1,856,151.00	1,821,593.00	2,222,557.00	1,570,065.00
Total District-Wide Program Revenues	11,302,971.68	10,499,020.63	10,742,654.28	12,827,062.49	12,096,398.00	5,618,843.00	5,165,181.00	5,413,294.00	4,208,396.00
Net (Expense)/Revenue									
Governmental Activities	(44,762,791.68)	(47,478,311.16)	(44,764,919.81)	(42,239,370.26)	(42,453,026.00)	(46,630,834.00)	(49,531,120.00)	(47,486,073.00)	(43,370,007.00)
Business-Type Activities	74,923.30	159,518.76	211,393.33	120,119.33	110,588.00	218,259.00	45,416.00	(119,691.00)	178,564.00
Total District-Wide Net Expense	(44,688,468.38)	(47,319,792.40)	(44,553,526.48)	(42,119,251.93)	(42,342,438.00)	(46,412,575.00)	(49,485,704.00)	(47,605,764.00)	(43,191,423.00)
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Taxes:									
Property Taxes, Levied for General Purposes	39,438,003.00	39,255,222.00	39,108,513.00	40,097,815.00	38,070,174.00	36,378,618.00	32,421,229.00	30,802,735.00	28,610,587.00
Property Taxes, Levied for Debt Service Principal	751,885.11	609,774.58	642,993.75	411,654.00	917,169.00	969,369.00	408,175.00	1,037,237.00	1,431,963.00
Federal and State Aid not Restricted	4,452,377.73	9,538,921.14	6,205,879.50	5,603,884.50	5,429,916.00	8,023,263.00	8,240,306.00	7,881,561.00	7,043,071.00
Restricted Grants and Contributions	-	-	-	-	-	1,938,698.00	1,877,870.00	1,842,871.00	1,707,097.00
Transportation Fees	-	120,604.00	112,190.00	3,983.58	-	16,618.00	10,825.00	104,579.00	98,827.00
Tuition (Other Than Special Schools)	24,138.57	134,801.16	113,337.56	301,285.05	415,312.00	370,574.00	559,853.00	436,182.00	502,133.00
Investment Earnings	120,296.46	505,618.63	240,958.95	147,080.56	219,429.00	370,574.00	965,000.00	(170,944.00)	(318,422.00)
Miscellaneous Income	(124,993.45)	(1,753,757.59)	-	-	26,123.00	-	-	-	-
Special Items	44,561,706.42	48,421,767.92	46,423,872.76	46,565,702.69	45,078,123.00	47,697,140.00	44,483,258.00	41,934,221.00	39,075,256.00
Total Governmental Activities	44,561,706.42	48,421,767.92	46,423,872.76	46,565,702.69	45,078,123.00	47,697,140.00	44,483,258.00	41,934,221.00	39,075,256.00
Business-Type Activities:									
Investment earnings	4,613.64	8,875.99	-	-	(26,123.00)	-	-	(270,875.00)	-
Special Item - adjustment to fixed assets	4,613.64	23,263.10	-	-	(26,123.00)	-	-	(270,875.00)	-
Total Business-Type Activities	44,666,320.06	48,453,907.01	46,423,872.76	46,565,702.69	45,052,000.00	47,697,140.00	44,483,258.00	41,663,346.00	39,075,256.00
Total District-Wide General Revenues	44,666,320.06	48,453,907.01	46,423,872.76	46,565,702.69	45,052,000.00	47,697,140.00	44,483,258.00	41,663,346.00	39,075,256.00
Change in Net Assets									
Governmental Activities	(101,065.26)	943,456.76	1,658,952.95	4,326,332.43	2,625,097.00	1,066,306.00	(5,047,862.00)	(5,551,852.00)	(4,294,751.00)
Business-Type Activities	78,936.94	190,657.85	211,393.33	120,118.33	84,865.00	218,259.00	45,416.00	(390,566.00)	178,564.00
Total District-Wide Change in Net Assets	(22,148.32)	1,134,114.61	1,870,346.28	4,446,450.76	2,709,962.00	1,284,565.00	(5,002,446.00)	(5,942,418.00)	(4,116,167.00)

Source: District Records

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

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

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund									
Reserved	\$ 3,527,093.65	\$ 2,590,393.81	\$ 7,064,506.18	\$ 6,210,036.29	\$ 1,785,276.00	\$ 877,182.00	\$ 111,810.00	\$ 906,195.00	\$ 2,479,151.00
Unreserved	\$ 343,662.23	748,915.40	164,846.88	587,804.55	597,639.00	521,874.00	806,964.00	684,063.00	736,206.00
Total General Fund	\$ 3,870,755.88	\$ 3,339,309.21	\$ 7,229,353.06	\$ 6,797,840.84	\$ 2,382,915.00	\$ 1,399,056.00	\$ 918,674.00	\$ 1,590,258.00	\$ 3,215,357.00
All Other Governmental Funds									
Unreserved	\$ 1,577,819.35	\$ 3,308,167.80	\$ (5,278.92)	(19,782.42)	(12,613.00)	(973.00)	146,417.00	390,599.00	1,821,336.00
Reserved	\$ 57,073.53	\$ 3,308,167.80	\$ (5,278.92)	\$ (19,782.42)	\$ (12,613.00)	132,888.00	146,417.00	49,944.00	324,873.00
Total all Other Governmental Funds	\$ 1,634,892.88	\$ 3,308,167.80	\$ (5,278.92)	\$ (19,782.42)	\$ (12,613.00)	\$ 132,015.00	\$ 146,417.00	\$ 440,543.00	\$ 2,146,209.00
Total Fund Balances	\$ 5,505,648.76	\$ 6,647,477.01	\$ 7,224,074.14	\$ 6,778,058.42	\$ 2,370,302.00	\$ 1,531,071.00	\$ 1,065,091.00	\$ 2,030,801.00	\$ 5,361,566.00

