



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2012

BOROUGH OF BELLMAWR SCHOOL DISTRICT
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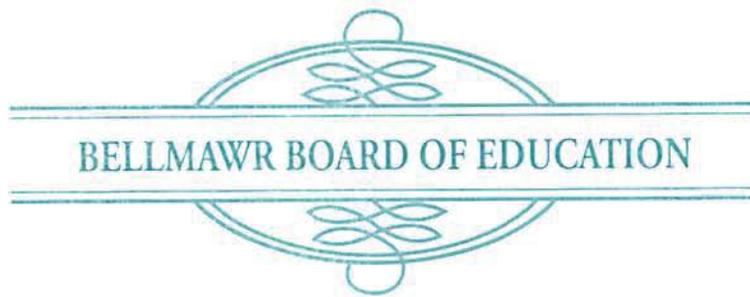
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INTRODUCTORY SECTION



CHRISTOPHER M. RODIA, M. ED.
School Business Administrator

October 15, 2012

The Honorable President and
Members of the Board of Education Borough
of Bellmawr School District Bellmawr, NJ

Dear Board Members:

The comprehensive annual financial report of the Bellmawr School District (District) 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 Board of Education (Board). To the best of our knowledge the data presented in this span is accurate in all respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections; introductory, financial, historical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereof. 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 OMB Circular A-133, Audits of State Local Government and Non-Profit Organizations in the State of New Jersey Circular 0404-0B, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditor's report the internal control structure and compliance with applicable laws and regulations and findings and reconciliations are included in the single audit section of this report.

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

The District provides a full range of educational services appropriate to grade levels Pre Kindergarten through eight. These services include regular, special education for students with disabilities, as well as basic skills improvement for lower functioning students. A variety of extra-curricular activities are offered to all students. The District completed the 2011-2012 year with an enrollment of 1,135 students, which is 9 students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

Fiscal Year	Student Enrollment Percent as of June 30 th Change
11-12	1135 (1.0%)
10-11	1144 1.00%
09-10	1140 4.78%
08-09	1088 3.34%
07-08	1054 (.47%)

2) ECONOMIC CONDITION AND OUTLOOK: Although the Bellmawr community is essentially fully developed, enrollments have been generally stable. There is a trend toward younger families moving into the community as homes become available.

There is a major "light" industrial park located in the Borough, which includes a regional office of the United States Postal Service and sixty-two other wholesale and industrial businesses.

The Borough is situated directly between the N.J. Turnpike, Interstate 295 and Routes 42, 30 and 168, making this a bustling area of commerce.

3) MAJOR INITIATIVES: The district has identified goals for the 2011-12 year in which staff and administration will focus and Board goals which the Board of Education will focus.

The Board Goals are:

- To Ensure Teaching Quality & Student Success
- To Expand Technology in Education
- To Develop a Facilities Transformation Plan
- To Ensure Accountability to the Public
- To Encourage Broader Community Engagement

The District Goals are:

- To motivate the community to pass the 2012-13 Budget
- To develop an informed community
- To create a systematic procedure for the collection and analysis of student
- To ensure that the members of the Bellmawr Learning Community know the Common Core Standards
- To develop a core of teacher leaders who can assist the Board and Administration in developing a comprehensive teacher evaluation program

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 recognized that: (1) the costs of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 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 and account groups. The funds and account groups are explained in "Notes to Financial Statement", Note 1.

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

8) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, worker's compensation, hazard and theft insurance on property and contents, and surety bonds.

9) OTHER INFORMATION: Independent Audit -State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman and & Company LLP, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations and State of New Jersey Circular 04-04-0MB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,



Ms. Annette Castiglione

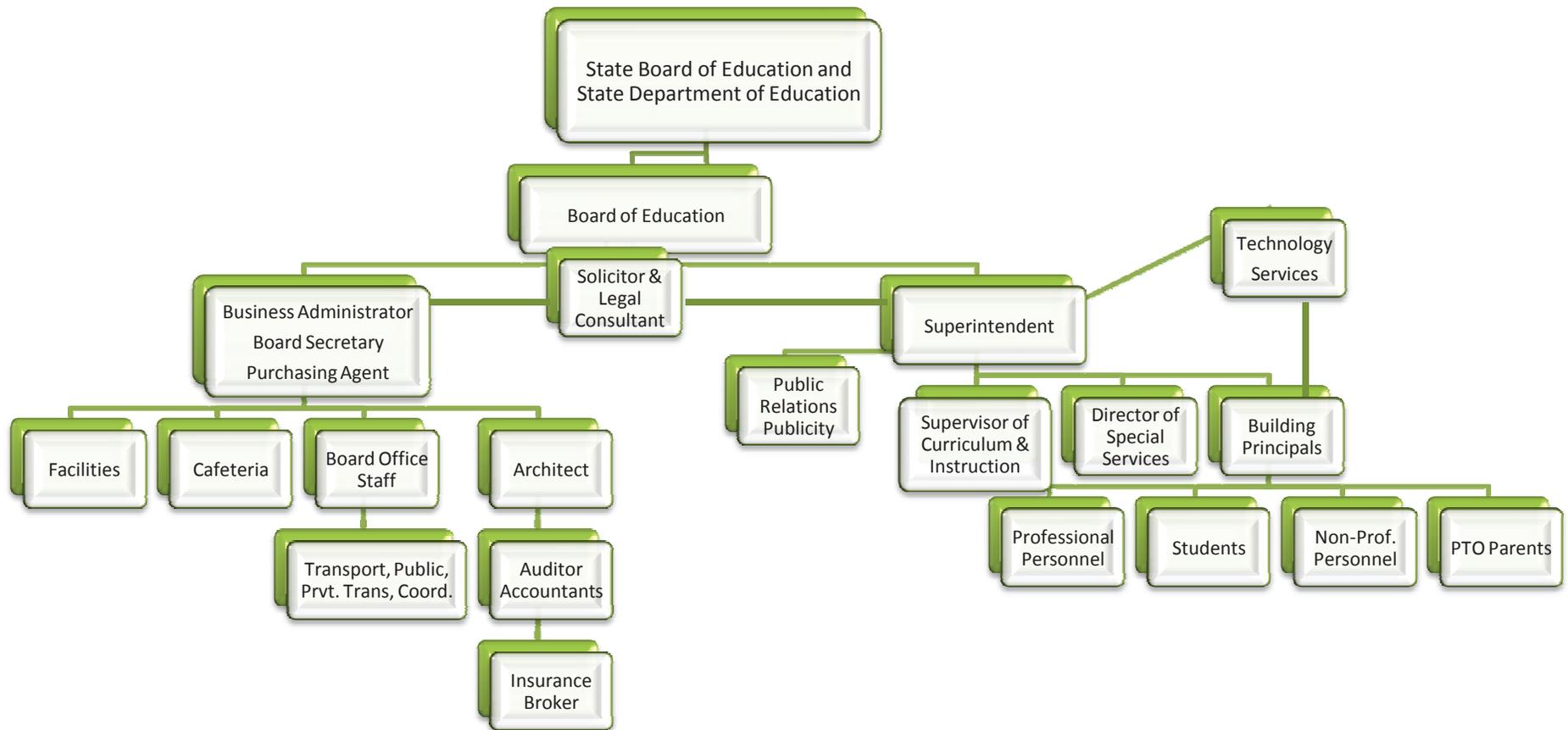
Superintendent



Christopher M. Rodia

School Business Administrator

Bellmawr Board of Education Organization Chart



BOROUGH OF BELLMAWR SCHOOL DISTRICT
BELLMAWR, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2012

<u>Members of the Board of Education</u>	<u>Term Expires</u>
James Casey, President	2012
Jody Mangus, Vice President	2014
Jeffrey Brickner	2012
Eric Hoban	2013
William Murray	2013
Ed Legenski, III	2014
Michael Williams	2014

Other Officials

Annette Castiglione, Superintendent

Christopher M. Rodia, Board Secretary/ Business Administrator

**BOROUGH OF BELLMAWR SCHOOL DISTRICT
BELLMAWR, NEW JERSEY**

Consultants and Advisors

Architect

Garrison Architects
14000F Commerce Pkwy
Mount Laurel, NJ 08054

Audit Firm

Bowman & Company LLP
601 White Horse Road
Voorhees, New Jersey 08043

Insurance Agent

Hardenbergh Insurance Group
Main Street, Plaza 1000
Voorhees, NJ 08043

Attorneys

Ronald W. Sahli, Esquire
1145 South White Horse Pike
Hammonton, NJ 08037-0601

Official Depositories

1st Colonial National Bank
1150 Haddon Ave
Collingswood, NJ 08108

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Borough of Bellmawr School District
Bellmawr, New Jersey 08031

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 Borough of Bellmawr School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2012, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Borough of Bellmawr School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

In accordance with Government Auditing Standards, we have also issued our report dated October 15, 2012 on our consideration of the Borough of Bellmawr School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents 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 Borough of Bellmawr School District's financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Bellmawr School District's basic financial statements. The introductory section and statistical section listed in the table of contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



John F. Dailey, Jr.
Certified Public Accountant
Public School Accountant No. CS 00140

Voorhees, New Jersey
October 15, 2012

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

The Honorable President and
Members of the Board of Education
Borough of Bellmawr School District
Bellmawr, New Jersey 08031

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Borough of Bellmawr School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2012, which collectively comprise the School District's basic financial statements and have issued our report thereon dated October 15, 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 in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance to be a material weakness as finding no.: 2012-1.

A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance to be significant deficiencies as findings no.: 2012-2 and 2012-3.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Bellmawr School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey and which are described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance as findings no.: 2012-1, 2012-2 and 2012-3.

The Borough of Bellmawr School District's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the School District's response and, accordingly, we express no opinion on it.

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



John F. Dailey, Jr.
Certified Public Accountant
Public School Accountant No. CS 00140

Voorhees, New Jersey
October 15, 2012

REQUIRED SUPPLEMENTARY INFORMATION
PART I

Borough of Bellmawr School District

Management's Discussion and Analysis Fiscal Year Ended June 30, 2012

This section of the Borough of Bellmawr School District annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2012. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34- Basic Financial Statements- and Management's Discussion and Analysis – for State and Local Governments issued in June 1999. Certain comparative information between the current year (2011-12) and the prior year (2010-11) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2011-12 fiscal year include the following:

- Net Assets for Governmental and Business-Type activities were \$5,465,621.65 and \$144,384.43, respectively.
- The General Fund, fund balance as of June 30, 2012 was \$1,881,336.45, an increase of \$878,878.41 when compared with the balance as of June 30, 2011 of \$1,002,458.04.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

Borough of Bellmawr School District Bellmawr, New Jersey

Management's Discussion and Analysis (continued) Fiscal Year Ended June 30, 2012

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

MAJOR FEATURES OF THE DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

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

Borough of Bellmawr School District Bellmawr, New Jersey

Management's Discussion and Analysis (continued) Fiscal Year Ended June 30, 2012

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has three kinds of funds:

- **Governmental funds** - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.

Borough of Bellmawr School District Bellmawr, New Jersey

Management's Discussion and Analysis (continued) Fiscal Year Ended June 30, 2012

- **Proprietary funds** - Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.
- **Fiduciary funds** – The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE BELLMAWR SCHOOL DISTRICT AS A WHOLE

Net Assets The District's net assets for **governmental and business-type activities** were \$5,465,621.65 and \$144,384.43, respectively, as of June 30, 2012. (See Table A-1)

	<u>Table A-1</u>					
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Current and Other Assets	\$2,228,941.91	\$1,890,532.31	\$88,908.18	\$164,294.36	\$2,317,850.09	\$2,054,826.67
Capital Assets	<u>5,067,227.10</u>	<u>4,808,144.05</u>	<u>57,213.82</u>	<u>29,812.72</u>	<u>5,124,440.92</u>	<u>4,837,956.77</u>
Total Assets	<u>7,296,169.00</u>	<u>6,698,676.36</u>	<u>146,122.00</u>	<u>194,107.08</u>	<u>7,442,291.00</u>	<u>6,892,783.44</u>
Noncurrent Liabilities	1,458,786.32	1,770,666.66		3,051.43	1,458,786.32	1,773,718.09
Other Liabilities	<u>371,761.03</u>	<u>410,956.38</u>	<u>1,737.57</u>	<u>71,081.82</u>	<u>373,498.60</u>	<u>482,038.20</u>
Total Liabilities	<u>2,181,623.04</u>	<u>2,181,623.04</u>	<u>74,133.25</u>	<u>74,133.25</u>	<u>1,832,284.92</u>	<u>2,255,756.29</u>
Net Assets						
Invested in capital assets, net of related	4,629,329.10	4,230,246.05	57,213.82	26,761.29	4,686,542.92	4,257,007.34
Restricted	1,232,316.83	1,160,438.05			1,232,316.83	1,160,438.05
Unrestricted	<u>(396,24.27)</u>	<u>(873,630.78)</u>	<u>87,170.61</u>	<u>93,212.54</u>	<u>(308,853.66)</u>	<u>(780,418.24)</u>
Total Net Assets	<u>\$5,465,621.65</u>	<u>\$4,517,053.32</u>	<u>\$144,384.43</u>	<u>\$119,973.83</u>	<u>\$5,610,006.08</u>	<u>\$4,637,027.15</u>

Borough of Bellmawr School District Bellmawr, New Jersey

Management's Discussion and Analysis (continued) Fiscal Year Ended June 30, 2012

The District's financial positions for governmental and business-type activities are the product of the following factors:

- Program revenues were \$2,897,720.64.
 - ✓ Operating Grants & Contributions--\$2,629,380.36.
 - ✓ Charges for Services--\$235,540.28.
 - ✓ Capital Grants & Contributions – \$32,800.00.
- General revenues were \$12,506,959.28.
- Net Expenditures were \$11,534,412.66.
- Total District revenues & beginning net assets are adjusted by net adjusted expenditures resulting in a calculation of net assets of \$5,610,006.08 as of June 30, 2012.
- Beginning net assets (\$4,637,027.15) + Revenues (\$15,405,112.23) – Net expenditures (\$14,432,133.30) = Net Assets of \$5,610,06.08.

Change in Net Assets. The net assets for **governmental and business-type activities** increased by \$972,978.93 from July 01, 2011 to June 30, 2012. (See Table A-2)

Table A-2
Change in Net Assets
Governmental and Business-Type Activities
For the Fiscal Years Ended June 30, 2012 and 2011

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenues						
Program revenues:						
Charges for services			\$235,540.28	\$243,778.93	\$235,540.28	\$243,778.93
Operating Grants and Contributions	\$2,391,144.18	\$2,062,678.46	238,236.18	227,210.51	2,629,380.36	
Capital Grants and Contributions	32,800.00	586,816.00			32,800.00	586,816.00
General revenues:						
Taxes:						
Property Taxes, Levied for						
General Purposes, net	7,575,869.00	7,582,611.26			7,575,869.00	7,582,611.26
Taxes Levied for Debt Service	213,030.00	206,287.74			213,030.00	26,287.74
Federal and State Aid not Restricted	4,644,683.09	4,392,181.14			4,644,683.09	4,392,181.14
Federal and State Aid Restricted	18,807.66	18,752.78			18,807.66	18,752.78
Unrestricted Investment Earnings	10,921.54	3,284.25	432.01	199.05	11,353.55	3,483.30
Miscellaneous Income	43,648.29	97,897.96			43,648.29	97,897.96
Cancellation of Prior Year Accounts Rec		(15,199.00)				15,199.00
Total revenues	<u>14,930,903.76</u>	<u>14,935,310.59</u>	<u>474,208.47</u>	<u>471,188.49</u>	<u>15,405,112.23</u>	<u>15,406,499.08</u>

(Continued)

Borough of Bellmawr School District Bellmawr, New Jersey

Management's Discussion and Analysis (continued) Fiscal Year Ended June 30, 2012

Table A-2 (Cont'd)

	Governmental		Business-Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Expenses						
Instruction						
Regular	\$4,998,761.37	\$5,129,290.93			\$4,998,761.37	\$5,129,290.93
Special Education	1,378,011.33	1,326,955.97			1,378,011.33	1,326,955.97
Other Special Education	116,783.75	76,190.14			116,783.75	76,190.14
Other Instruction	74,704.42	73,067.43			74,704.42	73,067.43
Support Services:						
Tuition	605,678.16	616,387.21			605,678.16	616,387.21
Student & Instruction Related						
Services	1,437,959.14	1,427,507.78			1,437,959.14	1,427,507.78
School Administrative Services	412,123.13	403,143.86			412,123.13	403,143.86
Other Administrative Services	571,091.68	554,520.72			571,091.68	554,520.72
Plant Operations and Maintenance	1,041,246.33	1,247,031.77			1,041,246.33	1,247,031.77
Pupil Transportation	261,704.72	212,323.96			261,704.72	212,323.96
Unallocated Benefits	3,048,964.44	2,741,012.04			3,048,964.44	2,741,012.04
Interest on Long Term Debt	25,288.96	32,753.85			25,288.96	32,753.85
Amortization of Bond Issuance						
Costs	10,018.00	10,018.00			10,018.00	10,018.00
Food Services			\$449,797.87	\$444,801.52	449,797.87	444,801.52
Total Expenses	<u>\$13,982,335.43</u>	<u>\$13,850,203.66</u>	<u>\$449,797.87</u>	<u>\$444,801.52</u>	<u>\$14,432,133.30</u>	<u>\$14,295,005.18</u>
Net Increase/Decrease in Net Assets	948,568.33	1,085,106.93	24,410.60	26,386.97	872,978.93	1,111,493.90
Net Assets Beginning July 1	<u>4,517,053.32</u>	<u>3,431,946.39</u>	<u>119,973.83</u>	<u>93,586.86</u>	<u>4,637,027.15</u>	<u>3,525,533.25</u>
End of Year Net Assets June 30	<u>\$5,465,621.65</u>	<u>\$4,517,053.32</u>	<u>\$144,384.43</u>	<u>\$119,973.83</u>	<u>\$5,510,006.08</u>	<u>\$4,637,027.15</u>

Total revenues for the District were \$15,405,112.33. Government funding was the source of 47.5% of the district's revenues. This includes the State of New Jersey and Federal sources.

Property taxes provided 50.5 % of revenues.

Other miscellaneous revenues represent 1.8% of the district revenues.

The District's expenses for government activities are predominantly related to instruction and support services. Instruction together with tuition totaled 51% of total expenditures. All other support services including student services, administration, plant operations, transportation, employee benefits and interest and amortization of debt totaled 49% of total expenditures. (See Table A-3.)

Borough of Bellmawr School District Bellmawr, New Jersey

Management's Discussion and Analysis (continued) Fiscal Year Ended June 30, 2012

Total revenues exceeded expenditures for governmental activities, increasing net assets \$948,568.33 from the beginning balance as of July 01, 2011.

**Table A-3
Bellmawr School District
Net Cost of Governmental Activities**

Governmental Activities:	Source	<u>2012</u>		<u>2011</u>	
		Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction:					
Regular	A-2	\$4,998,761.37	\$4,097,772.56	\$ 5,129,290.93	4,195,299.50
Special Education	A-2	1,378,011.33	1,378,011.33	1,326,955.97	1,326,955.97
Other Special Instruction	A-2	116,783.75	116,783.75	76,190.14	76,190.14
Other Instruction	A-2	74,704.42	74,704.42	73,067.43	73,067.43
Support Services:					
Tuition	A-2	605,678.16	605,678.16	616,387.21	616,387.21
Student & Instruction Related Services	A-2	1,437,959.14	1,263,336.62	1,427,507.78	1,297,060.78
School Administrative Services	A-2	412,123.13	412,123.13	403,143.86	403,143.86
Other Administrative Services	A-2	571,091.68	571,091.68	554,520.72	554,520.72
Plant Operations and Maintenance	A-2	1,041,246.33	928,899.67	1,247,031.77	660,215.77
Pupil Transportation	A-2	261,704.72	261,704.72	212,323.96	212,323.96
Unallocated Benefits	A-2	3,048,964.44	1,815,788.59	2,741,012.04	1,746,609.23
Interest on Long Term Debt Amortization of Bond Issuance Costs	A-2	25,288.96	22,478.62	32,753.85	28,916.63
	A-2	<u>10,018.00</u>	<u>10,018.00</u>	<u>10,018.00</u>	<u>10,018.00</u>
Total Governmental Activities		<u>\$13,982,335.43</u>	<u>\$11,558,391.25</u>	<u>\$13,850,203.66</u>	<u>\$11,200,709.20</u>

Activity Descriptions

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

Tuition expenses include the cost to the District to send pupils with special needs living within the District to private schools and/or schools outside the District area.

Student and instruction related services include the activities designed to assess and improve the well being of students and to supplement the teaching process.

School Administrative and General and Business Administrative services include expenses associated with establishing and administering policy for the District including financial supervision.

Borough of Bellmawr School District Bellmawr, New Jersey

Management's Discussion and Analysis (continued) Fiscal Year Ended June 30, 2012

Plant operation and maintenance of plant activities involve keeping the school grounds, buildings and equipment in a safe and effective working condition.

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

Unallocated benefits includes the cost of benefits for the District staff for social security, retirement contributions, worker's compensation, health benefits and other employee benefits.

Interest on long-term debt and amortization of bond issuance costs involve the transactions associated with the payment of interest and other related charges to the debt of the District.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The financial performance of the Bellmawr School District as a whole is also reflected in the governmental funds which are accounted for by using the modified accrual basis of accounting. As the District completed the year, its governmental funds reported a combined fund balance of \$1,847,897.26. In 2010-11 the fund balance was \$1,464,632.12. The governmental fund balance increased by \$383,265.12.

