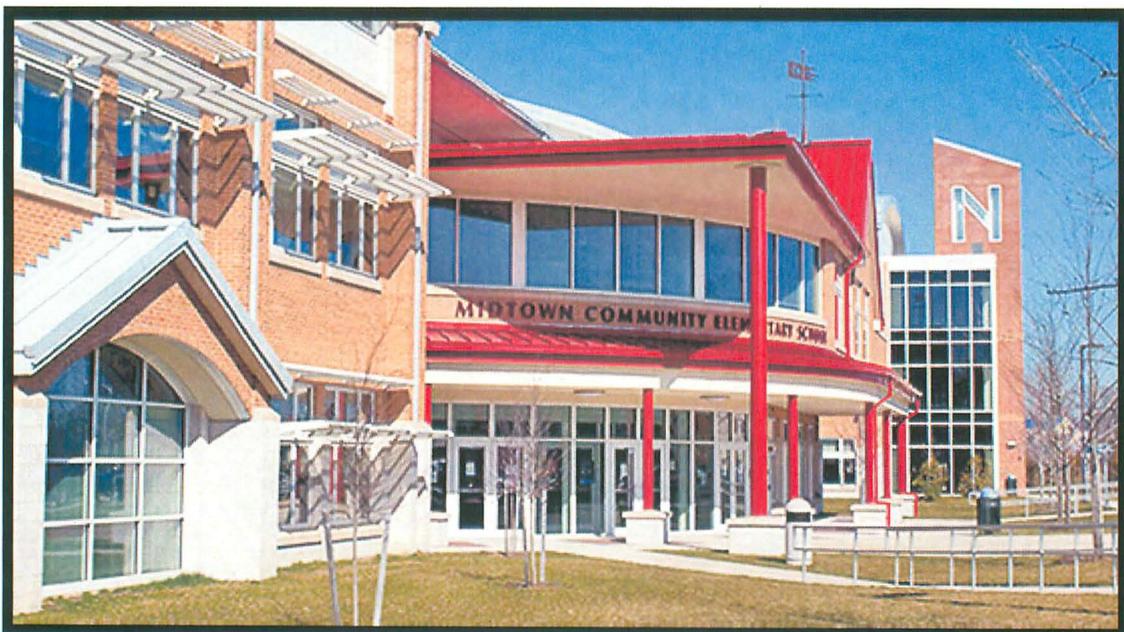


School District
of
NEPTUNE
TOWNSHIP

Neptune Township Board of Education
Neptune, New Jersey 07753

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2012



**School District of
Neptune Township**

**Neptune Township Board of Education
Neptune Township, New Jersey**

Comprehensive Annual Financial Report
For the Year Ended June 30, 2012

Prepared by

Neptune Township School District
Business Division

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Introductory Section

NEPTUNE TOWNSHIP SCHOOL DISTRICT



60 NEPTUNE BOULEVARD
NEPTUNE, NJ 07753-4836
TELEPHONE: 732.776.2000

October 22, 2012

Honorable President and Members of the
Neptune Township Board of Education
60 Neptune Boulevard
Neptune Township
County of Monmouth, New Jersey

Dear Board Members and Constituents:

The comprehensive annual financial report of the Neptune Township School District (the "District") as of and for the 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. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2012 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter (designed to be read in conjunction with management's discussion and analysis), the District's organization chart, independent auditors and advisors, certificate of excellence in financial reporting, and a roster of officials. The financial section includes Management's discussion and analysis (presented immediately after the report of independent auditors), the basic financial statements, required supplementary information and other supplementary information, as well as the auditors' report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis and is unaudited. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this Single Audit, including the auditors' report on the internal control and compliance with applicable laws and regulations and findings and recommendations, if applicable, are included in the single audit section of this report.

1. Reporting Entity and its Services

The District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (“GASB”). All funds and the government-wide financial statements of the District are included in this report. The Neptune Township Board of Education with all its schools constitute the District’s reporting entity and does not have any component units and is not considered a component unit of any other governmental entity. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational, as well as special education for handicapped students. The District completed the 2011-2012 fiscal year with an average daily enrollment of 4,373 students. The following details the changes in the student enrollment of the District over the last five years.

Average Daily Enrollment		
Fiscal Year	Student Enrollment	Percent Change
2012	4,373.3	(1.90)%
2011	4,458.0	0.04
2010	4,456.0	0.07
2009	4,452.2	0.61
2008	4,425.9	0.52

Comprehensive academic services are offered to all students beginning in preschool at the age of three and continuing up to grade twelve. Preschool classes for approximately 470 youngsters are housed in the Early Childhood Center as well as in each of the five neighborhood elementary schools located throughout the Township. Neptune Middle School houses an average of 865 teenagers in grades six through eight while Neptune High School houses roughly 1,300 students in grades nine through twelve.

Curriculum is aligned with the New Jersey Core Curriculum Content Standards (NJCCCS), and coupled with instruction honed to best reach a broad community of learners. The District is committed to working collaboratively with parents and guardians to provide the learning environment that fosters academic achievement, with a specific focus on the following:

- A strong foundation in academic areas and modern technologies
- A positive and varied approach to teaching and learning
- An emphasis on critical thinking skills and problem-solving techniques
- A respect for and an appreciation of our world, its resources, and its people
- A sense of responsibility, good citizenship, and accountability

The Neptune Township School District operates during the traditional school year for 183 instructional days and supplements this with a robust four-week summer program for regular and special needs.

2. Economic Condition and Outlook

Some economists report seeing “both dark clouds and rays of hope,” this of course depends on one’s vantage point. A quick glance at the Bureau of Labor Statistics will show a relatively stagnant position of the U.S. and local economies. At June fiscal year end, the national unemployment rate was at 8.2% and the NJ unemployment rate was 9.6%. The local rate was hovering around 12%. While 80,000 seasonally adjusted jobs were created in June, this figure is eclipsed by the 157,000 new Americans entering the workforce coupled with the 12.7 million others still unemployed and actively trying to find work.

Some sectors of the economy are showing a small spark. June car and light truck sales manufactured in North America were up nearly 30% over the prior year. While this is encouraging news, it does not contribute significantly to the overall gross domestic product of the nation and of note, manufacturing employment has been unchanged over the last quarter. On the plus side, the health care industry and certain financial sectors showed modest job growth. Determining the economic outlook for the near term requires either skill or luck and the outcome would likely be the same. There are significant factors influencing the dynamics of the economy, nationally and internationally. The results of the upcoming U.S. Presidential election will impact the economy, to what degree remains to be seen.

3. Initiatives

The Neptune Township Board of Education along with its administrative team maintain as its primary goal the continual academic improvement and success of the student body. This success is partially measured by state driven assessments. The District continues to employ a data-driven approach to interpreting the outcome of standardized testing and works to better align the curriculum with state standards and ensure that the instructional component of this equation is sound.

Throughout the year, including the summer months, there is ongoing curriculum development and staff training. Training in the area of staff evaluations is a new state initiative that has been embraced and advanced by the District. It is partially funded by a grant from the State of NJ and has buy-in from stakeholders. The District continues to utilize the many assistive tools that it has put into place over the past few years, namely: interactive whiteboards, Linkit data analysis software, Collins Writing, Everyday Math, Read to Learn, Study Island, Read 180, and many other useful tools and techniques.

The Board of Education balances the needs of the students with those of the local taxpaying community. In the interest of transparency, the Board has expanded its website to include some of the most publicly requested documents: agenda and minutes of meetings; policies and regulations; financial documents including annual budgets; and administrative contracts to name just a few. The Board has streamlined the job application process through a website portal. It has reached out to the community

through its regular news publications, mailed to homes five to six times per year. It has reached parents and guardians via its Black Board Connect system to remind families of important school happenings or of local emergencies. Lastly, the monthly meetings of the Board of Education continue to showcase student successes and encourage public attendance and participation.

4. Service Efforts and Accomplishments

During the year the District's Midtown Community Elementary School was recognized for several prestigious awards. The building as designed and constructed earned the Platinum LEED certification, as judged by the U.S. Green Buildings Council, indicating that it is a high-performance, energy efficient facility. The Midtown Community Elementary School is the second public school in New Jersey to receive the award and is only one of five such buildings in the state. Additionally, the school was recognized as a "Green Ribbon" school by a state education panel and then received a national "Green Ribbon" from the U.S. Department of Education. Only 78 other schools in the nation received such a distinction.

Student achievements during the 2011-2012 school year ran the gamut of academic, social, civic and athletic successes. Neptune High School graduates collectively garnered over \$7 million in scholarship funding and again many graduating seniors are pursuing post-secondary education at some of the most prestigious institutions in the country.

Expanded secondary curriculum has exposed students to diverse fields of learning in the form of "JumpStart Academies." Opportunities in the areas of medicine, engineering, criminal justice, education, communications and performing arts are boundless. Agreements are in place with post-secondary institutions for early credit. District administration continues to explore avenues to enhance the student experience. On April 17, 2012 registered voters of the Township of Neptune re-elected School Board member Laura G. Granelli and elected new-comers Fred C. Capolongo and Matthew P. Stevens. In January the Board lost its Vice President, Dr. Stacey L. Somers and the Neptune Community lost a caring and staunch supporter of the school district. Board seats vacated by Peola Smith-Smith and James Frostick were filled by the new-comers respectively.

5. Major Operational or Financial Concerns

As a public entity, the District relies heavily on taxes from local, state and federal sources to accomplish its academic mission. Approximately 37% of operational funding came from local taxation; 50% from state sources; 5% from federal sources and the balance from nontax revenues. With such a high reliance on governmental funding, there is always the uncertainty of legislative / political initiatives that could adversely impact operations.

The recently instituted 2% tax levy cap has created a challenge for most school districts in the state. The District has managed to operate under this cap by reducing discretionary

expenses and taking advantage of cost savings measures to the extent possible. It cannot be ignored however, that some inflationary drivers – such as salary and health benefits – will outstrip the cap. When this happens, districts will be forced to reduce staff, tap into fund balance reserves or both. In any case, this course of action will be short-lived until more permanent solutions can be implemented.

6. Significant Budget Variances or Budget Modifications

Fiscal year 2012 witnessed a change in the school election voting law such that school districts and/or their municipal bodies could opt to move the election to November (commingled with the general election) or leave the election in April. As part of this consideration, an April election would require a public vote on the budget whereas the November election would exclude a budget vote if the proposed tax levy increase fell at or below the 2% cap. Neptune Township and Marlboro Township were the only school districts in Monmouth County that chose to leave the election in April. The District's FY 2013 budget was subject to a public vote and was approved – with no tax increase – by a margin of 308 to 232.

With regard to budget variances during the year, the District was able to recognize significant savings in the area of pupil transportation as a result of modifying hours of operations. By staggering the bell schedules at several of the elementary schools, the District was able to add another tier to its contracted transportation routes. The savings in one area provided opportunities in others e.g. installation of additional interactive classroom whiteboards and other pieces of technology.

Another aspect of the school budget that yielded respectable savings in the short and long term was the early prepayment of an outstanding debt obligation. The 1998 issue contained a non-callable feature which expired, thus allowing for the possibility of early repayment. The existing rate of interest was 4.8%. Overall early payoff savings approximates \$1,000,000. Final payment will take place in December 2012 by means of fund balance generated over the past two years.

7. Internal Control

Management of the District is responsible for establishing and maintaining internal control 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). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) evaluation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District is also responsible for ensuring that adequate internal control is in place to ensure compliance with applicable

laws and regulations related to those programs. This internal control is also subject to periodic evaluation by the District management.

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

8. Budgetary Controls

In addition to internal control, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2012.

9. Accounting Systems and Reports

The District's accounting records reflect accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements," Note 1.

10. Cash Management

The investment and cash management policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements," Note 3. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

11. Risk Management

The Board carries various forms of insurance including, but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

12. Other Information

A. Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wiss and Company, LLP was selected by the Board's operations committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133 and New Jersey OMB's Circular 04-04. The auditors' report on the basic financial statements is included in the financial section of this report. The auditors' reports related specifically to the Single Audit are included in the Single Audit section of this report.

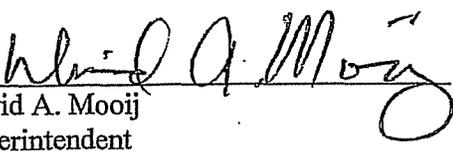
B. Awards: The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2011. This was the seventeenth consecutive year that the District has received this prestigious award and is the only District in the State of New Jersey to receive seventeen consecutive awards. In order to be awarded this certificate, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States and applicable legal requirements.

The Certificate is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Programs' requirements and we are submitting it to ASBO to determine its eligibility for the fiscal year 2011-12 certificate.

13. Acknowledgments

We would like to express our appreciation to the members of the Neptune Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff. Additionally, we wish to acknowledge the assistance given by Peter I. Bartlett, Assistant Business Administrator, Township of Neptune personnel including Michael J. Bascom, Chief Financial Officer/Tax Collector; Bernard Haney, Assessor and Richard Cuttrel, Township Clerk.

Respectfully Submitted,



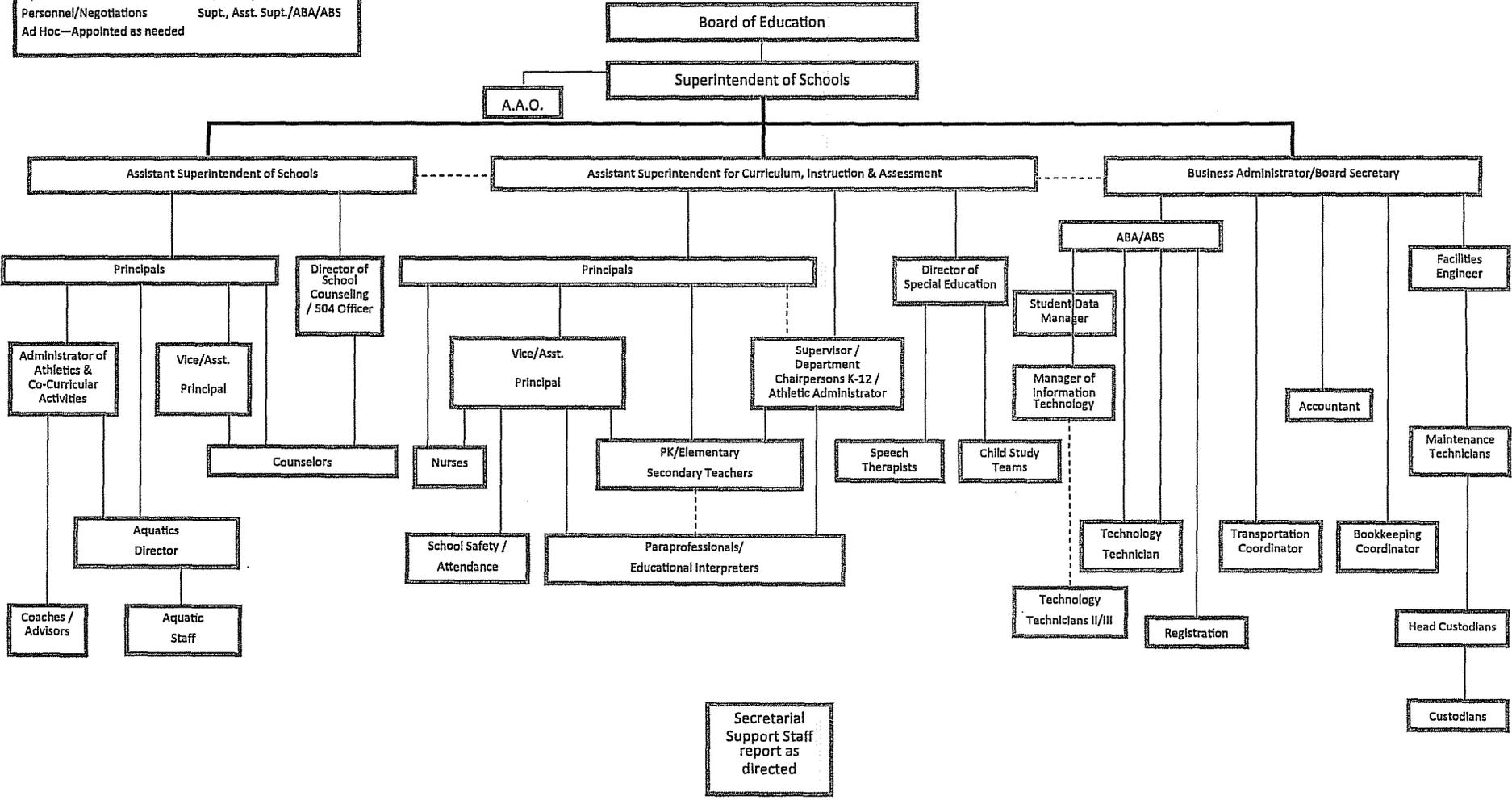
David A. Mooij
Superintendent



Peter J. Leonard
Business Administrator/Board Secretary

<u>BOE Committee</u>	<u>Administrative Liaison</u>
Education	Asst. Supt's., Supt.
Operations	BA/BS, Supt., ABA/ABS
Personnel/Negotiations	Supt., Asst. Supt./ABA/ABS
Ad Hoc—Appointed as needed	

Neptune Township School District Organization Chart



Neptune Township School District
Neptune, New Jersey

Roster of Officials

June 30, 2012

<u>Members of the Board of Education</u>	<u>Term Expires</u>
John E. Daniels, Sr., President	2013
Kerry J. Gizzi, Vice President	2014
Dwayne Breeden	2014
Fred C. Capolongo	2015
Laura G. Granelli	2015
Chanta L. Jackson (1 year unexpired)	2013
Jennifer S. Latshaw	2013
Denis C. McCarthy	2013
Matthew P. Stevens	2015

Other Officials

David A. Mooij, Superintendent
Bertha L. Williams-Pullen, Assistant Superintendent
Matthew Gristina, Asst. Superintendent for Curriculum
Peter J. Leonard, Business Administrator/Board Secretary
Peter I. Bartlett, Asst. Business Administrator/Asst. Board Secretary

Committees

Operations

Laura G. Granelli, Chairperson
Fred C. Capolongo
John E. Daniels, Sr.
Chanta L. Jackson

Education

Jennifer S. Latshaw, Chairperson
Kerry J. Gizzi
Matthew P. Stevens

Personnel

Dwayne Breeden, Chairperson
John E. Daniels, Sr.
Denis C. McCarthy

Neptune Township School District
Neptune, New Jersey

Independent Auditors and Advisors

Architects

Kellenyi Johnson Wagner
21 Peters Place
Red Bank, New Jersey 07701

Attorneys

Schwartz, Simon, Edelstein & Celso LLC
100 South Jefferson Road
Whippany, New Jersey 07981

Labor Consultant

Taylor, Whalen and Hybbeneth
P.O. Box 622
Howell, New Jersey 07731

Independent Auditors

Wiss & Company, LLP
485C Route One South
Iselin, New Jersey 08830

Consulting Engineers

Leon S. Avakian, Inc.
788 Wayside Road
Neptune, New Jersey 07753

DLB Associates, Inc.
265 Industrial Way West
Eatontown, New Jersey 07724

SED Design
740 Penllyn Blue Bell Pike
Blue Bell, PA 19422

Neptune Township School District
Neptune, New Jersey

Independent Auditors and Advisors (continued)

Health Benefits Broker

Brown & Brown Benefit Advisors
1129 Broad Street, Suite 104
Shrewsbury, New Jersey 07702

Insurance Broker

Willis of New Jersey, Inc.
350 Mt. Kemble Avenue
P.O. Box 1969
Morristown, New Jersey 07962

Official Depositories

Wells Fargo Bank
Rt. 33 and Fortunato Place
Neptune, New Jersey 07753

TD Bank, NA
1701 Route 70 East
Cherry Hill, New Jersey 08034

NJ Cash Management Fund
Department of the Treasury
P.O. Box 500
Trenton, New Jersey 08625

Official Newspapers

Asbury Park Press
3601 Route 66
Neptune, New Jersey 07753

The Coaster
1011 Main Street
Asbury Park, New Jersey 07712

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

NEPTUNE TOWNSHIP BOARD OF EDUCATION

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2011

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

Financial Section



Independent Auditors' Report

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

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 Neptune Township School District, County of Monmouth, New Jersey (the "District"), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the 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; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and requirements 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 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2012, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as found 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 Government 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 District's basic financial statements. The accompanying supplementary information, which consists of the combining and individual fund financial statements, school level schedules, long-term debt 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 New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, respectively are presented for purposes of additional analysis and are not a required part of the basic 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 basic 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying other information, such as the introductory and statistical sections are presented for 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 and opinion or provide any assurance on it.

Scott A. Clelland

Scott A. Clelland
Licensed Public School Accountant
No. 1049

Wiss & Company

WISS & COMPANY, LLP

October 22, 2012
Iselin, New Jersey

Required Supplementary Information - Part I
Management's Discussion and Analysis

Neptune Township School District
Neptune, New Jersey

Management's Discussion and Analysis
Year ended June 30, 2012
(Unaudited)

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

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Certain comparative information between the current year and the prior year is presented in the MD&A.

Financial Highlights

Key financial highlights for fiscal year 2012 are as follows:

- In total, net assets increased by \$274,282. In fiscal year 2011, net assets decreased by \$586,465. This significant increase relates mainly to an increase in state aid in fiscal year 2012. These additional revenues exceeded the increases in expenses in fiscal year 2012.
- General revenues of \$76,068,405 accounted for 82 percent of all revenues. Program specific revenues in the form of charges for services, operating grants, and contributions and capital grants accounted for \$16,142,365 or 18 percent of total revenues of \$92,210,770.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of basic financial statements and notes to those statements. These statements are organized so the reader can understand the Neptune Township School District as a financial whole, an entire operating entity. The statements then proceed to offer an increasingly detailed look at specific financial activities. This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The three components of the District's basic financial statements are: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. The CAFR also contains required and other supplementary information in addition to the basic financial statements.

Reporting the School District as a Whole

Government-wide Statements

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the entire School district and are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business.

These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net assets and changes in those assets. The change in net assets is important because it informs the reader that, for the School District as a whole, the financial position of the School District has improved or worsened. The causes of the change may be the result of many factors, some financial and some not. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility conditions, and required educational programs to cite just a few. In the Statement of Net Assets and the Statement of Activities, the District is divided into two distinct types of activities:

- Governmental activities - All of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-type activities - Programs reported here are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods and services be financed through user charges. The District operates two enterprise funds. The Food Service and Aquatic Center enterprise funds are reported as business-type activities.

The government-wide financial statements can be found on pages 26 and 27 of this report.

Reporting the District's Funds

Fund Financial Statements

Fund financial statements provide detailed information about the District's funds. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund, special revenue fund, capital projects fund and debt service fund, all of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund, special revenue fund and debt service fund. Budgetary comparison statements have been provided as required supplementary information for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 28 through 30 of this report.

Proprietary Funds

The District maintains a proprietary fund type in the form of two enterprise funds. The enterprise funds are used to report business-type activities in the government-wide financial statements. The District uses enterprise funds to account for the operations of its food service program and aquatic center, which are also considered to be major funds of the District.

The basic enterprise funds financial statements can be found on pages 31 through 33 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the governmental entity. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District utilizes a long established unemployment compensation trust fund to account for contributions from the District and employees to reimburse the State of New Jersey for the cost of approved unemployment compensation claims.

The District uses separate and distinct agency funds to account for resources held for student activity groups as well as for payroll-related liabilities. The basic fiduciary fund financial statements can be found on pages 34 and 35 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the basic financial statements can be found on pages 36 to 62 of this report.

The School District as a Whole

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

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

The following table provides a summary of the District's net assets at June 30, 2012 and 2011.

Neptune Township School District

Net Assets

	2012			2011		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 7,345,440	\$ 1,264,563	\$ 8,610,003	\$ 6,916,746	\$ 1,038,631	\$ 7,955,376
Capital assets, net	250,312,421	138,312	250,450,733	252,026,255	106,847	252,133,102
Total assets	257,657,861	1,402,875	259,060,736	258,943,001	1,145,477	260,088,478
Current liabilities and other	4,673,790	132,785	4,806,575	1,106,497	149,152	1,255,649
Long-term liabilities						
outstanding	1,720,764	18,988	1,739,752	6,592,702		6,592,702
Total liabilities	6,394,554	151,773	6,546,327	7,699,199	149,152	7,848,351
Net assets:						
Invested in capital assets, net of related debt	246,697,421	100,336	246,797,757	246,690,255	106,847	246,797,102
Restricted	7,784,498		7,784,498	6,437,867		6,437,867
Unrestricted (deficit)	(3,218,612)	1,150,766	(2,067,846)	(1,884,320)	889,478	(994,842)
Total net assets	<u>\$251,263,307</u>	<u>\$ 1,251,102</u>	<u>\$252,514,409</u>	<u>\$251,243,802</u>	<u>\$ 996,325</u>	<u>\$252,240,127</u>

The largest portion of the District's net assets is its investment in capital assets (e.g., land, buildings and improvements, furniture and equipment and construction in progress) less any related debt (general obligation bonds payable and certificates of participation) used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students, consequently, these assets are not available for future

spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total net assets of the District increased by \$274,282 during the current fiscal year. The majority of the increase relates to the increases to state aid in fiscal year 2012 that exceeded the increases in current year expenditures. Additionally, there was an unanticipated return of funds in the aquatic center of \$254,245 to be used for future operations and improvements. Capital assets, net decreased in 2012 resulting from approximately \$1,700,000 more in depreciation expense than asset additions in 2012. Net assets invested in capital assets, net of related debt in 2012 remained fairly inline from the prior year due to the reduction of principal on outstanding debt. Restricted net assets increased due to the use of excess placed into capital reserves by Board resolution adopted in June of 2012. Long-term liabilities decreased due to the early payment of a portion of the outstanding certificates of participation and the remaining \$3,325,000 is expected to be paid in December 2012. The following shows changes in net assets for fiscal years ended June 30, 2012 and 2011.

Neptune Township School District

Changes in Net Assets

	2012			2011		
	Governmental Activities	Business- type Activities	Total	Governmental Activities	Business- type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 5,442,508	\$ 830,956	\$6,273,464	\$ 4,059,851	\$ 837,993	\$ 4,897,844
Operating grants and contributions	7,795,248	1,493,576	9,288,824	7,820,320	1,379,601	9,199,921
Capital grants and contributions	580,077		580,077	151,054		151,054
General revenues:						
Property taxes	34,554,098		34,554,098	34,565,331		34,565,331
Federal and state aid not restricted to specific purposes	40,556,344		40,556,344	36,251,321		36,251,321
Earnings on investments	1,196	1,143	2,339	13,227	3,037	16,264
Miscellaneous	701,379	254,245	955,624	1,203,381		1,203,381
Total revenues	89,630,850	2,579,920	92,210,770	84,064,485	2,220,631	86,285,116
Expenses:						
Instruction	49,659,574		49,659,574	47,980,683		47,980,683
Support services	39,017,865	2,325,143	41,343,008	36,170,923	1,992,257	38,163,180
Charter schools	696,069		696,069	459,982		459,982
Interest on long-term debt	237,837		237,837	267,736		267,736
Total expenses	89,611,345	2,325,143	91,936,488	84,879,324	1,992,257	86,871,581
Change in net assets	19,505	254,777	274,282	(814,839)	228,374	(586,465)
Net assets – beginning	251,243,802	996,325	252,240,127	252,058,641	767,951	252,826,592
Net assets – ending	\$ 251,263,307	\$ 1,251,102	\$252,514,409	\$ 251,243,802	\$ 996,325	\$252,240,127

The increase in charges for services was the result of tuition adjustments and increased tuition rates charged to sending districts. Capital grants and contributions increased resulting from additional SDA expenditures in 2012 than in 2011 as certain capital projects were completed. Property taxes remained fairly consistent with the prior year. In accordance with the educational reform initiative in the State of New Jersey, school districts received additional state aid in 2012.

Expenses increased due to contractual salary increases during the 2012 fiscal year. Moreover, there were thirty-one newly hired staff members in 2012 to better enhance the educational services of Neptune Township School District. Additionally, there were certain upgrades that occurred in 2012, including the upgrade to the District's phone system to a new voice-over IP system, and certain projects at the various schools that attributed to an increase in expenses.

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for District operations. Property taxes made up 38.8 percent of revenues for governmental activities in the Neptune Township School District for fiscal year 2012. Federal, state, and local grants and aid accounted for another 54.5 percent of revenue. The balance of revenues generated from tuition and transportation revenue, investment income and other miscellaneous unrestricted sources comprised 6.7 percent of the total governmental revenues.

The total cost of all programs and services was \$89,611,345. Instruction comprised 55.4 percent of District expenses. Instructional expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities. It is important to note that additional instructional costs are included with support services, which is in conformity with New Jersey Budget Guidelines.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

Business-Type Activities

Revenues for the District's business-type activities were comprised of charges for services and federal and state reimbursements. Charges for services were \$830,956 or 32.2 percent of revenue. This represents amounts paid by patrons for daily food service and use of the aquatic center. Federal and state reimbursements for meals, including payments for free and reduced-priced lunch and breakfast, and donated commodities amounted to \$1,493,576 or 57.9 percent, and the funds returned to the aquatic center of \$254,245 accounted for 9.9 percent of total revenue.

Financial Analysis of the District's Funds

Governmental Funds

All governmental funds are accounted for using the modified accrual basis of accounting. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the District's financing requirements.

General Fund. The general fund is the main operating fund of the District. At the end of the current fiscal year, the total fund balance was \$6,931,345, including funds restricted for capital and maintenance reserves in the amount of \$7,488,000 and prior year excess surplus of \$296,498. The remaining amount represents an unassigned deficit of \$853,153.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The schedule on the following page presents a summary of the revenues of the General Fund, Special Revenue Fund and Debt Service Fund for the fiscal year ended June 30, 2012, and the amount and percentage of increases in relation to prior year revenues.

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase from 2011</u>	<u>Percent of Increase</u>
Local sources	\$ 40,699,181	45.7%	\$ 857,391	2.2%
State sources	44,188,773	49.6	3,546,395	8.7
Federal sources	4,162,819	4.7	733,556	21.4
Total	<u>\$ 89,050,773</u>	<u>100.0%</u>	<u>\$ 5,137,342</u>	<u>6.1%</u>

Local sources increased due primarily to an increase in tuition revenue as a result of tuition adjustments in the 2012 fiscal year.

State sources increased due to an increase in state aid during the 2012 fiscal year.

Federal sources of revenue increased as a result from funds received for the Education Jobs Fund Program.

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

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2011</u>	<u>Percent of Increase (Decrease)</u>
Current expenditures:				
Instruction	\$ 35,106,067	39.4%	\$ 955,307	2.8%
Undistributed expenditures	46,726,427	52.4	1,430,326	3.2
Capital outlay	4,655,584	5.2	4,328,004	1,321.2
Charter schools	696,069	0.8	236,087	51.3
Debt service:				
Principal	1,721,000	1.9	1,218,000	242.2
Interest	243,268	0.3	(27,337)	(10.1)
Total	\$ 89,148,415	100.0%	\$ 8,140,387	10.1%

Current expenditures reflect an overall increase attributable to normal operational increases in the areas of salaries, health benefits, transportation, utilities and maintenance offset by a reduction in staff through retirements. Additionally, more employees were hired during fiscal year 2012 resulting in further instructional expenditures. Additionally, there were various projects during 2012 that attributed to an increase to undistributed expenditures during fiscal year 2012.

Capital outlay expenditures increased resulting from capital asset additions in 2012 that were purchased from capital outlay as part of the budget.

Debt service principal expenditures increased mainly due to the early retirement of a portion of the District's certificates of participation.

Overall, fluctuations are consistent with normal District activities that take place during the year.

General Fund Budgeting Highlights

The District's budget is prepared in accordance with New Jersey law and is based on accounting for certain transactions on the modified accrual basis. The most significant budgeted fund is the General Fund.