CO Source: District Records

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

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

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Revenues									
Tax Levy	\$ 40,621,123.00	\$ 40,261,202.00	\$ 40,318,518.00	\$ 41,113,291.96	\$ 38,987,343.00	\$ 37,347,987.00	\$ 32,829,404.00	\$ 31,839,972.00	\$ 30,042,550.00
Tuition Charges	535,779.36	10,584.00		3,983.58	5,300.00	16,618.00	10,825.00	104,579.00	98,827.00
Transportation Fees	208,468.00	120,604.00	112,190.00						
Interest Earnings	24,138.57	134,801.16	113,337.56	301,285.05					
Miscellaneous	120,295.46	505,618.63	240,958.95	147,080.56	524,492.00	370,574.00	1,476,435.00	436,182.00	502,133.00
State Sources	10,847,991.41	14,480,558.03	12,957,955.85	14,695,722.53	14,282,271.00	12,428,235.00	12,120,826.00	11,594,545.00	10,310,066.00
Federal Sources	1,542,574.70	2,986,551.49	1,186,112.03	1,063,785.96	1,192,605.00	1,294,419.00	1,341,149.00	1,320,624.00	1,078,433.00
Total Revenues	53,900,370.50	58,529,919.31	54,929,072.39	57,325,149.64	54,992,011.00	51,457,833.00	47,778,439.00	45,295,902.00	42,032,009.00
Expenditures									
Instruction									
Regular Instruction	17,343,994.43	18,171,974.13	17,721,073.14	16,878,858.87	24,692,329.00	17,863,594.00	17,385,908.00	17,756,123.00	15,597,073.00
Special Education Instruction	5,852,405.42	5,892,110.41	4,590,153.24	4,497,062.07	7,135,880.00	3,346,802.00	2,951,868.00	2,485,300.00	2,636,042.00
Other Instruction	1,405,314.11	1,533,089.43	1,419,634.81	1,502,790.04	1,136,298.00	649,760.00	523,149.00	8,455.00	377,838.00
Support Services:									
Tuition	1,134,463.47	1,252,047.47	1,189,629.63	1,195,972.96		1,251,452.00	1,598,431.00	1,610,731.00	1,409,240.00
Student and Instruction Related Services	4,395,094.38	4,864,502.50	4,803,498.06	4,590,295.86	7,208,568.00	5,913,887.00	5,739,493.00	5,694,172.00	4,879,524.00
School Administrative Services	2,155,639.57	2,174,202.40	2,130,475.87	1,694,403.92	2,216,477.00	1,539,825.00	1,908,934.00	1,923,377.00	1,967,862.00
General and Business Administrative Services	1,853,213.99	1,710,941.80	1,656,844.60	2,059,322.01	2,147,996.00	2,252,752.00	2,267,904.00	2,350,397.00	1,871,468.00
Administrative Information Technology	366,466.89	402,246.09	573,255.91						
Plant Operations and Maintenance	4,064,956.25	4,760,982.11	4,972,103.55	4,740,505.64	4,516,340.00	5,049,308.00	3,979,153.00	4,693,654.00	4,022,230.00
Pupil Transportation	1,627,766.75	1,690,549.46	1,804,483.68	1,637,748.99	1,800,677.00	1,748,498.00	1,493,821.00	1,467,387.00	1,365,321.00
Employee Benefits	12,201,179.13	11,397,191.29	10,266,778.61	11,923,854.80		9,976,944.00	9,432,642.00	8,076,514.00	6,143,668.00
Charter Schools	8,044.36	32,262.00	28,669.00	4,478.00					
Special Schools	30,266.54	449,499.35	425,924.99	388,857.53					
Capital Outlay	1,273,541.01	3,651,216.96	1,690,526.58	805,420.05	630,141.00	288,373.00	1,724,036.00	889,087.00	2,916,404.00
Debt Service:									
Principal	690,000.00	660,000.00	630,000.00	495,000.00	2,086,795.00	350,000.00	407,788.00	403,431.00	345,272.00
Interest and Other Charges	446,125.00	463,691.04	580,005.00	603,822.50	796,401.00	637,679.00	651,110.00	672,027.00	980,598.00
Debt Service Assessment	68,734.00								
Total Expenditures	54,917,205.30	59,106,516.44	54,483,056.67	52,818,393.24	54,367,902.00	51,171,851.00	50,361,724.00	48,379,150.00	44,803,439.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,016,834.80)	(576,597.13)	446,015.72	4,406,756.40	624,109.00	285,982.00	(2,583,285.00)	(3,083,248.00)	(2,771,430.00)