All governmental funds had total revenues of \$14,930,903.76 and total expenditures of \$14,495,653.59. Net other financing uses were \$51,985.03.

GENERAL FUND BUDGETING HIGHLIGHTS

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

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

The following schedule (Table A-4) presents a summary of General Fund Revenues. The summary reflects the dollar and percent increase (decrease) from the prior year.

Borough of Bellmawr School District Bellmawr, New Jersey

Management's Discussion and Analysis (continued) Fiscal Year Ended June 30, 2012

**Table A-4
Summary of General Fund Revenues
For the Years Ended June 30, 2012 and 2011**

	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
REVENUES				
Local sources:				
Local tax levy	\$7,575,869.00	\$7,582,611.26	(\$6,742.26)	(.09%)
Miscellaneous	<u>54,569.83</u>	<u>101,182.21</u>	<u>(46,612.38)</u>	<u>(46.07%)</u>
Total - Local Sources	<u>7,630,438.83</u>	<u>7,683,793.47</u>	<u>(53,354.64)</u>	<u>(.69%)</u>
Federal Sources	174,347.55	13,406.74	160,940.81	1200.45%
State Sources	<u>5,727,346.05</u>	<u>5,286,512.33</u>	<u>440,833.72</u>	<u>8.34%</u>
Total - Govt Sources	<u>5,901,693.60</u>	<u>5,299,919.07</u>	<u>601,774.53</u>	<u>11.35%</u>
Total Revenues	<u><u>\$13,532,132.43</u></u>	<u><u>\$12,983,712.54</u></u>	<u><u>\$548,419.89</u></u>	<u><u>4.22%</u></u>

One of the primary sources of funding for the district is received from local property taxes and accounted for 56% of total revenues. State aid accounted for 43% of total revenues. Federal aid accounted for 1% of total revenues.

The following schedule (Table A-5) presents a summary of General Fund expenditures. The summary reflects the dollar and percent increases (decreases) from the prior year.

Borough of Bellmawr School District Bellmawr, New Jersey

Management's Discussion and Analysis (continued) Fiscal Year Ended June 30, 2012

Table A-5
Summary of General Fund Expenditures
For the Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>	<u>Amount of Increase/ (Decrease)</u>	<u>Percent Increase/ (Decrease)</u>
Current:				
Regular Instruction	4,144,934.90	4,169,584.53	\$ (24,649.63)	(.59%)
Special Education Instruction	1,378,011.33	1,326,955.97	51,055.36	3.85%
Other Special Instruction	116,783.75	76,190.14	40,593.61	53.28%
Other Instruction	74,704.42	73,067.43	1,636.99	2.24%
Support Services and Undistributed Costs:				
Tuition	605,678.16	616,387.21	(10,709.05)	(1.74%)
Student & Instruction Related Services	1,296,641.62	1,312,577.44	(15,935.82)	(1.21%)
School Administrative Services	411,323.62	403,443.86	7,879.27	1.95%
Other Administrative Services	527,876.83	547,896.42	(20,019.59)	(3.65%)
Plant Operations and Maintenance	765,401.41	882,727.90	(117,326.49)	(13.29%)
Pupil Transportation	261,704.72	218,748.96	42,955.76	19.64%
Unallocated Employee Benefits	2,960,452.44	2,654,347.16	306,105.28	11.53%
Capital Outlay	<u>55,520.99</u>	<u>219,630.53</u>	<u>(164,109.54)</u>	<u>(74.72%)</u>
Total Expenditures	<u>\$12,599,033.70</u>	<u>\$12,501,557.55</u>	<u>\$97,476.15</u>	<u>.78%</u>

Total General Fund expenditures increased \$97,476.15 from the previous year. Increases in instruction, school administrative services, pupil transportation and employee benefits offset by decreases in tuition, student & instruction related services, other administrative services, plan operations and capital outlay are the primary reasons for this increase.

The Bellmawr School District values its fund balances as a vehicle for addressing unbudgeted and emergent needs that occur during the school year. The amounts of budgeted fund balance designated to support the subsequent year's budgets and provide tax relief were \$458,395.00 for the 2011-12 school year and \$300,000.00 for the 2010-11 school year.

During the course of fiscal year 2012 the District modified the General Fund Budget as needed to ensure no line item was projected to be over-expended.

DEBT SERVICE FUND

The current year obligations for payment of debt service principal and interest amounted to \$234,646.77, of which \$213,030.00 in funding was provided by local tax levy, \$21,618.00 was received as aid from the state.

Borough of Bellmawr School District Bellmawr, New Jersey

Management's Discussion and Analysis (continued) Fiscal Year Ended June 30, 2012

FOOD SERVICE FUND

The Food Service Fund had net assets of \$144,384.43 as of June 30, 2012. This reflects an increase of \$24,410.60 from June 30, 2011.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Capital Assets are individual items purchased at a cost exceeding \$2,000.00, have an extended useful life of one year or more and maintain their identity and structure when placed into service.

At June 30, 2012, the district had capital assets with a book value of \$5,124,440.92. This consists of a broad range of capital assets, including land, school buildings, computer, audio-visual equipment and other equipment. (See Table A-6.) Total depreciation expense for the year was \$320,975.72.

Table A-6
Capital Assets (Net of Accumulated Depreciation)
As of June 30, 2012 and 2011

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Land	\$ 854,200.00	\$ 854,200.00			\$ 854,200.00	\$ 854,200.00
Buildings & Bldg Improvements	5,902,145.06	5,384,961.58			5,902,145.06	5,384,961.58
Equipment	890,791.85	836,511.46	\$29,114.72	\$ 93,118.72	1,019,906.57	929,630.18
Land Improvements	<u>905,190.91</u>	<u>905,190.91</u>	<u> </u>	<u> </u>	<u>905,190.91</u>	<u>905,190.91</u>
Total Capital Assets	<u>8,552,327.82</u>	<u>7,980,863.95</u>	<u>127,114.72</u>	<u>93,118.72</u>	<u>8,073,982.67</u>	<u>8,073,982.67</u>
Less: Accumulated Depreciation	<u>3,485,100.72</u>	<u>3,172,719.90</u>	<u>71,900.90</u>	<u>63,306.00</u>	<u>3,236,025.90</u>	<u>3,236,025.90</u>
Net Capital Assets	<u><u>\$ 5,067,227.10</u></u>	<u><u>\$ 4,808,144.05</u></u>	<u><u>\$ 57,213.82</u></u>	<u><u>\$ 29,812.72</u></u>	<u><u>\$ 5,124,440.92</u></u>	<u><u>\$ 4,837,956.77</u></u>

Increases in capital assets resulted from capital outlay in the general fund and purchases or leases of equipment in the food services enterprise fund.

Long-term Obligations

At fiscal year-end, the District had \$502,898.00 in general obligation bonds outstanding, a decrease of \$205,000.00 from last fiscal year – as shown in Table A-7.

The District also had a \$955,888.32 liability for compensated absences. This liability represents the District's contractual obligation to compensate employees for accumulated unused sick leave entitlements upon retirement.

Borough of Bellmawr School District Bellmawr, New Jersey

Management's Discussion and Analysis (continued) Fiscal Year Ended June 30, 2012

**Table A-7
Long Term Debt Schedule**

<u>Governmental Activity</u>	<u>Balance at June 30, 2012</u>	<u>Balance at June 30, 2011</u>	<u>Decrease</u>
General Obligation Bonds Payable	\$ 502,898.00	\$ 707,898.00	\$ 205,000.00
Compensated Absences	955,888.32	1,062,768.66	106,880.34
Total	<u>\$ 1,458,786.32</u>	<u>\$ 1,770,666.66</u>	<u>\$ 311,880.34</u>

THE FUTURE OUTLOOK

The Bellmawr School District is presently in a strong financial condition. However, the future financing of public schools in the State of New Jersey is becoming very unpredictable and unsettling. This was demonstrated in recent years by the withholding of one or more state aid payment until after the close of the fiscal year, the state refusing to fully fund the educational formulas created by law imposing more unfunded mandates.

The over-reliance on property taxes to support the schools in Bellmawr is a concern faced by the Board of Education and Administration each year. The District has been committed to financial excellence for many years. The District's system for financial planning, budgeting and internal controls are well regarded. The District is committed to continuing its sound fiscal management to meet the challenges of the future.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives.

If you have questions about this report or need additional financial information, contact the School Business Administrator/Board Secretary at Bellmawr Board of Education, 256 Anderson Avenue, Bellmawr, New Jersey 08031.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Statement of Net Assets
June 30, 2012

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 52,958.08		\$ 52,958.08
Interfund Accounts Receivable	10,687.78	\$ 44,001.48	54,689.26
Accounts Receivable (Note 4)	923,454.53	30,149.55	953,604.08
Inventory (Note 5)		14,757.15	14,757.15
Deferred Assets:			
Bond Issuance Costs	19,184.67		19,184.67
Restricted Assets:			
Restricted Cash and Cash Equivalents	1.23		1.23
Capital Reserve Cash	1,222,655.62		1,222,655.62
Capital Assets, net (Note 6)	<u>5,067,227.10</u>	<u>57,213.82</u>	<u>5,124,440.92</u>
Total Assets	<u>7,296,169.00</u>	<u>146,122.00</u>	<u>7,442,291.00</u>
LIABILITIES:			
Accounts Payable	183,308.31	1,737.57	185,045.88
Interfund Accounts Payable	44,001.48		44,001.48
Accrued Interest Payable	9,901.05		9,901.05
Deferred Revenue	134,550.19		134,550.19
Noncurrent Liabilities (Note 7):			
Due within One Year	305,366.67		305,366.67
Due beyond One Year	<u>1,153,419.65</u>		<u>1,153,419.65</u>
Total Liabilities	<u>1,830,547.35</u>	<u>1,737.57</u>	<u>1,832,284.92</u>
NET ASSETS:			
Invested in Capital Assets, Net of Related Debt	4,629,329.10	57,213.82	4,686,542.92
Restricted for:			
Other Purposes			
Capital Projects	1,232,315.60		1,232,315.60
Debt Service	1.23		1.23
Unrestricted	<u>(396,024.27)</u>	<u>87,170.61</u>	<u>(308,853.66)</u>
Total Net Assets	<u>\$ 5,465,621.65</u>	<u>\$ 144,384.43</u>	<u>\$ 5,610,006.08</u>

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2012

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities:							
Instruction:							
Regular	\$ 4,998,761.37		\$ 900,988.81		\$ (4,097,772.56)		\$ (4,097,772.56)
Special Education	1,378,011.33				(1,378,011.33)		(1,378,011.33)
Other Special Instruction	116,783.75				(116,783.75)		(116,783.75)
Other Instruction	74,704.42				(74,704.42)		(74,704.42)
Support Services:							
Tuition	605,678.16				(605,678.16)		(605,678.16)
Student and Instruction Related Services	1,437,959.14		141,822.52	\$ 32,800.00	(1,263,336.62)		(1,263,336.62)
School Administrative Services	412,123.13				(412,123.13)		(412,123.13)
Other Administrative Services	571,091.68				(571,091.68)		(571,091.68)
Plant Operations and Maintenance	1,041,246.33		112,346.66		(928,899.67)		(928,899.67)
Pupil Transportation	261,704.72				(261,704.72)		(261,704.72)
Unallocated Benefits	3,048,964.44		1,233,175.85		(1,815,788.59)		(1,815,788.59)
Interest on Long-Term Debt	25,288.96		2,810.34		(22,478.62)		(22,478.62)
Amortization of Bond Issuance Costs	10,018.00				(10,018.00)		(10,018.00)
Total Governmental Activities	13,982,335.43	-	2,391,144.18	32,800.00	(11,558,391.25)	-	(11,558,391.25)
Business-Type Activities:							
Food Service	449,797.87	\$ 235,540.28	238,236.18			\$ 23,978.59	23,978.59
Total Business-Type Activities	449,797.87	235,540.28	238,236.18	-	-	23,978.59	23,978.59
Total Primary Government	\$ 14,432,133.30	\$ 235,540.28	\$ 2,629,380.36	32,800.00	(11,558,391.25)	23,978.59	(11,534,412.66)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					7,575,869.00		7,575,869.00
Taxes Levied for Debt Service					213,030.00		213,030.00
Federal and State Aid not Restricted					4,644,683.09		4,644,683.09
Federal and State Aid Restricted					18,807.66		18,807.66
Unrestricted Investment Earnings					10,921.54	432.01	11,353.55
Miscellaneous Income					43,648.29		43,648.29
Total General Revenues, Special Items, Extraordinary Items and Transfers					12,506,959.58	432.01	12,507,391.59
Change in Net Assets					948,568.33	24,410.60	972,978.93
Net Assets, July 1					4,517,053.32	119,973.83	4,637,027.15
Net Assets, June 30					\$ 5,465,621.65	\$ 144,384.43	\$ 5,610,006.08

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

FUND FINANCIAL STATEMENTS

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Balance Sheet
 Governmental Funds
 June 30, 2012

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
ASSETS:						
Cash and Cash Equivalents	\$ 52,958.08			\$ 1.23		\$ 52,959.31
Capital Reserve Cash	1,222,655.62					1,222,655.62
Interfunds Account Receivable:						
Special Revenue Fund	54,154.11					54,154.11
Capital Projects Fund	430,799.62					430,799.62
Enterprise Fund						
Trust and Agency Fund	10,687.78					10,687.78
Intergovernmental Accounts Receivable:						
State	186,810.81		\$ 440,459.60			627,270.41
Federal		\$ 268,321.43				268,321.43
Other	27,862.69					27,862.69
Total Assets	<u>\$ 1,985,928.71</u>	<u>\$ 268,321.43</u>	<u>440,459.60</u>	<u>\$ 1.23</u>	<u>-</u>	<u>\$ 2,694,710.97</u>
LIABILITIES AND FUND BALANCES:						
Liabilities:						
Accounts Payable	\$ 56,712.44	\$ 4,432.41				\$ 61,144.85
Intergovernmental Accounts Payable - Federal		122,163.46				122,163.46
Interfunds Account Payable:						
General Fund		54,154.11	\$ 430,799.62			484,953.73
Trust and Agency Fund						
Enterprise Fund	44,001.48					44,001.48
Deferred Revenue	3,878.34	130,671.85				134,550.19
Total Liabilities	<u>104,592.26</u>	<u>311,421.83</u>	<u>430,799.62</u>	<u>-</u>	<u>-</u>	<u>846,813.71</u>

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Balance Sheet
 Governmental Funds
 June 30, 2012

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
LIABILITIES AND FUND BALANCES (CONT'D):						
Fund Balances (Cont'd):						
Restricted:						
Capital Reserve	\$ 1,222,655.62					\$ 1,222,655.62
Capital Projects Fund			\$ 9,659.98			9,659.98
Debt Service Fund				\$ 1.23		1.23
Assigned:						
Subsequent Year's Expenditures	452,729.40					452,729.40
Other Purposes	205,951.43					205,951.43
Unassigned:						
General Fund						-
Special Revenue Fund		\$ (43,100.40)				(43,100.40)
Total Fund Balances	<u>1,881,336.45</u>	<u>(43,100.40)</u>	<u>9,659.98</u>	<u>1.23</u>	<u>-</u>	<u>1,847,897.26</u>
Total Liabilities and Fund Balances	<u>\$ 1,985,928.71</u>	<u>\$ 268,321.43</u>	<u>\$ 440,459.60</u>	<u>\$ 1.23</u>	<u>-</u>	

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Balance Sheet
 Governmental Funds
 June 30, 2012

	<u>Total Governmental Funds</u>
Amounts reported for <i>governmental activities</i> 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 \$8,552,327.82 and the accumulated depreciation is \$3,485,100.72.	\$ 5,067,227.10
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	19,184.67
Accrued interest payable is not due and payable in the current period and therefore is not reported as liabilities in the funds.	(9,901.05)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(1,458,786.32)</u>
Net assets of governmental activities	<u><u>\$ 5,465,621.65</u></u>

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2012

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
REVENUES:						
Local Tax Levy	\$ 7,575,869.00			\$ 213,030.00		\$ 7,788,899.00
Unrestricted Miscellaneous Revenues	54,569.83					54,569.83
Federal Sources	174,347.55	\$ 726,894.75				901,242.30
State Sources	5,727,346.05	437,228.58		21,618.00		6,186,192.63
Total Revenues	13,532,132.43	1,164,123.33	-	234,648.00	-	14,930,903.76
EXPENDITURES:						
Current:						
Regular Instruction	4,144,934.90	902,015.01				5,046,949.91
Special Education Instruction	1,378,011.33					1,378,011.33
Other Special Instruction	116,783.75					116,783.75
Other Instruction	74,704.42					74,704.42
Support Services and Undistributed Costs:						
Tuition	605,678.16					605,678.16
Student and Instruction Related Services	1,296,641.62	141,822.52				1,438,464.14
School Administrative Services	411,323.13					411,323.13
Other Administrative Services	527,876.83					527,876.83
Plant Operations and Maintenance	765,401.41					765,401.41
Pupil Transportation	261,704.72					261,704.72
Unallocated Benefits	1,868,635.59	88,512.00				1,957,147.59
TPAF Pension and Social Security	1,091,816.85					1,091,816.85
Debt Service:						
Principal				205,000.00		205,000.00
Interest and Other Charges				29,646.77		29,646.77
Capital Outlay	55,520.99	32,800.00	\$ 496,823.59			585,144.58
Total Expenditures	12,599,033.70	1,165,149.53	496,823.59	234,646.77	-	14,495,653.59
Excess (Deficiency) of Revenues over Expenditures	933,098.73	(1,026.20)	(496,823.59)	1.23	-	435,250.17

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2012

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
OTHER FINANCING SOURCES (USES):						
Payment of Prior Year Expenditures	\$ (33,723.03)					\$ (33,723.03)
Transfer to Special Revenue Fund for Title I Recovery	(18,262.00)					(18,262.00)
Capital Reserve Transferred to Capital Projects Fund	(2,235.29)		\$ 2,235.29			
Capital Outlay Transferred to Capital Reserve	(767,297.03)					(767,297.03)
Capital Reserve Transferred from Capital Outlay	<u>767,297.03</u>					<u>767,297.03</u>
Total Other Financing Sources and Uses	<u>(54,220.32)</u>	-	<u>2,235.29</u>	-	-	<u>(51,985.03)</u>
Net Change in Fund Balances	878,878.41	\$ (1,026.20)	(494,588.30)	\$ 1.23	-	\$ 383,265.14
Fund Balance, July 1	<u>1,002,458.04</u>	<u>(42,074.20)</u>	<u>504,248.28</u>			<u>1,464,632.12</u>
Fund Balance, June 30	<u>\$ 1,881,336.45</u>	<u>\$ (43,100.40)</u>	<u>\$ 9,659.98</u>	<u>1.23</u>	<u>-</u>	<u>\$ 1,847,897.26</u>

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2012

Total Net Change in Fund Balances - Governmental Funds	\$	383,265.14
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>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.</p>		
Depreciation expense	\$	(312,380.82)
Capital outlay expensed in accordance with District's policies		5,041.23
Other expenses capitalized in accordance with District's policies		(18,721.94)
Capital outlays		<u>585,144.58</u>
		259,083.05
<p>Repayment of long-term debt 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.</p>		
		205,000.00
<p>Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences.</p>		
		(10,018.00)
<p>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. This amount is the net effect of the difference in the treatment of interest on long-term debt.</p>		
		4,357.81
<p>In the statement of activities, certain operating expenses, (e.g., compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		<u>106,880.33</u>
Change in Net Assets of Governmental Activities	\$	<u><u>948,568.33</u></u>

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Statement of Net Assets
Proprietary Funds
June 30, 2012

	Business-Type Activities -- Enterprise <u>Fund</u>
ASSETS:	
Current Assets:	
Interfund Accounts Receivable	\$ 44,001.48
Accounts Receivable:	
Federal	8,632.17
State	196.71
Other	21,320.67
Inventories	<u>14,757.15</u>
Total Current Assets	<u>88,908.18</u>
Noncurrent Assets:	
Equipment	129,114.72
Less: Accumulated Depreciation	<u>(71,900.90)</u>
Total Noncurrent Assets	<u>57,213.82</u>
Total Assets	<u>146,122.00</u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	<u>1,737.57</u>
NET ASSETS:	
Invested in Capital Assets Net of Related Debt	57,213.82
Unrestricted	<u>87,170.61</u>
Total Net Assets	<u><u>\$ 144,384.43</u></u>

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2012

	Business-Type Activities -- Enterprise <u>Fund</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable and Non-Reimbursable Programs	136,418.49
Daily Sales - Vending	10,372.81
Rebates	537.32
Other School District	84,144.14
Special Functions	<u>4,067.52</u>
 Total Operating Revenues	 <u>235,540.28</u>
OPERATING EXPENSES:	
Cost of Sales	194,996.25
Salaries	152,979.11
Employee Benefits	31,725.86
Other Purchased Services	37,689.96
Supplies and Materials	23,811.79
Depreciation	<u>8,594.90</u>
 Total Operating Expenses	 <u>449,797.87</u>
 Operating Income (Loss)	 <u>(214,257.59)</u>
NONOPERATING REVENUES:	
State Sources:	
State School Lunch Program	5,604.86
Federal Sources:	
National School Lunch Program	192,016.52
National School Breakfast Program	14,682.90
Special Milk Program	360.90
Food Distribution Program	25,571.00
Interest	<u>432.01</u>
 Total Nonoperating Revenues	 <u>238,668.19</u>
 Change in Net Assets	 24,410.60
 Net Assets, July 1	 <u>119,973.83</u>
 Net Assets, June 30	 <u><u>\$ 144,384.43</u></u>

