

**SCHOOL DISTRICT OF  
BARNEGAT TOWNSHIP**

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**Barnegat, New Jersey**  
**County of Ocean**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**OF THE**

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**BARNEGAT, NEW JERSEY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**Prepared by**

**Barnegat Township Board of Education  
Business Administrator's Office**



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**INTRODUCTORY SECTION**





# BARNEGAT TOWNSHIP SCHOOL DISTRICT

550 BARNEGAT BOULEVARD NORTH  
BARNEGAT, NEW JERSEY 08005  
(609) 698-5800 FAX (609) 660-5974

**Karen M. Wood**  
*Superintendent*

**Dean Allison**  
*Business Administrator/Board Secretary*

September 9, 2012

Honorable President and  
Members of the Barnegat Township Board of Education  
Barnegat, New Jersey 08005

Dear Board Members:

The Comprehensive Annual Financial Report of the Barnegat Township Board of Education for the fiscal year ended June 30, 2012, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Barnegat Board of Education. 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 fairly present the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The 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 management's discussion and analysis, the basic financial statements and schedules, as well as the auditor's report thereon. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of the 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the state Treasury Circular Letter 04-04MB, "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:** The Barnegat Township Board of Education is an independent reporting entity within the criteria adopted by the GASB Statement No. 14 as established by NCGA Statement No. 3. All funds of the district are included in this report. The Barnegat Township Board of Education and all of its schools constitute the District's reporting entity.

The District provides a full-range of educational services appropriate to grade levels K-12. These include regular, as well as special education for mentally and physically challenged students.

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*Our collective mission is to nurture and educate our children in accordance with all curriculum standards to prepare them for responsible citizenship and success in life.*

**BOARD OF EDUCATION**

Rafael Adorno, Jr.      Frank P. Caputo      Lisa B. Becker, *President*      Denise Pilovsky, *Vice President*  
Joseph Cloke      Robert A. Houser      James Mihalik      Alice N. Olker      Lauren P. Sarno



## BARNEGAT TOWNSHIP SCHOOL DISTRICT

550 BARNEGAT BOULEVARD NORTH

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**Dean Allison**  
*Business Administrator/Board Secretary*

2. **ECONOMIC CONDITION AND OUTLOOK:** As long as state aid is not decreased and the district receives additional aid for new students who are moving into the district, the local tax levy is expected to be fairly stable. Except for 2010-11 when the State of NJ reduced the district's state aid by over \$2.3 million and deducted another \$882,000 for a School Development Authority debt service assessment, the tax levy has been essentially flat for three of the last four years. The tax levy for 2012-2013 was reduced by over \$467,000. An influx of students with special needs, however, under the proposed CEIFA formula, could lead to an increase in out of district tuition that would drive up property taxes. Also, any mandate to establish regular preschool without full funding from the state will also put upward pressure on the local tax. All in all, how the state funds school districts in the ensuing years will have a major impact on the local tax rate in Barnegat due to the significant percentage of state funding the District receives relative to property tax funding.
  
3. **MAJOR INITIATIVES:** Beginning in 2009-10, the district initiated major efforts to reduce its future energy usage through energy conservation education resulting in a savings in electrical and natural gas usage by over \$900,000 in the last two years. Initiated in 2011-2012, and continuing into 2012-13, further energy savings will be achieved via building and automatic building control system upgrades under the NJ Energy Savings Improvement Program (ESIP), and the implementation of large scale solar electric panel installations on school roofs. In addition, the Safe Routes to School program and subsequent redistricting resulted in continuing annual savings in bus transportation costs since the 2010-2011 school year. Using American Reinvestment and Recovery federal funding and other budget savings, the district completed major new classroom technology investments in all schools between 2009 and 2012, and followed through with upgrades in the computer server infrastructure between buildings in 2010-2011 and in 2011-2012. Finally, improved security access and security camera systems were installed in all schools using grants from the SDA in 2009-10 and security recorders were installed in 2011-12. These have resulted in reduced vandalism and improved facility control in 2011-12. In 2011-12, the district experienced a significant mold issue in the Cecil S. Collins Elementary School with the district deciding to close the school from September 2011 through January 2012 to completely remediate the mold, and to refit and repaint the interior of the entire building. A new central HVAC system with dehumidification safeguards is being installed in the summer of 2012 under the ESIP program to ensure no further future problems of this nature.
  
4. **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits

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# BARNEGAT TOWNSHIP SCHOOL DISTRICT

550 BARNEGAT BOULEVARD NORTH

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Karen M. Wood  
Superintendent

Dean Allison  
Business Administrator/Board Secretary

likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District is also 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's Management.

As part of the District's single audit described earlier, tests are made in each annual audit to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs. The audit also tests to determine if 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 NJ Department of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Long term budgets approved for capital improvements are accounted for in the capital projects fund. The final budget amounts as amended for the fiscal year are reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance as of June, 2012.

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. These funds are explained in the "Notes to the Financial Statements", Note 1.
7. **DEBT ADMINISTRATION:** At June 30, 2012, the District's outstanding debt issues totaled \$37,690,000. \$6,105,000 of outstanding bonds originally issued in 2004 was refinanced with a 2012 refunding issue. This refinance will reduce future debt service payments, saving over \$311,000 in interest between 2012 and 2025, or an average of \$24,000 for each of the 13 years.
8. **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to Financial Statement", Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA

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*Business Administrator/Board Secretary*

was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

- 9. **RISK MANAGEMENT:** Barnegat Township Board of Education 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.
- 10. **OTHER INFORMATION:** Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman and Frenia of Toms River was selected by the Board to perform the annual audit. In addition to meeting the requirements set forth in state statutes, the audit also is designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04OMB. The auditor’s report on the basic financial statements, including individual fund statements and schedules, is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.
- 11. **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Barnegat Township Board of Education for their commitment to a quality education for all students in Barnegat, balanced by their concern in providing fiscal accountability to the citizens and taxpayers of the school district. Those philosophies demonstrate 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 personnel.

Sincerely,

Karen M. Wood

Dean Allison

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Rafael Adorno, Jr.

Frank P. Caputo

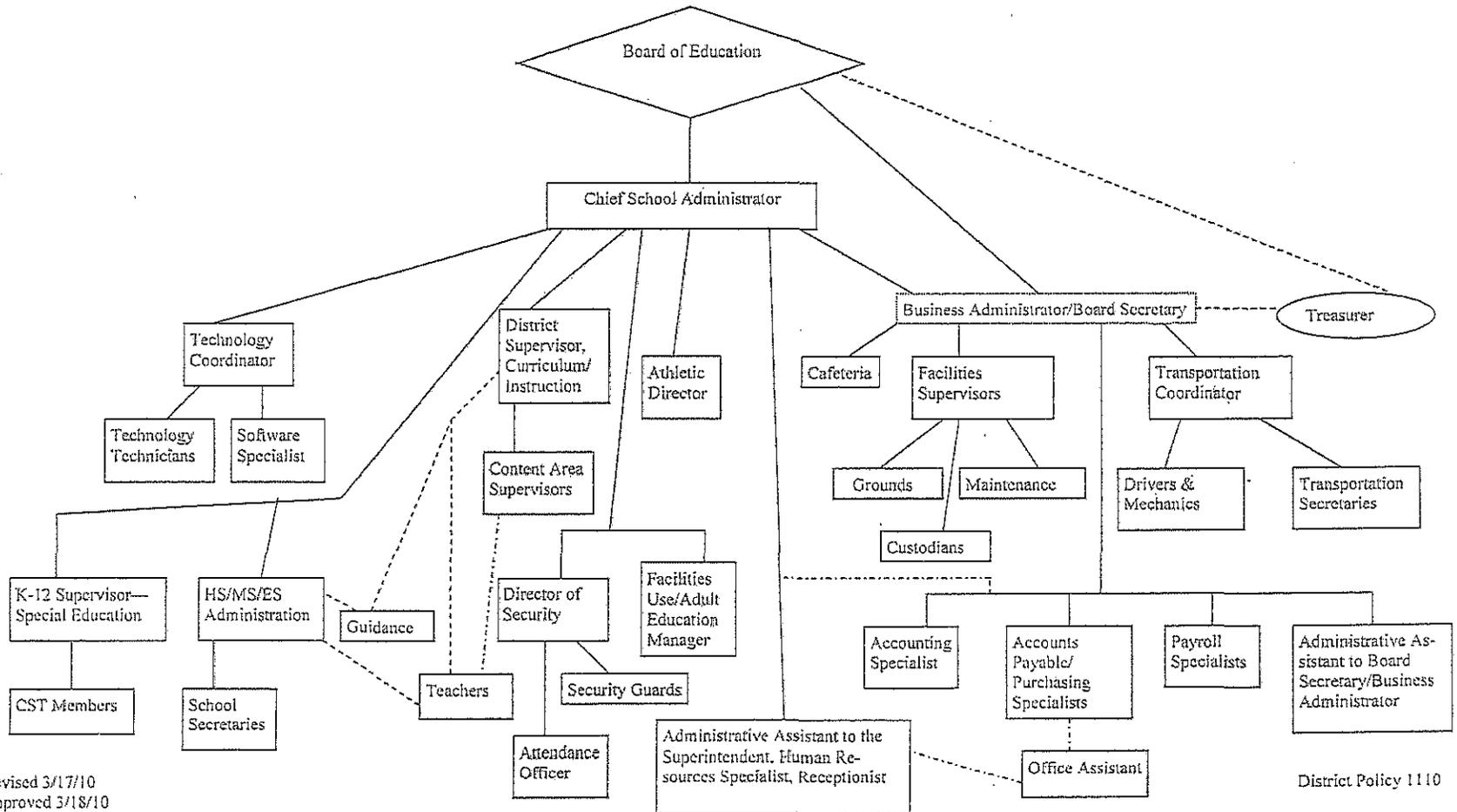
Joseph Cloke

Robert A. Houser

James Mihalik

Alice N. Oiker

Lauren P. Sarno



Revised 3/17/10  
 Approved 3/18/10

District Policy 1110

5



**BARNEGAT TOWNSHIP SCHOOL DISTRICT**

550 Barnegat Boulevard North  
Barnegat, New Jersey 08005

**ROSTER OF OFFICIALS  
JUNE 30, 2012**

**MEMBERS OF THE BOARD OF EDUCATION**

**TERM EXPIRES**

Lisa Becker, President	2014
Denise Pilovsky, Vice President	2014
Rafael Adorno, Jr.	2012
Frank P. Caputo	2012
Joseph Cloke	2013
Robert Houser	2012
James Mihalik	2013
Alice N. Olker	2014
Lauren Sarno	2013

**OTHER OFFICIALS**

Karen Wood, Superintendent of Schools

Dean Allison, Board Secretary/ Business Administrator

Patricia Christopher, Treasurer of School Funds

**BARNEGAT TOWNSHIP SCHOOL DISTRICT**

550 Barnegat Boulevard North  
Barnegat, New Jersey 08005

**CONSULTANTS AND ADVISORS**

**ATTORNEY**

Benjamin Montenegro  
Montenegro, Thompson, Montenegro & Genz  
531 Burnt Tavern Road  
P.O. Box 1049  
Brick, New Jersey 08724

**AUDIT FIRM**

Frank B. Holman, III, CPA, PSA  
Holman & Frenia, P.C.  
10 Allen Street, Suite 2B  
Toms River, New Jersey 08753

**BOND COUNSEL**

McManimon & Scotland, LLC  
1037 Raymond Blvd, Suite 400  
Newark, New Jersey 07102-5408

**OFFICIAL DEPOSITORY**

TD Bank  
Ocean First Bank  
State of New Jersey Cash Management Fund

**FINANCIAL SECTION**





Certified Public Accountants & Consultants

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Barnegat Township  
County of Ocean  
Barnegat, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Barnegat Township School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Barnegat Township School District, County of Ocean, State of New Jersey, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2012, on our consideration of the Barnegat Township Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 10 through 19 and 55 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Barnegat Township Board of Education's basic financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and is also not a required part of the financial statements. The combining and individual fund financial statements, long-term debt schedules and the accompanying schedule of expenditures of federal and state financial assistance have been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Respectfully Submitted,

HOLMAN & FRENIA, P. C.

A handwritten signature in black ink, appearing to read 'Frank B. Holman, III', with a long horizontal line extending to the right.

Frank B. Holman, III  
Public School Accountant  
Certified Public Accountant  
No. 783

Toms River, New Jersey  
September 9, 2012

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

Management's Discussion and Analysis



**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2012  
UNAUDITED**

The discussion and analysis of Barnegat Township School District's financial performance provides an overall review of the School District's financial activities for the year ended June 30, 2012. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued in June 1999.

**Financial Highlights**

Key financial highlights for 2012 are as follows:

- In total, net governmental assets per Exhibit A-2 increased \$2,380,980 which represents a 2.4 % increase in net assets from 2011.
- General revenues accounted for \$53,146,980 or 94.6 percent of total revenues. Program specific revenues in the form of charges for services (e.g., cafeteria lunches) and federal and state operating grants and contributions, accounted for \$3,061,862 or 5.4 % of total revenues of \$56,208,842.
- Cash and cash equivalents increased per Exhibit A-1 by \$3,941,629; cash held by the State of New Jersey SDA decreased by \$4,017; receivables increased by \$203,605; and net capital assets increased by \$319,228.
- The school district had \$53,819,920 in expenses; \$3,061,862 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes and state aid) of \$53,147,402 were adequate to provide for these programs.
- Among governmental funds per Exhibit B-2, the General Fund had \$50,271,726 in revenues, \$49,844,692 in expenditures, and \$988,055 in other financing sources. The General Fund's fund balance increased \$1,415,089 from 2011 primarily due to reductions in utility and other operating expenses through targeted savings initiatives.

**Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Barnegat Township School District as a financial whole, an entire operating entity. The statements subsequent to the A and B summary Exhibits provide an increasingly detailed look at specific financial activities.

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

**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2012  
UNAUDITED**

future spending. The B Exhibit fund financial statements identify the School district's most significant funds, the Governmental Funds. In the case of Barnegat Township School District, the General Fund is by far the most significant fund representing over 91% of governmental expenditures.

**Reporting the School District as a Whole**

Statement of Net Assets and the Statement of Activities

While the pages to follow in this extensive document contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and answer the question, "How did we do financially during school year 2011-2012? The **Statement of Net Assets, Exhibit A-1**, and the **Statement of Activities, Exhibit A-2**, answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These A-1 and A-2 statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that for the school district as a whole, the financial position of the School district has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Assets A-1 and the Statement of Activities A-2, the School District is divided into two distinct kinds of activities:

- Governmental activities – All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-Type Activity – This activities are provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service school breakfast and lunch program is the major enterprise fund reported as a business activity. While there is a small residual of funds left and reported for the Community Education program, this program has been inactive since 2010. There was no fiscal activity in the Community Education fund except for accrued interest on the residual reserve remaining from the prior year.

**Reporting the School District's Most Significant Funds**

Fund Financial Statements

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

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which

**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2012  
UNAUDITED**

measures cash and all other financial assets that can readily be converted to cash. These funds cover the government operations and the basic services provided for the education of the district's students. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the notes to the financial statements.

**Enterprise Fund**

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. The National School Lunch Program is the major enterprise operation within the district.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and Fund financial statements.

**The School District as a Whole**

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

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

Table 1 provides a summary of the School District's net assets for 2012 and 2011. [Source: Exhibit A-1]

	<b>2012</b>	<b>2011</b>
<b>Assets</b>		
Current and Other Assets	\$ 9,516,933	\$ 5,376,634
Capital Assets	136,527,400	136,174,703
Total Assets	146,044,333	141,551,337
<b>Liabilities</b>		
Current Liabilities	806,132	1,226,983
Long-Term Liabilities	44,369,441	41,844,938
Total Liabilities	45,175,573	43,071,921
<b>Net Assets</b>		
Invested in Capital Assets, Net of Debt	97,032,111	96,024,420
Restricted	1,448,415	1,460,914
Unrestricted	2,388,234	994,082
Total Net Assets	\$100,868,760	\$98,479,416

**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2012  
UNAUDITED**

**The School District as a Whole (Continued)**

Table 2 shows changes in net assets for year 2012 and 2011. [Source: Exhibit A-2]

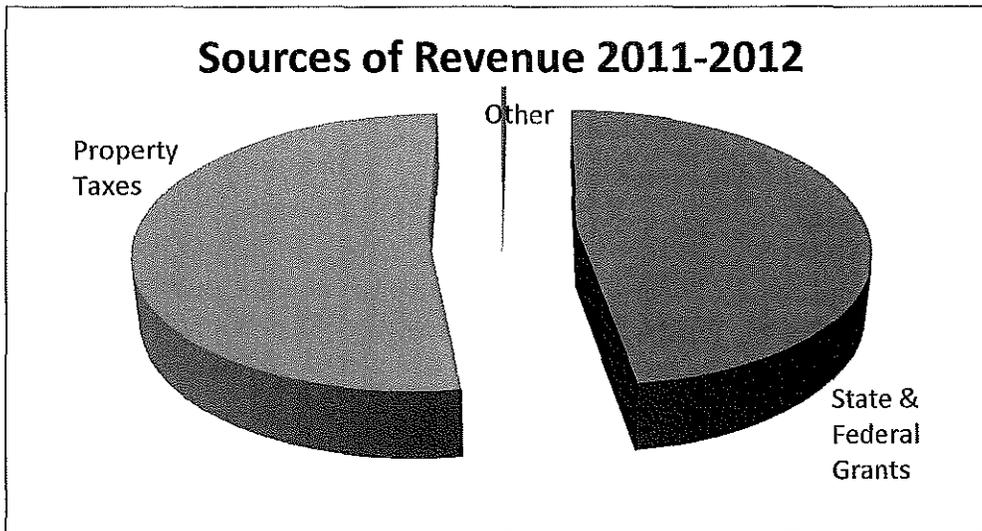
**Table 2  
Changes in Net Assets**

	2012		2011
<b>Revenues</b>			
Program Revenues:			
Charges for Services	\$ 668,041	\$	710,408
Operating Grants and Contributions	\$ 2,393,821	\$	2,301,030
General Revenues:			
Property Taxes	\$ 28,701,127	\$	28,699,155
State & Federal Aid	\$ 24,275,797	\$	22,188,249
Other	\$ 170,478	\$	404,690
<b>Total Revenues</b>	<b>\$ 56,209,264</b>	<b>\$</b>	<b>54,303,532</b>
<b>Program Expenses</b>			
Instruction	\$ 20,856,739	\$	19,691,667
Support Services:			
Tuition	\$ 1,420,914	\$	1,301,806
Related Services - Pupils and Instructional Staff	\$ 3,905,059	\$	3,857,375
General Administration, School Administration	\$ 2,066,235	\$	2,119,858
Business Operations and Maintenance of Facilities	\$ 5,512,326	\$	5,051,592
Pupil Transportation	\$ 2,915,158	\$	2,952,138
Unallocated Employee Benefits	\$ 11,767,033	\$	11,234,022
Special Schools and Charter Schools	\$	\$	\$
Reduction of Capital Leases	\$ (201,997)	\$	(509,264)
Cancellation Prior Yr Receivables	\$	\$	\$
Interest on Long Term Debt	\$ 1,662,516	\$	1,734,411
Food Service	\$ 1,214,875	\$	1,225,435
Unallocated Compensated Absence Expense	\$ 32,306	\$	56,322
Unallocated Depreciation	\$ 2,668,756	\$	3,371,192
<b>Total Expenses</b>	<b>\$ 53,819,920</b>	<b>\$</b>	<b>52,086,554</b>
<b>Increase (Decrease) in Net Assets</b>	<b>\$ 2,389,344</b>	<b>\$</b>	<b>2,216,978</b>

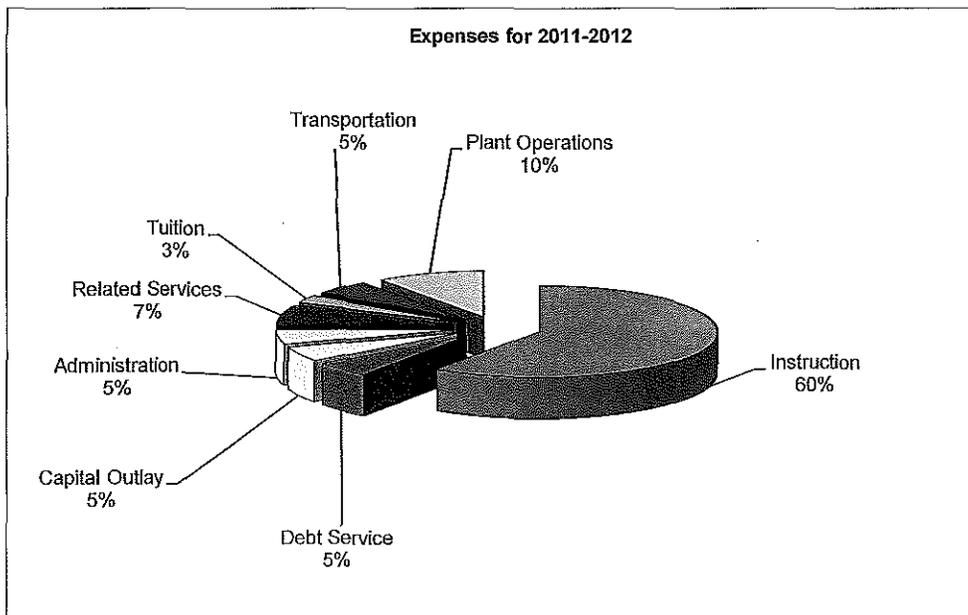
**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2012  
UNAUDITED**

**Governmental Activities [Source: B-2]**

The unique nature of property taxes in New Jersey creates legal requirements to annually seek voter approval for the School District operations prior to 2012. Per legislation enacted in 2012, the Board Of Education approved the move of the school election to November. This eliminated the requirement for voter approval on the budget if the proposed tax levy increase does not exceed 2%. Property taxes made up 52.2 % of revenues for governmental activities for the Barnegat Township School District for year 2011-2012. The District's total revenues were \$54,986,025 for the year ended June 30, 2012. Federal, state and local grants accounted for another 47.5 % of revenue. Miscellaneous revenue was 0.3 %.



The total cost of all programs and services was \$57,718,435. Instruction including allocated benefits comprises 48.0 percent of District expenses.



**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2012  
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**Business-Type Activities [Source: A-2]**

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

- Food service revenues exceeded expenses by \$8,364.
- Charges for food service represent \$668,041 of revenue. This represents amounts paid by students and staff for daily food service.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$554,776.

**Governmental Activities**

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

<b>Statement of Total &amp; Net Costs</b>				
	<b>Total Cost of Services 2012</b>	<b>Net Cost of Services 2012</b>	<b>Total Cost of Services 2011</b>	<b>Net Cost of Services 2011</b>
Instruction	\$20,856,739	\$19,556,244	\$19,691,667	\$18,438,530
Support Services:				
Tuition	1,420,914	1,420,914	1,301,806	1,301,806
Pupils & Instructional Staff	3,905,059	3,905,059	3,857,375	3,857,375
General & School Administration	2,066,235	2,066,235	2,119,858	2,119,858
Central Services & Maintenance of Facilities	5,512,326	5,512,326	5,055,592	5,051,592
Pupil Transportation	2,915,158	2,915,158	2,952,138	2,952,138
Interest & Finance Charges	1,662,516	1,123,966	1,734,411	1,187,611
Other Including Employee Benefits	14,266,098	14,266,098	14,152,272	14,152,272
Total Expenses	<u>\$52,605,045</u>	<u>\$50,766,000</u>	<u>\$50,865,119</u>	<u>\$49,061,182</u>

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

Tuition is predominantly made up of charges for out of district special education placements.

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

**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2012  
UNAUDITED**

**Governmental Activities (continued)**

General and school administration includes expenses associated with administrative supervision of the District.

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

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

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

“Other” includes special schools, and unallocated benefits, depreciation and absence liabilities.

**The School District's Funds**

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$54,986,025 and expenditures were \$54,571,244. The net change in fund balance for the year was an increase of \$1,402,590 including the change in the capital projects fund. The revenue increase includes \$671,000 in Federal Education Job Fund grants. Expense increases reflect the receipt of the \$4,135,000 Energy Savings Improvement Program (ESIP) bond proceeds and the prospective capital outlay associated with ESIP.

