

Comprehensive Annual Financial Report

of the

Township of Woodland School District

Chatsworth, New Jersey

For the Fiscal Year Ended June 30, 2011

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
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INTRODUCTORY SECTION

WOODLAND TOWNSHIP BOARD OF EDUCATION
Second Street and Giles Avenue
Chatsworth, NJ 08019

December 2, 2011

Honorable President and
Members of the Board of Education
Woodland Township School District
County of Burlington, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Woodland 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, rest 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 necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

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

1. REPORTING ENTITY AND ITS SERVICES (CONT'D): The District provides a full range of educational services appropriate to grade levels PSD, K through 8. These include regular education as well as special education services, as well as out of district placements. The District completed the 2010-2011 fiscal year with an enrollment of 148 students. The following details the changes in the student enrollment of the District over the last five years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>
2006-07	155
2007-08	158
2008-09	155
2009-10	147
2010-11	148

2. ECONOMIC CONDITION AND OUTLOOK: The overall value of Woodland Township shall remain relatively unchanged for the coming year. There are no new businesses nor is there any expansion of the business community planned. There shall be relatively few housing starts so that the valuation of Woodland Township shall remain stable.

3. MAJOR INITIATIVES: Students continued to score above the state and national average on the Standard Achievement Tests and the NJASK tests

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

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

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

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and 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.

5. BUDGETARY CONTROLS (CONT'D): 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 re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2011.

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

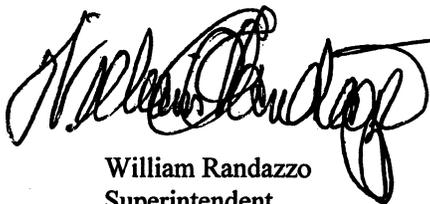
7. CASH MANAGEMENT: The investment policy of the District is guided in large part by the state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units 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: State statutes require an annual audit by independent certified accountants or registered municipal accountant. The accounting firm of Bowman & Company LLP was selected by the Board of Education. In addition to meeting the requirement set forth in state statutes, the audit was also designed to meet the requirements of the single audit act of 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of the 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 Woodland Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



A handwritten signature in black ink, appearing to read 'William Randazzo', with a long horizontal line extending to the right from the end of the signature.

William Randazzo
Superintendent



A handwritten signature in black ink, appearing to read 'Maria Shepard-Funches', with a long horizontal line extending to the right from the end of the signature.

Maria Shepard-Funches
Business Administrator/
Board Secretary

Woodland Township School District

Chatsworth Elementary School

2 Giles Avenue - P.O. Box 477

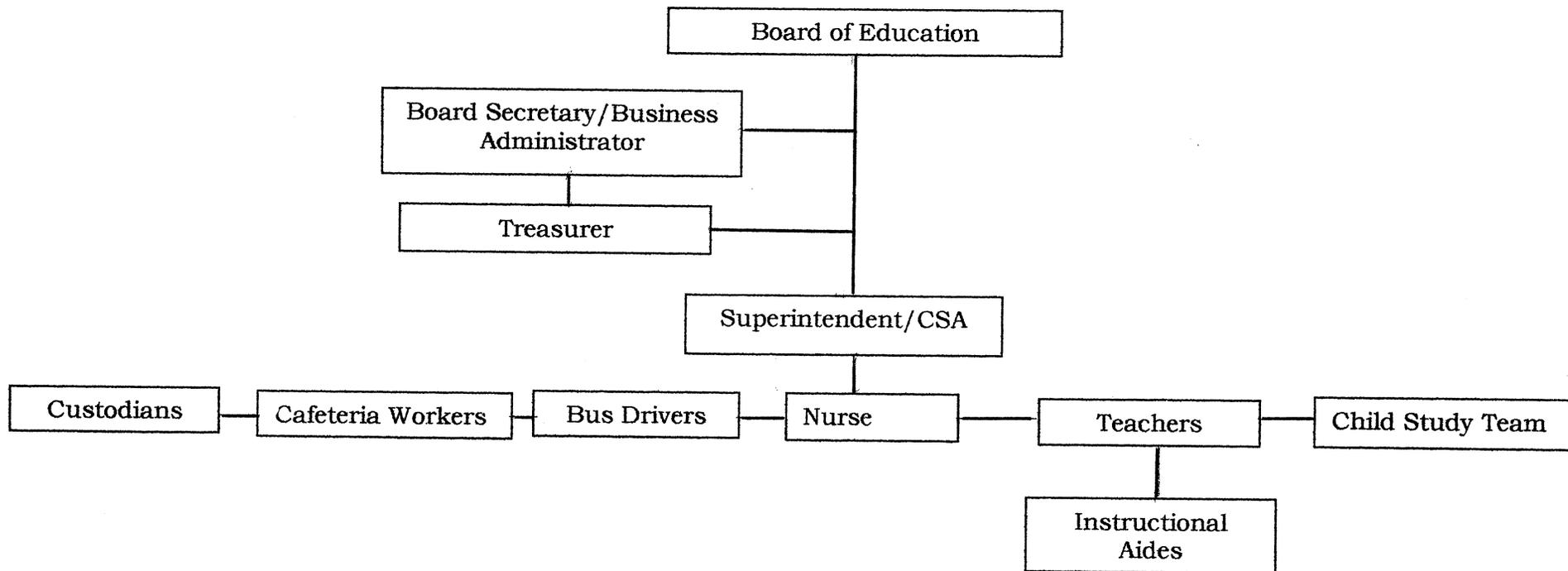
Chatsworth, NJ 08019

(609) 726-1230

William A. Randazzo
Superintendent

Maria Shepard-Funches
Board Secretary/Business Administrator

ORGANIZATIONAL CHART



WAR
9/29/09

APPROVED: Board of Education Meeting: _____

WOODLAND TOWNSHIP BOARD OF EDUCATION

**ROSTER OF OFFICIALS
JUNE 30, 2011**

MEMBERS OF THE BOARD OF EDUCATION **TERM EXPIRES**

William DeGroff, President	2013
Dennis Cronin, Vice President	2012
Susan Erickson	2014
Kevin Brown	2014
Amy Davis	2012

OTHER OFFICIALS

William Randazzo, Superintendent

Maria Shepard-Funches, Business Administrator/Board Secretary

WOODLAND TOWNSHIP SCHOOL DISTRICT

CONSULTANTS AND ADVISORS

INSURANCE AGENT

Leonard-O'Neill Group
Gibbsboro, New Jersey

ARCHITECT

Design Collaborative
Cape May Court House, New Jersey

AUDIT FIRM

Bowman & Company LLP
Voorhees, New Jersey

ATTORNEY

Parker Mc Cay, P.A.
Marlton, New Jersey

OFFICIAL DEPOSITORIES

Beneficial Bank
Philadelphia, Pennsylvania

TD Bank
Medford, New Jersey

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Woodland Township School District
County of Burlington
Chatsworth, New Jersey 08019

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

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

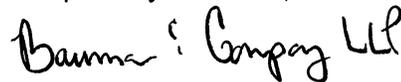
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Woodland School District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

In accordance with Government Auditing Standards, we have also issued our report dated December 2, 2011 on our consideration of the Township of Woodland School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

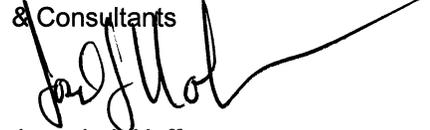
The accompanying management's discussion and analysis and budgetary comparison information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America.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

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Joseph J. Hoffmann
Certified Public Accountant
Public School Accountant No. CS 00759

Voorhees, New Jersey
December 2, 2011

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

The Honorable President and
Members of the Board of Education
Woodland Township School District
County of Burlington
Chatsworth, New Jersey 08019

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Woodland School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated December 2, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings—Financial, Compliance and Performance we identified one deficiency in internal control over financial reporting that we consider to be a material weakness and one other deficiency that we consider to be a significant deficiency.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the school district's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings—Financial, Compliance and Performance to be material weakness as finding number 2011-1.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings—Financial, Compliance and Performance to be significant deficiency, finding number 2011-2.

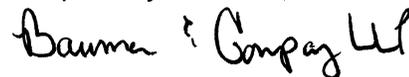
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Woodland 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 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 which are described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings-- Financial, Compliance and Performance as findings number 2011-2 and 2011-3.

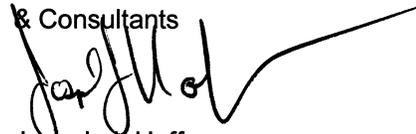
The Township of Woodland School District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the School District's responses and, accordingly, we express no opinion on them.

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Joseph J. Hoffmann
Certified Public Accountant
Public School Accountant No. CS 00759

Voorhees, New Jersey
December 2, 2011

REQUIRED SUPPLEMENTARY INFORMATION
PART I

Woodland Township Board of Education School District

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

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

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2010-10 fiscal year include the following:

- Net Assets for Governmental and Business-Type activities were \$1,192,950.45 and \$7,376.27, respectively.
- Net Assets for both activities decreased by \$21,094.11 from July 1, 2010 to June 30, 2011.
- The General Fund, fund balance as of June 30, 2011 was \$367,866.59 an increase of \$24,086.67 when compared with the beginning balance as of July 1, 2010 of \$343,779.92.
- The Woodland Township School District's had no outstanding debt at June 30, 2011.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the Woodland School District.

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. Table A-1 summarizes the major features of the Woodland Township School District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Woodland Township Board of Education School District

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

Table A-1

MAJOR FEATURES OF THE DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

	Fund Financial Statements		
	District-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education, building maintenance and transportation	Activities the district operates similar to private businesses: Food Service Fund, Community Education and Recreation Fund
Required Financial Statements	Statements of net assets	Balance sheet	Statement of net assets
	Statement of activities	Statement of revenue, expenditures and changes in fund balances	Statement of revenue, expenses and changes in fund net assets
			Statement of cash flows
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon there after; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

District-wide Statements

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

The two district-wide statements report the Woodland Township School District's net assets and how they have changed. Net assets – the difference between the district's assets and liabilities – are a measure of the District's financial health or position.

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

Woodland Township Board of Education School District

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

In the district-wide financial statements the district's activities are shown in two categories:

- *Governmental activities*- Most of the District's basic services are included here, such as regular and special education, transportation, administration, and maintenance. Aid from the State of New Jersey and from the Federal government along with local property taxes finances most of these activities.
- *Business-type activities*-The District charges fees to customers to help it cover the costs of certain services it provides. The District's Food Service Fund is included here.

Fund Financial Statements

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

- Some funds are required by State law and by bond covenants.
- The District uses other funds, established in accordance with the State of New Jersey Uniform Chart of Accounts, to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal funds).

The District has three kinds of funds:

- **Governmental funds** - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.
- **Proprietary funds** - Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.
- **Fiduciary funds** – The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

Woodland Township Board of Education School District

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

FINANCIAL ANALYSIS OF THE WOODLAND TOWNSHIP SCHOOL DISTRICT AS A WHOLE

Net Assets. The District's net assets for **governmental and business-type activities** were \$1,192,950.45 and \$7,376.27, respectively, as of June 30, 2011.

TOWNSHIP OF WOODLAND SCHOOL DISTRICT'S NET ASSETS						
	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
Current and Other Assets	\$ 479,357	\$ 436,649	\$ 8,988	\$ 6,676	\$ 488,345	\$ 443,325
Capital Assets	1,004,376	928,954	10,322	10,161	1,014,698	939,115
Total Assets	1,483,734	1,365,603	19,310	16,837	1,503,043	1,382,440
Long-term Liabilities Outstanding	76,526	87,312			76,526	87,312
Other Liabilities	194,726	85,341	10,371	9,460	205,097	94,801
Total Liabilities	271,251	172,653	10,371	9,460	281,623	182,113
Net Assets:						
Invested in Capital Assets, Net of						
Related Debt	995,256	928,954	10,322	10,161	1,005,577	939,115
Restricted	93,780	141,569			93,780	141,569
Unrestricted	123,447	122,427	(1,383)	(2,784)	122,064	119,643
Total Net Assets	\$ 1,212,482	\$ 1,192,950	\$ 8,938	\$ 7,377	\$ 1,221,421	\$ 1,200,327

The District's financial position, for governmental and business-type activities, is the product of the following factors:

- Program revenues were \$271,769.54.
 - ✓ Operating Grants & Contributions--\$240,886.09.
 - ✓ Capital Grants and Contributions -- \$0.00.
 - ✓ Charges for Services--\$30,903.45.
- General revenues, Special Items, Extraordinary Items and Transfers amounted to \$2,327,468.31.
- Net Expenditures were \$2,348,562.43.
- Total District revenues & beginning assets are adjusted by net adjusted expenditures resulting in a calculation of net assets of 1,200,326.72 as of June 30, 2011.
- Revenues (\$2,327,468.31) + Beginning assets- (\$1,221,420.83) – Net expenditures (\$2,327,468.31) = Net Assets of \$1,221,420.83.

Woodland Township Board of Education School District

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

Change in Net Assets. Net assets for **governmental and business-type activities** decreased by \$21,094.11, from July 1, 2010, to June 30, 2011.

TOWNSHIP OF WOODLAND SCHOOL DISTRICT'S CHANGES IN NET ASSETS						
	Governmental Activities		Business-Type Activities		Total	
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
Revenues:						
Program Revenues:						
Charges for Services			\$ 30,153	\$ 30,904	\$ 30,153	\$ 30,904
Operating Grants and Contributions	\$ 213,998	\$ 225,087	16,786	15,799	230,785	240,886
General Revenues:						
Property Taxes	1,423,817	1,458,674			1,423,817	1,458,674
Grants and Contributions Restricted to Specific Programs						
Grants and Contributions not Restricted to Specific Programs	876,974	862,546			876,974	862,546
Other	267,149	6,182	58	67	267,207	6,249
Total Revenues	2,781,938	2,552,489	46,997	46,770	2,828,936	2,599,259
Expenses:						
Instruction	1,208,593	1,308,698			1,208,593	1,308,698
Support Services	1,194,618	1,233,058			1,194,618	1,233,058
Charter Schools						-
Unallocated Depreciation						-
Interest on Debt						-
Food Service			78,375	78,596	78,375	78,596
Total Expenses	2,403,211	2,541,756	78,375	78,596	2,481,586	2,620,352
Increase in Net Assets before Transfers	378,728	10,733	(31,378)	(31,826)	347,350	(21,093)
Transfers	(26,649)	(30,264)	26,649	30,264	-	-
Increase in Net Assets	352,079	(19,531)	(4,729)	(1,562)	347,350	(21,093)
Net Assets, July 1	860,403	1,212,482	13,668	8,938	874,071	1,221,420
Net Assets, June 30	\$ 1,212,482	\$ 1,192,951	\$ 8,938	\$ 7,376	\$ 1,221,421	\$ 1,200,327

Total revenues for the District were \$2,599,259. Government funding was the source of 33.18% of the district's revenues. This includes the State of New Jersey and Federal sources.