During the course of the year under audit, the District made several necessary revisions to its annual operating budget. Overall, the original budget did not differ from the final budget other than an appropriation of fund balance made in June 2012. Revisions in the budget were made to prevent over-expenditures in specific line item accounts. Several of these significant revisions are mentioned below:

Budget revisions inevitably arise from the end-of-year staff reassignments, retirements and new-hires. During the year under audit, significant savings were realized in the area of contracted pupil transportation. Minor adjustments to the elementary bell schedules resulted in expanded tiering or stacking of routes. In the area of health benefits, favorable renewal rates beyond the initial budgeted projections yielded favorably to fund balance. To the extent feasible, classroom technology equipment was purchased based on savings noted. On the revenue side, there was an unexpected infusion of additional state aid after the budget was formulated and approved. The District opted, as permitted by the Department of Education, to spread this windfall over two budget cycles. The availability of these funds facilitated the partial prepayment of debt.

Capital Assets

At the end of the fiscal year 2012, the School District had \$250,312,421 invested in land, construction in progress, land improvements, building and building improvements and machinery, equipment and vehicles, net of accumulated depreciation. The following presents a comparison of capital assets, net of depreciation, held at June 30, 2012 and 2011:

	Governmental Activities	
	2012	2011
Land	\$ 4,785,367	\$ 4,785,367
Construction in progress	22,260	22,260
Land improvements	4,876,378	5,023,298
Building and building improvements	237,130,151	240,426,517
Machinery, equipment and vehicles	3,498,265	1,768,813
Total	\$250,312,421	\$ 252,026,255

For more detailed information, please refer to Note 4 to the basic financial statements.

Debt Administration and Long-Term Liabilities

At June 30, 2012, the District had \$5,379,258 of outstanding debt and other long-term liabilities. Of this amount, \$1,726,282 is for compensated absences, \$290,000 is for serial bonds payable, \$3,325,000 relates to the outstanding principal on certificates of participation and \$37,976 pertains to the purchase agreement payable. The School District’s overall limitation of indebtedness at June 30, 2012 is \$144,469,065.

For more detailed information, please refer to Note 5 to the basic financial statements.

For the Future

The fiscal outlook in the near term is a concern for most school districts and municipalities, including this one. Top-down changes in funding will require flexibility and very careful planning at the local level. The Neptune Township School District will continue to employ prudent and responsible fiscal practices to maintain its sound financial condition.

The School District is proud of its community support and is mindful of retaining a positive image within the local and statewide communities. With this reputation, the School District will look to partner with surrounding districts at various levels to achieve economies that may be needed for future stability and growth.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the resources entrusted to it. If you have questions about this report or need additional information, contact Mr. Peter J. Leonard, Business Administrator/Board Secretary at Neptune Township Board of Education, 60 Neptune Boulevard, Neptune, NJ 07753. Please visit our website at www.neptune.k12.nj.us.

Government-wide Financial Statements

The government-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2012.

Neptune Township School District

Statement of Net Assets

June 30, 2012

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents		\$ 1,105,243	\$ 1,105,243
Accounts receivable	\$ 1,308,792	141,279	1,450,071
Inventories		18,041	18,041
Restricted assets:			
Cash and cash equivalents	6,036,648		6,036,648
Capital assets, non-depreciable	4,807,627		4,807,627
Capital assets, depreciable, net	245,504,794	138,312	245,643,106
Total assets	<u>257,657,861</u>	<u>1,402,875</u>	<u>259,060,736</u>
Liabilities			
Accounts payable	893,059	94,892	987,951
Intergovernmental accounts payable:			
State	11,201		11,201
Federal	4		4
Accrued interest payable	12,692		12,692
Unearned revenue	136,316	18,905	155,221
Current portion of long-term obligations	3,620,518	18,988	3,639,506
Noncurrent portion of long-term obligations	1,720,764	18,988	1,739,752
Total liabilities	<u>6,394,554</u>	<u>151,773</u>	<u>6,546,327</u>
Net assets			
Investment in capital assets, net of related debt	246,697,421	100,336	246,797,757
Restricted for:			
Other purposes	7,784,498		7,784,498
Unrestricted (deficit)	(3,218,612)	1,150,766	(2,067,846)
Total net assets	<u>\$ 251,263,307</u>	<u>\$ 1,251,102</u>	<u>\$ 252,514,409</u>

See independent auditors' report and accompanying notes to basic financial statements.

Neptune Township School District

Statement of Activities

Year ended June 30, 2012

Functions/Programs	Expenses	Program Revenue			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	\$ 49,659,574	\$ 5,104,323	\$ 3,145,035		\$ (41,410,216)		\$ (41,410,216)
Support services							
Attendance/social work	593,874				(593,874)		(593,874)
Health services	959,041				(959,041)		(959,041)
Other support services	9,703,100		4,615,891		(5,087,209)		(5,087,209)
Improvement of instruction	745,596				(745,596)		(745,596)
School library	1,696,484				(1,696,484)		(1,696,484)
General administration	2,161,427				(2,161,427)		(2,161,427)
School administration	4,017,927				(4,017,927)		(4,017,927)
Required maintenance	7,120,516		34,322	\$ 580,077	(6,506,117)		(6,506,117)
Operation of plant	7,187,294				(7,187,294)		(7,187,294)
Security	461,211				(461,211)		(461,211)
Student transportation	2,643,718	338,185			(2,305,533)		(2,305,533)
Business and other support services and benefits	1,727,678				(1,727,678)		(1,727,678)
Charter schools	696,069				(696,069)		(696,069)
Interest on long-term debt	237,837				(237,837)		(237,837)
Total governmental activities	<u>89,611,345</u>	<u>5,442,508</u>	<u>7,795,248</u>	<u>580,077</u>	<u>(75,793,512)</u>		<u>(75,793,512)</u>
Business-type activities							
Food Service	1,997,365	577,907	1,493,576			\$ 74,118	74,118
Aquatic Center	327,778	253,049				(74,729)	(74,729)
Total business-type activities	<u>2,325,143</u>	<u>830,956</u>	<u>1,493,576</u>			<u>(611)</u>	<u>(611)</u>
Total primary government	<u>\$ 91,936,488</u>	<u>\$ 6,273,464</u>	<u>\$ 9,288,824</u>	<u>\$ 580,077</u>	<u>(75,793,512)</u>	<u>(611)</u>	<u>(75,794,123)</u>
General revenues:							
Property taxes, levied for general purposes					33,957,198		33,957,198
Property taxes, levied for for debt service					596,900		596,900
State Sources					37,708,801		37,708,801
Federal Sources					2,847,543		2,847,543
Interest Earnings					1,196	1,143	2,339
Contributions						254,245	254,245
Miscellaneous Income					701,379		701,379
Total general revenues					<u>75,813,017</u>	<u>255,388</u>	<u>76,068,405</u>
Change in net assets					19,505	254,777	274,282
Net assets-beginning					251,243,802	996,325	252,240,127
Net assets-ending					<u>\$ 251,263,307</u>	<u>\$ 1,251,102</u>	<u>\$ 252,514,409</u>

See independent auditors' report and accompanying notes to basic financial statements.

Fund Financial Statements

Governmental Funds

Neptune Township School District
Governmental Funds

Balance Sheet

June 30, 2012

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
Assets					
Accounts receivable:					
State	\$ 448,351	\$ 1,104			\$ 449,455
Federal	70,751	125,634			196,385
Other	662,421	531			662,952
Interfund receivable	614,561				614,561
Restricted assets:					
Cash and cash equivalents	6,036,648				6,036,648
Total assets	<u>\$ 7,832,732</u>	<u>\$ 127,269</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,960,001</u>
Liabilities and fund balances					
Liabilities:					
Accounts payable	\$ 888,512	\$ 4,547			\$ 893,059
Intergovernmental accounts payable:					
State		11,201			11,201
Federal		4			4
Interfund payable		614,561			614,561
Deferred revenue	12,875	123,441			136,316
Total liabilities	<u>901,387</u>	<u>753,754</u>			<u>1,655,141</u>
Fund balances:					
Restricted for:					
Excess Surplus - prior year	296,498				296,498
Maintenance reserve	600,000				600,000
Capital reserve	6,888,000				6,888,000
Unassigned:					
General fund (deficit)	(853,153)				(853,153)
Special revenue fund (deficit)		(626,485)			(626,485)
Total fund balances (deficit)	<u>6,931,345</u>	<u>(626,485)</u>			<u>6,304,860</u>
Total liabilities and fund balances	<u>\$ 7,832,732</u>	<u>\$ 127,269</u>	<u>\$ -</u>	<u>\$ -</u>	

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because: Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$295,277,213 and the accumulated depreciation is (\$44,964,792).

250,312,421

Long-term liabilities and accrued interest payable are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(5,353,974)

Net assets of governmental activities

\$ 251,263,307

See independent auditors' report and accompanying notes to basic financial statements.

Neptune Township School District
Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2012

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
Revenues					
Local sources:					
Local tax levy	\$ 33,957,198			\$ 596,900	\$ 34,554,098
Interest on investments	1,196				1,196
Tuition from other LEAs within the State	5,104,323				5,104,323
Transportation fees from other LEAs within the State	338,185				338,185
Miscellaneous	701,379				701,379
Total revenues-local sources	40,102,281			596,900	40,699,181
State sources	37,546,583	\$ 6,479,972	\$ 580,077	162,218	44,768,850
Federal sources	1,308,231	2,854,588			4,162,819
Total revenues	78,957,095	9,334,560	580,077	759,118	89,630,850
Expenditures					
Current:					
Instruction	25,770,874	3,145,035			28,915,909
Undistributed:					
Instruction	6,190,158				6,190,158
Attendance/social work	390,137				390,137
Health services	674,046				674,046
Guidance services	1,301,173				1,301,173
Speech, OT, PT and related services	749,980				749,980
Child study teams	893,702	4,615,891			5,509,593
Improvement of instruction	545,713				545,713
School library	1,116,033				1,116,033
General administration	1,710,602				1,710,602
School administration	2,621,072				2,621,072
Central services	805,899				805,899
Administrative information technology	365,222				365,222
Required maintenance	5,874,318				5,874,318
Custodial services	4,839,230				4,839,230
Care & upkeep of grounds	740,267				740,267
Security	420,194				420,194
Student transportation	2,361,935				2,361,935
Personnel services- unallocated employee benefits	11,866,966				11,866,966
On-behalf payments	4,834,047				4,834,047
Charter schools - current	696,069				696,069
Capital outlay	4,621,262	34,322	580,077		5,235,661
Debt service payment - principal				1,721,000	1,721,000
Debt service payment - interest				243,268	243,268
Total expenditures	79,388,899	7,795,248	580,077	1,964,268	89,728,492
(Deficiency) excess of revenues (Under) over expenditures	(431,804)	1,539,312	-	(1,205,150)	(97,642)
Other financing sources (uses):					
Transfers in	1,567,243			1,205,150	2,772,393
Transfers out	(1,205,150)	(1,567,243)			(2,772,393)
Total other financing sources (uses)	362,093	(1,567,243)		1,205,150	-
Net change in fund balances	(69,711)	(27,931)	-	-	(97,642)
Fund balances (deficit), July 1	7,001,056	(598,554)	-	-	6,402,502
Fund balances (deficit), June 30	\$ 6,931,345	\$ (626,485)	\$ -	\$ -	\$ 6,304,860

The reconciliation of the fund balances of governmental funds to the net assets of governmental activities in the statement of activities is presented in an accompanying schedule (B-3).

See independent auditors' report and accompanying notes to basic financial statements.

Neptune Township School District
Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities

Year ended June 30, 2012

Total net change in fund balances - governmental funds (B-2) \$ (97,642)

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

Capital outlays are reported in governmental funds as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which depreciation exceeded capital additions in the period.

	Depreciation expense \$ (6,357,727)	
	Capital additions, net <u>4,643,893</u>	(1,713,834)

Repayments of bond and capital lease principal are expenditures 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.

1,721,000

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due.

In the governmental funds, interest is reported when due. This amount reflects the change from the prior year.

5,431

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). The amount presented the net change.

104,550

Change in net assets of governmental activities (A-2)	\$ 19,505
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See independent auditors' report and accompanying notes to basic financial statements.

Enterprise Funds

Neptune Township School District
Enterprise Funds

Statement of Net Assets

June 30, 2012

	Business-Type Activities		
	Major Enterprise Funds		
Assets	Food Service	Aquatic Center	Totals
Current assets:			
Cash and cash equivalents	\$ 328,507	\$ 776,736	\$ 1,105,243
Accounts receivable:			
State	1,087		1,087
Federal	104,871		104,871
Other	5,421	29,900	35,321
Inventories	18,041		18,041
Total current assets	457,927	806,636	1,264,563
Noncurrent assets:			
Capital assets, depreciable, net	138,312		138,312
Total assets	596,239	806,636	1,402,875
Liabilities			
Current liabilities:			
Accounts payable	89,892	5,000	94,892
Unearned revenue	8,735	10,170	18,905
Purchase agreement payable	18,988		18,988
Total current liabilities	117,615	15,170	132,785
Noncurrent liabilities:			
Purchase agreement payable	18,988		18,988
Total noncurrent liabilities	18,988		18,988
Total liabilities	136,603	15,170	151,773
Net assets			
Invested in capital assets, net of related debt	100,336		100,336
Unrestricted	359,300	791,466	1,150,766
Total net assets	\$ 459,636	\$ 791,466	\$ 1,251,102

See independent auditors' report and accompanying notes to basic financial statements.

Neptune Township School District
Enterprise Funds

Statement of Revenues, Expenses and
Changes in Fund Net Assets

Year ended June 30, 2012

	Business Type Activities Major Enterprise Funds		
	Food Service	Aquatic Center	Totals
Operating revenues:			
Local sources:			
Daily food sales-reimbursable programs	\$ 577,907		\$ 577,907
Daily swim revenue		\$ 39,227	39,227
Swim membership revenue		10,245	10,245
Swim rental revenue		159,558	159,558
Swim seminar revenue		43,322	43,322
Miscellaneous		697	697
Total operating revenues	<u>577,907</u>	<u>253,049</u>	<u>830,956</u>
Operating expenses:			
Salaries	565,248	155,570	720,818
Employee benefits	177,454		177,454
Supplies and materials	149,175	55,450	204,625
Cost of sales	861,937		861,937
Depreciation	50,741		50,741
Management services	173,642		173,642
Purchased services	19,168	116,758	135,926
Total operating expenses	<u>1,997,365</u>	<u>327,778</u>	<u>2,325,143</u>
Operating (loss) income	(1,419,458)	(74,729)	(1,494,187)
Nonoperating revenues:			
State sources:			
School lunch program	24,374		24,374
Federal sources:			
School breakfast program	229,077		229,077
School lunch program	985,862		985,862
Snack program	39,395		39,395
Fresh fruits and vegetable program	29,062		29,062
Seamless summer program	56,747		56,747
Food donation program	129,059		129,059
Other contributions		254,245	254,245
Interest revenue		1,143	1,143
Total nonoperating revenues	<u>1,493,576</u>	<u>255,388</u>	<u>1,748,964</u>
Change in net assets	74,118	180,659	254,777
Total net assets, beginning	<u>385,518</u>	<u>610,807</u>	<u>996,325</u>
Total net assets, end	<u>\$ 459,636</u>	<u>\$ 791,466</u>	<u>\$ 1,251,102</u>

See independent auditors' report and accompanying notes to basic financial statements.

Neptune Township School District
Enterprise Funds

Statement of Cash Flows

Year ended June 30, 2012

	Business Type Activities		
	Major Enterprise Funds		
	Food Service	Aquatic Center	Totals
Cash flows from operating activities			
Receipts from customers	\$ 585,343	\$ 229,922	\$ 815,265
Payments to employees	(565,248)	(155,570)	(720,818)
Payments for employee benefits	(177,454)		(177,454)
Payments to consultants	(12,612)		(12,612)
Payments for credit card fees	(6,556)		(6,556)
Payments to management	(173,642)		(173,642)
Payments to suppliers	(1,046,493)	(172,208)	(1,218,701)
Net cash (used in) provided by operating activities	<u>(1,396,662)</u>	<u>(97,856)</u>	<u>(1,494,518)</u>
Cash flows from investing activities			
Interest received		1,143	1,143
Net cash provided by investing activities		<u>1,143</u>	<u>1,143</u>
Cash flows from noncapital financing activities			
Cash received from local sources		254,245	254,245
Cash received from state and federal sources	1,476,430		1,476,430
Net cash provided by noncapital financing activities	<u>1,476,430</u>	<u>254,245</u>	<u>1,730,675</u>
Cash flows from capital and related financing activities			
Purchase of capital assets	(82,206)		(82,206)
Issuance of loan	56,964		56,964
Payments on loan	(18,988)		(18,988)
Net cash (used in) capital and related financing activities	<u>(44,230)</u>	<u>-</u>	<u>(44,230)</u>
Net increase in cash and cash equivalents	35,538	157,532	193,070
Cash and cash equivalents, beginning of year	292,969	619,204	912,173
Cash and cash equivalents, end of year	<u>\$ 328,507</u>	<u>\$ 776,736</u>	<u>\$ 1,105,243</u>
Reconciliation of operating (loss) income to net cash			
(used in) provided by operating activities			
Operating (loss) income	\$ (1,419,458)	\$ (74,729)	\$ (1,494,187)
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:			
Depreciation	50,741		50,741
Change in assets and liabilities:			
(Decrease) Increase in accounts payable	(34,984)	5,000	(29,984)
Decrease in inventory	(396)		(396)
Increase in unearned revenue		(4,727)	(4,727)
Increase (Decrease) in accounts receivable	7,435	(23,400)	(15,965)
Net cash (used in) provided by operating activities	<u>\$ (1,396,662)</u>	<u>\$ (97,856)</u>	<u>\$ (1,494,518)</u>

Noncash noncapital financing activities

The District received \$128,415 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2012.

See independent auditors' report and accompanying notes to basic financial statements.

Fiduciary Funds

Neptune Township School District
Fiduciary Funds

Statement of Fiduciary Net Assets

June 30, 2012

	Unemployment Compensation Trust	Agency Funds
Assets		
Cash and cash equivalents	\$ 1,148,524	\$ 464,209
Accounts receivable	21,181	5,000
Total assets	1,169,705	\$ 469,209
Liabilities		
Payroll deductions and withholdings payable		\$ 361,463
Accounts payable	20,333	21,181
Due to student groups		86,565
Total liabilities	20,333	\$ 469,209
Net assets		
Held in trust for unemployment benefits	\$ 1,149,372	

See independent auditors' report and accompanying notes to basic financial statements.

Neptune Township School District
Fiduciary Funds

Statement of Changes in Fiduciary Net Assets

Year ended June 30, 2012

	<u>Unemployment Compensation Trust</u>
Additions	
Interest received	\$ 268
Contributions-employees	82,134
Total additions	<u>82,402</u>
Deductions	
Unemployment claims	<u>91,326</u>
Total deductions	<u>91,326</u>
Change in net assets	(8,924)
Net assets-beginning of the year	<u>1,158,296</u>
Net assets-end of the year	<u><u>\$ 1,149,372</u></u>

See independent auditors' report and accompanying notes to basic financial statements.

Neptune Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2012

1. Summary of Significant Accounting Policies

The financial statements of the Neptune Township Board of Education have been prepared in conformity with accounting principles generally accepted in the United States (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.

A. Reporting Entity

The financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The District, as the primary government for financial reporting entity purposes, has oversight responsibility and control over all activities related to the Neptune Township School District in Neptune Township, New Jersey. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The District has no component units that are required to be included within the reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

B. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and the proprietary funds are reported as separate columns in the fund financial statements. The New Jersey Department of Education requires that all funds be reported as major to promote consistency amongst the school districts in the State of New Jersey.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and capital leases are recorded only when payment is due.

Property taxes, interest, and state equalization monies associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year

The District has reported the following major governmental funds:

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

Special Revenue Fund: The District maintains one special revenue fund, which includes the proceeds of specific revenue sources that are restricted or committed to expenditures 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 an expenditure for capital outlays including, the acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds and state aid that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund: The debt service fund accounts for and reports financial resources that are restricted, committed or assigned to an expenditure for principal and interest on long-term general obligation debt of governmental funds.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The District reports the following major enterprise funds:

Enterprise Funds: The Enterprise Funds are utilized to account for the District's ongoing activities that are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration.

Food Service and Aquatic Center Enterprise Funds: The food service fund accounts for all revenues and expenses pertaining to cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The Aquatic Center fund accounts for all revenues and expenses in the operation of the aquatic center similar to a private business enterprise. The stated intent is that the costs (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund types:

Fiduciary Funds: Trust and agency funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Unemployment Compensation Trust Fund: This fund is used to account for employer contribution's that are utilized to pay unemployment compensation insurance claims as they arise.

Agency Funds (Payroll and Student Activity Funds): Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Enterprise funds distinguish operating revenue and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges to customers for sales of food and usage fees from individuals to offset the cost of operations. Operating expenses for enterprise funds include the cost of sales, usage fees, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District reports deferred revenue/ unearned revenue on its combined balance sheet. Deferred/ unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred/ unearned revenue also arises when resources are received by the District before it has legal claim to them, as when federal assistance is received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Ad Valorem (property) taxes are susceptible to accrual, as under New Jersey State Statute a municipality is required to remit to its School Board the entire balance of taxes, in the amount voted upon or certified, prior to the end of the school year. The Board 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 Board is entitled to receive moneys under the established payment schedule, and the uncollected amount is considered to be an "accounts receivable."

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The County Board of Taxation is responsible for the assessment of properties, and the Township Tax Collector is responsible for collection of taxes. Assessments are certified and taxes are levied on January 1; taxes are due February 1, May 1, August 1 and November 1. Unpaid taxes are considered delinquent the following January 1 and are then subject to lien.

In its accounting and financial reporting for proprietary fund types, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's business-type activities and enterprise funds have elected not to apply the standards issued by the FASB after November 30, 1989.

D. Budgets/Budgetary Control

Annual appropriated budgets are adopted each year for the general, special revenue and debt service funds. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2012 were made and properly approved by School Board Resolution and were made in accordance with statutory guidelines. The amendments made by the District were not deemed significant and were part of the normal course of operations. The over-expenditure in the general fund is due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States, with the exception of the legally mandated revenue recognition of the last 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 governmental fund types. Open encumbrances at year-end are re-appropriated in the subsequent year's budget. Unencumbered appropriations lapse at fiscal year-end.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

D. Budgets/Budgetary Control (continued)

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

E. Deposits and Investments

Cash and cash equivalents include petty cash, change funds, amounts on deposit and short-term investments with original maturities of three months or less. Investments are stated at fair value. The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase as investments and are stated at cost. All other investments are stated at fair value.

F. Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the Board and that are due within one year.

G. Inventories

Inventories which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method and the District uses the consumption method for expensing inventory. At June 30, 2012, the unused Food Donation Program commodities of \$8,735 are reported as unearned revenue.

H. Capital Assets

Capital assets, which include land, building, plant and equipment and construction in progress, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date of donation.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

H. Capital Assets (continued)

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend the assets lives are not capitalized.

Property, plant and equipment of the District are depreciated using the straight line method, except for land and construction in progress, which are not depreciated. The following estimated useful lives are used to compute depreciation:

	<u>Years</u>
Land improvements	10-20
Machinery and equipment	2-20
Buildings	50
Building improvements	20-50
Vehicles	5-10

I. Accrued Salaries and Wages

Employees, who provide services to the Board over the ten-month academic year do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2012 for such.

J. Compensated Absences

The District records 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 employer and employee is accrued as employees earn the rights to the benefits. The District uses the "vesting method" for estimating its accrued sick and vacation leave liability.

Board employees are granted vacation and sick leave in varying amounts under the Board's personnel policies and according to negotiated contracts. In the event of retirement, according to contract, an employee is reimbursed for accumulated vacation and sick leave.

The liability for vested compensated absences of the District recorded in the government-wide financial statements amounted to \$1,726,282 at June 30, 2012. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

K. Deferred Revenue

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

L. Long-Term Obligations

In the government-wide financial statements, and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and unamortized loss on a refunding. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as either capital projects fund or debt service fund expenditures.

M. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB 54") established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under GASB 54, fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

M. Fund Balances (continued)

- 1) Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.
- 2) Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- 3) Committed - includes amounts that can be used only for the specific purposes imposed by a formal action of the government's highest level of decision-making authority. The District's highest level of decision-making authority is the Board of Education (the "Board") and formal action is taken by resolution of the Board at publicly held meetings. Once committed, amounts cannot be used for other purposes unless the Board revises or changes the specified use by taking the same action (resolution) taken to originally commit these funds.
- 4) Assigned – amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Intent is expressed by either the Board or Business Administrator, to whom the Board has delegated the authority to assign amounts to be used for specific purposes, including the encumbering of funds.
- 5) Unassigned - includes all spendable amounts not contained in the other classifications in 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 the 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 both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. For the unrestricted fund balance, the District first spends committed funds, then assigned funds, and finally, unassigned funds.

Of the \$6,931,345 of general fund balance at June 30, 2012, \$296,498 is restricted for prior year excess fund balance designated for subsequent year expenditures, \$600,000 is restricted in a maintenance reserve, \$6,888,000 is restricted in a capital reserve, and (\$853,153) is reported as an unassigned deficit.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

N. Net Assets

Net assets represent the difference between assets and liabilities in the government-wide financial statements. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted in the government-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

O. Management Estimates

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

P. On-Behalf Payments

Revenues and expenditures of the general fund include payments made by the State of New Jersey for social security contributions and post-retirement medical benefits for certified staff members of the New Jersey Teachers Pension and Annuity Fund. The amounts are not required to be included in the District's annual budget.

Q. Calculation of Excess Surplus

The designation for restricted fund balance - excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District did not have any current year excess fund balance at June 30, 2012.

R. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2012 through October 22, 2012, the date that the financial statements were issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

2. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The details of this \$5,353,974 difference are as follows:

Bonds and COPs payable	\$ 3,615,000
Accrued interest payable	12,692
Compensated absences	<u>1,726,282</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net assets – governmental activities	<u>\$ 5,353,974</u>

3. Deposits and Investments

Cash and cash equivalents include petty cash, change funds, amounts on deposit and short-term investments with original maturities of three months or less.

Investments are stated at fair value in accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments and are stated at cost. All other investments are stated at fair value.

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

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

3. Deposits and Investments (continued)

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include savings and loan institutions, banks (both state and national banks) and savings banks, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at last equal to 5% of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Deposits

New Jersey statutes require that school boards deposit public funds in public depositories located in New Jersey that are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School boards are also permitted to deposit public funds in the State of New Jersey Cash Management Fund and the New Jersey Asset and Rebate Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Operating cash accounts are held in the District's name by several commercial banking institutions. At June 30, 2012, the carrying amount of the District's deposits was \$3,517,887, and the bank balance was \$6,195,897. Of the bank balance, \$250,000 of the District's cash deposits on June 30, 2012 was secured by federal depository insurance.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

3. Deposits and Investments (continued)

The New Jersey Governmental Unit Deposit Protection Act (GUDPA) covered the remaining bank balance of \$5,945,897.

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the District's operating cash accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the District would not be able to recover the value of its deposits and investments). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name.

The District does not have a policy for the management of custodial credit risk, other than depositing all of its funds in banks covered by GUDPA. At least five percent of the District's deposits were fully collateralized by funds held by the financial institution, but not in the name of the District. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

Investments

New Jersey statutes permit the Board to purchase the following types of securities:

- a. Bonds and other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States for Cooperatives, which have a maturity date not greater than twelve months from the date of purchase.
- c. New Jersey Cash Management Fund (NJCMF), New Jersey Asset and Rebate Management Fund (NJARM) and MBIA CLASS.

In order to maximize liquidity, the District utilizes the New Jersey Cash Management Fund ("NJCMF") as its sole investment. The NJCMF is administered by the State of New Jersey, Department of the Treasury. It invests pooled monies from various State and non-State agencies in primarily short-term investments. The fair value of the position in the pool is the same as the fair value of the pool shares. These investments include: U.S. Treasuries, short-term Commercial Paper, U.S. Agency Bonds, Corporate Bonds, and Certificates of Deposit. Agencies that participate in the NJCMF typically earn returns that mirror short-term investments rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty. At June 30, 2012, the District's balance was \$5,236,737.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

3. Deposits and Investments (continued)

All investments in the Fund are governed by the regulations of the Investment Council, which prescribes specific standards designed to ensure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

Custodial Credit Risk: Pursuant to GASB 40, the NJCMF, which is a pooled investment, is exempt from custodial credit risk exposure. The District does not have a policy for custodial credit risk.

Credit Risk: The District does not have an investment policy regarding the management of credit risk. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. The NJCMF is not rated by a rating agency.

Interest Rate Risk: The District does not have a policy to limit interest rate risk. The average maturity of the District's sole investment, the NJCMF, is less than one year.

Concentration of Credit Risk: The District places no limit on the amount the District may invest in any one issuer. At June 30, 2012, all of the District's investments were invested in NJCMF.

All of the District's investments are classified as cash equivalents at June 30, 2012.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

4. Capital Assets

The following schedule is a summarization of the governmental activities changes in capital assets for the year ended June 30, 2012:

	Beginning Balance	Increases	Ending Balance
Capital assets, not being depreciated:			
Land	\$ 4,785,367		\$ 4,785,367
Construction in progress	22,260		22,260
Total capital assets, not being depreciated	4,807,627		4,807,627
Capital assets, being depreciated:			
Land improvements	8,353,865	\$ 289,187	8,643,052
Buildings and building improvements	270,958,714	2,206,449	273,165,163
Machinery, equipment and vehicles	6,513,114	2,148,257	8,661,371
Total capital assets being depreciated	285,825,693	4,643,893	290,469,586
Less accumulated depreciation for:			
Land improvements	3,330,567	436,107	3,766,674
Buildings and building improvements	30,532,197	5,502,815	36,035,012
Machinery, equipment and vehicles	4,744,301	418,805	5,163,106
Total accumulated depreciation	38,607,065	6,357,727	44,964,792
Total capital assets being depreciated, net	247,218,628	(1,713,834)	245,504,794
Governmental activities capital assets, net	\$ 252,026,255	\$ (1,713,834)	\$ 250,312,421

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

4. Capital Assets (continue)

Depreciation expense was charged to functions/programs of the District as follows:

Instruction	\$2,822,640
Undistributed instruction	604,236
Attendance and social work	38,082
Health services	65,795
Guidance Services	127,011
Other support services –related services	73,207
Other support - regular	537,804
Improvement of instruction	53,268
School library	108,939
General administration	166,976
School administration	255,849
Central services	78,666
Administrative information technology	35,650
Required maintenance of plant	573,406
Operation of plant and upkeep of grounds	472,369
Care and upkeep of Grounds	72,259
Security	41,016
Student transportation	230,554
Total allocated depreciation expense	<u>\$6,357,727</u>

The following is a summary of business-type changes in capital assets for the year ended June 30, 2012:

	Beginning			Ending
	Balance	Increases	Decreases	Balance
Capital assets, being depreciated:				
Equipment	\$ 520,480	\$ 82,206	\$ (15,400)	\$ 587,286
Less accumulated depreciation for:				
Equipment	(413,633)	(50,741)	15,400	(378,292)
Total business-type activities capital assets, net	<u>\$ 106,847</u>	<u>\$ 31,466</u>	<u>\$ -</u>	<u>\$ 138,312</u>

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

5. Long-Term Liabilities

Bonds and Certificates of Participation Payable

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

Funds may also be obtained by a school district upon the issuance of Certificates of Participation (COPs). COPs may be issued only upon the approval of the Commissioner of Education for a lease purchase agreement and do not require public vote.

During the 2012 fiscal year, the District prepaid a portion of its 1998 COPs. The portion of the COPs that were paid in the current fiscal year consisted of \$1,210,000 of principal and \$201,840 of interest. The District has received approval to pay off the remaining portion of its COPs in December 2012, including \$3,325,000 of principal and \$142,500 of interest.