As demonstrated by the various statements and schedules included in the financial section of this report the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the year ended June 30, 2012, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>2012 Amount</u>	<u>Revenues</u>		<u>Increase (Decrease)</u> <u>From 2011</u>	<u>Percent of Increase or Decrease</u>
		<u>Percent of Total</u>			
Local Sources	\$ 28,871,183	52.5%	\$	(231,385)	(0.4%)
State Sources	24,124,164	43.9%		1,435,827	+2.7%
Federal Sources	1,990,678	3.6%		690,829	+1.3%
Total	\$ 54,986,025	100.0%	\$	1,895,271	3.6%

Source: Exhibit B-2

**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2012  
UNAUDITED**

**The School District's Funds (Continued)**

Local revenues decreased by \$231,385 primarily due to a reduction in interest rates on bank deposits. The tax levy was flat for 2012 vs. 2011.

The increase in State Aid revenue is attributable to partial restoral of cuts made in 2009-2010 and an additional \$467,533 at the start of 2011-2012, which was held unexpended for tax relief in 2012-2013. In addition, the increase reflects added Extraordinary Aid for special education and grants on capital projects, primarily related to the solar energy project. The increase in Federal revenue was due to the Education Jobs Fund grant.

The following schedule represents a summary of general fund, special revenue fund, capital project fund and debt service fund expenditures for the year ended June 30, 2012, and the percentage of increases and decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Expenses</u>		<u>Increase (Decrease)</u> <u>from 2010</u>	<u>Percent of Increase or Decrease</u>
		<u>Percent of Total</u>			
Current Expense:					
Instruction	\$ 20,856,739	38.2%	\$ 1,165,072	+2.3%	
Undistributed Expenditures	28,068,528	51.4%	1,547,737	3.1%	
Capital Outlay	2,785,987	5.1%	4,809,727	9.6%	
Debt Service	2,859,990	5.3%	(6,279)	(0.0%)	
Total	<u>\$ 54,571,244</u>	<u>100.0%</u>	<u>\$ 7,516,257</u>	<u>15.0%</u>	

Source: Exhibit B-2

Instruction expenses were increased to restore program reductions in prior years due to state aid reductions. Undistributed expenses increased due to over \$900,000 in mold remediation costs in the Collins Elementary School and increases in employee benefits costs. Capital outlay was significantly increased due to the receipt and appropriation of a \$4,135,000 ESIP self-financing bond for energy savings projects throughout the district, and over \$400,000 of initial costs for design of solar energy rooftop units throughout the district to be installed in 2012-2013.

**General Fund Budgeting Highlights**

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

**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2012  
UNAUDITED**

Over the course of the year, the District revised the annual budget several times as is normally required. Revisions to the budget were made to recognize changes in revenues and to prevent over-expenditures in specific line item accounts.

**Capital Assets**

At June 30, 2012, the School District had \$136,200,668 invested in land, building, furniture and equipment, and vehicles for governmental use. Table 4 shows year 2012 balances compared to 2011.

	<b>2012</b>	<b>2011</b>
Land	\$ 11,752,406	\$ 11,752,406
Site Improvements	2,526,766	2,523,306
Building & Building Improvements	80,283,054	79,286,227
Construction In Progress	62,649,822	62,083,755
Machinery and Equipment	12,849,921	11,428,291
<b>Total Asset Book Value</b>	<b>170,061,969</b>	<b>167,073,985</b>
Less Accumulated Depreciation	(33,861,301)	(31,192,545)
<b>Net Capital Assets</b>	<b>\$ 136,200,668</b>	<b>\$ 135,881,440</b>

Source: Note 4, Notes to the Financial Statements

Overall capital assets increased \$319,228 from year 2011 to year 2012. The increase in capital assets is due to recognition of ESIP energy savings projects.

**Debt Administration**

At June 30, 2012, the School District had \$44,369,441 of long term liabilities and outstanding debt. Of this amount, \$1,726,961 is for compensated absences; \$4,952,480 for various capital leases including ESIP; and \$37,690,000 of serial bonds for school construction.

	<b>2012</b>	<b>2011</b>
1988 Issue Bonds	\$ -	\$ 396,000
2004 Issue Bonds	8,980,000	9,275,000
2004 Issue Refunding Bonds	1,350,000	7,844,000
2007 Issue Bonds	21,255,000	21,315,000
2012 Issue Refunding Bonds	6,105,000	-
<b>Total Net Assets</b>	<b>\$ 37,690,000</b>	<b>\$ 38,830,000</b>

At June 30, 2012, the School District was within its legal debt margin. For more detailed information, please refer to Note 5 of the Notes to the Financial Statements and Schedule I-1.

**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2012  
UNAUDITED**

**For the Future**

The Barnegat Township School District is in good financial condition. The School district has significant community support of the public schools.

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

**Contacting the School District's Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Business Administrator at Barnegat Township School District, 550 Barnegat Blvd. North, Barnegat, NJ 08005. Please visit our website at <http://www.barnegatschools.com>.

**BASIC FINANCIAL STATEMENTS**



## A. District-Wide Financial Statements



**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**STATEMENT OF NET ASSETS**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2012**  
**(With Comparative Totals for June 30, 2011)**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
			JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
Cash & Cash Equivalents	\$1,497,053	77,912	1,574,965	1,354,294
Receivables, Net	1,898,261	17,942	1,916,203	1,712,598
Inventory		16,485	16,485	17,403
Restricted Assets:				
Cash Held by the State of New Jersey - SCC	353,517		353,517	357,534
Cash Reserves	2,437,136		2,437,136	1,934,805
Capital Projects	3,218,627		3,218,627	
Capital Assets, Net (Note 4)	136,200,668	326,732	136,527,400	136,174,703
<b>Total Assets</b>	<b>145,605,262</b>	<b>439,071</b>	<b>146,044,333</b>	<b>141,551,337</b>
<b>LIABILITIES</b>				
Accounts Payable	70,529		70,529	56,551
Unearned Revenue	309,675		309,675	28,766
Accrued Interest Payable	425,928		425,928	462,402
State Aid Anticipation Loan Payable				679,264
Long-Term Liabilities (Note 5):				
Due Within One Year	1,863,857		1,863,857	1,663,804
Due Beyond One Year	42,505,584		42,505,584	40,181,134
<b>Total Liabilities</b>	<b>45,175,573</b>		<b>45,175,573</b>	<b>43,071,921</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	96,705,379	326,732	97,032,111	96,024,420
Restricted For:				
Capital Projects	1,448,415		1,448,415	1,460,914
Unrestricted	2,275,895	112,339	2,388,234	994,082
<b>Total Net Assets</b>	<b>\$100,429,689</b>	<b>439,071</b>	<b>100,868,760</b>	<b>98,479,416</b>

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
						JUNE 30, 2012	JUNE 30, 2011
						(MEMORANDUM ONLY)	
Governmental Activities:							
Instruction:							
Regular	\$14,914,501		1,300,495	(13,614,006)		(13,614,006)	(12,842,754)
Special Education	4,074,599			(4,074,599)		(4,074,599)	(3,877,190)
Other Special Instruction	1,867,639			(1,867,639)		(1,867,639)	(1,718,586)
Support Services & Undistributed Costs:							
Tuition	1,420,914			(1,420,914)		(1,420,914)	(1,301,806)
Student & Instruction Related Services	3,905,059			(3,905,059)		(3,905,059)	(3,857,375)
General Administrative Services	615,632			(615,632)		(615,632)	(690,219)
School Administrative Services	1,450,603			(1,450,603)		(1,450,603)	(1,429,639)
Central Services	426,851			(426,851)		(426,851)	(403,167)
Administrative Information Technology	221,236			(221,236)		(221,236)	(205,272)
Plant Operations & Maintenance	4,864,239			(4,864,239)		(4,864,239)	(3,933,889)
Pupil Transportation	2,915,158			(2,915,158)		(2,915,158)	(2,952,138)
Unallocated Employee Benefits	11,767,033			(11,767,033)		(11,767,033)	(11,234,022)
Interest on Long-Term Debt	1,662,516		538,550	(1,123,966)		(1,123,966)	(1,187,611)
Unallocated Compensated Absence Expense	32,306			(32,306)		(32,306)	(56,322)
Unallocated Adjustment to Fixed Assets	(201,997)			201,997		201,997	(599,538)
Unallocated Depreciation	2,668,756			(2,668,756)		(2,668,756)	(2,771,654)
<b>Total Governmental Activities</b>	<b>52,605,045</b>		<b>1,839,045</b>	<b>(50,766,000)</b>		<b>(50,766,000)</b>	<b>(49,061,182)</b>

BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
						JUNE 30, 2012	JUNE 30, 2011
						(MEMORANDUM ONLY)	
Business-Type Activities:							
Food Service	1,214,875	668,041	554,776		7,942	7,942	(13,562)
Community Education							(372)
<b>Total Business-Type Activities</b>	<b>1,214,875</b>	<b>668,041</b>	<b>554,776</b>		<b>7,942</b>	<b>7,942</b>	<b>(13,934)</b>
<b>Total Primary Government</b>	<b>\$53,819,920</b>	<b>668,041</b>	<b>2,393,821</b>	<b>(50,766,000)</b>	<b>7,942</b>	<b>(50,758,058)</b>	<b>(49,075,116)</b>
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				26,379,687		26,379,687	26,379,687
Taxes Levied for Debt Service				2,321,440		2,321,440	2,319,468
Federal & State Aid Not Restricted				24,275,797		24,275,797	22,188,249
Tuition				42,199		42,199	
Miscellaneous Income				127,857	422	128,279	403,413
Interest Earnings							1,277
<b>Total General Revenues, Special Items, Extraordinary Items &amp; Transfers</b>				<b>53,146,980</b>	<b>422</b>	<b>53,147,402</b>	<b>51,292,094</b>
<b>Change In Net Assets</b>				<b>2,380,980</b>	<b>8,364</b>	<b>2,389,344</b>	<b>2,216,978</b>
<b>Net Assets - Beginning</b>				<b>98,048,709</b>	<b>430,707</b>	<b>98,479,416</b>	<b>96,262,438</b>
<b>Net Assets - Ending</b>				<b>\$100,429,689</b>	<b>439,071</b>	<b>100,868,760</b>	<b>98,479,416</b>

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



## B. Fund Financial Statements



## Governmental Funds



**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**JUNE 30, 2012**  
(With Comparative Totals for June 30, 2011)

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS	
					JUNE 30, 2012	JUNE 30, 2011
Cash & Cash Equivalents	\$1,582,013		3,218,627		4,800,640	1,481,611
Cash Held by the State of New Jersey - SDA			353,517		353,517	357,534
Receivables, Net	37,217				37,217	54,080
Due From Other Funds	3,448,384				3,448,384	7,601
Receivables from Other Governments	453,647	161,643	1,324,655		1,939,945	1,713,311
Restricted Cash	2,437,136				2,437,136	1,934,805
<b>Total Assets</b>	<b>\$7,958,397</b>	<b>161,643</b>	<b>4,896,799</b>		<b>13,016,839</b>	<b>5,548,942</b>
<b>LIABILITIES &amp; FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$2,574	67,955			70,529	56,551
Cash Overdraft		84,960			84,960	222,996
State Aid Anticipation Loan Payable						679,264
Due to Other Funds	78,901		3,448,384		3,527,285	86,756
Deferred Revenue	3,448,138	8,728			3,456,866	28,766
<b>Total Liabilities</b>	<b>3,529,613</b>	<b>161,643</b>	<b>3,448,384</b>		<b>7,139,640</b>	<b>1,074,333</b>
<b>Fund Balances:</b>						
<b>Restricted for:</b>						
Capital Reserve	1,529,187				1,529,187	1,027,824
Maintenance Reserve	907,949				907,949	906,981
Excess Surplus	285,266				285,266	1,447,209
<b>Committed for:</b>						
Other Purposes	615,931				615,931	80,627
<b>Assigned for:</b>						
Other Purposes	1,090,451				1,090,451	
Unassigned			1,448,415		1,448,415	1,011,968
<b>Total Fund Balances</b>	<b>4,428,784</b>		<b>1,448,415</b>		<b>5,877,199</b>	<b>4,474,609</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$7,958,397</b>	<b>161,643</b>	<b>4,896,799</b>	<b>-</b>		

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 \$170,061,969 and the accumulated depreciation is \$33,861,301.	136,200,668	135,881,440
Accrued interest not recorded in current financial statements.	(425,928)	(462,402)
Unexpended capital lease proceeds	3,147,191	
Long-term liabilities, including bonds payable, and capital leases payable are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Illustrative Note 5)	(44,369,441)	(41,844,938)
<b>Net assets of Governmental Activities</b>	<b>\$100,429,689</b>	<b>98,048,709</b>

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS	
					(MEMORANDUM ONLY)	
					JUNE 30, 2012	JUNE 30, 2011
Revenues:						
Local Tax Levy	\$26,379,687			2,321,440	28,701,127	28,699,155
Tuition	42,199				42,199	
Miscellaneous	97,794	30,063			127,857	403,413
<b>Total Local Sources</b>	<b>26,519,680</b>	<b>30,063</b>		<b>2,321,440</b>	<b>28,871,183</b>	<b>29,102,568</b>
State Sources	23,031,800		553,814	538,550	24,124,164	22,688,337
Federal Sources	720,246	1,270,432			1,990,678	1,299,849
<b>Total Revenues</b>	<b>50,271,726</b>	<b>1,300,495</b>	<b>553,814</b>	<b>2,859,990</b>	<b>54,986,025</b>	<b>53,090,754</b>
Expenditures:						
Current:						
Regular Instruction	13,737,055	1,177,446			14,914,501	14,095,891
Special Education Instruction	4,074,599				4,074,599	3,877,190
Other Special Instruction	1,867,639				1,867,639	1,718,586
Support Services & Undistributed Costs:						
Tuition	1,297,865	123,049			1,420,914	1,301,806
Student & Instruction Related Services	3,905,059				3,905,059	3,857,375
General Administrative Services	615,632				615,632	690,219
School Administrative Services	1,450,603				1,450,603	1,429,639
Central Services	426,851				426,851	403,167
Administrative Information Technology	221,236				221,236	205,272
Plant Operations & Maintenance	5,367,042				5,367,042	4,447,153
Pupil Transportation	2,915,158				2,915,158	2,952,138
Employee Benefits	11,746,033				11,746,033	11,234,022
Debt Service:						
Principal				1,161,000	1,161,000	1,110,000
Interest & Other Charges				1,698,990	1,698,990	1,756,269
Capital Outlay	2,219,920		566,067		2,785,987	1,123,451
<b>Total Expenditures</b>	<b>49,844,692</b>	<b>1,300,495</b>	<b>566,067</b>	<b>2,859,990</b>	<b>54,571,244</b>	<b>50,202,178</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	427,034		(12,253)		414,781	2,888,576
Other Financing Sources/(Uses):						
Transfers In	246				246	1,053
Capital Leases (Nonbudgeted)	987,809				987,809	
Transfers Out			(246)		(246)	(1,053)
<b>Total Other Financing Sources &amp; Uses</b>	<b>988,055</b>		<b>(246)</b>		<b>987,809</b>	
Net Change in Fund Balances	1,415,089		(12,499)		1,402,590	2,888,576
Fund Balance - July 1 (Unadjusted)	3,013,695		1,460,914		4,474,609	1,586,033
Fund Balance - July 1 (Adjusted)	3,013,695		1,460,914		4,474,609	1,586,033
Fund Balance - June 30	\$4,428,784	-	1,448,415	-	5,877,199	4,474,609

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
GOVERNMENTAL FUNDS  
JUNE 30, 2012**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$1,402,590

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	(\$2,668,756)	
Adjustment to Fixed Assets	201,997	
Capital Outlay	<u>2,785,987</u>	319,228

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

Bonds	7,245,000	
Capital Leases	<u>502,803</u>	7,747,803

In the governmental funds, Bond Proceeds and Capital Leases are reported as an other financing source. These leases are liabilities and are a reduction to the reconciliation.

Bond Proceeds	(6,105,000)	
Capital Lease Proceeds	(4,135,000)	
Unspent Capital Lease Proceeds	<u>3,147,191</u>	(7,092,809)

Repayment of compensated absences 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.

Prior Year	1,694,655	
Current Year	<u>(1,726,961)</u>	(32,306)

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

Prior Year	462,402	
Current Year	<u>(425,928)</u>	36,474

Change in Net Assets of Governmental Activities \$2,380,980

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



## Proprietary Funds



**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF NET ASSETS  
 FOR THE YEAR ENDED JUNE 30, 2012  
 (With Comparative Totals for June 30, 2011)**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY EDUCATION	JUNE 30, 2012	JUNE 30, 2011
Current Assets:				
Cash	\$15,554	62,358	77,912	95,679
Accounts Receivable				
State	484		484	773
Federal	17,458		17,458	23,589
Inventories	16,485		16,485	17,403
Total Current Assets	49,981	62,358	112,339	137,444
Noncurrent Assets:				
Furniture, Machinery & Equipment	904,707		904,707	835,985
Less: Accumulated Depreciation	(577,975)		(577,975)	(542,722)
Total Noncurrent Assets	326,732		326,732	293,263
Total Assets	376,713	62,358	439,071	430,707
 NET ASSETS				
Invested in Capital Assets, Net of Related Debt	326,732		326,732	293,263
Unrestricted	49,981	62,358	112,339	137,444
Total Net Assets	376,713	62,358	439,071	430,707

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**(With Comparative Totals for June 30, 2011)**

	BUSINESS-TYPE ACTIVITIES -		TOTALS	
	ENTERPRISE FUNDS		(MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY EDUCATION	JUNE 30, 2012	JUNE 30, 2011
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs:				
School Lunch Program	\$459,057		459,057	460,404
Daily Sales Nonreimbursable Programs:				
School Lunch Program	208,984		208,984	250,004
<b>Total Operating Revenues</b>	<b>668,041</b>		<b>668,041</b>	<b>710,408</b>
Operating Expenses:				
Cost of Sales	576,995		576,995	538,886
Salaries & Benefits	412,994		412,994	413,753
Management & Administrative Fees	122,694		122,694	119,407
Other Purchased Services	21,271		21,271	22,946
Cleaning, Repair & Maintenance Services	45,668		45,668	97,068
Depreciation	35,253		35,253	33,375
<b>Total Operating Expenses</b>	<b>1,214,875</b>		<b>1,214,875</b>	<b>1,225,435</b>
<b>Operating Income/(Loss)</b>	<b>(546,834)</b>		<b>(546,834)</b>	<b>(515,027)</b>
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	13,818		13,818	13,738
Federal Sources:				
National School Lunch Program	396,172		396,172	364,482
National School Breakfast Program	82,888		82,888	71,845
Food Distribution Program	61,898		61,898	51,028
Interest & Investment Revenue				1,277
Miscellaneous Revenue		422	422	
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>554,776</b>	<b>422</b>	<b>555,198</b>	<b>502,370</b>
<b>Change in Net Assets</b>	<b>7,942</b>	<b>422</b>	<b>8,364</b>	<b>(12,657)</b>
<b>Total Net Assets - Beginning</b>	<b>368,771</b>	<b>61,936</b>	<b>430,707</b>	<b>443,364</b>
<b>Total Net Assets - Ending</b>	<b>\$376,713</b>	<b>62,358</b>	<b>439,071</b>	<b>430,707</b>

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

	BUSINESS-TYPE ACTIVITIES -		TOTALS (MEMORANDUM ONLY)	
	ENTERPRISE FUNDS		JUNE 30,	JUNE 30,
	FOOD SERVICE	COMMUNITY EDUCATION	2012	2011
Cash Flows From Operating Activities:				
Receipts from Customers	\$668,041		668,041	738,185
Payments for Operations	(1,116,806)		(1,116,806)	(1,237,090)
Net Cash Provided/(Used) by Operating Activities	(448,765)		(448,765)	(498,905)
Cash Flows From Capital Financing Activities:				
Purchase of Capital Assets	(68,722)		(68,722)	(56,960)
Net Cash Provided/(Used) by Capital Financing Activities	(68,722)		(68,722)	(56,960)
Cash Flows From Noncapital Financing Activities:				
State Sources	14,107		14,107	15,055
Federal Sources	485,191		485,191	446,798
Miscellaneous Revenue		422	422	
Net Cash Provided/(Used) by Noncapital Financing Activities	499,298	422	499,720	461,853
Cash Flows From Investing Activities:				
Interest & Dividends				1,277
Net Cash Provided/(Used) by Investing Activities				1,277
Net Increase/(Decrease) in Cash & Cash Equivalents	(18,189)	422	(17,767)	(92,735)
Balances - Beginning of Year	33,743	61,936	95,679	188,414
Balances - End of Year	\$15,554	62,358	77,912	95,679

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

Operating Income/(Loss)	(\$546,834)		(546,834)	(515,027)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:				
Food Distribution Program	61,898		61,898	51,028
Depreciation & Net Amortization	35,253		35,253	33,375
(Increase)/Decrease in Accounts Receivable - Other				27,777
(Increase)/Decrease in Inventories	918		918	(2,552)
(Increase)/Decrease in Interfunds				(93,506)
Total Adjustments	98,069		98,069	16,122
Net Cash Provided/(Used) by Operating Activities	(\$448,765)	-	(448,765)	(498,905)

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



Fiduciary Fund



**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**FIDUCIARY FUNDS**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2012**  
**(With Comparative Totals for June 30, 2011)**

	PRIVATE PURPOSE			TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST	AGENCY PAYROLL FUND	STUDENT ACTIVITIES	JUNE 30, 2012	JUNE 30, 2011 <small>(MEMORANDUM ONLY)</small>
<b>ASSETS</b>					
Cash & Cash Equivalents	\$144,742	941,225	136,828	1,222,795	243,362
Interfund Receivable	69,002	21,525		90,527	90,781
<b>Total Assets</b>	<b>213,744</b>	<b>962,750</b>	<b>136,828</b>	<b>1,313,322</b>	<b>334,143</b>
<b>LIABILITIES</b>					
Payable to Student Groups			136,828	136,828	129,455
Claims Payable	48,808			48,808	27,607
Payroll Deductions & Withholdings		951,124		951,124	
Interfund Payable		11,626		11,626	11,626
<b>Total Liabilities</b>	<b>48,808</b>	<b>962,750</b>	<b>136,828</b>	<b>1,148,386</b>	<b>168,688</b>
<b>NET ASSETS</b>					
Held in Reserve for Unemployment Claims	164,936			164,936	165,455
<b>Total Net Assets</b>	<b>\$164,936</b>	<b>-</b>	<b>-</b>	<b>164,936</b>	<b>165,455</b>

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN NET ASSETS  
JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

	PRIVATE PURPOSE	TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST	JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
<b>ADDITIONS</b>			
Contributions:			
Plan Members	\$195,307	195,307	600,303
Interest Earned			767
Total Additions	<u>195,307</u>	<u>195,307</u>	<u>601,070</u>
<b>DEDUCTIONS</b>			
Unemployment Claims	<u>195,826</u>	<u>195,826</u>	<u>487,666</u>
Total Deductions	<u>195,826</u>	<u>195,826</u>	<u>487,666</u>
Change in Net Assets	(519)	(519)	113,404
Net Assets - Beginning of the Year	<u>165,455</u>	<u>165,455</u>	<u>52,051</u>
Net Assets - End of the Year	<u><u>164,936</u></u>	<u><u>164,936</u></u>	<u><u>165,455</u></u>

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

**BARNEGAT TOWNSHIP  
BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2012**



**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**Note 1: Summary of Significant Accounting Policies**

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

The District implemented these standards beginning with fiscal year-ending June 30, 2003. With the implementation of GASB Statement 34, the District has prepared required supplementary information titled *Management’s Discussion and Analysis*, which precedes the basic financial statements.

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

The accompanying financial statements present the financial position of the District and the various funds and fund types, the results of operations of the District and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2012 and for the year then ended with comparative totals as of and for the year ended June 30, 2011 (Memorandum Only).

**A. Reporting Entity:**

The Barnegat Township Board of Education is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 12. The District operates four elementary schools, one Middle School and a High School. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The Barnegat Township Board of Education has an approximate enrollment at June 30, 2012 of 3,235 students.

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

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

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

**B. District-Wide and Fund Financial Statements**

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

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

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

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

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

**District-Wide Financial Statements** – The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

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

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

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

**D. Fund Accounting:**

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

**Governmental Funds**

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

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

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

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

**Proprietary Fund**

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

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

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

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

present increases (revenues) and decreases (expenses) in net total assets.

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

Food Service Fund:	
Equipment	10 Years

**Fiduciary Fund**

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

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

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

**E. Basis of Accounting:**

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

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

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, private purpose trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

**E. Basis of Accounting (continued):**

“Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

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

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

**F. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Effective January 17, 2012, P.L.2011 c.202 eliminated the annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6A:23-1.2*. All budget amendments must be approved by School Board resolution.