Property taxes of \$1,458,674.00 provided 56.11% of revenues which was 5.03% higher than fiscal year 2010.

Other miscellaneous revenues of \$6,249.00 (net of asset items) represent 2.4% of the district revenues. The make-up of miscellaneous revenues was primarily provided from interest and miscellaneous refunds.

Woodland Township Board of Education School District

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

The District's expenses for government activities are predominantly related to instruction and support services. Instruction totaled \$1,308,698.00 (51.48%) of total expenditures. Student support services including tuition, transportation and administration, totaled \$1,233,058.00 (48.52%) of total expenditures.

Total revenues exceeded expenditures and transfers for governmental activities, decreasing net assets \$19,531.00 from the beginning balance as of July 1, 2010.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The financial performance of the Woodland Township School District as a whole is also reflected in the governmental funds which are accounted for by using the modified accrual basis of accounting. As the District completed the year, its governmental funds reported a combined fund balance of \$367,866.59. At June 30, 2010 the fund balance was \$343,779.92. This increase was largely the result of unexpended current year budgeted appropriations.

All governmental funds had total revenues of \$2,552,488.47 and total expenditures of \$2,498,137.53.

GENERAL FUND BUDGETING HIGHLIGHTS

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

The General Fund includes the primary operations of the District in providing educational services to students from Kindergarten through Grade 8 including pupil transportation activities and capital outlay projects.

One of the primary sources of funding for the district is received from local property taxes and accounted for 61.17% of total revenues. State aid accounted for 35.46% of total revenues.

Total General Fund revenue increased by \$13,717.13, or 0.56%, from the previous year.

Total General Fund expenditures increased \$80,727.32 or 3.46% from the previous year.

The Woodland Township School District values its fund balances as a vehicle for addressing unbudgeted and emergent needs that occur during the school year. The amounts of budgeted fund balance designated to support the budgets and provide tax relief were \$75,000 for the 2010-11 school year and \$141,568 for the 2011-12 school year.

Woodland Township Board of Education School District

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

TOWNSHIP OF WOODLAND SCHOOL DISTRICT'S CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)							
	Governmental <u>Activities</u>		Business-Type <u>Activities</u>		<u>Total</u>		
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	
Land	\$ 13,820	\$ 13,820			\$ 13,820		\$ 13,820
Land Improvements	37,120	34,355			37,120		34,355
Building and Improvements	837,949	782,933			837,949		782,933
Equipment	115,487	97,846	\$ 10,322	\$ 10,161	125,809		108,007
Total	\$ 1,004,376	\$ 928,954	\$ 10,322	\$ 10,161	\$ 1,014,698		\$ 939,115

FOOD SERVICE FUND

The Food Service Fund had net assets of \$7,376.27 as of June 30, 2011. This reflects a decrease of \$1,562.07 from June 30, 2010.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Capital Assets are individual items purchased at a cost exceeding \$2,000, have an extended useful life of one year or more and maintain their identity and structure when placed into service.

At the end of 2011, the district had capital assets with a book value of \$928,954.00. This consists of a broad range of capital assets, including land, school buildings, computer and audio-visual equipment. Total depreciation expense for the year was \$75,422.78.

Long-term Obligations

At year-end, the District had no general obligation bonds authorized or outstanding.

The District had an \$92,976.23 liability for compensated absences. This liability represents the District's contractual obligation to compensate employees for accumulated unused sick leave entitlements upon retirement.

Woodland Township Board of Education School District

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011

THE FUTURE OUTLOOK

The Woodland Township area is not experiencing much growth or expansion due to the building restrictions. The general area surrounding the District provides the most opportunities for employment for our residents.

The District had its' 2011-12 Budget approved by the voters. The District anticipates that it will adequately satisfy all of the 2011-12 financial needs, barring any significant unexpected situation or condition

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 demonstrate 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/Board Secretary at:

Woodland Township Board of Education, 2 Giles Avenue, Chatsworth, NJ 08019.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Statement of Net Assets
June 30, 2011

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 225,629.77	\$ 5,694.90	\$ 231,324.67
Receivables, net	211,019.88	37.59	211,057.47
Inventory		943.63	943.63
Capital Assets, net (Note 6)	<u>928,953.59</u>	<u>10,160.62</u>	<u>939,114.21</u>
Total Assets	<u>1,365,603.24</u>	<u>16,836.74</u>	<u>1,382,439.98</u>
LIABILITIES:			
Accounts Payable	68,783.06	9,460.47	78,243.53
Noncurrent Liabilities (Note 7):			
Due within One Year	16,557.65		16,557.65
Due beyond One Year	<u>87,312.08</u>		<u>87,312.08</u>
Total Liabilities	<u>172,652.79</u>	<u>9,460.47</u>	<u>182,113.26</u>
NET ASSETS:			
Invested in Capital Assets, Net of Related Debt	928,953.59	10,160.62	939,114.21
Restricted for:			
Other Purposes	141,569.00		141,569.00
Unrestricted (Deficit)	<u>122,427.86</u>	<u>(2,784.35)</u>	<u>119,643.51</u>
Total Net Assets	<u>\$ 1,192,950.45</u>	<u>\$ 7,376.27</u>	<u>\$ 1,200,326.72</u>

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2011

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 1,073,118.71		\$ 21,738.00		\$ (1,051,380.71)		\$ (1,051,380.71)
Special Education	179,115.40				(179,115.40)		(179,115.40)
Other Special Instruction	56,464.50				(56,464.50)		(56,464.50)
Support Services:							
Tuition	97,258.56				(97,258.56)		(97,258.56)
Student and Instruction Related Services	219,656.58		65,911.00		(153,745.58)		(153,745.58)
School Administrative Services	18,547.04				(18,547.04)		(18,547.04)
General and Business Administrative Services	242,739.95				(242,739.95)		(242,739.95)
Plant Operations and Maintenance	294,772.24				(294,772.24)		(294,772.24)
Pupil Transportation	132,731.18				(132,731.18)		(132,731.18)
Unallocated Benefits	89,914.25				(89,914.25)		(89,914.25)
Reimbursed TPAF and Social Security	137,437.84		137,437.84		-		-
Interest on Long-Term Debt					-		-
Total Governmental Activities	2,541,756.25	-	225,086.84	-	(2,316,669.41)	-	(2,316,669.41)
Business-Type Activities:							
Food Service	78,595.72	\$ 30,903.45	15,799.25			\$ (31,893.02)	(31,893.02)
Total Business-Type Activities	78,595.72	30,903.45	15,799.25	-	-	(31,893.02)	(31,893.02)
Total Primary Government	\$ 2,620,351.97	\$ 30,903.45	\$ 240,886.09	-	(2,316,669.41)	(31,893.02)	(2,348,562.43)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					1,458,674.00		1,458,674.00
Federal and State Aid not Restricted					862,546.00		862,546.00
Miscellaneous Income					6,181.63	66.68	6,248.31
Operating Transfers					(30,264.27)	30,264.27	
Total General Revenues, Special Items, Extraordinary Items and Transfers					2,297,137.36	30,330.95	2,327,468.31
Change in Net Assets					(19,532.04)	(1,562.07)	(21,094.11)
Net Assets -- July 1					1,212,482.49	8,938.34	1,221,420.83
Net Assets -- June 30					\$ 1,192,950.45	\$ 7,376.27	\$ 1,200,326.72

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

FUND FINANCIAL STATEMENTS

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 225,629.77				\$ 225,629.77
Receivables, net:					
Interfund Receivable:					
Special Revenue Fund	68,783.06				68,783.06
Payroll Fund	60,488.49				60,488.49
Food Service Fund	9,460.47				9,460.47
Receivables from Other Governments:					
Federal		\$ 68,783.06			68,783.06
State	3,504.80				3,504.80
Total Assets	\$ 367,866.59	\$ 68,783.06	-	-	\$ 436,649.65
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Interfund Payable:					
General Fund		\$ 68,783.06			\$ 68,783.06
Accounts Payable					-
Total Liabilities	-	68,783.06	-	-	68,783.06
Fund Balances:					
Restricted:					
Excess Surplus	115,907.92				115,907.92
Capital Reserve	1.00				1.00
Assigned:					
Subsequent Year's Expenditures	25,660.08				25,660.08
Unassigned	226,297.59				226,297.59
Total Fund Balances	367,866.59	-	-	-	367,866.59
Total Liabilities and Fund Balances	\$ 367,866.59	\$ 68,783.06	-	-	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$2,924,369.47, and the accumulated depreciation is \$1,995,415.88.

928,953.59

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.

(103,869.73)

Net assets of governmental activities

\$ 1,192,950.45

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local Tax Levy	\$ 1,458,674.00				\$ 1,458,674.00
Miscellaneous	6,181.63				6,181.63
State Sources	999,983.84				999,983.84
Federal Sources		\$ 87,649.00			87,649.00
Total Revenues	<u>2,464,839.47</u>	<u>87,649.00</u>	<u>-</u>	<u>-</u>	<u>2,552,488.47</u>
EXPENDITURES:					
Regular Instruction	1,008,195.58				1,008,195.58
Special Education Instruction	164,661.00	21,738.00			186,399.00
Other Instruction	56,464.50				56,464.50
Support Services and Undistributed Costs:					
Tuition	97,258.56				97,258.56
Student and Instruction Related Services	153,745.58	65,911.00			219,656.58
School Administrative Services	11,718.80				11,718.80
Other Administrative Services	259,849.55				259,849.55
Plant Operations and Maintenance	291,637.60				291,637.60
Pupil Transportation	139,605.27				139,605.27
Unallocated Benefits	89,914.25				89,914.25
Reimbursed TPAF Pension and Social Security	137,437.84				137,437.84
Total Expenditures	<u>2,410,488.53</u>	<u>87,649.00</u>	<u>-</u>	<u>-</u>	<u>2,498,137.53</u>
Excess (Deficiency) of Revenues over Expenditures	<u>54,350.94</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,350.94</u>
OTHER FINANCING SOURCES (USES):					
Operating Transfers Out	<u>(30,264.27)</u>				<u>(30,264.27)</u>
Total Other Financing Sources and Uses	<u>(30,264.27)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(30,264.27)</u>
Net Change in Fund Balances	24,086.67				24,086.67
Fund Balance -- July 1	<u>343,779.92</u>	<u>-</u>			<u>343,779.92</u>
Fund Balance -- June 30	<u>\$ 367,866.59</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 367,866.59</u>

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2011

Total Net Change in Fund Balances - Governmental Funds	\$	24,086.67
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	\$	(75,422.78)
Donated Assets		-
Capital Outlays		-
		(75,422.78)
Repayment of capital leases 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.		9,120.75
Repayment of the IRS payable 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		26,186.25
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		(3,502.93)
		(19,532.04)
Change in Net Assets of Governmental Activities	\$	(19,532.04)

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Statement of Net Assets
 Enterprise Funds
 June 30, 2011

	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 5,694.90
Accounts Receivable:	
State	37.59
Federal	
Inventories	<u>943.63</u>
Total Current Assets	<u>6,676.12</u>
Noncurrent Assets:	
Restricted Cash and Cash Equivalents	
Furniture, Machinery and Equipment	42,583.03
Less Accumulated Depreciation	<u>(32,422.41)</u>
Total Noncurrent Assets	<u>10,160.62</u>
Total Assets	<u>16,836.74</u>
LIABILITIES:	
Current Liabilities:	
Interfund Accounts Payable:	
Due General Fund	<u>9,460.47</u>
Total Liabilities	<u>9,460.47</u>
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	10,160.62
Unrestricted	<u>(2,784.35)</u>
Total Net Assets	<u><u>\$ 7,376.27</u></u>

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Assets
Enterprise Funds
For the Fiscal Year Ended June 30, 2011

	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales:	
Non-reimbursable Programs	\$ 5,593.25
School Lunch Program	25,310.20
	25,310.20
Total Operating Revenues	30,903.45
OPERATING EXPENSES:	
Salaries	31,310.29
Health Benefits	11,007.05
General Supplies	2,087.38
Depreciation	1,129.15
Cost of Sales	33,061.85
Miscellaneous	
	33,061.85
Total Operating Expenses	78,595.72
Operating Income / (Loss)	(47,692.27)
NONOPERATING REVENUES (EXPENSES):	
State Sources:	
State School Lunch Program	707.78
Federal Sources:	
National School Lunch Program	11,382.88
Food Distribution Program	3,708.59
Board Contribution	30,264.27
Interest Revenue	66.68
	66.68
Total Nonoperating Revenues (Expenses)	46,130.20
Change in Net Assets	(1,562.07)
Net Assets -- July 1	8,938.34
Net Assets -- June 30	\$ 7,376.27

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Statement of Cash Flows
Enterprise Fund
For the Fiscal Year Ended June 30, 2011

	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 30,903.45
Payments to Employees	(31,310.29)
Payments for Health Benefits	(11,007.05)
Payments for Supplies and Services	<u>(35,112.95)</u>
Net Cash Provided by (used for) Operating Activities	<u>(46,526.84)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
State Sources	730.93
Federal Sources	15,941.69
Operating Subsidies and Transfers to Other Funds	<u>29,353.31</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>46,025.93</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases of Capital Assets	<u>(968.00)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Revenue	<u>66.68</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,402.23)
Cash and Cash Equivalents -- July 1	<u>7,097.13</u>
Cash and Equivalents -- June 30	<u>\$ 5,694.90</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)	
by Operating Activities:	
Operating Income (Loss)	\$ (47,692.27)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	1,129.15
(Increase) Decrease in Inventories	<u>36.28</u>
Total Adjustments	<u>1,165.43</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (46,526.84)</u>

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Statement of Fiduciary Net Assets
 Fiduciary Funds
 June 30, 2011

	Agency Funds	
	Student Activity	Payroll
ASSETS:		
Cash and Cash Equivalents	\$ 899.84	\$ 109,800.29
Total Assets	\$ 899.84	\$ 109,800.29
LIABILITIES:		
Interfund Accounts Payable:		
Due General Fund		\$ 60,488.49
Payable to Student Groups	\$ 899.84	49,311.80
Summer Pay Payable		
Total Liabilities	\$ 899.84	\$ 109,800.29

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT

Notes to Financial Statements
For the Fiscal Year Ended June 30, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity - The Township of Woodland School District (hereafter referred to as the "School District") is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of five members elected to three-year terms. The purpose of the School District is to educate students in grades K through 8 at its one school. The School District has an approximate enrollment at June 30, 2011 of 148.

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

Component Units - GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The School District has determined that there are no component units.