Principal and interest due on serial bonds outstanding at June 30, 2012 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal year ending June 30:			
2013	\$ 145,000	\$ 10,875	\$ 155,875
2014	145,000	3,625	148,625
	<u>\$ 290,000</u>	<u>\$ 14,500</u>	<u>\$ 304,500</u>

Changes in long-term liabilities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental activities:					
Bonds payable	\$ 436,000		\$(146,000)	\$ 290,000	\$145,000
COPS payable	4,900,000		(1,575,000)	3,325,000	3,325,000
Compensated absences	1,830,832	\$ 43,380	(147,930)	1,726,282	150,518
Governmental activity long-term liabilities	<u>\$ 7,166,832</u>	<u>\$ 43,380</u>	<u>\$(1,868,930)</u>	<u>\$ 5,341,282</u>	<u>\$3,620,518</u>
Business-type activities:					
Purchase agreement payable	\$ -	\$56,964	(\$18,988)	\$37,976	\$18,988
Business-type activities long-term liabilities	<u>\$ -</u>	<u>\$56,964</u>	<u>(\$18,988)</u>	<u>\$37,976</u>	<u>\$18,988</u>

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

5. Long-Term Liabilities (continued)

Compensated absences are generally liquidated by the general fund, while the bonds and certificates of participation are liquidated by debt service fund appropriations. The purchase agreement payable will be liquidated by the food service enterprise fund.

Purchase Agreement Payable – Enterprise Fund

During the fiscal year ended June 30, 2012, Chartwells purchased equipment on-behalf of the District in the amount of \$56,964. After completion of the purchase, Chartwells charges the District annually through straight-line amortization on the operating statement for a term of three years interest free. The District paid \$18,988 relating to the purchased equipment in the 2012 fiscal year.

The following is a schedule of payments due at June 30, 2012 related to the purchase agreement payable:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Payments</u>
2013	\$ 18,988
2014	18,988
	<u>\$ 37,976</u>

6. Pension Plans

Description of Systems

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

6. Pension Plans (continued)

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all fulltime public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Members are eligible for retirement at age 55 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service.

Public Employee's Retirement System

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

Members are eligible for retirement at age 55 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service.

Early retirement is available for these systems to those under age 55 participating with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issued publicly available financial reports that include the financial statements and required supplementary information for TPAF and PERS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

6. Pension Plans (continued)

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing members. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the Board is a non-contributing employer of the TPAF.

The Board's actuarially determined contributions to PERS for the years ended June 30, 2012, 2011 and 2010 were \$701,513, \$666,709 and \$494,153, respectively, equal to the required contributions for each year.

Post-Retirement Benefits

Plan Description

The School District contributes to the New Jersey State Health Benefits Program (the "SHBP"), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP provide medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Program Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pension and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SHBP. That report may be obtained by writing to Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

6. Pension Plans (continued)

Funding Policy

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. Chapter 103 of Public Laws 2007 amended the law to eliminate the funding of post-retirement medical benefits through TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2012, there were 93,323 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, Chapter 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.

During the year ended June 30, 2012, the State of New Jersey contributed \$2,669,051 to the TPAF for post-retirement medical benefits and other pension benefits on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66, the State of New Jersey reimbursed the Board \$2,164,996 during the year ended June 30, 2012 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the fund financial statements as revenues and expenditures in accordance with GASB 24.

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

The State will set the contribution rate based on the *annual required contribution of the employers* (ARC), an amount actuarially determined in accordance with parameters of GASB 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the District for the years ended June 30, 2012, 2011 and 2010 were \$1,782,400, \$1,884,242, and \$1,732,274 respectively, which equaled the required contributions for each year.

The State's contributions to the SHBP Fund for PERS retirees' post-retirement benefits on behalf of the District was not determined or made available by the State of New Jersey.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

7. Interfund Receivables and Payables

The total interfund accounts receivable and payable balances for the District amounted to the following as of June 30, 2012:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 614,561	
Special Revenue Fund		\$ 614,561
	<u>\$ 614,561</u>	<u>\$ 614,561</u>

The interfund payable in the special revenue fund represents a cash loan from the general fund not returned at June 30, 2012. All interfunds are expected to be repaid within one year.

8. Economic Dependency

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

9. Deferred Compensation

The District offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457(b). The plans, which are administered by Equitable, Fidelity and the Seely Agency, 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 an unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with the amounts, and all income attributable to these amounts are held in trust for the exclusive benefit of participating employees and their beneficiaries.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

10. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2012 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying basic financial statements for such contingencies. The District is also involved in several other claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a materially adverse effect on the financial position of the District.

11. Risk Management

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

Property and Liability Insurance

The District maintains commercial insurance coverage for property, liability, student accident and surety bonds and does not retain risk of loss. A complete schedule of insurance can be found in the Statistical Section of this Comprehensive Annual Financial Report. There have been no significant reductions in insurance coverage from the prior year and no settlements have exceeded insurance coverage over the past three years.

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. There are sufficient funds maintained in the separate unemployment compensation trust fund account to pay current billings.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

12. Transfers

The following presents a reconciliation of transfers made during the 2012 fiscal year:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$1,567,243	\$1,205,150
Special Revenue Fund		1,567,243
Debt Service Fund	1,205,150	
	<u>\$2,772,393</u>	<u>\$2,772,393</u>

The transfer into the General Fund represents the Special Revenue Fund contribution to school-based budgets.

The District transferred \$1,205,150 from the General Fund to the Debt Service Fund in order to pay off outstanding principal on the Certificates of Participation.

13. Commitments-General Fund

The District has contractual commitments at June 30, 2012 to various vendors, which are recorded in the general fund as fund balance assigned to other purposes in the amount of \$1,377,473, and is included in the unassigned general fund balance deficit.

14. Deficit Fund Balances

The District has an unassigned deficit fund balance of \$853,153 in the general fund and \$626,485 in the special revenue fund at June 30, 2012 as reported in the fund financial 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 available until the following budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides the 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 last state aid payments in the subsequent fiscal year, the school district cannot recognize the last state aid payments on the GAAP financial statements until the year the State records the payable. The deficit amounts listed above in the General and Special Revenue funds represent deficits that were incurred as a direct result of the State of New Jersey's deferral of the District's final two state aid payments.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

15. Construction Financing Act

As a District that follows school-based budgeting, the NJSDA under the Educational Facilities Construction Financing Act administers the District's construction projects. The projects are approved as part of the District's Long-Range Facility Plan. The approved projects being administered by the NJSDA are identified in Schedule F-2 and the total amount of the approved projects at June 30, 2012 is \$251,645,525.

16. Capital Reserve Account

A capital reserve account was established by the District in June 2008 and issued for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line – item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A: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	\$	5,541,369
Increased By:		
Deposit approved at the June 2012 Board meeting		4,388,000
Decreased By:		
Budget withdrawal		(3,041,369)
Ending balance, June 30, 2012	\$	<u>6,888,000</u>

The June 30, 2012 LRFP balance of local support costs of uncompleted projects exceeds the amount set aside in capital reserve.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

17. Rental Agreements

The District rents space to Brookdale Community College and Monmouth County under five-year agreements. The Brookdale Community College rental agreement commenced on July 1, 2007 and ended on June 30, 2012. This agreement was extended in July 2012 for an additional five-year term expiring on June 30, 2017. As part of the agreement, the College is required to pay the District \$175,000, \$178,500, \$182,070, \$185,712, and \$185,495 on an annual basis for the years ended June 2013, 2014, 2015, 2016, and 2017, respectively. The Monmouth County agreement commenced on July 1, 2008 and expires on June 30, 2013, and requires the County to pay \$154,500 a year for rental of the space.

Required Supplementary Information

Part II

Budgetary Comparison Schedules

Budgetary Comparison Schedules provide a one-year comparison of original budget, budget transfers, final budget and actual information for the General Fund and Special Revenue Fund.

Neptune Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Transfers	Final Budget	Actual	Variance
Revenues					
Local sources:					
Local tax levy	\$ 33,957,198		\$ 33,957,198	\$ 33,957,198	
Interest on investments				1,196	\$ 1,196
Transportation fees from other LEAs within the State	225,000		225,000	338,185	113,185
Tuition from other LEAs within the State	3,350,000		3,350,000	5,104,323	1,754,323
Miscellaneous	450,000		450,000	701,379	251,379
Total - local sources	37,982,198		37,982,198	40,102,281	2,120,083
State sources:					
Equalization Aid	24,752,869	\$ 1,009,181	25,762,050	25,762,050	
Transportation Aid	1,411,892	(69,913)	1,341,979	1,341,979	
Special Education Categorical Aid	2,206,699	82,530	2,289,229	2,289,229	
Extraordinary Aid	200,000		200,000	430,824	230,824
Security Aid	1,140,928	76,515	1,217,443	1,217,443	
Adjustment Aid	220,498	(98,313)	122,185	2,022,089	1,899,904
Other State Aids				17,527	17,527
Reimbursed TPAF social security contributions				2,164,996	2,164,996
Reimbursed TPAF pension contributions				2,669,051	2,669,051
Total - state sources	29,932,886	1,000,000	30,932,886	37,915,188	6,982,302
Federal sources:					
Medicaid reimbursement	137,000		137,000	192,870	55,870
Education Jobs Fund	1,081,480	33,881	1,115,361	1,115,361	
Total - federal sources	1,218,480	33,881	1,252,361	1,308,231	55,870
Total revenues	69,133,564	1,033,881	70,167,445	79,325,700	9,158,255
Expenditures					
Current :					
Instruction - regular programs:					
Salaries of teachers:					
Kindergarten	817,400	(56,549)	760,851	760,851	
Grades 1-5	5,339,473	272,862	5,612,335	5,612,323	12
Grades 6-8	3,901,103	(176,426)	3,724,677	3,724,676	1
Grades 9-12	4,743,443	74,373	4,817,816	4,817,813	3
	14,801,419	114,260	14,915,679	14,915,663	16

Neptune Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Transfers	Final Budget	Actual	Variance
Expenditures					
Current (continued):					
Instruction-home instruction:					
Salaries of teachers	\$ 110,000	\$ 50,600	\$ 160,600	\$ 160,599	\$ 1
Purchased professional educational services	37,000	(23,296)	13,704	13,704	
Regular programs - undistributed instruction:					
Other salaries for instruction	130,755	178,535	309,290	309,288	2
Purchased professional educational services	37,575	28,731	66,306	66,305	1
Purchased professional technical services	144,310	(40,296)	104,014	104,008	6
Other purchased services	275,940	566,550	842,490	842,490	
General supplies	424,924	275,266	700,190	489,441	210,749
Textbooks	143,340	(77,655)	65,685	65,685	
Other objects	56,490	(1,527)	54,963	54,963	
Total regular programs	16,161,753	1,071,168	17,232,921	17,022,146	210,775
Special education:					
Auditory Impairments:					
Salaries of teachers	901,946	(46,600)	855,346	855,346	
Other salaries for instruction	406,221	(10,422)	395,799	395,797	2
Purchased professional educational services	29,800		42,300	42,300	
Other purchased services	46,278	(17,957)	28,321	28,321	
General supplies	49,498	(36,948)	12,550	12,550	
Textbooks	3,600	183	3,783	3,783	
Total auditory impairments	1,437,343	(99,244)	1,338,099	1,338,097	2
Learning and/or language disabilities:					
Salaries of teachers	953,982	41,201	995,183	995,183	
Other salaries of instruction	210,655	12,034	222,689	222,688	1
Purchased professional and educational services	16,000	(13,250)	2,750	2,750	
Other purchased services	2,500		2,500	2,500	
General supplies	6,000	4,370	10,370	10,370	
Textbooks	6,500	1,937	8,437	8,437	
Total Learning and/or language disabilities	1,195,637	46,292	1,241,929	1,241,928	1

Neptune Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget	Transfers	Final Budget	Actual	Variance
Expenditures					
Current (continued):					
Special education (continued):					
Behavioral disabilities:					
Salaries of teachers	\$ 88,500	\$ 57,500	\$ 146,000	\$ 146,000	
Other salaries for instruction	41,127	151	41,278	41,277	\$ 1
Purchased professional and educational services	1,000		1,000	1,000	
Other purchased services	1,000	(1,000)			
General supplies	4,000	(2,627)	1,373	1,373	
Textbooks	500	152	652	652	
Other objects	500	(500)			
Total behavioral disabilities	136,627	53,676	190,303	190,302	1
Multiple disabilities:					
Salaries of teachers	266,682		266,682	266,682	
Other salaries of instruction	107,541	(6,606)	100,935	100,935	
General supplies	1,500	2,396	3,896	3,896	
Total multiple disabilities	375,723	(4,210)	371,513	371,513	
Resource room/center:					
Salaries of teachers	3,020,152	(294,864)	2,725,288	2,725,288	
Other salaries of instruction	143,967	34,236	178,203	178,203	
General supplies	22,300	(11,826)	10,474	10,474	
Textbooks	12,800	(9,668)	3,132	3,132	
Total resource room/center	3,199,219	(282,122)	2,917,097	2,917,097	
Preschool disabilities - full time:					
Salaries of teachers	464,982	1,640	466,622	466,622	
Other salaries of instruction	84,349	(20,951)	63,398	63,398	
Purchased professional - educational services	12,000	(6,400)	5,600	5,600	
Other purchased services	450	(450)	-	-	
General supplies	2,000	1,741	3,741	3,741	
Total preschool disabilities - full time	563,781	(24,420)	539,361	539,361	
Total special education	6,908,330	(310,028)	6,598,302	6,598,298	4
Basic skills/remedial:					
Salaries of teachers	167,882		167,882	167,882	
Other objects	2,000	(1,500)	500	500	
Total basic skills/remedial	169,882	(1,500)	168,382	168,382	
Bilingual education:					
Salaries of teachers	265,482	(5,219)	260,263	260,263	
General supplies	500	(106)	394	394	
Textbooks	800	(433)	367	367	
Total bilingual education	266,782	(5,758)	261,024	261,024	

Neptune Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget	Transfers	Final Budget	Actual	Variance
Expenditures					
Current (continued):					
School sponsored cocurricular and extra-curricular activities:					
Salaries	\$ 180,358	\$ 36,520	\$ 216,878	\$ 216,877	\$ 1
Other purchased services	38,168	(6,602)	31,566	31,564	2
Total school sponsored cocurricular and extra-curricular activities	218,526	29,918	248,444	248,441	3
School sponsored athletic activities:					
Salaries	862,921	(30,133)	832,788	832,785	3
Other purchased services	175,500	(35,998)	139,502	139,501	1
Supplies and materials	150,000	29,422	179,422	179,421	1
Total school sponsored athletic activities	1,188,421	(36,709)	1,151,712	1,151,707	5
Other supplemental/at-risk programs:					
Salaries of reading specialists	216,900	95,382	312,282	312,282	
Total other supplemental/at-risk programs	216,900	95,382	312,282	312,282	
Community service programs - operations					
Supplies and materials	10,000	(161)	9,839	8,594	1,245
Other objects	3,500	(500)	3,000		3,000
Total community service programs - operations	13,500	(661)	12,839	8,594	4,245
Total - instruction	25,144,094	841,812	25,985,906	25,770,874	215,032
Undistributed expenditures:					
Instruction:					
Tuition to other school districts in the state-regular	360,400	(90,147)	270,253	270,251	2
Tuition to other school districts in the state-special	143,375	122,816	266,191	266,190	1
Tuition to county vocational-regular	163,000	(16,047)	146,953	146,953	
Tuition to county vocational-special	220,000	(16,000)	204,000	204,000	
Tuition to county spec. svcs. & rds	193,600	2,108	195,708	195,707	1
Tuition to private school - hand in state	5,300,000	(415,398)	4,884,602	4,884,602	
Tuition to state facilities	240,154	(17,699)	222,455	222,455	
Total undistributed expenditures - instruction	6,620,529	(430,367)	6,190,162	6,190,158	4
Attendance and social work services:					
Salaries	277,470	903	278,373	278,366	7
Salaries of drop-out prevention officers/coordinators	83,774		83,774	83,774	
Purchased professional and technical services	20,000		20,000	20,000	
Other purchased services	9,000	(1,002)	7,998	7,997	1
Total attendance and social work services	390,244	(99)	390,145	390,137	8

Neptune Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget	Transfers	Final Budget	Actual	Variance
Expenditures					
Current (continued):					
Undistributed expenditures (continued):					
Health services:					
Salaries	\$ 505,600	\$ 12,652	\$ 518,252	\$ 518,252	
Purchased professional and technical services	26,000	76,303	102,303	102,302	\$ 1
Other purchased services	5,000	8,380	13,380	13,380	
Supplies and materials	33,697	6,418	40,115	40,112	3
Total health services	570,297	103,753	674,050	674,046	4
Guidance services:					
Salaries of other professional staff	985,310	(44,820)	940,490	940,490	
Salaries secretary/clerical assistants	118,933		118,933	118,933	
Purchased professional educational services		85,141	85,141	85,139	2
Miscellaneous purchased services	111,000	(985)	110,015	110,012	3
Supplies and materials	49,550	(2,949)	46,601	46,599	2
Total guidance services	1,264,793	36,387	1,301,180	1,301,173	7
Speech, OT, PT and related services:					
Salaries	453,028		453,028	453,028	
Purchased professional educational services	240,000	53,692	293,692	293,691	1
Supplies and materials	3,500	(239)	3,261	3,261	
Total speech, OT, PT and related services	696,528	53,453	749,981	749,980	1
Child study teams:					
Salaries of other professional staff	735,827	32,986	768,813	768,812	1
Salaries secretary/clerical assistants	130,379	(28,455)	101,924	101,924	
Miscellaneous purchased services	4,000		4,000	4,000	
Supplies and materials	6,350	9,759	16,109	16,108	1
Other objects	4,000	(1,142)	2,858	2,858	
Total child study teams	880,556	13,148	893,704	893,702	2
Improvement of instruction services:					
Salaries of supervisors of instruction	268,177	(88,166)	180,011	180,010	1
Salaries of other professional staff	264,700	42,786	307,486	307,482	4
Purchased professional educational services		41,318	41,318	41,318	
Other purchased services	3,000	1,746	4,746	4,746	
Supplies and materials	5,000	(4,376)	624	624	
Other objects	7,000	4,533	11,533	11,533	
Total improvement of instruction services	547,877	(2,159)	545,718	545,713	5

Neptune Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget	Transfers	Final Budget	Actual	Variance
Expenditures					
Current (continued):					
Undistributed expenditures (continued):					
Educational media/library services:					
Salaries	\$ 1,074,880	\$ (53,766)	\$ 1,021,114	\$ 1,021,112	\$ 2
Supplies and materials	50,900	44,025	94,925	94,921	4
Total educational media/library services	1,125,780	(9,741)	1,116,039	1,116,033	6
Support services - general administration:					
Salaries	647,454	(32,749)	614,705	614,704	1
Professional services	185,405	154,274	339,679	339,679	
Architectural/engineering services	275,000	78,829	353,829	353,828	1
Purchased technical services	29,865	14,138	44,003	44,003	
Communications/telephone	228,800	(68,474)	160,326	160,323	3
BOE other purchased services	12,000	(7,353)	4,647	4,645	2
Miscellaneous purchased services	108,200	(4,471)	103,729	103,728	1
General supplies	33,200	2,510	35,710	35,708	2
BOE In-house training/meeting supplies	11,500	(3,159)	8,341	8,340	1
Miscellaneous expenditures	8,000	(3,337)	4,663	4,663	
Board of education membership dues and fees	42,750	(1,769)	40,981	40,981	
Total support services - general administration	1,582,174	128,439	1,710,613	1,710,602	11
Support services - school administration:					
Salaries of principals/asst. principals	1,421,108	(50,729)	1,370,379	1,370,378	1
Salaries of other prof. staff	330,082	123,215	453,297	453,295	2
Salaries secretary/clerical assts.	727,734	(65,520)	662,214	662,213	1
Purchased professional and technical services	4,710	269	4,979	4,979	
Other purchased services	44,800	374	45,174	45,173	1
Supplies and materials	50,495	11,815	62,310	62,309	1
Other objects	20,837	1,889	22,726	22,725	1
Total support services - school administration	2,599,766	21,313	2,621,079	2,621,072	7

Neptune Township School District
General Fund

Budgetary Comparison Schedule

(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Transfers	Final Budget	Actual	Variance
Expenditures					
Current (continued):					
Undistributed expenditures (continued):					
Central services:					
Salaries	\$ 728,369	\$ 4,522	\$ 732,891	\$ 732,889	\$ 2
Purchased technical services	22,000	(2,158)	19,842	19,842	
Miscellaneous purchased services	59,800	(7,710)	52,090	52,089	1
Supplies and materials	3,000	(1,920)	1,080	1,079	1
Total central services	813,169	(7,266)	805,903	805,899	4
Administrative information technology:					
Salaries	195,243	69,000	264,243	264,243	
Purchased technical services	45,000	10,423	55,423	55,423	
Supplies and materials	30,000	11,543	41,543	41,543	
Other objects	5,000	(986)	4,014	4,013	1
Total administrative information technology	275,243	89,980	365,223	365,222	1
Required maintenance for school facilities:					
Salaries	159,632	23,403	183,035	183,034	1
Cleaning, repair & maint. services	5,367,451	476,463	5,843,914	5,473,526	370,388
General supplies	189,500	17,298	206,798	206,794	4
Other objects	12,000	(1,036)	10,964	10,964	
Total required maintenance for school facilities	5,728,583	516,128	6,244,711	5,874,318	370,393
Custodial services:					
Salaries	2,156,033	(65,920)	2,090,113	2,090,106	7
Cleaning, repair & maint. services	81,500	(25,942)	55,558	55,556	2
Other purchased property services	121,488	6,142	127,630	127,621	9
Insurance	234,000	(1,350)	232,650	232,650	
General supplies	184,800	(4,543)	180,257	180,250	7
Energy (electricity)	2,436,000	(515,991)	1,920,009	1,920,002	7
Energy (natural gas)	384,540	(151,488)	233,052	233,045	7
Total custodial services	5,598,361	(759,092)	4,839,269	4,839,230	39
Care & upkeep of grounds:					
Cleaning, repair & maint. services	581,963	156,479	738,442	738,441	1
General supplies	13,000	(11,173)	1,827	1,826	1
Total care & upkeep of grounds	594,963	145,306	740,269	740,267	2
Security:					
Salaries	391,220	3,966	395,186	395,186	
Purchased professional & technical services	4,000	4,660	8,660	8,660	
General supplies	5,404	10,945	16,349	16,348	1
Total security	400,624	19,571	420,195	420,194	1
Student transportation services:					
Salaries for pupil trans. - regular	111,535		111,535	110,935	600
Other purchased professional & technical services	4,200		4,200	4,200	
Contracted serv. (home to sch.) - vendor	1,354,424	(186,500)	1,167,924	1,002,522	165,402
Contr. serv. (other than home & sch.) - vendors	293,646	(23,297)	270,349	270,346	3
Contr. serv. (special education students) - vendors	1,613,964	(625,079)	988,885	888,079	100,806
Contr. serv. Aid-in-lieu-of payments - non-public	79,000	4,000	83,000	77,963	5,037
Contr. serv. Aid-in-lieu-of payments - charter school	1,768	5,000	6,768	4,366	2,402
General supplies	4,800	(1,000)	3,800	3,524	276
Total student transportation services	3,463,337	(826,876)	2,636,461	2,361,935	274,526

Neptune Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget	Transfers	Final Budget	Actual	Variance
Expenditures					
Current (continued):					
Undistributed expenditures (continued):					
Personnel services - unallocated employee benefits:					
Social security contr. - other	\$ 807,800	\$ 34,176	\$ 841,976	\$ 841,101	\$ 875
Other retirement contr. - PERS	751,761	(78,146)	673,615	673,615	
Workers compensation	497,000	(10,964)	486,036	486,036	
Health benefits	11,164,217	(975,267)	10,188,950	9,675,806	513,144
Tuition reimbursement	19,500	2,500	22,000	14,950	7,050
Other employee benefits	165,000	11,455	176,455	175,458	997
Total personnel services - unallocated employee benefits	<u>13,405,278</u>	<u>(1,016,246)</u>	<u>12,389,032</u>	<u>11,866,966</u>	<u>522,066</u>
On-behalf payments:					
Reimbursed TPAF social security contributions				2,164,996	(2,164,996)
Reimbursed TPAF pension contributions				2,669,051	(2,669,051)
Total on-behalf payments				<u>4,834,047</u>	<u>(4,834,047)</u>
Total undistributed expenditures	<u>46,558,102</u>	<u>(1,924,368)</u>	<u>44,633,734</u>	<u>48,300,694</u>	<u>(3,666,960)</u>
Total expenditures - current	<u>71,702,196</u>	<u>(1,082,556)</u>	<u>70,619,640</u>	<u>74,071,568</u>	<u>(3,451,928)</u>
Capital Outlay:					
Equipment:					
Regular programs - instruction:					
Grades 1-5	267,019	8,200	275,219	275,219	
Grades 6-8	52,212	12,882	65,094	65,094	
Grades 9-12	105,438	2,139	107,577	106,752	825
Undistributed expenditures:					
Instruction	15,000	(2,294)	12,706	12,706	
Required maintenance for school facilities	65,000	(18,351)	46,649	46,649	
Custodial services	20,000	26,777	46,777	46,777	
Total equipment	<u>524,669</u>	<u>29,353</u>	<u>554,022</u>	<u>553,197</u>	<u>825</u>
Facilities acquisition and construction services:					
Architectural/engineering services	400,000	(38,859)	361,141	361,141	
Construction services	2,641,369	1,861,904	4,503,273	3,706,924	796,349
Total facilities acquisition and construction svcs.	<u>3,041,369</u>	<u>1,823,045</u>	<u>4,864,414</u>	<u>4,068,065</u>	<u>796,349</u>
Total capital outlay	<u>3,566,038</u>	<u>1,852,398</u>	<u>5,418,436</u>	<u>4,621,262</u>	<u>797,174</u>
Contribution to charter schools	555,700	140,369	696,069	696,069	-
Total expenditures	<u>75,823,934</u>	<u>910,211</u>	<u>76,734,145</u>	<u>79,388,899</u>	<u>(2,654,754)</u>
(Deficiency) excess of revenues (under) over expenditures	(6,690,370)	123,670	(6,566,700)	(63,199)	6,503,501

Neptune Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget	Transfers	Final Budget	Actual	Variance
Expenditures					
Current (continued):					
Other financing sources (uses):					
Transfer in - Contribution to whole school reform - GF	\$ 37,885,286		\$ 37,885,286	\$ 37,685,112	\$ 200,174
Transfer in - Contribution to whole school reform - SRF	1,578,714		1,578,714	1,567,243	(11,471)
Transfer out - Capital Reserve transfer to Debt Service Fund		\$ (1,205,150)	(1,205,150)	(1,205,150)	
Transfer out - Contribution to whole school reform	(37,885,286)		(37,885,286)	(37,685,112)	(200,174)
Total other financing sources (uses)	<u>1,578,714</u>	<u>(1,205,150)</u>	<u>373,564</u>	<u>362,093</u>	<u>(11,471)</u>
(Deficiency) excess of revenues (under) over expenditures and other financing sources (uses)	(5,111,656)	\$ (1,081,480)	(6,193,136)	298,894	6,492,030
Fund balances, July 1	9,855,100		9,855,100	9,855,100	
Fund balances, June 30	<u>\$ 4,743,444</u>	<u>\$ (1,081,480)</u>	<u>\$ 3,661,964</u>	<u>\$ 10,153,994</u>	<u>\$ 6,492,030</u>
Recapitulation:					
Year end encumbrances-assigned for other purposes				\$ 1,377,473	
Capital reserve-restricted				6,888,000	
Maintenance reserve-restricted				600,000	
Excess fund balance-prior year-designated for subsequent years expenditures-restricted				296,498	
Unassigned fund balance				<u>992,023</u>	
				10,153,994	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid payments not recognized on GAAP basis				<u>(3,222,649)</u>	
Fund balance per Governmental Funds (GAAP)				<u>\$ 6,931,345</u>	

Neptune Township School District
General Fund

Combining Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund
Transportation fees from other LEAs within the State												
Revenues												
Local sources:												
Local tax levy	\$ 33,957,198		\$ 33,957,198				\$ 33,957,198		\$ 33,957,198	\$ 33,957,198		\$ 33,957,198
Interest on investments											1,196	1,196
Transportation fees from other LEAs within the State		225,000	225,000				225,000		225,000	338,185		338,185
Tuition from other LEAs within the State	3,350,000		3,350,000				3,350,000		3,350,000	5,104,323		5,104,323
Miscellaneous	450,000		450,000				450,000		450,000	701,379		701,379
Total - local sources	37,982,198		37,982,198				37,982,198		37,982,198	40,102,281		40,102,281
State sources:												
Equalization Aid	24,752,869		24,752,869	\$ 1,009,181		\$ 1,009,181	25,762,050		25,762,050	25,762,050		25,762,050
Transportation Aid	1,411,892		1,411,892	(69,913)		(69,913)	1,341,979		1,341,979	1,341,979		1,341,979
Special Education Categorical Aid	2,206,699		2,206,699	82,530		82,530	2,289,229		2,289,229	2,289,229		2,289,229
Extraordinary Aid	200,000		200,000				200,000		200,000	430,824		430,824
Security Aid	1,140,928		1,140,928	76,515		76,515	1,217,443		1,217,443	1,217,443		1,217,443
Adjustment Aid	220,498		220,498	(98,313)		(98,313)	122,185		122,185	2,022,089		2,022,089
Other state aids										17,527		17,527
Reimbursed TPAF social security contributions										2,164,996		2,164,996
Reimbursed TPAF pension contributions										2,669,051		2,669,051
Total - state sources	29,932,886		29,932,886	1,000,000		1,000,000	30,932,886		30,932,886	37,915,188		37,915,188
Federal sources:												
Medicaid reimbursement	137,000		137,000				137,000		137,000	192,870		192,870
Education Jobs Fund	1,081,480		1,081,480	33,881		33,881	1,115,361		1,115,361	1,115,361		1,115,361
Total - federal sources	1,218,480		1,218,480	33,881		33,881	1,252,361		1,252,361	1,308,231		1,308,231
Total revenues	69,133,564		69,133,564	1,033,881		1,033,881	70,167,445		70,167,445	79,325,700		79,325,700
Expenditures												
Current :												
Instruction - regular programs:												
Salaries of teachers:												
Kindergarten	\$ 817,400	817,400		\$ (56,549)	(56,549)		\$ 760,851	760,851		\$ 760,851	760,851	
Grades 1-5	335,000	5,004,473	5,339,473	127	272,735	272,862	335,127	5,277,208	5,612,335	335,123	5,277,200	5,612,323
Grades 6-8	220,000	3,681,103	3,901,103	(61,732)	(114,694)	(176,426)	158,268	3,566,409	3,724,677	158,268	3,566,408	3,724,676
Grades 9-12	180,000	4,563,443	4,743,443	37,732	36,641	74,373	217,732	4,600,084	4,817,816	217,731	4,600,082	4,817,813
	735,000	14,066,419	14,801,419	(23,873)	138,133	114,260	711,127	14,204,552	14,915,679	711,122	14,204,541	14,915,663