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

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

	Fiscal Year Ending June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Other Financing Sources (uses)									
Capital Leases (Non-Budgeted)	\$ -	\$ -	\$ -	\$ -	\$ 190,000.00			\$ -	\$ -
N.J.E.D.A. Grant cancelled	(78,400.00)								
Transfers In	554,761.14	3,603,073.69			159,111.00	180,000.00	1,617,575.00	270,875.00	-
Transfers Out	(601,354.59)	(3,603,073.69)			(132,988.00)				
Total Other Financing Sources (Uses)	(124,993.45)	-	-	-	216,123.00	180,000.00	1,617,575.00	270,875.00	-
Special Items									
Uncollectible Prior Year State Aid									(246,393.00)
Excess Liquidation of Prior year A/P									(72,029.00)
EDA Grant Program Adjustment								(441,819.00)	
Net Change in Fund Balances	\$ (1,141,828.25)	\$ (576,597.13)	\$ 446,015.72	\$ 4,406,756.40	\$ 840,232.00	\$ 465,982.00	\$ (965,710.00)	\$ (2,812,373.00)	\$ (3,089,852.00)
Debt Service as a Percentage of Noncapital Expenditures	1.41%	1.19%	1.19%	0.95%	3.88%	0.69%	0.84%	0.85%	0.82%

Source: District Records

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

**General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited**

Fiscal Year Ending June 30,	Annual Totals	Tuition	Interest on Investments	Athletic Receipts	Prior Year Refunds	Rentals	Transportation		Miscellaneous
							Fees		
2001	\$ 831,834.00	\$ 87,044.00	\$ 424,011.00	\$ 17,599.00	\$ -		\$ 64,977.00	\$ 238,203.00	
2002	474,420.00	71,077.00	174,809.00	14,966.00	-	1,050.00	41,854.00	170,664.00	
2003	546,739.00	98,827.00	100,332.00	20,192.00	-	1,200.00	22,650.00	303,538.00	
2004	498,057.00	104,579.00	98,581.00	50,603.00		2,433.00	60,081.00	181,780.00	
2005	219,129.00	10,825.00	120,570.00	27,411.00	-	12,900.00	46,000.00	1,423.00	
2006	362,902.00	16,618.00	236,770.00	26,546.00	-	7,070.00	57,090.00	18,808.00	
2007	557,639.00	5,300.00	415,312.00	26,546.00	-	19,148.00	57,090.00	34,243.00	
2008	452,349.19	3,983.58	301,285.05	604.00	-	11,940.43	106,768.00	27,768.13	
2009	440,617.66	5,010.00	113,337.56	-	49,592.87	-	112,190.00	160,487.23	
2010	410,611.23	10,584.00	134,801.16	16,753.00	92,775.56		120,604.00	35,093.51	
2011	869,541.59	535,779.36	8,784.85	20,063.00	30,497.17		208,468.00	65,949.21	

Source: District Records

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

Assessed Value and Estimated Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate
2001	\$ 24,167,800	\$ 778,870,400	\$ -	29,000	\$ 162,944,900	\$ 379,361,900	\$ 21,946,800	\$ 1,367,320,800	\$ 5,055,870	\$ 1,372,376,670	\$ 1,934,752,711	\$ 2.040
2002	25,806,500	797,959,300	-	14,500	164,237,500	375,399,100	25,311,200	1,388,728,100	4,912,185	1,393,640,285	2,089,997,871	2.100
2003	21,535,300	827,717,800	-	14,500	166,040,300	372,235,600	24,230,900	1,411,774,400	4,532,529	1,416,306,929	2,330,218,705	2.190
2004	21,453,800	830,981,200	-	83,300	166,498,800	379,166,800	24,230,900	1,422,394,800	3,975,982	1,426,370,782	2,551,190,810	2.270
2005	23,444,800	849,669,400	-	82,500	158,534,800	361,450,700	20,400,000	1,413,582,000	3,449,502	1,417,031,502	2,877,923,819	2.490
2006	19,915,200	852,080,900	-	82,500	165,082,100	359,648,800	19,000,000	1,415,809,500	2,960,863	1,418,770,363	3,206,134,955	2.730
2007	18,675,700	861,041,900	-	82,500	176,902,300	354,383,000	22,000,000	1,433,085,400	2,719,361	1,435,804,761	3,553,294,856	2.790
2008	23,492,800	867,210,700	-	82,500	175,644,400	337,224,500	22,000,000	1,425,654,900	2,560,394	1,428,215,294	3,842,735,580	2.850
2009	18,865,200	874,160,200	-	82,500	175,920,100	333,379,600	21,875,000	1,424,282,600	2,612,373	1,426,894,973	3,965,358,298	2.824
2010	16,567,800	877,722,100	-	82,500	177,034,700	332,281,600	21,875,000	1,425,543,700	2,358,981	1,427,902,681	4,066,052,539	2.798
2011								1,416,245,400	2,138,401	1,418,383,801	3,932,877,785	

Source: Municipal Tax Assessor

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)
Unaudited**

Overlapping Rates

<u>Calendar Year</u>	<u>School</u>	<u>Municipality</u>	<u>County</u>	<u>Total</u>
2001	\$ 2.042	\$ 0.861	\$ 0.567	\$ 3.470
2002	2.013	0.861	0.616	3.490
2003	2.187	0.861	0.642	3.690
2004	2.271	0.861	0.648	3.780
2005	2.491	0.909	0.650	4.050
2006	2.733	0.903	0.674	4.310
2007	2.790	0.890	0.710	4.390
2008	2.850	1.044	0.774	4.668
2009	2.824	1.374	0.820	5.018
2010	2.798	1.226	0.863	4.887