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

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

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

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

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/Inflows of Resources</b>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$50,397,408	\$1,279,267
Difference – Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		
Current Year		(1,095)
Prior Year		22,323
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	1,741,537	
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(1,867,219)</u>	<u>                    </u>
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$50,271,726</u>	<u>\$1,300,495</u>
<b>Uses/Outflows of Resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$49,844,692	\$1,279,267

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>
Differences – budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Current Year		(1,095)
Prior Year		22,323
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds		
	<u>\$49,844,692</u>	<u>\$1,300,495</u>

**G. Encumbrances**

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

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

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

**H. Cash & Cash Equivalents**

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

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

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

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

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

**I. Tuition Receivable/Payable**

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

These adjustments are recorded upon certification by the State Board of Education, which is normally two years following the contract year. The cumulative adjustments through June 30, 2012, which have not been recorded, are not determinable.

The tuition rate adjustment for the year 2009-2010 has been established and the District has billed/paid the school boards that have adjustments.

**J. Inventories & Prepaid Expenses**

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

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

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditure during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2012.

**K. Short-Term Interfund Receivables/Payables**

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

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

**L. Fixed Assets:**

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

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

Machinery & Equipment	3 – 20 Years
Building & Other Improvements	7 – 60 Years

**M. Compensated Absences**

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

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

**N. Deferred Revenue**

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

**O. Long-term Obligations**

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

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

**P. Fund Equity**

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

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

**Q. Subsequent Events**

Barnegat Township Board of Education has evaluated subsequent events occurring after June 30, 2012 through the date of September 9, 2012, which is the date the financial statements were available to be issued.

**Note 2: Cash & Cash Equivalents**

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2012, and reported at fair value are as follows:

<b>Type</b>	<b>Carrying Value</b>
<b>Deposits:</b>	
Demand Deposits	<u>\$8,807,040</u>
Total Deposits	<u>\$8,807,040</u>
<b>Reconciliation to Statements of Net Assets:</b>	
Governmental Activities	\$7,506,333
Business-Type Activities	77,912
Fiduciary Funds	<u>1,222,795</u>
Total Cash and Cash Equivalents	<u>\$8,807,040</u>

**Custodial Credit Risk** – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$10,213,625 at June 30, 2012 and was insured or collateralized as follows:

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

**Note 2: Cash & Cash Equivalents (continued):**

Insured	\$ 254,309
Collateralized in the District's Name Under GUDPA (see Note 3)	<u>9,959,316</u>
 Total	 <u>\$10,213,625</u>

**Note 3: Governmental Unit Deposit Protection Act (GUDPA)**

The District has deposited cash in 2012 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

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

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

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

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

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

having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

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

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

**Note 4: Capital Assets**

Capital assets activity for the fiscal year ended June 30, 2012 was as follows:

<b>Governmental Activities:</b>	<b>2011</b>	<b>Adjustments</b>	<b>Additions</b>	<b>2012</b>
Land	\$ 11,752,406			\$ 11,752,406
Site Improvements	2,523,306	\$ 3,460		2,526,766
Buildings	79,286,227	9,018	\$ 987,809	80,283,054
Construction in Progress	62,083,755		566,067	62,649,822
Machinery & Equipment	11,428,291	189,519	1,232,111	12,849,921
	<hr/>			
Subtotal	167,073,985	201,997	2,785,987	170,061,969
Less: Accumulated Depreciation	(31,192,545)		(2,668,756)	(33,861,301)
	<hr/>			
Total	<u>\$135,881,440</u>	<u>\$201,997</u>	<u>\$ 117,231</u>	<u>\$136,200,668</u>
<b>Business-Type Activities:</b>				
Capital Assets Being Depreciated:				
Equipment	\$835,985	\$ -	\$68,722	\$904,707
Less: Accumulated Depreciation	(542,722)		(35,253)	(577,975)
	<hr/>			
Business-Type Activities Capital Assets, Net	<u>\$293,263</u>	<u>\$ -</u>	<u>\$33,469</u>	<u>\$326,732</u>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 5: Long-Term Debt**

During the fiscal year ended June 30, 2012 the following changes occurred in liabilities reported in the long-term debt:

<b>Governmental Activities:</b>	<b>Balance 6/30/11</b>	<b>Adjustments or Additions</b>	<b>Payments or Expenditures</b>	<b>Balance 6/30/12</b>	<b>Due Within One Year</b>
Compensated Absences Payable	\$ 1,694,655	\$ 32,306		\$ 1,726,961	
Capital Leases	1,320,283	4,135,000	\$ 502,803	4,952,480	\$ 543,857
Bonds Payable	<u>38,830,000</u>	<u>6,105,000</u>	<u>7,245,000</u>	<u>37,690,000</u>	<u>1,320,000</u>
<b>Total</b>	<u><b>\$41,844,938</b></u>	<u><b>\$10,272,306</b></u>	<u><b>\$7,747,803</b></u>	<u><b>\$44,369,441</b></u>	<u><b>\$1,863,857</b></u>

**A. Bonds Payable**

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

**Description of Bonds Payable**

At June 30, 2012, Bonds payable consisted of the following issues:

\$8,296,000 School Bonds dated June 15, 1988, due in annual installments through June 15, 2012, bearing interest at the rate of 7.40% per annum. The balance remaining as of June 30, 2012 is \$0.

\$10,310,000 Refunding School Bonds dated January 15, 2005, due in annual installments through April 1, 2025, bearing interest at various rates from 2.00% to 4.35% per annum. The balance remaining as of June 30, 2012 is \$8,980,000.

\$9,139,000 School Bonds dated July 1, 2004, due in annual installments through July 15, 2024, bearing interest at various rates from 4.375% to 4.750% per annum. In 2012, District refinanced \$6,084,000 of this bond into the new 2012 Refunding School Bond. The balance remaining as of June 30, 2012 is \$1,350,000.

\$22,000,000 School Bonds dated November 6, 2007, due in annual installments through April 15, 2032, bearing interest at various rates from 4.375% to 4.500% per annum. The balance remaining as of June 30, 2012 is \$21,255,000.

\$6,105,000 Refunding School Bonds dated April 24, 2012, due in annual installments through July 15, 2024, bearing interest at various rates from 2.00% to 5.00% per annum. The balance remaining as of June 30, 2012 is \$6,105,000.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE FINANCIAL STATEMENTS (continued):**  
**JUNE 30, 2012**

**Note 5: Long-Term Debt (continued):**

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

<b>Fiscal Year Ending June 30,</b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2013	\$ 1,320,000	\$ 1,519,993	\$ 2,839,993
2014	1,285,000	1,555,541	2,840,541
2015	1,335,000	1,506,885	2,841,885
2016	1,390,000	1,454,948	2,844,948
2017	1,445,000	1,397,460	2,842,460
2018-2022	8,165,000	6,054,450	14,219,450
2023-2027	10,120,000	4,164,063	14,284,063
2028-2032	<u>12,360,000</u>	<u>1,755,225</u>	<u>14,385,225</u>
<b>Total</b>	<b><u>\$37,690,000</u></b>	<b><u>\$19,408,565</u></b>	<b><u>\$57,098,565</u></b>

**B. Obligations Under Capital Leases**

The District is leasing equipment and vehicles totaling \$6,669,161 under capital leases. The following is a schedule of the future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2012:

<b>Year-ending June 30,</b>	<b>Amount</b>
2013	\$ 694,266
2014	592,797
2015	315,256
2016	300,250
2017	329,664
2018-2022	1,818,217
2023-2027	<u>2,107,282</u>
<b>Total Minimum Lease Payments</b>	<b>6,157,732</b>
<b>Less: Amount Representing Interest</b>	<b><u>(1,205,252)</u></b>
<b>Present Value of Lease Payments</b>	<b><u>\$4,952,480</u></b>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 5: Long-Term Debt (continued):**

**C. State Aid Anticipation Loan Payable**

On June 22, 2011, the District entered into a short-term loan agreement with TD Bank in the amount of \$679,264 at an annual interest rate of 4.50% maturing no later than July 8, 2011. The loan was used to create sufficient funds for payroll expenses and outstanding invoices due to a deferral in the District's last two state aid payments through July 8, 2011. The loan was paid off in full on July 8, 2011.

**Note 6: Pension Plans**

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

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

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

**Vesting and Benefit Provisions** - The vesting and benefit provisions of PERS are set by *N.J.S.A.43:15A* and *43.3B* and *N.J.S.A.18A:66* for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):**

**JUNE 30, 2012**

**Note 6: Pension Plans (continued):**

to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

**Significant Legislation** – During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced. New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the TPAF and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 6: Pension Plans (continued):**

**Three-Year Trend Information for PERS**

<b>Year Funding</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
6/30/12	\$692,278	100%	\$ -0-
6/30/11	721,574	100%	-0-
6/30/10	506,530	100%	-0-

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

<b>Year Funding</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
6/30/12	\$1,826,624	100%	\$ -0-
6/30/11	1,297,107	100%	-0-
6/30/10	1,254,278	100%	-0-

During the year ended June 30, 2012 the State of New Jersey contributed \$1,826,624 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A. 18A:66-66* the State of New Jersey reimbursed the District \$1,367,153 for the year ended June 30, 2012 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

**Note 7: Post-Retirement Benefits**

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2011, there were 93,323 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 7: Post-Retirement Benefits (continued):**

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members in Fiscal Year 2011.

**Note 8: Risk Management**

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

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

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

<b>Fiscal Year</b>	<b>District Contributions</b>	<b>Interest Earned</b>	<b>Amount Reimbursed</b>	<b>Ending Balance</b>
2011-2012	\$195,307	\$ -	\$195,826	\$164,936
2010-2011	600,303	767	487,666	165,455
2009-2010	224,450	104	172,503	52,051

**Note 9: Contingent Liabilities**

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2012 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 10: Economic Dependency**

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

**Note 11: Interfund Receivables and Payables**

The following interfund balances remained on the balance sheet at June 30, 2012:

<b>Fund</b>	<b>Interfund Receivable</b>	<b>Interfund Payable</b>
General Fund	\$3,448,384	\$ 78,901
Capital Projects Fund		3,448,384
Agency Fund	21,525	11,626
Fiduciary Fund	<u>69,002</u>	<u>          </u>
<b>Total</b>	<b><u>\$3,538,911</u></b>	<b><u>\$3,538,911</u></b>

The purpose of these interfunds are for short-term borrowings.

**Note 12: GASB #54 Fund Balance Disclosures**

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

- Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.
- Unassigned – includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 12: GASB #54 Fund Balance Disclosures (continued):**

**General Fund** – Of the \$4,428,784 General Fund fund balance at June 30, 2012, \$1,529,187 has been restricted for the capital reserve account; \$907,949 has been restricted for the maintenance reserve account; \$285,266 has been restricted for the excess surplus; \$615,931 has been committed for other purposes and \$1,090,451 is assigned for other purposes.

**Capital Projects Fund** – All of the \$1,448,415 Capital Projects Fund fund balance at June 30, 2012 is unassigned.

The Barnegat Township School District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available, unless prohibited by law or regulation. Additionally, the Barnegat Township School District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

**Note 13: Reserve Accounts**

**A. Capital Reserve Account**

Barnegat Township Board of Education established a Capital Reserve Account on September 25, 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. There is a balance of \$1,529,187 at June 30, 2012.

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

The activity of the capital reserve for the July 1, 2011 to June 30, 2012 fiscal year is as follows:

Beginning Balance, July 1, 2011	\$1,027,824
Increase per Resolution Passed (June 21, 2012)	500,000
Interest Earned	<u>1,363</u>
Ending Balance, June 30, 2012	<u>\$1,529,187</u>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 13: Reserve Accounts (continued):**

The June 30, 2012 LRFP balance of local support costs of uncompleted Capital Projects at June 30, 2012 is \$17,843,881.

**B. Maintenance Reserve Account**

Barneгат Township Board of Education established a Maintenance Reserve Account on June 9, 2009 for the accumulation of Funds for use as maintenance expenditures in subsequent fiscal years. The Maintenance Reserve Account is maintained in the general fund and its activity is included in the general fund annual budget. There is a balance of \$907,949 at June 30, 2012.

The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (*N.J.S.A.18A:7G-9*) as amended by P.L. 2004, c. 73 (S1701). Districts may only increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes (*N.J.A.C. 6A:23A-14.2*) or by deposit of any unanticipated revenue or unexpended line-item appropriation by board resolution at year end. The board resolution for deposit at year end into a maintenance reserve account must be made between June 1 and June 30 of the budget year. EFCFA requires that upon District completion of a school facilities project, the district must submit a plan for the maintenance of that facility. Auditors and District staff should refer to the regulations, *N.J.A.C.6A:26A*, for further guidance. A separate line is provided in the Audsum for this reserve account.

The activity of the maintenance reserve for the July 1, 2011 to June 30, 2012 fiscal year is as follows:

Beginning Balance, July 1, 2011	\$906,981
Increase per Resolution Passed (June 21, 2012)	500,000
Interest Earned	968
Withdrawals	<u>(500,000)</u>
Ending Balance, June 30, 2012	<u>\$907,949</u>

**Note 14: Transfers to Capital Outlay**

During the year ending June 30, 2012, the District transferred \$-0- to the capital outlay accounts.

**Note 15: Deferred Compensation**

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 15: Deferred Compensation (continued):**

deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Siracusa	Lincoln Investment	Equitable Life
Valic	Vanguard	Travelers' Insurance
Prudential		

**Note 16: Compensated Absences**

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for specified dollar amount per sick day accumulated and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2012 is \$1,726,961.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2012 no liability existed for compensated absences in the proprietary fund types.

**Note 17: Calculation of Excess Surplus**

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District has excess fund balance of \$285,266 at June 30, 2012.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued):  
JUNE 30, 2012**

**Note 18: Interest on Capital Projects**

Interest earnings on such local share of School Facilities Projects will be returned to the District by the New Jersey School Development Authority upon completion of the projects to be deposited into the District's general fund or debt service fund, as required under *N.J.S.A. 18A* and *N.J.A.C. 6A:26-4.2*. These earnings have been recorded in the Capital Projects Fund as deferred revenue until such time that the School Facilities Project is complete.

**REQUIRED SUPPLEMENTARY INFORMATION**



## C. Budgetary Comparison Schedules



**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:										
Local Sources:										
Local Tax Levy	10-1210	\$26,379,687		26,379,687	26,379,687		26,379,687		26,379,687	26,379,687
Tuition from Other LEA's Within State	10-1320			42,199	42,199					
Interest Earned on Capital Reserve Funds	10-1511	2,250		2,250	1,363	(887)	2,250		2,250	9,324
Interest Earned on Maintenance Reserve Funds	10-1512	3,000		3,000	968	(2,032)	3,000		3,000	6,981
Unrestricted Miscellaneous Revenues	10-1xxx	84,680		84,680	95,463	10,783	163,978		163,978	178,562
<b>Total Local Sources</b>		<b>26,469,617</b>		<b>26,469,617</b>	<b>26,519,680</b>	<b>50,063</b>	<b>26,548,915</b>		<b>26,548,915</b>	<b>26,574,554</b>
State Sources:										
Extraordinary Aid	10-3131	175,000		175,000	257,366	82,366	166,700		166,700	208,391
Categorical Special Education Aid	10-3132	1,744,120		1,744,120	1,744,120		790,976	953,144	1,744,120	1,744,120
Equalization Aid	10-3176	17,485,468		17,485,468	17,953,001	467,533	17,971,078	(953,144)	17,017,934	17,017,934
Nonpublic Transportation Aid	10-3120				9,218	9,218				7,829
Homeless Tuition Reimbursement	10-3XXX									94,988
Nonbudgeted:										
On-Behalf TPAF Contributions				1,826,624	1,826,624					1,297,107
Reimbursed TPAF Social Security				1,367,153	1,367,153					1,426,412
<b>Total State Sources</b>		<b>19,404,588</b>		<b>19,404,588</b>	<b>23,157,482</b>	<b>3,752,894</b>	<b>18,928,754</b>		<b>18,928,754</b>	<b>21,796,781</b>
Federal Sources:										
SEMI Program	10-4200	44,260		44,260	48,813	4,553	40,796		40,796	8,932
Education Jobs Fund Program	18-4522	649,529	21,904	671,433	671,433			49,642	49,642	49,642
<b>Total Federal Sources</b>		<b>693,789</b>	<b>21,904</b>	<b>715,693</b>	<b>720,246</b>	<b>4,553</b>	<b>40,796</b>	<b>49,642</b>	<b>90,438</b>	<b>58,574</b>
<b>Total Revenues</b>		<b>46,567,994</b>	<b>21,904</b>	<b>46,589,898</b>	<b>50,397,408</b>	<b>3,807,510</b>	<b>45,518,465</b>	<b>49,642</b>	<b>45,568,107</b>	<b>48,429,909</b>

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**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE)	JUNE 30, 2011				POSITIVE/ (NEGATIVE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	
<b>Expenditures:</b>											
<b>Current Expense:</b>											
<b>Instruction - Regular Programs:</b>											
<b>Salaries of Teachers:</b>											
Kindergarten	11-110-100-101	790,904	(37,445)	753,459	753,459		981,751	(147,444)	834,307	734,764	99,543
Grades 1 - 5	11-120-100-101	4,534,255	(64,792)	4,469,463	4,465,605	3,858	4,540,417	(19,583)	4,520,834	4,431,344	89,490
Grades 6 - 8	11-130-100-101	2,968,975	(161,357)	2,807,618	2,800,654	6,964	2,880,152	3,762	2,883,914	2,744,909	139,005
Grades 9 - 12	11-140-100-101	3,578,258	40,557	3,618,815	3,614,991	3,824	3,516,170	16,418	3,532,588	3,365,190	167,398
<b>Regular Programs - Home Instruction:</b>											
Salaries of Teachers	11-150-100-101	36,400	59,966	96,366	96,366		35,000	15,016	50,016	50,016	
<b>Regular Programs - Undistributed Instruction:</b>											
<b>Purchased Professional -</b>											
Educational Services	11-190-100-320	190,650	(21,165)	169,485	163,765	5,720	246,150	(11,000)	235,150	216,221	18,929
Purchased Technical Services	11-190-100-340	359,447	69,185	428,632	423,068	5,564	327,700	(29,612)	298,088	235,177	62,911
Other Purchased Services (400-500)	11-190-100-500	388,700	129,202	517,902	496,239	21,663	368,982	136,000	504,982	452,620	52,362
General Supplies	11-190-100-610	924,154	94,448	1,018,602	895,741	122,861	950,725	73,217	1,023,942	686,078	337,864
Textbooks	11-190-100-640	148,400	(116,358)	32,042	4,464	27,578	147,000	(136,161)	10,839	3,116	7,723
Other Objects	11-190-100-800	23,000		23,000	22,703	297	23,000		23,000	21,931	1,069
<b>Total Regular Programs - Instruction</b>		<b>13,943,143</b>	<b>(7,759)</b>	<b>13,935,384</b>	<b>13,737,055</b>	<b>198,329</b>	<b>14,017,047</b>	<b>(99,387)</b>	<b>13,917,660</b>	<b>12,941,366</b>	<b>976,294</b>
<b>Special Education:</b>											
<b>Learning and/or Language Disabilities:</b>											
Salaries of Teachers	11-204-100-101	1,456,641	(74,423)	1,382,218	1,320,522	61,696	1,137,098	206,116	1,343,214	1,343,214	
Other Salaries for Instruction	11-204-100-106	704,930	111,954	816,884	815,636	1,248	681,539	(11,461)	670,078	670,078	
General Supplies	11-204-100-610	13,850	(1,800)	12,050	2,689	9,361	13,850	(12,629)	1,221	1,221	
<b>Total Learning and/or Language Disabilities</b>		<b>2,175,421</b>	<b>35,731</b>	<b>2,211,152</b>	<b>2,138,847</b>	<b>72,305</b>	<b>1,832,487</b>	<b>182,026</b>	<b>2,014,513</b>	<b>2,014,513</b>	
<b>Behavioral Disabilities:</b>											
Salaries of Teachers	11-209-100-101	219,598	(658)	218,940	218,940		212,302	(1,150)	211,152	211,152	
Other Salaries for Instruction	11-209-100-106	81,208	(17,371)	63,837	58,450	5,387	44,840	12,575	57,415	57,415	
General Supplies	11-209-100-610	5,000	(1,400)	3,600	2,951	649	5,000	(2,968)	2,032	2,032	
Other Objects	11-209-100-800	5,000	(2,881)	2,119	980	1,139	5,000	(4,539)	461	461	
<b>Total Behavioral Disabilities</b>		<b>310,806</b>	<b>(22,310)</b>	<b>288,496</b>	<b>281,321</b>	<b>7,175</b>	<b>267,142</b>	<b>3,918</b>	<b>271,060</b>	<b>271,060</b>	