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2012

	<u>Business-Type Activities -- Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 220,783.13
Payments to Employees	(152,979.11)
Payments for Employee Benefits	(31,725.86)
Payments to Suppliers	<u>(254,257.37)</u>
Net Cash Provided by (used for) Operating Activities	<u>(218,179.21)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Federal Sources	206,681.20
State Sources	5,617.38
Subsidies and Transfers	<u>(94,566.48)</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>117,732.10</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Payments on Capital Lease	(3,051.43)
Purchase of Capital Assets	<u>(35,996.00)</u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(39,047.43)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest	<u>432.01</u>
Net Cash Provided by (used for) Investing Activities	<u>432.01</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(139,062.53)
Cash and Cash Equivalents, July 1	<u>139,062.53</u>
Cash and Cash Equivalents, June 30	<u><u>-</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	(214,257.59)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation	8,594.90
Food Distribution Program	25,571.00
(Increase) Decrease in Accounts Receivable	(14,757.15)
(Increase) Decrease in Inventory	2,012.40
Increase (Decrease) in Interfund Payable	(12,043.34)
Increase (Decrease) in Accounts Payable	<u>(13,299.43)</u>
Total Adjustments	<u>(3,921.62)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (218,179.21)</u>

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	<u>Trust Funds</u>			<u>Agency Funds</u>	
	Mary E. Hare Memorial Scholarship <u>Fund</u>	Betty Sheppard Memorial <u>Fund</u>	Unemployment Compensation Trust <u>Fund</u>	Student <u>Activity</u>	<u>Payroll</u>
ASSETS:					
Cash and Cash Equivalents	\$ 6,035.92	\$ 7,448.88	\$ 88,712.62	\$ 38,761.71	\$ 64,397.62
Accounts Receivable					1,100.00
Total Assets	<u>6,035.92</u>	<u>7,448.88</u>	<u>88,712.62</u>	<u>\$ 38,761.71</u>	<u>\$ 65,497.62</u>
LIABILITIES:					
Interfund Accounts Payable:					
General Fund		240.00			\$ 10,447.78
Payable to Student Groups				\$ 38,761.71	
Payroll Deductions and Withholdings					55,049.84
Total Liabilities	<u>-</u>	<u>240.00</u>	<u>-</u>	<u>\$ 38,761.71</u>	<u>\$ 65,497.62</u>
NET ASSETS:					
Held in Trust for Unemployment Claims and Other Purposes			88,712.62		
Reserve for Program Expenditures Reserved for Scholarships	<u>6,035.92</u>	<u>7,208.88</u>			
Total Net Assets	<u>\$ 6,035.92</u>	<u>\$ 7,208.88</u>	<u>\$ 88,712.62</u>		

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2012

	Mary E. Hare Memorial Scholarship <u>Fund</u>	Betty Sheppard Memorial <u>Fund</u>	Unemployment Compensation Trust <u>Fund</u>
ADDITIONS:			
Contributions:			
Donations		\$ 4,475.00	
Employee Salary Deductions			\$ 15,338.48
Investment Earnings:			
Interest	\$ 47.99	73.60	546.99
Total Additions	<u>47.99</u>	<u>4,548.60</u>	<u>15,885.47</u>
DEDUCTIONS:			
Program Expenditures		70.00	
Scholarships Awarded	<u>1,000.00</u>		
Total Deductions	<u>1,000.00</u>	<u>70.00</u>	<u>-</u>
Change in Net Assets	(952.01)	4,478.60	15,885.47
Net Assets, July 1	<u>6,987.93</u>	<u>2,730.28</u>	<u>72,827.15</u>
Net Assets, June 30	<u>\$ 6,035.92</u>	<u>\$ 7,208.88</u>	<u>\$ 88,712.62</u>

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity - The Borough of Bellmawr School District (hereafter referred to as the "School District") is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to educate students in grades Pre-K through 8th at its three schools. The School District has an approximate enrollment at June 30, 2012 of 1,135.

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

Component Units - GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. At June 30, 2012, there are no organizations considered to be component units. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Permanent Fund - The permanent fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the School District's programs, that is, for the benefit of the School District or its students as a whole. The School District does not maintain a permanent fund.

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

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

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

The School District's enterprise funds are:

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Financial Statements (Cont'd)**

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

Equipment	15 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Pension trust funds are used to account for resources held in trust for employees and their beneficiaries based on defined benefit pension agreements, defined contribution agreements, other postemployment benefit agreements, and other employee benefit arrangements. Investment trust funds are used to report the external portion of an investment pool as defined in GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Private-purpose trust funds are used to account for the principal and income for all other trust arrangements that benefit individuals, private organizations, or other governments. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The School District has five fiduciary funds, an unemployment compensation trust fund, a private-purpose scholarship fund, a memorial fund, a student activity fund, and a payroll fund.

Measurement Focus

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

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

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

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

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting.

For fund financial statements, all governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds, like the government-wide financial statements, use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue and the presentation of expenses versus expenditures.

Recognition of Revenue - Revenue resulting from exchange transactions, which are defined as transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. For the governmental fund financial statements, which are prepared on the modified accrual basis, however, such revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

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

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

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

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

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

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

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

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3 includes all amendments to the adopted budget, if any.

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

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

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

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

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

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

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

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

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2012 and 2011 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

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

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

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

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2012.

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

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

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

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

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

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

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20 Years	N/A
Buildings and Improvements	5-50 Years	N/A
Furniture and Equipment	5-20 Years	15 Years
Vehicles	5-10 Years	4-6 Years

Accrued Salaries and Wages - Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2012, the amounts earned by these employees were disbursed to the employees' own financial institution.

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

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

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

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

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

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

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

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

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

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

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

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

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

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

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

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

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

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

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

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

Note 2: CASH AND CASH EQUIVALENTS

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

As of June 30, 2012, the School District's bank balances of \$2,064,095.77 were exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	<u>\$ 322,036.64</u>
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Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$1 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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	\$ 457,593.89
Increased by:	
Board Resolution Adopted as of June 25, 2012	<u>767,297.02</u>
	1,224,890.91
Decreased by:	
Transfer to Capital Projects Fund - Local Share	<u>\$ 2,235.29</u>
Ending Balance June 30, 2012	<u><u>\$ 1,222,655.62</u></u>

The June 30, 2012 LRFP balance of local support costs of uncompleted projects at June 30, 2012 is \$1,621,000.00. The withdrawals from the capital reserve were for use in a DOE approved facilities projects, consistent with the School District's LRFP.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2012 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds.

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Proprietary Fund</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Accounts Receivable				\$ 21,320.67	\$ 1,100.00	\$ 22,420.67
Intergovernmental	<u>\$ 214,673.50</u>	<u>\$ 268,321.43</u>	<u>\$ 440,459.60</u>	<u>8,828.88</u>		<u>932,283.41</u>
	<u>\$ 214,673.50</u>	<u>\$ 268,321.43</u>	<u>\$ 440,459.60</u>	<u>\$ 30,149.55</u>	<u>\$ 1,100.00</u>	<u>\$ 954,704.08</u>

At June 30, 2012, the Debt Service had no accounts receivables.

Note 5: INVENTORY

The School District does not material amounts of inventory for its Governmental Funds.

Inventory in the food service fund at June 30, 2012 consisted of the following:

Food	\$ 12,959.30
Supplies	<u>1,797.85</u>
	<u>\$ 14,757.15</u>

Note 6: CAPITAL ASSETS

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

	Balance <u>July 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>June 30, 2012</u>
Government Activities:				
Capital Assets that are not being Depreciated:				
Land	\$ 854,200.00			\$ 854,200.00
Total Capital Assets not being Depreciated	<u>854,200.00</u>		-	<u>854,200.00</u>
Land Improvements	905,190.91			905,190.91
Building and Improvements	5,384,961.58	\$ 517,183.48		5,902,145.06
Equipment	836,511.46	54,280.39		890,791.85
Totals at Historical Cost	<u>7,126,663.95</u>	<u>571,463.87</u>	-	<u>7,698,127.82</u>
Less: Accumulated Depreciation for:				
Land Improvements	(538,421.63)	(60,894.15)		(599,315.78)
Building and Improvements	(2,191,458.70)	(154,040.54)		(2,345,499.24)
Equipment	(442,839.57)	(97,446.13)		(540,285.70)
Total Accumulated Depreciation	<u>(3,172,719.90)</u>	<u>(312,380.82) *</u>	-	<u>(3,485,100.72)</u>
Total Capital Assets being Depreciated, net of Accumulated Depreciation	<u>3,953,944.05</u>	<u>259,083.05</u>		<u>4,213,027.10</u>
Government Activities Capital Assets, net	<u>\$ 4,808,144.05</u>	<u>\$ 259,083.05</u>	-	<u>\$ 5,067,227.10</u>
Business-Type Activities:				
Equipment	\$ 93,118.72	\$ 35,996.00	-	\$ 129,114.72
Less: Accumulated Depreciation	(63,306.00)	(8,594.90)		(71,900.90)
Business-Type Activities Capital Assets, net	<u>\$ 29,812.72</u>	<u>\$ 27,401.10</u>	-	<u>\$ 57,213.82</u>

Note 6: CAPITAL ASSETS (CONT'D)

* Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 46,436.79
General and Business Administrative Services	3,329.82
Plant Operations and Maintenance	<u>262,614.21</u>
Total Depreciation Expense	<u>\$ 312,380.82</u>

Note 7: LONG-TERM OBLIGATIONS

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

	<u>Principal Outstanding July 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2012</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 707,898.00		\$ (205,000.00)	\$ 502,898.00	\$ 210,000.00
Compensated Absences	1,062,768.66	\$ 181,055.00	(287,935.34)	955,888.32	95,366.67
Governmental Activity Long-term Liabilities	<u>\$ 1,770,666.66</u>	<u>\$ 181,055.00</u>	<u>\$ (492,935.34)</u>	<u>\$ 1,458,786.32</u>	<u>\$ 305,366.67</u>
Business Type Activities:					
Capital Leases Payable	<u>\$ 3,051.43</u>	<u>-</u>	<u>\$ (3,051.43)</u>	<u>-</u>	

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

On January 15, 1994, the School District issued \$1,400,000.00 general obligation bonds at interest rate varying to 5.20% for renovation projects. The final maturity of these bonds is January 15, 2014.

On March 27, 2003, the School District issued \$560,000.00 general obligation bonds to fund an early retirement incentive program at interest rates varying to 5.40%. The final maturity of these bonds is July 15, 2012.

On August 15, 2005, the School District issued \$492,898.00 general obligation bonds at interest rates varying to 3.9% for local share of renovation projects partially funded by grants from the State of New Jersey. The final maturity of these bonds is August 1, 2015.

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

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 210,000.00	\$ 19,758.02	\$ 229,758.02
2014	155,000.00	11,174.27	166,174.27
2015	70,000.00	3,978.02	73,978.02
2016	67,898.00	1,324.01	69,222.01
	<u>\$ 502,898.00</u>	<u>\$ 36,234.32</u>	<u>\$ 539,132.32</u>

Bonds Authorized but not Issued - As of June 30, 2012, the School District had no authorizations to issue additional bonded debt.

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

Note 8: OPERATING LEASES

At June 30, 2012, the School District had operating lease agreements in effect for copy machines and a mail machine. The present value of the future minimum rental payments under the operating lease agreements are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Amount</u>
2013	38,382.48
2014	2,340.00
	<u>\$ 40,722.48</u>

Rental payments under operating leases for the fiscal year ended June 30, 2012 were \$41,588.16.

Note 9: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. No employees participate in the in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This too is administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

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

Note 9: PENSION PLANS (CONT'D)

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

Public Employees Retirement System

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2012	\$ 46,472.00	\$ 78,030.00	\$ 124,502.00	\$ 124,502.00
2011	44,612.00	59,389.00	104,001.00	104,001.00
2010	43,102.00	42,055.00	85,157.00	85,157.00

Note 9: PENSION PLANS (CONT'D)

Defined Contribution Retirement Program - The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Division of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

At June 30, 2012, the School District had no participants in the DCRP.

Note 10: POST-RETIREMENT BENEFITS

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

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

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2012, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement costs were \$207,877.00 and \$417,887.00, respectively.

Note 12: RISK MANAGEMENT

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

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

Note 12: RISK MANAGEMENT (CONT'D)

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School 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 School 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 fiscal years:

<u>Fiscal Year Ended June 30,</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Ending Balance</u>
2012	None	\$ 15,338.48	\$ 88,712.62
2011	None	8,583.92	72,827.15
2010	None	12,267.22	64,137.51

Joint Insurance Pool - The School District is a member of the School Alliance Insurance Fund. The Fund provides its members and the School District has the following coverage:

- General and Auto Liability
- Property and Auto Physical Damage
- Boiler and Machinery
- Comprehensive Crime Coverage
- Environmental Impairment Liability
- Excess Liability
- School Leaders Professional Liability
- Worker's Compensation
- Employer's Liability

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The School District's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$50,000.00 to \$200,000.00 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the fiscal year ended June 30, 2012, which can be obtained from:

School Alliance Insurance Fund
51 Everett Drive, Suite B-40
West Windsor, New Jersey 08550

Note 13: DEFERRED COMPENSATION

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

Lincoln Investment Planning, Inc.
The Equitable Life Assurance Company
Oppenheimer Funds
Mutual of Omaha Insurance Company
American Funds Group
Siracusa Benefits Program
Thomas Seely Agency Inc.
Met Life

Note 14: COMPENSATED ABSENCES

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2012, the liability for compensated absences in the governmental activities was \$955,888.32. There is no liability for compensated absences in the proprietary fund.

Note 15: INTERFUND BALANCES AND TRANSFERS

The following interfund balances were recorded on the various balance sheets as June 30, 2012:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General Fund	\$ 495,641.51	\$ 44,001.48
Special Revenue Fund		54,154.11
Capital Projects Fund		430,799.62
Debt Service Fund		
Proprietary Fund	44,001.48	
Fiduciary Funds		10,687.78
	<u>\$ 539,642.99</u>	<u>\$ 539,642.99</u>

Note 15: INTERFUND BALANCES AND TRANSFERS (CONT'D)

The interfund receivable in the general fund primarily represents payments made on behalf of grants in the special revenue fund or the capital projects fund where the School District has a receivable from the State of New Jersey or the federal government. These are expected to be collected within one year.

Note 16: DEFICIT FUND BALANCES

The School District has a deficit fund balance of \$43,100.40 in the special revenue fund as of June 30, 2012 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Note 17: FUND BALANCES**RESTRICTED**

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

General Fund -

For Capital Reserve Account - As of June 30, 2012, the balance in the capital reserve account is \$1,222,655.62. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

Capital Projects Fund - As of June 30, 2012, the balance in the capital projects fund is \$9,659.98 representing the balance of an existing capital project authorized under the School District's approved Long Range Facilities Plan (LRFP).

Debt Service Fund – As of June 30, 2012, the balance in the debt service fund is \$1.23. It can be anticipated for tax relief in a future budget.

ASSIGNED

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

Note 17: FUND BALANCES (CONT'D)**ASSIGNED (CONT'D)****General Fund -**

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2013, \$452,729.40 of general fund balance at June 30, 2012.

Other Purposes - As of June 30, 2012, the School District had \$205,951.43 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

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

Special Revenue Fund - As of June 30, 2012, the fund balance of the special revenue fund was a deficit of \$43,100.40, thus resulting in the fund balance classification of unassigned. The deficit is a result from a delay in the payment of state aid until the following fiscal year. As stated in note 16, since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties. The unassigned deficit on the GAAP financial statements of \$43,100.40 does not exceed the last state aid payment.

Note 18: SUBSEQUENT EVENTS

On the October 1, 2012, the Board of Education authorized a capital project for the reroofing of the district's three schools. The approximate project cost is \$3,093,750.00 and is not expected to receive state funding. The School District will hold a referendum on December 11, 2012 for the project.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>REVENUES</u>					
Local Sources:					
Local Tax Levy	\$ 7,575,869.00		\$ 7,575,869.00	\$ 7,575,869.00	
Interest Income				10,921.54	\$ 10,921.54
Unrestricted Miscellaneous Revenues	50,000.00		50,000.00	43,648.29	(6,351.71)
Total - Local Sources	7,625,869.00	-	7,625,869.00	7,630,438.83	4,569.83
State Sources:					
Equalization Aid	3,885,798.00		3,885,798.00	4,010,878.00	125,080.00
School Choice Aid				9,092.00	9,092.00
Categorical Special Education Aid	561,281.00		561,281.00	561,281.00	
Extraordinary Aid				62,120.00	62,120.00
Additional Non-Public Transportation Aid				10,440.00	10,440.00
On - behalf TPAF Pension Contributions				207,877.00	207,877.00
On - behalf TPAF Pension Contributions-Post Retirement Medical				417,887.00	417,887.00
Reimbursed TPAF Social Security Contributions				466,052.85	466,052.85
Total - State Sources	4,447,079.00	-	4,447,079.00	5,745,627.85	1,298,548.85
Federal Sources:					
SEMI Medicaid	13,940.00		13,940.00	9,153.89	
Education JOBS Fund	163,936.00	5,136.00	169,072.00	165,193.66	(3,878.34)
Total - Federal Sources	177,876.00	5,136.00	183,012.00	174,347.55	(3,878.34)
Total Revenues	12,250,824.00	5,136.00	12,255,960.00	13,550,414.23	1,299,240.34

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>EXPENDITURES</u>					
General Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarden	\$ 332,140.00	\$ 57,000.00	\$ 389,140.00	\$ 389,107.29	\$ 32.71
Grades 1-5	2,227,391.00	(117,300.00)	2,110,091.00	2,110,052.10	38.90
Grades 6-8	1,573,557.00	(104,103.00)	1,469,454.00	1,359,903.17	109,550.83
Regular Programs - Home Instruction:					
Salaries of Teachers	20,000.00		20,000.00	14,635.54	5,364.46
Purchased Services		1,366.30	1,366.30	1,366.30	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	19,570.00	(18,601.30)	968.70		968.70
Purchased Professional - Educational Services	10,500.00		10,500.00		10,500.00
Purchased Professional and Technical Services		18,000.00	18,000.00	17,824.60	175.40
Other Purchased Services (400-500 series)	80,000.00	9,981.00	89,981.00	68,888.54	21,092.46
General Supplies	92,626.00	91,201.68	183,827.68	133,250.46	50,577.22
Textbooks	26,000.00	282.00	26,282.00	10,081.64	16,200.36
Other Objects	35,000.00	14,393.66	49,393.66	39,825.26	9,568.40
Total Regular Programs - Instruction	4,416,784.00	(47,779.66)	4,369,004.34	4,144,934.90	224,069.44

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
Special Education Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	\$ 146,899.00	\$ 9,000.00	\$ 155,899.00	\$ 155,572.00	\$ 327.00
Other Salaries for Instruction	83,915.00	(9,000.00)	74,915.00	66,458.56	8,456.44
General Supplies	8,000.00		8,000.00	842.05	7,157.95
Textbooks	500.00		500.00		500.00
Total Learning and/or Language Disabilities	239,314.00	-	239,314.00	222,872.61	16,441.39
Multiple Disabilities:					
Salaries of Teachers	365,875.00	(191,000.00)	174,875.00	171,433.62	3,441.38
Other Salaries for Instruction	103,581.00	500.00	104,081.00	91,121.62	12,959.38
General Supplies	8,500.00		8,500.00	5,280.23	3,219.77
Textbooks	2,000.00	(500.00)	1,500.00		1,500.00
Other Objects	500.00		500.00	165.24	334.76
Total Multiple Disabilities	480,456.00	(191,000.00)	289,456.00	268,000.71	21,455.29
Resource Room / Resource Center:					
Salaries of Teachers	437,574.00	220,300.00	657,874.00	657,835.10	38.90
Other Salaries for Instruction	104,060.00	56,700.00	160,760.00	158,314.32	2,445.68
General Supplies	9,500.00	1,240.21	10,740.21	5,104.59	5,635.62
Textbooks	3,000.00		3,000.00		3,000.00
Other Objects	500.00		500.00		500.00
Total Resource Room / Resource Center	554,634.00	278,240.21	832,874.21	821,254.01	11,620.20
Preschool Disabilities - Full Time:					
Salaries of Teachers	53,387.00	500.00	53,887.00	51,168.90	2,718.10
Other Salaries for Instruction	39,373.00	(20,500.00)	18,873.00	14,715.10	4,157.90
Total Preschool Disabilities - Part-Time	92,760.00	(20,000.00)	72,760.00	65,884.00	6,876.00
Total Special Education - Instruction	1,367,164.00	67,240.21	1,434,404.21	1,378,011.33	56,392.88