Source: Municipal Tax Collector

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

**Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited**

	2009		1999	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value
Jayne Enterprises	\$ 18,454,800	1.29%	Robert C. Baker	\$ 56,667,700
EQR - South Plainfield LP	16,000,000	1.12%	200 Helen Street LLC	18,150,000
BIT Holdings Fifty Three Inc.	16,000,000	1.12%	Jayne Enterprises	17,527,500
Office Two Limited c/o NTL RLT Devi	13,528,800	0.95%	Kimco Oak Park Commons 596 Inc.	16,000,000
Wells Oper. Part. LP (POER&Co)	12,350,000	0.87%	Office Two Limited Partnership	15,274,800
The Home Depot	11,500,000	0.81%	GBR Middlesex and South Plainfield LLC	14,400,000
Plainfield Associates LLC	11,144,000	0.78%	The Home Depot	13,842,000
Harris Realty LLC	11,001,100	0.77%	IPT Limited Partnership	12,000,000
GBR Middlesex LLC	10,000,000	0.70%	Plainfield Associates LLC	11,117,900
Bell Atlantic	8,269,361	0.58%	Southfield Realty	10,656,200
Total	\$ 128,248,061	8.99%		\$ 185,636,100
				13.95%

Source: Municipal Tax Assessor

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

**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		Collections in Subsequent Years
		Amount	Percentage of Levy	
2002	\$ 28,370,567 (A)	\$ 28,370,567	100.00%	N/A
2003	30,042,550 (A)	30,042,550	100.00%	N/A
2004	31,839,972 (A)	31,839,972	100.00%	N/A
2005	32,829,404 (A)	32,829,404	100.00%	N/A
2006	37,347,987 (A)	37,347,987	100.00%	N/A
2007	38,987,343 (A)	38,987,343	100.00%	N/A
2008	39,458,273 (A)	39,458,273	100.00%	N/A
2009	39,751,507 (A)	39,751,507	100.00%	N/A
2010	39,864,997 (A)	39,864,997	100.00%	N/A
2011	40,189,888 (A)	40,189,888	100.00%	N/A

(A) State Fiscal Year

Source: Municipal Tax Collector

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited**

Fiscal Year Ended June 30,	Governmental Activities					Population	Per Capita
	General Obligation Bonds	Certificates of Participation	Capital Leases	Total District			
2002	\$ 12,636,000	\$1,890,000		\$ 14,526,000	22739	639	
2003	12,636,000	1,620,000		14,256,000	22842	624	
2004	12,581,000	1,350,000		13,931,000	22982	606	
2005	12,531,000	1,065,000		13,596,000	23057	590	
2006	12,476,000	770,000		13,246,000	22795	581	
2007	12,421,000	460,000		12,881,000	22795	565	
2008	12,386,000	-		12,386,000	22795	543	
2009	11,756,000	-		11,756,000	22795	516	
2010	11,185,000	-		11,185,000	22795	491	
2011	10,495,000	-		10,495,000	22795	460	

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

**Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Net General Bonded Debt Outstanding		
2002	\$ 14,526,000	\$ 14,526,000	1.04%	639
2003	14,256,000	14,256,000	1.03%	624
2004	13,931,000	13,931,000	0.98%	606
2005	13,596,000	13,596,000	0.96%	590
2006	13,246,000	13,246,000	0.93%	581
2007	12,881,000	12,881,000	0.90%	565
2008	12,386,000	12,386,000	0.87%	543
2009	11,756,000	11,756,000	0.82%	516
2010	11,185,000	11,185,000	0.78%	491
2011	10,495,000	10,495,000	0.74%	460

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

**Direct and Overlapping Governmental Activities Debt
As of December 31, 2010
Unaudited**

Net Direct Debt of School District as of December 31, 2010	\$ 10,495,000
Net Overlapping Debt of School District:	
County of Middlesex - Borough's share (3.525556%)	\$ 19,233,082
Borough of South Plainfield	12,089,567
Middlesex County Utilities Authority	<u>7,450,000</u>
	<u>38,772,649</u>
Total Direct and Overlapping Debt as of December 31, 2010	<u>\$ 49,267,649.00</u>

Source: Borough of South Plainfield Chief Financial Officer and Middlesex County Treasurer's Office

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

**Legal Debt Margin Information
Last Ten Fiscal Years
Unaudited**

Legal Debt Margin Calculation for Fiscal Year 2010

Equalized Valuation Basis	
2008	\$ 3,932,841,103.00
2009	4,123,574,406.00
2010	\$ 4,063,693,558.00
	<u>\$ 12,120,109,067.00</u>
Average Equalized Valuation of Taxable Property	<u>\$ 4,040,036,355.67</u>
Debt Limit (4 % of Average Equalization)	\$ 161,601,454
Total Net Debt Applicable to Limit	11,185,000
Legal Debt Margin	<u>\$ 150,416,454</u>

	Fiscal Year				
	2006	2007	2008	2009	2010
Debt Limit	\$ 114,414,996.00	\$ 127,117,783.31	\$ 139,885,059.89	\$ 150,311,972.13	\$ 161,601,454.23
Total Net Debt Applicable to Limit	<u>12,476,000.00</u>	<u>12,421,000.00</u>	<u>12,386,000.00</u>	<u>11,756,000.00</u>	<u>11,185,000.00</u>
Legal Debt Margin	<u>101,938,996.00</u>	<u>114,696,783.31</u>	<u>127,499,059.89</u>	<u>138,555,972.13</u>	<u>150,416,454.23</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.90%	9.77%	8.85%	7.82%	6.92%