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

The School District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

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

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

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

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

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

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

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

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

General Fund (Cont'd) - In addition to the capital outlay sub-fund, the School District is accountable for an additional sub-fund, the Education Jobs Fund ("Ed Jobs"), resulting from federal legislation signed into law on August 10, 2010. The Ed Jobs program was created to provide funding assistance to states in order to save or create education jobs for the 2010-2011 school year, through September 30, 2012. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education. Ed Jobs revenues and expenditures are recorded in the general fund (fund 18) on a reimbursement basis. As such, revenue is not included in the fiscal year surplus, and no portion of general fund balance at June 30, 2011 is considered to be attributable to Ed Jobs. Ed Jobs expenditures at June 30, 2011 are included as a component of overall general fund expenditures, and also are included in total general fund expenditures for purposes of the excess surplus calculation. The District did not participate in the Ed Jobs Program during the 2010-11 fiscal year.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

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

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

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

The School District's only enterprise fund is:

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

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

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

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

Equipment	15 Years
Light Trucks and Vehicles	8 Years
Heavy Trucks and Vehicles	8 Years

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has two fiduciary funds, a student activity fund and payroll fund.

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets.

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

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

Basis of Accounting

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

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

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

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

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

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

Budgets / Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

Budgets / Budgetary Control (Cont'd) - The accounting records of the special revenue fund are maintained on the budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting, as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule, to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances - governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year end as expenditures in the general fund since the general fund budget follows modified accrual basis, with the exception of the revenue recognition policy for the one or more June state aid payments.

Encumbrances - Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

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

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

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

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

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

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2011 and 2010 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

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

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

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

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2011.

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

Deferred Expenditures - Deferred expenditures are disbursements that are made in one period, but are more accurately reflected as an expenditure / expense in the next fiscal period. Unlike prepaid expenses, deferred expenditures are not regularly recurring costs of operations.

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

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets, except land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

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

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20 Years	N/A
Buildings and Improvements	25-50 Years	N/A
Furniture and Equipment	5-20 Years	15 Years
Vehicles	8 Years	8 Years

Accrued Salaries and Wages - Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2011, the amounts earned by these employees were held in the payroll fund as a "summer pay plan" and were scheduled to be disbursed to the employees during the months of July and August 2011.

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

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

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

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

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

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

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

Net Assets (Cont'd) - It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

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

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

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

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

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

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

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

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

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

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

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

Note 2: CASH AND CASH EQUIVALENTS

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

As of June 30, 2011, none of the School District's bank balances of \$428,642.53 are considered uninsured or uncollateralized.

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$1.00 in September 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

There was no activity in the capital reserve account for the July 1, 2010 to June 30, 2011 fiscal year.

The LRFP balance of local support costs of uncompleted projects at June 30, 2011 is \$3,968,000.00.

Note 4: ACCOUNTS RECEIVABLE

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Proprietary Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Intergovernmental	\$ -	\$ 68,783.06	\$ 37.59	\$ -	\$ 68,820.65
Other					-
Total	<u>-</u>	<u>\$ 68,783.06</u>	<u>\$ 37.59</u>	<u>-</u>	<u>\$ 68,820.65</u>

Note 5: INVENTORY

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

Food Supplies	\$ 943.63
	<u>-</u>
	<u>\$ 943.63</u>

Note 6: CAPITAL ASSETS

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

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2011</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 13,820.00			\$ 13,820.00
Construction in Progress				
Total Capital Assets not being Depreciated	<u>13,820.00</u>	<u>-</u>	<u>-</u>	<u>13,820.00</u>
Capital Assets, being Depreciated:				
Land Improvements	91,779.35			91,779.35
Building and Improvements	2,401,138.00			2,401,138.00
Equipment	417,632.12			417,632.12
Total Capital Assets, being Depreciated	<u>2,910,549.47</u>	<u>-</u>	<u>-</u>	<u>2,910,549.47</u>

Note 6: CAPITAL ASSETS (CONT'D)

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2011</u>
Governmental Activities:				
Less Accumulated Depreciation for:				
Land Improvements	\$ (54,659.28)	\$ (2,765.23)		\$ (57,424.51)
Building and Improvements	(1,563,188.66)	(55,016.96)		(1,618,205.62)
Equipment	(302,145.16)	(17,640.59)		(319,785.75)
Total Accumulated Depreciation	<u>(1,919,993.10)</u>	<u>(75,422.78) *</u>	-	<u>(1,995,415.88)</u>
Total Capital Assets, being Depreciated, Net	<u>990,556.37</u>	<u>(75,422.78)</u>		<u>915,133.59</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,004,376.37</u>	<u>\$ (75,422.78)</u>	-	<u>\$ 928,953.59</u>
Business-Type Activities:				
Total Capital Assets, being Depreciated:				
Equipment	\$ 41,615.03	\$ 968.00		\$ 42,583.03
Less Accumulated Depreciation	(31,293.26)	(1,129.15)		(32,422.41)
Total Business-Type Activities Capital Assets, Net	<u>\$ 10,321.77</u>	<u>\$ (161.15)</u>	-	<u>\$ 10,160.62</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 63,211.49
General and Business Administrative Services	9,076.65
Plant Operations and Maintenance	<u>3,134.64</u>
Total Depreciation Expense	<u>\$ 75,422.78</u>

Note 7: LONG-TERM OBLIGATIONS

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

	<u>Principal Outstanding July 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2011</u>	<u>Due Within One Year</u>
Governmental Activities:					
Obligations under Capital Lease	\$ 9,120.75		\$ (9,120.75)		
IRS Payable	26,186.25		(26,186.25)		
PERS Payment Deferral	10,893.50			\$ 10,893.50	
Compensated Absences	<u>89,473.30</u>	<u>\$ 10,786.53</u>	<u>(7,283.60)</u>	<u>92,976.23</u>	<u>\$ 16,557.65</u>
Governmental Activity Long-term Liabilities	<u>\$ 135,673.80</u>	<u>\$ 10,786.53</u>	<u>\$ (42,590.60)</u>	<u>\$ 103,869.73</u>	<u>\$ 16,557.65</u>
Business-Type Activities:					
Compensated Absences	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note 7: LONG-TERM OBLIGATIONS (CONT'D)

Public Employees' Retirement System (PERS) Payment Deferral - On March 17, 2009, P.L. 2009, c.19 (S-21) was signed into legislation and provided regular and vocational school districts the option of deferring fifty percent (50%) of the school district's 2008-09 regular PERS pension liability. School districts that elected to defer the pension liability were required to begin repaying the deferred amount over fifteen (15) years, starting in April of 2012. The amount to be paid will fluctuate based on the pension system investment earnings on the unfunded liability. At any time, however, upon requesting a pay off amount from the Division of Pensions and Benefits, a school district may pay off the deferred amount. The deferral of the aforementioned PERS payment was only an option for 2008-09 fiscal year. Commencing in fiscal year June 30, 2010, and beyond, the full annual PERS pension liability is required to be budgeted and paid.

The School District elected to defer fifty percent (50%) of the April 2009 payment, equaling a total deferral of \$10,893.50. The following is a schedule for the payment of the PERS deferral, based on an interest rate of 8.25%. N.J.S.A 43:15A-24b requires the use of "regular interest" when the actuary calculates the amortization of the unfunded accrued liability of the pension system, which is set by the State Treasurer (N.J.S.A. 43:15A-6n) and currently is 8.25%.

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Deferral</u> <u>Payment</u>	<u>Interest</u>	<u>Total</u> <u>Projected</u> <u>Payment</u>
2012	\$ 726.23	\$ 1,797.42	\$ 2,523.65
2013	726.23	838.80	1,565.03
2014	726.23	778.89	1,505.12
2015	726.23	718.97	1,445.20
2016	726.23	659.06	1,385.29
2017-2021	3,631.17	2,396.57	6,027.74
2022-2026	<u>3,631.18</u>	<u>898.71</u>	<u>4,529.89</u>
	<u>\$ 10,893.50</u>	<u>\$ 8,088.42</u>	<u>\$ 18,981.92</u>

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

Capital Leases Payable - The School District leased a bus totaling \$71,522.00 under a capital lease. The capital lease was for a term of five years. The lease was paid off as of June 30, 2011.

Note 8: PENSION PLANS

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

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

Note 8: PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund (TPAF) is a cost-sharing contributory defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Excess Pension Asset Credit</u>	<u>School District</u>
2011	\$14,846.00	\$ 19,763.00	\$34,609.00		\$ 34,609.00
2010	15,349.00	14,977.00	30,326.00		30,326.00
2009	12,810.00	11,685.00	24,495.00	\$ 10,893.50 (A)	13,601.50

(A) Deferred – see footnote #7

Note 9: POST-RETIREMENT BENEFITS

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

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

Note 10: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2011, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement costs were \$2,986.00 and \$63,420.00, respectively.

Note 11: RISK MANAGEMENT

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

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

Note 12: DEFERRED COMPENSATION

The School District offers its employees a choice of three deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

AXA Equitable
Lincoln Investment Planning
Great American Plan Administrators

Note 13: COMPENSATED ABSENCES

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

Note 13: COMPENSATED ABSENCES (CONT'D)

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

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2011, the liability for compensated absences in the governmental activities fund was \$92,976.23 and there was no liability in the proprietary fund.

Note 14: INTERFUND BALANCES AND TRANSFERS

The following interfund balances were recorded on the various balance sheets as June 30, 2011:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 138,732.02	
Special Revenue		\$ 68,783.06
Proprietary		9,460.47
Fiduciary		60,488.49
	<u>\$ 138,732.02</u>	<u>\$ 138,732.02</u>

Note 15: DEFICIT UNRESTRICTED NET ASSETS

The food service enterprise fund had a deficit in unrestricted net assets of \$2,784.35 as of June 30, 2011. This deficit will be addressed either through the 2011-2012 general fund budget or through efficiencies in the food service program itself.

Note 16: FUND BALANCES**NONSPENDABLE**

As stated in note 1, the nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. There are no nonspendable fund balances of the School District, as of June 30, 2011.

RESTRICTED

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

Note 16: FUND BALANCES (CONT'D)**RESTRICTED (CONT'D)****General Fund -**

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2011 of \$115,907.92 was generated during 2009-2010 and has been restricted and designated for utilization in the 2011-2012 budget.

For Capital Reserve Account - As of June 30, 2011, the balance in the capital reserve account is \$1.00. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

COMMITTED

As stated in note 1, the committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which is the Board of Education. There were no specific commitments of the School District's fund balance at June 30, 2011.

ASSIGNED

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

General Fund -

For Subsequent Year's Expenditures - The School District has appropriated and included as an, anticipated revenue for the fiscal year ending June 30, 2012 \$25,660.08 of general fund balance at June 30, 2011.

UNASSIGNED

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

General Fund - As of June 30, 2011, \$226,297.59 of general fund balance was unassigned.

Note 17: CONTINGENT LIABILITY

At June 30, 2011 the School District has an estimated outstanding claim against it from the State of New Jersey in the amount of \$38,947.03. The District is in dispute of the claim and has appealed to the State for remedy. In addition, the District has an estimated outstanding claim against it from Delta Dental in the amount of \$3,819.96 and has disputed the claim. The potential liability of \$42,766.99, which is for prior period health benefits, has not been recorded in the records of the District and the ultimate resolution is unknown.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
General Fund:					
Local Sources:					
Local Tax Levy	\$ 1,458,674.00		\$ 1,458,674.00	\$ 1,458,674.00	
Unrestricted Miscellaneous Revenues	5,000.00		5,000.00	6,181.63	\$ 1,181.63
Total - Local Sources	<u>1,463,674.00</u>	<u>-</u>	<u>1,463,674.00</u>	<u>1,464,855.63</u>	<u>1,181.63</u>
State Sources:					
Transportation Aid	42,481.00		42,481.00	42,481.00	
Special Education Aid	79,392.00		79,392.00	79,392.00	
Equalization Aid	709,844.00		709,844.00	709,844.00	
Security Aid	14,036.00		14,036.00	14,036.00	
Reimbursed TPAF Social Security Contributions (non-budgeted)				71,031.84	71,031.84
On-behalf TPAF Pension Contributions (non-budgeted)				2,986.00	2,986.00
On-behalf TPAF Medical Contributions (non-budgeted)				63,420.00	63,420.00
Total - State Sources	<u>845,753.00</u>	<u>-</u>	<u>845,753.00</u>	<u>983,190.84</u>	<u>137,437.84</u>
Total Revenues	<u>2,309,427.00</u>	<u>-</u>	<u>2,309,427.00</u>	<u>2,448,046.47</u>	<u>138,619.47</u>

(Continued)

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES:					
GENERAL CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool/Kindergarten	\$ 75,700.00	\$ (233.80)	\$ 75,466.20	\$ 75,016.20	\$ 450.00
Grades 1 - 5	324,159.00	3,850.72	328,009.72	327,735.08	274.64
Grades 6 - 8	257,104.00	27,944.58	285,048.58	284,697.10	351.48
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction		21,581.40	21,581.40	21,581.40	
Purchased Professional and Educational Services	19,250.00	(8,645.05)	10,604.95	10,357.65	247.30
Purchased Technical Services	6,000.00	110.74	6,110.74	6,110.74	
General Supplies	25,000.00	13,075.26	38,075.26	35,610.10	2,465.16
Textbooks	20,000.00	(19,056.23)	943.77	943.77	
Other Objects	10,000.00	14,515.28	24,515.28	24,515.28	
Total Regular Programs	<u>737,213.00</u>	<u>53,142.90</u>	<u>790,355.90</u>	<u>786,567.32</u>	<u>3,788.58</u>
Special Education:					
Resource Room/Center					
Salaries of Teachers	78,750.00	(6,835.00)	71,915.00	64,375.00	7,540.00
Other Salaries for Instruction	45,180.00	(14,752.60)	30,427.40	30,427.40	
Total - Resource Room/Center	<u>123,930.00</u>	<u>(21,587.60)</u>	<u>102,342.40</u>	<u>94,802.40</u>	<u>7,540.00</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	33,750.00	1,965.00	35,715.00	32,475.00	3,240.00
Other Salaries for Instruction	9,665.00	1,595.40	11,260.40	9,383.60	1,876.80
Total - Preschool Disabilities - Part-Time	<u>43,415.00</u>	<u>3,560.40</u>	<u>46,975.40</u>	<u>41,858.60</u>	<u>5,116.80</u>
Total - Special Education	<u>167,345.00</u>	<u>(18,027.20)</u>	<u>149,317.80</u>	<u>136,661.00</u>	<u>12,656.80</u>
Basic Skills/Remedial:					
Salaries of Teachers	32,750.00	(12,110.00)	20,640.00	20,640.00	
Total - Basic Skills/Remedial	<u>32,750.00</u>	<u>(12,110.00)</u>	<u>20,640.00</u>	<u>20,640.00</u>	<u>-</u>
School Sponsored Cocurricular Athletics - Instruction:					
Salaries	4,000.00	(1,800.00)	2,200.00	2,200.00	
Supplies and Materials	2,000.00	1,614.50	3,614.50	3,614.50	
Total - School Sponsored Cocurricular Athletics - Instruction	<u>6,000.00</u>	<u>(185.50)</u>	<u>5,814.50</u>	<u>5,814.50</u>	<u>-</u>