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 110,502.00	\$ 2,800.00	\$ 113,302.00	\$ 113,257.85	\$ 44.15
Purchased Professional - Educational Services	900.00	3,950.00	4,850.00	3,525.90	1,324.10
Purchased Technical Services	200.00		200.00		200.00
General Supplies	750.00	(750.00)			-
Textbooks	200.00		200.00		200.00
Total Bilingual Education - Instruction	112,552.00	6,000.00	118,552.00	116,783.75	1,768.25
School - Sponsored Cocurricular Activities - Instruction:					
Salaries	46,955.00		46,955.00	44,670.00	2,285.00
Supplies and Materials	4,000.00		4,000.00	780.10	3,219.90
Other Objects	16,000.00	(6,500.00)	9,500.00	1,037.40	8,462.60
Total School - Sponsored Cocurricular Activities - Instruction	66,955.00	(6,500.00)	60,455.00	46,487.50	13,967.50
School - Sponsored Athletics - Instruction:					
Salaries	27,001.00		27,001.00	23,125.00	3,876.00
Supplies and Materials	2,000.00	(187.00)	1,813.00	1,812.92	0.08
Other Objects	3,000.00	280.00	3,280.00	3,279.00	1.00
Total School - Sponsored Athletics - Instruction	32,001.00	93.00	32,094.00	28,216.92	3,877.08
Total Instruction	5,995,456.00	19,053.55	6,014,509.55	5,714,434.40	300,075.15
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within the State - Special	120,000.00	4,157.60	124,157.60	23,019.59	101,138.01
Tuition to County Special Services School Districts and Regional Day Schools	304,000.00		304,000.00	233,046.64	70,953.36
Tuition to Private Schools for the Handicapped - Within State	389,000.00		389,000.00	349,611.93	39,388.07
Total Undistributed Expenditures - Instruction	813,000.00	4,157.60	817,157.60	605,678.16	211,479.44

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
Undistributed Expenditures - Attendance and Social Work:					
Salaries	\$ 2,000.00		\$ 2,000.00	\$ 2,000.00	
Purchased Professional and Technical Services		\$ 63,600.00	63,600.00	63,600.00	
Total Undistributed Expenditures - Attendance and Social Work	2,000.00	63,600.00	65,600.00	65,600.00	-
Undistributed Expenditures - Health Services:					
Salaries	96,312.00	207.00	96,519.00	96,519.00	
Purchased Professional and Technical Services	125,000.00	(10,680.00)	114,320.00	114,315.82	\$ 4.18
Other Purchased Services (400-500 series)	1,500.00	(207.00)	1,293.00		1,293.00
Supplies and Materials	10,000.00	2,582.00	12,582.00	9,130.78	3,451.22
Other Objects	250.00		250.00	120.00	130.00
Total Undistributed Expenditures - Health Services	233,062.00	(8,098.00)	224,964.00	220,085.60	4,878.40
Undistributed Expenditures - Speech, OT, PT and Related Services:					
Salaries	105,254.00	(25,666.00)	79,588.00	79,587.75	0.25
Purchased Professional - Educational Services	150,000.00	(16,911.00)	133,089.00	128,112.84	4,976.16
Other Objects	500.00	(400.00)	100.00		100.00
Total Undistributed Expenditures -Speech, OT, PT and Related Services	255,754.00	(42,977.00)	212,777.00	207,700.59	5,076.41
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	376,295.00	7,301.00	383,596.00	383,595.80	0.20
Salaries of Secretarial and Clerical Assistants	34,646.00		34,646.00	34,646.00	
Supplies and Materials	8,500.00	22.00	8,522.00	6,604.80	1,917.20
Other Objects	2,500.00		2,500.00	764.78	1,735.22
Total Undistributed Expenditures - Child Study Teams	421,941.00	7,323.00	429,264.00	425,611.38	3,652.62

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
Undistributed Expenditures - Improvement of Instructional Services:					
Salary of Supervisor of Instruction	\$ 88,638.00	\$ 27,000.00	\$ 115,638.00	114,125.50	\$ 1,512.50
Purchased Professional Educational Services	26,263.00	(14,576.00)	11,687.00	11,450.99	236.01
Supplies and Materials	18,250.00	33,472.51	51,722.51	46,287.94	5,434.57
Other Objects	37,500.00	(27,000.00)	10,500.00	7,126.62	3,373.38
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Undistributed Expenditures - Improvement of Instructional Services	170,651.00	18,896.51	189,547.51	178,991.05	10,556.46
Undistributed Expenditures - Educational Media Services / School Library:					
Salaries	135,475.00	61,100.00	196,575.00	196,204.80	370.20
Purchased Professional and Technical Services	50,000.00	(50,000.00)			
Supplies and Materials	15,500.00	(8,525.00)	6,975.00	2,448.20	4,526.80
Other Objects	8,000.00		8,000.00		8,000.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Undistributed Expenditures - Educational Media Services / School Library	208,975.00	2,575.00	211,550.00	198,653.00	12,897.00
Undistributed Expenditures - Support Services - General Administration:					
Salaries	177,962.00	46,000.00	223,962.00	218,618.53	5,343.47
Legal Services	35,000.00		35,000.00	6,715.79	28,284.21
Audit Fees	46,000.00		46,000.00	46,000.00	
Architectural and Engineering Services		12,000.00	12,000.00	11,985.75	14.25
Other Purchased Professional Services	20,000.00	(12,000.00)	8,000.00	4,206.75	3,793.25
Communications / Telephone	20,000.00		20,000.00	6,001.98	13,998.02
BOE Other Purchased Services	7,500.00		7,500.00		7,500.00
Miscellaneous Purchased Services	5,000.00	366.00	5,366.00	5,365.02	0.98
General Supplies	1,500.00		1,500.00	1,433.86	66.14
Board of Education In-House Training / Meeting Supplies	5,000.00		5,000.00	415.57	4,584.43
Miscellaneous Expenditures	9,000.00	720.00	9,720.00	9,719.77	0.23
BOE Membership Dues and Fees	10,000.00		10,000.00	7,101.85	2,898.15
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Undistributed Expenditures - Support Services - General Administration	336,962.00	47,086.00	384,048.00	317,564.87	66,483.13
					(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	\$ 220,794.00	\$ 36,127.00	\$ 256,921.00	\$ 256,920.67	\$ 0.33
Salaries of Secretarial and Clerical Assistants	147,395.00	(2,010.00)	145,385.00	145,384.07	0.93
Other Purchased Services	5,000.00		5,000.00		5,000.00
Supplies and Materials	15,000.00	(10,895.00)	4,105.00	3,333.39	771.61
Other Objects	8,000.00		8,000.00	5,685.00	2,315.00
Total Undistributed Expenditures - Support Services - School Administration	396,189.00	23,222.00	419,411.00	411,323.13	8,087.87
Undistributed Expenditures - Central Services:					
Salaries	164,048.00	1,970.00	166,018.00	165,945.00	73.00
Purchased Professional Services	18,000.00	(5,050.00)	12,950.00	12,950.00	
Purchased Technical Services	15,000.00		15,000.00	14,195.00	805.00
Miscellaneous Purchased Services	5,000.00		5,000.00	397.85	4602.15
Supplies and Materials	4,000.00	(1,050.00)	2,950.00	2,199.43	750.57
Miscellaneous Expenditures	9,500.00	5,125.00	14,625.00	14,624.68	0.32
Total Undistributed Expenditures - Central Services	215,548.00	995.00	216,543.00	210,311.96	6,231.04
Undistributed Expenditures - Required Maintenance for School Facilities:					
Salaries	92,146.00		92,146.00	91,992.74	153.26
Cleaning, Repair and Maintenance Services	88,000.00	(24,287.81)	63,712.19	54,400.57	9,311.62
General Supplies	19,800.00		19,800.00	9,008.01	10,791.99
Other Objects	3,000.00		3,000.00	467.40	2,532.60
Total Undistributed Expenditures - Required Maintenance for School Facilities	202,946.00	(24,287.81)	178,658.19	155,868.72	22,789.47

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
Undistributed Expenditures - Custodial Services:					
Salaries	\$ 279,653.00	\$ 5,136.00	\$ 284,789.00	\$ 282,359.22	\$ 2,429.78
Purchased Professional and Technical Services	12,000.00		12,000.00	2,200.00	9,800.00
Cleaning, Repair and Maintenance Services	16,500.00	2,375.00	18,875.00	18,704.97	170.03
Other Purchased Property Services	34,500.00		34,500.00	30,541.76	3,958.24
Insurance	45,000.00	8,000.00	53,000.00	45,811.00	7,189.00
Miscellaneous Purchased Services	3,500.00		3,500.00		3,500.00
General Supplies	31,000.00	10,376.06	41,376.06	29,196.38	12,179.68
Energy (Heat and Electricity)	300,000.00	(31,190.00)	268,810.00	195,408.25	73,401.75
Other Objects	6,000.00		6,000.00	5,311.11	688.89
Total Undistributed Expenditures - Custodial Services	728,153.00	(5,302.94)	722,850.06	609,532.69	113,317.37
Undistributed Expenditures - Student Transportation Services:					
Management Fee - ESC and CTSA Transportation Program	500.00		500.00		500.00
Contracted Services - Aid in Lieu of Payments - Nonpublic Schools	90,000.00		90,000.00	54,464.88	35,535.12
Contracted Services (Other than Between Home and School) - Vendors	8,000.00		8,000.00	7,538.00	462.00
Contracted Services (Special Education Students) - Vendors	41,000.00	3,000.00	44,000.00	43,335.00	665.00
Contracted Services (Special Education Students) - ESC's and CTSA's	225,000.00	15,237.97	240,237.97	156,366.84	83,871.13
Total Undistributed Expenditures - Student Transportation Services	364,500.00	18,237.97	382,737.97	261,704.72	121,033.25
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	161,642.00	(22,560.00)	139,082.00	139,078.30	3.70
Other Retirement Contributions	125,000.00	156,000.00	281,000.00	183,371.09	97,628.91
Unemployment Compensation	100,000.00	(100,000.00)			
Workers' Compensation	70,000.00	8,000.00	78,000.00	77,436.00	564.00
Health Benefits	1,570,089.00	(5,200.00)	1,564,889.00	1,441,250.20	123,638.80
Tuition Reimbursement	30,000.00	2,000.00	32,000.00	27,500.00	4,500.00
Total Unallocated Benefits - Employee Benefits	2,056,731.00	38,240.00	2,094,971.00	1,868,635.59	226,335.41

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>EXPENDITURES (CONT'D)</u>					
General Current Expense (Cont'd):					
On - behalf TPAF Pension Contributions				\$ 207,877.00	\$ (207,877.00)
On - behalf TPAF Pension Contributions-Post Retirement Medical				417,887.00	(417,887.00)
Reimbursed TPAF Social Security Contributions				466,052.85	(466,052.85)
	-	-	-	1,091,816.85	(1,091,816.85)
Total Undistributed Expenditures	\$ 6,406,412.00	\$ 143,667.33	\$ 6,550,079.33	6,829,078.31	(278,998.98)
Total General Current Expense	12,401,868.00	162,720.88	12,564,588.88	12,543,512.71	21,076.17
Capital Outlay:					
Equipment:					
Grades 1-5	40,000.00	8,200.00	48,200.00	8,200.00	40,000.00
Grades 6-8	40,000.00		40,000.00	5,523.00	34,477.00
Undistributed Expenditures - Central Services	50,000.00		50,000.00	7,757.39	42,242.61
Undistributed Expenditures - Admin Info Tech	75,000.00		75,000.00		75,000.00
Undistributed Expenditures - Required Maintenance of School Facilities	102,251.00		102,251.00		102,251.00
Total Equipment	307,251.00	8,200.00	315,451.00	21,480.39	293,970.61
Facilities Acquisition and Construction Services:					
Construction Services		32,811.00	32,811.00	31,789.60	1,021.40
Other Objects				2,251.00	(2,251.00)
Total Facilities Acquisition and Construction Services	-	32,811.00	32,811.00	34,040.60	(1,229.60)
Total Capital Outlay	307,251.00	41,011.00	348,262.00	55,520.99	292,741.01
Total Expenditures	12,709,119.00	203,731.88	12,912,850.88	12,599,033.70	313,817.18
Excess (Deficiency) of Revenues Over (Under) Expenditures	(458,295.00)	(198,595.88)	(656,890.88)	951,380.53	1,613,057.52

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
Other Financing Sources (Uses):					
Capital Reserve Transferred to Capital Projects Fund				\$ (2,235.29)	\$ (2,235.29)
Capital Outlay Transferred to Capital Reserve				(767,297.03)	(767,297.03)
Capital Reserve Transferred from Capital Outlay				767,297.03	767,297.03
Payment of Prior Year Expenditures				(33,723.03)	(33,723.03)
Transfer to Special Revenue Fund for Title I Recovery				(18,262.00)	(18,262.00)
Transfer to Enterprise Fund	\$ (100.00)		\$ (100.00)		(100.00)
Total Other Financing Sources (Uses)	<u>(100.00)</u>	-	<u>(100.00)</u>	<u>(54,220.32)</u>	<u>(54,320.32)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ (458,395.00)	\$ (198,595.88)	\$ (656,990.88)	\$ 897,160.21	\$ 1,667,377.84
Fund Balances, July 1				<u>1,410,806.84</u>	<u>1,410,806.84</u>
Fund Balances, June 30	<u>\$ (458,395.00)</u>	<u>\$ (198,595.88)</u>	<u>\$ (656,990.88)</u>	<u>\$ 2,307,967.05</u>	<u>\$ 3,078,184.68</u>
Recapitulation:					
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 1,222,655.62	
Assigned Fund Balance:					
Year-End Encumbrances				205,951.43	
Designated for Subsequent Year's Expenditures				556,800.00	
Unassigned Fund Balance				<u>322,560.00</u>	
				2,307,967.05	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				<u>(426,630.60)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 1,881,336.45</u>	

BOROUGH OF BELLMAWR SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information
 Budgetary Comparison Schedule- Education Jobs Fund
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<u>REVENUES</u>					
Federal Sources:					
Education Jobs Fund	\$ 163,936.00	\$ 5,136.00	\$ 169,072.00	\$ 165,193.66	\$ (3,878.34)
<u>EXPENDITURES</u>					
General Current Expense:					
Undistributed Expenditures:					
Custodial Salaries	111,089.00	5,136.00	116,225.00	112,346.66	3,878.34
Health Benefits	52,847.00		52,847.00	52,847.00	-
	<u>163,936.00</u>	<u>5,136.00</u>	<u>169,072.00</u>	<u>165,193.66</u>	<u>3,878.34</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	-	-	-	-	-

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Required Supplementary Information
 Special Revenue Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2012

	Original <u>Budget</u>	Budget Transfers / <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
REVENUES:					
Federal Sources:					
Title I	\$ 317,133.00	\$ 133,610.99	\$ 450,743.99	\$ 363,191.98	\$ (87,552.01)
Title I, ARRA		13,035.00	13,035.00		(13,035.00)
Title II - A	41,571.00	56,109.78	97,680.78	46,249.87	(51,430.91)
Title III	10,604.00	6,000.00	16,604.00	7,480.22	(9,123.78)
Title IV		5,018.00	5,018.00	785.00	(4,233.00)
I.D.E.I.A., Part B	302,804.00	(12,274.00)	290,530.00	290,530.00	
I.D.E.I.A., Part B ARRA		27,686.25	27,686.25		(27,686.25)
I.D.E.I.A., Part B, Preschool		12,274.00	12,274.00	12,274.00	
Race to the Top Phase 3		25,256.00	25,256.00	5,233.00	(20,023.00)
Total - Federal Sources	<u>672,112.00</u>	<u>266,716.02</u>	<u>938,828.02</u>	<u>725,744.07</u>	<u>(213,083.95)</u>
State Sources:					
PreSchool Education Aid	431,004.00	33,230.41	464,234.41	405,454.78	(58,779.63)
Total - State Sources	<u>431,004.00</u>	<u>33,230.41</u>	<u>464,234.41</u>	<u>405,454.78</u>	<u>(58,779.63)</u>
Total Revenues	<u>1,103,116.00</u>	<u>299,946.43</u>	<u>1,403,062.43</u>	<u>1,131,198.85</u>	<u>(271,863.58)</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	384,817.00	65,889.00	450,706.00	436,781.92	13,924.08
Other Salaries for Instruction	64,104.00		64,104.00	55,636.00	8,468.00
Purchased Professional and Technical Services	63,427.00	84,058.78	147,485.78	81,032.98	66,452.80
Purchased Professional and Educational Services		40,721.25	40,721.25		40,721.25
Other Purchased Services (400-500 series)	302,804.00		302,804.00	302,804.00	
General Supplies	16,762.00	15,159.99	31,921.99	13,389.43	18,532.56
	<u>831,914.00</u>	<u>205,829.02</u>	<u>1,037,743.02</u>	<u>889,644.33</u>	<u>148,098.69</u>
Support Services:					
Salaries of Program Directors	81,673.00	11,730.00	93,403.00	81,673.00	11,730.00
Salaries of Secretarial and Clerical Assistants	31,723.00		31,723.00	23,120.53	8,602.47
Personal Services - Employee Benefits	84,996.00	18,428.00	103,424.00	88,512.00	14,912.00
Purchased Professional and Technical Services	52,958.00	30,729.00	83,687.00	42,231.00	41,456.00
Supplies and Materials	19,852.00		19,852.00	6,017.99	13,834.01
Total Support Services	<u>271,202.00</u>	<u>60,887.00</u>	<u>332,089.00</u>	<u>241,554.52</u>	<u>90,534.48</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment		33,230.41	33,230.41		33,230.41
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>33,230.41</u>	<u>33,230.41</u>	<u>-</u>	<u>33,230.41</u>
Total Expenditures	<u>1,103,116.00</u>	<u>299,946.43</u>	<u>1,403,062.43</u>	<u>1,131,198.85</u>	<u>271,863.58</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 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.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-series)	\$ 13,550,414.23	\$ 1,131,198.85
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		33,950.68
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes, and State aid payment recognized as revenue for budgetary purposes, not recognized for GAAP statements until the subsequent year	<u>(18,281.80)</u>	<u>(1,026.20)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 13,532,132.43</u>	<u>\$ 1,164,123.33</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 12,599,033.70	\$ 1,131,198.85
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		<u>33,950.68</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 12,599,033.70</u>	<u>\$ 1,165,149.53</u>

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

BOROUGH OF BELLMAWR SCHOOL DISTRICT
SPECIAL REVENUE FUND
Combining Schedules of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2012

	NCLB					Total Brought Forward	
	<u>Total</u>	<u>Title I</u> 2011-12	<u>Title II - A</u> 2010-11	<u>Title II - A</u> 2011-12	<u>Title III</u> 2011-12		<u>Title IV</u> 2011-12
REVENUES:							
Federal Sources	\$ 725,744.07	\$ 363,191.98	\$ 18,751.87	\$ 27,498.00	\$ 7,480.22	\$ 785.00	\$ 308,037.00
State Sources	405,454.78						405,454.78
Total Revenues	<u>1,131,198.85</u>	<u>363,191.98</u>	<u>18,751.87</u>	<u>27,498.00</u>	<u>7,480.22</u>	<u>785.00</u>	<u>713,491.78</u>
EXPENDITURES:							
Instruction:							
Salaries of Teachers	436,781.92	241,422.70			4,123.22		191,236.00
Other Salaries for Instruction	55,636.00						55,636.00
Purchased Professional and Technical Services	81,032.98	62,281.11	18,751.87				302,804.00
Other Purchased Services (400-500 series)	302,804.00						302,804.00
General Supplies	13,389.43	4,818.18			1,957.00	785.00	5,829.25
Total Instruction	<u>889,644.33</u>	<u>308,521.99</u>	<u>18,751.87</u>	<u>-</u>	<u>6,080.22</u>	<u>785.00</u>	<u>555,505.25</u>
Support Services:							
Salaries of Program Directors	81,673.00						81,673.00
Salaries of Secretarial and Clerical Assistants	23,120.53						23,120.53
Personal Services - Employee Benefits	88,512.00	39,152.00			1,400.00		47,960.00
Purchased Professional and Technical Services	42,231.00	9,500.00		27,498.00			5,233.00
Supplies and Materials	6,017.99	6,017.99					
Total Support Services	<u>241,554.52</u>	<u>54,669.99</u>	<u>-</u>	<u>27,498.00</u>	<u>1,400.00</u>	<u>-</u>	<u>157,986.53</u>
Total Expenditures	<u>1,131,198.85</u>	<u>363,191.98</u>	<u>18,751.87</u>	<u>27,498.00</u>	<u>7,480.22</u>	<u>785.00</u>	<u>713,491.78</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
SPECIAL REVENUE FUND
Combining Schedules of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2012

	Total Carried Forward	I.D.E.I.A. Part B		Race to the Top Phase 3	Preschool Educaton Aid 2010-11
		<u>Basic</u> 2011-12	<u>Preschool</u> 2011-12		
REVENUES:					
Federal Sources	\$ 308,037.00	\$ 290,530.00	\$ 12,274.00	\$ 5,233.00	
State Sources	405,454.78				\$ 405,454.78
Total Revenues	<u>713,491.78</u>	<u>290,530.00</u>	<u>12,274.00</u>	<u>5,233.00</u>	<u>405,454.78</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	191,236.00				191,236.00
Other Salaries for Instruction	55,636.00				55,636.00
Purchased Professional and Technical Services					
Other Purchased Services (400-500 series)	302,804.00	290,530.00	12,274.00		
General Supplies	5,829.25				5,829.25
Total Instruction	<u>555,505.25</u>	<u>290,530.00</u>	<u>12,274.00</u>	<u>-</u>	<u>252,701.25</u>
Support Services:					
Salaries of Program Directors	81,673.00				81,673.00
Salaries of Secretarial and Clerical Assistants	23,120.53				23,120.53
Personal Services - Employee Benefits	47,960.00				47,960.00
Purchased Professional and Technical Services	5,233.00			5,233.00	
Supplies and Materials					
Total Support Services	<u>157,986.53</u>	<u>-</u>	<u>-</u>	<u>5,233.00</u>	<u>152,753.53</u>
Total Expenditures	<u>713,491.78</u>	<u>290,530.00</u>	<u>12,274.00</u>	<u>5,233.00</u>	<u>405,454.78</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
SPECIAL REVENUE FUND
 Statement of Preschool Education Aid
 Budgetary Basis
 For the Fiscal Year Ended June 30, 2012