Neptune Township School District
General Fund

Combining Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund
Expenditures												
Current (continued):												
Instruction-home instruction:												
Salaries of teachers	\$ 110,000		\$ 110,000	\$ 50,600		\$ 50,600	\$ 160,600		\$ 160,600	\$ 160,599		\$ 160,599
Purchased professional educational services	37,000		37,000	(23,296)		(23,296)	13,704		13,704	13,704		13,704
Regular programs - undistributed instruction:												
Other salaries for instruction	26,500	\$ 104,255	130,755	(4,050)	\$ 182,585	178,535	22,450	\$ 286,840	309,290	22,450	\$ 286,838	309,288
Purchased professional educational services		37,575	37,575		28,731	28,731		66,306	66,306		66,305	66,305
Purchased technical services		144,310	144,310		(40,296)	(40,296)		104,014	104,014		104,008	104,008
Other purchased services		275,940	275,940		566,550	566,550		842,490	842,490		842,490	842,490
General supplies	4,160	420,764	424,924	(33)	275,299	275,266	4,127	696,063	700,190	4,127	485,314	489,441
Textbooks		143,340	143,340		(77,655)	(77,655)		65,685	65,685		65,685	65,685
Other objects		56,490	56,490		(1,527)	(1,527)		54,963	54,963		54,963	54,963
Total regular programs	912,660	15,249,093	16,161,753	(652)	1,071,820	1,071,168	912,008	16,320,913	17,232,921	912,002	16,110,144	17,022,146
Special education:												
Auditory impairments:												
Salaries of teachers		901,946	901,946		(46,600)	(46,600)		855,346	855,346		855,346	855,346
Other salaries for instruction		406,221	406,221		(10,422)	(10,422)		395,799	395,799		395,797	395,797
Purchased professional educational services		29,800	29,800		12,500	12,500		42,300	42,300		42,300	42,300
Other purchased services		46,278	46,278		(17,957)	(17,957)		28,321	28,321		28,321	28,321
General supplies		49,498	49,498		(36,948)	(36,948)		12,550	12,550		12,550	12,550
Textbooks		3,600	3,600		183	183		3,783	3,783		3,783	3,783
Total auditory impairments		1,437,343	1,437,343		(99,244)	(99,244)		1,338,099	1,338,099		1,338,097	1,338,097
Learning and/or language disabilities:												
Salaries of teachers		953,982	953,982		41,201	41,201		995,183	995,183		995,183	995,183
Other salaries for instruction		210,655	210,655		12,034	12,034		222,689	222,689		222,688	222,688
Purchased professional and educational services		16,000	16,000		(13,250)	(13,250)		2,750	2,750		2,750	2,750
Other purchased services		2,500	2,500		-	-		2,500	2,500		2,500	2,500
General supplies		6,000	6,000		4,370	4,370		10,370	10,370		10,370	10,370
Textbooks		6,500	6,500		1,937	1,937		8,437	8,437		8,437	8,437
Total Learning and/or language disabilities		1,195,637	1,195,637		46,292	46,292		1,241,929	1,241,929		1,241,928	1,241,928
Behavioral disabilities:												
Salaries of teachers		88,500	88,500		57,500	57,500		146,000	146,000		146,000	146,000
Other salaries for instruction		41,127	41,127		151	151		41,278	41,278		41,277	41,277
Purchased professional educational services		1,000	1,000		-	-		1,000	1,000		1,000	1,000
Other purchased services		1,000	1,000		(1,000)	(1,000)		-	-		-	-
General supplies		4,000	4,000		(2,627)	(2,627)		1,373	1,373		1,373	1,373
Textbooks		500	500		152	152		652	652		652	652
Other objects		500	500		(500)	(500)		-	-		-	-
Total behavioral disabilities		136,627	136,627		53,676	53,676		190,303	190,303		190,302	190,302

Neptune Township School District
General Fund

Combining Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund
Current (continued):												
Special education:												
Multiple disabilities:												
Salaries of teachers	\$ 266,682	\$ 266,682		\$ (6,606)	\$ (6,606)		\$ 266,682	\$ 266,682		\$ 266,682	\$ 266,682	
Other salaries for instruction	107,541	107,541					100,935	100,935		100,935	100,935	
General supplies	1,500	1,500		2,396	2,396		3,896	3,896		3,896	3,896	
Total multiple disabilities	375,723	375,723		(4,210)	(4,210)		371,513	371,513		371,513	371,513	
Resource room/center:												
Salaries of teachers	3,020,152	3,020,152		(294,864)	(294,864)		2,725,288	2,725,288		2,725,288	2,725,288	
Other salaries for instruction	143,967	143,967		34,236	34,236		178,203	178,203		178,203	178,203	
General supplies	22,300	22,300		(11,826)	(11,826)		10,474	10,474		10,474	10,474	
Textbooks	12,800	12,800		(9,668)	(9,668)		3,132	3,132		3,132	3,132	
Total resource room/center	3,199,219	3,199,219		(282,122)	(282,122)		2,917,097	2,917,097		2,917,097	2,917,097	
Preschool disabilities - full time:												
Salaries of teachers	\$ 464,982	464,982		\$ 1,640	1,640		\$ 466,622	466,622		\$ 466,622	466,622	
Other salaries for instruction	84,349	84,349		(20,951)	(20,951)		63,398	63,398		63,398	63,398	
Purchased professional - educational services	12,000	12,000		(6,400)	(6,400)		5,600	5,600		5,600	5,600	
Other purchased services	450	450		(450)	(450)							
General supplies	2,000	2,000		1,741	1,741		3,741	3,741		3,741	3,741	
Total preschool disabilities - full time	563,781	563,781		(24,420)	(24,420)		539,361	539,361		539,361	539,361	
Total special education	563,781	6,344,549	6,908,330	(24,420)	(285,608)	(310,028)	539,361	6,058,941	6,598,302	539,361	6,058,937	6,598,298
Basic skills/remedial:												
Salaries of teachers	167,882	167,882					167,882	167,882		167,882	167,882	
Other objects	2,000	2,000		(1,500)	(1,500)		500	500		500	500	
Total basic skills/remedial	169,882	169,882		(1,500)	(1,500)		168,382	168,382		168,382	168,382	
Bilingual education:												
Salaries of teachers	265,482	265,482		(5,219)	(5,219)		260,263	260,263		260,263	260,263	
General supplies	500	500		(106)	(106)		394	394		394	394	
Textbooks	800	800		(433)	(433)		367	367		367	367	
Total bilingual education	266,782	266,782		(5,758)	(5,758)		261,024	261,024		261,024	261,024	
School sponsored cocurricular and extra-curricular activities:												
Salaries	180,358	180,358		36,520	36,520		216,878	216,878		216,877	216,877	
Other purchased services	38,168	38,168		(6,602)	(6,602)		31,566	31,566		31,564	31,564	
Total school sponsored cocurricular and extra-curricular activities	218,526	218,526		29,918	29,918		248,444	248,444		248,441	248,441	
School sponsored athletic activities:												
Salaries	862,921	862,921		(30,133)	(30,133)		832,788	832,788		832,785	832,785	
Other purchased services	175,500	175,500		(35,998)	(35,998)		139,502	139,502		139,501	139,501	
Supplies and materials	150,000	150,000		29,422	29,422		179,422	179,422		179,421	179,421	
Total school sponsored athletic activities	1,188,421	1,188,421		(36,709)	(36,709)		1,151,712	1,151,712		1,151,707	1,151,707	
Other supplemental/at-risk programs:												
Salaries of reading specialists	216,900	216,900		95,382	95,382		312,282	312,282		312,282	312,282	
Total other supplemental/at-risk programs	216,900	216,900		95,382	95,382		312,282	312,282		312,282	312,282	
Community service programs - operations:												
Supplies and materials	10,000	10,000		(161)	(161)		9,839	9,839		8,594	8,594	
Other objects	3,500	3,500		(500)	(500)		3,000	3,000				
Total community service programs - operations	13,500	13,500		(661)	(661)		12,839	12,839		8,594	8,594	
Total - instruction	1,489,941	23,654,153	25,144,094	(25,733)	867,545	841,812	1,464,208	24,521,698	25,985,906	1,459,957	24,310,917	25,770,874

Neptune Township School District
General Fund

Combining Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund
Expenditures												
Current (continued):												
Undistributed expenditures:												
Instruction:												
Tuition to other school districts in the state-regular	\$ 360,400		\$ 360,400	\$ (90,147)		\$ (90,147)	\$ 270,253		\$ 270,253	\$ 270,251		\$ 270,251
Tuition to other school districts in the state-special	143,375		143,375	122,816		122,816	266,191		266,191	266,190		266,190
Tuition to county vocational-regular	163,000		163,000	(16,047)		(16,047)	146,953		146,953	146,953		146,953
Tuition to county vocational-special	220,000		220,000	(16,000)		(16,000)	204,000		204,000	204,000		204,000
Tuition to county spec. svcs. & rds	193,600		193,600	2,108		2,108	195,708		195,708	195,707		195,707
Tuition to private school - hand in state	5,300,000		5,300,000	(415,398)		(415,398)	4,884,602		4,884,602	4,884,602		4,884,602
Tuition to state facilities	240,154		240,154	(17,699)		(17,699)	222,455		222,455	222,455		222,455
Total undistributed expenditures - instruction	6,620,529		6,620,529	(430,367)		(430,367)	6,190,162		6,190,162	6,190,158		6,190,158
Attendance and social work services:												
Salaries	2,500	\$ 274,970	277,470	898	\$ 5	903	3,398	\$ 274,975	278,373	3,398	\$ 274,968	278,366
Salaries of drop-out prevention officers/coordinators		83,774	83,774					83,774	83,774		83,774	83,774
Purchased professional and technical services		20,000	20,000					20,000	20,000		20,000	20,000
Other purchased services	7,000	2,000	9,000	210	(1,212)	(1,002)	7,210	788	7,998	7,210	787	7,997
Total attendance and social work services	9,500	380,744	390,244	1,108	(1,207)	(99)	10,608	379,537	390,145	10,608	379,529	390,137
Health services:												
Salaries	30,900	474,700	505,600	12,652		12,652	43,552	474,700	518,252	43,552	474,700	518,252
Purchased professional and technical services	26,000		26,000	(1,306)	77,609	76,303	24,694	77,609	102,303	24,694	77,608	102,302
Other purchased services	5,000		5,000	8,380		8,380	13,380		13,380	13,380		13,380
Supplies and materials	9,397	24,300	33,697	6,827	(409)	6,418	16,224	23,891	40,115	16,224	23,888	40,112
Total health services	71,297	499,000	570,297	26,553	77,200	103,753	97,850	576,200	674,050	97,850	576,196	674,046
Guidance services:												
Salaries of other professional staff		985,310	985,310		(44,820)	(44,820)		940,490	940,490		940,490	940,490
Salaries secretary/clerical assistants		118,933	118,933					118,933	118,933		118,933	118,933
Purchased professional educational services					85,141	85,141		85,141	85,141		85,139	85,139
Miscellaneous purchased services		111,000	111,000		(985)	(985)		110,015	110,015		110,012	110,012
Supplies and materials		49,550	49,550		(2,949)	(2,949)		46,601	46,601		46,599	46,599
Total guidance services		1,264,793	1,264,793		36,387	36,387		1,301,180	1,301,180		1,301,173	1,301,173
Speech, OT, PT and related services:												
Salaries	453,028		453,028				453,028		453,028	453,028		453,028
Purchased professional educational services	240,000		240,000	53,692		53,692	293,692		293,692	293,691		293,691
Supplies and materials	3,500		3,500	(239)		(239)	3,261		3,261	3,261		3,261
Total speech, OT, PT and related services	696,528		696,528	53,453		53,453	749,981		749,981	749,980		749,980
Child study teams:												
Salaries of other professional staff	735,827		735,827	32,986		32,986	768,813		768,813	768,812		768,812
Salaries secretary/clerical assistants	130,379		130,379	(28,455)		(28,455)	101,924		101,924	101,924		101,924
Miscellaneous purchased services	4,000		4,000				4,000		4,000	4,000		4,000
Supplies and materials	6,350		6,350	9,759		9,759	16,109		16,109	16,108		16,108
Other objects	4,000		4,000	(1,142)		(1,142)	2,858		2,858	2,858		2,858
Total child study teams	880,556		880,556	13,148		13,148	893,704		893,704	893,702		893,702

Neptune Township School District
General Fund

Combining Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund
Expenditures												
Current (continued):												
Undistributed expenditures (continued):												
Improvement of instruction services:												
Salaries of supervisors of instruction	\$ 268,177		\$ 268,177	\$ (88,166)		\$ (88,166)	\$ 180,011		\$ 180,011	\$ 180,010		\$ 180,010
Salaries of other professional staff	137,500	\$ 127,200	264,700		\$ 42,786	42,786	137,500	\$ 169,986	307,486	137,500	\$ 169,982	307,482
Purchased professional educational services					41,318	41,318		41,318	41,318		41,318	41,318
Other purchased services	3,000		3,000	1,746		1,746	4,746		4,746	4,746		4,746
Supplies and materials	5,000		5,000	(4,376)		(4,376)	624		624	624		624
Other objects	7,000		7,000	4,533		4,533	11,533		11,533	11,533		11,533
Total improvement of instruction services	420,677	127,200	547,877	(86,263)	84,104	(2,159)	334,414	211,304	545,718	334,413	211,300	545,713
Educational media/library services:												
Salaries		1,074,880	1,074,880		(53,766)	(53,766)		1,021,114	1,021,114		1,021,112	1,021,112
Supplies and materials		50,900	50,900		44,025	44,025		94,925	94,925		94,921	94,921
Total educational media/library services		1,125,780	1,125,780		(9,741)	(9,741)		1,116,039	1,116,039		1,116,033	1,116,033
Support services - general administration:												
Salaries	647,454		647,454	(32,749)		(32,749)	614,705		614,705	614,704		614,704
Professional services	185,405		185,405	154,274		154,274	339,679		339,679	339,679		339,679
Architectural/engineering services	275,000		275,000	78,829		78,829	353,829		353,829	353,828		353,828
Purchased technical services	29,865		29,865	14,138		14,138	44,003		44,003	44,003		44,003
Communications/telephone	228,800		228,800	(68,474)		(68,474)	160,326		160,326	160,323		160,323
BOE other purchased services	12,000		12,000	(7,353)		(7,353)	4,647		4,647	4,645		4,645
Miscellaneous purchased services	108,200		108,200	(4,471)		(4,471)	103,729		103,729	103,728		103,728
General supplies	33,200		33,200	2,510		2,510	35,710		35,710	35,708		35,708
BOE In-house training/meeting supplies	11,500		11,500	(3,159)		(3,159)	8,341		8,341	8,340		8,340
Miscellaneous expenditures	8,000		8,000	(3,337)		(3,337)	4,663		4,663	4,663		4,663
Board of education membership dues and fees	42,750		42,750	(1,769)		(1,769)	40,981		40,981	40,981		40,981
Total support services - general administration	1,582,174		1,582,174	128,439		128,439	1,710,613		1,710,613	1,710,602		1,710,602

Neptune Township School District
General Fund

Combining Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund
Expenditures												
Current (continued):												
Undistributed expenditures (continued):												
Support services - school administration:												
Salaries of principals/asst. principals		\$ 1,421,108	\$ 1,421,108		\$ (50,729)	\$ (50,729)		\$ 1,370,379	\$ 1,370,379		\$ 1,370,378	\$ 1,370,378
Salaries of other prof. staff		330,082	330,082		123,215	123,215		453,297	453,297		453,295	453,295
Salaries secretary/clerical assts.	\$ 133,188	594,546	727,734	\$ (68,930)	3,410	(65,520)	\$ 64,258	597,956	662,214	\$ 64,258	597,955	662,213
Purchased professional and technical services		4,710	4,710		269	269		4,979	4,979		4,979	4,979
Other purchased services		44,800	44,800		374	374		45,174	45,174		45,173	45,173
Supplies and materials		50,495	50,495		11,815	11,815		62,310	62,310		62,309	62,309
Other objects		20,837	20,837		1,889	1,889		22,726	22,726		22,725	22,725
Total support services - school administration	133,188	2,466,578	2,599,766	(68,930)	90,243	21,313	64,258	2,556,821	2,621,079	64,258	2,556,814	2,621,072
Central services:												
Salaries	728,369		728,369	4,522		4,522	732,891		732,891	732,889		732,889
Purchased technical services	22,000		22,000	(2,158)		(2,158)	19,842		19,842	19,842		19,842
Miscellaneous purchased services	59,800		59,800	(7,710)		(7,710)	52,090		52,090	52,089		52,089
Supplies and materials	3,000		3,000	(1,920)		(1,920)	1,080		1,080	1,079		1,079
Total central services	813,169		813,169	(7,266)		(7,266)	805,903		805,903	805,899		805,899
Administrative information technology:												
Salaries	195,243		195,243	69,000		69,000	264,243		264,243	264,243		264,243
Purchased technical services	45,000		45,000	10,423		10,423	55,423		55,423	55,423		55,423
Supplies and materials	30,000		30,000	11,543		11,543	41,543		41,543	41,543		41,543
Other objects	5,000		5,000	(986)		(986)	4,014		4,014	4,013		4,013
Total administrative information technology	275,243		275,243	89,980		89,980	365,223		365,223	365,222		365,222
Required maintenance for school facilities:												
Other salaries	159,632		159,632	23,403		23,403	183,035		183,035	183,034		183,034
Cleaning, repair & maint. services	5,367,451		5,367,451	476,463		476,463	5,843,914		5,843,914	5,473,526		5,473,526
General supplies	189,500		189,500	17,298		17,298	206,798		206,798	206,794		206,794
Other objects	12,000		12,000	(1,036)		(1,036)	10,964		10,964	10,964		10,964
Total required maintenance for school facilities	5,728,583		5,728,583	516,128		516,128	6,244,711		6,244,711	5,874,318		5,874,318
Custodial services:												
Salaries	2,156,033		2,156,033	(65,920)		(65,920)	2,090,113		2,090,113	2,090,106		2,090,106
Cleaning, repair & maint. services	81,500		81,500	(25,942)		(25,942)	55,558		55,558	55,556		55,556
Other purchased property services	121,488		121,488	6,142		6,142	127,630		127,630	127,621		127,621
Insurance	234,000		234,000	(1,350)		(1,350)	232,650		232,650	232,650		232,650
General supplies	184,800		184,800	(4,543)		(4,543)	180,257		180,257	180,250		180,250
Energy (electricity)	2,436,000		2,436,000	(515,991)		(515,991)	1,920,009		1,920,009	1,920,002		1,920,002
Energy (natural gas)	384,540		384,540	(151,488)		(151,488)	233,052		233,052	233,045		233,045
Total custodial services	5,598,361		5,598,361	(759,092)		(759,092)	4,839,269		4,839,269	4,839,230		4,839,230
Care & upkeep of grounds:												
Cleaning, repair & maint. services	581,963		581,963	156,479		156,479	738,442		738,442	738,441		738,441
General supplies	13,000		13,000	(11,173)		(11,173)	1,827		1,827	1,826		1,826
Total care & upkeep of grounds	594,963		594,963	145,306		145,306	740,269		740,269	740,267		740,267
Security:												
Salaries		391,220	391,220		3,966	3,966		395,186	395,186		395,186	395,186
Purchased professional and technical services	4,000		4,000	4,660		4,660	8,660		8,660	8,660		8,660
General supplies	1,000	4,404	5,404	1,750	9,195	10,945	2,750	13,599	16,349	2,749	13,599	16,348
Total security	5,000	395,624	400,624	6,410	13,161	19,571	11,410	408,785	420,195	11,409	408,785	420,194

Neptune Township School District
General Fund

Combining Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund
Expenditures												
Current (continued):												
Undistributed expenditures (continued):												
Student transportation services:												
Salaries for pupil trans. - regular	\$ 111,535		\$ 111,535				\$ 111,535		\$ 111,535	\$ 110,935		\$ 110,935
Other purchased professional & technical services	4,200		4,200				4,200		4,200	4,200		4,200
Contracted serv. (home to sch.) - vendor	1,354,424		1,354,424	\$ (186,500)		\$ (186,500)	1,167,924		1,167,924	1,002,522		1,002,522
Contr. serv. (other than home & sch.) - vendors		\$ 293,646	293,646		\$ (23,297)	(23,297)		\$ 270,349	270,349		\$ 270,346	270,346
Contr. serv. (special education students) - vendors	1,613,964		1,613,964	(625,079)		(625,079)	988,885		988,885	888,079		888,079
Contr. serv. Aid-in-lieu-of payments - non-public	79,000		79,000	4,000		4,000	83,000		83,000	77,963		77,963
Contr. serv. Aid-in-lieu-of payments - charter school	1,768		1,768	5,000		5,000	6,768		6,768	4,366		4,366
General supplies	4,800		4,800	(1,000)		(1,000)	3,800		3,800	3,524		3,524
Total student transportation services	3,169,691	293,646	3,463,337	(803,579)	(23,297)	(826,876)	2,366,112	270,349	2,636,461	2,091,589	270,346	2,361,935
Personnel services - unallocated employee benefits:												
Social security contributions	540,000	267,800	807,800	13,552	20,624	34,176	553,552	288,424	841,976	552,677	288,424	841,101
Other retirement contr. - PERS	751,761		751,761	(78,146)		(78,146)	673,615		673,615	673,615		673,615
Workers compensation	497,000		497,000	(10,964)		(10,964)	486,036		486,036	486,036		486,036
Health benefits	2,156,910	9,007,307	11,164,217	202,973	(1,178,240)	(975,267)	2,359,883	7,829,067	10,188,950	1,846,739	7,829,067	9,675,806
Tuition reimbursement	19,500		19,500	2,500		2,500	22,000		22,000	14,950		14,950
Other employee benefits	165,000		165,000	11,455		11,455	176,455		176,455	175,458		175,458
Total personnel services - unallocated employee benefits	4,130,171	9,275,107	13,405,278	141,370	(1,157,616)	(1,016,246)	4,271,541	8,117,491	12,389,032	3,749,475	8,117,491	11,866,966
On-behalf payments:												
Reimbursed TPAF social security contributions										2,164,996		2,164,996
Reimbursed TPAF pension contributions										2,669,051		2,669,051
Total on-behalf payments										4,834,047		4,834,047
Total undistributed expenditures	30,729,630	15,828,472	46,558,102	(1,033,602)	(890,766)	(1,924,368)	29,696,028	14,937,706	44,633,734	33,363,027	14,937,667	48,300,694
Total expenditures - current	32,219,571	39,482,625	71,702,196	(1,059,335)	(23,221)	(1,082,556)	31,160,236	39,459,404	70,619,640	34,822,984	39,248,584	74,071,568
Capital Outlay:												
Equipment:												
Regular programs - instruction:												
Grades 1-5		267,019	267,019		8,200	8,200		275,219	275,219		275,219	275,219
Grades 6-8		52,212	52,212		12,882	12,882		65,094	65,094		65,094	65,094
Grades 9-12		105,438	105,438		2,139	2,139		107,577	107,577		106,752	106,752
Undistributed expenditures:												
Instruction	15,000		15,000	(2,294)		(2,294)	12,706		12,706	12,706		12,706
Required maintenance for school facilities	65,000		65,000	(18,351)		(18,351)	46,649		46,649	46,649		46,649
Custodial services	20,000		20,000	26,777		26,777	46,777		46,777	46,777		46,777
Total equipment	100,000	424,669	524,669	6,132	23,221	29,353	106,132	447,890	554,022	106,132	447,065	553,197

Neptune Township School District
General Fund

Combining Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund
Expenditures												
Capital Outlay (continued):												
Facilities acquisition and construction services:												
Architectural/engineering services	\$ 400,000		\$ 400,000	\$ (38,859)		\$ (38,859)	\$ 361,141		\$ 361,141	\$ 361,141		\$ 361,141
Construction services	2,641,369		2,641,369	1,861,904		1,861,904	4,503,273		4,503,273	3,706,924		3,706,924
Total facilities acquisition and construction svcs.	3,041,369		3,041,369	1,823,045		1,823,045	4,864,414		4,864,414	4,068,065		4,068,065
Total capital outlay	3,141,369	\$ 424,669	3,566,038	1,829,177	\$ 23,221	1,852,398	4,970,546	\$ 447,890	5,418,436	4,174,197	\$ 447,065	4,621,262
Contribution to charter schools	555,700		555,700	140,369		140,369	696,069		696,069	696,069		696,069
Total expenditures	35,916,640	39,907,294	75,823,934	910,211		910,211	36,826,851		39,907,294	76,734,145		39,695,649
(Deficiency) excess of revenues (under) over expenditures	33,216,924	(39,907,294)	(6,690,370)	123,670	-	123,670	33,340,594	(39,907,294)	(6,566,700)	39,632,450	(39,695,649)	(63,199)
Other financing sources (uses):												
Transfer in - Contribution to whole school reform - GF		37,885,286	37,885,286					37,885,286	37,885,286		37,685,112	37,685,112
Transfer in - Contribution to WSR 2011-12 encumbrances whole school reform - SRF		1,578,714	1,578,714					1,578,714	1,578,714		210,745	210,745
Transfer out - Capital Reserve transfer to Debt Service Fund				(1,205,150)		(1,205,150)	(1,205,150)		(1,205,150)	(1,205,150)		(1,205,150)
Transfer out - Contribution to WSR 2011-12 encumbrances whole school reform	(37,885,286)		(37,885,286)				(37,885,286)		(37,885,286)	(210,745)		(210,745)
Total other financing sources (uses)	(37,885,286)	39,464,000	1,578,714	(1,205,150)	-	(1,205,150)	(39,090,436)	39,464,000	373,564	(39,101,007)	39,463,100	362,093
(Deficiency) excess of revenues (under) over expenditures and other financing sources (uses)	(4,668,362)	(443,294)	(5,111,656)	(1,081,480)	-	(1,081,480)	(5,749,842)	(443,294)	(6,193,136)	531,443	(232,549)	298,894
Fund balances, July 1	9,411,806	443,294	9,855,100				9,411,806	443,294	9,855,100	9,411,806	443,294	9,855,100
Fund balances, June 30	\$ 4,743,444	\$ -	\$ 4,743,444	\$ (1,081,480)	\$ -	\$ (1,081,480)	\$ 3,661,964	\$ -	\$ 3,661,964	\$ 9,943,249	\$ 210,745	\$ 10,153,994
Recapitulation of (deficiency) excess of revenues (under) over expenditures and other financing sources (uses)												
Adjustment for prior year encumbrances Budgeted fund balance	\$ (1,626,993)	\$ (443,294)	\$ (2,070,287)	\$ (1,081,480)	\$ -	\$ (1,081,480)	\$ (1,626,993)	\$ (443,294)	\$ (2,070,287)	\$ (1,626,993)	\$ (443,294)	\$ (2,070,287)
Total	\$ (4,668,362)	\$ (443,294)	\$ (5,111,656)	\$ (1,081,480)	\$ -	\$ (1,081,480)	\$ (5,749,842)	\$ (443,294)	\$ (6,193,136)	\$ 531,443	\$ (232,549)	\$ 298,894

Neptune Township School District
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Transfers	Final Budget	Actual	Variance Final to Actual
Revenues					
Federal sources:					
Education Jobs Funds	\$ 1,081,480	\$ 33,881	\$ 1,115,361	\$ 1,115,361	
Total - federal sources	<u>1,081,480</u>	<u>33,881</u>	<u>1,115,361</u>	<u>1,115,361</u>	
Expenditures					
Personnel services - unallocated employee benefits:					
Health benefits	1,081,480	33,881	1,115,361	1,115,361	
Total expenditures	<u>1,081,480</u>	<u>33,881</u>	<u>1,115,361</u>	<u>1,115,361</u>	
Excess of Revenues Over Expenditures	-	-	-	-	
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Neptune Township School District
Special Revenue Fund

Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
State Sources	\$ 6,296,309	\$ 212,712	\$ 6,509,021	\$ 6,507,903	\$ (1,118)
Federal Sources	2,406,000	593,078	2,999,078	2,844,299	(154,779)
Total revenues	<u>8,702,309</u>	<u>805,790</u>	<u>9,508,099</u>	<u>9,352,202</u>	<u>(155,897)</u>
Expenditures:					
Instruction:					
Salaries of teachers	2,029,400	(6,598)	2,022,802	2,022,802	
Other salaries for instruction	783,059	(127,966)	655,093	655,093	
Other purchased services		201,197	201,197	184,845	16,352
General supplies	83,000	47,218	130,218	125,871	4,347
Textbooks	13,000	(2,540)	10,460	10,460	
Other purchased services	64,300	38,819	103,119	103,119	
Other objects	5,000	27,556	32,556	32,556	
Total instruction	<u>2,977,759</u>	<u>177,686</u>	<u>3,155,445</u>	<u>3,134,746</u>	<u>20,699</u>
Support services:					
Salaries of program directors	147,589		147,589	147,589	
Salaries of supervisors of instruction	93,002	189,489	282,491	209,206	73,285
Salaries of other professional staff	71,500	28,900	100,400	100,400	
Salaries of secretarial and clerical assistants	90,420	2,510	92,930	92,930	
Salaries of facilitators, math coaches, literary	131,500	-	131,500	131,500	
Other salaries	164,941	21,006	185,947	185,947	
Personal services—employee benefits	2,905,202	(202,936)	2,702,266	2,701,195	1,071
Other purchased professional services	130,932	340,870	471,802	446,333	25,469
Contr Serv - Trans (bet home & school)	372,000	(10,740)	361,260	361,260	
Contr Serv - Trans (other than bet home & school)	18,750	(12,787)	5,963	5,963	
Travel	3,000	(861)	2,139	2,139	
Other purchased services	15,000	84,664	99,664	99,133	531
Supplies and materials	2,000	153,667	155,667	132,296	23,371
Total support services	<u>4,145,836</u>	<u>593,782</u>	<u>4,739,618</u>	<u>4,615,891</u>	<u>123,727</u>
Facilities acquisition and construction services:					
Instructional equipment		34,322	34,322	34,322	
Total facilities acquisition and construction services:	-	<u>34,322</u>	<u>34,322</u>	<u>34,322</u>	
Other financing uses:					
Contribution to whole school reform	1,578,714		1,578,714	1,567,243	11,471
Total other financing uses	<u>1,578,714</u>		<u>1,578,714</u>	<u>1,567,243</u>	<u>11,471</u>
Total expenditures and other financing uses	<u>8,702,309</u>	<u>805,790</u>	<u>9,508,099</u>	<u>9,352,202</u>	<u>155,897</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note to Required Supplementary Information

Neptune Township School District
Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2012

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1],[C-2]	\$ 79,325,700	\$ 9,352,202
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Current Year			10,289
Prior Year			
State aid payments are recognized for budgetary purposes, not recognized for GAAP statements.		(3,222,649)	(626,485)
The prior year's last State aid payments are recognized for GAAP statements, not recognized for budgetary purposes.		2,854,044	598,554
Total revenues as reported on the statement of revenues expenditures, and changes in fund balance.	[B-2]	\$ 78,957,095	\$ 9,334,560
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1],[C-2]	\$ 79,388,899	\$ 9,352,202
Differences - budget to GAAP			
Encumbrances for supplies and equipment (net) ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes (net).			
			10,289
Transfers to other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.			(1,567,243)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	\$ 79,388,899	\$ 7,795,248

School Level Schedules

Neptune Township School District
General Fund

Combining Balance Sheet

June 30, 2012

	Operating Fund Fund 11-13 and 18	Blended Resource Fund 15	Total General Fund
Assets			
Interfund receivable	\$ 614,561		\$ 614,561
Intergovernmental accounts receivable--federal	70,751		70,751
Intergovernmental accounts receivable--state	3,671,000		3,671,000
Other accounts receivable	662,421		662,421
Internal balance	(210,745) \$	210,745	-
Restricted assets:			
Cash and cash equivalents	6,036,648		6,036,648
Total assets	\$ 10,844,636	\$ 210,745	\$ 11,055,381
 Liabilities and fund balances			
Liabilities:			
Accounts payable	\$ 888,512		\$ 888,512
Deferred revenue	12,875		12,875
Total liabilities	901,387		901,387
 Fund balances:			
Assigned to Other Purposes	1,166,728	\$ 210,745	1,377,473
Restricted for:			
Excess fund balance - prior year	296,498		296,498
Maintenance reserve	600,000		600,000
Capital reserve	6,888,000		6,888,000
Unassigned:			
General Fund	992,023		992,023
Total fund balances	9,943,249	210,745	10,153,994
Total liabilities and fund balances	\$ 10,844,636	\$ 210,745	\$ 11,055,381

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2012

District-wide

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund contribution	\$ 37,885,286	94.97%	\$ 37,685,112	\$ 200,174
General Fund Reserve for Encumbrances at June 30, 2011	443,294	1.04	443,294	
General Fund Contribution	<u>38,328,580</u>	<u>96.01</u>	<u>38,128,406</u>	<u>200,174</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	550,214	1.39	546,335	3,879
Title II, Part A: NCLB	153,000	0.39	151,764	1,236
IDEIA, Part B	875,500	2.21	869,144	6,356
Restricted Federal Resources Total	<u>1,578,714</u>	<u>3.99</u>	<u>1,567,243</u>	<u>11,471</u>
Total	<u>\$ 39,907,294</u>	<u>100.00%</u>	<u>\$ 39,695,649</u>	<u>\$ 211,645</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2012

Midtown Community

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund contribution	\$ 3,936,770	91.58%	\$ 3,908,827	\$ 27,943
General Fund Reserve for Encumbrances at June 30, 2011	52,139	1.21	52,139	
	<u>3,988,909</u>	<u>92.79</u>	<u>3,960,966</u>	<u>27,943</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	159,340	3.71	158,224	1,116
Title II, Part A: NCLB	25,500	0.59	25,321	179
IDEIA, Part B	125,070	2.91	124,194	876
Restricted Federal Resources Total	<u>309,910</u>	<u>7.21</u>	<u>307,739</u>	<u>2,171</u>
Total	<u>\$ 4,298,819</u>	<u>100.00%</u>	<u>\$ 4,268,705</u>	<u>\$ 30,114</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2012