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2011

	Original <u>Budget</u>	Budget <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Other Instructional Programs - Instruction					
Salaries	\$ 32,750.00	\$ (2,740.00)	\$ 30,010.00	\$ 30,010.00	
Total - School Sponsored Cocurricular Athletics - Instruction	32,750.00	(2,740.00)	30,010.00	30,010.00	-
Total - Instruction	976,058.00	20,080.20	996,138.20	979,692.82	\$ 16,445.38
Undistributed Expenditures - Instruction					
Tuition to Other LEAs within State-Special	15,000.00	55,030.00	70,030.00	70,029.56	0.44
Tuition to CSSD & Reg. Day Schools	72,000.00	(44,171.00)	27,829.00	27,229.00	600.00
Tuition - Other	4,429.00	(4,429.00)			
Total Undistributed Expenditures - Instruction	91,429.00	6,430.00	97,859.00	97,258.56	600.44
Undistributed Expenditures - Attendance and Social Work:					
Salaries	14,712.00	(400.00)	14,312.00	13,127.90	1,184.10
Total Undistributed Expenditures - Attendance and Social Work	14,712.00	(400.00)	14,312.00	13,127.90	1,184.10
Undistributed Expenditures:					
Health Services					
Salaries	77,800.00	5,147.00	82,947.00	82,947.00	
Purchased Professional and Technical Services	3,500.00	122.39	3,622.39	3,622.39	
Supplies and Materials	1,000.00	474.03	1,474.03	1,474.03	
Total Health Services	82,300.00	5,743.42	88,043.42	88,043.42	-
Other Support Services - Students - Related Services:					
Purchased Professional and Educational Services	26,650.00	(15,550.00)	11,100.00	10,100.00	1,000.00
Total - Other Support Services - Students - Related Services	26,650.00	(15,550.00)	11,100.00	10,100.00	1,000.00
Other Support Services - Students - Special Services:					
Salaries of Secretarial and Clerical Assistants	8,712.00		8,712.00	8,457.60	254.40
Purchased Professional and Educational Services	41,575.00	(17,965.50)	23,609.50	8,638.00	14,971.50
Total Other Support Services - Students - Special Services	50,287.00	(17,965.50)	32,321.50	17,095.60	15,225.90

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2011

	Original <u>Budget</u>	Budget <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures (Cont'd):					
Educational Media Services/School Library:					
Salaries	\$ 11,596.00	\$ (3,715.40)	\$ 7,880.60	\$ 7,880.60	
Purchased Professional and Technical Services	1,500.00	235.00	1,735.00	1,735.00	
Supplies and Materials	3,500.00	(235.00)	3,265.00	1,763.06	\$ 1,501.94
Total Educational Media Services/School Library	16,596.00	(3,715.40)	12,880.60	11,378.66	1,501.94
Support Services General Administration:					
Legal Services	15,000.00	(6,223.68)	8,776.32	8,776.32	
Audit Fees	18,000.00	1,000.00	19,000.00	19,000.00	
Other Purchased Professional Services	95,926.00	(220.60)	95,705.40	95,705.40	
Communications/Telephone	12,074.00	(3,874.10)	8,199.90	8,199.90	
BOE Other Purchase Services	500.00	(218.84)	281.16	281.16	
Judgements Against the School	1,500.00	16,976.87	16,976.87	16,976.87	
Miscellaneous Expenditures	1,500.00	(768.55)	731.45	731.45	
Total Support Services General Administration	143,000.00	6,671.10	149,671.10	149,671.10	
Support Services School Administration:					
Salaries of Secretarial and Clerical Assistants	8,712.00	(2,195.00)	6,517.00	6,343.20	173.80
Other Salaries	5,242.00		5,242.00	3,180.60	2,061.40
Other Purchased Services		2,195.00	2,195.00	2,195.00	
Total Support Services School Administration	13,954.00		13,954.00	11,718.80	2,235.20
Central Services					
Salaries	82,659.00	349.90	83,008.90	83,008.49	0.41
Miscellaneous Purchased Services	11,000.00	1,435.99	12,435.99	12,435.99	
Supplies and Materials	1,000.00	(266.03)	733.97	733.97	
Total Central Services	94,659.00	1,519.86	96,178.86	96,178.45	0.41
Allowable Maintenance for School Facilities:					
Salaries	52,284.00	1,019.52	53,303.52	53,303.52	
Cleaning, Repair & Maintenance Services	30,000.00	(10,000.00)	20,000.00	17,667.09	2,332.91
General Supplies	15,000.00	(7,025.79)	7,974.21	6,472.58	1,501.63
Total - Allowable Maintenance for School Facilities	97,284.00	(16,006.27)	81,277.73	77,443.19	3,834.54

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2011

	Original <u>Budget</u>	Budget <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures (Cont'd):					
Other Operation and Maintenance of Plant Services:					
Salaries	\$ 88,337.00	\$ (10,974.90)	\$ 77,362.10	\$ 77,362.10	
Cleaning, Repair & Maintenance Services	12,966.00	(1,042.48)	11,923.52	10,954.78	\$ 968.74
Insurance	55,000.00	(7,671.22)	47,328.78	47,328.78	
Supplies	42,000.00	5,506.27	5,506.27	5,506.27	
Energy (Heat & Electricity)	2,000.00	3,042.48	45,042.48	45,042.48	
Other Objects	2,000.00	(2,000.00)			
Total - Other Operation and Maintenance of Plant Services	200,303.00	(13,139.85)	187,163.15	186,194.41	968.74
Total - Operation and Maintenance of Plant Services	297,587.00	(29,146.12)	268,440.88	263,637.60	4,803.28
Student Transportation Services:					
Salaries for Pupil Transportation (Bet Home & School) - Regular	66,676.00	(10,284.77)	56,391.23	53,724.15	2,667.08
Salaries for Pupil Transportation (Bet Home & School) - Special Education	10,185.00	1,915.27	12,100.27	12,100.27	
Other Purchased Services	29,000.00	(19,768.20)	9,231.80	8,271.82	959.98
Cleaning, Repair & Maintenance Services	25,000.00	4,407.65	29,407.65	12,964.82	16,442.83
Lease Purchase Payments	22,000.00	9,768.20	9,768.20	9,768.20	
Supplies and Materials	22,000.00	(1,000.00)	21,000.00	16,813.20	4,186.80
Total Student Transportation Services	152,861.00	(14,961.85)	137,899.15	113,642.46	24,256.69
Regular Programs - Instruction - Employee Benefits					
Health Benefits	190,429.00	44,936.45	235,365.45	221,628.26	13,737.19
Total Regular Programs - Instruction - Employee Benefits	190,429.00	44,936.45	235,365.45	221,628.26	13,737.19
Special Programs - Instruction - Employee Benefits					
Health Benefits	28,000.00		28,000.00	28,000.00	
Total Special Programs - Instruction - Employee Benefits	28,000.00	-	28,000.00	28,000.00	-
Health Services - Employee Benefits					
Health Benefits	14,000.00		14,000.00	14,000.00	
Total Health Services - Employee Benefits	14,000.00	-	14,000.00	14,000.00	-

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures (Cont'd):					
Central Services - Employee Benefits					
Health Benefits	\$ 14,000.00		\$ 14,000.00	\$ 14,000.00	
Total Central Services - Employee Benefits	14,000.00	-	14,000.00	14,000.00	-
Operation and Maintenance of Plant Services - Employee Benefits					
Health Benefits	28,000.00		28,000.00	28,000.00	
Total Operation and Maintenance of Plant Services - Employee Benefits	28,000.00	-	28,000.00	28,000.00	-
Student Transportation Services - Employee Benefits					
Health Benefits	42,000.00	\$ (16,037.19)	25,962.81	25,962.81	
Total Student Transportation Services - Employee Benefits	42,000.00	(16,037.19)	25,962.81	25,962.81	-
Unallocated Benefits - Employee Benefits:					
Social Security Contribution	35,000.00	(1,169.63)	33,830.37	33,830.37	
Other Retirement Contributions - Regular	20,000.00	15,000.00	35,000.00	34,878.49	\$ 121.51
Unemployment Contribution	6,000.00	(789.61)	5,210.39	5,210.39	
Tuition Reimbursements	5,000.00	(971.00)	4,029.00	4,029.00	
Other Employee Benefits	25,000.00	(13,034.00)	11,966.00	11,966.00	
Total Unallocated Benefits - Employee Benefits	91,000.00	(964.24)	90,035.76	89,914.25	121.51
Undistricted Expenditures - Food Services					
Transfers to Cover Deficit (Enterprise Fund)	16,905.00	(16,905.00)			
On-behalf TPAF Pension Contributions				2,986.00	(2,986.00)
On-behalf TPAF Medical Contributions				63,420.00	(63,420.00)
Reimbursed TPAF Social Security Contributions				71,031.84	(71,031.84)
Total TPAF Contributions	-	-	-	137,437.84	(137,437.84)
Total Undistributed Expenses	1,408,369.00	(50,344.47)	1,358,024.53	1,430,795.71	(72,771.18)
Total Expenditures - Current Expense	2,384,427.00	(30,264.27)	2,354,162.73	2,410,488.53	(56,325.80)
Total Expenditures	2,384,427.00	(30,264.27)	2,354,162.73	2,410,488.53	(56,325.80)

(Continued)

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
Calculation of Deficiency of Revenues Under Expenditures:					
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (75,000.00)	\$ 30,264.27	\$ (44,735.73)	\$ 37,557.94	\$ 82,293.67
Other Financing Sources (Uses):					
Transfer to Enterprise Fund - Board Contribution		(30,264.27)	(30,264.27)	(30,264.27)	
Total - Other Financing Sources (Uses)	-	(30,264.27)	(30,264.27)	(30,264.27)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(75,000.00)		(75,000.00)	7,293.67	82,293.67
Fund Balances, July 1	440,908.92		440,908.92	440,908.92	
Fund Balances, June 30	<u>\$ 365,908.92</u>	<u>\$ -</u>	<u>\$ 365,908.92</u>	<u>\$ 448,202.59</u>	<u>\$ 82,293.67</u>
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 1.00	
Excess Surplus Previous Year - Designated for Subsequent Year's Expenditures				115,907.92	
Excess Fund Balance				56,633.59	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				25,660.08	
Unassigned Fund Balance				<u>250,000.00</u>	
				448,202.59	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>(80,336.00)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 367,866.59</u>	

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Federal Sources:					
Title I	\$ 11,076.00	\$ 7,385.00	\$ 18,461.00	\$ 18,461.00	
Title II Part A	6,015.50	2,004.50	8,020.00	8,020.00	
Title II Part D	28.50	9.50	38.00	38.00	
Title IV	256.00	(256.00)			
I.D.E.I.A., Part B Basic	27,685.25	10,042.75	37,728.00	37,728.00	
I.D.E.I.A., Part B Basic - ARRA		2,312.47	2,312.47		\$ (2,312.47)
I.D.E.I.A., Part B, Preschool Incentive	2,379.75	863.25	3,243.00	3,243.00	
I.D.E.I.A., Part B, Preschool Incentive - ARRA		102.47	102.47		(102.47)
R.E.A.P.		40,709.00	40,709.00	20,159.00	(20,550.00)
	<u>47,441.00</u>	<u>63,172.94</u>	<u>110,613.94</u>	<u>87,649.00</u>	<u>(22,964.94)</u>
Total - Federal Sources					
	<u>47,441.00</u>	<u>63,172.94</u>	<u>110,613.94</u>	<u>87,649.00</u>	<u>(22,964.94)</u>
Total Revenues	<u>\$ 47,441.00</u>	<u>\$ 63,172.94</u>	<u>\$ 110,613.94</u>	<u>\$ 87,649.00</u>	<u>\$ (22,964.94)</u>
EXPENDITURES:					
Instruction:					
Salaries	\$ 13,949.91	\$ 7,650.09	\$ 21,600.00	\$ 21,600.00	
Other Purchased Services	28.50	9.50	38.00	38.00	
Supplies and Materials	331.00	(128.53)	202.47	100.00	\$ 102.47
	<u>14,309.41</u>	<u>7,531.06</u>	<u>21,840.47</u>	<u>21,738.00</u>	<u>102.47</u>
Total Instruction					
	<u>14,309.41</u>	<u>7,531.06</u>	<u>21,840.47</u>	<u>21,738.00</u>	<u>102.47</u>
Support Services:					
Salaries		2,312.47	2,312.47		2,312.47
Personal Services - Employee Benefits	2,790.00	1,530.00	4,320.00	4,320.00	
Purchased Professional and Technical Services	30,065.00	31,456.00	61,521.00	40,971.00	20,550.00
Supplies and Materials	276.59	20,343.41	20,620.00	20,620.00	
	<u>33,131.59</u>	<u>55,641.88</u>	<u>88,773.47</u>	<u>65,911.00</u>	<u>22,862.47</u>
Total Support Services					
	<u>33,131.59</u>	<u>55,641.88</u>	<u>88,773.47</u>	<u>65,911.00</u>	<u>22,862.47</u>
Total Expenditures	<u>\$ 47,441.00</u>	<u>\$ 63,172.94</u>	<u>\$ 110,613.94</u>	<u>\$ 87,649.00</u>	<u>\$ 22,964.94</u>

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to RSI
 For the Fiscal Year Ended June 30, 2011

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 2,448,046.47	\$ 87,649.00
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July, 2010.	97,129.00	
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July, 2011.	<u>(80,336.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u><u>\$ 2,464,839.47</u></u>	<u><u>\$ 87,649.00</u></u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 2,410,488.53	\$ 87,649.00
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u><u>\$ 2,410,488.53</u></u>	<u><u>\$ 87,649.00</u></u>

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2011

	<u>Total</u>	<u>N.C.L.B.</u>			<u>I.D.E.I.A. Part B Basic 2010-2011</u>	<u>I.D.E.I.A. Part B Preschool 2010-2011</u>	<u>R.E.A.P. 2009-2010</u>
		<u>Title I</u>	<u>Title II</u>				
		<u>2010-2011</u>	<u>Part A 2010-2011</u>	<u>Part D 2010-2011</u>			
REVENUES:							
Federal Sources	\$ 87,649.00	\$ 18,461.00	\$ 8,020.00	\$ 38.00	\$ 37,728.00	\$ 3,243.00	\$ 20,159.00
State Sources	-						
Local Sources							
Total Revenues	\$ 87,649.00	\$ 18,461.00	\$ 8,020.00	\$ 38.00	\$ 37,728.00	\$ 3,243.00	\$ 20,159.00
EXPENDITURES:							
Instruction:							
Salaries	\$ 21,600.00	\$ 15,000.00	\$ 6,600.00				
Other Purchased Services	38.00			\$ 38.00			
Supplies and Materials	100.00		100.00				
Total Instruction	21,738.00	15,000.00	6,700.00	38.00	-	-	-
Support Services:							
Personal Services - Employee Benefits	4,320.00	3,000.00	1,320.00				
Purchased Professional and Technical Services	40,971.00				\$ 37,728.00	\$ 3,243.00	
Supplies and Materials	20,620.00	461.00					\$ 20,159.00
Total Support Services	65,911.00	3,461.00	1,320.00	-	37,728.00	3,243.00	20,159.00
Facilities Acquisition and Construction Services:							
Non-Instructional Equipment	-	-	-	-	-	-	-
Total Expenditures	\$ 87,649.00	\$ 18,461.00	\$ 8,020.00	\$ 38.00	\$ 37,728.00	\$ 3,243.00	\$ 20,159.00