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**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Multiple Disabilities:											
Salaries of Teachers	11-212-100-101	180,025	1,132	181,157	179,347	1,810	173,602	(249)	173,353	173,353	
General Supplies	11-212-100-610	5,000	9,000	14,000	5,431	8,569	5,000	(1,148)	3,852	3,852	
<b>Total Multiple Disabilities</b>		<b>185,025</b>	<b>10,132</b>	<b>195,157</b>	<b>184,778</b>	<b>10,379</b>	<b>178,602</b>	<b>(1,397)</b>	<b>177,205</b>	<b>177,205</b>	
Resource Room/Resource Center:											
Salaries of Teachers	11-213-100-101	1,166,486	61,454	1,227,940	1,210,538	17,402	1,312,781	(165,744)	1,147,037	1,147,037	
General Supplies	11-213-100-610	9,900		9,900	4,550	5,350	9,900	(5,471)	4,429	4,429	
<b>Total Resource Room</b>		<b>1,176,386</b>	<b>61,454</b>	<b>1,237,840</b>	<b>1,215,088</b>	<b>22,752</b>	<b>1,322,681</b>	<b>(171,215)</b>	<b>1,151,466</b>	<b>1,151,466</b>	
Preschool Disabilities - Full-Time:											
Salaries of Teachers	11-216-100-101	157,477	(24,337)	133,140	111,637	21,503	152,175	(18,485)	133,690	133,690	
Other Salaries for Instruction	11-216-100-106	101,443	41,289	142,732	141,314	1,418	104,502	24,468	128,970	128,970	
General Supplies	11-216-100-600	1,000	900	1,900	1,614	286	1,000	(714)	286	286	
<b>Total Preschool Disabilities - Full-Time</b>		<b>259,920</b>	<b>17,852</b>	<b>277,772</b>	<b>254,565</b>	<b>23,207</b>	<b>257,677</b>	<b>5,269</b>	<b>262,946</b>	<b>262,946</b>	
<b>Total Special Education</b>		<b>4,107,558</b>	<b>102,859</b>	<b>4,210,417</b>	<b>4,074,599</b>	<b>135,818</b>	<b>3,858,589</b>	<b>18,601</b>	<b>3,877,190</b>	<b>3,877,190</b>	
Instruction:											
Basic Skills/Remedial:											
Salaries of Teachers	11-230-100-101	692,332	49,628	741,960	741,273	687	534,193	150,773	684,966	684,966	
Other Salaries for Instruction	11-230-100-106	101,653	(1,305)	100,348	100,348		88,267	13,065	101,332	101,332	
General Supplies	11-230-100-610	11,420		11,420	5,104	6,316	11,420	(1,411)	10,009	10,009	
<b>Total Basic Skills/Remedial</b>		<b>805,405</b>	<b>48,323</b>	<b>853,728</b>	<b>846,725</b>	<b>7,003</b>	<b>633,880</b>	<b>162,427</b>	<b>796,307</b>	<b>796,307</b>	
School Sponsored Cocurricular Activities:											
Salaries	11-401-100-100	187,120	6,000	193,120	164,176	28,944	158,400	24,000	182,400	151,847	30,553
Purchased Services (300-500 Series)	11-401-100-500	15,200		15,200	8,113	7,087	17,700	(14,000)	3,700	630	3,070
Supplies and Materials	11-401-100-600	27,500	(4,059)	23,441	17,810	5,631	27,200	(56)	27,144	22,668	4,476
Other Objects	11-401-100-800	7,000		7,000	4,919	2,081	7,000		7,000	1,274	5,726
<b>Total School Sponsored Cocurricular Activities</b>		<b>236,820</b>	<b>1,941</b>	<b>238,761</b>	<b>195,018</b>	<b>43,743</b>	<b>210,300</b>	<b>9,944</b>	<b>220,244</b>	<b>176,419</b>	<b>43,825</b>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
<b>School Sponsored Athletics:</b>											
Salaries	11-402-100-100	560,387	30,326	590,713	579,517	11,196	508,662	12,903	521,565	515,574	5,991
Purchased Services (300-500 Series)	11-402-100-500	137,734	(14,007)	123,727	120,049	3,678	142,415	(6,644)	135,771	128,302	7,469
Supplies and Materials	11-402-100-600	87,710		87,710	81,774	5,936	87,705		87,705	69,784	17,921
Other Objects	11-402-100-800	39,627		39,627	38,355	1,272	32,700		32,700	31,676	1,024
<b>Total School Sponsored Athletics</b>		<b>825,458</b>	<b>16,319</b>	<b>841,777</b>	<b>819,695</b>	<b>22,082</b>	<b>771,482</b>	<b>6,259</b>	<b>777,741</b>	<b>745,336</b>	<b>32,405</b>
<b>Other Instructional Programs:</b>											
Salaries	11-403-100-100	2,000	4,640	6,640	2,794	3,846	1,000		1,000	283	717
Supplies and Materials	11-403-100-600	3,850		3,850		3,850	8,550	(5,000)	3,550	241	3,309
Other Objects	11-403-100-800	5,000		5,000	1,027	3,973		5,000	5,000		5,000
<b>Total Instructional Programs - Instruction</b>		<b>10,850</b>	<b>4,640</b>	<b>15,490</b>	<b>3,821</b>	<b>11,669</b>	<b>9,550</b>		<b>9,550</b>	<b>524</b>	<b>9,026</b>
<b>Community Service Programs/Operations:</b>											
Salaries	11-800-330-100	2,000	5,000	7,000	2,380	4,620	2,000	7,000	9,000		9,000
Purchased Services (300-500 Series)	11-800-330-500	7,000	(7,000)				7,000	(7,000)			
<b>Total Community Service Programs/Operations</b>		<b>9,000</b>	<b>(2,000)</b>	<b>7,000</b>	<b>2,380</b>	<b>4,620</b>	<b>9,000</b>		<b>9,000</b>		<b>9,000</b>
<b>Total - Instruction</b>		<b>19,938,234</b>	<b>164,323</b>	<b>20,102,557</b>	<b>19,679,293</b>	<b>423,264</b>	<b>19,509,848</b>	<b>97,844</b>	<b>19,607,692</b>	<b>18,537,142</b>	<b>1,070,550</b>
<b>Undistributed Expenditures:</b>											
<b>Instruction:</b>											
Tuition to Other LEA's - Within State Regular	11-000-100-561	81,000	13,075	94,075	94,075		94,000	(23,000)	71,000	71,000	
Tuition to Other LEA's - Within State Special	11-000-100-562	298,100	(44,383)	253,717	236,552	17,165	360,000	(68,068)	291,932	291,932	
Tuition to County Vocational School District - Regular	11-000-100-563	13,000		13,000	10,000	3,000	9,500	1,000	10,500	10,500	
Tuition to CSSD & Regional Day Schools	11-000-100-565	58,700	(11,430)	47,270	33,785	13,485	116,000	(48,040)	67,960	67,935	25
Tuition to Private School for the Disabled Within State	11-000-100-566	753,835	(104,562)	649,273	588,021	61,252	669,059	(63,722)	605,337	514,564	90,773
Tuition - State Facilities	11-000-100-568	152,012		152,012	152,012		79,500		79,500	79,500	
Tuition - Other	11-000-100-569	185,000	(1,380)	183,620	183,420	200		167,763	167,763	167,763	
<b>Total Undistributed Expenditures - Instruction</b>		<b>1,541,647</b>	<b>(148,680)</b>	<b>1,392,967</b>	<b>1,297,865</b>	<b>95,102</b>	<b>1,328,059</b>	<b>(34,067)</b>	<b>1,293,992</b>	<b>1,203,194</b>	<b>90,798</b>
<b>Attendance &amp; Social Work Services:</b>											
Salaries	11-000-211-100	82,600	357	82,957	82,957		79,589	1,184	80,773	80,773	
Supplies and Materials	11-000-211-600	2,000		2,000	1,538	462	3,200	(384)	2,816	1,344	1,472
<b>Total Attendance &amp; Social Work Services</b>		<b>84,600</b>	<b>357</b>	<b>84,957</b>	<b>84,495</b>	<b>462</b>	<b>82,789</b>	<b>800</b>	<b>83,589</b>	<b>82,117</b>	<b>1,472</b>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE)	JUNE 30, 2011				POSITIVE/ (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
<b>Health Services:</b>											
Salaries	11-000-213-100	393,695	23,293	416,988	413,712	3,276	408,565	(5,689)	402,876	389,869	13,007
Purchased Professional & Technical Services	11-000-213-300	30,000	(6,000)	24,000	24,000		30,000	4,881	34,881	34,881	
Other Purchased Services (400-500 Series)	11-000-213-500	4,500	(464)	4,036	1,761	2,275	4,500	(1,850)	2,650	2,245	405
Supplies and Materials	11-000-213-600	9,400	200	9,600	8,538	1,062	9,530	2,295	11,825	6,086	5,739
<b>Total Health Services</b>		<b>437,595</b>	<b>17,029</b>	<b>454,624</b>	<b>448,011</b>	<b>6,613</b>	<b>452,595</b>	<b>(363)</b>	<b>452,232</b>	<b>433,081</b>	<b>19,151</b>
<b>Other Support Services - Students - Related Services:</b>											
Salaries	11-000-216-100	319,435	(19,374)	300,061	300,061		333,230	(26,081)	307,149	307,149	
Purchased Professional - Educational Services	11-000-216-320	10,000	19,900	29,900	29,900			33,200	33,200	33,200	
Supplies and Materials	11-000-216-600	5,000	(526)	4,474	1,938	2,536	4,600	(3,029)	1,571	1,367	204
<b>Total Other Support Services - Students - Related Services</b>		<b>334,435</b>		<b>334,435</b>	<b>331,899</b>	<b>2,536</b>	<b>337,830</b>	<b>4,090</b>	<b>341,920</b>	<b>341,716</b>	<b>204</b>
<b>Other Support Services - Students - Regular:</b>											
Salaries of Other Professional Staff	11-000-218-104	710,115	44,958	755,073	753,704	1,369	695,056	(36,002)	659,054	657,828	1,226
Salaries of Secretarial & Clerical Assistants	11-000-218-105	65,586		65,586	65,361	225	63,436		63,436	63,064	372
Purchased Professional - Educational Services	11-000-218-320	24,000	(14,296)	9,704	9,704		22,400	2,074	24,474	4,032	20,442
Supplies & Materials	11-000-218-600	31,900		31,900	28,828	3,072	34,300	(3,000)	31,300	24,367	6,933
<b>Total Other Support Services - Students - Regular</b>		<b>831,601</b>	<b>30,662</b>	<b>862,263</b>	<b>857,597</b>	<b>4,666</b>	<b>815,192</b>	<b>(36,928)</b>	<b>778,264</b>	<b>749,291</b>	<b>28,973</b>
<b>Other Support Services - Students - Special:</b>											
Salaries of Other Professional Staff	11-000-219-104	1,053,615	(1,666)	1,051,949	1,051,949		1,094,641	4,166	1,098,807	1,035,953	62,854
Salaries of Secretarial & Clerical Assistants	11-000-219-105	97,251		97,251	96,905	346	93,450		93,450	91,294	2,156
Purchased Professional - Educational Services	11-000-219-320	53,500	(20,000)	33,500	23,279	10,221	48,500	2,228	50,728	2,508	48,220

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Other Support Services - Students - Special (continued):											
Other Purchased Professional & Technical Services	11-000-219-390	204,600	(60,701)	143,899	143,893	6	215,900	(14,755)	201,145	145,746	55,399
Supplies & Materials	11-000-219-600	32,600	27,500	60,100	58,234	1,866	24,600	3,680	28,280	21,098	7,182
Other Objects	11-000-219-800	5,000		5,000	3,057	1,943	5,000	(164)	4,836	3,610	1,226
<b>Total Other Support Services - Students - Special</b>		<b>1,446,566</b>	<b>(54,867)</b>	<b>1,391,699</b>	<b>1,377,317</b>	<b>14,382</b>	<b>1,482,091</b>	<b>(4,845)</b>	<b>1,477,246</b>	<b>1,300,209</b>	<b>177,037</b>
Improvement of Instruction Services/Other Support Services - Instruction Staff:											
Salaries of Supervisors of Instruction	11-000-221-102	629,026	(98,304)	530,722	431,909	98,813	574,003	(20,720)	553,283	521,123	32,160
Salaries of Secretarial & Clerical Aides - Summer	11-000-221-104		20,800	20,800	20,800			20,000	20,000	14,900	5,100
Aides - Normal School Year	11-000-221-105	80,676		80,676	60,444	20,232	78,022	720	78,742	78,742	
Other Purchased Professional & Technical Services	11-000-221-390	7,000		7,000	2,400	4,600	9,000		9,000	8,474	526
Supplies and Materials	11-000-221-600	2,700		2,700	999	1,701	2,700		2,700	1,131	1,569
Other Objects	11-000-221-800	8,000	2,031	10,031	8,461	1,570	9,000		9,000	8,627	373
<b>Total Improvement of Instruction Services/Other Support Services - Instructional Staff</b>		<b>727,402</b>	<b>(75,473)</b>	<b>651,929</b>	<b>525,013</b>	<b>126,916</b>	<b>672,725</b>		<b>672,725</b>	<b>632,997</b>	<b>39,728</b>
Educational Media Services/School Library:											
Salaries	11-000-222-100	278,568	(45,917)	232,651	231,207	1,444	268,426		268,426	264,301	4,125
Purchased Professional & Technical Services	11-000-222-300	3,600		3,600	1,778	1,822	2,900	861	3,761	1,655	2,106
Supplies and Materials	11-000-222-600	54,000	(1,000)	53,000	43,199	9,801	59,225	4	59,229	46,113	13,116
<b>Total Educational Media Services/School Library</b>		<b>336,168</b>	<b>(46,917)</b>	<b>289,251</b>	<b>276,184</b>	<b>13,067</b>	<b>330,551</b>	<b>865</b>	<b>331,416</b>	<b>312,069</b>	<b>19,347</b>
Instructional Staff Training Services:											
Purchased Professional - Educational Services	11-000-223-320	10,000		10,000	450	9,550	14,000	(4,000)	10,000	864	9,136
Other Purchased Professional & Technical Services	11-000-223-390	4,000		4,000	834	3,166		4,000	4,000	1,996	2,004
Other Purchased Services (400-500 Series)	11-000-223-500	8,300		8,300	1,259	7,041	8,300		8,300	1,101	7,199
Supplies and Materials	11-000-223-600	4,000	1,295	5,295	2,000	3,295	4,000		4,000	1,934	2,066
<b>Total Instructional Staff Training Services</b>		<b>26,300</b>	<b>1,295</b>	<b>27,595</b>	<b>4,543</b>	<b>23,052</b>	<b>26,300</b>		<b>26,300</b>	<b>5,895</b>	<b>20,405</b>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE)	JUNE 30, 2011				POSITIVE/ (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
<b>Support Services General Administration:</b>											
Salaries	11-000-230-100	203,905	(17,117)	186,788	184,443	2,345	196,817	2,050	198,867	198,867	
Legal Services	11-000-230-331	105,000		105,000	102,745	2,255	105,000	7,348	112,348	112,348	
Audit Fees	11-000-230-332	40,000	(19,993)	20,007	20,007		36,000	4,761	40,761	40,761	
Architectural/Engineering Fees	11-000-230-334	30,000	9,842	39,842	39,842		30,000	(30,000)			
Other Purchased Professional Services	11-000-230-339	59,000	43,476	102,476	99,787	2,689	59,000	48,591	107,591	95,487	12,104
Purchased Technical Services	11-000-230-340	50,000	(33,917)	16,083	13,738	2,345	60,000	4,215	64,215	64,215	
Communications/Telephone	11-000-230-530	71,000	19,243	90,243	80,870	9,373	91,000	35,739	126,739	109,651	17,088
BOE Other Purchased Services	11-000-230-585						2,600	(2,600)			
Other Purchased Services (400-500 Series)	11-000-230-590	27,600	(426)	27,174	13,284	13,890	25,000	(6,830)	18,170	18,170	
General Supplies	11-000-230-610	11,000	4,117	15,117	14,655	462	11,000	(3,053)	7,947	7,947	
Judgments Against School District	11-000-230-820	6,000	(66)	5,934		5,934	6,000	(5,463)	537	537	
Miscellaneous Expenditures	11-000-230-890	30,400	174	30,574	20,202	10,372	30,400	(9,657)	20,743	15,980	4,763
BOE Membership Dues & Fees	11-000-230-895	33,500		33,500	26,059	7,441	33,500	(6,714)	26,786	26,256	530
<b>Total Support Services General Administration</b>		<b>667,405</b>	<b>5,333</b>	<b>672,738</b>	<b>615,632</b>	<b>57,106</b>	<b>686,317</b>	<b>38,387</b>	<b>724,704</b>	<b>690,219</b>	<b>34,485</b>
<b>Support Services School Administration:</b>											
Salaries of Principals & Assistant Principals	11-000-240-103	936,403	(4,569)	931,834	931,834		944,125	(17,961)	926,164	926,164	
Salaries of Secretarial & Clerical Assistants	11-000-240-105	423,956	35,564	459,520	455,005	4,515	406,197	37,345	443,542	443,542	
Other Purchased Services (400-500 Series)	11-000-240-500	13,000	(9,918)	3,082	2,082	1,000	15,000	(2,870)	12,130	5,973	6,157
Supplies & Materials	11-000-240-600	46,700	(600)	46,100	37,112	8,988	47,050	(8,557)	38,493	30,711	7,782
Other Objects	11-000-240-890	30,100	2,800	32,900	24,570	8,330	31,500	(2,826)	28,674	23,249	5,425
<b>Total Support Services School Administration</b>		<b>1,450,159</b>	<b>23,277</b>	<b>1,473,436</b>	<b>1,450,603</b>	<b>22,833</b>	<b>1,443,872</b>	<b>5,131</b>	<b>1,449,003</b>	<b>1,429,639</b>	<b>19,364</b>
<b>Central Services:</b>											
Salaries	11-000-251-100	413,882	1,941	415,823	412,561	3,262	428,674	(23,291)	405,383	386,347	19,036
Purchased Professional Services	11-000-251-330	5,000		5,000	1,000	4,000	4,500		4,500	1,000	3,500
Purchased Technical Services	11-000-251-340	11,000		11,000	8,950	2,050	8,000		8,000	8,000	
Miscellaneous Expenditures	11-000-251-890	10,000	(5,660)	4,340	4,340		10,000	(698)	9,302	7,820	1,482

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Central Services	439,882	(3,719)	436,163	426,851	9,312	451,174	(23,989)	427,185	403,167	24,018	
Administrative Information Technology:											
Salaries	11-000-252-100	212,558	9,888	222,446	221,236	1,210	184,260	21,012	205,272	205,272	
Total Administrative Information Technology		212,558	9,888	222,446	221,236	1,210	184,260	21,012	205,272	205,272	
Required Maintenance for School Facilities:											
Salaries	11-000-261-100	179,135	45,747	224,882	222,322	2,560	202,362	(40,728)	161,634	157,620	4,014
Cleaning, Repair & Maintenance Services	11-000-261-420	307,200	813,081	1,120,281	1,119,436	845	253,850	55,778	309,628	291,006	18,622
General Supplies	11-000-261-610	165,000	6,890	171,890	171,267	623	170,000	(36,788)	133,212	115,007	18,205
Other Objects	11-000-261-800	5,000	(800)	4,200	4,200		6,000		6,000	6,000	
Total Allowable Maintenance For School Facilities		656,335	864,918	1,521,253	1,517,225	4,028	632,212	(21,738)	610,474	569,633	40,841
Other Operation & Maintenance of Plant Services:											
Salaries	11-000-262-100	1,395,500	93,020	1,488,520	1,487,910	610	1,398,998	32,683	1,431,681	1,431,496	185
Salaries of Non-Instructional Aides	11-000-262-107						18,329	(18,329)			
Cleaning, Repair & Maintenance Services	11-000-262-420	68,800	(19,960)	48,840	48,840		73,900	31,505	105,405	94,705	10,700
Other Purchased Property Services	11-000-262-490	315,120	18,234	333,354	333,354		115,000	159,352	274,352	258,387	15,965
Insurance	11-000-262-520	175,000	18,695	193,695	192,405	1,290	160,000	11,193	171,193	147,225	23,968
Miscellaneous Purchased Services	11-000-262-590	1,500	(400)	1,100	620	480	3,600	(3,520)	80	80	
General Supplies	11-000-262-610	105,000	1,915	106,915	106,339	576	95,000	35,000	130,000	130,000	
Energy (Natural Gas)	11-000-262-621	320,000	(159,000)	161,000	142,446	18,554	360,000	(64,030)	295,970	196,553	99,417
Energy (Electricity)	11-000-262-622	990,000	(61,074)	928,926	883,387	45,539	1,250,000	(100,000)	1,150,000	1,109,378	40,622
Energy (Gasoline)	11-000-262-626						5,000	(5,000)			
Other Objects	11-000-262-800	21,500	6,000	27,500	25,615	1,885	21,500	(200)	21,300	18,320	2,980
Total Operation & Maintenance of Plant Services		3,392,420	(102,570)	3,289,850	3,220,916	68,934	3,501,327	78,654	3,579,981	3,386,144	193,837
Care and Upkeep of Grounds:											
Salaries	11-000-263-100	232,333	(20,000)	212,333	206,613	5,720	227,485	(48,297)	179,188	169,040	10,148
Cleaning, Repair & Maintenance Services	11-000-263-420	53,000	13,827	66,827	66,827		53,000	(10,000)	43,000	43,000	
General Supplies	11-000-263-610	95,000	32,173	127,173	124,143	3,030	90,000	13,000	103,000	102,999	1
Total Care and Upkeep of Grounds		380,333	26,000	406,333	397,583	8,750	370,485	(45,297)	325,188	315,039	10,149
Security:											
Salaries	11-000-266-100	209,829	6,955	216,784	216,784		177,668	12,566	190,234	170,792	19,442
Purchased Technical Services	11-000-266-420	29,000	(22,019)	6,981	6,981		16,000		16,000	3,375	12,625
General Supplies	11-000-266-610	9,000	185	9,185	7,553	1,632	8,000	(2,468)	5,532	2,170	3,362
Total Security		247,829	(14,879)	232,950	231,318	1,632	201,668	10,098	211,766	176,337	35,429

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Student Transportation Services:											
Salaries of Non-Instructional Aides	11-000-270-107	79,193	(79,193)				105,547	(105,547)			
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	1,110,131	170,349	1,280,480	1,263,271	17,209	1,183,110	99,801	1,282,911	1,282,315	596
Salaries for Pupil Transportation (Between Home & School) - Special Education	11-000-270-161	15,000	(15,000)				15,000	(15,000)			
Salaries for Pupil Transportation (Other Than Between Home & School)	11-000-270-162	43,500	(43,500)				43,500	(43,500)			
Salaries for Pupil Transportation (Between Home & School) - Nonpublic Schools	11-000-270-163	18,000		18,000	17,680	320	18,000	(7,392)	10,608	10,608	
Other Purchased Professional & Technical Services	11-000-270-390	13,000	233,655	246,655	7,890	238,765	13,000	229,233	242,233	8,510	233,723
Lease Purchase Payments - Buses	11-000-270-443	310,000	(798)	309,202	306,147	3,055	330,800	(839)	329,961	329,961	
Contracted Services (Special Education Students) - Vendors	11-000-270-514						22,000	(22,000)			
Contracted Services (Special Education Students) - Jointure Agreements	11-000-270-515	22,000	(21,229)	771	771						
Contracted Services - ESC's & CTSA's - (Special Education Students)	11-000-270-518	450,000	(40,365)	409,635	409,280	355	450,000	(29,581)	420,419	420,419	
Aid in Lieu	11-000-270-503	24,500	12,758	37,258	31,175	6,083	24,500	4,586	29,086	29,086	
Miscellaneous Purchased Services - Transportation	11-000-270-593	33,000	3,546	36,546	36,546		38,000	(500)	37,500	37,500	
Transportation Supplies	11-000-270-615	277,000	5,628	282,628	277,182	5,446	300,000	21,459	321,459	310,832	10,627
Miscellaneous Expenditures	11-000-270-800	3,000		3,000	2,974	26	3,000	(54)	2,946	2,946	
<b>Total Student Transportation Services</b>		<b>2,398,324</b>	<b>225,851</b>	<b>2,624,175</b>	<b>2,352,916</b>	<b>271,259</b>	<b>2,546,457</b>	<b>130,666</b>	<b>2,677,123</b>	<b>2,432,177</b>	<b>244,946</b>
Student Transportation Services - Employee Benefits:											
Health Benefits	11-000-270-270	575,000	(12,758)	562,242	562,242		587,500	(67,539)	519,961	519,961	
<b>Total Student Transportation Services - Employee Benefits</b>		<b>575,000</b>	<b>(12,758)</b>	<b>562,242</b>	<b>562,242</b>		<b>587,500</b>	<b>(67,539)</b>	<b>519,961</b>	<b>519,961</b>	

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

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	ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE)	JUNE 30, 2011				POSITIVE/ (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
<b>Unallocated Benefits Employee Benefits:</b>											
Social Security Contributions	11-000-291-220	845,255	(20,000)	825,255	671,606	153,649	817,258		817,258	594,476	222,782
Other Retirement Contributions - Regular	11-000-291-241	726,953	(34,600)	692,353	692,278	75	593,000	129,272	722,272	721,574	698
Unemployment Compensation	11-000-291-250	602,000	(435,053)	166,947	164,904	2,043	495,461	(7,037)	488,424	475,667	12,757
Workman's Compensation	11-000-291-260	285,000	(59,811)	225,189	225,116	73	285,000	(10,000)	275,000	218,898	56,102
Health Benefits	11-000-291-270	6,433,000	(164,293)	6,268,707	6,074,275	194,432	5,868,891	(325,487)	5,543,404	5,501,984	41,420
Tuition Reimbursement	11-000-291-280	75,000		75,000	62,741	12,259	75,000		75,000	61,059	13,941
Other Employee Benefits	11-000-291-290	925,000	(263,664)	661,336	661,336		1,265,000	(161,762)	1,103,238	936,845	166,393
<b>Total Unallocated Benefits - Employee Benefits</b>		<b>9,892,208</b>	<b>(977,421)</b>	<b>8,914,787</b>	<b>8,552,256</b>	<b>362,531</b>	<b>9,399,610</b>	<b>(375,014)</b>	<b>9,024,596</b>	<b>8,510,503</b>	<b>514,093</b>
<b>Nonbudgeted:</b>											
On-Behalf TPAF Post Retirement Medical					1,826,624	(1,826,624)				1,297,107	(1,297,107)
Reimbursed TPAF Social Security					1,367,153	(1,367,153)				1,426,412	(1,426,412)
<b>Total Undistributed Expenditures</b>		<b>26,078,767</b>	<b>(232,674)</b>	<b>25,846,093</b>	<b>27,945,479</b>	<b>(2,099,386)</b>	<b>25,533,014</b>	<b>(320,077)</b>	<b>25,212,937</b>	<b>26,422,179</b>	<b>(1,209,242)</b>
<b>Total Expenditures - Current Expense</b>		<b>46,017,001</b>	<b>(68,351)</b>	<b>45,948,650</b>	<b>47,624,772</b>	<b>(1,676,122)</b>	<b>45,042,862</b>	<b>(222,233)</b>	<b>44,820,629</b>	<b>44,959,321</b>	<b>(138,692)</b>
<b>Capital Outlay:</b>											
<b>Equipment:</b>											
School Sponsored & Other Instructional Programs	12-4xx-100-730							8,105	8,105	5,575	2,530
Undistributed Expenditures:											
Instruction	12-000-100-730	9,300	23,178	32,478	32,451	27					
Other Support Services - Students - Special	12-000-219-730							4,320	4,320	4,320	
Support Services - Instructional Staff	12-000-220-730		351,515	351,515	111,943	239,572					
Administrative Information Technology	12-000-252-730							98,023	98,023	2,537	95,486
Operation & Maintenance of Plant Services	12-000-261-730	52,000	135,488	187,488	62,398	125,090	48,000	16,794	64,794	64,794	
Non-Instructional Equipment	12-000-270-732		23,312	23,312	23,312						
<b>Total Equipment</b>		<b>61,300</b>	<b>533,493</b>	<b>594,793</b>	<b>230,104</b>	<b>364,689</b>	<b>48,000</b>	<b>127,242</b>	<b>175,242</b>	<b>77,226</b>	<b>98,016</b>
<b>Facilities Acquisition &amp; Construction Services:</b>											
Construction Services	12-000-400-450		517,564	517,564	517,564			300,000	300,000	9,394	290,606
Other Objects	12-000-400-800	484,443		484,443	484,443		822,353		822,353	822,353	