Gables

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund contribution	\$ 2,793,260	91.48%	\$ 2,765,544	\$ 27,716
General Fund Reserve for Encumbrances at June 30, 2011	17,219	0.56	17,219	
General Fund Contribution	<u>2,810,479</u>	<u>92.04</u>	<u>2,782,763</u>	<u>27,716</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	92,599	3.03	91,686	913
Title II, Part A: NCLB	25,500	0.84	25,248	252
IDEIA, Part B	125,070	4.09	123,836	1,234
Restricted Federal Resources Total	<u>243,169</u>	<u>7.96</u>	<u>240,770</u>	<u>2,399</u>
Total	<u>\$ 3,053,648</u>	<u>100.00%</u>	<u>\$ 3,023,533</u>	<u>\$ 30,115</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2012

Green Grove

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund contribution	\$ 2,517,641	88.56%	\$ 2,490,076	\$ 27,565
General Fund Reserve for Encumbrances at June 30, 2011	84,796	2.98	84,796	
	<u>2,602,437</u>	<u>91.54</u>	<u>2,574,872</u>	<u>27,565</u>
General Fund Contribution				
Restricted Federal Resources:				
Title I, Part A: NCLB	89,850	3.16	88,898	952
Title II, Part A: NCLB	25,500	0.90	25,230	270
IDEIA, Part B	125,070	4.40	123,745	1,325
Restricted Federal Resources Total	<u>240,420</u>	<u>8.46</u>	<u>237,873</u>	<u>2,547</u>
Total	<u>\$ 2,842,857</u>	<u>100.00%</u>	<u>\$ 2,812,745</u>	<u>\$ 30,112</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2012

Shark River Hills

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund contribution	\$ 2,786,928	92.57%	\$ 2,758,321	\$ 28,607
General Fund Reserve for Encumbrances at June 30, 2011	73,016	2.43	73,016	
General Fund Contribution	<u>2,859,944</u>	<u>95.00</u>	<u>2,831,337</u>	<u>28,607</u>
Restricted Federal Resources:				
Title II, Part A: NCLB	25,500	0.85	25,245	255
IDEIA, Part B	125,070	4.15	123,819	1,251
Restricted Federal Resources Total	<u>150,570</u>	<u>5.00</u>	<u>149,064</u>	<u>1,506</u>
Total	<u>\$ 3,010,514</u>	<u>100.00%</u>	<u>\$ 2,980,401</u>	<u>\$ 30,113</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2012

Summerfield

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund contribution	\$ 3,565,545	93.51%	\$ 3,537,028	\$ 28,517
General Fund Reserve for Encumbrances at June 30, 2011	44,203	1.16	44,203	
General Fund Contribution	<u>3,609,748</u>	<u>94.67</u>	<u>3,581,231</u>	<u>28,517</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	52,489	1.38	52,074	415
Title II, Part A: NCLB	25,500	0.67	25,299	201
IDEIA, Part B	125,070	3.28	124,082	988
Restricted Federal Resources Total	<u>203,059</u>	<u>5.33</u>	<u>201,455</u>	<u>1,604</u>
Total	<u>\$ 3,812,807</u>	<u>100.00%</u>	<u>\$ 3,782,686</u>	<u>\$ 30,121</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2012

Neptune Middle School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund contribution	\$ 9,354,674	96.29%	\$ 9,325,503	\$ 29,171
General Fund Reserve for Encumbrances at June 30, 2011	53,710	0.55	53,710	
General Fund Contribution	9,408,384	96.84	9,379,213	29,171
Restricted Federal Resources:				
Title I, Part A: NCLB	155,936	1.61	155,453	483
Title II, Part A: NCLB	25,500	0.26	25,421	79
IDEIA, Part B	125,080	1.29	124,692	388
Restricted Federal Resources Total	306,516	3.16	305,566	950
Total	\$ 9,714,900	100.00%	\$ 9,684,779	\$ 30,121

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2012

Neptune High School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund contribution	\$ 12,930,468	98.15%	\$ 12,899,813	\$ 30,655
General Fund Reserve for Encumbrances at June 30, 2011	<u>118,211</u>	0.90	<u>118,211</u>	
General Fund Contribution	<u>13,048,679</u>	<u>99.05</u>	<u>13,018,024</u>	<u>30,655</u>
Restricted Federal Resources:				
IDEIA, Part B	125,070	0.95	124,776	294
Restricted Federal Resources Total	<u>125,070</u>	<u>0.95</u>	<u>124,776</u>	<u>294</u>
Total	<u>\$ 13,173,749</u>	<u>100.00%</u>	<u>\$ 13,142,800</u>	<u>\$ 30,949</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

District-wide summary	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers:					
Kindergarten	\$ 817,400	\$ (56,549)	\$ 760,851	\$ 760,851	
Grades 1-5	5,004,473	272,735	5,277,208	5,277,200	\$ 8
Grades 6-8	3,681,103	(114,694)	3,566,409	3,566,408	1
Grades 9-12	4,563,443	36,641	4,600,084	4,600,082	2
Regular programs - undistributed instruction:					
Other salaries for instruction	104,255	182,585	286,840	286,838	
Purchased professional educational services	37,575	28,731	66,306	66,305	1
Purchased technical services	144,310	(40,296)	104,014	104,008	6
Miscellaneous purchased services	275,940	566,550	842,490	842,490	
General supplies	420,764	275,299	696,063	485,314	210,749
Textbooks	143,340	(77,655)	65,685	65,685	
Other objects	56,490	(1,527)	54,963	54,963	
Total regular programs	15,249,093	1,071,820	16,320,913	16,110,144	210,769
Special education:					
Auditory impairments:					
Salaries of teachers	901,946	(46,600)	855,346	855,346	
Other salaries for instruction	406,221	(10,422)	395,799	395,797	2
Purchased professional educational services	29,800	12,500	42,300	42,300	
Other purchased services	46,278	(17,957)	28,321	28,321	
General supplies	49,498	(36,948)	12,550	12,550	
Textbooks	3,600	183	3,783	3,783	
Total auditory impairments	1,437,343	(99,244)	1,338,099	1,338,097	2
Multiple disabilities:					
Salaries of teachers	266,682		266,682	266,682	
Other salaries for instruction	107,541	(6,606)	100,935	100,935	
General supplies	1,500	2,396	3,896	3,896	
Total multiple disabilities	375,723	(4,210)	371,513	371,513	
Resource room/resource center:					
Salaries of teachers	3,020,152	(294,864)	2,725,288	2,725,288	
Other salaries for instruction	143,967	34,236	178,203	178,203	
General supplies	22,300	(11,826)	10,474	10,474	
Textbooks	12,800	(9,668)	3,132	3,132	
Total resource room/resource center	3,199,219	(282,122)	2,917,097	2,917,097	

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Learning and/or Language Disabilities:					
Salaries of teachers	\$ 953,982	\$ 41,201	\$ 995,183	\$ 995,183	
Other salaries for instruction	210,655	12,034	222,689	222,688	\$ 1
Purchased professional educational services	16,000	(13,250)	2,750	2,750	
Other purchased services	2,500		2,500	2,500	
General supplies	6,000	4,370	10,370	10,370	
Textbooks	6,500	1,937	8,437	8,437	
Total learning and/or language disabilities	1,195,637	46,292	1,241,929	1,241,928	1
Behavioral disabilities:					
Salaries of teachers	88,500	57,500	146,000	146,000	
Other salaries for instruction	41,127	151	41,278	41,277	
Purchased professional educational services	1,000		1,000	1,000	
Other purchased services	1,000	(1,000)			
General supplies	4,000	(2,627)	1,373	1,373	
Textbooks	500	152	652	652	
Other objects	500	(500)			
Total behavioral disabilities	136,627	53,676	190,303	190,302	
Total special education	6,344,549	(285,608)	6,058,941	6,058,937	4
Basic skills/remedial:					
Salaries of teachers	167,882		167,882	167,882	
General supplies	2,000	(1,500)	500	500	
Total basic skills/remedial	169,882	(1,500)	168,382	168,382	
Bilingual education:					
Salaries of teachers	265,482	(5,219)	260,263	260,263	
General supplies	500	(106)	394	394	
Textbooks	800	(433)	367	367	
Total bilingual education	266,782	(5,758)	261,024	261,024	
School sponsored cocurricular and extra-curr act.:					
Salaries	180,358	36,520	216,878	216,877	1
Purchased services	38,168	(6,602)	31,566	31,564	2
Total school sponsored cocurr and extra-curr act.	218,526	29,918	248,444	248,441	3

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School sponsored athletic activities:					
Salaries	\$ 862,921	\$ (30,133)	\$ 832,788	\$ 832,785	\$ 3
Other purchased services	175,500	(35,998)	139,502	139,501	1
Supplies and materials	150,000	29,422	179,422	179,421	1
Total school sponsored athletic activities	1,188,421	(36,709)	1,151,712	1,151,707	5
Other supplemental/at-risk programs:					
Salaries of reading specialists	216,900	95,382	312,282	312,282	
Total other supplemental/at-risk programs	216,900	95,382	312,282	312,282	
Total - instruction	23,654,153	867,545	24,521,698	24,310,917	210,781
Undistributed expenditures:					
Attendance and social work services:					
Salaries	274,970	5	274,975	274,968	7
Salaries of drop-out prevention officers/coordinat	83,774		83,774	83,774	
Purchased professional and technical services	20,000		20,000	20,000	
Other purchased services	2,000	(1,212)	788	787	1
Total attendance and social work services	380,744	(1,207)	379,537	379,529	8
Health services:					
Salaries	474,700		474,700	474,700	
Purchased prof. and tech. services		77,609	77,609	77,608	1
Supplies and materials	24,300	(409)	23,891	23,888	3
Total health services	499,000	77,200	576,200	576,196	4
Guidance services:					
Salaries of other professional staff	985,310	(44,820)	940,490	940,490	
Salaries secretary/clerical assts.	118,933		118,933	118,933	
Purchased professional educational services		85,141	85,141	85,139	2
Miscellaneous purchased services	111,000	(985)	110,015	110,012	3
Supplies and materials	49,550	(2,949)	46,601	46,599	2
Total guidance services	1,264,793	36,387	1,301,180	1,301,173	7
Improvement of instruction services:					
Salaries of other professional staff	127,200	42,786	169,986	169,982	4
Purchased professional educational services		41,318	41,318	41,318	
Total improvement of instruction services	127,200	84,104	211,304	211,300	4
Educational media/library services:					
Salaries	1,074,880	(53,766)	1,021,114	1,021,112	2
Supplies and materials	50,900	44,025	94,925	94,921	4
Total educational media/library services	1,125,780	(9,741)	1,116,039	1,116,033	6

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Support services - school administration:					
Salaries of principals/asst. principals	\$ 1,421,108	\$ (50,729)	\$ 1,370,379	\$ 1,370,378	\$ 1
Salaries of other prof. staff	330,082	123,215	453,297	453,295	2
Salaries secretary/clerical assts.	594,546	3,410	597,956	597,955	1
Purchased professional & technical services	4,710	269	4,979	4,979	
Other purchased services	44,800	374	45,174	45,173	1
Supplies and materials	50,495	11,815	62,310	62,309	1
Other objects	20,837	1,889	22,726	22,725	1
Total support services - school administration	2,466,578	90,243	2,556,821	2,556,814	7
Security					
Salaries	391,220	3,966	395,186	395,186	
General supplies	4,404	9,195	13,599	13,599	
Total security	395,624	13,161	408,785	408,785	
Student transportation services:					
Contr. serv. (other than home & sch.) - vendors	293,646	(23,297)	270,349	270,346	3
Total student transportation services	293,646	(23,297)	270,349	270,346	3
Personnel services - unallocated employee benefits:					
Social security contributions	267,800	20,624	288,424	288,424	
Health benefits	9,007,307	(1,178,240)	7,829,067	7,829,067	
Total personnel services - unallocated employee ben.	9,275,107	(1,157,616)	8,117,491	8,117,491	
Total undistributed expenditures	15,828,472	(890,766)	14,937,706	14,937,667	39
Total expenditures - current expenditures	39,482,625	(23,221)	39,459,404	39,248,584	210,819
Capital Outlay:					
Equipment:					
Regular programs - instruction:					
Grades 1-5	267,019	8,200	275,219	275,219	
Grades 6-8	52,212	12,882	65,094	65,094	
Grades 9-12	105,438	2,139	107,577	106,752	825
Total equipment	424,669	23,221	447,890	447,065	825
Total capital outlay	424,669	23,221	447,890	447,065	825
Total school based expenditures	39,907,294	-	39,907,294	39,695,649	211,645

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources:					
Transfers in	\$ 39,907,294	\$ -	\$ 39,907,294	\$ 39,695,649	\$ 211,645
Total Other Financing Sources	<u>39,907,294</u>	<u>-</u>	<u>39,907,294</u>	<u>39,695,649</u>	<u>211,645</u>
Excess (deficiency) of Other Financing Sources	-	-	-	-	-
Over (Under) Expenditures and other financing (uses)	-	-	-	-	-
Fund balances, July 1					
Fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Neptune Township School District
Blended Resource Fund 15
Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Midtown Community	Original Budget	Transfers	Final Budget	Expenditures	Variance
EXPENDITURES					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers:					
Kindergarten	\$ 158,500	\$ (9,380)	\$ 149,120	\$ 149,120	
Grades 1-5	1,202,213	(104,594)	1,097,619	1,097,616	\$ 3
Regular programs - undistributed instruction:					
Other salaries for instruction	21,316	61,243	82,559	82,559	
Purchased professional educational services	850	-	850	850	
Purchased technical services	15,000	(6,583)	8,417	8,416	1
Other purchased services	22,000	82,396	104,396	104,396	
General supplies	46,400	33,619	80,019	49,912	30,107
Textbooks	21,000	(11,455)	9,545	9,545	
Other objects	2,000	875	2,875	2,875	
Total regular programs	1,489,279	46,121	1,535,400	1,505,289	30,111
Special education:					
Multiple disabilities:					
Salaries of teachers	144,082		144,082	144,082	
Other salaries for instruction	62,113	(800)	61,313	61,313	
General supplies		1,191	1,191	1,191	
Total multiple disabilities	206,195	391	206,586	206,586	
Resource room/resource center:					
Salaries of teachers	171,500	(84,050)	87,450	87,450	
Other salaries for instruction	60,138	(28,044)	32,094	32,094	
General supplies	1,000	7	1,007	1,007	
Textbooks	1,000	(591)	409	409	
Total resource room/resource center	233,638	(112,678)	120,960	120,960	
Learning and/or Language Disabilities:					
Salaries of teachers	225,200	(1,102)	224,098	224,098	
Other salaries for instruction	86,934		86,934	86,934	
Purchased professional educational services	3,000	(3,000)			
Other purchased services	500		500	500	
General supplies	1,000	1,380	2,380	2,380	
Textbooks	1,000		1,000	1,000	
Total learning and/or language disabilities	317,634	(2,722)	314,912	314,912	
Total special education	757,467	(115,009)	642,458	642,458	
Bilingual education:					
Salaries of teachers	213,282	(5,219)	208,063	208,063	
General supplies	500	(106)	394	394	
Total bilingual education	213,782	(5,325)	208,457	208,457	
Other supplemental/at-risk programs:					
Salaries of reading specialists	55,000		55,000	55,000	
Total other supplemental/at-risk programs	55,000	-	55,000	55,000	
Total - instruction	2,515,528	(74,213)	2,441,315	2,411,204	30,111
Undistributed expenditures:					
Attendance and social work services:					
Salaries	56,881	(46,151)	10,730	10,729	1
Total attendance and social work services	56,881	(46,151)	10,730	10,729	1
Health services:					
Salaries	74,000		74,000	74,000	
Supplies and materials	3,526	(961)	2,565	2,564	1
Total health services	77,526	(961)	76,565	76,564	1

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Midtown Community	Original Budget	Transfers	Final Budget	Expenditures	Variance
Guidance services:					
Salaries of other professional staff	\$ 72,078		\$ 72,078	\$ 72,078	
Other purchased services	9,000	\$ (2,375)	6,625	6,625	
Supplies and materials	3,950	(104)	3,846	3,846	
Total guidance services	85,028	(2,479)	82,549	82,549	
Improvement of instruction services:					
Salaries of other professional staff	9,000	(534)	8,466	8,466	
Purchased professional educational services		4,850	4,850	4,850	
Total improvement of instruction services	9,000	4,316	13,316	13,316	
Educational media/library services:					
Salaries	139,394	(20,320)	119,074	119,074	
Supplies and materials	5,000	(1,036)	3,964	3,964	
Total educational media/library services	144,394	(21,356)	123,038	123,038	
Support services - school administration:					
Salaries of principals/asst. principals	157,706		157,706	157,706	
Salaries of other prof. staff		32,704	32,704	32,703	\$ 1
Salaries secretary/clerical assts.	36,670		36,670	36,670	
Purchased professional & technical services	500		500	500	
Other purchased services	3,100	(422)	2,678	2,678	
Supplies and materials	4,000	(96)	3,904	3,904	
Other objects	1,707	(187)	1,520	1,520	
Total support services - school administration	203,683	31,999	235,682	235,681	1
Security:					
Salaries	33,792		33,792	33,792	
General supplies	100		100	100	
Total security	33,892	-	33,892	33,892	
Student transportation services:					
Contr. serv. (other than home & sch.) - vendors	3,450	5,423	8,873	8,873	
Total student transportation services	3,450	5,423	8,873	8,873	
Personnel services - unallocated employee benefits:					
Social security contributions	22,800	1,115	23,915	23,915	
Health benefits	1,095,524	102,307	1,197,831	1,197,831	
Total personnel services - unallocated employee ben.	1,118,324	103,422	1,221,746	1,221,746	
Total undistributed expenditures	1,732,178	74,213	1,806,391	1,806,388	3
Total expenditures - current expenditures	4,247,706	-	4,247,706	4,217,592	30,114
Capital Outlay:					
Equipment:					
Regular programs - instruction:					
Grades 1-5	51,113		51,113	51,113	
Total equipment	51,113	-	51,113	51,113	-
Total capital outlay	51,113	-	51,113	51,113	-
Total school based expenditures	4,298,819		4,298,819	4,268,705	30,114
Other Financing Sources:					
Transfer in	4,298,819		4,298,819	4,268,705	30,114
Total Other Financing Sources	4,298,819	-	4,298,819	4,268,705	30,114
Excess (deficiency) of Other Financing Sources Over (Under) Expenditures and other financing (uses)	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Gables	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 122,500		\$ 122,500	\$ 122,500	
Grades 1-5	903,531	\$ 121,805	1,025,336	1,025,335	\$ 1
Regular programs - undistributed instruction:					
Other salaries for instruction	21,516		21,516	21,516	
Purchased professional educational services	2,150	4,765	6,915	6,915	
Purchased technical services	15,000	(5,466)	9,534	9,533	
Other purchased services	22,000	81,396	103,396	103,396	
General supplies	45,900	26,012	71,912	41,805	30,107
Textbooks	5,800	(4,246)	1,554	1,554	
Other objects	3,400	169	3,569	3,569	
Total regular programs	1,141,797	224,435	1,366,232	1,336,123	30,108
Special education:					
Resource room/resource center:					
Salaries of teachers	266,264	(93,882)	172,382	172,382	
Other salaries for instruction	41,397	(835)	40,562	40,562	
General supplies	1,000	666	1,666	1,666	
Textbooks	1,000	(1,000)			
Total resource room/resource center	309,661	(95,051)	214,610	214,610	
Learning and/or Language Disabilities:					
Salaries of teachers	198,800		198,800	198,800	
Other salaries for instruction	62,713	(6,977)	55,736	55,735	1
Purchased professional educational services	3,000	(2,000)	1,000	1,000	
Other purchased services	500		500	500	
General supplies	1,000	1,365	2,365	2,365	
Textbooks	1,000	(130)	870	870	
Total learning and/or language disabilities	267,013	(7,742)	259,271	259,270	1
Total special education	576,674	(102,793)	473,881	473,880	1
Other supplemental/at-risk programs:					
Salaries of reading specialists	51,400	43,982	95,382	95,382	
Total other supplemental/at-risk programs	51,400	43,982	95,382	95,382	
Total - instruction	1,769,871	165,624	1,935,495	1,905,385	30,109
Undistributed expenditures:					
Attendance and social work services:					
Salaries	10,731	(1)	10,730	10,729	1
Total attendance and social work services	10,731	(1)	10,730	10,729	1

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Gables	Original Budget	Transfers	Final Budget	Expenditures	Variance
Health services:					
Salaries	\$ 53,000		\$ 53,000	\$ 53,000	
Supplies and materials	2,694	\$ 307	3,001	3,000	\$ 1
Total health services	55,694	307	56,001	56,000	1
Guidance services:					
Salaries of other professional staff	61,578		61,578	61,578	
Other purchased services	8,000	2,442	10,442	10,441	1
Supplies and materials	3,950	(314)	3,636	3,636	
Total guidance services	73,528	2,128	75,656	75,655	1
Improvement of instruction services:					
Salaries of other professional staff	9,000	(7,687)	1,313	1,313	
Purchased professional educational services		7,386	7,386	7,386	
Total improvement of instruction services	9,000	(301)	8,699	8,699	
Educational media/library services:					
Salaries	185,476	(6)	185,470	185,470	
Supplies and materials	4,200	6,166	10,366	10,365	1
Total educational media/library services	189,676	6,160	195,836	195,835	1
Support services - school administration:					
Salaries of principals/asst. principals	134,739		134,739	134,739	
Salaries of other prof. staff		32,698	32,698	32,698	
Salaries secretary/clerical assts.	38,470	12,789	51,259	51,259	
Purchased professional & technical services	500	(100)	400	400	
Other purchased services	3,100	(43)	3,057	3,057	
Supplies and materials	3,985		3,985	3,985	
Other objects	1,015	(1,015)			
Total support services - school administration	181,809	44,329	226,138	226,138	
Security:					
General supplies	100	1,450	1,550	1,550	
Total security	100	1,450	1,550	1,550	
Student transportation services:					
Contr. serv. (other than home & sch.) - vendors	3,450	3,895	7,345	7,344	1
Total student transportation services	3,450	3,895	7,345	7,344	1

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Gables	Original Budget	Transfers	Final Budget	Expenditures	Variance
Personnel services - unallocated employee benefits:					
Social security contributions	\$ 17,500	\$ (4,035)	\$ 13,465	\$ 13,465	
Health benefits	725,264	(219,556)	505,708	505,708	
Total personnel services - unallocated employee ben.	742,764	(223,591)	519,173	519,173	
Total undistributed expenditures	1,266,752	(165,624)	1,101,128	1,101,123	\$ 5
Total expenditures - current expenditures	3,036,623	-	3,036,623	3,006,508	30,114
Capital Outlay:					
Equipment:					
Regular programs - instruction:					
Grades 1-5	17,025		17,025	17,025	
Total equipment	17,025	-	17,025	17,025	
Total capital outlay	17,025	-	17,025	17,025	
Total school based expenditures	3,053,648		3,053,648	3,023,533	30,114
Other Financing Sources:					
Transfer in	3,053,648		3,053,648	3,023,533	30,115
Total Other Financing Sources	3,053,648	-	3,053,648	3,023,533	30,115
Excess (deficiency) of Other Financing Sources Over (Under) Expenditures and other financing (uses)	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Green Grove	Original Budget	Transfers	Final Budget	Expenditures	Variance
EXPENDITURES					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers:					
Kindergarten	\$ 194,100		\$ 194,100	\$ 194,100	
Grades 1-5	958,631	\$ 56,893	1,015,524	1,015,524	
Regular programs - undistributed instruction:					
Other salaries for instruction	20,096	40,411	60,507	60,506	\$ 1
Purchased professional educational services	2,375	265	2,640	2,640	
Purchased technical services	15,000	(6,334)	8,666	8,665	1
Other purchased services	22,000	81,396	103,396	103,396	
General supplies	44,375	44,571	88,946	58,839	30,107
Textbooks	15,000	(12,294)	2,706	2,706	
Other objects	2,000	(863)	1,137	1,137	
Total regular programs	1,273,577	204,045	1,477,622	1,447,513	30,109
Resource room/resource center:					
Salaries of teachers	177,382		177,382	177,382	
Other salaries for instruction		21,316	21,316	21,316	
General supplies	800	(317)	483	483	
Textbooks	800	(318)	482	482	
Total resource room/resource center	178,982	20,681	199,663	199,663	
Learning and/or Language Disabilities:					
Salaries of teachers	63,000	35,700	98,700	98,700	
Other salaries for instruction	20,716	19,211	39,927	39,927	
Purchased professional educational services	2,000	(2,000)			
Other purchased services	350	-	350	350	
General supplies	1,000	203	1,203	1,203	
Textbooks	1,000	(582)	418	418	
Total learning and/or language disabilities	88,066	52,532	140,598	140,598	
Total special education	267,048	73,213	340,261	340,261	
Other supplemental/at-risk programs:					
Salaries of reading specialists	61,000		61,000	61,000	
Total other supplemental/at-risk programs	61,000	-	61,000	61,000	
Total - instruction	1,601,625	277,258	1,878,883	1,848,774	30,109

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Green Grove	Original Budget	Transfers	Final Budget	Expenditures	Variance
Attendance and social work services:					
Salaries	\$ 10,731	\$ 7,449	\$ 18,180	\$ 18,179	\$ 1
Total attendance and social work services	10,731	7,449	18,180	18,179	1
Health services:					
Salaries	51,100	4,900	56,000	56,000	
Supplies and materials	2,720	(338)	2,382	2,382	
Total health services	53,820	4,562	58,382	58,382	
Guidance services:					
Salaries of other professional staff	95,960	(45,182)	50,778	50,778	
Other purchased services	8,000	2,085	10,085	10,085	
Supplies and materials	3,950	(404)	3,546	3,546	
Total guidance services	107,910	(43,501)	64,409	64,409	
Improvement of instruction services:					
Salaries of other professional staff	9,000	(4,584)	4,416	4,415	1
Purchased professional educational services		2,780	2,780	2,780	
Total improvement of instruction services	9,000	(1,804)	7,196	7,195	1
Educational media/library services:					
Salaries	161,676	(34,147)	127,529	127,528	1
Supplies and materials	4,200	942	5,142	5,142	
Total educational media/library services	165,876	(33,205)	132,671	132,670	1
Support services - school administration:					
Salaries of principals/asst. principals	127,055		127,055	127,055	
Salaries of other prof. staff		32,698	32,698	32,698	
Salaries secretary/clerical assts.	37,270		37,270	37,270	
Purchased professional & technical services	500	(250)	250	250	
Other purchased services	3,100	(168)	2,932	2,932	
Supplies and materials	3,985	(1,750)	2,235	2,235	
Other objects	1,015	20	1,035	1,035	
Total support services - school administration	172,925	30,550	203,475	203,475	

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Green Grove	Original Budget	Transfers	Final Budget	Expenditures	Variance
Security:					
General supplies	\$ 100	\$ 797	\$ 897	\$ 897	
Total security	100	797	897	897	
Student transportation services:					
Contr. serv. (other than home & sch.) - vendors	3,450	4,615	8,065	8,065	
Total student transportation services	3,450	4,615	8,065	8,065	
Personnel services - unallocated employee benefits:					
Social security contributions	9,300	1,315	10,615	10,615	
Health benefits	623,544	(253,536)	370,008	370,008	
Total personnel services - unallocated employee benefi	632,844	(252,221)	380,623	380,623	
Total undistributed expenditures	1,156,656	(282,758)	873,898	873,895	\$ 3
Total expenditures - current expenditures	2,758,281	(5,500)	2,752,781	2,722,669	30,112
Capital Outlay:					
Equipment:					
Regular programs - instruction:					
Grades 1-5	84,576	5,500	90,076	90,076	
Total equipment	84,576	5,500	90,076	90,076	
Total capital outlay	84,576	5,500	90,076	90,076	
Total school based expenditures	2,842,857		2,842,857	2,812,745	30,112
Other Financing Sources:					
Transfer in	2,842,857		2,842,857	2,812,745	30,112
Total Other Financing Sources	2,842,857	-	2,842,857	2,812,745	30,112
Excess (deficiency) of Other Financing Sources Over (Under) Expenditures and other financing (uses)	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Shark River Hills	Original Budget	Transfers	Final Budget	Expenditures	Variance
EXPENDITURES					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers:					
Kindergarten	\$ 171,700		\$ 171,700	\$ 171,700	
Grades 1-5	1,047,449	\$ 21,348	1,068,797	1,068,795	\$ 2
Regular programs - undistributed instruction:					
Other salaries for instruction	19,611	39,123	58,734	58,734	
Purchased professional educational services	850	(150)	700	700	
Purchased technical services	15,000	(1,084)	13,916	13,915	1
Other purchased services	22,000	80,396	102,396	102,396	
General supplies	45,900	40,613	86,513	56,406	30,107
Textbooks	10,000	(8,946)	1,054	1,054	
Other objects	2,000	(1,409)	591	591	
Total regular programs	1,334,510	169,891	1,504,401	1,474,291	30,110
Special education:					
Resource room/resource center:					
Salaries of teachers	182,900	(75,500)	107,400	107,400	
Other salaries for instruction		21,116	21,116	21,116	
General supplies	1,000	(707)	293	293	
Textbooks	1,000	(1,000)			
Total resource room/resource center	184,900	(56,091)	128,809	128,809	

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Shark River Hills	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Total special education	\$ 184,900	\$ (56,091)	\$ 128,809	\$ 128,809	
Basic skills/remedial:					
Salaries of teachers	167,882		167,882	167,882	
General supplies	2,000	(1,500)	500	500	
Total basic skills/remedial	169,882	(1,500)	168,382	168,382	
Other supplemental/at-risk programs:					
Salaries of reading specialists		51,400	51,400	51,400	
Total other supplemental/at-risk programs		51,400	51,400	51,400	
Total - instruction	1,689,292	163,700	1,852,992	1,822,882	\$ 30,110
Attendance and social work services:					
Salaries	18,181	38,699	56,880	56,879	1
Total attendance and social work services	18,181	38,699	56,880	56,879	1
Health services:					
Salaries	59,500	(8,400)	51,100	51,100	
Supplies and materials	4,688		4,688	4,688	
Total health services	64,188	(8,400)	55,788	55,788	
Guidance services:					
Salaries of other professional staff	51,578		51,578	51,578	
Other purchased services	12,000	(124)	11,876	11,876	
Supplies and materials	5,350	(2,847)	2,503	2,503	
Total guidance services	68,928	(2,971)	65,957	65,957	
Improvement of instruction services:					
Salaries of other professional staff	9,000	(3,196)	5,804	5,804	
Purchased professional educational services		6,950	6,950	6,950	
Total improvement of instruction services	9,000	3,754	12,754	12,754	