PROPRIETARY FUNDS

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Net Assets
June 30, 2011

	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 5,694.90
Accounts Receivable:	
State	37.59
Federal	
Inventories	<u>943.63</u>
Total Current Assets	<u>6,676.12</u>
Noncurrent Assets:	
Restricted Cash and Cash Equivalents	
Furniture, Machinery and Equipment	42,583.03
Less Accumulated Depreciation	<u>(32,422.41)</u>
Total Noncurrent Assets	<u>10,160.62</u>
Total Assets	<u>16,836.74</u>
LIABILITIES:	
Current Liabilities:	
Interfund Accounts Payable:	
Due General Fund	<u>9,460.47</u>
Total Liabilities	<u>9,460.47</u>
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	10,160.62
Unrestricted	<u>(2,784.35)</u>
Total Net Assets	<u>\$ 7,376.27</u>

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Enterprise Fund
 Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
 For the Fiscal Year Ended June 30, 2011

	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales:	
Non-reimbursable Programs	\$ 5,593.25
Reimbursable Program -- School Lunch	<u>25,310.20</u>
Total Operating Revenues	<u>30,903.45</u>
OPERATING EXPENSES:	
Salaries	31,310.29
Benefits	11,007.05
General Supplies	2,087.38
Depreciation	1,129.15
Cost of Sales	33,061.85
Miscellaneous	
Total Operating Expenses	<u>78,595.72</u>
Operating Income / (Loss)	<u>(47,692.27)</u>
NONOPERATING REVENUES (EXPENSES):	
State Sources:	
State School Lunch Program	707.78
Federal Sources:	
National School Lunch Program	11,382.88
Food Distribution Program	3,708.59
Board Contribution	30,264.27
Interest Revenue	<u>66.68</u>
Total Nonoperating Revenues (Expenses)	<u>46,130.20</u>
Change in Net Assets	(1,562.07)
Net Assets -- July 1	<u>8,938.34</u>
Net Assets -- June 30	<u><u>\$ 7,376.27</u></u>

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2011

	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 30,903.45
Payments to Employees	(31,310.29)
Payments for Employee Benefits	(11,007.05)
Payments for Supplies and Services	<u>(35,112.95)</u>
Net Cash Provided by (used for) Operating Activities	<u>(46,526.84)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
State Sources	730.93
Federal Sources	15,941.69
Operating Subsidies and Transfers to Other Funds	<u>29,353.31</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>46,025.93</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases of Capital Assets	<u>(968.00)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Revenue	<u>66.68</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,402.23)
Cash and Cash Equivalents -- July 1	<u>7,097.13</u>
Cash and Equivalents -- June 30	<u>\$ 5,694.90</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (47,692.27)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	1,129.15
(Increase) Decrease in Inventories	<u>36.28</u>
Total Adjustments	<u>1,165.43</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (46,526.84)</u>

FIDUCIARY FUNDS

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Fiduciary Net Assets
 June 30, 2011

	Agency Funds		
	Student Activity	Payroll	Total
ASSETS:			
Cash and Cash Equivalents	\$ 899.84	\$ 109,800.29	\$ 110,700.13
Total Assets	\$ 899.84	\$ 109,800.29	\$ 110,700.13
LIABILITIES:			
Interfund Accounts Payable:			
Due General Fund		\$ 60,488.49	\$ 60,488.49
Payable to Student Groups	\$ 899.84		899.84
Summer Pay Payable		49,311.80	49,311.80
Total Liabilities	\$ 899.84	\$ 109,800.29	\$ 110,700.13

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Fiduciary Funds
Student Activity Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2011

	<u>Balance</u> <u>June 30, 2010</u>	<u>Cash</u> <u>Receipts</u>	<u>Decreased</u>	<u>Balance</u> <u>June 30, 2011</u>
SCHOOLS:				
Elementary	<u>\$ 893.60</u>	<u>\$ 152.50</u>	<u>146.26</u>	<u>\$ 899.84</u>
Total All Schools	<u><u>\$ 893.60</u></u>	<u><u>\$ 152.50</u></u>	<u><u>146.26</u></u>	<u><u>\$ 899.84</u></u>

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Fiduciary Funds
 Payroll Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2011

	Balance <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2011</u>
ASSETS:				
Cash and Cash Equivalents	\$ 88,769.29	\$ 1,538,874.52	\$ 1,517,843.52	\$ 109,800.29
LIABILITIES:				
Payroll Deductions and Withholdings		\$ 517,912.03	\$ 517,912.03	
Summer Pay Payable	\$ 49,885.80	51,978.88	52,552.88	\$ 49,311.80
Net Payroll		909,182.69	909,182.69	
Contra		38,195.92	38,195.92	
Interfund Accounts Payable:				
Due General Fund	38,883.49	21,605.00		60,488.49
Total Liabilities	\$ 88,769.29	\$ 1,538,874.52	\$ 1,517,843.52	\$ 109,800.29

LONG-TERM DEBT

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Schedule of Obligations Under Capital Leases
 For the Fiscal Year Ended June 30, 2011

<u>Series</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Amount of Original Issue</u>		<u>Interest Rate Payable</u>	<u>Amount Outstanding June 30, 2010(a)</u>	<u>Increased</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2011(a)</u>
			<u>Principal</u>	<u>Interest</u>					
54 Passenger Bus & Copier	07/14/06	5 Years	71,522.00	7,453.99	5.643%	\$ 9,120.75		\$ 9,120.75	\$ -
						\$ 9,120.75	-	\$ 9,120.75	\$ -

(a) Future Interest Payments Removed from Carrying Value of Leases.

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. Note that Exhibits J-1, J-2 and J-3 are only presented for the last seven fiscal years as the School District's first year of implementation of the Governmental Accounting Standards Board Statement No. 34 was for the fiscal year ended June 30, 2004; thus, ten year comparative financial information is unavailable.

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Net Assets by Component
 Last Eight Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,							
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental Activities:								
Invested in Capital Assets, Net of Related Debt	\$ 928,953.59	\$ 995,255.62	\$ 732,062.01	\$ 820,375.61	\$ 888,721.00	\$ 956,438.00	\$ 970,237.00	\$ 950,578.00
Restricted	141,569.00	93,779.92	46,001.00	50,446.00	128,560.00	193,562.00	90,713.00	2,774.00
Unrestricted	<u>122,427.86</u>	<u>123,446.95</u>	<u>108,526.72</u>	<u>500.16</u>	<u>(9,306.00)</u>	<u>(8,170.00)</u>	<u>(32,390.00)</u>	<u>(55,917.00)</u>
Total Governmental Activities Net Assets	<u>\$ 1,192,950.45</u>	<u>\$ 1,212,482.49</u>	<u>\$ 886,589.73</u>	<u>\$ 871,321.77</u>	<u>\$ 1,007,975.00</u>	<u>\$ 1,141,830.00</u>	<u>\$ 1,028,560.00</u>	<u>\$ 897,435.00</u>
Business-type Activities:								
Invested in Capital Assets, Net of Related Debt	\$ 10,160.62	\$ 10,321.77	\$ 7,646.76	\$ 8,866.85	\$ 4,576.00	\$ 6,864.00	\$ 9,152.00	
Unrestricted	<u>(2,784.35)</u>	<u>(1,383.43)</u>	<u>6,021.05</u>	<u>14,629.38</u>	<u>37,773.00</u>	<u>38,865.00</u>	<u>38,550.00</u>	\$ 36,638.00
Total Business-type Activities Net Assets	<u>\$ 7,376.27</u>	<u>\$ 8,938.34</u>	<u>\$ 13,667.81</u>	<u>\$ 23,496.23</u>	<u>\$ 42,349.00</u>	<u>\$ 45,729.00</u>	<u>\$ 47,702.00</u>	<u>\$ 36,638.00</u>
District-wide:								
Invested in Capital Assets, Net of Related Debt	\$ 939,114.21	\$ 1,005,577.39	\$ 739,708.77	\$ 829,242.46	\$ 893,297.00	\$ 963,302.00	\$ 979,389.00	\$ 950,578.00
Restricted	141,569.00	93,779.92	46,001.00	50,446.00	128,560.00	193,562.00	90,713.00	2,774.00
Unrestricted	<u>119,643.51</u>	<u>122,063.52</u>	<u>114,547.77</u>	<u>15,129.54</u>	<u>28,467.00</u>	<u>30,695.00</u>	<u>6,160.00</u>	<u>(19,279.00)</u>
Total District-wide Net Assets	<u>\$ 1,200,326.72</u>	<u>\$ 1,221,420.83</u>	<u>\$ 900,257.54</u>	<u>\$ 894,818.00</u>	<u>\$ 1,050,324.00</u>	<u>\$ 1,187,559.00</u>	<u>\$ 1,076,262.00</u>	<u>\$ 934,073.00</u>

Source: Exhibit A-1

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Changes in Net Assets
 Last Eight Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,							
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Expenses:								
Governmental Activities:								
Instruction:								
Regular	\$ 1,073,118.71	\$ 942,961.39	\$ 1,095,267.90	\$ 1,081,826.46	\$ 961,601.00	\$ 959,856.00	\$ 840,441.00	\$ 793,701.00
Special Education	179,115.40	194,281.07	177,015.00	276,524.04	163,748.00	157,192.00	120,229.00	111,985.00
Other Special Education								
Vocational								
Other Instruction	56,464.50	71,350.80	56,340.79	59,996.65	55,118.00	44,050.00	14,543.00	3,279.00
Support Services:								
Tuition	97,258.56	19,417.00	58,319.16	60,003.34	57,641.00	110,073.00	82,020.00	34,254.00
Student and Instruction Related Services	219,656.58	216,255.83	225,471.68	168,702.72	270,849.00	211,589.00	184,881.00	194,199.00
School Administrative Services	18,547.04	17,192.06	14,910.44	14,083.50	12,544.00	12,019.00	13,897.00	36,091.00
General and Business Administrative Services	242,739.95	231,150.43	249,124.30	236,563.49	301,455.00	200,689.00	182,857.00	181,483.00
Plant Operations and Maintenance	294,772.24	310,516.12	268,727.65	300,780.32	269,648.00	246,707.00	223,039.00	192,418.00
Pupil Transportation	132,731.18	147,982.99	151,925.29	241,039.77	215,762.00	239,693.00	190,789.00	130,775.00
Unallocated Benefits	227,352.09	252,103.24	215,928.49	330,736.28	314,857.00	239,751.00	575,018.00	517,570.00
Interest on Long-term Debt				3,060.80				
Amortization of Bond Issuance Costs								
Reduction of Capital Leases					(17,283.00)			(17,997.00)
Adjustment/Reduction of Fixed Assets					15,657.00			19,244.00
Unallocated Compensated Absences					(17,570.00)	3,053.00	(4,778.00)	16,864.00
Unallocated Depreciation					85,000.00	86,669.00	80,000.00	78,959.00
Total Governmental Activities Expenses	<u>2,541,756.25</u>	<u>2,403,210.93</u>	<u>2,513,030.70</u>	<u>2,773,317.37</u>	<u>2,689,027.00</u>	<u>2,511,341.00</u>	<u>2,502,936.00</u>	<u>2,292,825.00</u>
Business-type Activities:								
Food Service	78,595.72	78,375.08	71,278.59	73,897.46	75,574.00	73,106.00	66,666.00	58,485.00
Total Business-type Activities Expense	<u>78,595.72</u>	<u>78,375.08</u>	<u>71,278.59</u>	<u>73,897.46</u>	<u>75,574.00</u>	<u>73,106.00</u>	<u>66,666.00</u>	<u>58,485.00</u>
Total District Expenses	<u>\$ 2,620,351.97</u>	<u>\$ 2,481,586.01</u>	<u>\$ 2,584,309.29</u>	<u>\$ 2,847,214.83</u>	<u>\$ 2,764,601.00</u>	<u>\$ 2,584,447.00</u>	<u>\$ 2,569,602.00</u>	<u>\$ 2,351,310.00</u>

(Continued)

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Changes in Net Assets
 Last Eight Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,							
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Program Revenues:								
Governmental Activities:								
Operating Grants and Contributions	\$ 225,086.84	\$ 213,998.32	\$ 223,805.02	\$ 357,372.43	\$ 83,192.00	\$ 96,417.00	\$ 75,418.00	\$ 91,518.00
Capital Grants and Contributions	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	<u>225,086.84</u>	<u>213,998.32</u>	<u>223,805.02</u>	<u>357,372.43</u>	<u>83,192.00</u>	<u>96,417.00</u>	<u>75,418.00</u>	<u>91,518.00</u>
Business-type activities:								
Charges for services								
Food service	30,903.45	30,152.60	31,036.45	33,303.50	29,821.00	28,465.00	28,770.00	24,393.00
Capital Grants and Contributions	-	-	-	-	-	-	-	-
Operating Grants and Contributions	15,799.25	16,786.31	15,694.19	12,519.96	14,037.00	14,401.00	13,055.00	14,117.00
Total Business-type Activities Program Revenues	<u>46,702.70</u>	<u>46,938.91</u>	<u>46,730.64</u>	<u>45,823.46</u>	<u>43,858.00</u>	<u>42,866.00</u>	<u>41,825.00</u>	<u>38,510.00</u>
Total District Program Revenues	<u>\$ 271,789.54</u>	<u>\$ 260,937.23</u>	<u>\$ 270,535.66</u>	<u>\$ 403,195.89</u>	<u>\$ 127,050.00</u>	<u>\$ 139,283.00</u>	<u>\$ 117,243.00</u>	<u>\$ 130,028.00</u>
Net (Expense)/Revenue:								
Governmental Activities	\$ (2,316,669.41)	\$ (2,189,212.61)	\$ (2,289,225.68)	\$ (2,415,944.94)	\$ (2,605,835.00)	\$ (2,414,924.00)	\$ (2,427,518.00)	\$ (2,201,307.00)
Business-type Activities	(31,893.02)	(31,436.17)	(24,547.95)	(28,074.00)	(31,716.00)	(30,240.00)	(24,841.00)	(19,975.00)
Total District-wide Net Expense	<u>\$ (2,348,562.43)</u>	<u>\$ (2,220,648.78)</u>	<u>\$ (2,313,773.63)</u>	<u>\$ (2,444,018.94)</u>	<u>\$ (2,637,551.00)</u>	<u>\$ (2,445,164.00)</u>	<u>\$ (2,452,359.00)</u>	<u>\$ (2,221,282.00)</u>