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 199,637.00	\$ 191,236.00	\$ 8,401.00
Other Salaries for Instruction	64,104.00	55,636.00	8,468.00
Supplies and Materials	<u>5,907.00</u>	<u>5,829.25</u>	<u>77.75</u>
Total Instruction	<u>269,648.00</u>	<u>252,701.25</u>	<u>16,946.75</u>
Support Services:			
Salaries of Program Directors	81,673.00	81,673.00	
Salaries of Secretarial and Clerical Assistants	31,723.00	23,120.53	8,602.47
Personal Services - Employee Benefits	<u>47,960.00</u>	<u>47,960.00</u>	
Total Support Services	<u>161,356.00</u>	<u>152,753.53</u>	<u>8,602.47</u>
Facilities Acquisition and Construction Services:			
Instructional Equipment	<u>430.41</u>		<u>430.41</u>
Total Expenditures	<u>\$ 431,434.41</u>	<u>\$ 405,454.78</u>	<u>\$ 25,979.63</u>

Calculation of Budget and Carryover

Total revised 2011-12 Preschool Education Aid Allocation	\$ 431,004.00
Add: Actual ECPA Carryover (June 30, 2011)	<u>28,211.45</u>
Total Preschool Education Funds Available for 2011-12 Budget	459,215.45
Less: 2011-12 Budgeted Preschool Education Aid (Including Prior Year Budget Carryover)	<u>431,434.41</u>
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2012	27,781.04
Add: June 30, 2012 Unexpended Preschool Education Aid	<u>25,979.63</u>
2011-12 Carryover - Preschool Education Aid/Preschool	<u>\$ 53,760.67</u>
2011-12 Preschool Education Aid Carryover Budgeted for Preschool Programs 2012-13	<u>-</u>

CAPITAL PROJECTS FUND

BOROUGH OF BELLMAWR SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2012

<u>Project Title/Issue</u>	<u>Original Date</u>	<u>Apropiations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2012</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Ethel Burke Elementary School New Windows	8/30/2010	\$ 344,703.95	\$ 248,304.81	\$ 96,399.14	
Bellamwr Park Elementary School New Windows	8/30/2010	370,031.34	31,503.14	338,528.20	
Bellmawr Park Elementary School Electrical New Electrical System	8/30/2010	<u>362,500.00</u>	<u>290,943.77</u>	<u>61,896.25</u>	<u>\$ 9,659.98</u>
		<u>\$ 1,077,235.29</u>	<u>\$ 570,751.72</u>	<u>\$ 496,823.59</u>	<u>\$ 9,659.98</u>
Recapitulation:					
Restricted:					
Fund Balance					<u>\$ 9,659.98</u>
					<u>\$ 9,659.98</u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis
 For the Fiscal Year Ended June 30, 2012

Revenues and Other Financing Sources

Local Sources - Capital Reserve Transfer to Capital Projects Fund	<u>\$ 2,235.29</u>
	<u>2,235.29</u>

Expenditures and Other Financing Uses

Expenditures:	
Architecture	2,047.78
Construction Services	<u>494,775.81</u>
	<u>496,823.59</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures	(494,588.30)
Fund Balance, July 1	<u>504,248.28</u>
Fund Balance, June 30	<u><u>\$ 9,659.98</u></u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
 Ethel Burke Elementary School New Windows
 From Inception and for the Fiscal Year Ended June 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - Educational Facilities Grant	\$ 191,671.00		\$ 191,671.00	\$ 191,671.00
Capital Reserve Transfer to Capital Projects Fund	152,079.00	\$ 953.95	153,032.95	153,032.95
Total Revenues	343,750.00	953.95	344,703.95	344,703.95
Expenditures and Other Financing Uses				
Architecture	25,850.45	1,104.36	26,954.81	26,954.81
Construction Services	222,454.36	95,294.78	317,749.14	317,749.14
Total Expenditures	248,304.81	96,399.14	344,703.95	344,703.95
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 95,445.19	\$ (95,445.19)	-	-

Additional Project Information

Project Number	0260-030-10-1002
Grant Date	8/30/2010
Bond Authorization Date	NA
Bonds Authorized	NA
Bonds Issued	NA
Original Authorized Cost	\$ 343,750.00
Additional Authorized Cost	953.95
Revised Authorized Cost	344,703.95
Percentage Increase over Original Authorized Cost	-
Percentage Completion	100%
Original Target Completion Date	9/30/2011
Revised Target Completion Date	N/A

BOROUGH OF BELLMAWR SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
 Bellamwr Park Elementary School New Windows
 From Inception and for the Fiscal Year Ended June 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - Educational Facilities Grant	\$ 205,611.00		\$ 205,611.00	\$ 205,611.00
Capital Reserve Transfer to Capital Projects Fund	163,139.00	\$ 1,281.34	164,420.34	164,420.34
Total Revenues	368,750.00	1,281.34	370,031.34	370,031.34
Expenditures and Other Financing Uses				
Architecture	28,184.72	943.42	29,128.14	29,128.14
Construction Services	3,318.42	337,584.78	340,903.20	340,903.20
Total Expenditures	31,503.14	338,528.20	370,031.34	370,031.34
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 337,246.86	\$(337,246.86)	-	-

Additional Project Information

Project Number	0260-020-10-1001
Grant Date	8/30/2010
Bond Authorization Date	NA
Bonds Authorized	NA
Bonds Issued	NA
Original Authorized Cost	\$ 368,750.00
Additional Authorized Cost	1,281.34
Revised Authorized Cost	370,031.34
Percentage Increase over Original Authorized Cost	-
Percentage Completion	100%
Original Target Completion Date	9/30/2011
Revised Target Completion Date	N/A

BOROUGH OF BELLMAWR SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Schedule of Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
 Bellmawr Park Elementary School New Electrical System
 From Inception and for the Fiscal Year Ended June 30, 2012

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - Educational Facilities Grant	\$ 189,534.00		\$ 189,534.00	\$ 189,534.00
Capital Reserve Transfer to Capital Projects Fund	172,966.00		172,966.00	172,966.00
Total Revenues	362,500.00	-	362,500.00	362,500.00
Expenditures and Other Financing Uses				
Architecture	31,900.02		31,900.02	31,900.02
Construction Services	259,043.75	\$ 61,896.25	320,940.00	330,599.98
Total Expenditures	290,943.77	61,896.25	352,840.02	362,500.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 71,556.23	\$ (61,896.25)	\$ 9,659.98	-

Additional Project Information

Project Number	0260-020-09-1004
Grant Date	8/30/2010
Bond Authorization Date	NA
Bonds Authorized	NA
Bonds Issued	NA
Original Authorized Cost	\$ 362,500.00
Additional Authorized Cost	-
Revised Authorized Cost	362,500.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	97%
Original Target Completion Date	9/30/2011
Revised Target Completion Date	N/A

PROPRIETARY FUNDS

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Enterprise Fund
 Combining Statement of Net Assets
 June 30, 2012

	<u>Food Service</u>
ASSETS:	
Current Assets:	
Interfund Accounts Receivable	\$ 44,001.48
Accounts Receivable:	
Federal	8,632.17
State	196.71
Other	21,320.67
Inventories	<u>14,757.15</u>
Total Current Assets	<u>88,908.18</u>
Noncurrent Assets:	
Equipment	129,114.72
Less: Accumulated Depreciation	<u>(71,900.90)</u>
Total Noncurrent Assets	<u>57,213.82</u>
Total Assets	<u>146,122.00</u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	<u>1,737.57</u>
NET ASSETS:	
Invested in Capital Assets Net of Related Debt	57,213.82
Unrestricted	<u>87,170.61</u>
Total Net Assets	<u>\$ 144,384.43</u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Fiscal Year Ended June 30, 2012

	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable and Non-Reimbursable Programs	\$ 136,418.49
Daily Sales - Vending	10,372.81
Rebates	537.32
Other School District	84,144.14
Special Functions	<u>4,067.52</u>
Total Operating Revenues	<u>235,540.28</u>
OPERATING EXPENSES:	
Cost of Sales	194,996.25
Salaries	152,979.11
Employee Benefits	31,725.86
Purchased Professional Services	
Other Purchased Services	37,689.96
Supplies and Materials	23,811.79
Miscellaneous	
Depreciation	<u>8,594.90</u>
Total Operating Expenses	<u>449,797.87</u>
Operating Income (Loss)	<u>(214,257.59)</u>
NONOPERATING REVENUES:	
State Sources:	
State School Lunch Program	5,604.86
Federal Sources:	
National School Lunch Program	192,016.52
National School Breakfast Program	14,682.90
Special Milk Program	360.90
Food Distribution Program	25,571.00
Interest	<u>432.01</u>
Total Nonoperating Revenues	<u>238,668.19</u>
Change in Net Assets	24,410.60
Net Assets (Deficit), July 1	<u>119,973.83</u>
Net Assets, June 30	<u><u>\$ 144,384.43</u></u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Enterprise Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2012

	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 220,783.13
Payments to Employees	(152,979.11)
Payments for Employee Benefits	(31,725.86)
Payments to Suppliers	<u>(254,257.37)</u>
Net Cash Provided by (used for) Operating Activities	<u>(218,179.21)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Federal Sources	206,681.20
State Sources	5,617.38
Subsidies and Transfers	<u>(94,566.48)</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>117,732.10</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Payments on Capital Lease	(3,051.43)
Purchase of Capital Assets	<u>(35,996.00)</u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(39,047.43)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest	<u>432.01</u>
Net Cash Provided by (used for) Investing Activities	<u>432.01</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(139,062.53)
Cash and Cash Equivalents, July 1	<u>139,062.53</u>
Cash and Cash Equivalents, June 30	<u><u>-</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)	
by Operating Activities:	
Operating Income (Loss)	\$ (214,257.59)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by (used for) Operating Activities:	
Depreciation	8,594.90
Food Distribution Program	25,571.00
(Increase) Decrease in Accounts Receivable	(14,757.15)
(Increase) Decrease in Inventory	2,012.40
Increase (Decrease) in Interfund Payable	(12,043.34)
Increase (Decrease) in Accounts Payable	<u>(13,299.43)</u>
Total Adjustments	<u>(3,921.62)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (218,179.21)</u>

FIDUCIARY FUNDS

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Fiduciary Net Assets
 June 30, 2012

	<u>Trust Funds</u>			<u>Agency Funds</u>		<u>Total</u>
	<u>Mary E. Hare Memorial Scholarship Fund</u>	<u>Betty Sheppard Memorial Fund</u>	<u>Unemployment Compensation Trust Fund</u>	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS:						
Cash and Cash Equivalents	\$ 6,035.92	\$ 7,448.88	\$ 88,712.62	\$ 38,761.71	\$ 64,397.62	\$ 205,356.75
Accounts Receivable					1,100.00	1,100.00
Total Assets	<u>6,035.92</u>	<u>7,448.88</u>	<u>88,712.62</u>	<u>\$ 38,761.71</u>	<u>\$ 65,497.62</u>	<u>206,456.75</u>
LIABILITIES:						
Interfund Accounts Payable:						
General Fund		240.00			\$ 10,447.78	10,687.78
Payable to Student Groups				\$ 38,761.71		38,761.71
Payroll Deductions and Withholdings					55,049.84	55,049.84
Total Liabilities	<u>-</u>	<u>240.00</u>	<u>-</u>	<u>\$ 38,761.71</u>	<u>\$ 65,497.62</u>	<u>104,499.33</u>
NET ASSETS:						
Held in Trust for Unemployment Claims and Other Purposes			88,712.62			88,712.62
Reserved for Program Expenditures		7,208.88				7,208.88
Reserved for Scholarships	6,035.92					6,035.92
Total Net Assets	<u>\$ 6,035.92</u>	<u>\$ 7,208.88</u>	<u>\$ 88,712.62</u>			<u>\$ 101,957.42</u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Changes in Fiduciary Net Assets
 For the Fiscal Year Ended June 30, 2012

	Mary E. Hare Memorial Scholarship <u>Fund</u>	Betty Sheppard Memorial <u>Fund</u>	Unemployment Compensation Trust <u>Fund</u>	<u>Total</u>
ADDITIONS:				
Contributions:				
Donations		\$ 4,475.00		\$ 4,475.00
Employee Salary Deductions			\$ 15,338.48	15,338.48
Investment Earnings:				
Interest	\$ 47.99	73.60	546.99	668.58
Total Additions	<u>47.99</u>	<u>4,548.60</u>	<u>15,885.47</u>	<u>20,482.06</u>
DEDUCTIONS:				
Program Expenditures		70.00		70.00
Scholarships Awarded	1,000.00			1,000.00
Total Deductions	<u>1,000.00</u>	<u>70.00</u>	<u>-</u>	<u>1,070.00</u>
Change in Net Assets	(952.01)	4,478.60	15,885.47	19,412.06
Net Assets, July 1	<u>6,987.93</u>	<u>2,730.28</u>	<u>72,827.15</u>	<u>82,545.36</u>
Net Assets, June 30	<u>\$ 6,035.92</u>	<u>\$ 7,208.88</u>	<u>\$ 88,712.62</u>	<u>\$ 101,957.42</u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Fiduciary Funds
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2012

	<u>Balance June 30, 2011</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2012</u>
ELEMENTARY SCHOOLS:				
Ethel M. Burke	\$ 1,497.56	\$ 7,026.85	\$ 6,662.61	\$ 1,861.80
Bellmawr Park	<u>15,108.28</u>	<u>16,347.01</u>	<u>14,271.52</u>	<u>17,183.77</u>
Total Elementary Schools	<u>16,605.84</u>	<u>23,373.86</u>	<u>20,934.13</u>	<u>19,045.57</u>
JUNIOR HIGH SCHOOLS:				
Bell Oaks	<u>11,639.34</u>	<u>84,829.90</u>	<u>76,753.10</u>	<u>19,716.14</u>
Total Junior High School	<u>11,639.34</u>	<u>84,829.90</u>	<u>76,753.10</u>	<u>19,716.14</u>
Total All Schools	<u><u>\$ 28,245.18</u></u>	<u><u>\$ 108,203.76</u></u>	<u><u>\$ 97,687.23</u></u>	<u><u>\$ 38,761.71</u></u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Fiduciary Funds
 Payroll Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2012

	<u>Balance</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
ASSETS:				
Cash and Cash Equivalents	\$ 215,648.87	\$ 8,925,553.60	\$ 9,076,804.85	\$ 64,397.62
Accounts Receivable		1,100.00		1,100.00
Total Assets	<u>\$ 215,648.87</u>	<u>\$ 8,926,653.60</u>	<u>\$ 9,076,804.85</u>	<u>\$ 65,497.62</u>
LIABILITIES:				
Payroll Deductions and Withholdings	\$ 70,416.78	\$ 3,376,787.06	\$ 3,392,154.00	\$ 55,049.84
Net Payroll		5,161,544.87	5,161,544.87	
Intergovernmental Accounts Payable - State	104,001.00	134,452.26	238,453.26	
Interfund Accounts Payable: Due General Fund	41,231.09	253,869.41	284,652.72	10,447.78
Total Liabilities	<u>\$ 215,648.87</u>	<u>\$ 8,926,653.60</u>	<u>\$ 9,076,804.85</u>	<u>\$ 65,497.62</u>

LONG-TERM DEBT

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2012

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance June 30, 2011</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2012</u>
			<u>Date</u>	<u>Amount</u>					
Serial Bonds:									
School District Bonds, Series of 1994	1/15/94	\$ 1,400,000.00	2013 to 2014	\$ 90,000.00	5.20%	\$ 270,000.00		\$ 90,000.00	\$ 180,000.00
School Refunding Bonds, Series of 2003	3/27/03	560,000.00	2013	65,000.00	5.40%	130,000.00		65,000.00	65,000.00
School District Bonds, Series of 2005	8/1/05	492,898.00	2013	55,000.00	3.50%				
			2014	65,000.00	3.65%				
			2015	70,000.00	3.80%				
			2016	67,898.00	3.90%				
						<u>307,898.00</u>		<u>50,000.00</u>	<u>257,898.00</u>
						<u>\$ 707,898.00</u>	<u>-</u>	<u>\$ 205,000.00</u>	<u>\$ 502,898.00</u>

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Modifications / Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 213,030.00		\$ 213,030.00	\$ 213,030.00	-
State Sources:					
Debt Service Aid Type II	21,618.00		21,618.00	21,618.00	-
Total - State Sources	21,618.00	-	21,618.00	21,618.00	-
Total Revenues	234,648.00	-	234,648.00	234,648.00	-
EXPENDITURES:					
Regular Debt Service:					
Redemption of Principal	205,000.00		205,000.00	205,000.00	
Interest	29,648.00		29,648.00	29,646.77	\$ 1.23
Total Regular Debt Service	234,648.00	-	234,648.00	234,646.77	1.23
Total Expenditures	234,648.00	-	234,648.00	234,646.77	1.23
Excess (Deficiency) of Revenues Over (Under) Expenditures				1.23	1.23
Fund Balance, July 1					
Fund Balance, June 30	-	-	-	1.23	\$ 1.23
Recapitulation:					
Restricted Fund Balance				\$ 1.23	

STATISTICAL SECTION

Financial Trends Information

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Net Assets by Component
 Last Nine Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30.								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities									
Invested in Capital Assets, Net of Related Debt	\$ 4,629,329.10	\$ 4,230,246.05	\$ 3,699,786.03	\$ 3,601,902.51	\$ 3,423,941.72	\$ 3,460,935.38	\$ 3,328,264.53	\$ 3,190,404.60	\$ 3,053,576.43
Restricted	1,232,316.83	1,160,438.05	560,977.17	35,160.80	290,330.21	180,403.99	668,727.68	675,859.79	162,266.78
Unrestricted	<u>(396,024.27)</u>	<u>(873,630.78)</u>	<u>(828,816.81)</u>	<u>(627,455.36)</u>	<u>(1,062,594.29)</u>	<u>(979,300.34)</u>	<u>(1,613,863.54)</u>	<u>(1,476,771.95)</u>	<u>(1,812,769.16)</u>
Total Governmental Activities Net Assets	<u>\$ 5,465,621.65</u>	<u>\$ 4,517,053.32</u>	<u>\$ 3,431,946.39</u>	<u>\$ 3,009,607.95</u>	<u>\$ 2,651,677.64</u>	<u>\$ 2,662,039.03</u>	<u>\$ 2,383,128.67</u>	<u>\$ 2,389,492.44</u>	<u>\$ 1,403,074.05</u>
Business-type Activities									
Invested in Capital Assets, Net of Related Debt	\$ 57,213.82	\$ 26,761.29	\$ 21,449.31	\$ 2,808.22	\$ 3,873.42	\$ 5,112.62	18,711.25	19,950.25	26,021.00
Unrestricted	<u>87,170.61</u>	<u>93,212.54</u>	<u>72,137.55</u>	<u>65,930.71</u>	<u>69,846.08</u>	<u>78,640.39</u>	<u>82,492.88</u>	<u>79,213.09</u>	<u>76,987.50</u>
Total Business-type Activities Net Assets	<u>\$ 144,384.43</u>	<u>\$ 119,973.83</u>	<u>\$ 93,586.86</u>	<u>\$ 68,738.93</u>	<u>\$ 73,719.50</u>	<u>\$ 83,753.01</u>	<u>\$ 101,204.13</u>	<u>\$ 99,163.34</u>	<u>\$ 103,008.50</u>
District-wide									
Invested in Capital Assets, Net of Related Debt	\$ 4,686,542.92	\$ 4,257,007.34	\$ 3,721,235.34	\$ 3,604,710.73	\$ 3,427,815.14	\$ 3,466,048.00	\$ 3,346,975.78	\$ 3,210,354.85	\$ 3,079,597.43
Restricted	1,232,316.83	1,160,438.05	560,977.17	35,160.80	290,330.21	180,403.99	668,727.68	675,859.79	162,266.78
Unrestricted	<u>(308,853.66)</u>	<u>(780,418.24)</u>	<u>(756,679.26)</u>	<u>(561,524.65)</u>	<u>(992,748.21)</u>	<u>(900,659.95)</u>	<u>(1,531,370.66)</u>	<u>(1,397,558.86)</u>	<u>(1,735,781.66)</u>
Total District-wide Net Assets	<u>\$ 5,610,006.08</u>	<u>\$ 4,637,027.15</u>	<u>\$ 3,525,533.25</u>	<u>\$ 3,078,346.88</u>	<u>\$ 2,725,397.14</u>	<u>\$ 2,745,792.04</u>	<u>\$ 2,484,332.80</u>	<u>\$ 2,488,655.78</u>	<u>\$ 1,506,082.55</u>