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	JUNE 30, 2012				POSITIVE/ (NEGATIVE)	JUNE 30, 2011				POSITIVE/ (NEGATIVE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Total Facilities Acquisition & Construction Services	484,443	517,564	1,002,007	1,002,007		822,353	300,000	1,122,353	831,747	290,606
Assets Acquired Under Capital Leases (Nonbudgeted): Capital Leases				987,809	(987,809)					
Total Assets Acquired Under Capital Leases (Nonbudgeted)				987,809	(987,809)					
Total Capital Outlay	545,743	1,051,057	1,596,800	2,219,920	(623,120)	870,353	427,242	1,297,595	908,973	388,622
Total Expenditures	46,562,744	982,706	47,545,450	49,844,692	(2,299,242)	45,913,215	205,009	46,118,224	45,868,294	249,930
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	5,250	(960,802)	(955,552)	552,716	1,508,268	(394,750)	(155,367)	(550,117)	2,561,615	3,111,732
Other Financing Sources/(Uses):										
Transfers In From Capital Project Fund				246	246				1,053	1,053
Interest Deposited Into Capital Reserve	(2,250)		(2,250)		2,250	(2,250)		(2,250)		2,250
Interest Deposited Into Maintenance Reserve	(3,000)		(3,000)		3,000	(3,000)		(3,000)		3,000
Capital Leases (Nonbudgeted)				987,809	987,809					
Total Other Financing Sources/(Uses):	(5,250)		(5,250)	988,055	993,305	(5,250)		(5,250)	1,053	6,303
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses)		(960,802)	(960,802)	1,540,771	2,501,573	(400,000)	(155,367)	(555,367)	2,562,668	3,118,035
Fund Balances, July 1	4,755,232		4,755,232	4,755,232		2,192,564		2,192,564	2,192,564	
Fund Balances, June 30	\$4,755,232	(960,802)	3,794,430	6,296,003	2,501,573	1,792,564	(155,367)	1,637,197	4,755,232	3,118,035

**RECAPITULATION OF FUND BALANCE**

Restricted Fund Balance:	
Capital Reserve	\$1,529,187
Maintenance Reserve	907,949
Excess Surplus	285,266
Committed Fund Balance:	
Year-End Encumbrances	615,931
Assigned Fund Balance:	
Year-End Encumbrances	38,082
Designated for Subsequent Year's Expenditures	1,914,742
Unassigned Fund Balance	1,004,846
Subtotal	6,296,003
Reconciliation to Governmental Fund Statements (GAAP):	
Last State Aid Payment Not Recognized on GAAP Basis	(1,867,219)
Fund Balance per Governmental Funds (GAAP)	\$4,428,784

**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
EDUCATION JOBS FUND PROGRAM -  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	ACCOUNT NUMBER	JUNE 30, 2012				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>Revenues:</b>											
Federal Sources:											
Education Jobs Fund Program	18-4522	\$649,529	21,904	671,433	671,433		49,642	49,642	49,642		
Total Federal Sources		649,529	21,904	671,433	671,433		49,642	49,642	49,642		
Total Revenues		649,529	21,904	671,433	671,433		49,642	49,642	49,642		
<b>Expenditures:</b>											
Education Jobs Fund Program:											
Learning and/or Language Disabilities:											
Other Salaries for Instruction	18-204-100-106	89,241	21,904	111,145	111,145						
Total Learning and/or Language Disabilities		89,241	21,904	111,145	111,145						
Custodial Services:											
Salaries	18-000-262-100	188,125		188,125	188,125						
Total Custodial Services		188,125		188,125	188,125						
Security:											
Salaries	18-000-266-100	54,762		54,762	54,762		49,642	49,642	49,642		
Total Security		54,762		54,762	54,762		49,642	49,642	49,642		
Student Transportation Services:											
Salaries for Pupil Transportation (Between Home & School) - Regular	18-000-270-160	149,737		149,737	149,737						
Health Benefits	18-000-270-270	20,000		20,000	20,000						
Total Student Transportation Services		169,737		169,737	169,737						
Unallocated Benefits Employee Benefits:											
Health Benefits	18-000-291-270	147,664		147,664	147,664						
Total Unallocated Benefits Employee Benefits		147,664		147,664	147,664						
Total Education Jobs Fund Expenditures		649,529	21,904	671,433	671,433		49,642	49,642	49,642		
Total Expenditures		649,529	21,904	671,433	671,433		49,642	49,642	49,642		
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		-	-	-	-		-	-	-		-

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	JUNE 30, 2012				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>REVENUES</b>										
Federal Sources	\$1,100,000	171,527	1,271,527	1,271,527		1,080,000	161,275	1,241,275	1,241,275	
Local Sources		7,740	7,740	7,740			34,185	34,185	34,185	
<b>Total Revenues</b>	<b>1,100,000</b>	<b>179,267</b>	<b>1,279,267</b>	<b>1,279,267</b>		<b>1,080,000</b>	<b>195,460</b>	<b>1,275,460</b>	<b>1,275,460</b>	
<b>EXPENDITURES:</b>										
Instruction:										
Salaries of Teachers	400,000	(4,911)	395,089	395,089		340,000	(6,938)	333,062	333,062	
Tuition	700,000	52,194	752,194	752,194		740,000	2,157	742,157	742,157	
Purchased Professional - Educational Services		19,643	19,643	19,643			76,366	76,366	76,366	
General Supplies		10,520	10,520	10,520			2,940	2,940	2,940	
<b>Total Instruction</b>	<b>1,100,000</b>	<b>77,446</b>	<b>1,177,446</b>	<b>1,177,446</b>		<b>1,080,000</b>	<b>74,525</b>	<b>1,154,525</b>	<b>1,154,525</b>	
Support Services:										
Salaries of Other Professional Staff		5,600	5,600	5,600			8,652	8,652	8,652	
Personal Services - Employee Benefits		79,019	79,019	79,019			66,611	66,611	66,611	
Purchased Professional - Educational Services		11,397	11,397	11,397			19,722	19,722	19,722	
Supplies & Materials		5,805	5,805	5,805			25,950	25,950	25,950	
<b>Total Support Services</b>		<b>101,821</b>	<b>101,821</b>	<b>101,821</b>			<b>120,935</b>	<b>120,935</b>	<b>120,935</b>	
<b>Total Outflows</b>	<b>1,100,000</b>	<b>179,267</b>	<b>1,279,267</b>	<b>1,279,267</b>	<b>-</b>	<b>1,080,000</b>	<b>195,460</b>	<b>1,275,460</b>	<b>1,275,460</b>	<b>-</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	-	-	-	-	-	-	-	-	-



**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**



**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$50,397,408	1,279,267
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year		(1,095)
Prior Year		22,323
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,741,537	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(1,867,219)	
	\$50,271,726	1,300,495
<b>Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)</b>	<b>\$50,271,726</b>	<b>1,300,495</b>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$49,844,692	1,279,267
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Current Year		(1,095)
Prior Year		22,323
	\$49,844,692	1,300,495
<b>Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)</b>	<b>\$49,844,692</b>	<b>1,300,495</b>

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



**OTHER SUPPLEMENTARY INFORMATION**



D. School Based Budget Schedules

Not Applicable



E. Special Revenue Fund



**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

	I.D.E.A. PART B		NO CHILD LEFT BEHIND		
	BASIC REGULAR	BASIC PRESCHOOL	TITLE I	TITLE I ROLL OVER	TITLE IIA
Revenues:					
Federal Sources	\$752,194	65,897	346,676	21,111	85,649
Local Sources					
<b>Total Revenues</b>	<b>\$752,194</b>	<b>65,897</b>	<b>346,676</b>	<b>21,111</b>	<b>85,649</b>
Expenditures:					
Instruction:					
Salaries of Teachers		53,697	274,516		66,876
Tuition	\$752,194				
Purchased Professional - Educational Services			10,757	8,886	
General Supplies		1,460		9,060	
<b>Total Instruction</b>	<b>752,194</b>	<b>55,157</b>	<b>285,273</b>	<b>17,946</b>	<b>66,876</b>
Support Services:					
Salaries of Other Professional Staff					
Personal Services - Employee Benefits		10,740	54,903		13,376
Purchased Professional - Educational Services			6,000		5,397
Supplies & Materials			500	3,165	
<b>Total Support Services</b>		<b>10,740</b>	<b>61,403</b>	<b>3,165</b>	<b>18,773</b>
<b>Total Expenditures</b>	<b>\$752,194</b>	<b>65,897</b>	<b>346,676</b>	<b>21,111</b>	<b>85,649</b>

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

	OCEAN FIRST LITERACY	READING EXCELLENCE	2012	2011
<b>Revenues:</b>				
Federal Sources			1,271,527	1,241,275
Local Sources	\$783	6,957	7,740	34,185
<b>Total Revenues</b>	<b>\$783</b>	<b>6,957</b>	<b>1,279,267</b>	<b>1,275,460</b>
<b>Expenditures:</b>				
<b>Instruction:</b>				
Salaries of Teachers			395,089	333,062
Tuition			752,194	742,157
Purchased Professional - Educational Services			19,643	76,366
General Supplies			10,520	2,940
<b>Total Instruction</b>			<b>1,177,446</b>	<b>1,154,525</b>
<b>Support Services:</b>				
Salaries of Other Professional Staff		5,600	5,600	8,652
Personal Services - Employee Benefits			79,019	66,611
Purchased Professional - Educational Services			11,397	19,722
Supplies & Materials	\$783	1,357	5,805	25,950
<b>Total Support Services</b>	<b>783</b>	<b>6,957</b>	<b>101,821</b>	<b>120,935</b>
<b>Total Expenditures</b>	<b>\$783</b>	<b>6,957</b>	<b>1,279,267</b>	<b>1,275,460</b>

F. Capital Projects Fund



**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

PROJECT TITLE/ISSUE	DATE	ORIGINAL APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED
			PRIOR YEARS	CURRENT YEAR	BALANCE JUNE 30, 2012
Various HVAC Projects	4/1/2002	\$2,748,679	2,742,601		6,078
Central Office	4/1/2002	569,777	566,041		3,736
Brackman Roof	4/1/2002	140,300	139,968		332
Workshop Renovation	4/1/2002	386,720	350,916		35,804
Various Fields	4/1/2002	670,055	669,902		153
Horbelt School	10/7/1999	9,497,000	9,482,245		14,755
Construction of New High School	12/1/2001	32,069,974	31,945,977	74,139	49,858
Construction of A New Elementary School & Improvements To Various Schools	1/5/2005	75,749,764	73,920,137	491,928	1,337,699
Security Upgrades/Surveillance Cameras	5/1/2011	304,354	304,354		
<b>Total</b>		<b>\$122,136,623</b>	<b>120,122,141</b>	<b>566,067</b>	<b>1,448,415</b>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE-BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Revenues & Other Financing Sources:	
Additional SCC Overages	\$553,568
Interest Earnings	<u>246</u>
Total Revenues	<u>553,814</u>
Expenditures & Other Financing Uses:	
Project Expenditures	<u>566,067</u>
Total Expenditures	<u>566,067</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(12,253)</u>
Other Financing Sources/(Uses):	
Transfer of Interest Earnings to General Fund	<u>(246)</u>
Total Other Financing Sources & Uses	<u>(246)</u>
Net Change in Fund Balance	(12,499)
Fund Balance - Beginning (Unadjusted)	<u>1,460,914</u>
Fund Balance - Beginning	<u>1,460,914</u>
Fund Balance - Ending	<u><u>\$1,448,415</u></u>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS—BUDGETARY BASIS  
VARIOUS HVAC  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$1,403,697		1,403,697	1,403,697
Transfer from Capital Outlay	1,344,982		1,344,982	1,344,982
Total Reserve	2,748,679		2,748,679	2,748,679
Expenditures & Other Financing Uses:				
Project Expenditures	2,742,601		2,742,601	2,748,679
Total Expenditures & Other Financing Uses	2,742,601		2,742,601	2,748,679
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$6,078	-	6,078	-

**ADDITIONAL PROJECT INFORMATION**

Project Number	0185-015-02-0956
Grant Date	4/1/2002
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$2,577,577
Additional Authorized Cost	\$171,102
Revised Authorized Cost	\$2,748,679
Percentage Increase Over Original Authorized Cost	6.64%
Percentage Completion	100.00%
Original Target Completion Date	09/01/03
Revised Target Completion Date	09/01/03

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
CENTRAL OFFICE  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$386,590		386,590	386,590
Transfer from Capital Outlay	183,187		183,187	183,187
	<hr/>			
Total Reserve	569,777		569,777	569,777
Expenditures & Other Financing Uses:				
Project Expenditures	566,041		566,041	569,777
	<hr/>			
Total Expenditures & Other Financing Uses	566,041		566,041	569,777
	<hr/>			
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$3,736	-	3,736	-
	<hr/>			

**ADDITIONAL PROJECT INFORMATION**

Project Number	0185-015-02-0956
Grant Date	4/1/2002
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$562,577
Additional Authorized Cost	\$7,200
Revised Authorized Cost	\$569,777
Percentage Increase Over Original Authorized Cost	1.28%
Percentage Completion	100.00%
Original Target Completion Date	04/01/03
Revised Target Completion Date	04/01/03

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
BRACKMAN ROOF  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$97,025		97,025	97,025
Transfer from Capital Outlay	43,275		43,275	43,275
<b>Total Reserve</b>	<b>140,300</b>		<b>140,300</b>	<b>140,300</b>
Expenditures & Other Financing Uses:				
Project Expenditures	139,968		139,968	140,300
<b>Total Expenditures &amp; Other Financing Uses</b>	<b>139,968</b>		<b>139,968</b>	<b>140,300</b>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$332	-	332	-

**ADDITIONAL PROJECT INFORMATION**

Project Number	0185-050-02-0660
Grant Date	4/1/2002
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$140,300
Additional Authorized Cost	
Revised Authorized Cost	\$140,300
Percentage Increase Over Original Authorized Cost	
Percentage Completion	100.00%

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
WORKSHOP RENOVATION  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$244,013		244,013	244,013
Transfer from Capital Outlay	142,707		142,707	142,707
Total Reserve	386,720		386,720	386,720
Expenditures & Other Financing Uses:				
Project Expenditures	350,916		350,916	386,720
Total Expenditures & Other Financing Uses	350,916		350,916	386,720
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$35,804	-	35,804	-

**ADDITIONAL PROJECT INFORMATION**

Project Number	0185-050-02-1066
Grant Date	4/1/2002
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$75,000
Additional Authorized Cost	\$311,720
Revised Authorized Cost	\$386,720
Percentage Increase Over Original Authorized Cost	415.63%
Percentage Completion	100.00%
Original Target Completion Date	09/01/03
Revised Target Completion Date	09/01/03

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS—BUDGETARY BASIS  
VARIOUS FIELDS  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$519,442		519,442	519,442
Transfer from Capital Outlay	150,613		150,613	150,613
<b>Total Reserve</b>	<b>670,055</b>		<b>670,055</b>	<b>670,055</b>
Expenditures & Other Financing Uses:				
Project Expenditures	669,902		669,902	670,055
<b>Total Expenditures &amp; Other Financing Uses</b>	<b>669,902</b>		<b>669,902</b>	<b>670,055</b>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$153	-	153	-

**ADDITIONAL PROJECT INFORMATION**

Project Number	0185-015-02, 0185-015-02-0640, 0185-010-02-0661
Grant Date	4/1/2002
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$2,577,577
Additional Authorized Cost	\$171,102
Revised Authorized Cost	\$2,748,679
Percentage Increase Over Original Authorized Cost	6.64%
Percentage Completion	100.00%
Original Target Completion Date	09/01/03
Revised Target Completion Date	09/01/03

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
HORBELT SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant				
Bond Proceeds & Other Sources	\$9,497,000		9,497,000	9,497,000
Total Reserve	9,497,000		9,497,000	9,497,000
Expenditures & Other Financing Uses:				
Project Expenditures	8,584,682		8,584,682	8,599,437
Project Balances Cancelled:				
Debt Service Fund	739,553		739,553	739,553
Other Capital Projects	158,010		158,010	158,010
Total Expenditures & Other Financing Uses	9,482,245		9,482,245	9,497,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$14,755	-	14,755	-

**ADDITIONAL PROJECT INFORMATION**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	1/25/1999
Bonds Authorized	1/25/1999
Bonds Issued	10/7/1999
Original Authorized Cost	\$9,497,000
Additional Authorized Cost	(\$882,799)
Revised Authorized Cost	\$8,614,201
Percentage Increase Over Original Authorized Cost	-9.30%
Percentage Completion	100.00%
Original Target Completion Date	9/1/2001
Revised Target Completion Date	9/1/2001

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
CONSTRUCTION OF A NEW HIGH SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
<b>Revenues &amp; Other Financing Sources:</b>				
State Sources - SCC Grant	\$21,352,565		21,352,565	21,352,565
Bond Proceeds & Other Sources	9,139,000		9,139,000	9,139,000
Transfer from Capital Reserve	383,704		383,704	383,704
Transfer from Capital Outlay	955		955	955
Additional SCC Overages	1,119,611	74,139	1,193,750	1,039,706
Interest Earnings	603	23	626	
<b>Total Reserve</b>	<b>31,996,438</b>	<b>74,162</b>	<b>32,070,600</b>	<b>31,915,930</b>
<b>Expenditures &amp; Other Financing Uses:</b>				
Project Expenditures	30,956,129	74,139	31,030,268	30,926,082
Project Balances Cancelled:				
Other Capital Projects	989,848		989,848	989,848
<b>Total Expenditures &amp; Other Financing Uses</b>	<b>31,945,977</b>	<b>74,139</b>	<b>32,020,116</b>	<b>31,915,930</b>
<b>Other Financing Sources/(Uses):</b>				
Transfer of Interest to General Fund	(603)	(23)	(626)	
<b>Total Other Financing Sources/ (Uses)</b>	<b>(603)</b>	<b>(23)</b>	<b>(626)</b>	
<b>Excess/(Deficiency) of Revenues Over/ (Under) Expenditures</b>	<b>\$49,858</b>	<b>-</b>	<b>49,858</b>	<b>-</b>

**ADDITIONAL PROJECT INFORMATION**

Project Number	202025
Grant Date	December, 2001
Bond Authorization Date	December, 2001
Bonds Authorized	December, 2001
Bonds Issued	July, 2004
Original Authorized Cost	\$30,876,224
Additional Authorized Cost	231,192
Revised Authorized Cost	\$31,107,416
Percentage Increase Over Original Authorized Cost	0.75%
Percentage Completion	100.00%
Original Target Completion Date	September, 2004
Revised Target Completion Date	September, 2004

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
CONSTRUCTION OF A NEW ELEMENTARY SCHOOL AND  
IMPROVEMENTS TO VARIOUS SCHOOLS  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$49,375,884		49,375,884	49,375,884
Bond Proceeds & Other Sources	22,689,700		22,689,700	22,689,700
Additional SCC Overages	3,204,751	479,429	3,684,180	
Interest Earnings	1,773	138	1,911	
<b>Total Revenues</b>	<b>75,272,108</b>	<b>479,567</b>	<b>75,751,675</b>	<b>72,065,584</b>
Expenditures & Other Financing Uses:				
Project Expenditures	73,920,137	491,928	74,412,065	72,065,584
<b>Total Expenditures &amp; Other Financing Uses</b>	<b>73,920,137</b>	<b>491,928</b>	<b>74,412,065</b>	<b>72,065,584</b>
Other Financing Sources/(Uses):				
Transfer of Interest to General Fund	(1,773)	(138)	(1,911)	
<b>Total Other Financing Sources/ (Uses)</b>	<b>(1,773)</b>	<b>(138)</b>	<b>(1,911)</b>	
<b>Excess/(Deficiency) of Revenues Over/ (Under) Expenditures</b>	<b>\$1,350,198</b>	<b>(12,499)</b>	<b>1,337,699</b>	<b>-</b>

**ADDITIONAL PROJECT INFORMATION**

Project Number	: -010-03-0589, -015-03-0591, -050-03-0593, -070-03-0592, -N01-02-0025, -N02-03-0656
Grant Date	2004
Bond Authorization Date	1/5/2005
Bonds Authorized	\$22,689,700
Bonds Issued	\$22,689,700
Original Authorized Cost	\$72,065,584
Additional Authorized Cost	\$3,378,584
Revised Authorized Cost	\$75,444,168
Percentage Increase Over Original Authorized Cost	4.69%
Percentage Completion	98.23%
Original Target Completion Date	09/01/08
Revised Target Completion Date	09/30/11

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND  
PROJECT STATUS--BUDGETARY BASIS  
INSTALLATION OF SURVEILLANCE CAMERAS  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$289,590		289,590	289,590
Transfer from Capital Projects	14,764		14,764	14,765
Interest Earnings		85	85	
Total Reserve	304,354	85	304,439	304,355
Expenditures & Other Financing Uses:				
Project Expenditures	304,354		304,354	304,355
Total Expenditures & Other Financing Uses	304,354		304,354	304,355
Other Financing Sources/(Uses):				
Transfer of Interest to General Fund		(85)	(85)	
Total Other Financing Sources/ (Uses)		(85)	(85)	
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-

**ADDITIONAL PROJECT INFORMATION**

Project Number 5: -015-03-0591-01, -N02-03-0656-01, -010-03-0589-01, 070-03-0592-01, N01-03-0655-01	
Grant Date	2011
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$304,355
Additional Authorized Cost	N/A
Revised Authorized Cost	\$304,355
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	100.00%
Original Target Completion Date	June, 2011
Revised Target Completion Date	June, 2011



## G. Proprietary Funds



## Enterprise Funds



**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**ENTERPRISE FUND**  
**COMBINING SCHEDULE OF NET ASSETS**  
**AS OF JUNE 30, 2012**  
**(With Comparative Totals for June 30, 2011)**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2012	2011
	FOOD SERVICE	COMMUNITY EDUCATION		
Current Assets:				
Cash	\$15,554	62,358	77,912	95,679
Accounts Receivable				
State	484		484	773
Federal	17,458		17,458	23,589
Inventories	16,485		16,485	17,403
Total Current Assets	49,981	62,358	112,339	137,444
Noncurrent Assets:				
Furniture, Machinery & Equipment	904,707		904,707	835,985
Less: Accumulated Depreciation	(577,975)		(577,975)	(542,722)
Total Noncurrent Assets	326,732		326,732	293,263
Total Assets	376,713	62,358	439,071	430,707
 NET ASSETS				
Invested in Capital Assets, Net of Related Debt	326,732		326,732	293,263
Unrestricted	49,981	62,358	112,339	137,444
Total Net Assets	\$376,713	62,358	439,071	430,707