(Continued)

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Changes in Net Assets
 Last Eight Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,							
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Revenues and Other Changes in Net Assets:								
Governmental Activities:								
Property Taxes Levied for General Purposes, Net	\$ 1,458,674.00	\$ 1,423,817.00	\$ 1,401,150.00	\$ 1,398,337.00	\$ 1,371,804.00	\$ 1,495,677.00	\$ 1,578,177.00	\$ 1,066,969.00
Taxes Levied for Debt Service								
Unrestricted Grants and Contributions	862,546.00	876,974.00	915,821.85	867,569.15	1,109,587.00	1,033,063.00	1,012,137.00	982,727.00
Restricted Grants and Contributions	-	-	-	-	-	-	-	-
Investment Earnings	4,336.21	3,728.19	1,940.77	9,118.23	13,223.00	1,626.00	1,958.00	393.00
Other	1,845.42	109.89	221.56	7,559.31	5,368.00	25,781.00	2,140.00	4,137.00
Donated Assets		261,013.00						
Cancellation of a Payable		2,298.07		27,431.71				
Transfers	(30,264.27)	(26,648.53)	(14,640.54)	(30,722.22)	(28,002.00)	(27,953.00)	(35,769.00)	(31,508.00)
Total Governmental Activities	<u>2,297,137.36</u>	<u>2,541,291.62</u>	<u>2,304,493.64</u>	<u>2,279,293.18</u>	<u>2,471,980.00</u>	<u>2,528,194.00</u>	<u>2,558,643.00</u>	<u>2,022,718.00</u>
Business-type Activities:								
Investment Earnings	66.68	58.17	78.99	254.99	334.00	314.00	136.00	71.00
Cancellation of a Receivable				(27,431.71)				
Transfers	30,264.27	26,648.53	14,640.54	30,722.22	28,002.00	27,953.00	35,769.00	31,508.00
Total Business-type Activities	<u>30,330.95</u>	<u>26,706.70</u>	<u>14,719.53</u>	<u>3,545.50</u>	<u>28,336.00</u>	<u>28,267.00</u>	<u>35,905.00</u>	<u>31,579.00</u>
Total District-wide	<u>\$ 2,327,468.31</u>	<u>\$ 2,567,998.32</u>	<u>\$ 2,319,213.17</u>	<u>\$ 2,282,838.68</u>	<u>\$ 2,500,316.00</u>	<u>\$ 2,556,461.00</u>	<u>\$ 2,594,548.00</u>	<u>\$ 2,054,297.00</u>
Change in Net Assets:								
Governmental Activities	\$ (19,532.05)	\$ 352,079.01	\$ 15,267.96	\$ (136,651.76)	\$ (133,855.00)	\$ 113,270.00	\$ 131,125.00	\$ (178,589.00)
Business-type Activities	(1,562.07)	(4,729.47)	(9,828.42)	(24,528.50)	(3,380.00)	(1,973.00)	11,064.00	11,604.00
Total District	<u>\$ (21,094.12)</u>	<u>\$ 347,349.54</u>	<u>\$ 5,439.54</u>	<u>\$ (161,180.26)</u>	<u>\$ (137,235.00)</u>	<u>\$ 111,297.00</u>	<u>\$ 142,189.00</u>	<u>\$ (166,985.00)</u>

Source: Exhibit A-2

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Eight Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,							
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund:								
Assigned	\$ 25,660.08							
Unassigned	226,297.59							
Restricted	115,908.92							
Reserved		\$ 83,470.17	\$ 1.00	\$ 1.00	\$ 128,560.00	\$ 193,561.00	\$ 89,088.00	\$ 1,149.00
Unreserved		<u>260,309.75</u>	<u>274,943.25</u>	<u>153,649.48</u>	<u>67,552.00</u>	<u>86,259.00</u>	<u>58,979.00</u>	<u>(55,641.00)</u>
Total General Fund	<u>\$ 367,866.59</u>	<u>\$ 343,779.92</u>	<u>\$ 274,944.25</u>	<u>\$ 153,650.48</u>	<u>\$ 196,112.00</u>	<u>\$ 279,820.00</u>	<u>\$ 148,067.00</u>	<u>\$ (54,492.00)</u>
All Other Governmental Funds:								
Unreserved, Reported in:								
Special Revenue Fund				(576.15)	(276.00)	(276.00)	(270.00)	(276.00)
Debt Service Fund							1,625.00	1,625.00
Total All Other Governmental Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ (576.15)</u>	<u>\$ (276.00)</u>	<u>\$ (276.00)</u>	<u>\$ 1,355.00</u>	<u>\$ 1,349.00</u>

In accordance with GASB 54, effective for the fiscal year ended June 30, 2011, the description and terminology utilized to identify fund Balance was changed. See the notes to the financial statements.

Source: Exhibit B-1

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Revenues:										
Tax Levy	\$ 1,458,674.00	\$ 1,423,817.00	\$ 1,401,150.00	\$ 1,398,337.00	\$ 1,371,804.00	\$ 1,495,677.00	\$ 1,578,177.00	\$ 1,066,969.00	\$ 1,216,422.00	\$ 1,042,199.00
Other Local Revenue	6,181.63	3,838.08	2,162.33	16,677.54	18,591.00	27,407.00	4,098.00	4,530.00	9,032.00	21,915.00
State Sources	999,983.84	874,716.26	1,060,403.72	1,145,342.58	1,115,110.00	1,042,586.00	1,021,660.00	992,250.00	899,536.00	738,616.00
Federal Sources	87,649.00	216,256.06	79,223.15	79,599.00	77,669.00	86,894.00	65,895.00	81,995.00	72,769.00	58,897.00
Total Revenue	2,552,488.47	2,518,627.40	2,542,939.20	2,639,956.12	2,583,174.00	2,652,564.00	2,669,830.00	2,145,744.00	2,197,759.00	1,861,627.00
Expenditures:										
Instruction										
Regular Instruction	1,008,195.58	934,832.41	995,659.88	983,902.96	961,601.00	1,032,726.00	840,441.00	793,701.00	722,965.00	750,323.00
Special Education Instruction	186,399.00	201,564.67	184,298.60	276,524.04	163,748.00	157,192.00	120,229.00	111,985.00	137,980.00	103,513.00
Other Instruction	56,464.50	71,350.80	56,340.79	59,996.65	55,118.00	44,050.00	14,543.00	3,279.00	32,618.00	34,965.00
Support Services:										
Tuition	97,258.56	19,417.00	58,319.16	60,003.34	57,641.00	110,073.00	82,020.00	34,254.00	86,246.00	45,838.00
Student and Instruction Related Services	219,656.58	222,923.46	225,471.68	168,702.72	270,849.00	211,589.00	184,881.00	194,199.00	197,680.00	157,459.00
School Administrative Services	11,718.80	17,192.06	17,013.86	14,083.50	12,544.00	12,019.00	13,897.00	36,091.00	31,793.00	32,964.00
Other Administrative Services	259,849.55	226,024.97	239,208.23	228,701.61	301,455.00	200,689.00	182,857.00	181,483.00	178,593.00	209,017.00
Plant Operations and Maintenance	291,637.60	292,551.03	266,902.88	298,452.60	269,648.00	246,707.00	223,039.00	192,418.00	177,670.00	188,063.00
Pupil Transportation	139,605.27	167,007.26	158,178.67	241,039.77	215,762.00	239,693.00	190,789.00	130,775.00	136,488.00	185,643.00
Unallocated Benefits	227,352.09	231,969.29	205,034.99	330,736.28	314,857.00	239,751.00	575,018.00	517,570.00	445,885.00	334,748.00
Debt Service:										
Principal	-	-	-	-	-	-	-	-	17,000.00	15,000.00
Interest and Other Charges	-	-	-	-	-	-	-	-	531.00	1,531.00
Capital Outlay	-	40,608.32	-	17,282.67	71,522.00	-	3,782.00	19,244.00	175,649.00	66,286.00
Total Expenditures	2,498,137.53	2,425,441.27	2,406,428.74	2,679,426.14	2,694,745.00	2,494,489.00	2,431,496.00	2,214,999.00	2,341,098.00	2,125,350.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	54,350.94	93,186.13	136,510.46	(39,470.02)	(111,571.00)	158,075.00	238,334.00	(69,255.00)	(143,339.00)	(263,723.00)
Other Financing Sources (Uses):										
Capital Leases (Non-budgeted)	-	-	-	-	55,865.00	-	-	(31,508.00)	-	54,060.00
Cancelation of Payable	-	2,298.07	-	27,431.71	-	-	-	-	-	-
Transfers Out	(30,264.27)	(26,648.53)	(14,640.54)	(30,722.22)	(28,002.00)	(27,953.00)	(35,769.00)	-	(34,999.00)	(28,921.00)
Total Other Financing Sources (Uses)	(30,264.27)	(24,350.46)	(14,640.54)	(3,290.51)	27,863.00	(27,953.00)	(35,769.00)	(31,508.00)	(34,999.00)	25,139.00
Net Change in Fund Balances	\$ 24,086.67	\$ 68,835.67	\$ 121,869.92	\$ (42,760.53)	\$ (83,708.00)	\$ 130,122.00	\$ 202,565.00	\$ (100,763.00)	\$ (178,338.00)	\$ (238,584.00)
Debt Service as a Percentage of Noncapital Expenditures									0.8%	0.8%

Source: Exhibit B-2

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Interest Earned on Deposits	\$ 4,336.21	\$ 3,728.19	\$ 1,940.77	\$ 9,118.23	\$ 13,223.00	\$ 1,626.00	\$ 1,958.00	\$ 393.00	\$ 1,132.00	\$ 1,873.00
Tuition									7,900.00	20,042.00
Miscellaneous	<u>1,845.38</u>	<u>109.89</u>	<u>221.56</u>	<u>7,559.31</u>	<u>5,368.00</u>	<u>25,781.00</u>	<u>2,140.00</u>	<u>4,137.00</u>		
Total Miscellaneous Revenues	<u>\$ 6,181.59</u>	<u>\$ 3,838.08</u>	<u>\$ 2,162.33</u>	<u>\$ 16,677.54</u>	<u>\$ 18,591.00</u>	<u>\$ 27,407.00</u>	<u>\$ 4,098.00</u>	<u>\$ 4,530.00</u>	<u>\$ 9,032.00</u>	<u>\$ 21,915.00</u>

Source: District Records

Revenue Capacity Information

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years
Unaudited

Year Ended Dec. 31	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (2)	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (1)
2011	\$ 8,790,400.00	\$ 128,184,800.00	\$ 19,061,760.00	\$ 6,041,600.00	\$ 9,322,000.00	-	\$ 171,400,560.00	\$ 628,646.00	\$ 172,029,206.00	\$ 65,296,100.00	\$ 158,937,097.00	\$ 0.822
2010	9,356,060.00	129,084,800.00	18,282,400.00	5,692,000.00	9,322,000.00	-	171,737,260.00	799,641.00	172,536,901.00	65,181,300.00	166,649,240.00	0.835
2009	9,293,360.00	128,114,100.00	18,321,200.00	5,692,000.00	9,322,000.00	-	170,742,660.00	757,305.00	171,499,965.00	64,978,700.00	175,699,176.00	0.765
2008	9,941,760.00	125,743,700.00	18,424,700.00	5,692,000.00	9,322,000.00	-	169,124,160.00	694,159.00	169,818,319.00	64,712,600.00	173,142,658.00	0.765
2007 (3)	9,839,400.00	124,813,800.00	19,056,300.00	5,817,000.00	9,322,000.00	-	168,848,500.00	649,341.00	169,497,841.00	64,732,100.00	166,365,800.00	0.818
2006	6,395,196.00	64,673,950.00	14,332,259.00	4,230,500.00	6,145,400.00	-	95,777,305.00	511,110.00	96,288,415.00	34,682,865.00	428,893,380.00	1.490
2005	6,172,033.00	64,739,950.00	14,567,959.00	4,373,200.00	6,145,400.00	-	95,998,542.00	511,110.00	96,509,652.00	34,348,165.00	378,002,342.00	1.489
2004	6,458,497.00	62,289,989.00	15,148,559.00	4,873,200.00	6,095,400.00	-	94,865,645.00	737,260.00	95,602,905.00	33,084,151.00	330,471,586.00	1.383
2003	6,244,006.00	60,724,031.00	15,420,559.00	4,798,900.00	6,070,400.00	-	93,257,896.00	737,260.00	93,995,156.00	32,998,560.00	293,492,824.00	1.214
2002	6,285,206.00	59,964,101.00	15,493,359.00	4,528,500.00	6,070,400.00	-	92,341,566.00	609,015.00	92,950,581.00	32,886,575.00	293,123,971.00	1.214

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

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

(3) Revaluation

Source: Burlington County Board of Taxation

TOWNSHIP OF WOODLAND SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(Rate per \$100 of Assessed Value)

Unaudited

Year Ended Dec. 31	District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	<u>Basic Rate</u>	General Obligation Debt <u>Service</u>	Total Direct School <u>Tax Rate</u>	Regional High School <u>District</u>	Township of <u>Woodland</u>	Burlington <u>County</u>	
2011	\$ 0.822	-	\$ 0.822	\$ 0.456	\$ 0.079	\$ 0.351	\$ 1.708
2010	0.835	-	0.835	0.462	0.059	0.368	1.724
2009	0.765	-	0.765	0.445	-	0.331	1.541
2008	0.765	-	0.765	0.432	-	0.396	1.593
2007 (1)	0.818	-	0.818	0.479	-	0.353	1.650
2006	1.490	-	1.490	0.806	-	0.693	2.989
2005	1.489	-	1.489	0.740	-	0.600	2.829
2004	1.383	-	1.383	0.726	0.070	0.551	2.730
2003	1.197	\$ 0.017	1.214	0.624	0.070	0.527	2.435
2002	1.195	0.019	1.214	0.544	0.070	0.526	2.354

(1) Revaluation

Source: Municipal Tax Collector

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Principal Property Tax Payers
Current Year and Nine Years Ago
Unaudited

<u>Taxpayer</u>	2011			2002		
	<u>Taxable Assessed Value</u>	Rank	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	Rank	<u>% of Total District Net Assessed Value</u>
Ocean Spray Cranberries	\$ 6,945,800.00	1	4.04%	\$ 5,100,000.00	1	5.49%
Ward Sand and Material Company	6,330,000.00	2	3.68%	3,837,700.00	3	4.13%
Woodland Sand Company	2,234,900.00	3	1.30%	3,893,987.00	2	4.19%
Shore Stone Company	1,750,000.00	4	1.02%	1,031,500.00	5	1.11%
Air Time Inc. % M. Goldman	854,200.00	5	0.50%			
Worrell, Stanley & Maureen	706,200.00	6	0.41%			
HSBC Bank USA	691,800.00	7	0.40%			
Verizon NJ	628,646.00	8	0.37%	730,783.00	7	0.79%
Munkacsi, Kurt & Nancy Jeffries	610,400.00	9	0.35%			
Kane, Alison	572,400.00	10	0.33%			
A.R. Demarco, Enterprises				2,347,000.00	4	2.52%
WAWA				850,000.00	6	0.91%
American Tower Copr. Micronet				360,000.00	8	0.39%
Taxpayer #1				352,600.00	9	0.38%
Taxpayer #2				350,000.00	10	0.38%
Total	\$ 21,324,346.00		12.40%	\$ 18,853,570.00		20.28%