Source: District Records

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Changes in Net Assets
Last Nine Fiscal Years (accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses									
Governmental Activities									
Instruction									
Regular	\$ 4,998,761.37	\$ 5,129,290.93	\$ 5,241,432.33	\$ 4,877,512.45	\$ 4,640,402.70	\$ 4,860,980.99	\$ 4,762,934.17	\$ 4,643,032.05	\$ 4,467,895.81
Special Education	1,378,011.33	1,326,955.97	1,330,485.79	1,268,916.31	1,042,056.45	764,783.93	685,979.05	825,153.03	721,147.49
Other Special Education	116,783.75	76,190.14	104,993.73	115,408.05	65,999.94	62,805.15	11,670.26	10,562.03	8,160.86
Other Instruction	74,704.42	73,067.43	69,815.47	70,512.59	69,097.18	68,154.75	65,192.35	62,754.77	49,398.95
Support Services:									
Tuition	605,678.16	616,387.21	636,621.00	749,854.53	917,190.22	746,552.40	726,504.71	524,106.74	626,133.48
Student & Instruction Related Services	1,437,959.14	1,427,507.78	1,551,926.97	1,329,130.12	1,306,492.80	1,338,677.45	1,347,268.02	1,103,043.57	1,292,780.12
School Administrative Services	412,123.13	403,143.86	456,772.46	501,159.73	305,709.71	408,705.57	364,577.23	371,003.15	366,477.81
General and Business Administrative Services	571,091.68	554,520.72	514,627.83	551,218.40	570,382.99	562,728.37	466,783.92	492,159.69	522,451.02
Plant Operations and Maintenance	1,041,246.33	1,247,031.77	1,176,342.39	1,137,806.32	958,769.77	959,866.04	872,560.73	729,941.36	696,973.35
Pupil Transportation	261,704.72	212,323.96	264,519.34	343,684.74	428,241.75	335,107.21	319,968.45	243,012.16	236,560.68
Unallocated Benefits	3,048,964.44	2,741,012.04	2,780,023.00	2,466,661.29	3,084,676.40	3,060,534.86	2,437,306.39	2,242,930.05	1,878,206.26
Transfer to Charter School								2,360.00	7,684.00
Interest on Long-term Debt	25,288.96	32,753.85	45,831.35	51,889.48	59,214.49	66,131.75	62,563.77	60,609.16	64,704.25
Unallocated Depreciation and Amortization	10,018.00	10,018.00	10,018.00	10,018.00	10,018.00	10,018.00	9,851.33	8,018.00	8,018.00
Total Governmental Activities Expenses	<u>13,982,335.43</u>	<u>13,850,203.66</u>	<u>14,183,409.66</u>	<u>13,473,772.01</u>	<u>13,458,252.40</u>	<u>13,245,046.47</u>	<u>12,133,160.38</u>	<u>11,318,685.76</u>	<u>10,946,592.08</u>
Business-type Activities:									
Food Service	449,797.87	444,801.52	467,958.47	378,899.92	379,081.85	369,472.95	332,330.33	329,271.74	313,293.85
Total Business-type Activities Expense	<u>449,797.87</u>	<u>444,801.52</u>	<u>467,958.47</u>	<u>378,899.92</u>	<u>379,081.85</u>	<u>369,472.95</u>	<u>332,330.33</u>	<u>329,271.74</u>	<u>313,293.85</u>
Total District Expenses	<u>\$ 14,432,133.30</u>	<u>\$ 14,295,005.18</u>	<u>\$ 14,651,368.13</u>	<u>\$ 13,852,671.93</u>	<u>\$ 13,837,334.25</u>	<u>\$ 13,614,519.42</u>	<u>\$ 12,465,490.71</u>	<u>\$ 11,647,957.50</u>	<u>\$ 11,259,885.93</u>

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Changes in Net Assets
 Last Nine Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
Program Revenues									
Governmental Activities:									
Operating Grants and Contributions									
Instruction:									
Regular	\$ 900,988.81	\$ 933,991.43	\$ 902,783.80	\$ 817,396.94	\$ 1,131,532.45	\$ 1,118,577.59	\$ 1,126,987.49	\$ 1,222,305.63	\$ 1,059,807.97
Support Services:									
Student and Instruction Related Services	141,822.52	130,447.00	156,217.02	49,849.00	233,028.18	233,783.74	287,378.59	230,954.85	443,030.54
School Administrative Services				8,266.00	24,902.69	31,800.00	30,434.00	29,234.00	
Plan Operations and Maintenance	112,346.66								
Unallocated Benefits	1,233,175.85	994,402.81	1,000,777.41	99,256.00	1,771,239.57	1,723,647.09	1,238,099.23	1,079,277.43	776,419.86
Interest on Long-Term Debt	2,810.34	3,837.22	5,549.62	6,442.85	7,313.20	8,463.07	9,046.73	9,939.93	
	<u>2,391,144.18</u>	<u>2,062,678.46</u>	<u>2,065,327.85</u>	<u>981,210.79</u>	<u>3,168,016.09</u>	<u>3,116,271.49</u>	<u>2,691,946.04</u>	<u>2,571,711.84</u>	<u>2,279,258.37</u>
Capital Grants and Contributions	<u>32,800.00</u>	<u>586,816.00</u>	<u>60,540.00</u>	<u>114,576.00</u>	-	<u>2,212.66</u>	<u>3,186.53</u>	-	-
Total Governmental Activities Program Revenues	<u>2,423,944.18</u>	<u>2,649,494.46</u>	<u>2,125,867.85</u>	<u>1,095,786.79</u>	<u>3,168,016.09</u>	<u>3,118,484.15</u>	<u>2,695,132.57</u>	<u>2,571,711.84</u>	<u>2,279,258.37</u>
Business-type activities:									
Charges for services	235,540.28	243,778.93	252,803.19	165,598.04	168,322.48	169,778.28	161,419.43	169,713.79	166,243.85
Operating Grants and Contributions	238,236.18	227,210.51	239,655.37	207,489.69	198,686.71	180,077.00	171,363.24	154,905.95	142,384.74
Total Business-type Activities Program Revenues	<u>473,776.46</u>	<u>470,989.44</u>	<u>492,458.56</u>	<u>373,087.73</u>	<u>367,009.19</u>	<u>349,855.28</u>	<u>332,782.67</u>	<u>324,619.74</u>	<u>308,628.59</u>
Total District Program Revenues	<u>\$ 2,897,720.64</u>	<u>\$ 3,120,483.90</u>	<u>\$ 2,618,326.41</u>	<u>\$ 1,468,874.52</u>	<u>\$ 3,535,025.28</u>	<u>\$ 3,468,339.43</u>	<u>\$ 3,027,915.24</u>	<u>\$ 2,896,331.58</u>	<u>\$ 2,587,886.96</u>
Net (Expense)/Revenue									
Governmental Activities	\$ (11,558,391.25)	\$ (11,200,709.20)	\$ (12,057,541.81)	\$ (12,377,985.22)	\$ (10,290,236.31)	\$ (10,126,562.32)	\$ (9,438,027.81)	\$ (8,746,973.92)	\$ (8,667,333.71)
Business-type Activities	23,978.59	26,187.92	24,500.09	(5,812.19)	(12,072.66)	(19,617.67)	452.34	(4,652.00)	(4,665.26)
Total District-wide Net Expense	<u>\$ (11,534,412.66)</u>	<u>\$ (11,174,521.28)</u>	<u>\$ (12,033,041.72)</u>	<u>\$ (12,383,797.41)</u>	<u>\$ (10,302,308.97)</u>	<u>\$ (10,146,179.99)</u>	<u>\$ (9,437,575.47)</u>	<u>\$ (8,751,625.92)</u>	<u>\$ (8,671,998.97)</u>

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Changes in Net Assets
 Last Nine Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Property Taxes Levied for General Purposes, Net	\$ 7,575,869.00	\$ 7,582,611.26	\$ 7,331,358.00	\$ 7,068,613.00	\$ 6,878,474.00	\$ 7,035,727.00	\$ 6,105,709.00	\$ 6,190,202.00	\$ 5,993,805.00
Taxes Levied for Debt Service	213,030.00	206,287.74	203,744.00	205,047.00	52,013.00	204,856.00	151,376.00	133,010.00	157,788.00
Unrestricted Grants and Contributions	4,644,683.09	4,392,181.14	4,903,977.60	5,334,080.43	3,258,893.00	3,025,090.60	3,036,890.00	3,353,560.65	2,926,444.27
Restricted Grants and Contributions	18,807.66	18,752.78	22,171.38	19,831.15	19,938.80	20,719.93	20,136.27	20,181.27	
Investment Income	10,921.54	3,284.25	10,348.12	12,832.17	45,884.13	76,846.19	60,916.19	31,742.72	7,517.00
Contributions - Capital Assets						6,277.03			
Miscellaneous Income	43,648.29	82,698.96	8,281.15	95,511.78	24,671.99	35,956.02	56,636.58	4,695.99	8,198.68
Total Governmental Activities	<u>12,506,959.58</u>	<u>12,285,816.13</u>	<u>12,479,880.25</u>	<u>12,735,915.53</u>	<u>10,279,874.92</u>	<u>10,405,472.77</u>	<u>9,431,664.04</u>	<u>9,733,392.63</u>	<u>8,953,752.95</u>
Business-type Activities:									
Investment Earnings	432.01	199.05	347.84	831.62	2,039.15	2,166.55	1,588.45	806.84	223.83
Total Business-type Activities	<u>432.01</u>	<u>199.05</u>	<u>347.84</u>	<u>831.62</u>	<u>2,039.15</u>	<u>2,166.55</u>	<u>1,588.45</u>	<u>806.84</u>	<u>223.83</u>
Total District-wide	<u>\$ 12,507,391.59</u>	<u>\$ 12,286,015.18</u>	<u>\$ 12,480,228.09</u>	<u>\$ 12,736,747.15</u>	<u>\$ 10,281,914.07</u>	<u>\$ 10,407,639.32</u>	<u>\$ 9,433,252.49</u>	<u>\$ 9,734,199.47</u>	<u>\$ 8,953,976.78</u>
Change in Net Assets									
Governmental Activities	\$ 948,568.33	\$ 1,085,106.93	\$ 422,338.44	\$ 357,930.31	\$ (10,361.39)	\$ 278,910.45	\$ (6,363.77)	\$ 986,418.71	\$ 286,419.24
Business-type Activities	24,410.60	26,386.97	24,847.93	(4,980.57)	(10,033.51)	(17,451.12)	2,040.79	(3,845.16)	(4,441.43)
Total District	<u>\$ 972,978.93</u>	<u>\$ 1,111,493.90</u>	<u>\$ 447,186.37</u>	<u>\$ 352,949.74</u>	<u>\$ (20,394.90)</u>	<u>\$ 261,459.33</u>	<u>\$ (4,322.98)</u>	<u>\$ 982,573.55</u>	<u>\$ 281,977.81</u>

Source: District Records

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Nine Fiscal Years (modified accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30.								
	<u>2012</u>	<u>2011(a)</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund									
Restricted	\$ 1,222,655.62	\$ 457,593.89	\$ 940,151.19	\$ 588,987.66	\$ 461,488.83	\$ 37,701.87	\$ 376,123.55	\$ 379,160.69	\$ 162,266.78
Committed		22,395.57							
Assigned	658,680.83	522,468.58							
Unassigned									
Unreserved			54,467.36	99,327.82	175,087.80	609,272.69	336,505.14	499,987.47	310,813.66
Total General Fund	\$ 1,881,336.45	\$ 1,002,458.04	\$ 994,618.55	\$ 688,315.48	\$ 636,576.63	\$ 646,974.56	\$ 712,628.69	\$ 879,148.16	\$ 473,080.44
All Other Governmental Funds									
Restricted	\$ 9,661.21	\$ 504,248.28							
Reserved								\$ 529,075.00	
Unreserved, Reported in:									
Special Revenue Fund	(43,100.40)	(42,074.20)	\$ (40,021.80)	\$ (14,694.80)	\$ (35,488.80)	\$ (39,367.80)	\$ (39,367.80)	(39,367.80)	(39,367.80)
Capital Projects Fund			29,067.50	29,067.50			166,945.38	(232,375.90)	
Debt Service Fund			0.28	6,093.30		153,090.84	1.00	7,317.00	7,316.50
Total All Other Governmental Funds	\$ (33,439.19)	\$ 462,174.08	\$ (10,954.02)	\$ 20,466.00	\$ (35,488.80)	\$ 113,723.04	\$ 127,578.58	\$ 264,648.30	\$ (32,051.30)

(a) Beginning for the fiscal year ended June 30, 2011, the School District began reporting fund balances under GASB 54.

Source: District Records

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Revenues										
Tax levy	\$ 7,788,899.00	\$ 7,788,899.00	\$ 7,535,102.00	\$ 7,273,660.00	\$ 6,930,487.00	\$ 7,240,583.00	\$ 6,257,085.00	6,323,212.00	6,151,593.00	5,896,442.00
Interest on Capital Reserve Funds									16.87	103.33
Interest on Investments	10,921.54	3,284.25	10,348.12	12,832.17	45,884.13	76,846.19	60,916.19	31,742.72	7,500.13	8,861.83
Miscellaneous	43,648.29	97,897.96	8,281.15	74,717.78	10,417.99	35,956.02	56,448.91	4,695.99	8,198.68	32,296.44
Local Sources - Restricted			25,000.00	16,105.00	14,254.00					
State sources	6,186,192.63	6,285,247.49	5,470,928.87	5,887,287.96	5,937,892.96	5,532,393.18	5,146,808.04	5,274,576.37	4,656,300.32	4,343,331.64
Federal sources	901,242.30	775,180.89	1,556,087.98	567,099.41	508,954.93	631,901.50	605,350.80	670,877.19	549,402.32	544,510.18
Total Revenue	14,930,903.76	14,950,509.59	14,605,748.12	13,831,702.32	13,447,891.01	13,517,679.89	12,126,608.94	12,305,104.27	11,373,011.32	10,825,545.42
Expenditures										
Instruction										
Regular Instruction	5,046,949.91	5,105,628.36	5,253,576.86	4,881,058.89	4,712,326.12	4,945,105.58	4,826,063.44	4,673,851.23	4,444,874.98	4,409,418.54
Special Education Instruction	1,378,011.33	1,326,955.97	1,330,485.79	1,268,916.31	1,042,056.45	764,783.93	685,979.05	825,153.03	721,147.49	796,881.07
Other Special Instruction	116,783.75	76,190.14	104,993.73	115,408.05	65,999.94	62,805.24	11,670.26	10,562.15	8,160.86	9,277.26
Other Instruction	74,704.42	73,067.43	69,815.47	70,512.59	69,097.18	68,154.75	65,192.35	62,754.77	49,398.95	69,583.00
Support Services:										
Tuition	605,678.16	616,387.21	636,621.00	749,854.53	917,190.22	746,552.40	726,504.71	524,106.74	626,133.48	724,210.60
Student and Instruction Related Services	1,438,464.14	1,443,024.44	1,559,028.65	1,335,951.13	1,300,375.30	1,370,084.95	1,319,180.52	1,097,356.07	1,291,842.62	1,122,039.41
School administrative services	411,323.13	403,443.86	452,102.46	485,754.66	301,597.21	398,814.66	394,924.06	361,253.15	357,040.31	347,428.53
Other Admin Services	527,876.83	547,896.42	511,730.20	546,158.40	614,198.82	495,070.52	496,672.25	473,336.39	497,806.82	219,435.40
Plant operations and maintenance	765,401.41	882,727.90	900,295.12	940,141.50	769,077.90	801,138.46	727,146.82	696,831.88	674,364.80	650,439.04
Pupil transportation	261,704.72	218,748.96	273,369.34	343,684.74	428,241.75	335,107.21	319,968.45	243,012.16	236,560.68	268,835.62
Business and Other Support Services										
Unallocated benefits	3,048,964.44	2,741,012.04	2,780,023.00	2,466,661.29	3,084,676.40	3,060,534.86	2,437,306.39	2,242,930.05	1,878,206.26	1,726,274.15
Special Schools										3,499.00
Capital outlay	585,144.58	790,382.25	221,265.21	294,679.08	70,307.65	215,255.30	724,800.50	196,001.83	120,655.42	254,802.52
Transfer to Charter School								2,360.00	7,684.00	
Debt service:										
Principal	205,000.00	190,000.00	190,000.00	170,000.00	170,000.00	165,000.00	130,000.00	130,000.00	115,000.00	65,000.00
Interest and other charges	29,646.77	38,878.02	47,558.02	55,230.52	62,353.02	69,038.02	62,827.50	62,827.50	62,688.50	49,460.00
Total Expenditures	14,495,653.59	14,454,343.00	14,330,864.85	13,724,011.69	13,607,497.96	13,497,445.88	12,928,236.30	11,602,336.95	11,091,565.17	10,945,456.58
Excess (Deficiency) of Revenues Over (Under) Expenditures	435,250.17	496,166.59	274,883.27	107,690.63	(159,606.95)	20,234.01	(801,627.36)	702,767.32	281,446.15	(119,911.16)
Other Financing Sources (Uses)										
Budgeted Increase in Capital Reserve	(767,297.03)	(400,000.00)					(162,861.00)			
Increase in Capital Reserve	767,297.03	400,000.00					162,861.00			
Bond Proceeds							492,898.00			
Prior Year Bills	(51,985.03)					(52,349.66)				
Accrued Interest							187.67			
Canceled Receivables		(15,199.00)				(47,394.02)				
Transfers In				81,115.00	372,284.00	525,372.86	344,741.00	293,306.00	243,743.00	328,489.45
Transfers Out				(81,115.00)	(372,284.00)	(525,372.86)	(344,741.00)	(293,306.00)	(243,743.00)	(328,489.45)
Total Other Financing Sources (Uses)	(51,985.03)	(15,199.00)	-	-	-	(99,743.68)	493,085.67	-	-	-
Net Change in Fund Balances	\$ 383,265.14	\$ 480,967.59	\$ 274,883.27	\$ 107,690.63	\$ (159,606.95)	\$ (79,509.67)	\$ (308,541.69)	\$ 702,767.32	\$ 281,446.15	\$ (119,911.16)
Debt Service as a Percentage of Noncapital Expenditures	1.6%	1.7%	1.6%	1.7%	1.7%	1.5%	1.58%	1.69%	1.62%	1.07%

Source: District Records

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Book Reimbursements	\$ 299.21		\$ 278.11	\$ 606.45	\$ 678.85	\$ 2,541.13	\$ 3,954.27	\$ 276.14	\$ 754.93	\$ 512.18
Class Refunds										90.00
Cobra Refunds							1,122.65			
Donations				3,150.00		155.76				
E-Rate Reimbursements							4,355.99			
Facilities Use	3,865.91	\$ 8,351.00								
Insurance Refunds							8,908.23		3,290.00	8,057.00
Jury Duty Reimbursements	74.10				9.00	11.00				
Miscellaneous		14,693.61	2,282.20	7,331.98	8,199.17	31,708.99	5,860.65	1,693.42	3,343.97	7,676.16
Proceeds From Sale of Assets							1,174.00			
Refunds of Prior Year Expenses		0.20		63,461.04			18,865.04		398.28	
Tuition & Tuition Refunds	39,409.07	74,852.95	5,720.84	91.49	1,339.58	1,329.00	11,617.08			14,466.17
Vendor Rebates				77.02	191.39	210.14	591.00	2,726.43	411.50	1,494.93
	<u>\$ 43,648.29</u>	<u>\$ 97,897.76</u>	<u>\$ 74,717.98</u>	<u>\$ 10,417.99</u>	<u>\$ 10,417.99</u>	<u>\$ 35,956.02</u>	<u>\$ 56,448.91</u>	<u>\$ 4,695.99</u>	<u>\$ 8,198.68</u>	<u>\$ 32,296.44</u>

Source: District Records.

Revenue Capacity Information

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

Year Ended Dec. 31,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (1)	Net Valuation Taxable	Tax Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
2012	\$ 8,623,100.00	\$ 578,828,500.00	\$ 78,980,400.00	\$ 91,645,100.00	\$ 65,648,200.00	\$ 823,725,300.00	\$ 1,068,074.00	\$ 824,793,374.00	\$ 126,622,600.00	\$ 859,545,615.00	\$ 0.953
2011	8,763,100.00	578,671,900.00	80,294,900.00	99,163,600.00	65,702,600.00	832,596,100.00	1,147,259.00	833,743,359.00	126,285,800.00	858,904,057.00	0.920
2010	8,439,300.00	577,285,300.00	83,073,000.00	99,602,300.00	65,702,600.00	834,102,500.00	1,337,997.00	835,440,497.00	126,273,500.00	855,123,775.00	1.651
2009	8,672,800.00	576,086,300.00	84,801,500.00	106,056,000.00	66,014,700.00	841,631,300.00	1,380,914.00	843,012,214.00	123,216,600.00	848,773,063.00	1.651
2008 (3)	4,030,800.00	297,552,200.00	40,861,800.00	58,522,900.00	28,582,600.00	429,550,300.00	659,045.00	430,209,345.00	53,829,800.00	865,270,803.00	1.648
2007	4,180,700.00	296,793,900.00	41,060,700.00	58,522,900.00	28,553,300.00	429,111,500.00	695,909.00	429,807,409.00	53,653,500.00	784,806,639.00	1.573
2006	4,209,600.00	296,354,500.00	40,121,500.00	58,816,900.00	28,584,700.00	428,087,200.00	808,116.00	428,895,316.00	50,735,200.00	676,241,841.00	1.475
2005	3,893,600.00	295,053,800.00	39,445,400.00	58,431,100.00	28,561,500.00	425,385,400.00	1,024,390.00	426,409,790.00	50,742,700.00	567,366,344.00	1.462
2004	3,574,900.00	294,887,400.00	40,145,200.00	58,538,500.00	28,508,700.00	425,654,700.00	1,121,810.00	426,776,510.00	50,969,300.00	503,150,139.00	1.413
2003	3,779,100.00	293,452,700.00	40,658,100.00	58,635,100.00	28,537,000.00	425,062,000.00	1,250,890.00	426,312,890.00	50,930,500.00	487,910,710.00	1.320

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

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

(3) Revaluation

Source: Municipal Tax Assessor

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten (Fiscal) Years

(rate per \$100 of assessed value)

Unaudited

Year Ended Dec. 31	District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate (1)	General Obligation Debt Service (2)	Total Direct School Tax Rate	Regional School District	Borough of Bellmawr	County of Camden	
2012	\$ 0.928	\$ 0.025	\$ 0.953	\$ 0.509	\$ 0.990	\$ 0.799	\$ 3.251
2011	0.897	0.025	0.920	0.464	0.934	0.665	2.982
2010	0.895	0.024	0.878	0.464	0.934	0.665	2.941
2009 (3)	0.854	0.024	1.651	0.433	0.858	0.625	3.567
2008	1.621	0.030	1.648	0.877	1.608	1.280	5.413
2007	1.618	0.030	1.648	0.885	1.435	1.283	5.251
2006	1.532	0.041	1.573	0.858	1.310	1.278	5.019
2005	1.441	0.034	1.475	0.842	1.231	1.103	4.651
2004	1.427	0.035	1.462	0.775	1.151	1.037	4.425
2003	1.384	0.029	1.413	0.709	1.043	1.019	4.184

(1) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

(2) Rates for debt service are based on each year's requirements.