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Shark River Hills	Original Budget	Transfers	Final Budget	Expenditures	Variance
Educational media/library services:					
Salaries	\$ 206,858	\$ 80	\$ 206,938	\$ 206,938	
Supplies and materials	4,200	137	4,337	4,336	\$ 1
Total educational media/library services	211,058	217	211,275	211,274	1
Support services - school administration:					
Salaries of principals/asst. principals	153,138	(39,779)	113,359	113,358	1
Salaries of other prof. staff		32,698	32,698	32,698	
Salaries secretary/clerical assts.	40,285	(4,815)	35,470	35,470	
Purchased professional & technical services	500	(500)			
Other purchased services	3,100	(1,735)	1,365	1,365	
Supplies and materials	3,985	13,697	17,682	17,682	
Other objects	1,015	(926)	89	89	
Total support services - school administration	202,023	(1,360)	200,663	200,662	1
Security:					
General supplies	100		100	100	
Total security	100	-	100	100	
Student transportation services:					
Contr. serv. (other than home & sch.) - vendors	3,450	3,872	7,322	7,322	
Total student transportation services	3,450	3,872	7,322	7,322	
Personnel services - unallocated employee benefits:					
Social security contributions	7,200	565	7,765	7,765	
Health benefits	666,266	(198,076)	468,190	468,190	
Total personnel services - unallocated employee ben.	673,466	(197,511)	475,955	475,955	
Total undistributed expenditures	1,250,394	(163,700)	1,086,694	1,086,691	3
Total expenditures - current expenditures	2,939,686	-	2,939,686	2,909,573	30,113
Capital Outlay:					
Equipment:					
Regular programs - instruction:					
Grades 1-5	70,828		70,828	70,828	
Total equipment	70,828	-	70,828	70,828	
Total capital outlay	70,828	-	70,828	70,828	
Total school based expenditures	3,010,514	-	3,010,514	2,980,401	30,113
Other Financing Sources:					
Transfer in	3,010,514		3,010,514	2,980,401	30,113
Total Other Financing Sources	3,010,514		3,010,514	2,980,401	30,113
Excess (deficiency) of Other Financing Sources Over (Under) Expenditures and other financing (uses)	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Summerfield	Original Budget	Transfers	Final Budget	Expenditures	Variance
EXPENDITURES					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers:					
Kindergarten	\$ 170,600	\$ (47,169)	\$ 123,431	\$ 123,431	
Grades 1-5	892,649	177,283	1,069,932	1,069,930	\$ 2
Regular programs - undistributed instruction:					
Other salaries for instruction	21,716	41,808	63,524	63,523	1
Purchased professional educational services	850	(300)	550	550	
Purchased technical services	15,000	(7,087)	7,913	7,912	1
Other purchased services	22,000	81,396	103,396	103,396	
General supplies	45,900	16,796	62,696	32,589	30,107
Textbooks	10,000	(5,521)	4,479	4,479	
Other objects	2,000	5,045	7,045	7,045	
Total regular programs	1,180,715	262,251	1,442,966	1,412,855	30,111
Special education:					
Auditory impairments:					
Salaries of teachers	507,564	(22,600)	484,964	484,964	
Other salaries for instruction	150,721	36,678	187,399	187,398	1
Purchased professional educational services	12,000		12,000	12,000	
Other purchased services	19,228	(9,602)	9,626	9,626	
General supplies	30,498	(23,014)	7,484	7,484	
Textbooks	1,100	749	1,849	1,849	
Total auditory impairments	721,111	(17,789)	703,322	703,321	1
Resource room/resource center:					
Salaries of teachers	197,582	(61,080)	136,502	136,502	
General supplies	1,000	(513)	487	487	
Textbooks	1,000	(521)	479	479	
Total resource room/resource center	199,582	(62,114)	137,468	137,468	
Learning and/or Language Disabilities:					
Salaries of teachers	98,600	10,603	109,203	109,203	
Other salaries for instruction	40,292	(200)	40,092	40,092	
Purchased professional educational services	3,000	(3,000)			
Other purchased services	500		500	500	
General supplies	1,000	(477)	523	523	
Textbooks	1,000	855	1,855	1,855	
Total learning and/or language disabilities	144,392	7,781	152,173	152,173	
Total special education	1,065,085	(72,122)	992,963	992,962	1

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Summerfield	Original Budget	Transfers	Final Budget	Expenditures	Variance
Other supplemental/at-risk programs:					
Salaries of reading specialists	\$ 49,500		\$ 49,500	\$ 49,500	
Total other supplemental/at-risk programs	49,500		49,500	49,500	
Total - instruction	2,295,300	\$ 190,129	2,485,429	2,455,317	\$ 30,112
Undistributed expenditures:					
Attendance and social work services:					
Salaries	48,881	(1)	48,880	48,879	1
Total attendance and social work services	48,881	(1)	48,880	48,879	1
Health services:					
Salaries	56,000		56,000	56,000	
Supplies and materials	2,500		2,500	2,499	1
Total health services	58,500	-	58,500	58,499	1
Guidance services:					
Salaries of other professional staff	51,578		51,578	51,578	
Other purchased services	28,000	(5,149)	22,851	22,850	1
Supplies and materials	3,950	(55)	3,895	3,893	2
Total guidance services	83,528	(5,204)	78,324	78,321	3
Improvement of instruction services:					
Salaries of other professional staff	9,000	1,513	10,513	10,512	1
Purchased professional educational services		17,296	17,296	17,296	
Total improvement of instruction services	9,000	18,809	27,809	27,808	1
Educational media/library services:					
Salaries	163,976	594	164,570	164,570	
Supplies and materials	4,200	1,315	5,515	5,513	2
Total educational media/library services	168,176	1,909	170,085	170,083	2

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Summerfield	Original Budget	Transfers	Final Budget	Expenditures	Variance
Support services - school administration:					
Salaries of principals/asst. principals	\$ 127,055		\$ 127,055	\$ 127,055	
Salaries of other prof. staff		\$ 32,698	32,698	32,698	
Salaries secretary/clerical assts.	36,370	3,915	40,285	40,285	
Purchased professional & technical services	500		500	500	
Other purchased services	3,100	(57)	3,043	3,042	\$ 1
Supplies and materials	4,000	(583)	3,417	3,417	
Other objects	1,015	110	1,125	1,125	
Total support services - school administration	172,040	36,083	208,123	208,122	1
Security:					
General supplies	100	471	571	571	
Total security	100	471	571	571	
Student transportation services:					
Contr. serv. (other than home & sch.) - vendors	3,450	(1,603)	1,847	1,847	
Total student transportation services	3,450	(1,603)	1,847	1,847	
Personnel services - unallocated employee benefits:					
Social security contributions	27,000	5,190	32,190	32,190	
Health benefits	903,355	(248,483)	654,872	654,872	
Total personnel services - unallocated employee benefits	930,355	(243,293)	687,062	687,062	-
Total undistributed expenditures	1,474,030	(192,829)	1,281,201	1,281,192	9
Total expenditures - current expenditures	3,769,330	(2,700)	3,766,630	3,736,509	30,121
Capital Outlay:					
Equipment:					
Regular programs - instruction:					
Grades 1-5	43,477	2,700	46,177	46,177	
Total equipment	43,477	2,700	46,177	46,177	-
Total capital outlay	43,477	2,700	46,177	46,177	-
Total school based expenditures	3,812,807	-	3,812,807	3,782,686	30,121
Other Financing Sources:					
Transfer in	3,812,807		3,812,807	3,782,686	30,121
Total Other Financing Sources	3,812,807	-	3,812,807	3,782,686	30,121
Excess (deficiency) of Other Financing Sources Over (Under) Expenditures and other financing (uses)	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Neptune Middle School	Original Budget	Transfers	Final Budget	Expenditures	Variance
EXPENDITURES					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers:					
Grades 6-8	\$ 3,681,103	\$ (114,694)	\$ 3,566,409	\$ 3,566,408	\$ 1
Regular programs - undistributed instruction:					
Purchased professional educational services	6,500	(3,010)	3,490	3,490	
Purchased technical services	29,310	(7,585)	21,725	21,725	
Other purchased services	46,190	80,886	127,076	127,076	
General supplies	71,000	29,166	100,166	70,059	30,107
Textbooks	29,130	(25,846)	3,284	3,284	
Other objects	3,500	(785)	2,715	2,715	
Total regular programs	<u>3,866,733</u>	<u>(41,868)</u>	<u>3,824,865</u>	<u>3,794,757</u>	<u>30,108</u>
Special education:					
Auditory impairments:					
Salaries of teachers	194,391	(24,000)	170,391	170,391	
Other salaries for instruction	49,563		49,563	49,563	
Purchased professional educational services	5,800		5,800	5,800	
Other purchased services	12,100	(4,551)	7,549	7,549	
General supplies	12,000	(10,865)	1,135	1,135	
Textbooks	1,500	(566)	934	934	
Total auditory impairments	<u>275,354</u>	<u>(39,982)</u>	<u>235,372</u>	<u>235,372</u>	
Multiple disabilities:					
Salaries of teachers	70,000		70,000	70,000	
Other salaries for instruction	20,011		20,011	20,011	
General supplies	1,500	440	1,940	1,940	
Total multiple disabilities	<u>91,511</u>	<u>440</u>	<u>91,951</u>	<u>91,951</u>	
Resource room/resource center:					
Salaries of teachers	955,114	(13,133)	941,981	941,981	
Other salaries for instruction		20,516	20,516	20,516	
General supplies	7,500	(3,337)	4,163	4,163	
Textbooks	4,000	(2,892)	1,108	1,108	
Total resource room/resource center	<u>966,614</u>	<u>1,154</u>	<u>967,768</u>	<u>967,768</u>	
Learning and/or Language Disabilities:					
Salaries of teachers	368,382	(4,000)	364,382	364,382	
Purchased professional educational services	5,000	(3,250)	1,750	1,750	
Other purchased services	650	-	650	650	
General supplies	2,000	1,899	3,899	3,899	
Textbooks	2,500	1,794	4,294	4,294	
Total learning and/or language disabilities	<u>378,532</u>	<u>(3,557)</u>	<u>374,975</u>	<u>374,975</u>	
Total special education	<u>1,712,011</u>	<u>(41,945)</u>	<u>1,670,066</u>	<u>1,670,066</u>	

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Neptune Middle School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Bilingual education:					
Salaries of teachers	\$ 26,100		\$ 26,100	\$ 26,100	
Textbooks	400	\$ (33)	367	367	
Total bilingual education	26,500	(33)	26,467	26,467	
School sponsored cocurricular and extra-curricular activities:					
Salaries	34,352	(4,827)	29,525	29,524	\$ 1
Purchased services	4,000	(1,733)	2,267	2,266	1
Total school sponsored cocurricular and extra-curricular activities	38,352	(6,560)	31,792	31,790	2
School sponsored athletic activities:					
Salaries	117,240	(12,623)	104,617	104,616	1
Purchased services	13,500	(4,411)	9,089	9,089	
Supplies and materials	10,000	(136)	9,864	9,863	1
Total school sponsored athletic activities	140,740	(17,170)	123,570	123,568	2
Total - instruction	5,784,336	(107,576)	5,676,760	5,646,648	30,112
Undistributed expenditures:					
Attendance and social work services:					
Salaries	66,781	(1)	66,780	66,779	1
Salaries of drop-out prevention officers/coordinators	41,887		41,887	41,887	
Purchased professional and technical services	20,000		20,000	20,000	
Other purchased services	1,000	(1,000)			
Total attendance and social work services	129,668	(1,001)	128,667	128,666	1
Health services:					
Salaries	79,100	1,750	80,850	80,850	
Purchased prof. and tech. services		70,109	70,109	70,108	1
Supplies and materials	4,498	(116)	4,382	4,382	
Total health services	83,598	71,743	155,341	155,340	1
Guidance services:					
Salaries of other professional staff	250,344	622	250,966	250,966	
Salaries secretary/clerical assts.	36,970		36,970	36,970	
Purchased professional educational services		71,109	71,109	71,108	1
Miscellaneous purchased services	18,000	3,535	21,535	21,534	1
Supplies and materials	8,200	89	8,289	8,289	
Total guidance services	313,514	75,355	388,869	388,867	2
Improvement of instruction services:					
Salaries of other professional staff	27,500	14,272	41,772	41,771	1
Purchased professional educational services		1,000	1,000	1,000	
Total improvement of instruction services	27,500	15,272	42,772	42,771	1
Educational media/library services:					
Salaries	113,310	(6)	113,304	113,304	
Supplies and materials	11,500	9,330	20,830	20,830	
Total educational media/library services	124,810	9,324	134,134	134,134	

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Neptune Middle School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Support services - school administration:					
Salaries of principals/asst. principals	\$ 327,375	\$ (10,950)	\$ 316,425	\$ 316,425	
Salaries of other prof. staff	165,041	(20,132)	144,909	144,908	\$ 1
Salaries secretary/clerical assts.	154,841	7,412	162,253	162,252	1
Purchased professional & technical services	1,000	1,200	2,200	2,200	
Other purchased services	11,100	1,571	12,671	12,671	
Supplies and materials	11,000	(2,393)	8,607	8,606	1
Other objects	5,570	1,930	7,500	7,499	1
Total support services - school administration	675,927	(21,362)	654,565	654,561	4
Security:					
Salaries	163,791	30,606	194,397	194,397	
General supplies	1,050	1,000	2,050	2,050	
Total security	164,841	31,606	196,447	196,447	
Student transportation services:					
Contr. serv. (other than home & sch.) - vendors	29,000	(3,365)	25,635	25,635	
Total student transportation services	29,000	(3,365)	25,635	25,635	
Personnel services - unallocated employee benefits:					
Social security contributions	53,000	10,232	63,232	63,232	
Health benefits	2,276,494	(93,110)	2,183,384	2,183,384	
Total personnel services - unallocated employee ben.	2,329,494	(82,878)	2,246,616	2,246,616	-
Total undistributed expenditures	3,878,352	94,694	3,973,046	3,973,037	9
Total expenditures - current expenditures	9,662,688	(12,882)	9,649,806	9,619,685	30,121
Capital Outlay:					
Equipment:					
Regular programs - instruction:					
Grades 6-8	52,212	12,882	65,094	65,094	
Total equipment	52,212	12,882	65,094	65,094	
Total capital outlay	52,212	12,882	65,094	65,094	
Total school based expenditures	9,714,900	-	9,714,900	9,684,779	30,121
Other Financing Sources:					
Transfer in	9,714,900	-	9,714,900	9,684,779	30,121
Total Other Financing Sources	9,714,900	-	9,714,900	9,684,779	30,121
Excess (deficiency) of Other Financing Sources					
Over (Under) Expenditures and other financing (uses)	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15
Schedule of Blended Expenditures-
Budget and Actual
Year ended June 30, 2012

School: Neptune High School	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers-Grades 9-12	\$ 4,563,443	\$ 36,641	\$ 4,600,084	\$ 4,600,082	\$ 2
Regular programs - undistributed instruction:					
Purchased professional educational services	24,000	27,161	51,161	51,160	1
Purchased technical services	40,000	(6,157)	33,843	33,842	1
Other purchased services	119,750	78,684	198,434	198,434	
General supplies	121,289	84,522	205,811	175,704	30,107
Textbooks	52,410	(9,347)	43,063	43,063	
Other objects	41,590	(4,559)	37,031	37,031	
Total regular programs	<u>4,962,482</u>	<u>206,945</u>	<u>5,169,427</u>	<u>5,139,316</u>	<u>30,111</u>
Special education:					
Auditory impairments:					
Salaries of teachers	199,991	-	199,991	199,991	
Other salaries for instruction	205,937	(47,100)	158,837	158,836	1
Purchased professional educational services	12,000	12,500	24,500	24,500	
Other purchased services	14,950	(3,804)	11,146	11,146	
General supplies	7,000	(3,069)	3,931	3,931	
Textbooks	1,000	-	1,000	1,000	
Total auditory impairments	<u>440,878</u>	<u>(41,473)</u>	<u>399,405</u>	<u>399,404</u>	<u>1</u>
Multiple disabilities:					
Salaries of teachers	52,600		52,600	52,600	
Other salaries for instruction	25,417	(5,806)	19,611	19,611	
General supplies		765	765	765	
Total multiple disabilities	<u>78,017</u>	<u>(5,041)</u>	<u>72,976</u>	<u>72,976</u>	
Resource room/resource center:					
Salaries of teachers	1,069,410	32,781	1,102,191	1,102,191	
Other salaries for instruction	42,432	167	42,599	42,599	
General supplies	10,000	(7,625)	2,375	2,375	
Textbooks	4,000	(3,346)	654	654	
Total resource room/resource center	<u>1,125,842</u>	<u>21,977</u>	<u>1,147,819</u>	<u>1,147,819</u>	
Behavioral disabilities:					
Salaries of teachers	88,500	57,500	146,000	146,000	
Other salaries for instruction	41,127	151	41,278	41,277	1
Purchased professional educational services	1,000	-	1,000	1,000	
Other purchased services	1,000	(1,000)			
General supplies	4,000	(2,627)	1,373	1,373	
Textbooks	500	152	652	652	
Other objects	500	(500)			
Total behavioral disabilities	<u>136,627</u>	<u>53,676</u>	<u>190,303</u>	<u>190,302</u>	<u>1</u>
Total special education	<u>1,781,364</u>	<u>29,139</u>	<u>1,810,503</u>	<u>1,810,501</u>	<u>2</u>
Bilingual education:					
Salaries of teachers	26,100		26,100	26,100	
Textbooks	400	(400)			
Total bilingual education	<u>26,500</u>	<u>(400)</u>	<u>26,100</u>	<u>26,100</u>	
School sponsored cocurricular and extra-curricular activities:					
Salaries	146,006	41,347	187,353	187,353	
Purchased services	34,168	(4,869)	29,299	29,298	1
Total school sponsored cocurricular and extra-curr. act.	<u>180,174</u>	<u>36,478</u>	<u>216,652</u>	<u>216,651</u>	<u>1</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Neptune High School	Original Budget	Transfers	Final Budget	Expenditures	Variance
School sponsored athletic activities:					
Salaries	\$ 745,681	\$ (17,510)	\$ 728,171	\$ 728,169	\$ 2
Purchased services	162,000	(31,587)	130,413	130,412	1
Supplies and materials	140,000	29,558	169,558	169,558	
Total school sponsored athletic activities	1,047,681	(19,539)	1,028,142	1,028,139	3
Total - instruction	7,998,201	252,623	8,250,824	8,220,707	30,117
Undistributed expenditures:					
Attendance and social work services:					
Salaries	62,784	11	62,795	62,794	1
Salaries of drop-out prevention officers/coordinators	41,887		41,887	41,887	
Other purchased services	1,000	(212)	788	787	1
Total attendance and social work services	105,671	(201)	105,470	105,468	2
Health services:					
Salaries	102,000	1,750	103,750	103,750	
Purchased prof. and tech. services		7,500	7,500	7,500	
Supplies and materials	3,674	699	4,373	4,373	
Total health services	105,674	9,949	115,623	115,623	
Guidance services:					
Salaries of other professional staff	402,194	(260)	401,934	401,934	
Salaries secretary/clerical assts.	81,963		81,963	81,963	
Purchased professional educational services		14,032	14,032	14,031	1
Miscellaneous purchased services	28,000	(1,399)	26,601	26,601	
Supplies and materials	20,200	686	20,886	20,886	
Total guidance services	532,357	13,059	545,416	545,415	1
Improvement of instruction services:					
Salaries of other professional staff	54,700	43,002	97,702	97,701	1
Purchased professional educational services		1,056	1,056	1,056	
Total improvement of instruction services	54,700	44,058	98,758	98,757	1
Educational media/library services:					
Salaries	104,190	39	104,229	104,228	1
Supplies and materials	17,600	27,171	44,771	44,771	
Total educational media/library services	121,790	27,210	149,000	148,999	1

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures-
Budget and Actual

Year ended June 30, 2012

School: Neptune High School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Support services - school administration:					
Salaries of principals/asst. principals	\$ 394,040		\$ 394,040	\$ 394,040	
Salaries of other prof. staff	165,041	\$ (20,149)	144,892	144,892	
Salaries secretary/clerical assts.	250,640	(15,891)	234,749	234,749	
Purchased professional & technical services	1,210	(81)	1,129	1,129	
Other purchased services	18,200	1,228	19,428	19,428	
Supplies and materials	19,540	2,940	22,480	22,480	
Other objects	9,500	1,957	11,457	11,457	
Total support services - school administration	858,171	(29,996)	828,175	828,175	
Security:					
Salaries	193,637	(26,640)	166,997	166,997	
General supplies	2,854	5,477	8,331	8,331	
Total security	196,491	(21,163)	175,328	175,328	
Student transportation services:					
Contr. serv. (other than home & sch.) - vendors	247,396	(36,134)	211,262	211,260	\$ 2
Total student transportation services	247,396	(36,134)	211,262	211,260	2
Personnel services - unallocated employee benefits:					
Social security contributions	131,000	6,242	137,242	137,242	
Health benefits	2,716,860	(267,786)	2,449,074	2,449,074	
Total personnel services - unallocated employee benefits	2,847,860	(261,544)	2,586,316	2,586,316	
Total undistributed expenditures	5,070,110	(254,762)	4,815,348	4,815,341	7
Total expenditures - current expenditures	13,068,311	(2,139)	13,066,172	13,036,048	30,124
Capital Outlay:					
Equipment:					
Regular programs - instruction:					
Grades 9-12	105,438	2,139	107,577	106,752	825
Total equipment	105,438	2,139	107,577	106,752	825
Total capital outlay	105,438	2,139	107,577	106,752	825
Total school based expenditures	13,173,749	-	13,173,749	13,142,800	30,949
Other Financing Sources:					
Transfer in	13,173,749		13,173,749	13,142,800	30,949
Total Other Financing Sources	13,173,749	-	13,173,749	13,142,800	30,949
Excess (deficiency) of Other Financing Sources Over (Under) Expenditures and other financing (uses)	-	-	-	-	-
Fund balances, July 1	-	-	-	-	-
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Special Revenue Fund

Neptune Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures --
Budgetary Basis

Year ended June 30, 2012

	Nonpublic					
	Nursing	Text books	Home Instruction	Chapter 192	Exam and Class	Corrective Speech
Revenues:						
State sources	\$ 13,085	\$ 10,460	\$ 1,104	\$ 52,185	\$ 26,405	\$ 19,668
Federal sources						
Total revenues	<u>\$ 13,085</u>	<u>\$ 10,460</u>	<u>\$ 1,104</u>	<u>\$ 52,185</u>	<u>\$ 26,405</u>	<u>\$ 19,668</u>
Expenditures:						
Current expenditures:						
Instruction:						
Salaries of teachers			\$ 1,104	\$ 52,185		\$ 19,668
Other salaries for instruction						
Other purchased services						
General supplies						
Textbooks		\$ 10,460				
Other purchased services (non tech)						
Other Objects						
Total instruction		<u>10,460</u>	<u>1,104</u>	<u>52,185</u>		<u>19,668</u>
Support services:						
Salaries of program directors						
Salaries of supervisors of instruction						
Salaries of secretarial and clerical assistants						
Other salaries					\$ 26,405	
Salaries of other professional staff						
Salaries of facilitators, math coaches, literary coaches, and master teachers						
Personal services--employee benefits						
Other purchased professional services						
Contr Serv - Trans (bet home & school)						
Contr Serv - Trans (field trips)						
Travel						
Other purchased services	\$ 13,085					
Supplies and materials						
Total support services	<u>13,085</u>				<u>26,405</u>	
Facilities acquisition and construction services:						
Instructional equipment						
Total facilities acquisition and construction Services						
Contribution to school based budgets						
Total expenditures	<u>\$ 13,085</u>	<u>\$ 10,460</u>	<u>\$ 1,104</u>	<u>\$ 52,185</u>	<u>\$ 26,405</u>	<u>\$ 19,668</u>

Supplemental Instruction	Title II			
	Regular Program - A	Regular Program A - Summer	Carryover - A	Regular Program - D
\$ 14,802	\$ 178,062	\$ 33,785	\$ 6,948	\$ 340
\$ 14,802	\$ 178,062	\$ 33,785	\$ 6,948	\$ 340
\$ 14,802	\$ 20,000			
14,802	20,000			
		\$ 19,088		
	4,000	1,460		
		2,630	\$ 4,570	
	2,298	10,607	2,378	\$ 340
	6,298	33,785	6,948	340
	151,764			
\$ 14,802	\$ 178,062	\$ 33,785	\$ 6,948	\$ 340

Neptune Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures –
Budgetary Basis

Year ended June 30, 2012

	I.D.E.I.A.				
	Regular Program	Regular Program Summer	Regular ARRA Funding	Preschool Program	Preschool ARRA Funding
Revenues:					
State sources					
Federal sources	\$ 1,186,361	\$ 37,224	\$ 52,857	\$ 38,924	\$ 15,628
Total revenues	\$ 1,186,361	\$ 37,224	\$ 52,857	\$ 38,924	\$ 15,628
Expenditures:					
Current expenditures:					
Instruction:					
Salaries of teachers		\$ 26,000	\$ 7,000		\$ 5,000
Other salaries for instruction					
Other purchased services					
General supplies			2,837		10,246
Textbooks					
Other purchased services (non tech)				\$ 38,924	
Other Objects					
Total instruction		26,000	9,837	38,924	15,246
Support services:					
Salaries of program directors					
Salaries of supervisors of instruction	\$ 5,140				
Salaries of secretarial and clerical assistants					
Other salaries					
Salaries of other professional staff					
Salaries of facilitators, math coaches, literary coaches, and master teachers					
Personal services—employee benefits	393	1,989	536		382
Other purchased professional services	311,684	9,235	42,326		
Contr Serv - Trans (bet home & school)					
Contr Serv - Trans (field trips)					
Travel					
Other purchased services					
Supplies and materials			158		
Total support services	317,217	11,224	43,020		382
Facilities acquisition and construction services:					
Instructional equipment					
Total facilities acquisition and construction Services					
Contribution to school based budgets	869,144				
Total expenditures	\$ 1,186,361	\$ 37,224	\$ 52,857	\$ 38,924	\$ 15,628

Regular Program	Title I			Title I SIA			Vocational Education Perkins Program
	Regular Summer Program	Regular Program Carryover	ARRA Regular	School Improvement Summer	School Improvement Carryover	Regular Program Carryover	
\$ 807,823	\$ 89,443	\$ 117,870	\$ 101,644	\$ 25,265	\$ 39,009	\$ 47,521	\$ 24,571
\$ 807,823	\$ 89,443	\$ 117,870	\$ 101,644	\$ 25,265	\$ 39,009	\$ 47,521	\$ 24,571
	\$ 41,164	\$ 18,380	\$ 59,285				
\$ 137,476	5,023	42,346			\$ 1,400		
9,763		3,784		\$ 3,375			\$ 24,571
147,239	46,187	64,510	59,285	3,375	1,400		24,571
47,860		33,409		390	8,722		
3,662	3,149	3,997	4,535		697		
16,514		9,679	108	1,500	8,750	\$ 237	
46,213	38,158	606	37,716		13,440	47,284	
114,249	1,949	5,669	42,359	1,890	31,609	47,521	
	43,256	53,360					
				20,000	6,000		
				20,000	6,000		
546,335							
\$ 807,823	\$ 89,443	\$ 117,870	\$ 101,644	\$ 25,265	\$ 39,009	\$ 47,521	\$ 24,571

Neptune Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures –
Budgetary Basis

Year ended June 30, 2012

	Preschool Education Aid		Title III		NJPIRC Program	Safe Routes	Totals
	Regular Program	Regular Program	Carryover	Summer			
Revenues:							
State sources	\$ 6,369,844				\$ 350		\$ 6,507,903
Federal sources		\$ 18,124	\$ 2,231	\$ 1,169		\$ 19,500	2,844,299
Total revenues	\$ 6,369,844	\$ 18,124	\$ 2,231	\$ 1,169	\$ 350	\$ 19,500	\$ 9,352,202
Expenditures:							
Current expenditures:							
Instruction:							
Salaries of teachers	\$ 1,758,214						\$ 2,022,802
Other salaries for instruction	655,093						655,093
Purchased prof and tech services							184,845
General supplies	89,864	\$ 18,124	\$ 2,231	\$ 1,169			125,871
Textbooks							10,460
Other purchased services (non tech)	50,648						103,119
Other Objects	4,610						32,556
Total instruction	2,558,429	18,124	2,231	1,169			3,134,746
Support services:							
Salaries of program directors	147,589						147,589
Salaries of supervisors of instruction	94,597						209,206
Salaries of secretarial and clerical assistants	92,930						92,930
Other salaries	159,542						185,947
Salaries of other professional staff	100,400						100,400
Salaries of facilitators, math coaches, literary coaches, and master teachers	131,500						131,500
Personal services–employee benefits	2,676,395						2,701,195
Other purchased professional services	39,100						446,333
Contr Serv - Trans (bet home & school)	361,260						361,260
Contr Serv - Trans (field trips)	5,963						5,963
Travel	2,139						2,139
Other purchased services							99,133
Supplies and materials					\$ 350	\$ 11,178	132,296
Total support services	3,811,415				350	11,178	4,615,891
Facilities acquisition and construction services:							
Instructional equipment						8,322	34,322
Total facilities acquisition and construction Services						8,322	34,322
Contribution to school based budgets							1,567,243
Total expenditures	\$ 6,369,844	\$ 18,124	\$ 2,231	\$ 1,169	\$ 350	\$ 19,500	\$ 9,352,202

Neptune Township School District
Special Revenue Fund

Schedule of Preschool Education Aid Expenditures
Budgetary Basis

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Expenditures:					
Current expenditures:					
Instruction:					
Salaries of teachers	\$ 2,005,400	\$ (247,186)	\$ 1,758,214	\$ 1,758,214	
Other salaries for instruction	746,059	(90,966)	655,093	655,093	
General supplies	25,000	64,864	89,864	89,864	
Other purchased services	26,300	24,348	50,648	50,648	
Other objects	5,000	(390)	4,610	4,610	
Total instruction	<u>2,807,759</u>	<u>(249,330)</u>	<u>2,558,429</u>	<u>2,558,429</u>	
Support services:					
Salaries of program directors	147,589		147,589	147,589	
Salaries of supervisors of instruction	93,002	1,595	94,597	94,597	
Salaries of secretarial and clerical assistants	90,420	2,510	92,930	92,930	
Other salaries	153,941	5,601	159,542	159,542	
Salaries of other professional staff	71,500	28,900	100,400	100,400	
Salaries of facilitators, math coaches, literary coaches, and master teachers	131,500		131,500	131,500	
Personal services—employee benefits	2,175,916	500,479	2,676,395	2,676,395	
Other purchased professional services	130,932	(91,832)	39,100	39,100	
Contr Serv - Trans (bet home & school)	372,000	(10,740)	361,260	361,260	
Contr Serv - Trans (other than bet home & school)	18,750	(12,787)	5,963	5,963	
Travel	3,000	(861)	2,139	2,139	
Total support services	<u>3,388,550</u>	<u>422,865</u>	<u>3,811,415</u>	<u>3,811,415</u>	
Total expenditures	<u>\$ 6,196,309</u>	<u>\$ 173,535</u>	<u>\$ 6,369,844</u>	<u>\$ 6,369,844</u>	<u>\$ -</u>

Calculation of Carryover

Total 2011-12 Preschool Education Aid allocation	\$ 6,255,811
Add: Actual carryover (June 30, 2011)	<u>191,019</u>
Total Preschool Education Aid funds available for 2011-12 Budget	6,446,830
Less: 2011-12 budgeted Preschool Education Aid (including prior year budgeted carryover)	<u>(6,369,844)</u>
Available and unbudgeted Preschool Education Aid funds as of June 30, 2012	76,986
Add: June 30, 2012 unexpended Preschool Education Aid	-
2011-2012 actual carryover - Preschool Education Aid	<u>\$ 76,986</u>
2011-2012 Preschool Education Aid carryover budgeted in 2012-13	<u>\$ 76,986</u>

Capital Projects Fund
Detail Schedule

Neptune Township School District
Capital Projects Fund
Summary Schedule of Project Expenditures
Year ended June 30, 2012

Project Title	Original Authorization	Adjusted Appropriation	Expenditures		Unexpended Balance June 30, 2012
			Prior Years	Current Year	
Early Childhood Center #ET-0004-C01	\$ 7,454,000	\$ 10,831,886	\$ 10,831,886		
High School Swing space #ET-0015-C03	5,165,000	5,846,300	5,846,300		
High School Expansion #ET-0015-C01	46,894,000	85,497,714	85,405,366	\$ 90,953	\$ 1,395
Middle School/Gables ES #ET-0052-001	19,100,000	27,812,899	27,812,899		
Green Grove ES #ET-0026-C01	8,276,000	13,516,610	13,516,038	189	383
Green Grove ES #3510-063-08-0FAP	15,000	82,577	15,000	67,577	
Ridge Avenue ES #HS-0005-C01	95,766	123,266	123,266		
Summerfield ES #ET-0027-B01	21,804,700	24,109,534	24,109,534		
Shark River Hills ES #ET-0012-C01	7,860,000	9,825,415	9,825,415		
Community and Summerfield #ET-0079-E01	394,891	966,942	966,942		
Shark River Hills ES Tech Package #ET-0012-T01	180,245	181,445	181,445		
Midtown CES #ET-0013-C01	35,999,500	72,850,937	72,429,579	421,358	
	<u>\$ 153,239,102</u>	<u>\$ 251,645,525</u>	<u>\$ 251,063,670</u>	<u>\$ 580,077</u>	<u>\$ 1,778</u>

All projects are administered by the New Jersey Schools Development Authority (NJSDA), except for Project #3510-063-08-0FAP.