	Fiscal Year				
	2001	2002	2003	2004	2005
Debt Limit	\$ 71,362,414	\$ 76,235,823	\$ 82,689,738	\$ 91,418,474.00	\$ 102,767,094.00
Total Net Debt Applicable to Limit	<u>307,680</u>	<u>12,636,000</u>	<u>12,636,000</u>	<u>12,581,000.00</u>	<u>12,531,000.00</u>
Legal Debt Margin	<u>\$ 71,054,734</u>	<u>\$ 63,599,823</u>	<u>\$ 70,053,738</u>	<u>\$ 78,837,474</u>	<u>90,236,094.00</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.43%	16.57%	15.28%	13.76%	12.19%

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

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

**Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited**

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2001	22,047	\$ 38,279	3.30%
2002	22,739	38,572	4.90%
2003	22,842	39,039	4.80%
2004	22,982	40,048	4.00%
2005	23,057	41,308	3.50%
2006	22,795	44,823	3.40%
2007	22,795	47,540	
2008	22,795	49,076	
2009	22,795	47,392	
2010	22,795		6.40%

Sources:

Population information provided by the NJ Dept of Labor and Workforce Development.
 Personal income has been estimated based upon the municipal population and per capita personal income presented.
 Per capita personal income by municipality estimated based upon the 2000 Census published by the U. S. Bureau of Economic Analysis.
 Unemployment data provided by the NJ Dept of Labor and Workforce Development.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

Principal Employers
Current Year and Nine Years Ago
Unaudited

2009	2000
------	------

Employer	Employees	Employer	Employees
Bristol-Myers Squibb	3,500-3,749		
Johnson & Johnson	2,750-2,999		Not available
Merril Lynch & Company	2,750-2,999		
Prudential Insurance Company	2,750-2,999		
Robert Wood Johnson Hospital	2,750-2,999		
Silverline Building Products	2,750-2,999		
St. Peter's University Hospital	2,750-2,999		
Telecordia Technology	2,750-2,999		
J.F.K. Medical Center	2,500-2,749		
Raritan Bay Medical Center	2,250-2499		

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
Unaudited

<u>Function/Program</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Instruction										
Regular	260		259	251	262	253	255			
Special Education	41		40	44	48	48	49			
Other Instruction	10		9	9	9	10	10			
Support Services:										
Student and Instruction Related Services	48		48	49	45	51	51			
School Administrative Services	13		13	11	12	9	9			
General and Business Administrative Services	13		13	13	13	12	12			
Other Administrative Services	33		33	30	29	20	20			
Central Services	11		10	8	9	13	14			
Other Support Services	74		74	65	58	36	38			
Pupil Transportation	20		20	24	25	55	55			
Total	<u>N/A</u>	<u>N/A</u>	<u>523</u>	<u>519</u>	<u>504</u>	<u>510</u>	<u>507</u>	<u>513</u>	<u>0</u>	<u>0</u>

Source: District Personnel Records

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year	Pupil/Teacher Ratio											
	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Elementary School	Middle School	Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change In Average Daily Enrollment	Student Attendance Percentage
2000	3704.0	35,674,647	9631	-0.25%	N/A	N/A	N/A	N/A	3593.0	3,434.0	3.40%	95.57%
2001	3806.0	38,403,313	10090	4.76%	N/A	N/A	N/A	N/A	3692.0	3,520.0	2.76%	95.34%
2002	3877.0	39,085,063	10081	-0.09%	N/A	12.7	10.6	12	3761.0	3,600.0	1.87%	95.72%
2003	3897.0	42,995,050	11033	9.44%	N/A	12.5	10.7	11.4	3780.0	3,606.0	0.51%	95.40%
2004	3949.0	47,480,063	12026	9.00%	300.5	11.6	9.6	11.5	3831.0	3,654.0	1.35%	95.38%
2005	3955.0	50,306,186	12720	5.77%	294.3	10.4	8.8	11.3	3844.0	3,665.0	0.34%	95.34%
2006	3783.0	49,895,799	13189	3.69%	294.2	16.7	13.5	14.5	3791.0	3,619.0	-1.38%	95.46%
2007	3889.0	51,807,265	13321	1.00%	307.0	9.4	13.8	11.5	3797.0	3,623.0	0.16%	95.42%
2008	3710.0	52,395,717	14123	6.02%					3721.0	3,557.0	-2.00%	95.59%
2009	3708.0	52,703,108	14213	0.64%					3705.0	3,536.0	-0.43%	95.44%

Source: District records

Note: Enrollment based on annual October district count.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