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**ENTERPRISE FUND**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND NET ASSETS**  
**AS OF JUNE 30, 2012**  
**(With Comparative Totals for June 30, 2011)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2012	2011
	FOOD SERVICE	COMMUNITY EDUCATION		
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs:				
School Lunch Program	\$459,057		459,057	460,404
Daily Sales Nonreimbursable Programs:				
School Lunch Program	208,984		208,984	250,004
<b>Total Operating Revenues</b>	<b>668,041</b>		<b>668,041</b>	<b>710,408</b>
Operating Expenses:				
Cost of Sales	576,995		576,995	538,886
Salaries & Benefits	412,994		412,994	413,753
Management & Administrative Fees	122,694		122,694	119,407
Other Purchased Services	21,271		21,271	22,946
Cleaning, Repair & Maintenance Services	45,668		45,668	97,068
Depreciation	35,253		35,253	33,375
<b>Total Operating Expenses</b>	<b>1,214,875</b>		<b>1,214,875</b>	<b>1,225,435</b>
<b>Operating Income/(Loss)</b>	<b>(546,834)</b>		<b>(546,834)</b>	<b>(515,027)</b>
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	13,818		13,818	13,738
Federal Sources:				
National School Lunch Program	396,172		396,172	364,482
National School Breakfast Program	82,888		82,888	71,845
Food Distribution Program	61,898		61,898	51,028
Interest & Investment Revenue				1,277
Miscellaneous Revenue		422	422	
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>554,776</b>	<b>422</b>	<b>555,198</b>	<b>502,370</b>
Change in Net Assets	7,942	422	8,364	(12,657)
Total Net Assets - Beginning	368,771	61,936	430,707	443,364
<b>Total Net Assets - Ending</b>	<b>\$376,713</b>	<b>62,358</b>	<b>439,071</b>	<b>430,707</b>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
ENTERPRISE FUND  
COMBINING SCHEDULE OF CASH FLOWS  
AS OF JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2012	2011
	FOOD SERVICE	COMMUNITY EDUCATION		
Cash Flows From Operating Activities:				
Receipts from Customers	\$668,041		668,041	738,185
Payments for Operations	(1,116,806)		(1,116,806)	(1,237,090)
Net Cash Provided/(Used) by Operating Activities	(448,765)		(448,765)	(498,905)
Cash Flows From Capital Financing Activities:				
Purchases of Fixed Assets	(68,722)		(68,722)	(56,960)
Net Cash Provided/(Used) by Capital Financing Activities	(68,722)		(68,722)	(56,960)
Cash Flows From Noncapital Financing Activities:				
State Sources	14,107		14,107	15,055
Federal Sources	485,191		485,191	446,798
Miscellaneous Revenue		422	422	
Net Cash Provided/(Used) by Noncapital Financing Activities	499,298	422	499,720	461,853
Cash Flows From Investing Activities:				
Interest & Dividends				1,277
Net Cash Provided/(Used) by Investing Activities				1,277
Net Increase/(Decrease) in Cash & Cash Equivalents	(18,189)	422	(17,767)	(92,735)
Balances - Beginning of Year	33,743	61,936	95,679	188,414
Balances - End of Year	\$15,554	62,358	77,912	95,679

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

Operating Income/(Loss)	(\$546,834)	(546,834)	(515,027)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Food Distribution Program	61,898	61,898	51,028
Depreciation & Net Amortization	35,253	35,253	33,375
(Increase)/Decrease in Accounts Receivable - Other			27,777
(Increase)/Decrease in Inventories	918	918	(2,552)
(Increase)/Decrease in Interfunds			(93,506)
Total Adjustments	98,069	98,069	16,122
Net Cash Provided/(Used) by Operating Activities	(\$448,765)	(448,765)	(498,905)



Internal Service Fund

Not Applicable



## H. Fiduciary Fund



**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

ASSETS	PRIVATE PURPOSE	AGENCY		2012	2011
	UNEMPLOYMENT COMPENSATION TRUST	PAYROLL FUND	STUDENT ACTIVITY		
Cash & Cash Equivalents	\$144,742	941,225	136,828	1,222,795	243,362
Interfund Receivable	69,002	21,525		90,527	90,781
<b>Total Assets</b>	<b>213,744</b>	<b>962,750</b>	<b>136,828</b>	<b>1,313,322</b>	<b>334,143</b>
<b>LIABILITIES</b>					
Payable to Student Groups			136,828	136,828	129,455
Claims Payable	48,808			48,808	27,607
Payroll Deductions & Withholdings		951,124		951,124	
Interfund Payable		11,626		11,626	11,626
<b>Total Liabilities</b>	<b>48,808</b>	<b>962,750</b>	<b>136,828</b>	<b>1,148,386</b>	<b>168,688</b>
<b>NET ASSETS</b>					
Held in Reserve for Unemployment Claims	164,936			164,936	165,455
<b>Total Net Assets</b>	<b>\$164,936</b>	<b>-</b>	<b>-</b>	<b>164,936</b>	<b>165,455</b>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2012  
(With Comparative Totals for June 30, 2011)**

ADDITIONS	PRIVATE PURPOSE UNEMPLOYMENT COMPENSATION TRUST	2012	2011
Contributions:			
Plan Members	\$195,307	195,307	600,303
Interest Earned			767
Total Additions	<u>195,307</u>	<u>195,307</u>	<u>601,070</u>
<b>DEDUCTIONS</b>			
Unemployment Claims	<u>195,826</u>	<u>195,826</u>	<u>487,666</u>
Total Deductions	<u>195,826</u>	<u>195,826</u>	<u>487,666</u>
Change in Net Assets	(519)	(519)	113,404
Net Assets - Beginning of the Year	<u>165,455</u>	<u>165,455</u>	<u>52,051</u>
Net Assets - End of the Year	<u>\$164,936</u>	<u>164,936</u>	<u>165,455</u>

EXHIBIT H-3

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

SCHOOLS	BALANCE JULY 1, 2011	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2012
R.I.F. Account	\$134		134	
Student Activities	13,033	33,719	28,669	18,083
High School Activities	12,321	214,781	197,546	29,556
High School Sports	103,967	129,578	144,356	89,189
<b>Total Liabilities</b>	<b>\$129,455</b>	<b>378,078</b>	<b>370,705</b>	<b>136,828</b>

EXHIBIT H-4

**PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

ASSETS	BALANCE JULY 1, 2011	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2012
Cash & Cash Equivalents		34,957,600	34,016,375	941,225
Interfund Receivable	\$21,779		254	21,525
<b>Total Assets</b>	<b>\$21,779</b>	<b>34,957,600</b>	<b>34,016,629</b>	<b>962,750</b>
<b>LIABILITIES</b>				
Payroll Deductions & Withholdings	\$10,153	34,957,600	34,016,629	951,124
Interfund Payable	11,626			11,626
<b>Total Liabilities</b>	<b>\$21,779</b>	<b>34,957,600</b>	<b>34,016,629</b>	<b>962,750</b>



## I. Long-Term Debt



**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS PAYABLE  
JUNE 30, 2012**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2011	ADDITION	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2012
			DATE	AMOUNT					
Construction of Middle School	06/15/88	\$8,296,000				\$396,000		396,000	
Refunding Bonds - 2004	01/15/04	10,310,000	4/1/2013	\$290,000	3.125%	9,275,000		295,000	8,980,000
			4/1/2014	690,000	3.250%				
			4/1/2015	680,000	3.500%				
			4/1/2016	695,000	4.500%				
			4/1/2017	715,000	4.500%				
			4/1/2018	715,000	4.500%				
			4/1/2019	735,000	4.000%				
			4/1/2020	725,000	4.000%				
			4/1/2021	740,000	4.125%				
			4/1/2022	735,000	4.200%				
			4/1/2023	750,000	4.250%				
			4/1/2024	740,000	4.300%				
4/1/2025	770,000	4.350%							
Construction of High School	07/14/05	9,139,000	7/15/2012	430,000	4.375%	7,844,000		6,494,000	1,350,000
			7/15/2013	450,000	4.375%				
			7/15/2014	470,000	4.375%				

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS PAYABLE  
JUNE 30, 2012**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2011	ADDITION	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2012
			DATE	AMOUNT					
Renovations and Improvements of Existing Schools	11/1/07	22,000,000	4/15/2013	505,000	4.375%	21,315,000		60,000	21,255,000
			4/15/2014	135,000	4.375%				
			4/15/2015	175,000	4.375%				
			4/15/2016	190,000	4.375%				
			4/15/2017	210,000	4.375%				
			4/15/2018	250,000	4.375%				
			4/15/2019	275,000	4.375%				
			4/15/2020	325,000	4.375%				
			4/15/2021	355,000	4.375%				
			4/15/2022	405,000	4.375%				
			4/15/2023	440,000	4.375%				
			4/15/2024	505,000	4.375%				
			4/15/2025	530,000	4.375%				
			4/15/2026	2,115,000	4.375%				
			4/15/2027	2,210,000	4.375%				
			4/15/2028	2,310,000	4.500%				
			4/15/2029	2,410,000	4.500%				
4/15/2030	2,520,000	4.500%							
4/15/2031	2,635,000	4.500%							
4/15/2032	2,755,000	4.500%							
Refunding School Bonds - 2012	4/24/12	6,105,000	7/15/2012	95,000	2.000%		6,105,000		6,105,000
			7/15/2013	10,000	2.000%				
			7/15/2014	10,000	2.000%				
			7/15/2015	505,000	4.000%				
			7/15/2016	520,000	3.000%				
			7/15/2017	540,000	3.000%				
			7/15/2018	560,000	4.000%				
			7/15/2019	580,000	4.000%				
			7/15/2020	600,000	4.000%				
			7/15/2021	625,000	4.000%				
			7/15/2022	655,000	5.000%				
7/15/2023	685,000	5.000%							
7/15/2024	720,000	4.000%							
Total						<u>\$38,830,000</u>	<u>6,105,000</u>	<u>7,245,000</u>	<u>37,690,000</u>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
JUNE 30, 2012**

SERIES	INTEREST RATE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2011	ISSUED	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2012
Buses	4.95%	111,252	\$24,199		24,199	
2008 Buses (3)	4.54%	183,807	77,041		37,665	39,376
2008 Buses (6)	4.54%	436,458	185,288		90,588	94,700
2008 Buses (5)	4.54%	378,715	159,176		77,821	81,355
2009 Wheelchair Bus	5.23%	84,967	50,892		16,107	34,785
2009 Safety Seat Bus	4.32%	169,238	101,422		32,388	69,034
Textbook Lease	3.83%	630,000	377,644		121,181	256,463
Computer Lease	3.83%	425,000	254,760		81,749	173,011
Classroom Equipment	4.18%	114,724	89,861		21,105	68,756
Energy Savings Improvement Plan	2.94%	4,135,000		4,135,000		4,135,000
Total			\$1,320,283	4,135,000	502,803	4,952,480

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	JUNE 30, 2012				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:										
Local Sources:										
Local Tax Levy	\$2,321,440		2,321,440	2,321,440		2,319,468		2,319,468	2,319,468	
State Sources:										
Debt Service Aid Type II	538,550		538,550	538,550		546,800		546,800	546,800	
Total Revenues	2,859,990		2,859,990	2,859,990		2,866,268		2,866,268	2,866,268	
Expenditures:										
Regular Debt Service:										
Interest	1,698,990		1,698,990	1,698,990		1,756,269		1,756,269	1,756,269	
Redemption of Principal	1,161,000		1,161,000	1,161,000		1,110,000		1,110,000	1,110,000	
Total Regular Debt Service	2,859,990		2,859,990	2,859,990		2,866,269		2,866,269	2,866,269	
Total Expenditures	2,859,990		2,859,990	2,859,990		2,866,269		2,866,269	2,866,269	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures						(1)		(1)	(1)	
Fund Balance, July 1						1		1	1	
Fund Balance, June 30	\$ -	-	-	-	-	-	-	-	-	-

**STATISTICAL SECTION (Unaudited)**



**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NET ASSETS BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*

	FISCAL YEAR ENDING JUNE 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Governmental Activities:</b>										
Invested in Capital Assets,										
Net of Related Debt	\$96,705,379	95,731,157	96,355,634	95,321,191	51,451,552	50,469,989	33,995,698	32,294,277	26,040,904	9,873,793
Restricted	1,448,415	998,512	995,502	1,999,611	32,637,948	(5,869,521)	(327,063)	232,676	1,012,175	3,962,623
Unrestricted	2,275,895	1,319,040	(1,532,062)	(692,099)	(339,242)	(1,559,155)	(91,488)	(810,851)	(801,955)	(173,994)
<b>Total Governmental Activities</b>										
Net Assets	<u>\$100,429,689</u>	<u>98,048,709</u>	<u>95,819,074</u>	<u>96,628,703</u>	<u>83,750,258</u>	<u>43,041,313</u>	<u>33,577,147</u>	<u>31,716,102</u>	<u>26,251,124</u>	<u>13,662,422</u>
<b>Business-Type Activities:</b>										
Invested in Capital Assets,										
Net of Related Debt	\$326,732	293,263	269,678	322,901	106,186	115,620	136,820	158,020	179,220	200,451
Unrestricted	112,339	137,444	173,686	132,686	28,533	120,776	138,072	123,071	161,053	135,781
<b>Total Business-Type Activities</b>										
Net Assets	<u>\$439,071</u>	<u>430,707</u>	<u>443,364</u>	<u>455,587</u>	<u>134,719</u>	<u>236,396</u>	<u>\$274,892</u>	<u>\$281,091</u>	<u>\$340,273</u>	<u>\$336,232</u>
<b>District-Wide:</b>										
Invested in Capital Assets,										
Net of Related Debt	\$97,032,111	96,024,420	96,625,312	95,644,092	51,557,738	50,585,609	34,132,518	32,452,297	26,220,124	10,074,244
Restricted	1,448,415	998,512	995,502	1,999,611	32,637,948	(5,869,521)	(327,063)	232,676	1,012,175	3,962,623
Unrestricted	2,388,234	1,456,484	(1,358,376)	(559,413)	(310,709)	(1,438,379)	46,584	(687,780)	(640,902)	(38,213)
<b>Total District Net Assets</b>	<u>\$100,868,760</u>	<u>98,479,416</u>	<u>96,262,438</u>	<u>97,084,290</u>	<u>83,884,977</u>	<u>43,277,709</u>	<u>33,852,039</u>	<u>31,997,193</u>	<u>26,591,397</u>	<u>13,998,654</u>

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

	FISCAL YEAR ENDING JUNE 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$14,914,501	14,095,891	15,469,793	15,535,294	15,598,078	16,946,136	14,240,368	12,408,975	10,161,072	9,389,292
Special Education	4,074,599	3,877,190	3,859,197	3,617,328	3,270,502	5,925,299	4,671,128	4,484,315	4,074,024	3,524,365
Other Special Education	1,867,639	1,718,586	2,010,487	1,896,723	1,575,699	2,195,602	2,065,759	1,475,538	1,039,744	1,159,263
Support Services:										
Tuition	1,420,914	1,301,806	1,945,710	1,993,203	1,874,863	3,736,225	6,092,463	7,793,081	11,960,965	11,500,384
Student & Instruction Related										
Services	3,905,059	3,857,375	4,127,425	4,147,826	4,053,292	5,058,701	3,958,106	3,937,178	2,615,605	2,533,173
General Administrative Service	615,632	690,219	663,650	680,386	812,398	1,038,952	1,005,088	880,942	1,017,375	888,074
School Administrative Services	1,450,603	1,429,639	1,466,713	1,381,140	1,498,133	1,760,911	1,246,442	1,148,812	1,124,152	1,288,854
Central Services	426,851	403,167	486,267	452,732	1,920,947	765,592	464,779	546,790	499,628	452,016
Admin Information Technology	221,236	205,272	172,077	81,265	69,583					
Plant Operations & Maintenance	4,864,239	3,933,889	4,404,492	4,772,700	3,006,400	3,684,497	3,446,851	3,608,578	2,289,812	2,302,688
Pupil Transportation	2,915,158	2,952,138	3,609,704	4,041,363	3,499,404	2,803,402	3,069,275	2,532,924	2,544,497	2,217,559
Unallocated Employee Benefits	11,767,033	11,234,022	11,578,013	10,682,741	10,225,147					
Special Schools					360		4,280	4,000	3,522	2,400
Collection of Prior Year Receivables			90,078							
Interest on Long-Term Debt	1,662,516	1,734,411	1,819,159	1,782,719	1,468,794	1,764,514	1,245,848	959,763	815,254	823,845
Unallocated Compensated										
Absence Expense	32,306	56,322	(41,782)	53,064	63,825					
Unallocated Adjustment to Fixed										
Assets	(201,997)	599,538	905,688							
Unallocated Depreciation	2,668,756	2,771,654	2,812,117	2,701,060	1,841,486	1,779,365	1,740,483	1,752,855	735,528	630,315

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

	FISCAL YEAR ENDING JUNE 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Total Governmental Activities Expenses	52,605,045	50,861,119	55,378,788	53,819,544	50,778,911	47,459,196	43,250,870	41,533,751	38,881,178	36,712,228
Business-Type Activities:										
Food Service	1,214,875	1,225,063	1,185,354	1,192,308	1,280,512	1,106,101	943,730	867,454	612,043	570,394
Community Education		372	45,074	31,810						
Total Business-Type Activities Expense	1,214,875	1,225,435	1,230,428	1,224,118	1,280,512	1,106,101	943,730	867,454	612,043	570,394
Total District Expenses	\$53,819,920	52,086,554	56,609,216	55,043,662	52,059,423	48,565,297	44,194,600	42,401,205	39,493,221	37,282,622
Program Revenues:										
Governmental Activities:										
Grants & Contributions	\$1,839,045	1,799,937	2,776,133	1,863,395	2,222,149	13,943,079	4,420,790	2,264,614	1,980,171	2,027,704
Total Governmental Activities Program Revenues	1,839,045	1,799,937	2,776,133	1,863,395	2,222,149	13,943,079	4,420,790	2,264,614	1,980,171	2,027,704
Business-Type Activities:										
Charges for Services:										
Food Service	668,041	710,408	737,538	760,077	802,326	734,696	659,361	557,500	437,596	396,297
Community Education			16,116	70,559						
Operating Grants & Contributions	554,776	501,093	473,199	417,155	376,071	332,602	277,929	250,633	178,299	159,042
Total Business Type Activities Program Revenues	1,222,817	1,211,501	1,226,853	1,247,791	1,178,397	1,067,298	937,290	808,133	615,895	555,339
Total District Program Revenues	\$3,061,862	3,011,438	4,002,986	3,111,186	3,400,546	15,010,377	5,358,080	3,072,747	2,596,066	2,583,043

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

	FISCAL YEAR ENDING JUNE 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Net (Expense)/Revenue:										
Governmental Activities	(\$50,766,000)	(49,061,182)	(52,602,655)	(51,956,149)	(48,556,762)	(33,516,117)	(38,830,080)	(39,269,137)	(36,901,007)	(34,684,524)
Business-Type Activities	7,942	(13,934)	(3,575)	23,673	(102,115)	(38,803)	(6,440)	(59,321)	3,852	(15,055)
<b>Total District-Wide Net Expense</b>	<b>(\$50,758,058)</b>	<b>(49,075,116)</b>	<b>(52,606,230)</b>	<b>(51,932,476)</b>	<b>(48,658,877)</b>	<b>(33,554,920)</b>	<b>(38,836,520)</b>	<b>(39,328,458)</b>	<b>(36,897,155)</b>	<b>(34,699,579)</b>
General Revenues & Other Changes in Net Assets:										
Governmental Activities:										
Property Taxes Levied for										
General Purposes, Net	\$26,379,687	26,379,687	24,229,720	24,129,720	23,859,822	19,755,300	19,024,930	17,253,247	15,690,217	14,406,550
Taxes Levied for Debt										
Service	2,321,440	2,319,468	2,162,004	2,209,674	2,475,572	781,800	1,870,430	232,113	674,734	
Unrestricted Grants &										
Contributions	24,275,797	22,188,249	23,693,211	22,653,547	23,468,068	22,138,534	19,454,306	27,113,246	34,132,073	21,606,227
Tuition	42,199									
Miscellaneous Income	127,857	403,413	205,521	1,832,594	183,845	304,649	341,460	135,508	365,684	107,259
Adjustment									(1,373,000)	269,583
<b>Total Governmental Activities</b>	<b>53,146,980</b>	<b>51,290,817</b>	<b>50,290,456</b>	<b>50,825,535</b>	<b>49,987,307</b>	<b>42,980,283</b>	<b>40,691,126</b>	<b>44,734,114</b>	<b>49,489,708</b>	<b>36,389,619</b>
Business-Type Activities:										
Investment Earnings		1,277	2,014	1,425	438	306	242	139	189	712
Miscellaneous Income	422									
Contract Budget Guarantee			27,777							
<b>Total Business-Type Activities</b>	<b>422</b>	<b>1,277</b>	<b>29,791</b>	<b>1,425</b>	<b>438</b>	<b>306</b>	<b>242</b>	<b>139</b>	<b>189</b>	<b>712</b>
<b>Total District-Wide</b>	<b>\$53,147,402</b>	<b>51,292,094</b>	<b>50,320,247</b>	<b>50,826,960</b>	<b>49,987,745</b>	<b>42,980,589</b>	<b>40,691,368</b>	<b>44,734,253</b>	<b>49,489,897</b>	<b>36,390,331</b>
Change in Net Assets:										
Governmental Activities	\$2,380,980	2,229,635	(2,312,199)	(1,130,614)	1,430,545	9,464,166	1,861,046	5,464,977	12,588,701	1,705,095
Business-Type Activities	8,364	(12,657)	26,216	25,098	(101,677)	(38,497)	(6,198)	(59,182)	4,041	(14,343)
<b>Total District</b>	<b>\$2,389,344</b>	<b>2,216,978</b>	<b>(2,285,983)</b>	<b>(1,105,516)</b>	<b>1,328,868</b>	<b>9,425,669</b>	<b>1,854,848</b>	<b>5,405,795</b>	<b>12,592,742</b>	<b>1,690,752</b>

Source: District CAFR, Schedule A-2

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

	FISCAL YEAR ENDING JUNE 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund:										
Reserved	\$3,255,633	3,462,641	1,275,029	2,077,708	1,380,649	143,614	1,964,204	1,011,993	725,758	1368765
Unreserved	\$1,173,151	(448,946)	(1,168,758)	(1,089,692)	(92,840)	(9,739)	(295,247)	(187,557)	120,893	(59,334)
<b>Total General Fund</b>	<b>\$4,428,784</b>	<b>3,013,695</b>	<b>106,271</b>	<b>988,016</b>	<b>1,287,809</b>	<b>133,875</b>	<b>1,668,957</b>	<b>824,436</b>	<b>846,651</b>	<b>1,309,431</b>
All Other Governmental Funds:										
Reserved						153,867	657,008	28,035	37,635	
Unreserved, Reported in:										
Special Revenue Fund					(22,278)	(15,028)	(15,014)	(15,014)	(14,795)	(21,693)
Capital Projects Fund	\$1,448,415	1,460,914	1,479,761	2,233,071	32,976,470	(5,728,460)	(855,382)	409,434	665,663	4,115,123
Debt Service Fund			1	55,978	55,977		179,336	130,795	464,617	
<b>Total All Other Governmental Funds</b>	<b>\$1,448,415</b>	<b>1,460,914</b>	<b>1,479,762</b>	<b>2,289,049</b>	<b>33,010,169</b>	<b>(5,589,621)</b>	<b>(34,052)</b>	<b>553,250</b>	<b>1,153,120</b>	<b>4,093,430</b>

Source: District CAFR, Schedule B-1

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Revenues:</b>										
Tax Levy	\$28,701,127	28,699,155	26,391,724	26,339,394	26,335,394	20,537,100	20,895,360	17,485,360	16,364,951	14,406,550
Miscellaneous	170,056	403,413	205,521	1,832,594	183,845	304,650	356,960	149,722	365,684	2,530,223
State Sources	24,124,164	22,688,337	21,180,352	23,330,592	24,577,140	34,972,601	22,619,475	28,141,888	35,173,733	22,764,500
Federal Sources	1,990,678	1,299,849	5,288,992	1,186,350	1,113,077	1,109,013	1,240,121	1,221,758	938,511	869,431
<b>Total Revenue</b>	<b>54,986,025</b>	<b>53,090,754</b>	<b>53,066,589</b>	<b>52,688,930</b>	<b>52,209,456</b>	<b>56,923,364</b>	<b>45,111,916</b>	<b>46,998,728</b>	<b>52,842,879</b>	<b>40,570,704</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Instruction	14,914,501	14,095,891	15,469,793	15,535,294	15,598,078	12,568,651	10,960,974	9,813,462	7,863,307	7,257,881
Special Education Instruction	4,074,599	3,877,190	3,859,197	3,617,328	3,270,502	4,338,752	3,690,902	3,349,127	2,947,372	2,702,685
Other Special Instruction	1,867,639	1,718,586	2,010,487	1,896,723	1,575,699	1,661,699	1,597,231	1,153,198	784,057	887,758
<b>Support Services:</b>										
Tuition	1,420,914	1,301,806	1,945,710	1,993,203	1,874,863	3,736,225	6,092,463	7,793,081	11,960,965	11,500,384
Student & Instruction Related Services	3,905,059	3,857,375	4,127,425	4,147,826	4,053,292	3,706,018	3,288,813	2,952,352	2,008,607	2,061,548
General Administrative Services	615,632	690,219	663,650	680,386	812,398	859,316	854,546	700,693	842,463	772,854
School Administrative Services	1,450,603	1,429,639	1,466,713	1,381,140	1,498,133	1,251,223	1,009,077	827,321	835,288	966,495
Central Services	648,087	608,439	658,344	533,997	1,990,530	536,858	374,715	388,743	366,738	344,688
Plant Operations & Maintenance	5,367,042	4,447,153	5,058,551	5,330,201	4,329,195	3,921,272	3,775,715	3,096,667	2,158,272	2,101,986
Pupil Transportation	2,915,158	2,952,138	3,609,704	4,041,363	3,499,404	2,385,342	2,647,786	2,060,254	2,017,818	1,860,609
Unallocated Benefits	11,746,033	11,234,022	11,578,013	10,682,741	10,225,148	9,820,128	6,498,394	7,246,578	5,318,458	4,594,391