Fiduciary Funds
Detail Statements

Neptune Township School District
Fiduciary Funds

Combining Statement of Fiduciary Net Assets

June 30, 2012

	Trust	Agency		
	Unemployment Compensation	Student Activity	Payroll	Totals
Assets				
Cash and cash equivalents	\$ 1,148,524	\$ 86,565	\$ 377,644	\$ 464,209
Accounts receivable	21,181		5,000	5,000
Total assets	<u>1,169,705</u>	<u>\$ 86,565</u>	<u>\$ 382,644</u>	<u>\$ 469,209</u>
Liabilities				
Payroll deductions and withholdings payable			\$ 361,463	\$ 361,463
Accounts payable	20,333		21,181	21,181
Due to student groups		\$ 86,565		86,565
Total liabilities	<u>20,333</u>	<u>\$ 86,565</u>	<u>\$ 382,644</u>	<u>\$ 469,209</u>
Net assets-held in trust for unemployment benefits	<u>\$ 1,149,372</u>			

Neptune Township School District
Student Activity Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2012

	Balance July 1, 2011	Cash Receipts	Cash Disbursements	Balance June 30, 2012
Middle school accounts				
Neptune Middle School	\$ 20,183	\$ 68,152	\$ 76,468	\$ 11,867
High school accounts				
Neptune High School	\$ 98,337	\$ 131,784	\$ 161,803	\$ 68,318
Athletic Fund	17,445	62,969	74,034	6,380
	\$ 115,782	\$ 194,753	\$ 235,837	\$ 74,698
Total all schools	\$ 135,965	\$ 262,905	\$ 312,305	\$ 86,565

Neptune Township School District
Payroll Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2012

	Balance July 1, 2011	Cash Receipts	Cash Disbursements	Balance June 30, 2012
Assets				
Cash and cash equivalents	\$ 211,225	\$ 43,412,708	\$ 43,246,289	\$ 377,644
Accounts receivable	101,601	5,000	101,601	5,000
Total assets	<u>\$ 312,826</u>	<u>\$ 43,417,708</u>	<u>\$ 43,347,890</u>	<u>\$ 382,644</u>
Liabilities				
Payroll deductions and withholdings payable	\$ 293,406	\$ 43,396,527	\$ 43,328,470	\$ 361,463
Interfunds payable	19,420	21,181	19,420	21,181
Total liabilities	<u>\$ 312,826</u>	<u>\$ 43,417,708</u>	<u>\$ 43,347,890</u>	<u>\$ 382,644</u>

Long-Term Debt

Neptune Township School District
Long-Term Debt

Schedule of Serial Bonds Payable

Year ended June 30, 2012

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2011	Retired	Balance June 30, 2012
			Date	Amount				
Various improvements to sites - Bonds *	4/3/2006	\$ 1,202,000	8/1/2012	\$145,000	3.50%	\$ 436,000	\$ 146,000	\$ 290,000
			8/1/2013	145,000	5.00			
						<u>\$ 436,000</u>	<u>\$ 146,000</u>	<u>\$ 290,000</u>

* Payable to Monmouth County Improvement Authority.

Neptune Township School District
Long-Term Debt

Schedule of Certificates of Participation Payable

Year ended June 30, 2012

Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance	Retired	Balance
		Date	Amount		July 1, 2011		June 30, 2012
4/9/1998	\$ 8,300,000	12/15/2012	\$ 3,325,000	4.80%	\$ 4,900,000	\$ 1,575,000	\$ 3,325,000
					<u>\$ 4,900,000</u>	<u>\$ 1,575,000</u>	<u>\$ 3,325,000</u>

Neptune Township School District
Debt Service Fund

Budgetary Comparison Schedule

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
Local tax levy	\$ 596,900		\$ 596,900	\$ 596,900	
State sources:					
Debt Service Aid	162,218		162,218	162,218	
Total revenues	<u>759,118</u>		<u>759,118</u>	<u>759,118</u>	
Expenditures:					
Principal on bonds	146,000		146,000	146,000	
Interest on bonds	17,238		17,238	17,238	
Principal on certificates of participation	365,000	\$ 1,210,000	1,575,000	1,575,000	
Interest on certificates of participation	230,880	(4,850)	226,030	226,030	
Total expenditures	<u>759,118</u>	<u>1,205,150</u>	<u>1,964,268</u>	<u>1,964,268</u>	
Deficiency of revenues under expenditures	-	(1,205,150)	(1,205,150)	(1,205,150)	
Other financing sources:					
Transfers In		1,205,150	1,205,150	1,205,150	
Total other financing sources	-	<u>1,205,150</u>	<u>1,205,150</u>	<u>1,205,150</u>	
Net change in fund balance	-	-	-	-	
Fund balance, July 1	-	-	-	-	-
Fund balance, June 30	<u>\$ -</u>	<u>\$ 1,205,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Statistical Section

**Statistical Section
Unaudited**

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.

Sources: *Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report (CAFR) for the relevant year.*

Neptune Township School District
 Net Assets by Component
 Last Ten Fiscal Years
(accrual basis of accounting)
 Unaudited

J-1

	Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	\$21,460,191	\$62,416,531	\$132,369,928	\$165,121,723	\$210,321,468	\$234,106,513	\$245,407,223	\$250,385,213	\$246,690,255	\$246,697,421
Restricted	1,077,847	2,454,644	92,578	66,003	43,673	3,039,761	4,197,619	3,341,527	6,437,867	7,784,498
Unrestricted (deficit)	(1,315,769)	(1,101,477)	1,455,293	1,389,773	(404,385)	(314,394)	(1,780,880)	(1,668,099)	(1,884,320)	(3,218,612)
Total governmental activities net assets	<u>\$21,222,269</u>	<u>\$63,769,698</u>	<u>\$133,917,799</u>	<u>\$166,577,499</u>	<u>\$209,960,756</u>	<u>\$236,831,880</u>	<u>\$247,823,962</u>	<u>\$252,058,641</u>	<u>\$251,243,802</u>	<u>\$251,263,307</u>
Business-type activities										
Invested in capital assets, net of related debt		\$35,644	\$32,432	\$30,115	\$27,799	\$25,483	\$74,090	\$117,021	\$106,847	\$100,336
Unrestricted	\$199,695	201,407	149,812	108,463	77,356	19,432	123,737	650,930	889,478	1,150,766
Total business-type activities net assets	<u>\$199,695</u>	<u>\$237,051</u>	<u>\$182,244</u>	<u>\$138,578</u>	<u>\$105,155</u>	<u>\$44,915</u>	<u>\$197,827</u>	<u>\$767,951</u>	<u>\$996,325</u>	<u>\$1,251,102</u>
Government-wide										
Invested in capital assets, net of related debt	\$21,460,191	\$62,452,175	\$132,402,360	\$165,151,838	\$210,349,267	\$234,131,996	\$245,481,313	\$250,502,234	\$246,797,102	\$246,797,757
Restricted	1,077,847	2,454,644	92,578	66,003	43,673	3,039,761	4,197,619	3,341,527	6,437,867	7,784,498
Unrestricted (deficit)	(1,116,074)	(900,070)	1,605,105	1,498,236	(327,029)	(294,962)	(1,657,143)	(1,017,169)	(994,842)	(2,067,846)
Total government-wide net assets	<u>\$21,421,964</u>	<u>\$64,006,749</u>	<u>\$134,100,043</u>	<u>\$166,716,077</u>	<u>\$210,065,911</u>	<u>\$236,876,795</u>	<u>\$248,021,789</u>	<u>\$252,826,592</u>	<u>\$252,240,127</u>	<u>\$252,514,409</u>

Source: CAFR Schedule A-1 and District records.

Neptune Township School District
Changes in Net Assets, Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental activities										
Instruction	\$ 38,925,443	\$ 41,634,095	\$42,380,657	\$ 46,692,597	\$ 50,350,090	\$ 48,095,418	\$ 47,747,170	\$ 49,086,517	\$ 47,980,683	\$ 49,659,574
Support Services:										
Attendance and social work	481,054	578,899	657,538	779,427	755,254	674,188	776,158	860,446	573,664	593,874
Health services	577,680	587,821	644,443	718,811	804,056	756,469	840,461	879,442	818,143	959,041
Other support services	6,790,225	7,865,138	7,779,787	9,872,350	7,803,783	7,868,294	8,241,452	8,878,331	8,742,643	9,703,100
Improvement of instruction	636,688	808,431	772,711	534,265	911,980	841,579	845,813	856,175	754,990	745,595
Other support instructional staff	26,370	51,707	29,225	44,195	288,730	2,327,656	1,888,374	1,896,216	1,732,379	1,696,484
General administration	1,472,529	2,086,359	1,928,509	2,418,557	1,996,637	2,174,569	2,617,559	2,288,414	2,321,299	2,161,427
School administration	2,051,826	2,380,895	2,553,942	3,099,798	2,900,686	3,184,420	3,844,218	3,963,288	3,681,649	4,017,927
Required maintenance of plant	756,653	1,622,177	1,472,504	1,634,360	5,477,852	3,780,944	5,209,266	4,954,414	4,713,431	7,120,516
Operation of plant	3,795,350	4,180,152	5,018,211	6,328,595	6,967,380	6,685,880	7,257,068	8,502,313	8,002,675	7,187,294
Security										461,211
Student transportation	3,521,142	3,879,721	3,961,078	4,188,079	4,134,880	3,922,909	3,762,466	3,677,636	3,313,121	2,643,718
Business and other support services and benefits	519,180	2,234,337	1,173,770	1,372,165	1,768,496	1,485,548	1,703,072	1,697,916	1,516,929	1,727,678
Capital outlay	2,578,761	250,692	1,836,000							
Charter Schools	201,829	211,941	228,420	356,945	395,337	347,778	431,631	384,188	459,982	696,069
Interest on long-term debt	394,950	382,984	383,849	263,535	346,632	321,571	310,084	290,377	267,736	237,837
Total governmental activities expenses	62,729,680	68,755,349	70,820,644	78,303,679	84,901,793	82,467,223	85,474,792	88,215,673	84,879,324	89,611,345
Business-type activities										
Food service	1,473,741	1,671,818	1,832,373	1,835,873	1,840,065	1,899,052	1,926,104	1,942,047	1,849,157	1,997,365
Aquatic center								42,190	143,100	327,778
Total business-type activities expense	1,473,741	1,671,818	1,832,373	1,835,873	1,840,065	1,899,052	1,926,104	1,984,237	1,992,257	2,325,143
Total district expenses	\$ 64,203,421	\$ 70,427,167	\$72,653,017	\$ 80,139,552	\$ 86,741,858	\$ 84,366,275	\$ 87,400,896	\$ 90,199,910	\$ 86,871,581	\$ 91,936,488
Program Revenues										
Governmental activities										
Charges for services:										
Instruction (tuition)	\$ 2,593,028	\$ 3,075,626	\$ 2,859,239	\$ 2,519,869	\$ 2,698,238	\$ 2,981,163	\$ 3,172,528	\$ 3,025,839	\$ 3,748,115	\$ 5,104,323
Student transportation			250,487	258,082	325,000	361,322	404,954	441,037	311,736	338,185
Operating grants and contributions	7,094,288	7,576,375	7,138,043	10,190,791	8,544,384	7,168,639	7,344,441	7,921,340	7,820,320	7,795,248
Capital grants and contributions		41,067,247	70,285,387	34,283,934	48,062,542	27,632,552	14,735,769	8,531,828	151,054	580,077
Total governmental activities program revenues	9,687,316	51,719,248	80,533,156	47,252,676	59,630,164	38,143,676	25,657,692	19,920,044	12,031,225	13,817,833

Neptune Township School District
Changes in Net Assets, Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Business-type activities										
Charges for services										
Food service	\$ 650,402	\$ 765,526	\$ 742,015	\$ 729,641	\$ 724,893	\$ 739,309	\$ 723,167	\$ 754,688	\$ 596,762	\$ 577,907
Aquatic center								18,931	241,231	253,049
Operating grants and contributions	859,652	943,648	1,035,551	1,062,566	1,081,749	1,099,503	1,199,999	1,349,774	1,379,601	1,493,576
Total business type activities program revenues	<u>1,510,054</u>	<u>1,709,174</u>	<u>1,777,566</u>	<u>1,792,207</u>	<u>1,806,642</u>	<u>1,838,812</u>	<u>1,923,166</u>	<u>2,123,393</u>	<u>2,217,594</u>	<u>2,324,532</u>
Total district program revenues	<u>\$ 11,197,370</u>	<u>\$ 53,428,422</u>	<u>\$ 82,310,722</u>	<u>\$ 49,044,883</u>	<u>\$ 61,436,806</u>	<u>\$ 39,982,488</u>	<u>\$ 27,580,858</u>	<u>\$ 22,043,437</u>	<u>\$ 14,248,819</u>	<u>\$ 16,142,365</u>
Net (Expense)/Revenue										
Governmental activities	\$ (53,042,364)	\$ (17,036,101)	\$ 9,712,512	\$ (31,051,003)	\$ (25,271,629)	\$ (44,323,547)	\$ (59,817,100)	\$ (68,295,629)	\$ (72,848,099)	\$ (75,793,512)
Business-type activities	36,313	37,356	(54,807)	(43,666)	(33,423)	(60,240)	(2,938)	139,156	225,337	(611)
Total district-wide net (expense)/revenue	<u>\$ (53,006,051)</u>	<u>\$ (16,998,745)</u>	<u>\$ 9,657,705</u>	<u>\$ (31,094,669)</u>	<u>\$ (25,305,052)</u>	<u>\$ (44,383,787)</u>	<u>\$ (59,820,038)</u>	<u>\$ (68,156,473)</u>	<u>\$ (72,622,762)</u>	<u>\$ (75,794,123)</u>
General Revenues and Other Changes in Net Assets										
Governmental activities										
Property taxes levied for general purposes	\$ 23,641,746	\$ 25,785,237	\$ 26,160,000	\$ 27,527,194	\$ 29,049,868	\$ 30,211,863	\$ 31,395,338	\$ 32,651,152	\$ 33,957,198	\$ 33,957,198
Property taxes levied for debt service	648,349	617,834	586,958	557,903	557,927	561,394	590,914	294,400	608,133	596,900
Unrestricted grants and contributions	41,113,427	31,467,291	34,496,057	37,125,541	39,987,380	39,961,668	37,972,016	38,761,487	36,251,321	40,556,344
Investment earnings	154,567	66,595	107,780	310,274	405,787	208,405	80,816	31,154	13,227	1,196
Miscellaneous income	77,213	899,088	378,508	71,870	400,732	294,968	824,735	792,115	1,203,381	701,379
Transfers	203,306						(53,920)			
Gain (loss) on sale of capital assets		1,875,000			(95,204)	(43,627)	(717)			
Total governmental activities	<u>65,838,608</u>	<u>60,711,045</u>	<u>61,729,303</u>	<u>65,592,782</u>	<u>70,306,490</u>	<u>71,194,671</u>	<u>70,809,182</u>	<u>72,530,308</u>	<u>72,033,260</u>	<u>75,813,017</u>
Business-type activities										
Other							101,930	430,968	3,037	255,388
Transfers	100,000						53,920			
Total business-type activities	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>155,850</u>	<u>430,968</u>	<u>3,037</u>	<u>255,388</u>
Total district-wide	<u>\$ 65,938,608</u>	<u>\$ 60,711,045</u>	<u>\$ 61,729,303</u>	<u>\$ 65,592,782</u>	<u>\$ 70,306,490</u>	<u>\$ 71,194,671</u>	<u>\$ 70,965,032</u>	<u>\$ 72,961,276</u>	<u>\$ 72,036,297</u>	<u>\$ 76,068,405</u>
Change in Net Assets										
Governmental activities	\$ 12,796,244	\$ 43,674,944	\$ 71,441,815	\$ 34,541,779	\$ 45,034,861	\$ 26,871,124	\$ 10,992,082	\$ 4,234,679	\$ (814,839)	\$ 19,505
Business-type activities	136,313	37,356	(54,807)	(43,666)	(33,423)	(60,240)	152,912	570,124	228,374	254,777
Total district	<u>\$ 12,932,557</u>	<u>\$ 43,712,300</u>	<u>\$ 71,387,008</u>	<u>\$ 34,498,113</u>	<u>\$ 45,001,438</u>	<u>\$ 26,810,884</u>	<u>\$ 11,144,994</u>	<u>\$ 4,804,803</u>	<u>\$ (586,465)</u>	<u>\$ 274,282</u>

Source: CAFR Schedule A-2 and District records.

Note: The significant fluctuation from year to year in the capital grants and contributions is based upon the renovations of various schools handled by the NJSDA.

Neptune Township School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

J-3

	Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Reserved	\$ 749,934	\$ 4,505,651	\$2,761,502	\$3,531,942	\$1,846,101	\$5,013,416	\$5,727,715	\$ 5,768,475		
Unreserved (deficit)	846,007	(162,373)	608,640	(82,664)	(1,625)	(25,453)	(703,433)	(1,679,851)		
Restricted									\$ 6,437,867	\$ 7,784,498
Assigned to									563,189	
Unassigned deficit										(853,153)
Total general fund	<u>\$ 1,595,941</u>	<u>\$ 4,343,278</u>	<u>\$3,370,142</u>	<u>\$3,449,278</u>	<u>\$1,844,476</u>	<u>\$4,987,963</u>	<u>\$5,024,282</u>	<u>\$ 4,088,624</u>	<u>\$ 7,001,056</u>	<u>\$ 6,931,345</u>
All Other Governmental Funds										
Reserved	\$ 446,311	\$ 410,389	\$ 92,578	\$ 66,003	\$ 28,641	\$ 9,584	\$ 9,584	\$ 158		
Unassigned-special revenue fund									\$ (598,554)	\$ (626,485)
Unreserved, reported in:										
Special revenue fund (deficit)	(182,921)	(174,303)	(174,303)	(174,303)	(174,303)	(174,303)	(519,944)	(591,683)		
Capital projects fund	4,567	4,660								
Debt service fund							158			
Total all other governmental funds	<u>\$ 267,957</u>	<u>\$ 240,746</u>	<u>\$ (81,725)</u>	<u>\$ (108,300)</u>	<u>\$ (145,662)</u>	<u>\$ (164,719)</u>	<u>\$ (510,202)</u>	<u>\$ (591,525)</u>	<u>\$ (598,554)</u>	<u>\$ (626,485)</u>

Source: CAFR Schedule B-1 and District records.

Note 1: GASB 54 was implemented in the 2011 fiscal year, which required the presentation of governmental fund balances to be reported in different classifications from those presented in prior years. Prior years have not been restated and are not required to be.

Note 2: The deficits in the general fund and special revenue fund are the result of the last state aid payments from the State being deferred until after the end of the fiscal year. See notes to the basic financial statements for additional information.

Neptune Township School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Tax levy	\$ 24,290,095	\$ 26,403,071	\$ 26,746,958	\$ 28,085,097	\$ 29,607,795	\$ 30,773,257	\$ 31,986,252	\$ 32,945,552	\$ 34,565,331	\$ 34,554,098
Tuition charges	2,593,028	3,075,626	2,859,239	2,519,869	2,698,238	2,981,163	3,172,528	3,025,839	3,748,115	5,104,323
Transportation fees	200,000	189,634	250,487	258,082	325,000	361,322	404,954	441,037	311,736	338,185
Interest earnings	112,598	66,595	107,780	310,274	405,787	208,405	80,816	31,154	13,227	1,196
Miscellaneous	119,182	899,088	378,508	724,187	1,491,551	327,968	824,735	792,115	1,203,381	701,379
State sources	46,097,917	77,168,678	109,375,069	78,347,820	92,770,918	72,353,361	57,167,117	47,026,348	40,793,432	44,768,850
Federal sources	1,909,798	2,752,601	2,544,418	2,600,129	2,732,569	2,376,498	2,885,109	8,188,307	3,429,263	4,162,819
Total revenue	75,322,618	110,555,293	142,262,459	112,845,458	130,031,858	109,381,974	96,521,511	92,450,352	84,064,485	89,630,850
Expenditures										
Instruction										
Regular and Special Education Instruction	32,609,253	33,997,430	34,898,214	36,563,281	37,549,386	35,678,467	35,768,872	35,565,498	34,150,760	35,106,067
Support Services:										
Attendance and social work	367,737	440,921	490,126	544,495	489,289	430,479	512,016	574,892	372,281	390,137
Health services	443,829	455,343	490,082	505,375	539,091	498,516	567,791	608,502	553,923	674,046
Other support services	6,169,040	6,852,828	6,927,961	8,571,179	6,264,813	6,235,278	6,690,538	6,974,725	6,768,042	7,560,746
Improvement of instruction	482,117	606,479	579,534	379,773	597,615	568,459	585,723	620,538	521,288	545,713
School library	801,193	859,618	971,307	1,408,508	1,088,444	1,312,028	1,055,279	1,092,814	1,139,672	1,116,033
Instructional staff training	12,598	50,832	28,757	33,285	13,562	30,728	7,593	17,059	3,300	
General administration	1,302,189	1,895,579	1,723,995	2,119,641	1,617,377	1,464,183	1,892,000	1,518,592	1,854,570	1,710,602
School administration	1,572,567	1,837,924	1,944,664	2,271,381	1,917,423	2,105,400	2,751,777	2,672,635	2,410,661	2,621,072
Central services			695,614	685,362	740,832	744,667	815,247	850,743	787,782	805,899
Information technology			157,368	197,717	239,251	45,289	264,280	257,677	222,732	365,222
Required maintenance of plant	725,787	1,570,294	1,427,780	1,532,406	5,069,153	3,468,923	4,827,159	4,486,980	5,681,587	5,874,318
Operation of plant	3,213,489	3,531,745	4,242,934	5,223,238	5,489,271	5,291,803	5,869,659	6,892,061	6,392,637	5,999,691
Student transportation	3,438,629	3,789,623	3,869,562	4,002,111	3,833,122	3,614,595	3,485,782	3,330,917	2,972,357	2,361,935
Business and other support services and benefits	5,997,978	7,209,116	7,710,251	8,183,816	9,293,170	9,298,494	11,367,318	12,459,632	11,492,920	11,866,966
On-behalf payments	3,057,598	3,716,952	3,918,853	4,521,263	6,503,106	6,576,891	4,002,701	3,945,565	4,122,345	4,834,047
Charter schools	198,491	211,941	228,420	253,535	395,337	347,778	431,631	384,188	459,982	696,069
Capital outlay	16,263,652	41,797,058	72,437,295	35,006,148	49,234,348	27,762,885	15,096,262	10,437,175	478,634	5,235,661
Debt service:										
Principal	493,500	503,500	431,500	424,000	453,000	458,000	472,000	485,000	503,000	1,716,140
Interest and other charges	394,950	382,984	383,849	366,383	346,432	324,681	313,127	292,140	270,605	248,128
Total expenditures	77,544,597	109,710,167	143,558,066	112,792,897	131,674,022	106,257,544	96,776,755	93,467,333	81,159,082	89,728,492
Excess (Deficiency) of revenues over (under) expenditures	(2,221,979)	845,126	(1,295,607)	52,561	(1,642,164)	3,124,430	(255,244)	(1,016,981)	2,905,403	(97,642)
Other Financing sources (uses)										
Transfers in	7,127,710	6,346,533	6,681,597	7,133,209	7,383,998	7,124,751	2,422,849	1,842,515	1,509,929	2,772,393
Transfers out	(7,227,244)	(6,346,533)	(6,681,597)	(7,133,209)	(7,383,998)	(7,124,751)	(2,476,769)	(1,842,515)	(1,509,929)	(2,772,393)
Transfer from escrow agent	302,840									
Gain on sale of capital assets		1,875,000	-	-	-	-	-	-	-	-
Total other financing sources (uses)	203,306	1,875,000	-	-	-	-	(53,920)	-	-	-
Net change in fund balances	\$ (2,018,673)	\$ 2,720,126	\$ (1,295,607)	\$ 52,561	\$ (1,642,164)	\$ 3,124,430	\$ (309,164)	\$ (1,016,981)	\$ 2,905,403	\$ (97,642)
Debt service as a percentage of noncapital expenditures	1.4%	1.3%	1.1%	1.0%	1.0%	1.0%	1.0%	0.9%	1.0%	2.3%

Source: CAFR Schedule B-2.

Neptune Township School District
 General Fund - Other Local Revenue By Source
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Refund of Prior Year Expenditures	Void Checks of prior year	Utility Rebates	Agency Refund	Facility Rentals	Misc.	Total
2003	\$ 118,978					\$ 204	\$ 119,182
2004	241,185	\$ 401,647				72,529	715,361
2005	219,475					159,033	378,508
2006						71,879	71,879
2007	23,600	19,386	\$ 100,000	\$ 110,000		147,746	400,732
2008	65,833	7,908	88,226			133,001	294,968
2009	91,143				\$ 482,608	250,984	824,735
2010	58,322		30,178		500,102	172,359	760,961
2011	520,591		36,850		389,271	47,599	994,311
2012	151,239		22,278		390,274	137,588	701,379

Source: District records.

Neptune Township School District
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2003	\$ 18,751,200	\$ 1,067,394,300	\$ 333,500	\$ 21,000	\$ 212,729,900	\$ 35,801,400	\$ 38,983,400	\$ 1,374,014,700	\$ 5,006,019	\$ 1,379,020,719	\$ 1.915	\$ 2,036,657,390
2004	50,818,000	2,266,283,500	311,200	16,200	417,224,800	77,077,600	79,981,500	2,891,712,800	7,165,932	2,898,878,732	0.923	2,898,878,732
2005	48,213,400	2,273,627,700	651,000	16,100	430,072,900	74,698,500	78,061,000	2,905,340,600	7,005,153	2,912,345,753	0.964	2,960,904,588
2006	48,200,000	2,290,022,579	651,000	16,100	431,000,000	75,500,000	78,100,000	2,923,489,679	7,100,000	2,930,589,679	1.010	3,478,031,900
2007	34,556,500	2,304,777,200	601,000	16,100	403,007,700	70,921,400	93,432,700	2,907,312,600	5,409,040	2,912,721,640	1.057	3,830,512,413
2008	34,046,000	2,318,015,700	601,000	16,100	410,952,900	67,131,700	91,495,500	2,922,258,900	4,772,376	2,927,031,276	1.093	4,132,473,918
2009	32,036,800	2,334,168,100	601,000	16,100	403,116,100	66,831,700	88,702,000	2,925,471,800	5,168,938	2,930,640,738	1.124	3,940,560,075
2010	36,214,500	2,323,286,400	601,000	16,100	387,008,100	66,471,800	89,185,500	2,902,783,400	5,437,906	2,908,221,306	1.189	3,789,039,812
2011	35,964,600	2,321,826,600	601,000	16,100	384,342,700	64,489,400	90,747,800	2,897,988,200	5,364,247	2,903,352,447	1.190	3,650,778,786
2012	39,161,300	2,319,104,800	601,000	16,100	391,353,700	63,807,800	90,771,800	2,904,816,500	5,640,333	2,910,456,833	1.186	3,666,486,310

Note:

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation; this occurred in 2004 in Neptune Township.

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

Source: District records, Municipal Tax Assessor and Collector, Abstract of Ratables, County Board of Taxation.

Neptune Township School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
Unaudited

(Rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Neptune Township School District			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Neptune Township	Library	Neptune Fire Districts	Monmouth County	
2003	\$ 1.870	\$ 0.045	\$ 1.915	\$ 0.973		\$ 0.120	\$ 0.597	\$ 3.605
2004	0.902	0.020	0.923	0.562		0.082	0.310	1.877
2005	0.945	0.019	0.964	0.615		0.089	0.329	1.997
2006	0.991	0.019	1.010	0.663		0.108	0.340	2.121
2007	1.037	0.019	1.057	0.689		0.123	0.343	2.212
2008	1.073	0.020	1.093	0.717		0.128	0.346	2.284
2009	1.114	0.010	1.124	0.746		0.129	0.351	2.350
2010	1.168	0.020	1.188	0.786		0.129	0.353	2.456
2011	1.170	0.020	1.190	0.777	\$ 0.044	0.130	0.356	2.497
2012	1.166	0.020	1.186	0.808	0.042	0.130	0.355	2.521

(Percentage of total tax rate)

Fiscal Year Ended June 30,	Neptune Township School District			Overlapping Rates				Percentage Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Neptune Township	Library	Neptune Fire Districts	Monmouth County	
2003	\$ 51.87	\$ 1.25	\$ 53.12	\$ 26.99		\$ 3.33	\$ 16.56	100.00 %
2004	48.16	1.01	49.17	29.94		4.37	16.52	100.00
2005	47.27	1.00	48.27	30.80		4.46	16.47	100.00
2006	46.62	1.00	47.62	31.26		5.09	16.03	100.00
2007	46.89	0.87	47.76	31.16		5.56	15.52	100.00
2008	46.98	0.88	47.85	31.39		5.61	15.15	100.00
2009	47.40	0.43	47.83	31.74		5.49	14.94	100.00
2010	47.56	0.81	48.37	32.01		5.25	14.37	100.00
2011	46.86	0.80	47.66	31.11	\$ 1.76	5.21	14.26	100.00
2012	46.25	0.79	47.04	32.05	1.67	5.16	14.08	100.00

Source: District records and Municipal Tax Assessor.

Neptune Township School District
Principal Property Tax Payers
Current Year and Nine Years Ago
Unaudited

J-8

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
Neptune Shopping Center LLC	\$ 27,692,100	1	0.95%			
Jumping Brook Realty Association LLC	20,596,200	2	0.71%	\$ 16,545,400	1	1.20%
Walmart Stores	17,228,400	3	0.59%			
Woodlands Neptune LLC	16,800,000	4	0.58%			
Lighthouse Neptune, LLC	15,400,000	5	0.53%			
HD Development of Maryland	11,816,400	6	0.41%			
Neptune Park for Industry	9,804,600	7	0.34%	11,250,000	4	0.82%
Ocean Grove Camp Mtg. Assoc.	9,416,900	8	0.32%			
OFW, LLC (Lowys)	9,146,000	9	0.31%			
Gannett Partners	8,900,000	10	0.31%	4,501,600	9	0.33%
West Grove Square Assoc. LLC				6,689,700	6	0.48%
Jumping Brook Country Club, LLC				15,917,600	2	1.15%
Coolidge Neptune Equity				13,645,200	3	0.99%
New Jersey Bell				5,183,300	8	0.38%
Jumping Brook Association				6,249,400	7	0.45%
King Manor Care Center				4,465,000	10	0.32%
Home Depot				7,893,200	5	0.57%
Total	\$ 146,800,600		5.04%	\$ 92,340,400		6.69%

Source: District records & Municipal Tax Assessor.

Neptune Township School District
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	School Taxes Levied and Collected for the Fiscal Year	Municipal Taxes Levied for the Fiscal Year	Municipal Taxes Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
			Amount	Percentage of Levy	
2003	\$ 24,290,095	\$ 47,221,037	\$ 46,091,990	97.61%	-
2004	26,403,071	50,539,827	49,695,964	98.33%	-
2005	26,746,958	54,815,301	53,947,784	98.42%	-
2006	28,085,097	58,497,656	57,660,048	98.57%	-
2007	29,607,795	60,837,318	59,924,758	98.50%	-
2008	30,773,257	64,538,257	63,343,382	98.15%	-
2009	31,986,252	66,855,097	65,616,236	98.15%	-
2010	32,945,552	68,683,743	67,406,492	98.14%	-
2011	34,565,331	68,696,683	67,405,185	98.12%	-
2012	34,554,098	69,576,960	68,254,998	98.10%	-

Note: 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 balance prior to the end of the school year. The above school tax levies were collected in full as per statutory requirements.

Source: District records and Municipal Tax Collector.

Neptune Township School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

J-10

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation			
2003	\$ 1,721,000	\$ 7,300,000	\$ 9,021,000	0.47%	\$ 42,849
2004	1,490,000	7,045,000	8,535,000	0.51%	43,427
2005	1,341,000	6,780,000	8,121,000	0.54%	43,900
2006	1,202,000	6,505,000	7,707,000	0.57%	44,000
2007	1,039,000	6,215,000	7,254,000	0.61%	44,229
2008	886,000	5,910,000	6,796,000	0.67%	45,507
2009	734,000	5,590,000	6,324,000	0.48%	30,224
2010	584,000	5,255,000	5,839,000	0.52%	30,636
2011	436,000	4,900,000	5,336,000	0.57%	30,404
2012	290,000	3,325,000	3,615,000	0.84%	30,279

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

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

Source: District CAFR Schedule I-1.