School Building Information
Last Ten Fiscal Years
Unaudited

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
District Building										
Elementary										
Grant Elementary (1961)	70,833	70,833	70,833	70,833	70,833	70,833	70,833	70,833	70,833	70,833
Square Feet	683	683	683	683	683	683	683	683	683	683
Capacity (students)	377	348	320	629	607	611	591	590	564	564
Enrollment										
Franklin Heights (1957)										
Square Feet	39,629	39,629	39,629	39,629	39,629	39,629	39,629	39,629	39,629	39,629
Capacity (students)	371	371	371	371	371	371	371	371	371	371
Enrollment	437	438	421	363	358	358	356	360	329	329
Kennedy (1959)										
Square Feet	38,946	38,946	38,946	38,946	38,946	38,946	38,946	38,946	38,946	38,946
Capacity (students)	391	391	391	391	391	391	391	391	391	391
Enrollment	382	382	407	304	309	295	275	275	270	270
Riley (1966)										
Square Feet	39,404	39,404	39,404	39,404	39,404	39,404	39,404	39,404	39,404	39,404
Capacity (students)	391	391	391	391	391	391	391	391	391	391
Enrollment	440	437	430	348	327	305	323	331	319	319
Roosevelt (2003)										
Square Feet	-	-	-	63,000	63,000	63,000	63,000	63,000	63,000	63,000
Capacity (students)	-	-	-	492	492	492	492	492	492	492
Enrollment	-	-	-	375	374	361	358	351	346	346
Middle School										
South Plainfield Middle School (1948)										
Square Feet	102,496	102,496	102,496	102,496	102,496	102,496	102,496	102,496	102,496	102,496
Capacity (students)	722	722	722	722	722	722	722	722	722	722
Enrollment	572	612	642	597	607	623	605	613	619	619
High School										
South Plainfield High School (1974)										
Square Feet	218,270	218,270	218,270	218,270	218,270	218,270	218,270	218,270	218,270	218,270
Capacity (students)	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153
Enrollment	1,052	1,123	1,136	1,187	1,213	1,182	1,233	1,224	1,217	1,217
Other										
Roosevelt Administration Building (1928)										
Square Feet	37,455	37,455	37,455	37,455	37,455	37,455	37,455	37,455	37,455	37,455
Enrollment	429	432	422	-	-	-	-	-	-	-

Number of Schools at June 30, 2008
 Elementary = 5
 Middle School = 1
 Senior High School = 1
 Other = 1

Source: District Facilities Office

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

General Fund
Schedule of Required Maintenance for School Facilities
Last Nine Fiscal Years
Unaudited

Undistributed Expenditures--Required
Maintenance for School Facilities
11-000-261-xxx

*School Facility	Pending Projects (w/DOE Project #)	2009	2008	2007	2006	2005	2004	2003	2002	2001
South Plainfield High School	N/A	\$ 438,039	\$ 157,703	\$ 163,544	\$ 209,025	\$ 47,681	\$ 294,019	\$ 142,684	\$ 202,461	\$ 225,786
South Plainfield Middle School	N/A	176,871	63,673	66,016	84,375	19,247	18,684	57,596	81,725	91,168
J.F.K. School	N/A	62,798	22,588	23,439	29,957	6,834	42,138	20,449	29,016	32,369
John E. Riley School	N/A	64,786	23,310	24,180	30,905	7,050	43,472	21,097	29,935	33,394
Franklin School	N/A	61,303	22,072	22,881	29,244	6,671	41,135	19,962	28,326	31,598
Grant School	N/A	117,989	30,736	31,865	40,727	9,290	57,287	27,801	39,448	44,005
Roosevelt Administration	N/A	66,750								
Roosevelt School	N/A	114,155	23,723	24,558	31,387	7,160	44,150	21,425	30,402	33,981
Total School Facilities		<u>\$ 1,102,691</u>	<u>\$ 343,805</u>	<u>\$ 356,483</u>	<u>\$ 455,620</u>	<u>\$ 103,933</u>	<u>\$ 540,885</u>	<u>\$ 311,014</u>	<u>\$ 441,313</u>	<u>\$ 492,301</u>

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

Source: District Records

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**

**Insurance Schedule
As of June 30, 2011
Unaudited**

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
School Package Policy - Grinspec Insurance Agency Inc.		
Property-Blanket Building/Contents	\$ 10,490,606,031.00	\$ 5,000.00
Comprehensive General Liability	16,000,000.00	
School Leaders Errors and Omissions	16,000,000.00	5,000.00
Comprehensive Automotive Liability	16,000,000.00	
Medical Payments	10,000.00	1,000.00
Comprehensive Crime Liability	250,000.00	1,000.00
Electronic Data Processing Per Occurance	2,500,000.00	1,000.00
Workers Compensation		
Bodily Injury by Accident (each accident)	2,000,000.00	
Bodily Injury by Disease (each employee)	2,000,000.00	
Bodily Injury by Disease (policy limit)	2,000,000.00	
Public Employees - Performance Blanket Bonds - NJSBAIG		
Treasurer of School Monies	350,000.00	
Board Secretary	350,000.00	

Source: District Records

SINGLE AUDIT SECTION

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

The Honorable President
Members of the Board of Education
Borough of South Plainfield School District
County of Middlesex, New Jersey

We have audited the basic financial statements of the Borough of South Plainfield School District as of and for the year ended June 30, 2011, and have issued our report thereon dated November 30, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and in compliance with audit requirements 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 Borough of South Plainfield 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 Borough of South Plainfield School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Borough of South Plainfield School District's internal control over financial reporting.