Source: Municipal Tax Assessor

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Fiscal Years
Unaudited

<u>Fiscal Year Ended June 30,</u>	<u>School District Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2011	\$ 1,458,674.00	\$ 1,458,674.00	100.00%	-
2010	1,423,817.00	1,423,817.00	100.00%	-
2009	1,401,150.00	1,401,150.00	100.00%	-
2008	1,398,337.00	1,398,337.00	100.00%	-
2007	1,371,804.00	1,371,804.00	100.00%	-
2006	1,495,677.00	1,495,677.00	100.00%	-
2005	1,578,177.00	1,578,177.00	100.00%	-
2004	1,066,969.00	1,066,969.00	100.00%	-
2003	1,216,422.00	1,216,422.00	100.00%	-
2002	1,042,199.00	1,042,199.00	100.00%	-

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

Source: District Records

Debt Capacity Information

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended <u>June 30.</u>	Governmental Activities				Business-Type <u>Activities</u>		<u>Total District</u>	Percentage of Personal <u>Income (2)</u>	<u>Per Capita (3)</u>
	<u>General Obligation Bonds (1)</u>	<u>Certificates of Participation</u>	<u>Capital Leases</u>	<u>Bond Anticipation Notes (BANs)</u>	<u>Capital Leases</u>				
2011	-	-	-	-	-	-	-	Unavailable	Unavailable
2010	-	-	\$ 9,120.75	-	-	\$ 9,120.75	Unavailable	\$ 5.10	
2009	-	-	24,993.03	-	-	24,993.03	0.04%	18.50	
2008	-	-	40,017.46	-	-	40,017.46	0.06%	29.58	
2007	-	-	54,239.33	-	-	54,239.33	0.09%	40.39	
2006	-	-	-	-	-	-	-	-	
2005	-	-	-	-	-	-	-	-	
2004	-	-	-	-	-	-	-	-	
2003	-	-	17,997.00	-	-	17,997.00	0.04%	13.39	
2002	\$ 17,000.00	-	56,800.00	-	-	73,800.00	0.15%	55.57	

Sources:

- (1) District Records
- (2) Personal income has been estimated based upon the municipal population and per capita
- (3) Per Capita personal income by county-estimated based upon the 2000 Census published

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding (1)	Percentage of Net Assessed Valuation Taxable (2)	Per Capita (3)
	General Obligation Bonds	Deductions			
2011	-	-	-	-	-
2010	-	-	-	-	-
2009	-	-	-	-	-
2008	-	-	-	-	-
2007	-	-	-	-	-
2006	-	-	-	-	-
2005	-	-	-	-	-
2004	-	-	-	-	-
2003	-	-	-	-	-
2002	\$ 17,000.00	-	\$ 17,000.00	0.02% (4)	\$ 12.80

Sources:

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2010
Unaudited

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Woodland Township</u>
Municipal Debt: (1)				
Woodland Township Local and Regional School Districts	\$ 831,673.00	\$ 831,673.00		
Woodland Township	341,400.00		\$ 341,400.00	\$ 341,400.00
	<u>1,173,073.00</u>	<u>831,673.00</u>	<u>341,400.00</u>	<u>341,400.00</u>
Overlapping Debt Apportioned to the Municipality:				
County of Burlington: (2)				
General:				
Bonds	272,129,881.00	34,934,325.00 (3)	237,195,556.00	762,550.43 (5)
Bonds Issued by Other Public Bodies Guaranteed by the County	269,140,000.00	269,140,000.00 (4)		
Solid Waste Utility	76,836,825.00	76,836,825.00		
	<u>618,106,706.00</u>	<u>380,911,150.00</u>	<u>237,195,556.00</u>	<u>762,550.43</u>
	<u>\$ 619,279,779.00</u>	<u>\$ 381,742,823.00</u>	<u>\$ 237,536,956.00</u>	<u>\$ 1,103,950.43</u>

Sources:

- (1) 2010 Annual Debt Statement
- (2) County's 2010 Audit Report
- (3) Includes Cash on Hand, Accounts Receivable and County College Bonds Paid with State Aid.
- (4) Deductible in accordance with N.J.S. 40:37A-80.
- (5) Such debt is allocated as a proportion of the Township's share of the total 2010 Equalized Value, which is .32%.

The source for this computation was the 2010 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2010

	Equalized valuation basis (1)
	2010 \$ 158,619,433
	2009 164,889,097
	2008 <u>173,265,198</u>
	[A] \$ 496,773,728
Average equalized valuation of taxable property	[A/3] \$ 165,591,243
Debt limit (3% of average equalization value) (2)	[B] \$ 4,967,737.28
Total Net Debt Applicable to Limit	[C] -
Legal Debt Margin	[B-C] \$ 4,967,737.28

	Fiscal Year Ended June 30,									
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Debt limit	\$ 4,967,737.28	\$ 5,103,081.49	\$ 5,090,290.71	\$ 4,862,789.91	\$ 4,389,319.00	\$ 3,847,025.00	\$ 3,295,225.00	\$ 2,931,123.00	\$ 2,704,936.00	\$ 2,461,791.00
Total net debt applicable to limit (3)	-	-	-	-	-	-	-	-	-	17,000.00
Legal debt margin	<u>\$ 4,967,737.28</u>	<u>\$ 5,103,081.49</u>	<u>\$ 5,090,290.71</u>	<u>\$ 4,862,789.91</u>	<u>\$ 4,389,319.00</u>	<u>\$ 3,847,025.00</u>	<u>\$ 3,295,225.00</u>	<u>\$ 2,931,123.00</u>	<u>\$ 2,704,936.00</u>	<u>\$ 2,444,791.00</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.69%

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
 (2) Limit set by NJSA 18A:24-19 for a K through 8 district.
 (3) District Records

Demographic and Economic Information

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Demographic and Economic Statistics
 Last Ten Fiscal Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2010	1,788	Unavailable	Unavailable	11.0%
2009	1,351	\$ 62,843,116.00	\$ 46,516.00	10.3%
2008	1,353	63,547,704.00	46,968.00	6.0%
2007	1,343	61,056,809.00	45,463.00	4.4%
2006	1,365	59,447,115.00	43,551.00	4.9%
2005	1,355	55,277,225.00	40,795.00	3.0%
2004	1,352	53,547,312.00	39,606.00	5.0%
2003	1,344	51,047,808.00	37,982.00	5.5%
2002	1,328	49,533,072.00	37,299.00	5.5%
2001	1,308	48,280,896.00	36,912.00	3.8%

Sources:

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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Principal Non-Governmental Employers
Current Year and Nine Years Ago
Unaudited

<u>Employer</u>	<u>2011</u>			<u>2002</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>

THIS INFORMATION IS NOT AVAILABLE

Source: Individual Employers

Operating Information

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

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

<u>Function/Program</u>	Fiscal Year Ended June 30,									
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Instruction										
Regular	15	14	14	14	14	13	12	12	13	13
Special education	3	3	3	3	2	2	2	2	2	2
Other special education	-	-	-	-	-	-	-	-	-	-
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	3	5	6	4	7	7	7	7	7	6
General administrative services	1	1	1	1	1	1	1	1	1	1
School administrative services	-	-	-	-	2	2	2	2	2	2
Business administrative services	1	1	1	1	-	-	-	-	-	-
Plant operations and maintenance	2	2	2	2	2	2	2	2	2	2
Pupil transportation	3	3	5	5	5	5	6	6	6	6
Food Service	0	0	0	2	2	2	2	2	2	2
Other	2	1	-	-	-	-	-	-	-	-
Total	30	30	32	32	34	34	34	34	35	34

(1) Unavailable
 Source: District Records

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
Unaudited

<u>Fiscal Year Ended June 30.</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio</u> <u>Elementary School</u>	<u>Average Daily Enrollment (ADE)</u>	<u>Average Daily Attendance (ADA)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2011	148	\$ 2,498,137.53	16,879.31	4.04%	16	9.3	144	137	-2.83%	95.22%
2010	147	2,384,832.95	16,223.35	4.50%	16	9.2	149	141	-0.93%	94.88%
2009	155	2,406,428.74	15,525.35	-10.77%	17	9.1	150	142	-3.04%	95.00%
2008	153	2,662,143.47	17,399.63	-0.51%	17	9.0	155	145	1.38%	94.00%
2007	150	2,623,223.00	17,488.15	5.86%	18	8.3	153	144	1.94%	94.10%
2006	151	2,494,489.00	16,519.79	2.07%	18	8.4	150	142	-0.13%	94.72%
2005	150	2,427,714.00	16,184.76	4.67%	18	8.3	150	141	5.20%	94.39%
2004	142	2,195,755.00	15,463.06	5.11%	18	7.9	142	136	-2.60%	95.29%
2003	146	2,147,918.00	14,711.77	8.04%	17	8.6	146	140	-2.21%	95.90%
2002	150	2,042,533.00	13,616.89	-2.23%	17	8.8	150	142	5.21%	94.85%

Sources: District Records

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>District Building</u>										
<u>Elementary</u>										
Woodland Elementary (1969)										
Square Feet	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Capacity (students)	225	225	225	225	225	225	225	225	225	225
Enrollment	148	147	155	153	150	152	155	143	154	159
Number of Schools at June 30, 2011										
Elementary School = 1										
Middle/Community School = 0										
High School = 0										
Other = 0										

Source: District Records

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Eight Fiscal Years
Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES (11-000-261-XXX)

* School Facilities	Project # (s)	Fiscal Year Ended June 30,							
		<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Elementary School	n/a	\$ 77,443.19	\$ 87,959.73	\$ 76,837.75	\$ 171,026.64	167,183.00	162,270.00	25,200.00	11,595.00
Total School Facilities		<u>77,443.19</u>	<u>87,959.73</u>	<u>76,837.75</u>	<u>171,026.64</u>	<u>167,183.00</u>	<u>162,270.00</u>	<u>25,200.00</u>	<u>11,595.00</u>
Other Facilities		-	-	-	-	-	-	-	-
Grand Total		<u>\$ 77,443.19</u>	<u>\$ 87,959.73</u>	<u>\$ 76,837.75</u>	<u>\$ 171,026.64</u>	<u>\$ 167,183.00</u>	<u>\$ 162,270.00</u>	<u>\$ 25,200.00</u>	<u>\$ 11,595.00</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

TOWNSHIP OF WOODLAND SCHOOL DISTRICT

Insurance Schedule

June 30, 2011

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy:		
Property	\$ 2,366,891.00	\$ 1,000.00
General Liability	11,000,000.00	
Automobile Liability	11,000,000.00	
Workers Compensation	2,000,000.00	
Boiler and Machinery	100,000,000.00	5,000.00
Electronic Data Processing	30,000.00	1,000.00
Professional Liability	1,000,000.00	5,000.00
Public Employees Dishonesty Coverage	250,000.00	1,000.00
Environmental Liability	1,000,000.00	10,000.00
Student Accident	1,000,000.00	
Bonds:		
Business Administrator/Board Secretary	100,000.00	1,000.00
Treasurer of School Funds	250,000.00	1,000.00

Source: District Records

SINGLE AUDIT SECTION

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

The Honorable President and
Members of the Board of Education
Woodland Township School District
County of Burlington
Chatsworth, New Jersey 08019

Compliance

We have audited Township of Woodland School District's compliance with the types of compliance requirements described in the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's one major state program for the fiscal year ended June 30, 2011. The School District's one major state program is 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 its one major state program is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

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

In our opinion, Township of Woodland School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state program for the fiscal year ended June 30, 2011. However, the results of our auditing procedures disclosed one instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and New Jersey Circular 04-04-OMB, which is described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings—Financial, Compliance and Performance as finding number 2011-4.

Internal Control Over Compliance

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

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

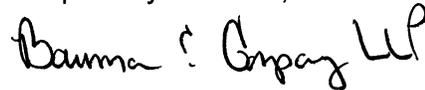
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did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

The Township of Woodland School District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the School District's responses and, accordingly, we express no opinion on them.

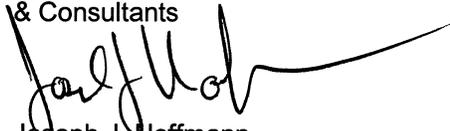
Expenditures for federal awards were less than the single audit dollar threshold required by OMB Circular A-133 and therefore were not subject to a single audit. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Division of Finance, Department of Education, State of New Jersey and is not a required part of basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Joseph J. Hoffmann
Certified Public Accountant
Public School Accountant No. CS 00759

Voorhees, New Jersey
December 2, 2011

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards - Schedule A
 For the Fiscal Year Ended June 30, 2011

<u>Pass-through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>State Project Number</u>	<u>Award Amount</u>	<u>Grant Period</u>		<u>Balance June 30, 2010</u>
				<u>From</u>	<u>To</u>	
Special Revenue Fund:						
U.S. Department of Education:						
R.E.A.P.	84.358A	Unavailable	\$ 20,159.00	9-1-09	8-31-10	
R.E.A.P.	84.358A	Unavailable	20,550.00	9-1-10	8-31-11	
Passed-through State Department of Education:						
N.C.L.B.:						
Title I	84.010A	IASA589010	11,060.00	9-1-09	8-31-10	\$ (11,060.00)
Title I	84.010A	IASA589011	18,461.00	9-1-10	8-31-11	
ARRA - Title I	84.389	IASA589010	3,708.00	7-1-09	8-31-11	(3,708.00)
Title II - Part A	84.367A	IASA589010	7,946.00	9-1-09	8-31-10	(34.24)
Title II - Part A	84.367A	IASA589011	8,020.00	9-1-10	8-31-11	
Title II - Part D	84.318X	IASA589010	113.00	9-1-09	8-31-10	(8,024.76)
Title II - Part D	84.318X	IASA589011	38.00	9-1-10	8-31-11	
Title IV	84.186A	IASA589010	341.00	9-1-09	8-31-10	(341.00)
I.D.E.I.A. Part B:						
Basic	84.027	FT589010	36,900.00	9-1-09	8-31-10	(36,900.00)
Basic	84.027	FT589011	37,728.00	9-1-10	8-31-11	
ARRA - Basic	84.391	FT589010	32,903.00	7-1-09	8-31-11	(30,590.53)
Pre-School	84.173	PS589010	3,186.00	9-1-09	8-31-10	(3,186.00)
Pre-School	84.173	PS589011	3,243.00	9-1-10	8-31-11	
ARRA - Pre-School	84.392	PS589010	1,188.00	7-1-09	8-31-11	(1,085.53)
Total Special Revenue Fund						<u>(94,930.06)</u>
Enterprise Fund:						
U.S. Department of Agriculture:						
Passed-through State Department of Education:						
Food Distribution Program	10.555	Unavailable	4,367.81	7-1-09	6-30-10	\$ 531.62
Food Distribution Program	10.555	Unavailable	3,708.59	7-1-10	6-30-11	
National School Lunch Program	10.555	Unavailable	11,610.88	7-1-09	6-30-10	(850.22)
National School Lunch Program	10.555	Unavailable	11,382.88	7-1-10	6-30-11	
Total Enterprise Fund:						<u>(318.60)</u>
Total Federal Financial Assistance						<u>\$ (95,248.66)</u>

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

These funds were not audited in accordance with U.S. OMB Circular A-133 since the total of all grant expenditures did not exceed \$500,000.