(3) Revaluation

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2,5 percent, whichever is greater, plus any growth adjustments.

Source: Municipal Tax Collector

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Principal Property Tax Payers
Current Year and Nine Years Ago
Unaudited

Taxpayer	2012			2003		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Mutual Housing Corp.	\$ 29,721,100.00	1	3.60%	\$ 12,989,300.00	2	3.06%
The Korman Co.	26,213,400.00	2	3.18%	16,604,400.00	1	3.91%
East Coast Hyde Park Apts. LLC	18,391,900.00	3	2.23%			
Interstate Holding Corp.	11,735,400.00	4	1.42%	7,129,000.00	3	1.68%
South Penn Associates	9,600,600.00	5	1.16%			
International Paper Company	7,104,200.00	6	0.86%			
Houghton Mifflin Harcourt Publishing a	6,250,000.00	7	0.76%	6,762,800.00	4	1.59%
J&J Snack Foods Corp. of N.J.	4,873,700.00	8	0.59%			
Spruce Manor Enterprises LLC	4,687,500.00	9	0.57%			
Barnard Development Company	4,548,300.00	10	0.55%			
Extra Space of Bellmawr LLC	4,507,500.00	11	0.55%			
John Rogers CS Ellis Investors LLC	4,313,900.00	12	0.52%			
45 Heller Road, LLC	4,195,700.00	13	0.51%	2,350,000.00	10	0.55%
Browning Square Inc.	4,000,000.00	14	0.48%	2,789,700.00	9	0.66%
Green Horse Properties LLC	3,452,300.00	15	0.42%			
Hyde Park Apartments				5,929,900.00	5	1.40%
Williamette Industries				4,679,000.00	6	1.10%
Bellmawr Manor LLC				4,269,700.00	7	1.01%
Walgreens				2,972,400.00	8	0.70%
Total	<u>\$ 143,595,500.00</u>		<u>17.41%</u>	<u>\$ 66,476,200.00</u>		<u>15.66%</u>

a. Nine years ago, this property was owned by Holt, Reinhart & Winston

Source: Municipal Tax Assessor

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Fiscal Years
 Unaudited

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>School Taxes</u> <u>Levied for the</u> <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		<u>Collections in</u> <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2012	\$ 7,788,899.00	\$ 7,788,899.00	100.00%	
2011	7,788,899.00	7,683,271.00	98.64%	\$ 105,628.00
2010	7,535,102.00	7,535,102.00	100.00%	
2009	7,273,660.00	7,273,660.00	100.00%	
2008	6,930,487.00	6,930,487.00	100.00%	
2007	7,240,583.00	7,240,583.00	100.00%	
2006	6,257,085.00	6,257,085.00	100.00%	
2005	6,323,212.00	6,323,212.00	100.00%	
2004	6,151,593.00	6,151,593.00	100.00%	
2003	5,896,442.00	5,896,442.00	100.00%	

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

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

Debt Capacity Information

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		Total District	Percentage of Personal Income (2)	Per Capita (3)
	General Obligation Bonds (1)	Certificates of Participation	Capital Leases (2)	Bond Anticipation Notes (BANs)	Capital Leases			
2012	\$ 502,898.00					\$ 502,898.00	Unavailable	Unavailable
2011	707,898.00				\$ 3,051.43	710,949.43	Unavailable	\$ 61.44
2010	897,898.00				14,666.56	912,564.56	0.18%	78.79
2009	1,087,898.00					1,087,898.00	0.23%	97.05
2008	1,257,898.00					1,257,898.00	0.27%	112.43
2007	1,422,898.00					1,422,898.00	0.32%	127.07
2006	1,592,898.00					1,592,898.00	0.37%	142.34
2005	1,230,000.00		\$ 4,078.77			1,234,078.77	0.30%	111.00
2004	1,360,000.00		27,596.43			1,387,596.43	0.36%	124.59
2003	1,475,000.00		65,333.93			1,540,333.93	0.41%	137.65

Sources:

- (1) District's Records. Includes Early Retirement Incentive Plan (ERIP) refunding
- (2) Personal income has been estimated based upon the municipal population and per capita
- (3) Per capita personal income by municipality-estimated based upon 2010 census published

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years
 Unaudited

<u>General Bonded Debt Outstanding</u>					
<u>Fiscal Year</u> <u>Ended June 30.</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Deductions</u>	<u>Net General</u> <u>Bonded Debt</u> <u>Outstanding</u>	<u>Percentage of</u> <u>Actual Taxable</u> <u>Value of Property</u>	<u>Per Capita (2)</u>
2012	\$ 502,898.00		\$ 502,898.00	0.06%	Unavailable
2011	707,898.00		707,898.00	0.08%	61.17
2010	897,898.00		897,898.00	0.11%	77.53
2009	1,087,898.00		1,087,898.00	0.13%	97.05
2008	1,257,898.00		1,257,898.00	0.29%	112.43
2007	1,422,898.00		1,422,898.00	0.33%	127.07
2006	1,592,898.00		1,592,898.00	0.37%	142.34
2005	1,230,000.00		1,230,000.00	0.29%	110.63
2004	1,360,000.00		1,360,000.00	0.32%	122.12
2003	1,475,000.00		1,475,000.00	0.35%	131.81

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

- (1) See Exhibit NJ J-6 for property tax data.
- (2) Population data can be found in Exhibit NJ J-14.

Source: District Records.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2011
Unaudited

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Borough of Bellmawr</u>
Municipal Debt: (1)				
Borough of Bellmawr School District	\$ 2,514,045.80	\$ 2,514,045.80		
Black Horse Pike Regional School District	3,454,120.49	3,454,120.49		
Borough of Bellmawr Water & Sewer Utility	391,928.13	391,928.13		
Borough of Bellmawr	<u>13,180,129.20</u>	<u>164,566.82</u> (3)	<u>\$ 13,015,562.38</u>	<u>\$ 13,015,562.38</u>
	<u>19,540,223.62</u>	<u>6,524,661.24</u>	<u>13,015,562.38</u>	<u>13,015,562.38</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (2)				
General:				
Bonds	43,903,921.00	27,403,718.00 (4)	16,500,203.00	357,476.09 (6)
Loan Agreement	169,310,000.00		169,310,000.00	3,668,092.81 (6)
Bonds Issued by Other Public Bodies Guaranteed by the County	<u>750,920,785.00</u>	<u>750,920,785.00</u> (5)		
	<u>964,134,706.00</u>	<u>778,324,503.00</u>	<u>185,810,203.00</u>	<u>4,025,568.90</u>
	<u>\$ 983,674,929.62</u>	<u>\$ 784,849,164.24</u>	<u>\$ 198,825,765.38</u>	<u>\$ 17,041,131.28</u>

Sources:

- (1) 2011 Annual Debt Statement as revised
 - (2) County's 2011 Audit Report
 - (3) Includes Reserve for Payment of Bonds.
 - (4) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
 - (5) Deductible in accordance with N.J.S. 40:37A-80.
 - (6) Such debt is allocated as a proportion of the Borough's share of the total 2011 Equalized Value, which is 2.17%.
- The source for this computation was the 2011 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2012

	Equalized valuation basis (1)	
	2011	\$ 864,226,801
	2010	854,875,986
	2009	<u>856,796,600</u>
	[A]	\$ 2,575,899,387
	Average equalized valuation of taxable property	[A/3] \$ 858,633,129
	Debt limit (3 % of average equalization value) (2)	[B] 25,758,994
	Total Net Debt Applicable to Limit	[C] <u>502,898</u>
	Legal Debt Margin	[B-C] <u>\$ 25,256,096</u>

	Fiscal Year									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debt limit	\$ 25,758,993.87	\$ 25,534,329.23	\$ 25,586,721.91	\$ 24,803,574.97	\$ 23,068,117.37	\$ 20,106,269.28	\$ 17,306,929.93	\$ 15,457,738.86	\$ 14,502,521.19	\$ 13,944,909.00
Total net debt applicable to limit (3)	<u>502,898.00</u>	<u>707,898.00</u>	<u>897,898.00</u>	<u>1,087,898.00</u>	<u>1,257,898.00</u>	<u>1,422,898.00</u>	<u>1,592,898.00</u>	<u>1,230,000.00</u>	<u>1,360,000.00</u>	<u>1,475,000.00</u>
Legal debt margin	<u>\$ 25,256,095.87</u>	<u>\$ 23,715,676.97</u>	<u>\$ 21,645,219.37</u>	<u>\$ 18,683,371.28</u>	<u>\$ 15,714,031.93</u>	<u>\$ 14,227,738.86</u>	<u>\$ 13,142,521.19</u>	<u>\$ 12,469,909.00</u>	<u>\$ 12,653,448.70</u>	<u>\$ 12,347,917.85</u>
Total net debt applicable to the limit as a percentage of debt limit	1.95%	3.51%	6.17%	7.08%	9.20%	7.96%	9.38%	10.58%	7.19%	7.80%

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

Demographic and Economic Information

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2012	Unavailable	Unavailable	Unavailable	Unavailable
2011	11,572	Unavailable	Unavailable	9.00%
2010	11,582	\$ 494,783,040.00	\$ 42,720.00	9.10%
2009	11,210	464,161,260.00	41,406.00	8.70%
2008	11,188	469,806,496.00	41,992.00	5.50%
2007	11,198	450,831,480.00	40,260.00	4.20%
2006	11,191	432,767,161.00	38,671.00	4.50%
2005	11,118	403,572,282.00	36,299.00	4.20%
2004	11,137	389,293,835.00	34,955.00	4.90%
2003	11,190	377,908,680.00	33,772.00	4.50%

Source:

- (1) Population information provided by the NJ Dept of Labor and Workforce Development (July 1)
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita personal income by municipality-estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago
Unaudited

<u>Employer</u>	<u>2012</u>			<u>2003 (1)</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Employment</u>
Country Home Bakers, LLC	250	1	4.01%	N/A	N/A	N/A
ServiceMaster, Inc	200	3	3.21%	N/A	N/A	N/A
Vertis Mailing LLC	160	4	2.57%	N/A	N/A	N/A
J&J Snack Foods Corp.	150	5	2.41%	N/A	N/A	N/A
Green Force Media LLC (Evergreen Printing Co.)	141	2	2.26%	N/A	N/A	N/A
International Paper Company	137	6	2.20%	N/A	N/A	N/A
Houghton Mifflin Harcourt Publishing Co.	125	7	2.01%	N/A	N/A	N/A
Red Line Officials	124	8	1.99%	N/A	N/A	N/A
Senior Choice Inc.	115	9	1.85%	N/A	N/A	N/A
U.S. Logistics, Inc	105	10	1.68%	N/A	N/A	N/A
D'Orazio Foods Inc.	70	11	1.12%	N/A	N/A	N/A
	<u>1,577</u>		<u>25.30%</u>	<u>-</u>		<u>-</u>

Source: D&B Regional Business Directory published by Dun & Bradstreet, Inc.

(1) The data for 9 years ago was not available from resources contacted.

Operating Information

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

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

<u>Function/Program</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Instruction										
Regular	70	69	68	69	67	66	69	69	69	69
Special education	23	21	20	21	21	20	19	19	19	27
Other special education										
Vocational										
Other instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Tuition										
Student & instruction related services										
General administrative services	1	1	1	1	2	2	2	2	2	2
School administrative services	10.5	10.5	10.5	10.5	10.5	9.5	5	5	5	5
Business administrative services	3	3	3	3	3	3	3	3	3	3
Plant operations and maintenance	8.5	8.5	8.5	8.5	8.5	8.5	8	8	8	7
Pupil transportation										
Special Schools										
Food Service										
Child Care										
Total	116	113	111	113	112	109	106	106	106	113

Source: District Personnel Records

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year	Enrollment	Operating Expenditures (1)	Cost Per Pupil	Percentage Change	Teaching Staff (2)	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) (3)	Average Daily Attendance (ADA) (3)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School				
2012	1,135	\$ 13,675,862.24	\$ 12,049.22	2.60%	93	1:13	1:12	1,122.3	1,073.8	-0.73%	95.68%
2011	1,144	13,435,082.73	11,743.95	-5.27%	90	1:13	1:12	1,139.1	1,081.7	3.12%	94.96%
2010	1,119	13,872,041.62	12,396.82	6.84%	88	1:13	1:12	1,116.6	1,049.0	1.69%	93.95%
2009	1,138	13,204,102.09	11,602.90	-8.34%	90	1:12	1:13	1,088.0	1,031.6	3.57%	94.82%
2008	1,051	13,304,837.29	12,659.22	2.74%	88	1:10	1:11	1,054.0	996.0	-1.81%	94.50%
2007	1,059	13,048,152.56	12,321.20	6.48%	86	1:13	1:12	1,059.4	1,014.4	1.70%	95.75%
2006	1,038	12,010,608.30	11,570.91	11.34%	76	1:14	1:14	1,038.7	997.4	-1.24%	96.02%
2005	1,079	11,213,507.62	10,392.50	2.06%	76	1:15	1:14	1,081.2	1,009.9	1.50%	93.41%
2004	1,060	10,793,221.25	10,182.28	-2.18%	75	1:14	1:14	1,056.0	995.0	8.90%	94.22%
2003	1,016	10,576,194.06	10,409.64	0.85%	73	1:14	1:24	971.9	913.7	1.75%	94.01%

Sources: District records

Note: Enrollment based on annual October district count.

- (1) Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- (2) Teaching staff includes only full-time equivalents of certificated staff.
- (3) Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<u>District Building</u>										
<u>Middle School</u>										
Bell Oaks School (1969)										
Square Feet	68,587	68,587	68,587	68,587	68,587	68,587	68,587	68,587	68,587	68,587
Capacity (students)	1,057	1,057	1,057	1,057	1,057	1,057	1,057	1,057	1,057	1,057
Enrollment	461	482	482	502	456	455	458	467	454	436
<u>Elementary Schools</u>										
Bellmawr Park School (1943)										
Square Feet	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900	36,900
Capacity (students)	762	762	762	762	762	762	762	762	762	762
Enrollment	291	362	362	365	332	361	348	380	371	359
Ethel M. Burke School (1889)										
Square Feet	24,397	24,397	24,397	24,397	24,397	24,397	24,397	24,397	24,397	24,397
Capacity (students)	451	451	451	451	451	451	451	451	451	451
Enrollment	383	275	275	271	263	262	232	232	235	221

Number of Schools at June 30, 2012

 Elementary = 2

 Middle School = 1

Source: District records, ASSA

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Ten Fiscal Years
 Unaudited

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

<u>School Facilities</u>	<u>Project #(s)</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Bell Oaks School	N/A	\$126,851.72	\$106,136.21	\$ 98,479.15	\$114,536.25	\$ 51,549.33	\$ 63,850.41	\$63,273.26	\$37,769.36	\$43,665.02	\$ 32,794.73
Bellmawr Park School	N/A	14,509.00	36,728.79	42,344.63	47,248.61	20,679.01	27,090.13	15,128.51	22,143.33	19,222.94	17,973.58
Ethel M. Burke School	N/A	14,508.00	36,157.16	37,818.34	30,858.27	22,366.62	33,773.37	18,814.17	20,654.81	19,222.39	23,213.46
Total School Facilities		<u>155,868.72</u>	<u>179,022.16</u>	<u>178,642.12</u>	<u>192,643.13</u>	<u>94,594.96</u>	<u>124,713.91</u>	<u>97,215.94</u>	<u>80,567.50</u>	<u>82,110.35</u>	<u>73,981.77</u>
Other Facilities		-	-	-	-	-	-	-	-	-	-
Grand Total		<u>\$ 155,868.72</u>	<u>\$ 179,022.16</u>	<u>\$ 178,642.12</u>	<u>192,643.13</u>	<u>\$ 94,594.96</u>	<u>\$ 124,713.91</u>	<u>\$ 97,215.94</u>	<u>\$ 80,567.50</u>	<u>\$ 82,110.35</u>	<u>\$ 73,981.77</u>

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

Source: District Records

BOROUGH OF BELLMAWR SCHOOL DISTRICT

Insurance Schedule

June 30, 2012

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (School Alliance Insurance Fund)		
General and Auto Liability	\$ 50,000,000.00	
Property and Auto Physical Damage	250,000,000.00	
Boiler and Machinery	100,000.00	
Comprehensive Crime Coverage:		
Money and Securities (Each loss (inside/outside)	50,000.00	
Blanket Dishonesty Bond Including Faithful Performance (Positions excluded)		
Each person	100,000.00	
Per loss	500,000.00	
Computer Fraud	50,000.00	
Forgery and Alteration	50,000.00	
Environmental Impairment Liability	1,000,000.00	
Fund Aggregate	25,000,000.00	
Excess Liability (GL/AL/SLPL)	5,000,000.00	
School Leaders Professional Liability	5,000,000.00	
Worker's Compensation	Statutory	
Employer's Liability	5,000,000.00	
Surety Bond (Western Surety Company)		
School Business Administrator/ Board Secretary	200,000.00	

Source: District Records

SINGLE AUDIT SECTION

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

The Honorable President and
Members of the Board of Education
Borough of Bellmawr School District
Bellmawr, New Jersey 08031

Compliance

We have audited the Borough of Bellmawr School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2012. The 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 School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and State of New Jersey Circular 04-04-OMB require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Bellmawr 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 of the School District's compliance with those requirements.

In our opinion, the Borough of Bellmawr School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and New Jersey Circular 04-04-OMB and which are described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance as findings no.: 2012-4 and 2012-5.

Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance as finding 2012-5. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

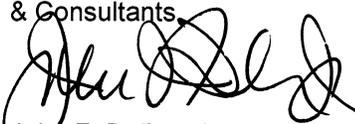
The Borough of Bellmawr School District's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the School District's response and, accordingly, we express no opinion on the response.