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

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

Compliance and Other Matters

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

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



Vincent M. Montanino
Public School Accountant
License No. CS000495



Michael S. Zambito
Certified Public Accountant
License No. 20CC00789500

November 30, 2011

Vincent M. Montanino, RMA, PSA
Michael S. Zambito, CPA, RMA
Antonia Russo, Associate

K-2
Sheet 1

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

The Honorable President
Members of the Board of Education
Borough of South Plainfield School District
County of Middlesex, New Jersey

Compliance

We have audited the compliance of the Borough of South Plainfield School District 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 Compliance Manual State Grants Compliance Supplement that are applicable to each of its major federal and state programs for the year ended June 30, 2011. Borough of South Plainfield School District major federal and state programs are identified in the Summary of Auditor's Results Section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Borough of South Plainfield School District's management. Our responsibility is to express an opinion on Borough of South Plainfield School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Governmental 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 Office of Management and Budget Circular Letter 04-04 Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133 and New Jersey's OMB's Circular Letter 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Borough of South Plainfield School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Borough of South Plainfield School District's compliance with those requirements.

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

Internal Control Over Compliance

The management of the Borough of South Plainfield School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Borough of South Plainfield School District's internal control over compliance with the requirements that could have a direct and material effect on a major federal and state program in order to determine our 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's OMB's Circular Letter 04-04, but not for the purpose of expressing an opinion on the effectiveness of the High Point Regional High School District's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Borough of South Plainfield School District's internal control over compliance.

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

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

This report is intended solely for the information and use of the audit committee, management, the Borough of South Plainfield 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 those specified parties.



Vincent M. Montanino
Public School Accountant
License No. CS000495



Michael S. Zambito
Certified Public Accountant
License No. 20CC00789500

November 30, 2011

**BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD**
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2011

Federal Grantor/Program Title	Federal CFDA or Grant Number	Grant Period	Award Amount	Balance July 1, 2010	Adjustments	Cash Received	BUDGETARY EXPENDITURES			Total	Repayment of Prior Years' Balances	Accounts Receivable	Balance June 30, 2011	Due to Grantor
							Disbursements	Accounts Payable	Encumbrances					
U.S. Department of Treasury:														
Medical Reimbursement	93.778	7/1/10-6/30/11	\$ 31,977.57	\$ (16,418.23)	\$ -	\$ 48,395.80	\$ 31,977.57	\$ -	\$ 31,977.57	\$ -	\$ -	\$ -	\$ -	\$ -
Total U.S. Department of Treasury				<u>(16,418.23)</u>		<u>48,395.80</u>	<u>31,977.57</u>		<u>31,977.57</u>					
U.S. Department of Agriculture Passed - Through State Department of Education:														
Food Distribution Program	10.550	7/1/10-6/30/11	52,023.00	6,801.95		52,023.00	54,492.52		54,492.52		(3,722.34)	4,332.43		
School Breakfast Program	10.553	7/1/10-6/30/11	37,643.66			33,921.32	37,643.66		37,643.66					
School Breakfast Program	10.553	7/1/09-6/30/10	33,807.58	(3,371.88)		3,371.88								
National School Lunch Program	10.555	7/1/10-6/30/11	338,774.06			314,925.14	338,774.06		338,774.06		(23,848.92)			
National School Lunch Program	10.555	7/1/09-6/30/10	323,284.54	(22,839.57)		22,839.57								
Total U.S. Department of Agriculture				<u>(19,409.50)</u>		<u>427,080.91</u>	<u>430,910.24</u>		<u>430,910.24</u>		<u>(27,571.26)</u>	<u>4,332.43</u>		
U.S. Department of Education Passed - Through State Department of Education:														
N.C.L.B. Title I	84.010A	9/1/10-8/31/11	278,141.00				252,646.51	12,457.95	265,104.46		(278,141.00)	13,036.54		
N.C.L.B. Title I	84.010A	9/1/09-8/31/10	147,453.00	(61,540.39)			26,590.55	531.18	27,111.73		(69,306.00)	653.88		
N.C.L.B. Title I - Carryover	84.010A	9/1/08-8/31/09	257,083.00	(46,484.20)		46,485.00	14,802.80		14,802.80		(14,802.00)			
N.C.L.B. Title I, SIA	84.010A	9/1/08-8/31/09	5,771.00	(5,771.00)		5,771.00								
N.C.L.B. Title II A	84.367A	9/1/10-8/31/11	88,586.00				78,131.18	9,713.88	87,845.06		(88,586.00)	740.94		
N.C.L.B. Title II A	84.367A	9/1/09-8/31/10	86,235.00	(28,444.78)		28,444.00	15,920.00		15,920.00		(26,737.00)	10,816.22		
N.C.L.B. Title II A - Carryover	84.367A	9/1/08-8/31/09	86,614.00	(13,916.46)		13,586.00	1,704.54		1,704.54		(2,035.00)			
N.C.L.B. Title II D	84.318D	9/1/10-8/31/11	610.00			349.00	363.00		363.00		(261.00)	247.00		
N.C.L.B. Title II D	84.318D	9/1/09-8/31/10	1,495.00	91.36			1,165.00	330.00	1,495.00		(1,485.00)			91.36
N.C.L.B. Title II D - Carryover	84.318D	9/1/08-8/31/09	1,500.00											
N.C.L.B. Title III	84.365A	9/1/10-8/31/11	17,618.00			751.00	17,418.00	200.00	17,618.00		(16,867.00)	55.24		
N.C.L.B. Title IV	84.189A	9/1/10-8/31/11	7,106.00	(4,875.38)		4,875.00	2,175.38		2,175.38		(2,231.00)			
I.D.E.A. Part B, Basic	84.027A	9/1/10-8/31/11	824,172.00			456,037.00	816,818.50	13,948.50	830,767.00		(374,730.00)			
I.D.E.A. Part B, Basic	84.027A	9/1/09-8/31/10	809,527.00	(140,520.00)	6,595.00	133,925.00								
I.D.E.A. Part B, Basic - Carryover	84.027A	9/1/08-8/31/09	807,173.00	(15,780.00)		15,780.00								
I.D.E.A. Part B, Basic - ARRA	84.391	9/1/09-8/31/11	885,619.00	(158,142.23)		223,223.00	195,796.21	40,011.61	235,807.82		(238,279.00)	127,142.95		
I.D.E.A. Part B, Preschool	84.173A	9/1/10-8/31/11	29,126.00			27,115.00	29,126.00		29,126.00		(2,011.00)			
I.D.E.A. Part B, Preschool	84.173A	9/1/09-8/31/10	29,921.00	(3,392.00)		3,392.00								
I.D.E.A. Part B, Preschool - ARRA	84.173A	9/1/08-8/31/11	31,979.00	(1,000.56)			3,253.44		3,253.44		(9,254.00)	5,000.00		
Emergency Immigrant Education	84.162A	9/1/10-8/31/11	6,534.00			364.00	6,017.87	516.00	6,533.87		(8,170.00)	0.13		
Emergency Immigrant Education	84.162A	9/1/09-8/31/10	13,563.00	(4,101.02)		3,601.00	964.00		964.00		(2,965.00)	1,500.98		
Emergency Immigrant Education - Carryover	84.162A	9/1/08-8/31/09	20,111.00	(1,340.21)			2,667.79		2,667.79		(4,008.00)			
Total U.S. Department of Education				<u>(485,216.87)</u>	<u>66,186.00</u>	<u>963,698.00</u>	<u>1,467,550.77</u>	<u>77,709.12</u>	<u>1,545,259.89</u>		<u>(1,159,878.00)</u>	<u>159,193.88</u>		<u>91.36</u>
Total Federal Financial Assistance				<u>\$ (521,044.60)</u>	<u>\$ 66,186.00</u>	<u>\$ 1,439,174.71</u>	<u>\$ 1,930,438.58</u>	<u>\$ 77,709.12</u>	<u>\$ 2,008,147.70</u>		<u>\$ (1,187,449.26)</u>	<u>\$ 163,526.31</u>		<u>\$ 91.36</u>