Carry-over Amount	Cash Received	Adjustments	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2011		
					Accounts Receivable	Deferred Revenue	Due to Grantor
	\$ 20,159.00		\$ 20,159.00		\$ (20,550.00)	\$ 20,550.00	
	11,060.00		18,461.00		(18,461.00)		
	7,946.00	\$ (7,911.76)	8,020.00		(3,708.00)		
	113.00	7,911.76	8,020.00		(8,020.00)		
	341.00		38.00		(38.00)		
	36,900.00		37,728.00		(37,728.00)		
	32,903.00					2,312.47	
	3,186.00		3,243.00		(3,243.00)		
	1,188.00					102.47	
<u>-</u>	<u>113,796.00</u>	<u>-</u>	<u>87,649.00</u>	<u>-</u>	<u>(91,748.00)</u>	<u>22,964.94</u>	<u>-</u>
			531.62				
	3,708.59		3,509.70			198.89	
	850.22						
	11,382.88		11,382.88				
<u>-</u>	<u>15,941.69</u>	<u>-</u>	<u>15,424.20</u>	<u>-</u>	<u>-</u>	<u>198.89</u>	<u>-</u>
<u>-</u>	<u>\$ 129,737.69</u>	<u>-</u>	<u>\$ 103,073.20</u>	<u>-</u>	<u>\$ (91,748.00)</u>	<u>\$ 23,163.83</u>	<u>-</u>

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance - Schedule B
 For the Fiscal Year Ended June 30, 2011

<u>State Grantor/ Program Title</u>	<u>State Project Number</u>	<u>Award Amount</u>	<u>Grant Period</u>		<u>Balance at June 30, 2010</u>	
			<u>From</u>	<u>To</u>	<u>Deferred Revenue/ Accounts Receivable</u>	<u>Due to Grantor</u>
General Fund:						
State Department of Education:						
Transportation Aid	10-495-034-5120-014	\$ 36,345.00	7-1-09	6-30-10	\$ (4,689.49)	
Transportation Aid	11-495-034-5120-014	42,481.00	7-1-10	6-30-11		
Special Education Aid	10-495-034-5120-089	79,392.00	7-1-09	6-30-10	(10,243.71)	
Special Education Aid	11-495-034-5120-089	79,392.00	7-1-10	6-30-11		
Equalization Aid	10-495-034-5120-078	527,770.00	7-1-09	6-30-10	(68,096.62)	
Equalization Aid	11-495-034-5120-078	709,844.00	7-1-10	6-30-11		
Security Aid	10-495-034-5120-084	9,253.00	7-1-09	6-30-10	(1,193.89)	
Security Aid	11-495-034-5120-084	14,036.00	7-1-10	6-30-11		
Adjustment Aid	10-495-034-5120-085	100,020.00	7-1-09	6-30-10	(12,905.29)	
T.P.A.F. Social Security Aid	11-495-034-5095-002	71,031.84	7-1-10	6-30-11		
Total General Fund					<u>(97,129.00)</u>	<u>-</u>
Enterprise Fund:						
State School Lunch Aid	10-100-010-3350-023	807.62	7-1-09	6-30-10	(60.74)	
State School Lunch Aid	11-100-010-3350-023	707.78	7-1-10	6-30-11		
Total Enterprise Fund					<u>(60.74)</u>	<u>-</u>
Total State Financial Assistance					<u>\$ (97,189.74)</u>	<u>-</u>

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

Cash Received	Adjustments	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2011			Memo	
				Accounts Receivable	Deferred Revenue Interfunds Payable	Due to Grantor	Budgetary Receivable June 30, 2011	Cumulative Total Expenditures
\$ 4,689.49								
38,445.83		\$ 42,481.00		\$ (4,035.17)			\$ (4,035.17)	\$ 42,481.00
10,243.71				(7,541.25)			(7,541.25)	79,392.00
71,850.75		79,392.00		(67,426.33)			(67,426.33)	709,844.00
68,096.62				(1,333.25)			(1,333.25)	14,036.00
642,417.67		709,844.00		(3,504.80)				71,031.84
1,193.89								
12,702.75		14,036.00						
12,905.29								
67,527.04		71,031.84						
<u>930,073.04</u>	<u>-</u>	<u>916,784.84</u>	<u>-</u>	<u>(83,840.80)</u>	<u>-</u>	<u>-</u>	<u>(80,336.00)</u>	<u>916,784.84</u>
60.74								-
670.19		707.78		(37.59)				707.78
<u>730.93</u>	<u>-</u>	<u>707.78</u>	<u>-</u>	<u>(37.59)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>707.78</u>
<u>\$ 930,803.97</u>	<u>-</u>	<u>\$ 917,492.62</u>	<u>-</u>	<u>\$ (83,878.39)</u>	<u>-</u>	<u>-</u>	<u>\$ (80,336.00)</u>	<u>\$ 917,492.62</u>

TOWNSHIP OF WOODLAND SCHOOL DISTRICT
Notes to Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2011

Note 1: GENERAL

The accompanying schedule of expenditures of state financial assistance includes state award activity of the Township of Woodland School District (hereafter referred to as the "School District"). The School District is defined in Note 1 to the School District's basic financial statements. All state awards received directly from state agencies, as well as state financial assistance passed through other government agencies, are included on the schedules of expenditures of state financial assistance.

Note 2: BASIS OF ACCOUNTING

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

Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the 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 budget year due to the state deferral and recording of the 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 payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

There is no adjustment needed to reconcile expenditures from the budgetary basis to the GAAP basis for the general fund or the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General		\$ 999,983.84	\$ 999,983.84
Special Revenue	\$ 87,649.00		87,649.00
Food Service	<u>15,424.20</u>	<u>707.78</u>	<u>16,131.98</u>
Total Awards and Financial Assistance	<u>\$ 87,649.00</u>	<u>\$ 999,983.84</u>	<u>\$ 1,087,632.84</u>

Note 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 5: OTHER

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

Note 6: MAJOR PROGRAMS

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

WOODLAND TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weaknesses identified? X yes ___ no

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

Noncompliance material to financial statements noted? X yes ___ no

Federal Awards

NOT APPLICABLE

Internal control over compliance:

Material weaknesses identified? ___ yes ___ no

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

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

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

Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

Dollar threshold used to determine Type A programs _____

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

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

Section 2- Schedule of Financial Statement Findings

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

Finding No. 2011-1

Criteria or Specific Requirement

Effective internal controls, N.J.S.A. 18A:4-14 and N.J.A.C. 6A:23-2.1 require that the New Jersey school districts maintain bookkeeping consistent with the financial accounting and classifications established by the National Center of Education Statistics and accounting principles generally accepted in the United States of America.

Condition

An encumbrance system and double entry accounting system were not timely maintained during the fiscal year.

Context

Not Applicable.

Effect

That control over the financial accounts and records is not effective to reduce the likelihood that errors of a material nature could occur and not be detected.

Cause

The size of the district does not make it cost effective to make entries on a timely basis.

Recommendation

That an encumbrance system and double entry accounting system be maintained on a monthly basis.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

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

Section 2- Schedule of Financial Statement Findings (Cont'd)

Finding No. 2011-2

Criteria or Specific Requirement

Effective internal controls and N.J.S.A. 18A:19 et. seq. requires that prior to payment, all claims must have a detail bill of items, approval signatures and be approved by the board.

Condition

Our audit of the expenditures indicated the following:

1. One disbursement did not have adequate supporting documentation.
2. Eleven vouchers did not have proper authorizing signatures.
3. Food Service disbursements were not approved in the minutes.

Context

A test of forty disbursements totaling \$137,200.33 was performed on controls and the above exceptions were noted.

Effect

That control over the disbursements is not effective to reduce the likelihood that errors of a material nature could occur and not be detected and unauthorized expenditures could be made and may cause over-expenditures of approved budgetary line items.

Cause

There was a lack of oversight by the responsible official in addition proper controls were not in place to review vouchers prior to payment.

Recommendation

That control procedures be established and implemented to ensure that all expenditures are properly approved and in full compliance with N.J.S.A. 18A:19 prior to being paid.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

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

Section 2- Schedule of Financial Statement Findings (Cont'd)

Finding No. 2011-3

Criteria or Specific Requirement

In accordance with New Jersey Division of Pension Guidelines, employees' payroll deductions for pension are required to be made on a monthly basis through the "Transmittal Electronic Payment System". Teacher Pension and Annuity Fund Reimbursements are required to be filed on a bi-weekly basis and the reimbursement to the state of New Jersey for teachers salaries paid with federal funds (N.J.S.A 18A:66-90) is required to be filed by October 1, of the year subsequent to payment.

Condition

Our audit of the payroll reports reveled the following:

1. Eight of the twelve payments to the New Jersey Division of Pensions for employees' payroll deductions of Teacher's Pension and Annuity Fund and Public Employees Retirement System were not made on a timely basis.
2. Thirteen of the biweekly Teacher's Pension and Annuity Fund reimbursement requests were not made timely.
3. The yearly Teacher's Pension and Annuity Fund reimbursement to the state has not been filed for the fiscal year ended June 30, 2010 or 2011.

Context

Not applicable.

Effect

The New Jersey Division of Pension Guidelines as well as N.J.S.A 18A:66-90 was not adhered to and the District may be subject to interest charges. Additionally, the District's available cash is negatively impacted by not requesting the biweekly Teacher's Pension and Annuity Fund reimbursements on a timely basis.

Cause

Oversight of the responsible official.

Recommendation

That the payments, to the New Jersey Division of Pensions, for employees' payroll deductions of Teacher's Pension and Annuity Fund and Public Employees Retirement System, be made on a monthly basis, the biweekly Teacher's Pension and Annuity Fund reimbursement requests be made timely and the yearly Teacher's Pension and Annuity Fund reimbursement to the state for the past two fiscal years be filed.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

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

Section 3- Schedule of Federal Award Findings and Questioned Costs

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

Not Applicable.

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

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

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

Finding No. 2011-4

Information on the State Program

State Aid Public:

- Equalization Aid (GMIS No. 495-034-5120-078)
- Special Education Aid (GMIS No. 495-034-5120-089)
- Security Aid (GMIS No. 495-034-5120-084)

Criteria or Specific Requirement

The Local Public Contracts Law requires that professional service and extraordinary unspecifiable service contracts be advertised after award. Chapter 271 of the laws of 2005 requires that 271 Disclosure Forms be filed ten days prior to contracts awarded on a non-fair and open basis and that the contract award be noted in the minutes.

Condition

Our audit of compliance with the Local Public Contracts Law and the Pay-to-Play Law revealed the following:

1. Two professional service / extraordinary unspecifiable service contracts that were in excess of the bid threshold were not awarded in the minutes.
2. Three professional service / extraordinary unspecifiable service contracts that were in excess of the bid threshold were not advertised.
3. Two vendors who were paid in excess of \$17,500.00 did not have 271 Disclosure Forms on file.

Questioned Costs

None.

Context

Five vendors were selected to be tested and all had certain non-compliance issues with the Local Public Contracts Law and/or the Pay-to-play Law.

Effect

The School District did not fully comply with the Local Public Contracts Law and the Pay-to-Play Law.

Cause

Oversight of the responsible official.

Recommendation

That proper controls be established to ensure compliance with all facets of the regulations set forth in the Local Public Contracts Law and the Pay-to-Play Law.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

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

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

FINANCIAL STATEMENT FINDINGS

Finding No. 2010-1

Condition

An encumbrance system and double entry accounting system were not properly maintained during the fiscal year and postings were not being made timely. As a result, audit adjustments were required in order to achieve proper presentation in the financial statements and notes thereto and caused an over-expenditure of budget appropriations.

Current Status

This condition remains unchanged as evidenced by finding number 2011-1.

Planned Corrective Action

The Business Administrator will establish procedures to correct the situation.

Finding No. 2010-2

Condition

Our audit of the expenditures indicated the following:

1. Several disbursements were not charged to the proper budgetary account.
2. Two disbursements did not have adequate supporting documentation.
3. Twenty vouchers did not have proper authorizing signatures.
4. One voucher did not have a claimant's certification.
5. Food Service disbursements were not approved in the minutes.
6. Business registration forms were not on file for two vendors.

Current Status

Corrective action has been taken on items number 1, 4, and 6, however items number 2, 3 and 5 remain the same as evidenced by finding number 2011-2.

Planned Corrective Action

The Business Administrator will establish procedures to correct the situation.

Finding No. 2010-3

Condition

The majority of the payments to the New Jersey Division of Pensions for employees' payroll deductions of Teacher's Pension and Annuity Fund and Public Employees Retirement System were not made on a timely basis. Additionally, some of the biweekly Teacher's Pension and Annuity Fund reimbursement requests were not made timely, and the yearly Teacher's Pension and Annuity Fund reimbursement to the state has not been filed.

Current Status

This condition remains unchanged as evidenced by finding number 2011-3.

Planned Corrective Action

The Business Administrator will establish procedures to correct the situation.

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

FINANCIAL STATEMENT FINDINGS (CONT'D)

FEDERAL AWARDS

Not Applicable.

STATE FINANCIAL ASSISTANCE PROGRAMS

Finding No. 2010-4

Condition

Our audit of compliance with the Local Public Contracts Law and the Pay-to-Play Law revealed the following:

1. Three vendor contracts that were in excess of \$17,500.00 were not awarded in the minutes and two of the vendors did not submit the required 271 Disclosure Forms.
2. One professional service contract and one extraordinary unspecifiable service contract that were in excess of \$29,000.00 were not advertised.

Current Status

This condition remains unchanged as evidenced by finding number 2011-4.

Planned Corrective Action

The Business Administrator will establish procedures to correct the situation.

Finding No. 2010-5

Condition

The American Recovery and Reconciliation Act funds received in the General Fund for the Education Stabilization Fund and Government Services Fund were not accounted for separately in funds 16 and 17.

Current Status

This condition has been resolved.