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Special School					360		4,280	4,000	3,522	2,400
Capital Outlay	2,785,987	1,123,451	3,161,913	21,436,777	23,657,467	16,693,391	2,239,391	7,042,090	19,552,088	11,083,181
Debt Service:										
Principal	1,161,000	1,110,000	1,055,000	1,000,000	1,839,160	745,000	565,000	495,000	475,000	460,000
Interest & Other Charges	1,698,990	1,756,269	1,813,234	1,865,502	1,396,973	1,790,139	1,255,410	779,916	812,014	818,245
<b>Total Expenditures</b>	<b>54,571,244</b>	<b>50,202,178</b>	<b>56,477,734</b>	<b>74,142,481</b>	<b>75,621,202</b>	<b>64,014,014</b>	<b>44,854,697</b>	<b>47,702,482</b>	<b>57,945,969</b>	<b>47,415,105</b>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	414,781	2,888,576	(3,411,145)	(21,453,551)	(23,411,745)	(7,090,650)	257,219	(703,754)	(5,103,090)	(6,844,401)
Other Financing Sources/(Uses):										
Capital Leases/Bond Proceeds	987,809		24,646	1,437,531	23,887,069			81,668	1,700,000	9,139,000
<b>Total Other Financing Sources/ (Uses)</b>	<b>987,809</b>		<b>24,646</b>	<b>1,437,531</b>	<b>23,887,069</b>			<b>81,668</b>	<b>1,700,000</b>	<b>9,139,000</b>
<b>Net Change in Fund Balances</b>	<b>\$1,402,590</b>	<b>2,888,576</b>	<b>(3,386,499)</b>	<b>(20,016,020)</b>	<b>475,324</b>	<b>(7,090,650)</b>	<b>257,219</b>	<b>(622,086)</b>	<b>(3,403,090)</b>	<b>2,294,599</b>
Debt Service as a Percentage of Noncapital Expenditures	5.52%	5.84%	5.38%	5.44%	6.23%	5.36%	4.27%	3.14%	3.35%	3.52%

Source: District CAFR, Schedule B-2

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

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TUITION	RENTALS AND FACILITIES USE	TUITION	LEASE PURCHASE PROCEEDS	MISCELLANEOUS	TOTAL
2012	\$2,331	42,199				95,463	139,993
2011	39,315	17,661	30,018	17,662		90,211	194,867
2010	14,088		24,020	22,026		94,596	154,730
2009	22,975		14,266	50,117		194,278	281,636
2008	104,774					79,071	183,845
2007	146,621					17,806	164,427
2006	78,422					17,992	96,414
2005	56,077			5,227		48,791	110,095
2004	10,053			17,453		138,475	165,981
2003	23,822			10,702	2,153,382	167,591	2,355,497

Source: District records

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

	FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE
100	2012	\$106,648,000	1,954,463,500	2,220,700	85,800	138,673,800	5,619,400	32,459,100	2,240,170,300	5,808,224	2,245,978,524	1.252
	*2011	114,492,500	1,938,444,700	2,220,700	81,000	135,712,600	5,619,400	32,459,100	2,229,030,000	5,850,349	2,234,880,349	1.284
	2010	139,796,300	2,383,866,100	2,799,500	105,900	148,040,800	13,236,700	38,013,300	2,725,858,600	6,515,499	2,719,343,101	N/A
	2009	157,614,500	2,473,115,600	2,891,500	101,200	162,228,500	7,028,900	43,169,300	2,846,149,500	6,375,083	2,839,774,417	0.919
	2008	199,511,100	2,415,733,945	2,385,300	78,500	168,459,700	7,122,700	43,169,300	2,836,460,545	6,232,113	2,830,228,432	N/A
	*2007	233,013,700	2,337,695,000	2,562,300	77,900	158,395,300	7,258,300	45,669,300	2,784,671,800	5,931,286	2,790,603,086	0.969
	2006	42,902,200	863,271,200	1,072,900	39,400	49,838,400	1,500,400	25,534,900	984,159,400	2,747,828	986,907,228	2.099
	2005	46,802,000	787,203,800	1,204,400	85,500	49,163,500	1,500,400	25,534,900	911,494,500	3,106,398	914,600,898	2.098
	2004	44,896,200	690,774,500	1,074,500	88,000	48,852,700	1,500,400	17,644,400	804,830,700	3,438,427	808,269,127	2.094
	2003	40,241,300	627,373,400	984,200	81,200	48,022,300	1,500,400	5,133,800	723,336,600	4,134,549	727,471,149	2.114

Source: Abstract of Ratables "Assessed Value by Classification"

\*Revaluation

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES						TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	TOWNSHIP OF BARNEGAT	OCEAN COUNTY	COUNTY LIBRARY	COUNTY HEALTH	COUNTY OPEN SPACE	MUNICIPAL LOCAL PURPOSE	
2012	1.151	0.101	1.252	0.727	0.329	0.038	0.014	0.014	N/A	2.374
*2011	1.180	0.104	1.284	0.732	0.317	0.037	0.014	0.013	N/A	2.397
2010	0.919	0.082	1.001	0.602	0.242	0.028	0.011	0.011	N/A	1.895
2009	0.919	N/A	0.919	N/A	0.239	0.028	0.011	0.011	0.419	1.627
2008	0.923	N/A	0.923	N/A	0.239	0.028	0.011	0.011	0.419	1.631
*2007	0.902	0.067	0.969	0.343	0.232	0.028	0.012	0.010	0.343	1.937
2006	1.909	0.190	2.099	0.876	0.584	0.063	0.026	0.024	0.876	4.548
2005	2.073	0.025	2.098	0.876	0.568	0.060	0.026	0.021	0.876	4.525
2004	2.011	0.083	2.094	0.810	0.551	0.060	0.025	0.018	0.876	4.434
2003	2.114		2.114	0.799	0.543	0.058	0.024	0.015	0.810	4.363

Source: Abstract of Ratables, Breakdown of General Tax Rate

\*Revaluation

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2012		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK	
Atlantic Heights	\$30,892,800	1	1.29%
Walters Development Company	12,488,800	2	0.53%
D&F Barnegat Developments LLC	11,444,800	3	0.48%
Heritage Point LLC	9,702,300	4	0.33%
Barnegat Village Square	8,745,300	5	0.30%
Hometown Brighton @ Barnegat Taxpayer #1	8,051,100	6	0.27%
Pinewood Estates Assoc LLC	6,453,400	7	0.27%
Barnegat Manor Associates	6,348,000	8	0.26%
Paramount Homes at Wall LLC	6,214,000	9	0.24%
	5,293,800	10	0.21%
Total	<u>\$105,634,300</u>		<u>4.18%</u>

TAXPAYER	2003		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK	
Atlantic Heights LLC	\$17,073,100	1	2.35%
K Hovnanian@Barnegat LLC	\$7,777,900	2	1.07%
Barnegat Village Square	5,766,700	3	0.79%
Heritage Point LLC	5,685,700	4	0.78%
Hometown Brighton @ Barnegat	3,711,000	5	0.51%
Barnegat Manor Associates	3,261,900	6	0.45%
Taxpayer #1	2,809,500	7	0.39%
Pinewood Estates Assoc LLC	2,781,300	8	0.38%
Hancock Homes	2,406,400	9	0.33%
Gunning River Mall	2,003,200	10	0.28%
Total	<u>\$53,276,700</u>		<u>7.33%</u>

Source: 2004 Audit/CAFR

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2012	\$28,701,127	28,701,127	100.00%	-
2011	28,699,155	28,699,155	100.00%	-
2010	26,391,724	26,391,724	100.00%	-
2009	26,339,394	26,339,394	100.00%	-
2008	26,335,394	26,335,394	100.00%	-
2007	20,537,100	20,537,100	100.00%	-
2006	20,895,360	20,895,360	100.00%	-
2005	17,485,360	17,485,360	100.00%	-
2004	16,364,951	16,364,951	100.00%	-
2003	14,406,550	14,406,550	100.00%	-

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

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
*(Dollars in Thousands, Except per Capita)*

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA PERSONAL INCOME
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	BOND/GRANT ANTICIPATION NOTES (BANS)			
2012	\$37,690,000	\$4,952,480		42,642,480	N/A	N/A
2011	38,830,000	1,320,284		40,150,284	N/A	N/A
2010	39,940,000	1,829,248		41,769,248	0.09%	40,291
2009	40,995,000	2,344,683		43,339,683	0.09%	39,331
2008	41,995,000	1,464,653		43,459,653	0.09%	40,975
2007	21,190,000	1,544,539	22,689,700	45,424,239	0.08%	39,214
2006	21,935,000	2,522,709	22,689,700	47,147,409	0.07%	36,773
2005	22,500,000	3,436,552		25,936,552	0.13%	34,497
2004	13,856,000	4,187,276	9,139,000	27,182,276	0.12%	33,567
2003	12,958,000	2,974,029	9,139,000	25,071,029	0.13%	33,029

Source: District CAFR Schedules I-1 & I-2

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
(Dollars in Thousands, Except per Capita)**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA PERSONAL INCOME
	GENERAL OBLIGATION BONDS	DEDUCTIONS			
2012	\$37,690,000	N/A	37,690,000	1.68%	N/A
2011	38,830,000	N/A	38,830,000	1.42%	N/A
2010	39,940,000	N/A	39,940,000	1.46%	40,291
2009	40,995,000	N/A	40,995,000	1.44%	39,331
2008	41,995,000	N/A	41,995,000	1.48%	40,975
2007	21,190,000	N/A	21,190,000	0.76%	39,214
2006	21,935,000	N/A	21,935,000	2.22%	36,773
2005	22,500,000	N/A	22,500,000	2.46%	34,497
2004	13,856,000	N/A	13,856,000	1.71%	33,567
2003	12,958,000	N/A	12,958,000	1.78%	33,029

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2010**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	
<b>Overlapping Debts:</b>			
Barnegat Township	\$13,779,869	100.00%	\$13,779,869
County of Ocean	426,609,143	2.45%	10,451,924
Subtotal, Overlapping Debt			24,231,793
Barnegat Township School District Direct Debt	37,690,000		37,690,000
Total Direct & Overlapping Debt			<u>\$61,921,793</u>

Sources: Township of Barnegat, Statement of Indebtedness as of December 31, 2011  
Debt outstanding data provided by each governmental unit.

**NOTES**

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

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

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

	FISCAL YEAR									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Debt Limit	\$101,208,281	103,113,921	110,904,623	109,526,257	102,843,085	100,077,721	85,255,677	68,714,598	45,706,104	37,107,909
Total Net Debt Applicable to Limit	37,690,000	38,830,000	39,940,000	40,995,000	41,995,000	21,190,000	44,624,700	45,189,700	45,684,700	22,097,955
Legal Debt Margin	<u>\$63,518,281</u>	<u>64,283,921</u>	<u>70,964,623</u>	<u>68,531,257</u>	<u>60,848,085</u>	<u>78,887,721</u>	<u>40,630,977</u>	<u>23,524,898</u>	<u>21,404</u>	<u>15,009,954</u>
Total Net Debt Applicable to the Limit as a % of Debt Limit	37.24%	37.66%	36.01%	37.43%	40.83%	21.17%	52.34%	65.76%	99.95%	59.55%

**Legal Debt Margin Calculation for Fiscal Year 2012**

	Equalized Valuation Basis	
	2012	\$2,437,961,642
	2011	\$2,536,574,530
	2010	<u>2,616,084,876</u>
		<u>\$7,590,621,048</u>
Average Equalized Valuation of Taxable Property		<u>\$2,530,207,016</u>
Debt Limit (4 % of Average Equalized Valuation)		\$101,208,281
Net Bonded School Debt		<u>37,690,000</u>
Legal Debt Margin		<u>\$63,518,281</u>

**Source:** See J-10 for bonded debt of the district. Equalized Valuation Bases were obtained from the web site of the State of New Jersey, Department of the Treasury, Division of Taxation, Local Property Tax Statistical Section, Tables of Equalized Valuations.

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

YEAR	POPULATION (a)	PER CAPITA	
		PERSONAL INCOME (b)	UNEMPLOYMENT RATE (c)
2012	N/A	N/A	N/A
2011	21,037	N/A	9.5%
2010	* 20,936	40,291	9.5%
2009	22,643	39,331	5.3%
2008	22,255	40,975	5.2%
2007	21,867	39,214	5.5%
2006	21,192	36,773	N/A
2005	20,308	34,497	4.5%
2004	19,171	33,567	4.2%
2003	17,621	33,029	4.6%

\*2010 Census

**Source:**

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Per Capita Personal income for Ocean County - NJ Dept of Labor

<sup>c</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

**EXHIBITS J-15 DATA NOT AVAILABLE**

**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST SEVEN FISCAL YEARS**

Function/Program	2012	2011	2010	2009	2008	2007	2006
<b>Instruction:</b>							
Regular	197	201	210	210	203	190	176
Special Education	78	77	85	86	81	60	54
Other Special Education	20	20	20	21	18	17	29
Other Instruction	25	18	18	18	17	16	13
Adult Continuing Education Programs		2	3	3	3	3	2
<b>Support Services:</b>							
Student & Instruction Related Services	61	65	67	70	66	68	25
General Administration	3	3	3	3	6	7	10
School Administrative Services	24	25	27	27	24	28	21
Business Administrative Services	13	11	11	13	15	14	12
Plant Operations & Maintenance	63	61	90	98	95	90	57
Pupil Transportation	36	42	54	57	58	52	50
<b>Total</b>	<b>519</b>	<b>523</b>	<b>587</b>	<b>605</b>	<b>586</b>	<b>545</b>	<b>449</b>

**Source:** District Personnel Records

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

SCHOOL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY SCHOOL	MIDDLE SCHOOL	HIGH SCHOOL				
2012	3,235	\$47,624,772	14,722	7.20%	519	1:17	1:15	1:16	3,200	2,987	-2.14%	92.33%
2011	3,294	45,235,378	13,733	-4.65%	455	1:18	1:16	1:15	3,270	3,028	1.30%	91.92%
2010	3,360	48,390,977	14,402	-0.13%	662	1:19	1:14	1:16	3,228	3,041	-1.97%	90.51%
2009	3,303	47,630,014	14,420	4.09%	505	1:17	1:11	1:15	3,293	3,066	0.27%	92.82%
2008	3,314	45,913,004	13,854	8.87%	487	1:16	1:13	1:10	3,284	3,094	-1.35%	94.20%
2007	3,332	42,402,265	12,726	-12.50%	464	1:11	1:11	1:07	3,329	3,232	18.68%	97.09%
2006	2,805	40,794,894	14,544	-7.06%	449	1:11	1:11	1:06	2,805	2,721	11.44%	97.00%
2005	2,517	39,385,476	15,648	-3.77%	428	1:11	1:11	1:06	2,517	2,442	10.30%	97.02%
2004	2,282	37,106,867	16,261	5.49%	406	1:13	1:13	-	2,282	2,215	0.35%	97.06%
2003	2,274	35,053,679	15,415	-8.14%	394	1:10	1:11	-	2,274	2,198	-1.94%	96.66%

Sources: District records

Note: Enrollment based on annual October District count.

a. Enrollment based on annual October District count.

b. Operating expenditures equal total expenditures less Debt service (Fund 40) and Capital outlay (Fund 30). Large increase in 2009-2010 due to Federal ARRA & Ed Jobs stimulus funding.  
New elementary school opened in Sept 2008.

c. Teaching staff includes only full-time equivalents of instructional certificated staff.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

**DISTRICT BUILDINGS**

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Elementary Schools:</b>										
Cecil S. Collins(1980):										
Square Feet	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000
Capacity (Students)	1,091	1,091	1,091	1,091	680	680	680	680	680	680
Enrollment	362	341	416	416	691	658	663			
Lillian M. Dunfee (1974):										
Square Feet	70,817	70,817	70,817	70,817	46,000	46,000	46,000	46,000	46,000	46,000
Capacity (Students)	1,027	1,027	1,027	1,027	391	391	391	391	391	391
Enrollment (a)	372	395	342	342	350	352	348			
Robert L. Horbelt (2001):										
Square Feet	80,586	80,586	80,586	80,586	65,000	65,000	65,000	65,000	65,000	65,000
Capacity (Students)	554	554	554	554	277	277	277	277	277	277
Enrollment	424	424	402	402	424	423	420			
Joseph T. Donahue (2008):										
Square Feet	72,300	72,300	72,300	72,300	72,300					
Capacity (Students)	805	805	805	805	805					
Enrollment	294	311	308	308	-					
Elizabeth V. Edwards (1927):										
Square Feet	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Capacity (Students)	126	126	126	126	126	126	126	126	126	126
Enrollment (a)	-	-	-	-	-	-	-	-	-	-
<b>Middle School:</b>										
Russell O. Brackman (1990):										
Square Feet	172,970	172,970	172,970	172,970	126,000	126,000	126,000	126,000	126,000	126,000
Capacity (Students)	1,815	1,815	1,815	1,815	825	825	825	825	825	825
Enrollment	771	786	766	766	794	800	797			
<b>High School:</b>										
Barnegat High (2004):										
Square Feet	201,214	201,214	201,214	201,214	155,000	155,000	155,000	155,000	155,000	155,000
Capacity (Students)	2,282	2,282	2,282	2,282	1,141	1,141	1,141	1,141	1,141	1,141
Enrollment	1,018	1,025	1,047	1,047	1,037	1,087	842	567	273	
<b>Other Buildings:</b>										
Transportation (2003):										
Square Feet	2,356	2,356	2,356	2,356	2,356	2,356	2,356			
Central Administration (2003):										
Square Feet	2,585	2,585	2,585	2,585	2,585	2,585	2,585			
Maintenance (2003):										
Square Feet	788	788	788	788	788	788	788			

Number of Schools at June 30, 2012:

- Elementary = 5
- Middle School = 1
- Senior High School = 1
- Other = 3

Source: District Facilities Office

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

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

UNDISTRIBUTED EXPENDITURES - REQUIRED  
MAINTENANCE FOR SCHOOL FACILITIES

	PROJECT #S	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Cecil S. Collins Elementary	N/A	\$949,822	67,118	111,316	78,164	118,678	100,497	71,141	93,278	86,250	59,803
Joseph T. Donahue Elementary	N/A	63,712	56,426	65,734	67,850						
Lillian M. Dunfee Elementary	N/A	62,405	55,268	76,945	91,619	130,337	117,557	76,015	87,708	48,350	54,078
Robert L. Horbelt Elementary	N/A	71,013	62,892	94,471	74,720	110,604	95,869	55,085	87,386	45,200	55,622
Russell O. Brackman Middle School	N/A	152,424	134,993	179,086	127,193	102,898	83,686	94,906	95,816	99,500	104,744
Barnegat High School	N/A	177,313	157,035	200,630	173,853	185,423	160,933	127,165	73,546		
Elizabeth V. Edwards Elementary	202025	31,724	28,096	23,252	20,905	40,695	41,994	22,242	7,484	30,225	41,314
Maintenance/Bus Depot	N/A	6,168	5,464								
Board Office	N/A	2,644	2,341								
<b>Total School Facilities</b>		<b>\$1,517,225</b>	<b>569,633</b>	<b>751,434</b>	<b>636,313</b>	<b>688,635</b>	<b>600,536</b>	<b>446,554</b>	<b>445,218</b>	<b>309,525</b>	<b>315,561</b>

# Collins School 2012 expenditures include mold remediation and refit costs of approximately \$900,000.

\* 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 budget records for maintenance accounts; Annual M-1 Report

**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2012**

	<u>INSURANCE CARRIER</u>	<u>COVERAGE TYPE</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
<u>1. School Package Policy:</u>				
- Property Including:	SAIF	Replacement Value	\$250,000,000 /Occurrence	\$1,000 /Occurrence
- Inland Marine		Included	\$250,000,000 /Occurrence	\$1,000 /Occurrence
- Boiler and Mechanical		Included	\$100,000,000 /Occurrence	\$1,000 /Occurrence
- Crime		Included	\$100,000,000 /Occurrence	\$1,000 /Occurrence
(All Risk Including Earthquake & Flood)				
- Automotive Physical Damage	SAIF	Included	\$250,000,000 /Occurrence	\$1,000 /Occurrence
- General Liability	SAIF	Included	\$15,000,000 /Occurrence	None
- FDLL			\$2,500,000 /Occurrence	None
- Medical Payments			\$5,000 /Occurrence	None
- Automotive Liability	SAIF	Included	\$15,000,000 /Occurrence	None
- Medical Payments			\$5,000 /Occurrence	None
<u>2. School Leaders Prof Liability</u>				
- Defense Cost Outside of Limit	SAIF		\$10,000,000/Claim	\$10,000 /Occurrence
			\$1,000,000/Claim	\$10,000 /Occurrence
<u>3. Workers' Compensation</u>				
- Employers Liability	SAIF		New Jersey Statutory \$5,000,000 /Occurrence	N/A
<u>4. Storage Tank Pollution Liability</u>				
	SAIF		\$1,000,000 /Occurrence	\$2,500 /Occurrence
<u>5. Student Accident Insurance</u>				
	Administrator-Bollinger Monumental Life Insurance Co		\$1,000,000 (Sublimit \$25,000 (Benefit Period 5 Years)	\$0
<u>6. Fidelity Bonds</u>				
- Superintendent	Selective Ins. Co. of America		\$300,000	
- Business Administrator/Board Secretary	Selective Ins. Co. of America		\$273,000	
- Treasurer of School Monies	Selective Ins. Co. of America		\$300,000	

SAIF: School Alliance Insurance Fund  
Source: District records



**SINGLE AUDIT SECTION**





Certified Public Accountants & Consultants

EXHIBIT K-1

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

Honorable President and Members  
of the Board of Education  
Barnegat Township  
County of Ocean  
Barnegat, New Jersey

We have audited the financial statements of the Board of Education of the Barnegat Township School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2012, and have issued our report thereon dated September 9, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

**Internal Control Over Financial Reporting**

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

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

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

## Compliance and Other Matters

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

We noted certain matters that we reported to management of the Barnegat Township School District, State or New Jersey, in a separate letter dated September 9, 2012.

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

Respectfully Submitted,

HOLMAN & FRENIA, P. C.

A handwritten signature in black ink, appearing to read 'Frank B. Holman, III', with a long horizontal line extending to the right from the end of the signature.

Frank B. Holman, III  
Public School Accountant  
Certified Public Accountant  
No. 783

Toms River, New Jersey  
September 9, 2012



Certified Public Accountants & Consultants

EXHIBIT K-2

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

Honorable President and Members  
of the Board of Education  
Barnegat Township  
County of Ocean  
Barnegat, New Jersey

**Compliance**

We have audited the compliance of the Board of Education of the Barnegat Township School District, in the County of Ocean, State of New Jersey, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey Grants Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2012. The Board of Education of the Barnegat Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Board of Education of the Barnegat Township School District's management. Our responsibility is to express an opinion on the Board of Education of the Barnegat Township School District's compliance based on our audit.

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

In our opinion, the Board of Education of the Barnegat Township School District, County of Ocean, State of New Jersey, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal or state programs for the year ended June 30, 2012. The results of our auditing procedures disclosed no instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 or New Jersey OMB's Circular 04-04.

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## Internal Control Over Compliance

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

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. Barnegat Township Board of Education's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Barnegat Township Board of Education's response and, accordingly, we express no opinion on the responses.

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

Respectfully Submitted,

HOLMAN & FRENIA, P. C.