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



John F. Dailey, Jr.
Certified Public Accountant
Public School Accountant No. CS 00140

Voorhees, New Jersey
October 15, 2012

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2012

Federal Grantor / Pass-through Grantor / Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2011
				From	To	
General Fund						
U.S. Department of Health and Human Services: Medical Assistance Program	93.778	N/A	\$ 9,153.89	09/01/11	08/31/12	-
U.S. Department of Education: Passed-through State Department of Education: Education JOBS Fund	84.410A	N/A	169,072.00	08/10/10	09/30/12	-
Total General Fund						-
Special Revenue Fund:						
U.S. Department of Education: Passed-through State Department of Education: No Child Left Behind (NCLB):						
Title I, Part A Cluster:						
Title I, Part A	84.010	NCLB026009	304,974.00	09/01/08	08/31/09	\$ 73,647.87
Title I, Part A	84.010	NCLB026010	303,707.00	09/01/09	08/31/10	(21,227.00)
Title I, Part A	84.010	NCLB026011	305,638.00	09/01/10	08/31/11	(31,658.01)
Title I, Part A	84.010	NCLB026012	317,133.00	09/01/11	08/31/12	-
Total Title I, Part A Cluster						20,762.86
Title II, Part A, Improving Teacher Quality, Carryover						
Title II, Part A, Improving Teacher Quality	84.367	NCLB026009	48,066.00	09/01/08	08/31/09	39,779.00
Title II, Part A, Improving Teacher Quality	84.367	NCLB026010	48,101.00	09/01/09	08/31/10	(8,145.50)
Title II, Part A, Improving Teacher Quality	84.367	NCLB026011	47,864.00	09/01/10	08/31/11	26,458.28
Title II, Part A, Improving Teacher Quality	84.367	NCLB026012	41,571.00	09/01/11	08/31/12	-
Total Title II, Part A						58,091.78
Title II, Part D, Enhancing Education through Technology,						
Title II, Part D, Enhancing Education through Technology,	84.318	NCLB026010	3,025.00	09/01/09	08/31/10	(3,025.00)
Title II, Part D, Enhancing Education through Technology,	84.318	NCLB026011	704.00	09/01/10	08/31/11	(704.00)
Total Title II, Part D						(3,729.00)
Title III, Part A, English Language						
Title III, Part A, English Language	84.365	NCLB026011	12,358.00	09/01/10	08/31/11	(12,358.00)
Title III, Part A, English Language	84.365	NCLB026012	10,604.00	09/01/11	08/31/12	-
Total Title III, Part A						(12,358.00)
Title IV, Part A, Safe and Drug-Free Schools, Carryover						
Title IV, Part A, Safe and Drug-Free Schools	84.186	NCLB026009	5,116.00	09/01/08	08/31/09	4,738.52
Title IV, Part A, Safe and Drug-Free Schools	84.186	NCLB026010	5,018.00	09/01/09	08/31/10	5,018.00
Total Title IV, Part A						9,756.52
Total No Child Left Behind (NCLB)						72,524.16
I.D.E.I.A. Part B Cluster:						
Basic, Carryover	84.027	IDEA026009	265,601.00	09/01/08	08/31/09	(25,418.57)
Basic	84.027	IDEA026012	290,530.00	09/01/11	08/31/12	-
ARRA, Basic	84.391	IDEA026010	274,883.00	07/01/09	08/31/11	21,583.25
Preschool Incentive, Carryover	84.173	IDEA026009	11,643.00	09/01/08	08/31/09	72.78
Preschool Incentive	84.173	IDEA026011	12,130.00	09/01/10	08/31/11	(12,130.00)
Preschool Incentive	84.173	IDEA026012	12,274.00	09/01/11	08/31/12	-
ARRA, Preschool Incentive	84.392	IDEA026010	9,898.00	07/01/09	08/31/11	2,567.34
Total I.D.E.I.A. Part B Cluster						(13,325.20)
Race for the Top Phase 3	84.413A	N/A	25,256.00	07/01/12	11/30/15	-
Total U.S. Department of Education						59,198.96
Total Special Revenue Fund						59,198.96

Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments (A)	Repayment of Prior Years' Balances	Balance June 30, 2012		
					(Accounts Receivable)	Deferred Revenue	Due to Grantor at June 30, 2012
-	\$ 9,153.89	\$ (9,153.89)	-	-	-	-	-
-	169,072.00	(165,193.66)	-	-	-	\$ 3,878.34	-
-	178,225.89	(174,347.55)	-	-	-	3,878.34	-
			\$ 18,262.00				\$ 91,909.87
\$ (21,227.00)	21,227.00						
21,227.00	52,885.01						
	136,515.99	(363,191.98)			\$ (205,448.99)		
-	210,628.00	(363,191.98)	18,262.00	-	(205,448.99)	-	91,909.87
	1,595.00				(6,550.50)	39,779.00	
		(18,751.87)			(27,498.00)	7,706.41	
		(27,498.00)					
-	1,595.00	(46,249.87)	-	-	(34,048.50)	47,485.41	-
-	3,025.00						
	704.00						
-	3,729.00	-	-	-	-	-	-
	9,781.00				(2,577.00)		
		(7,480.22)			(7,480.22)	-	
-	9,781.00	(7,480.22)	-	-	(10,057.22)	-	-
		(785.00)				4,738.52	
						4,233.00	
-	-	(785.00)	-	-	-	8,971.52	-
-	225,733.00	(417,707.07)	18,262.00	-	(249,554.71)	56,456.93	91,909.87
					(25,418.57)		
	290,530.00	(290,530.00)					27,686.25
	6,103.00					72.78	
	12,130.00						
	12,274.00	(12,274.00)					2,567.34
-	321,037.00	(302,804.00)	-	-	(25,418.57)	72.78	30,253.59
-	-	(5,233.00)	-	-	(5,233.00)	-	-
-	546,770.00	(725,744.07)	18,262.00	-	(280,206.28)	56,529.71	122,163.46
-	546,770.00	(725,744.07)	18,262.00	-	(280,206.28)	56,529.71	122,163.46

(Continued)

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2012

Federal Grantor / Pass-through Grantor / Program Title Enterprise Fund:	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2011
				From	To	
U.S. Department of Agriculture:						
Passed-through State Department of Education:						
Child Nutrition Cluster:						
Non-Cash Assistance (Food Distribution):						
National School Lunch Program	10.555	N/A	20,143.51	07/01/10	06/30/11	\$ 4,137.02
National School Lunch Program	10.555	N/A	25,571.00	07/01/11	06/30/12	
Non-Cash Assistance Subtotal						<u>4,137.02</u>
Cash Assistance:						
National School Lunch Program	10.555	N/A	195,211.46	07/01/10	06/30/11	(7,809.16)
National School Lunch Program	10.555	N/A	192,016.52	07/01/11	06/30/12	
Special Milk Program	10.556	N/A	149.32	07/01/10	06/30/11	(8.09)
Special Milk Program	10.556	N/A	360.90	07/01/11	06/30/12	
School Breakfast Program	10.553	N/A	6,288.36	07/01/10	06/30/11	(435.80)
School Breakfast Program	10.553	N/A	14,682.90	07/01/11	06/30/12	
Cash Assistance Subtotal						<u>(8,253.05)</u>
Total U.S. Department of Agriculture						<u>(4,116.03)</u>
Total Enterprise Fund						<u>(4,116.03)</u>
Total Federal Financial Assistance						<u>\$ 55,082.93</u>

(A) See Note 5 to the Schedules of Expenditures of Federal and State Financial Assistance (if applicable)

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

Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments (A)	Repayment of Prior Years' Balances	Balance June 30, 2012		
					(Accounts Receivable)	Deferred Revenue	Due to Grantor at June 30, 2012
	\$ 26,775.62	\$ (4,137.02) (21,433.98)				\$ 5,341.64	
-	26,775.62	(25,571.00)	-	-	-	5,341.64	-
	7,809.16						
	184,590.55	(192,016.52)			(7,425.97)		
	8.09						
	338.80	(360.90)			(22.10)		
	435.80						
	13,498.80	(14,682.90)			(1,184.10)		
-	206,681.20	(207,060.32)	-	-	(8,632.17)	-	-
-	233,456.82	(232,631.32)	-	-	(8,632.17)	5,341.64	-
-	233,456.82	(232,631.32)	-	-	(8,632.17)	5,341.64	-
-	\$ 958,452.71	\$ (1,132,722.94)	\$ 18,262.00	-	\$ (288,838.45)	\$ 65,749.69	\$ 122,163.46

BOROUGH OF BELLMAWR SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2012

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June. 30, 2011	
			From	To	Deferred Revenue / (Accounts Receivable)	Due to Grantor
General Fund:						
Current Expense:						
Equalization Aid	11-495-034-5120-078	\$ 3,760,718.00	07/01/10	06/30/11	\$ (355,270.61)	
Equalization Aid	12-495-034-5120-078	4,010,878.00	07/01/11	06/30/12		
Choice Aid	12-495-034-5120-068	9,092.00	07/01/11	06/30/12		
Additional Non Public School Transportation Aid	11-495-034-5120-014	13,050.00	07/01/10	06/30/11	(13,050.00)	
Additional Non Public School Transportation Aid	12-495-034-5120-014	10,440.00	07/01/11	06/30/12		
Special Education Categorical Aid	11-495-034-5120-089	561,281.00	07/01/10	06/30/11	(53,078.19)	
Special Education Categorical Aid	12-495-034-5120-089	561,281.00	07/01/11	06/30/12		
Extraordinary Special Education Costs Aid	11-100-034-5120-473	42,913.00	07/01/10	06/30/11	(42,913.00)	
Extraordinary Special Education Costs Aid	12-100-034-5120-473	62,120.00	07/01/11	06/30/12		
Reimbursed TPAF Social Security Contributions	11-495-034-5095-002	469,216.93	07/01/10	06/30/11	(46,851.29)	
Reimbursed TPAF Social Security Contributions	12-495-034-5095-002	466,052.85	07/01/11	06/30/12		
Total General Fund					(511,163.09)	-
Special Revenue Fund:						
Preschool Education Aide	10-495-034-5120-086	400,218.00	07/01/09	06/30/10	27,781.04	
Preschool Education Aide	11-495-034-5120-086	420,742.00	07/01/10	06/30/11	(41,643.79)	
Preschool Education Aide	12-495-034-5120-086	431,004.00	07/01/11	06/30/12		
Total Preschool Education Aid					(13,862.75)	-
HIB Anti-Bullying Grant Funds	Unavailable	20,382.00	07/01/12	06/30/13	-	-
Total Special Revenue Fund					(13,862.75)	-
Capital Projects Fund:						
School Development Authority:						
Ethel Burke Elementary School New Windows	0260-030-10-1002	191,671.00	08/30/10	Completion	(96,225.81)	
Bellamwr Park Elementary School New Windows	0260-020-10-1001	205,611.00	08/30/10	Completion	131,635.86	
Bellmawr Park Elementary School New Electrical System	0260-020-09-1004	189,534.00	08/30/10	Completion	(44,799.77)	
					(9,389.72)	-
Debt Service Fund:						
Debt Service Aid, Type II	12-495-034-5120-125	21,618.00	07/01/11	06/30/12		
Total Debt Service Fund					-	-
Enterprise Fund:						
National School Lunch Program (State Share)	11-100-010-3350-023	5,664.89	07/01/10	06/30/11	(209.23)	
National School Lunch Program (State Share)	12-100-010-3350-023	5,357.83	07/01/11	06/30/12		
Total National School Nutrition Program					(209.23)	
Total Enterprise Fund					(209.23)	-
Total State Financial Assistance					\$ (534,624.79)	-

(A) See Note 5 to the Schedules of Expenditures of Federal and State Financial Assistance (if applicable)

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

Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments (A)	Repayment of Prior Years' Balances	Balance June 30, 2012			Memo	
					(Accounts Receivable)	Deferred Revenue/	Due to Grantor	Budgetary Receivable June 30, 2012	Cumulative Total Expenditures
	\$ 355,270.61								\$ 3,760,718.00
	3,637,363.59	\$ (4,010,878.00)			\$ (373,514.41)			\$ 373,514.41	4,010,878.00
	8,245.30	(9,092.00)			(846.70)			846.70	9,092.00
	13,050.00								13,050.00
		(10,440.00)			(10,440.00)			10,440.00	10,440.00
	53,078.19								561,281.00
	509,011.51	(561,281.00)			(52,269.49)			52,269.49	561,281.00
	42,913.00								42,913.00
		(62,120.00)			(62,120.00)			62,120.00	62,120.00
	46,851.29								469,216.93
	351,802.04	(466,052.85)			(114,250.81)			114,250.81	466,052.85
-	5,017,585.53	(5,119,863.85)	-	-	(613,441.41)	-	-	613,441.41	9,967,042.78
						\$ 27,781.04			372,436.96
\$ (430.41)	42,074.20								420,311.59
430.41	387,903.60	(405,454.78)			(43,100.40)	25,979.63		43,100.40	405,454.78
-	429,977.80	(405,454.78)	-	-	(43,100.40)	53,760.67		43,100.40	1,198,203.33
-	20,382.00	-	-	-	-	20,382.00		-	-
-	450,359.80	(405,454.78)	-	-	(43,100.40)	74,142.67	-	43,100.40	1,198,203.33
	953.95	(96,399.14)			(191,671.00)			191,671.00	344,703.95
	1,281.34	(338,528.20)			(205,611.00)			205,611.00	370,031.34
	73,178.40	(61,896.25)			(43,177.60)	9,659.98		43,177.60	352,840.02
-	75,413.69	(496,823.59)	-	-	(440,459.60)	9,659.98	-	440,459.60	1,067,575.31
	21,618.00	(21,618.00)							21,618.00
-	21,618.00	(21,618.00)	-	-	-	-	-		21,618.00
	456.26	(247.03)							5,664.89
	5,161.12	(5,357.83)			(196.71)			196.71	5,357.83
-	5,617.38	(5,604.86)	-	-	(196.71)	-	-	196.71	11,022.72
-	5,617.38	(5,604.86)	-	-	(196.71)	-	-	196.71	11,022.72
-	\$ 5,570,594.40	\$ (6,049,365.08)	-	-	\$ (1,097,198.12)	\$ 83,802.65	-	\$ 1,097,198.12	\$ 12,265,462.14

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended 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 Borough of Bellmawr School District (hereafter referred to as the "School District"). The School District is defined in note 1 to the School District's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

Note 2: BASIS OF ACCOUNTING

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

Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile revenues from the budgetary basis to the GAAP basis is \$18,281.80 for the general fund and \$32,924.48 for the special revenue fund. The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is zero for the general fund and \$33,950.68 for the special revenue fund. See Exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

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

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 174,347.55	\$ 5,745,627.85	\$ 5,919,975.40
Special Revenue	726,894.75	438,254.78	1,165,149.53
Capital Projects		496,823.59	496,823.59
Debt Service		21,618.00	21,618.00
Food Service	<u>232,631.32</u>	<u>5,604.86</u>	<u>238,236.18</u>
	<u>\$ 1,133,873.62</u>	<u>\$ 6,707,929.08</u>	<u>\$ 7,841,802.70</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: ADJUSTMENTS

The amount reported in the column entitled "adjustments" on the Schedule of Federal Awards is an amount funded by the general fund to supplement the recovery of Title I funds required to be paid as a result of an audit by the New Jersey Department of Education Office of Fiscal Accountability and Compliance.

Note 6: OTHER

Revenues and expenditures reported under the food distribution program represent current year value received and current year distribution, respectively. TPAF social security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2012.

Note 7: MAJOR PROGRAMS

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

**BOROUGH OF BELLMAWR SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012**

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

 Material weaknesses identified? X yes no

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

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over compliance:

 Material weaknesses identified? yes X no

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

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

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

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>84.010</u>	<u>Title I</u>
<u>84.027</u>	<u>I.D.E.I.A. Part A, Basic</u>
<u>84.391</u>	<u>ARRA, I.D.E.I.A. Part A, Basic</u>
<u>84.173</u>	<u>I.D.E.I.A. Preschool Incentive</u>
<u>84.392</u>	<u>ARRA, I.D.E.I.A. Preschool Incentive</u>
<u> </u>	<u> </u>

Dollar threshold used to determine Type A programs \$ 300,000.00

Auditee qualified as low-risk auditee? yes X no

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2012

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over compliance:

Material weaknesses identified? _____ yes X no

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

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

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a)) or New Jersey Circular 04-04-OMB? _____ yes X no

Identification of major programs:

<u>GMIS Numbers</u>	<u>Name of State Program</u>
12-495-034-5120-078	Equalization Aid
12-495-034-5120-089	Special Education Categorical Aid
12-495-034-5120-068	School Choice Aid

Dollar threshold used to determine Type A programs \$ _____ 300,000.00 _____

Auditee qualified as low-risk auditee? _____ yes X no

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section 2- Schedule of Financial Statement Findings

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

Finding No. 2012-1

Criteria or Specific Requirement

Good internal control practices require that cash be reconciled monthly and the general ledger for all funds be reviewed for accuracy and in agreement with the cash reconciliation.

Condition

The bank accounts for all funds were not reconciled for the entire fiscal year. Recording errors in the general ledger were not prevented or detected.

Context

For the entire fiscal year, the bank accounts were not reconciled and the general ledger was not properly reviewed for accuracy.

Effect

Under this weakness in controls, monies not deposited and disbursements not recorded or not authorized would not be detected. There were several transactions that had not been recorded in the general ledger.

Cause

The established controls over cash and the general ledger were not maintained.

Recommendation

That the bank accounts maintained by the School District be reconciled monthly and be in agreement with a properly maintained general ledger.

View of Responsible Officials and Planned Corrective Action

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

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

Finding No. 2012-2

Criteria or Specific Requirement

In order to maintain proper control over the activity in the payroll agency fund, an analysis of balances due to payroll agencies should be maintained on a monthly basis and be in agreement with the reconciled balance of the payroll agency bank account.

Condition

The analysis of payroll agency liabilities was not properly maintained and provided for the audit.

Context

The School District did not maintain an analysis of payroll agency liabilities.

Effect

Amounts due to payroll agencies may not be paid timely and accurately.

Cause

The analysis was not completed timely and was not available for audit.

Recommendation

That a complete and accurate analysis of payroll agency liabilities be maintained on a monthly basis, be in agreement with the reconciled balance of the payroll agency bank account and be made available for audit.

View of Responsible Officials and Planned Corrective Action

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

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

Finding No. 2012-3

Criteria or Specific Requirement

Sound internal control practices and the School District's policies require that there be a complete and accurate record keeping for student activity funds.

Condition

A ledger of cash receipts and disbursements was not maintained for the student activity fund at the Bellmawr Park School.

Context

The receipts collected and the disbursements made from the Bellmawr Park School student activity account were not recorded in a ledger and reconciled monthly. There was a checkbook ledger but not all activity was recorded.

Effect

Without a complete and accurate accounting, funds collected for student activities are at risk of misappropriation.

Cause

As a result of a change in the personnel maintaining the account, the established internal control policies were not followed.

Recommendation

That there be a complete and accurate accounting of the student activity account maintained by the Bellmawr Park School.

View of Responsible Officials and Planned Corrective Action

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section 3- Schedule of Federal Award Findings and Questioned Costs

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

Finding No. 2012-4

Information on the Federal Program

2008-2009 Title I Part A, and 2007-2008 Title I Part A Carryover (CFDA No. 84.010)

Criteria or Specific Requirement

When the School District is required to refund Title I funds as a result of an audit by the New Jersey Department of Education Office of Fiscal Accountability and Compliance, a check must be remitted along with the corrective action plan.

Condition

Questioned costs in the amount of \$91,909.87 were not refunded when required by a report issued by the New Jersey Department of Education Office of Fiscal Accountability and Compliance.

Questioned Costs

The questioned costs of the previously reported finding were \$91,909.87.

Context

The New Jersey Department of Education Office of Fiscal Accountability and Compliance (OFAC) performed an audit of Title I for 2008-2009 along with the carryover for 2007-2008 and found questioned costs. They issued their report dated September 23, 2011 which was included in the School District's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. The Schedule of Recovery Due to SEA included in the OFAC report required a refund of \$91,909.87 be remitted in a check payable to the Treasurer, State of New Jersey and mailed with the corrective action plan. Payment was not made.

Effect

Payment of the Title I recovery as required by the OFAC report was not made. This could result in penalties assessed to the School District.

Cause

The School District failed to comply with the report issued by the New Jersey Department of Education Office of Fiscal Accountability and Compliance.

Recommendation

That the Title I Part A questioned costs from 2008-2009 in the amount of \$91,909.87 be remitted to the New Jersey Department of Education Office of Fiscal Accountability and Compliance in accordance with the Schedule of Recovery Due to SEA included in their report dated September 23, 2011.

View of Responsible Officials and Planned Corrective Action

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section 3- Schedule of Federal Award Findings and Questioned Costs (Cont'd)

Finding No. 2012-5

Information on the Federal Program

ARRA I.D.E.I.A. Basic and Preschool (CFDA No. 84.391 and 84.392)

Criteria or Specific Requirement

Reimbursement requests made on the Electronic Web-enabled Grant System should be supported by expenditures actually made by the School District.

Condition

The reimbursement requested did not agree with actual expenditures made.

Questioned Costs

ARRA I.D.E.I.A. Basic \$27,686.25 and ARRA I.D.E.I.A Preschool Incentive \$2,567.34

Context

The School District reported expenditures that were not in agreement with actual expenditures made.

Effect

The School District reported and received funds in excess of actual expenditures.

Cause

The School District reported expenditures based on the budget established for the grants and not in accordance with actual expenditures. This error was not corrected within the grant period which ended August 31, 2011.

Recommendation

That the School District report and request reimbursement for only expenditures that were actually made.

View of Responsible Officials and Planned Corrective Action

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

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

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

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

None.

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

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

FINANCIAL STATEMENT FINDINGS

Finding No. 2011-1

Condition

The bank reconciliations are not complete and accurate.

Current Status

This condition remains unchanged. (See Finding No. 2012-1)

Planned Corrective Action

The responsible officials will address the matter as part of their corrective action plan.

Finding No. 2011-2

Condition

The analysis of payroll agency liabilities was not properly maintained and provided for the audit.

Current Status

This condition remains unchanged. (See Finding No. 2012-2)

Planned Corrective Action

The responsible officials will address the matter as part of their corrective action plan.

FEDERAL AWARDS

Finding No. 2011-3

Program

Title I Part A, and ARRA Title I Part A (CFDA No. 84.010 and 84.389)

Condition

Our audit of Title I and ARRA Title I disclosed that reimbursement requests were being made for amounts that did not agree to the expenditures recorded in the general ledger.

Current Status

This condition has been resolved.

BOROUGH OF BELLMAWR SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management (Cont'd)

FEDERAL AWARDS (CONT'D)

Finding No. 2011-4

Program

2008-2009 Title I Part A, and 2007-2008 Title I Part A Carryover (CFDA No. 84.010)

Condition

The State of New Jersey Department of Education Office of Fiscal Accountability and Compliance performed an audit of the School District's Title I for the fiscal year 2008-2009, and the 2007-2008 carryover of Title I and issued a report dated September 23, 2011. The report disclosed the following:

- 1) The Final Report for fiscal year 2008-2009 reflects excess expenditures of \$82,109.87 which were not substantiated by actual program charges.
- 2) Expenditures of \$9,800.00 charged to the Title I grant supplanted local funding sources and are therefore deemed to be unallowable program costs.
- 3) The expenditures referenced in Finding Two, if otherwise allowable, should have been allocated to the 2007-2008 project period.
- 4) The LEA obligated Title I funds prior to the start of the grant period in contravention of federal regulations.
- 5) Time and activity reports prepared by Title I funded personnel did not satisfy the requirements of OMB Circular A-87.
- 6) The LEA did not record all salary charges on a consistent basis as program activities were performed.
- 7) Appropriations recorded by the District for the Title I program were not consistent with the SEA approved budget.
- 8) Records were not maintained in accordance with departmental and federal guidelines.

Current Status

This condition has been resolved; however the questioned costs have not been returned (See Finding No. 2012-4).

STATE FINANCIAL ASSISTANCE PROGRAMS

None.