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

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2011

Note 1: General

The accompanying schedules of expenditures of awards and financial assistance present the activity of all federal and state programs of the Borough of South Plainfield School District Board of Education. The Board of Education is defined in Note I:B. to the Board's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes I:E and Note I:F. to the Board's basic financial statements. The information in the 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 the schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3: Relationship to Basic Financial Statements

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent year due to the state deferral and recording of one or more June state aid payments 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 one or more June state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2011
(CONCLUDED)

Note 3: Relationship to Basic Financial Statements (Continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(366,950.00) for the general fund and \$(138,770.70) for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 31,977.57	\$10,666,616.71	\$10,698,594.28
Special Revenue Fund	1,510,597.13	181,374.70	1,691,971.83
Debt Service Fund			
Food Service Fund	<u>430,910.24</u>	<u>13,990.16</u>	<u>444,900.40</u>
Total Awards and Financial Assistance	<u>\$1,973,484.94</u>	<u>\$10,861,981.57</u>	<u>\$12,835,466.51</u>

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year 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.

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

Part I – Summary of Auditor’s Results

Financial Statement Section

- A) Type of auditor’s report issued: Unqualified
- B) Internal Control over financial reporting:
- 1) Material weakness(es) identified? _____yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? _____yes X no
- C) Noncompliance material to basic financial statements noted? _____yes X no

Federal Awards Section

- D) Dollar threshold used to determine Type A programs \$300,000.00 _____
- E) Auditee qualified as low-risk auditee? X yes _____ no _____ n/a
- F) Type of auditor’s report on compliance for major programs _____Unqualified_____
- G) Internal Control over compliance:
- 1) Material weakness(es) identified? _____yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? _____yes X no
- H) Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510 (a))? _____yes X no

I) Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027A & 84.173A	I.D.E.A. Part B, Basic & Preschool
84.391 & 84.392	ARRA – IDEA Part B, Basis & Preschool
10.555 & 10.553	National School Lunch & Breakfast Programs
84.010A	N.C.L.B. - Title I

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

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

State Financial Assistance Section

- J) Dollar threshold used to determine Type A Programs \$337,026.00
- K) Auditee qualified as low-risk auditee? X yes no n/a
- L) Type of auditor’s report on compliance for major programs. Unqualified
- M) Internal Control over compliance:
- 1) Material weakness(es) identified? yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? yes X no
- N) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04? yes X no

O) Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
11-495-034-5120-078	Equalization Aid
11-495-034-5120-089	Special Education Aid
11-495-034-5095-002	Reimbursed TPAF Social
	Security Contribution

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)

Part 2 – Schedule of Financial Statement Findings

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

Not Applicable

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011
(CONTINUED)

Part 3 – Schedule of Federal Awards and State Financial Assistance Findings and Questioned Costs

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

Not Applicable

BOARD OF EDUCATION
BOROUGH OF SOUTH PLAINFIELD

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

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

STATUS OF PRIOR YEAR FINDINGS

Not Applicable