Frank B. Holman, III  
Public School Accountant  
Certified Public Accountant  
No. 783

Toms River, New Jersey  
September 9, 2012

BARNEGAT TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2011	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) JUNE 30, 2012	DUE TO GRANTOR JUNE 30, 2012
<b>U.S. DEPARTMENT OF AGRICULTURE PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:</b>									
Food Distribution Program	10.550	N/A	\$61,898	9/1/11-8/31/12		61,898	(61,898)		
National School Lunch Program	10.555	5120-201-372573-63	364,482	9/1/10-8/31/11	(\$19,110)	19,110			
National School Lunch Program	10.555	5120-201-372573-63	396,172	9/1/11-8/31/12		381,797	(396,172)	(14,375)	
National School Breakfast Program	10.553	5120-201-372573-63	71,845	9/1/10-8/31/11	(4,479)	4,479			
National School Breakfast Program	10.553	5120-201-372573-63	82,888	9/1/11-8/31/12		79,805	(82,888)	(3,083)	
Total U.S. Department of Agriculture					(23,589)	547,089	(540,958)	(17,458)	
<b>U.S. DEPARTMENT OF EDUCATION PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:</b>									
General Fund:									
Medical Assistance Program	93.778	N/A	48,813	7/1/11-6/30/12		48,813	(48,813)		
Education Jobs Fund Program	84.410	N/A	671,433	7/1/09-6/30/12	(49,642)	605,705	(671,433)	(115,370)	
Total General Fund					(49,642)	654,518	(720,246)	(115,370)	
Special Revenue Fund:									
Title I	84.010	NCLB-0320-11	402,071	9/1/10-8/31/11	(54,570)	54,570	(21,111)	(21,111)	
Title I	84.010	NCLB-0320-12	429,625	9/1/11-8/31/12		335,657	(346,676)	(11,019)	
Title II A	84.367	NCLB-0320-11	114,215	9/1/10-8/31/11	(18,166)	18,166			
Title II A	84.367	NCLB-0320-12	94,916	9/1/11-8/31/12		74,143	(85,649)	(11,506)	
Title II D	84.318	NCLB-0320-11	919	9/1/10-8/31/11	(230)	230			
I.D.E.A. Part B, Basic Regular	84.027	FT316012	752,194	9/1/11-8/31/12		643,789	(752,194)	(108,405)	
I.D.E.A. Preschool	84.173	FT316012	65,897	9/1/11-8/31/12		55,200	(65,897)	(10,697)	
Total Special Revenue Fund					(72,966)	1,181,755	(1,271,527)	(162,738)	
Total U.S. Department of Education					(122,608)	1,836,273	(1,991,773)	(278,108)	
Total Federal Financial Assistance					(\$146,197)	2,383,362	(2,532,731)	(295,566)	-

BARNEGAT TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2011	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ CANCELED	(ACCOUNTS RECEIVABLE) JUNE 30, 2012	MEMO ONLY	
									BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
<b>State Department of Education:</b>										
<b>General Fund:</b>										
Categorical Special Education Aid	12-495-034-5120-089	\$1,744,120	7/1/11-6/30/12		1,744,120	(1,744,120)			165,249	1,744,120
Equalization Aid	12-495-034-5120-078	17,953,001	7/1/11-6/30/12		17,953,001	(17,953,001)			1,701,970	17,953,001
Extraordinary Aid	11-495-034-5120-473	208,391	7/1/10-6/30/11	(\$208,391)	208,391					
Extraordinary Aid	12-495-034-5120-473	257,366	7/1/11-6/30/12			(257,366)		(257,366)		257,366
Additional Transportation Aid	11-495-034-5120-014	7,829	7/1/10-6/30/11	(7,829)	7,829					
Additional Transportation Aid	12-495-034-5120-014	9,218	7/1/11-6/30/12			(9,218)		(9,218)		9,218
Homeless Tuition Reimbursement	N/A	94,988	7/1/11-6/30/12	(36,432)	36,432					
Reimbursed TPAF Social Security										
Contributions (Nonbudgeted)	11-100-034-5095-002	1,426,412	7/1/10-6/30/11	(5,074)	5,074					
Reimbursed TPAF Social Security										
Contributions (Nonbudgeted)	12-100-034-5095-002	1,367,153	7/1/11-6/30/12		1,295,460	(1,367,153)		(71,693)		1,367,153
On-Behalf TPAF Contributions	12-100-034-5095-001	1,826,624	7/1/11-6/30/12		1,826,624	(1,826,624)				1,826,624
<b>Total General Fund</b>				<b>(257,726)</b>	<b>23,076,931</b>	<b>(23,157,482)</b>		<b>(338,277)</b>	<b>1,867,219</b>	<b>23,157,482</b>
<b>Capital Projects Fund:</b>										
Construction of New Elementary										
School & Improvements										
To Various Schools	0185-050-02-1066	70,728,499	Open	(1,332,977)	561,890		(553,568)	(1,324,655)		
<b>Total Capital Projects Fund</b>				<b>(1,332,977)</b>	<b>561,890</b>		<b>(553,568)</b>	<b>(1,324,655)</b>		
<b>Debt Service Fund:</b>										
Debt Service Aid Type II	12-495-034-5120-125	538,550	7/1/11-6/30/12		538,550	(538,550)				538,550
<b>Total Debt Service Fund</b>					<b>538,550</b>	<b>(538,550)</b>				<b>538,550</b>
<b>Enterprise Fund:</b>										
National School Lunch Program										
(State Share)	11-100-010-3350-023	13,738	7/1/10-6/30/11	(773)	773					
National School Lunch Program										
(State Share)	12-100-010-3350-023	13,818	7/1/11-6/30/12		13,334	(13,818)		(484)		13,818
<b>Total Enterprise Fund</b>				<b>(773)</b>	<b>14,107</b>	<b>(13,818)</b>		<b>(484)</b>		<b>13,818</b>
<b>Total State Financial Assistance</b>				<b>(\$1,591,476)</b>	<b>24,191,478</b>	<b>(23,709,850)</b>		<b>(1,663,416)</b>	<b>1,867,219</b>	<b>23,709,850</b>

**BARNEGAT TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE**  
**JUNE 30, 2012**

**Note 1: General**

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

**Note 2: Basis of Accounting**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(125,682) for the general fund and \$21,228 for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE (continued):  
JUNE 30, 2012**

**Note 3: Relationship to Basic Financial Statements (continued):**

	<b>Federal</b>	<b>State</b>	<b>Total</b>
General Fund	\$ 720,246	\$23,031,800	\$23,752,046
Special Revenue Fund	1,270,432		1,270,432
Capital Projects Fund		553,814	553,814
Debt Service Fund		538,550	538,550
Food Service Fund	540,958	13,818	554,776
Total Financial Assistance	<u>\$2,531,636</u>	<u>\$24,137,982</u>	<u>\$26,669,618</u>

**Note 4: Relationship to Federal and State Financial Reports**

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

**Note 5: Other**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2012. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2012.

**Note 6: Federal and State Loans Outstanding**

The Barnegat Township School District had no loan balances outstanding at June 30, 2012.

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2012**

**Section I – Summary of Auditors’ Results**

**Financial Statements**

Type of auditor’s report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	None Noted
2) Control deficiencies identified that are not considered to be material weaknesses?	None Noted
Noncompliance material to basic financial Statements noted?	None Noted

**Federal Awards**

Internal Control over major programs:	
1) Material weakness(es) identified?	None Noted
2) Control deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133	None Noted

**Identification of major programs:**

CFDA Number(s)	Name of Federal Program or Cluster
84.410	Education Jobs Fund
10.553	School Breakfast Program
10.555	National School Lunch Program

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2012**

**Section I – Summary of Auditor’s Results (continued)**

**State Awards**

Dollar threshold used to distinguish between type A and type B programs:	\$656,497
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	None Noted
2) Control deficiencies identified that are not considered To be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04	None Noted

**Identification of major programs:**

GMIS Number(s)	Name of State Program
12-495-034-5120-089	Categorical Special Education Aid
12-495-034-5120-078	Equalization Aid

**Section II – Financial Statement Findings**

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

No Current Year Findings

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

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

No Current Year Findings

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
For the Fiscal Year Ended June 30, 2012**

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

**Finding 2010-01:**

One purchase order was paid before all invoices were received. This resulted in an overpayment of \$1,347, which was subsequently refunded.

**Current Status:**

This condition has been corrected.

**Finding 2010-02:**

The District did not receive all of its tax levy by the end of the year.

**Current Status:**

This condition has been corrected.



**SCHOOL DISTRICT OF  
BARNEGAT TOWNSHIP**

BARNEGAT TOWNSHIP BOARD OF EDUCATION  
Barnegat, New Jersey  
County of Ocean

**Auditor's Management Report on Administrative Findings -  
Financial, Compliance and Performance  
for the Year Ended June 30, 2012**





Certified Public Accountants & Consultants

**REPORT OF INDEPENDENT AUDITORS  
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS, FINANCIAL COMPLIANCE AND PERFORMANCE**

Honorable President and Members  
of the Board of Education  
Barnegat Township  
County of Ocean  
Barnegat, New Jersey

We have audited, in accordance with generally accepted audit standards and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Barnegat Township School District in the County of Ocean for the year ended June 30, 2012, and have issued our report thereon dated September 9, 2012.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended for the information of the Barnegat Township Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

HOLMAN & FRENIA, P. C.

A handwritten signature in black ink, appearing to read 'F. B. Holman, III', with a long horizontal line extending to the right.

Frank B. Holman, III  
Certified Public Accountant  
Public School Accountant  
No. 783

Toms River, New Jersey  
September 9, 2012





Certified Public Accountants & Consultants

Honorable President and Members  
of the Board of Education  
Barnegat Township  
County of Ocean  
Barnegat, New Jersey 08005

**ADMINISTRATIVE FINDINGS  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

**Scope of Audit**

The audit covered the financial transactions of the School Business Administrator, Board Secretary and Treasurer of School Moneys, the activities of the Board of Education and the records of the various funds under the auspices of the Board of Education.

**Administrative Practices and Procedures:**

**Insurance**

Insurance coverages were carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's CAFR.

**Official Bonds**

<b>Name</b>	<b>Position</b>	<b>Amount</b>
Dean Allison	Board Secretary/Business Administrator	273,000
Patricia Christopher	Treasurer of School Monies	300,000

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

An examination of claims paid during the period under review indicated that the vouchers were in satisfactory condition.

**Payroll Account**

The net salaries of all employees of the Board were deposited in the Payroll Account. Employee's payroll deductions and employer's share of fringe benefits were deposited in the Payroll agency account. Employer's share of fringe benefits were paid out of the general fund. Our audit procedures included a

**Payroll Account (continued):**

test of health benefit contributions from eligible employees of the District to ensure statutory amounts were withheld and properly recorded as an offset against health benefit expenditures in the general fund.

All payrolls were approved by the Superintendent and were certified by the President of the Board and the School Business Administrator/Board Secretary.

Salary withholdings were promptly remitted to the proper agencies. No exceptions were noted.

**Reserve for Encumbrances and Accounts Payable**

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30 with the following exception:

**Classification of Expenditures**

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C.6A:23-1.2* as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. As a result of the procedures performed, no transaction errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

**Business Administrator and Board Secretary's Records**

Our review of the financial and accounting records maintained by the Board secretary were found to be in satisfactory condition.

**Treasurer's Records**

The Treasurer's records were approved at the Board meetings and copies of the reports are included in the minute's book.

**Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (I.A.S.A.) as Reauthorized by the No Child Left Behind Act of 2001.**

The E.S.E.A./N.C.L.B. financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Titles I and VI of the Elementary and Secondary Education Act as amended and reauthorized.

**MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

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### **Other Special Federal and/or State Projects**

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the CAFR.

Our audit of the Federal and State funds on a test basis, indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

### **T.P.A.F. Reimbursement**

Our audit procedures included a test of the biweekly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

### **Demonstrably Effective Program Accounting**

The School District's accounting records for Demonstrably Effective Program Aid (DEPA) were maintained in accordance with *N.J.A.C.6:19-4.2(b)*, which states that the district board of education must maintain separate program and service accounts at the school level in the special revenue fund using the uniform grant project budget statement coding structure. In addition, budgeted DEPA allocations by school were equal to or greater than the original school allocation as listed on the State Aid printout.

### **School Purchasing Programs**

#### **Contracts and Agreements Requiring Advertisement for Bids:**

*N.J.S.A.18A:18A-1* et seq. (Public School Contracts Law), the associated rules and related information on the statute, and school contracts in general is available on the website <http://www.state.nj.us/njded/pscl/index.html>.

*N.J.S.A.18A:18A-3* states:

- a) "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefore, except that the board of education may adopt a resolution to set a lower threshold for the receipts of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. (pending before the Legislature as section 15 of this bill) of section 9 of P.L. 1971, c.198 (C.40A:119) the board of education may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

**School Purchasing Programs (continued):**

- b) Commencing in the fifth year after the year in which P.L. 1999, c.440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the board of education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.18A:18A-2 (pending before the Legislature as section 50 of this bill), and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made."

*N.J.S.A.18A:18A-4* states, "Every contract for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or calculated by the Governor pursuant to *N.J.S.A.18A:18A-3* except by contract or agreement."

Effective July 1, 2010 and thereafter the bid thresholds in accordance with *N.J.S.A.18A:18A-2* and *18A:18A-3(a)* are \$36,000 (with a Qualified Purchasing Agent) and \$26,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under *N.J.S.A.18A:39-3* is currently \$17,200.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year (contract year for July 1, 2010 and thereafter). Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination indicated that no individual payments, contracts or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of *N.J.S.A.18A:18A-4*.

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained.

The following was noted:

**Finding 2012-01:**

During our testing, it was noted that a change order for the mold remediation contract was not approved by the Board prior to the payment and services being performed. This change order was subsequently approved after notification.

**School Purchasing Programs (continued):**

**Recommendation:**

That all change orders be approved by the Board of Education prior to services being performed and payment submitted.

**Management's Response:**

This will be corrected in 2012.

**School Food Service**

The financial transactions and statistical records of the School Food Services were maintained in satisfactory condition. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis. No exceptions were noted.

The number of meals claimed for reimbursement was verified against sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed.

The District utilizes a food service management company and is depositing and expending program monies in accordance with *N.J.S.A.18A:17-34* and *19-1* through *19-4.1*.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served did not exceed the number of valid applications on file,

times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy is uniformly administered throughout the School System. The required verification procedures for free and reduced price applications were completed and available for review.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the nonprofit status of the school food service. Net cash resources did not exceed three months average expenditures.

Food Distribution Program commodities were received and a separate inventory was maintained on a first-in, first-out basis.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G.

### **Application for State School Aid**

Our audit procedures included a test of information reported in the October 15, 2011 Application for State School Aid (A.S.S.A.) for On-Roll, private schools for the handicapped and low-income. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained workpapers on the prescribed state forms or their equivalent.

The District has adequate written procedures for the recording of student enrollment data.

### **Pupil Transportation**

Our audit procedures included a test of On Roll status reported in the 2011-2012 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

### **Follow-up on Prior Years' Findings**

There were no prior year findings.

### **Acknowledgment**

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to the members of the audit team.

Should you have any questions concerning our comments or should you desire any assistance, please call me.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Frank B. Holman, III  
Certified Public Accountant  
Public School Accountant  
No. 783

Toms River, New Jersey  
September 9, 2012

**ADDITIONAL INFORMATION**



SCHEDULE OF FEDERAL MEAL COUNT ACTIVITY

BARNEGAT TOWNSHIP BOARD OF EDUCATION  
 FOOD SERVICE FUND - FEDERAL  
 NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM  
 ENTERPRISE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
 (MEMORANDUM ONLY)

PROGRAM	MEAL CATEGORY	TOTAL MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE	(OVER)/ UNDER CLAIM
National School Lunch (Regular Rate)	Paid	163,320	36,446	36,446	NONE	0.26	NONE
	Reduced	32,938	7,338	7,338	NONE	2.37	NONE
	Free	99,511	22,088	22,088	NONE	2.77	NONE
	Total	295,769	65,872	65,872			
National School Breakfast (Regular Rate)	Paid	8,602	2,228	2,228	NONE	0.27	NONE
	Reduced	4,349	1,147	1,147	NONE	1.21	NONE
	Free	27,842	6,953	6,953	NONE	1.51	NONE
	Total	40,793	10,328	10,328			
National School Breakfast (Severe Needs R:	Paid	4,274	1,015	1,015	NONE	0.27	NONE
	Reduced	1,867	453	453	NONE	1.50	NONE
	Free	16,282	3,830	3,830	NONE	1.80	NONE
	Total	22,423	5,298	5,298			

SCHEDULE OF STATE MEAL COUNT ACTIVITY

**BARNEGAT TOWNSHIP BOARD OF EDUCATION  
FOOD SERVICE FUND - STATE  
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
(MEMORANDUM ONLY)**

PROGRAM	MEAL CATEGORY	TOTAL MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE	(OVER)/ UNDER CLAIM
National School Lunch (Regular Rate)	Paid	163,320	36,446	36,446	NONE	0.04	NONE
	Reduced	32,938	7,338	7,338	NONE	0.055	NONE
	Free	99,511	22,088	22,088	NONE	0.055	NONE
	Total	295,769	65,872	65,872	-	-	-

SCHEDULE OF AUDITED ENROLLMENTS (1)

**BARNEGAT TOWNSHIP SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2011**

	2012-2013 Application for State School Aid						Sample for Verification						Private Schools for Disabled				
	Reported on		Reported on		Errors		Sample		Verified per		Errors per		Reported on	Sample	Sample		
	A.S.S.A.		Workpapers				Selected from		Registers		Registers		A.S.S.A. as	for			
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Private	Verifi-	Verified	Errors	
Full Day Kindergarten	203		203				29		29								
One	209		209				25		25								
Two	231		231				27		27								
Three	206		206				22		22								
Four	196		196				21		21								
Five	222		222				21		21								
Six	208		208				15		15								
Seven	207		207				15		15								
Eight	240		240				15		15								
Nine	199		199				20		20								
Ten	202		202				20		20								
Eleven	210	22	210	22			20	3	20	3							
Twelve	194	14	194	14			20	2	20	2							
Subtotal	2,727	36	2,727	36			270	5	270	5							
Special Ed - Elementary	184		184				16		16				4	4	4		
Special Ed - Middle School	117		117				10		10				2	2	2		
Special Ed - High School	129	46	129	46			10	5	10	5			13	13	13		
Totals	3,157	82	3,157	82			306	10	306	10			19	19	19		

Percentage Error

SCHEDULE OF AUDITED ENROLLMENTS (2)

BARNEGAT TOWNSHIP SCHOOL DISTRICT  
 APPLICATION FOR STATE SCHOOL AID SUMMARY  
 ENROLLMENT AS OF OCTOBER 15, 2011

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score & Register	Sample Errors
Full Day Kindergarten	52	52		15	15							
One	63	63		18	18							
Two	67	67		15	15		1	1		1	1	
Three	66	66		16	16							
Four	64	64		15	15		1	1		1	1	
Five	74	74		20	20							
Six	54	54		15	15							
Seven	57	57		16	16		1	1		1	1	
Eight	62	62		17	17							
Nine	65	65		18	18							
Ten	47	47		13	13							
Eleven	40	40		12.5	12.5							
Twelve	40.5	40.5		10.5	10.5		1	1		1	1	
Subtotal	751.5	751.5		201.0	201.0		4	4		4	4	
Special Ed - Elementary	79	79		20	20							
Special Ed - Middle	53	53		13	13							
Special Ed - High	62	62		15.5	16							
Totals	945.5	945.5		250	250		4	4		4	4	

Percentage Error

Transportation

	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	623	623		166	166	
Reg -SpEd, col. 4	87.5	87.5		23	23	
AIL, col 2	17	17		5	5	
Transported - Non-Public, col. 3	36	36		10	10	
Special Ed Spec, col. 6	188.5	188.5		50	50	
Totals	952	952		254	254	

Percentage Error

SCHEDULE OF AUDITED ENROLLMENTS (3)

BARNEGAT TOWNSHIP SCHOOL DISTRICT  
 APPLICATION FOR STATE SCHOOL AID SUMMARY  
 ENROLLMENT AS OF OCTOBER 15, 2011

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten	2	2		2	2	
One	3	3		2	2	
Two						
Three						
Four						
Five						
Six	1	1		1	1	
Seven						
Eight	1	1				
Nine						
Ten	1	1		1	1	
Eleven	1	1		1	1	
Twelve						
Subtotal	9	9		7	7	
Special Ed - Elementary						
Special Ed - Middle						
Special Ed - High						
Totals	9	9		7	7	
Percentage Error						



**EXCESS SURPLUS CALCULATION**

**REGULAR DISTRICT**

**SECTION 1**

**A. 2% Calculation of Excess Surplus**

2011-2012 Total General Fund Expenditures per the CAFR, Ex. C-1		\$	<u>49,844,692</u>		(B)
Increased by:					
Transfer to Food Service Fund		\$	<u>                    </u>		(B1a)
Transfer from Capital Outlay to Capital Projects Fund		\$	<u>                    </u>		(B1b)
Transfer from Capital Reserve to Capital Projects Fund		\$	<u>                    </u>		(B1c)
Decrease by:					
On-Behalf TPAF Pension & Social Security		\$	<u>3,193,777</u>		(B2a)
Assets Acquired Under Capital Leases		\$	<u>987,809</u>		(B2b)
 Adjusted 2011-2012 General Fund Expenditures [(B)+(B1s)-(B2s)]		\$	<u><u>45,663,106</u></u>		(B3)
 2% of adjusted 2011-2012 General Fund Expenditures					
[(B3) times .02]		\$	<u>913,262</u>		(B4)
Enter Greater of (B4) or \$250,000		\$	<u>913,262</u>		(B5)
Increased by: Allowable Adjustment *		\$	<u>91,584</u>		(K)
 Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]		\$	<u><u>1,004,846</u></u>		(M)

**SECTION 2**

Total General Fund - Fund Balance @6-30-2012 (Per CAFR Budgetary Comparison Schedule C-1)		\$	<u>6,296,003</u>		(C)
Decreased by:					
Year-End Encumbrances		\$	<u>654,013</u>		(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures		\$	<u>                    </u>		(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**		\$	<u>                    </u>		(C3)
Other Restricted Fund Balances ****		\$	<u>2,437,136</u>		(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures		\$	<u>1,914,742</u>		(C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		\$	<u><u>1,290,112</u></u>		(U1)

**REGULAR DISTRICT (continued):**

**SECTION 3**

Restricted Fund Balance - Excess Surplus \*\*\* [(U2)-(M)] IF NEGATIVE ENTER -0- \$ 285,266 (E)

*Recapitulation of excess surplus as of June 30, 2012*

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures \*\* \$ \_\_\_\_\_ (C3)  
 Reserved Excess Surplus \*\*\* [(E)] \$ 285,266 (E)  
 Total [(C3)+(E)] \$ 285,266 (D)

**Footnotes:**

\* This adjustment line (as detailed below) is to be utilized when applicable for: Impact Aid, Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10), Extraordinary Aid, Additional Nonpublic School Transportation Aid and Unbudgeted TPAF Wage Freeze Grant Funding. Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid and Additional Nonpublic School Transportation Aid.

*Detail of Allowable Adjustments*

Impact Aid \$ \_\_\_\_\_ (H)  
 Sale & Lease-back \$ \_\_\_\_\_ (I)  
 Extraordinary Aid \$ 82,366 (J1)  
 Additional Nonpublic School Transportation Aid \$ 9,218 (J2)  
 Unbudgeted TPAF Wage Freeze Grant Funding \$ \_\_\_\_\_ (J3)  
 Total Adjustments [(H)+(I)+(J1)+(J2)] \$ 91,584 (K)

\*\* This amount represents the June 30, 2011 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 10025.

\*\*\* Amounts must agree to the June 30, 2012 CAFR and must agree to Audit Summary Worksheet Line 10024.

\*\*\*\* Amount for Other Reserved Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government, such as the judicial branch of government, must have departmental approval. District requests should be submitted to the Division of Finance and Regulatory Compliance prior to September 30.

*Detail of Other Reserved Fund Balance*

**Statutory Restrictions:**

Approved Unspent Separate Proposal \$ \_\_\_\_\_  
 Capital Outlay for a District With a Capital Outlay Cap Waiver \$ \_\_\_\_\_  
 Sale/Lease-Back Reserve \$ \_\_\_\_\_  
 Capital Reserve \$ 1,529,187  
 Maintenance Reserve \$ 907,949  
 Emergency Reserve \$ \_\_\_\_\_  
 Waiver Offset Reserve \$ \_\_\_\_\_  
 Tuition Reserve \$ \_\_\_\_\_  
 Other State/Government Mandated Reserve \$ \_\_\_\_\_  
 [Other Restricted Fund Balance Not Noted Above] \*\*\*\* \$ \_\_\_\_\_  
 Total Other Restricted Fund Balance \$ 2,437,136 (C4)