Neptune Township School District
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds and Certificates of Participation	Deductions			
2003	\$ 9,021,000		\$ 9,021,000	0.65%	\$ 42,849
2004	8,535,000		8,535,000	0.29%	43,427
2005	8,121,000		8,121,000	0.28%	43,900
2006	7,707,000		7,707,000	0.26%	44,000
2007	7,254,000		7,254,000	0.25%	44,229
2008	6,796,000		6,796,000	0.23%	45,507
2009	6,324,000		6,324,000	0.22%	30,224
2010	5,839,000		5,839,000	0.20%	30,636
2011	5,336,000		5,336,000	0.18%	30,404
2012	3,615,000		3,615,000	0.12%	30,279

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

a See J-6 for property tax data.

b Population data can be found in J-14.

Neptune Township School District
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2012
Unaudited

J-12

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes Neptune Township	\$ 25,801,340	100.00%	\$ 25,801,340
Other debt			
Neptune Township Sewerage Authority	10,200,880	100.00%	10,200,880
County of Monmouth	13,832,965	100.00%	13,832,965
Subtotal, overlapping debt			49,835,185
Neptune Township School District Direct Debt			3,615,000
Total direct and overlapping debt			\$ 53,450,185

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

Source: District records and Neptune Township Finance Officer.

Neptune Township Board of Education
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2012

		Equalized valuation basis
	2012	\$ 3,666,486,310
	2011	3,650,778,786
	2010	<u>3,789,039,812</u>
	[A]	<u>\$ 11,106,304,908</u>
	[A/3]	\$ 3,702,101,636
Debt limit (4 % of AEV)	[B]	148,084,065
Net bonded school debt	[C]	<u>3,615,000</u>
Legal debt margin	[B-C]	<u>\$ 144,469,065</u>

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt limit	\$ 68,667,160	\$ 81,571,650	\$ 97,956,782	\$ 116,557,522	\$ 116,742,094	\$ 116,937,901	\$ 116,941,546	\$ 116,878,578	\$ 151,735,466	\$ 148,084,065
Total net debt applicable to limit	<u>9,021,000</u>	<u>8,535,000</u>	<u>8,121,000</u>	<u>7,707,000</u>	<u>7,254,000</u>	<u>6,796,000</u>	<u>6,324,000</u>	<u>5,839,000</u>	<u>5,336,000</u>	<u>3,615,000</u>
Legal debt margin	<u>\$ 59,646,160</u>	<u>\$ 73,036,650</u>	<u>\$ 89,835,782</u>	<u>\$ 108,850,522</u>	<u>\$ 109,488,094</u>	<u>\$ 110,141,901</u>	<u>\$ 110,617,546</u>	<u>\$ 111,039,578</u>	<u>\$ 146,399,466</u>	<u>\$ 144,469,065</u>
Total net debt applicable to the limit as a percentage of debt limit	13.14%	10.46%	8.29%	6.61%	6.21%	5.81%	5.41%	5.00%	3.52%	2.44%

Source: Abstract of Ratables, Annual Report of the State of New Jersey, Department of the Treasury, Division of Taxation and District records.

Neptune Township School District
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population	Per Capita Personal Income	Unemployment Rate
2003	28,377	\$ 42,849	5.9%
2004	28,405	43,427	4.4%
2005	28,504	43,900	4.3%
2006	28,500	44,000	4.2%
2007	28,163	44,229	4.3%
2008	28,394	45,507	5.4%
2009	28,410	30,224	7.1%
2010	28,349	30,636	11.9%
2011	27,935	30,404	12.1%
2012	27,963	30,279	12.0%

Source: NJ Dept of Labor and Workforce Development
Regional Economic Information System
Bureau of Economic Analysis
US Department of Commerce

2003-2008 Per Capita Income for Monmouth County
2009- 2012 Per Capita Income for Neptune Township

Neptune Township School District
Principal Employers
Current Year and Ten Years Ago
Unaudited

Employer	2012			2003		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
Jersey Shore University Medical Center	3,200	1	20.00%	3,000	1	20.16%
Neptune Township Board of Education	651	2	2.50%	1,400	2	9.41%
Asbury Park Press / Gannett	400	3	4.07%	457	4	3.07%
AIG / American General	325	4	2.03%			
Neptune Township	281	5	1.76%	265	7	1.78%
Wal-Mart	276	6	1.73%			
Neptune Shop-Rite	253	7	1.58%			
Home Depot	195	8	1.22%			
United Methodist Homes	182	9	1.14%			
Sanitary Linen Supply	146	10	0.91%			
U.S. Life Insurance				525	3	3.53%
First Option Health Plan of NJ				400	5	2.69%
Electronic Measurements				285	6	1.92%
Foodarama				200	8	1.34%
Conva-Center				110	9	0.74%
	5,909		36.93%	6,642		44.64%

Source: Neptune Township Finance Officer.

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

<u>Function/Program</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Instruction										
Regular	291	291	295	307	308	299	318	321	310	323
Special education	110	110	115	120	124	113	120	123	119	124
Other special education	5	5	6	7						
Other instruction	4	4	4	4	4	8	10	10	10	15
Support Services:										
Student & instruction related services	58	58	65	67	79	76	78	81	71	75
General administrative services	12	12	13	13	14	8	8	8	8	7
School administrative services	24	24	27	27	27	31	36	36	32	33
Business administrative services	9	9	9	9	9	8	8	8	8	10
Plant operations and maintenance	48	48	54	58	62	57	60	60	60	62
Pupil transportation	2	2	2	2	2	2	2	2	2	2
Total	<u>563</u>	<u>563</u>	<u>590</u>	<u>614</u>	<u>629</u>	<u>602</u>	<u>640</u>	<u>649</u>	<u>620</u>	<u>651</u>

Source: District records.

Neptune Township School District
Operating Statistics
Last Ten Fiscal Years
Unaudited

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Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Teacher/Pupil Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2003	4,179	\$ 60,194,004	\$ 14,404	9.52%	406	1:13	1:11	1:12	4,229	3,930	-0.40%	93.50%
2004	4,234	66,814,684	15,781	9.56%	408	1:12	1:11	1:12	4,211	3,900	-0.42%	95.00%
2005	4,192	70,077,002	16,717	5.93%	415	1:13	1:12	1:14	4,243	3,948	0.75%	94.40%
2006	4,335	76,742,831	17,703	5.90%	434	1:13	1:12	1:14	4,341	4,085	2.31%	94.20%
2007	4,431	81,640,242	18,425	4.08%	443	1:13	1:12	1:14	4,403	4,154	1.43%	94.35%
2008	4,474	77,711,978	17,370	-5.73%	340	1:16	1:10	1:15	4,426	4,113	0.52%	92.93%
2009	4,535	80,895,366	17,838	2.70%	358	1:16	1:12	1:16	4,453	4,145	0.61%	93.10%
2010	4,453	82,253,018	18,471	3.55%	365	1:15	1:12	1:16	4,456	4,135	0.07%	92.80%
2011	4,545	79,906,843	17,581	-4.82%	370	1:15	1:12	1:15	4,458	4,151	0.04%	93.10%
2012	4,446	82,528,563	18,562	5.58%	369	1:13	1:11	1:13	4,373	4,078	-1.91%	93.30%

- Notes:
- a Enrollments are based on annual October district count of resident students.
 - a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4.
 - b Teaching staff includes only full-time equivalents of certificated staff.
 - c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
Additional years will be added until ten years are presented.

Source: District records.

Neptune Township School District
 School Building Information
 Last Ten Fiscal Years
 Unaudited

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<u>District Building</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<u>Elementary</u>										
Early Childhood Center (2004)										
Square Feet		54,727	54,727	54,727	54,727	54,727	54,727	54,727	54,727	54,727
Capacity (students)		270	270	270	270	270	270	270	270	270
Enrollment		235	230	240	240	200	187	240	220	179
Shark River Hills Elementary										
Square Feet	39,200	39,200	39,200	54,361	54,361	54,361	54,361	54,361	54,361	54,361
Capacity (students)	400	400	400	500	500	500	500	500	500	500
Enrollment	390	390	377	435	435	428	406	434	435	415
Gables Elementary										
Square Feet	53,787	53,787	53,787	53,787	53,787	53,787	53,787	53,787	53,787	53,787
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	480	450	440	452	452	433	414	380	368	341
Green Grove Elementary										
Square Feet	36,000	36,000	36,000	56,361	56,361	56,361	56,361	56,361	56,361	56,361
Capacity (students)	375	375	375	525	525	525	525	525	525	525
Enrollment	365	360	355	450	450	476	428	412	406	388
Summerfield Elementary (2006)										
Square Feet	49,200	49,200	49,200	92,532	92,532	102,518	102,518	102,518	102,518	102,518
Capacity (students)	500	500	500	725	725	725	725	725	725	725
Enrollment	450	355	360	368	368	462	417	407	432	451
Ridge Avenue Elementary / Midtown TCUs										
Square Feet	40,000	20,000	20,000	20,000	20,000	20,000				
Capacity (students)	350	350	350	350	350	350				
Enrollment	345	250	257	245	245	285				
Midtown Community Elementary (2008)										
Square Feet							152,244	152,244	152,244	152,244
Capacity (students)							750	750	750	750
Enrollment							457	454	435	431
<u>Middle School</u>										
Neptune Middle School										
Square Feet	116,840	116,840	116,840	146,842	146,842	146,842	146,842	146,842	146,842	146,842
Capacity (students)	1,100	1,100	1,100	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	959	955	952	901	901	846	845	840	844	864
<u>High School</u>										
Neptune High School										
Square Feet	128,000	128,000	128,000	281,542	281,542	281,542	281,542	281,542	281,542	281,542
Capacity (students)	1,500	1,500	1,500	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Enrollment	1,190	1,239	1,221	1,244	1,244	1,296	1,299	1,290	1,269	1,304
<u>Other</u>										
Administration Building										
Square Feet	40,000	10,500	10,500	42,300	42,300	42,300	42,300	42,300	42,300	42,300
Aquatic Center								32,000	32,000	32,000

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of building additions. Enrollments are based on average daily enrollments from the School Register Summary Report. One half of the Administration Building is leased effective 2008. The Neptune Aquatic Center, housed in Neptune High School, opened February 27, 2010.

Source: District records.

Neptune Township School District
 General Fund
 Schedule of Required Maintenance for School Facilities
 Last Ten Fiscal Years
 Unaudited

School Facilities	School #	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Neptune High School	50	\$ 1,463,016	\$ 1,328,093	\$ 1,206,854	\$ 1,299,736	\$ 719,090	\$ 1,328,781	\$ 624,619	\$ 263,127	\$ 540,553	\$ 240,453
Neptune Middle School	55	976,490	759,468	887,590	822,493	712,407	1,342,165	175,129	179,128	240,589	199,228
Early Childhood Center	59	294,987	304,115	189,442	113,132	162,208	157,230	87,686	153,640	198,742	-
Gables Elementary	61	607,809	878,395	643,138	561,563	507,322	219,164	74,651	131,994	78,255	32,951
Green Grove Elementary	63	729,051	509,840	344,574	265,970	267,824	882,479	233,199	188,861	108,896	59,079
Midtown Community Elementary	80	595,775	511,062	500,976	774,216	260,778	454,286	98,087	146,169	91,662	60,168
Shark River Hills Elementary	90	443,182	986,049	382,088	316,603	201,836	198,564	108,889	203,080	101,923	49,789
Summerfield Elementary	100	764,008	404,565	332,318	673,446	637,458	486,484	130,146	161,781	209,674	84,119
Grand Total		<u>\$ 5,874,318</u>	<u>\$ 5,681,587</u>	<u>\$ 4,486,980</u>	<u>\$ 4,827,159</u>	<u>\$ 3,468,923</u>	<u>\$ 5,069,153</u>	<u>\$ 1,532,406</u>	<u>\$ 1,427,780</u>	<u>\$ 1,570,294</u>	<u>\$ 725,787</u>

High School expenditures include those of the Annex / BOE.

Source: District records.

Neptune Township School District
Insurance Schedule
Year ended June 30, 2012
Unaudited

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(Continued)

Type of Coverage	Coverage	Deductible
Multi Peril Package Policy		
Diploma Joint Insurance Fund		
Section I - Property:		
Blanket building and contents	\$ 196,407,545	\$ 1,000
Flood Zone A or V	25,000,000.00	Excess of NFIP
Flood Zone - All Other	10,000,000.00	1,000.00
Earthquake	25,000,000.00	5%
Valuable papers and records	Inc in property	
Extra expense / business income	Inc in property	
EDP equip, data, media, extra expense	Inc in property	
Cameras, musical instruments	Inc in property	
Glass coverage	Inc in property	
Demolition/Incr. Cost of Construction	Inc in property	
Blanket contractors equipment	Inc in property	
Energy systems-boiler and machinery	Inc in property	
Section II - General Liability:		
Bodily injury and property damage	5,000,000	
Sexual misconduct	5,000,000	
Section III - School Board Legal Liability Policy:		
Aggregate limit of liability	5,000,000	10,000
Section IV - Crime:		
Blanket employee dishonesty	500,000	1,000
Depositors forgery	50,000	
Computer Fraud	50,000	
Money and securities	2,500,000	
Workers Compensation:		
Section A	Statutory	
Section B	5,000,000	

Neptune Township School District
Insurance Schedule
Year ended June 30, 2012
Unaudited

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Type of Coverage	Coverage	Deductible
Automobile:		
Bodily injury and property	\$ 5,000,000	
Personal injury protection	Statutory	
Uninsured/underinsured		
Bodily Injury per occurrence	15,000	
Bodily Injury per Accident	30,000	
Property Damage per Accident	5,000	
Medical payments	-	
Comprehensive and collision	ACV	\$ 1,000
Environmental Liability:		
Policy aggregate limit of liability-primary	1,000,000	10,000
Umbrella Liability		
Each Claim	5,000,000	
Annual Aggregate	5,000,000	
Umbrella Excess Liability:		
Policy Aggregate Limit of Liability - Primary	50,000,000	
Student Accident:		
Medical per injury	1,000,000	
Fidelity Bonds:		
Business Administrator/Board Secretary	300,000	
Asst. Bus. Admin. / Asst. Bd. Secretary	300,000	
Bookkeeping Coordinator	300,000	

Source: District records.

Single Audit Section

Independent Auditors' Report on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
In Accordance with *Government Auditing Standards*

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

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 Board of Education of the Neptune Township School District, in the County of Monmouth, New Jersey (the "District") as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 22, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

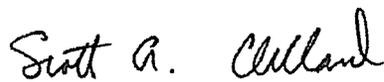
However, we noted certain matters that we have reported to the District in the separate *Auditors' Management Report on Administrative Findings* dated October 22, 2012.

Compliance and Other Matters

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

However, we noted certain matters of noncompliance that we have reported to the District in the separate *Auditors' Management Report on Administrative Findings* dated October 22, 2012.

This report is intended solely for the information and use of the District's management and Board, others within the entity, 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.



Scott A. Clelland
Licensed Public School Accountant
No. 1049



WISS & COMPANY, LLP

October 22, 2012
Iselin, New Jersey

Independent Auditors' Report on Compliance With Requirements That
Could Have a Direct and Material Effect on Each Major Program and on
Internal Control Over Compliance in Accordance with OMB
Circular A-133 and New Jersey OMB Circular 04-04

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

Compliance

We have audited the compliance of the Board of Education of the Neptune Township School District, in the County of Monmouth, New Jersey (the "District") with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the *New Jersey OMB Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2012. The District's major federal and state programs are identified in the summary of auditors' 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 District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of the 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 District's internal control over compliance with the requirements that could have a direct and material effect on a major federal and 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 New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 would not necessarily 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.

This report is intended solely for the information and use of the District's management and Board, others within the entity, 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.

Scott A. Clelland

Scott A. Clelland

Licensed Public School Accountant

No. 1049

Wiss & Company

WISS & COMPANY, LLP

October 22, 2012
Iselin, New Jersey

Neptune Township School District

Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2011	Carryover/Wallwaiver	Cash Received	Budgetary Expenditures	Repayment of Prior year Balances	Adjustments	Deferred Revenue at June 30, 2012	(Accounts Receivable) at June 30, 2012	Due to Grantor at June 30, 2012
Enterprise Fund													
U.S. Department of Agriculture--Passed-Through													
State Department of Education													
School Breakfast Program	10.553	Not Available	7/1/11 - 6/30/12	\$ 229,077			\$ 216,617	\$ (229,077)				\$ (12,460)	
National School Lunch Program	10.555	Not Available	7/1/11 - 6/30/12	985,862			908,942	(985,862)				(76,920)	
Food Donation (NC)	10.555	Not Available	7/1/11 - 6/30/12	145,696			128,415	(119,680)		\$ 8,735			
After School Snack Program	10.555	Not Available	7/1/11 - 6/30/12	39,395			37,080	(39,395)				(2,315)	
Seamless Summer Option	10.559	Not Available	7/1/11 - 6/30/12	56,747			45,273	(56,747)				(11,474)	
Fresh Fruits and Vegetable Program	10.582	Not Available	7/1/11 - 6/30/12	29,062			27,360	(29,062)				(1,702)	
School Breakfast Program	10.553	Not Available	7/1/10 - 6/30/11	226,124	\$ (15,339)		15,339						
National School Lunch Program	10.555	Not Available	7/1/10 - 6/30/11	960,023	(62,585)		62,585						
Food Donation (NC)	10.555	Not Available	7/1/10 - 6/30/11	142,584		9,379		(9,379)					
After School Snack Program	10.555	Not Available	7/1/10 - 6/30/11	44,696	(3,233)		3,233						
Seamless Summer Option	10.559	Not Available	7/1/10 - 6/30/11	48,011	(2,921)		2,921						
Fresh Fruits and Vegetable Program	10.582	Not Available	7/1/10 - 6/30/11	23,541	(2,678)		2,678						
Total Enterprise Fund					(77,377)		1,450,443	(1,469,202)			8,735	(104,871)	
Special Revenue Fund													
U.S. Department of Education - Passed Through													
State Department of Education													
IDEIA, Part B, Basic	84.027A	FT351008	9/1/11 - 8/31/12	1,215,333			1,176,361	(1,186,361)				(10,000)	
IDEIA, Part B, Basic	84.027A	FT351007	9/1/10 - 8/31/11	1,161,007	(204,838)		278,521	(37,224)		36,459			
ARRA IDEIA, Part B, Basic	84.391	IDEA497010C	9/1/09 - 8/31/11	1,129,492	(33,143)		86,000	(52,857)					
IDEIA, Preschool	84.173A	PS351007	9/1/11 - 8/31/12	38,924			38,924	(38,924)					
ARRA IDEIA, Preschool	84.392	IDEA497010C	9/1/09 - 8/31/11	40,626	(6,947)		22,575	(15,628)					
IASA Consolidated Programs:													
Title I	84.010A	NCLB 351012	9/1/11 - 8/31/12	926,584			810,067	(807,823)		2,244			
Title I	84.010A	NCLB 351011	9/1/10 - 8/31/11	1,067,411	(37,815)		214,322	(207,313)				(30,806)	
Title I	84.010A	NCLB 351010	9/1/09 - 8/31/10	864,692	(44,186)		44,186						
Title I	84.010A	NCLB 351009	9/1/08 - 8/31/09	928,822	(19,546)		19,546						
ARRA Title I	84.389	ARRA4970-10	9/1/09 - 8/31/11	506,928	(24,759)		126,403	(101,644)					
Title I, School Improvement	84.010A	NCLB 351011	9/1/10 - 8/31/11	114,270	(49,996)		110,151	(64,274)				(4,119)	
Title I, School Improvement	84.010A	NCLB 351010	9/1/09 - 8/31/11	35,977	(11,193)		8,510	(47,521)				(50,204)	
Title I, School Improvement	84.010A	NCLB 351009	9/1/08 - 8/31/09	242,402	(61,591)		61,591						
Title II - A	84.367A	NCLB 351012	9/1/11 - 8/31/12	180,411			178,599	(178,062)			537		
Title II - A	84.367A	NCLB 351011	9/1/10 - 8/31/11	208,569	(3,369)		50,897	(40,733)			6,795		
Title II - A	84.367A	NCLB 351010	9/1/09 - 8/31/10	202,187	(10,839)		10,839						
Title II - D	84.318X	NCLB 351011	9/1/10 - 8/31/11	2,212	(1,872)		2,212	(340)					
Title II - D	84.318X	NCLB 351010	9/1/09 - 8/31/10	8,797	(27)		27						
Title III	84.365	NCLB 351012	9/1/11 - 8/31/12	24,852			7,119	(18,124)				(11,005)	
Title III	84.365	NCLB 351011	9/1/10 - 8/31/11	29,942	(800)		4,200	(3,400)					
Title III	84.365	NCLB 351010	9/1/09 - 8/31/10	20,978	(342)		342						
Title IV	84.186A	NCLB 351010	9/1/09 - 8/31/10	15,839	(15,712)		16,132			420			
Title IV	84.186A	NCLB 351009	9/1/08 - 8/31/09	18,931	(1,827)		1,827						
Other Federal Financial Assistance													
Workforce Investment Act	17.259	SYETP-05-017	9/1/09 - 8/31/10	55,094	4							\$ 4	
Perkins	84.048A	Not Available	9/1/11 - 8/31/12	24,571			24,571	(24,571)					
Perkins	84.048A	Not Available	9/1/10 - 8/31/11	28,278	(2,744)		2,744						
Safe Route	20.205	Not Available	9/1/11 - 8/31/12	19,500				(19,500)				(19,500)	
Total Special Revenue Fund					(531,542)		3,296,666	(2,844,299)			46,455	(125,634)	4
General Fund													
U.S. Department of Health and Human Services													
Passed Through the New Jersey Department of Education													
Medical Assistance Program	93.778	Not Available	7/1/11 - 6/30/12	192,870			122,119	(192,870)				(70,751)	
Medical Assistance Program	93.778	Not Available	7/1/10 - 6/30/11	207,639	(61,729)		61,729						
U.S. Department of Education													
Passed Through the New Jersey Department of Education													
Education Jobs Fund	84.410	Not available	7/1/11-6/30/12	1,115,361			1,115,361	(1,115,361)					
Total General Fund					(61,729)		1,299,209	(1,308,231)				(70,751)	
Total federal financial assistance					\$ (670,648)	\$ -	\$ 6,046,318	\$ (5,621,732)	\$ -	\$ -	\$ 55,190	\$ (301,256)	\$ 4

NC-represents noncash expenditures
See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

Neptune Township School District
Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2012

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2011			Walkover/ Adjustments	Cash Received	Budgetary Expenditures	Repayment of Prior Year's Balances	Balance June 30, 2012			Memo	
				Deferred Revenue	(Accounts Receivable)	Due to Grantor					Deferred Revenue	(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<i>General Fund</i>															
<i>State Department of Education</i>															
Transportation Aid	495-034-5120-014	7/1/11 - 6/30/12	\$ 1,341,979					\$ 1,209,452	\$ (1,341,979)				\$ (132,527)	\$ (1,341,979)	
Special Education Categorical Aid	495-034-5120-089	7/1/11 - 6/30/12	2,289,229					2,063,156	(2,289,229)				(226,073)	(2,289,229)	
Equalization Aid	495-034-5120-078	7/1/11 - 6/30/12	25,762,050					23,217,920	(25,762,050)				(2,544,130)	(25,762,050)	
Security Aid	495-034-5120-084	7/1/11 - 6/30/12	1,217,443					1,097,215	(1,217,443)				(120,228)	(1,217,443)	
Adjustment Aid	495-034-5120-085	7/1/11 - 6/30/12	2,022,089					1,822,398	(2,022,089)				(199,691)	(2,022,089)	
Transportation Aid	495-034-5120-014	7/1/10 - 6/30/11	906,325		\$ (89,175)			89,175							
Special Education Categorical Aid	495-034-5120-089	7/1/10 - 6/30/11	2,206,699		(217,122)			217,122							
Equalization Aid	495-034-5120-078	7/1/10 - 6/30/11	24,752,869		(2,435,490)			2,435,490							
Security Aid	495-034-5120-084	7/1/10 - 6/30/11	1,140,928		(112,258)			112,258							
TPAF - Social Security	100-034-5095-002	7/1/11 - 6/30/12	2,164,996					2,164,996	(2,164,996)					(2,164,996)	
TPAF - Social Security	100-034-5095-002	7/1/10 - 6/30/11	2,149,391		(103,130)			103,130							
Other state aid-Add'l NP Transportation	Not available	7/1/11 - 6/30/12	17,527						(17,527)			\$ (17,527)		(17,527)	
Other state aid-Add'l NP Transportation	Not available	7/1/10 - 6/30/11			(11,310)			11,310							
Other State Aid	Not available	7/1/10 - 6/30/11	491,564		(315,684)			315,684							
Extraordinary Aid	100-034-5120-473	7/1/11 - 6/30/12	430,824						(430,824)				(430,824)	(430,824)	
Extraordinary Aid	100-034-5120-473	7/1/10 - 6/30/11	388,464		(388,464)			388,464						(430,824)	
Total general fund					<u>(3,672,633)</u>			<u>35,247,770</u>	<u>(35,246,137)</u>				<u>(448,351)</u>	<u>(3,222,649)</u>	<u>(35,246,137)</u>
<i>Debt Service Fund</i>															
<i>State Department of Education</i>															
Debt Service Aid	495-034-5120-017	7/1/11 - 6/30/12	162,218					162,218	(162,218)					(162,218)	
								162,218	(162,218)					(162,218)	
<i>Special Revenue Fund</i>															
<i>State Department of Education</i>															
Preschool Education Program Aid	495-034-5120-086	7/1/11 - 6/30/12	6,255,811				\$ 191,019	5,629,326	(6,369,844)		\$ 76,986		(626,485)	(6,369,844)	
Preschool Education Program Aid	495-034-5120-086	7/1/10 - 6/30/11	5,985,540	\$ 191,019	(598,554)		(191,019)	598,554							
<i>New Jersey Non-Public Aid:</i>															
Nursing Services	100-034-5120-070	7/1/11 - 6/30/12	13,616					13,616	(13,085)			\$ 531		(13,085)	
Nursing Services	100-034-5120-070	7/1/10 - 6/30/11	15,356												
Textbook Aid	100-034-5120-064	7/1/11 - 6/30/12	10,460					10,460	(10,460)					(10,460)	
Textbook Aid	100-034-5120-064	7/1/10 - 6/30/11	12,960												

Neptune Township School District
 Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2012

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2010			Walkover/ Adjustments	Cash Received	Budgetary Expenditures	Repayment of Prior Year's Balances	Balance June 30, 2011			Memo	
				Deferred Revenue	(Accounts Receivable)	Due to Grantor					Deferred Revenue	(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
Non Public Handicapped Services (Ch. 193):															
100-034-5120-066			\$ 19,668					\$ 19,668	\$ (19,668)						\$ (19,668)
Corrective Speech		7/1/11 - 6/30/12	26,405					26,405	(26,405)						(26,405)
Examination and Classification		7/1/11 - 6/30/12	14,802					14,802	(14,802)						(14,802)
Supplemental Instruction		7/1/10 - 6/30/11	26,792			\$ 548				\$ (548)					
Corrective Speech		7/1/10 - 6/30/11	21,209			320				(320)					
Examination and Classification															
Non Public Auxiliary Services (Ch. 192):															
100-034-5120-067			46,240					46,240	(46,240)						(46,240)
Compensatory Education		7/1/10 - 6/30/11	31,816			6,698				(6,698)					
Compensatory Education		7/1/11 - 6/30/12	5,945					5,945	(5,945)						(5,945)
Transportation		7/1/10 - 6/30/11	5,888												
Transportation		7/1/11 - 6/30/12	1,104						(1,104)		\$ (1,104)				(1,104)
Home Instruction															
NJPIRC - Abuse	Not available	7/1/11 - 6/30/12	350					350	(350)						(350)
Indistrict Wraparound Program	ID0419	9/1/06 - 8/31/09	265,000	\$ 1,992									\$ 1,992		
Mentoring Training	495-034-5120-052	7/1/07 - 6/30/10	8,678	8,678									8,678		
Total special revenue fund				201,689	\$ (598,554)	7,566		6,365,366	(6,507,903)	(7,566)	\$ 76,986	(1,104)	11,201	\$ (626,485)	(6,507,903)
Capital Projects Fund:															
SDA Grant	3510-063-08-0FAP	7/1/09-Completion	82,577					67,577	(67,577)						(82,577)
Total capital projects fund								67,577	(67,577)						(82,577)
Enterprise Fund:															
National School Lunch Program (State share)	100-010-3350-023	7/1/11 - 6/30/12	24,374					23,287	(24,374)				(1,087)		(24,374)
National School Lunch Program (State share)	100-010-3350-023	7/1/10 - 6/30/11	23,720		(2,700)			2,700							
Total enterprise fund					(2,700)			25,987	(24,374)				(1,087)		(24,374)
Total state financial assistance				\$ 201,689	\$ (4,273,887)	\$ 7,566	\$ -	\$ 41,868,918	\$ (42,008,209)	\$ (7,566)	\$ 76,986	\$ (450,542)	\$ 11,201	\$ (3,849,134)	\$ (42,023,209)

NC-represents non cash expenditures

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

Neptune Township School District

Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

Year ended June 30, 2012

1. General

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all expenditures of federal and state awards programs of the Board of Education, Neptune Township School District (the "District"). The District is defined in Note 1 to the basic financial statements. All federal and state awards received 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 and state awards.

2. Basis of Accounting

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the modified accrual basis of accounting with the exception of programs recorded in the Food Service Enterprise Fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. The information in these schedules are presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in these schedules may differ from amounts presented, or used in the preparation of, the basic financial statements.

3. Relationship to Basic Financial Statements

Amounts reported in the accompanying schedules agree with amounts reported in the basic financial statements and present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements and 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 fiscal 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 of accounting with the exception of the revenue recognition of the two last state aid payments in the current year, which is mandated pursuant to NJSA 18A:22-44.2. For GAAP purposes those payments are not recognized until the subsequent year due to the state deferral and recording of the last state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting

Neptune Township School District

Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance

Year ended June 30, 2012

3. Relationship to Basic Financial Statements (continued)

budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payments in the current budget year, consistent with NJSA 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$368,605 for the general fund and \$17,642 for the special revenue fund. See note 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. Federal and State award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 1,308,231	\$ 37,546,583	\$ 38,854,814
Special Revenue Fund	2,854,588	6,479,972	9,334,560
Capital Projects Fund		580,077	580,077
Debt Service Fund		162,218	162,218
Food Service Fund	1,469,202	24,374	1,493,576
Total award revenues	<u>\$5,632,021</u>	<u>\$ 44,793,224</u>	<u>\$ 50,425,245</u>

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.

Neptune Township School District
Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance

June 30, 2012

5. School-wide Program Funds

School-wide programs are not separate Federal programs as defined in OMB Circular A-133; amounts used in school-wide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditure of Federal Awards. The following funds by program are included in school-wide programs in the District.

IDEIA Part B	\$ 869,144
Title I	546,335
Title IIA	151,764
Total	<u>\$ 1,567,243</u>

6. New Jersey Schools Development Authority (NJSDA) Funds

The NJSDA is administering and constructing projects on behalf of the District and the related expenditures are not subject to a Single Audit in accordance with New Jersey OMB's Circular 04-04 and therefore are not reported on the Schedule of Expenditures of State Financial Assistance. The NJSDA expenditures incurred for the year ended June 30, 2012 amounted to \$580,077. The District is handling a project that is 100% funded by the NJSDA and this project is included on the Schedule of Expenditures of State Financial Assistance.

7. Other

Revenues and expenditures reported under the Food Donation Program represent current year value received and current year distributions, respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2012.

The post retirement pension and medical benefits received on-behalf of the District for the year ended June 30, 2012 amounted to \$2,669,051. Since on-behalf post retirement pension and medical benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey OMB Circular 04-04 and are not reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

Neptune Township School District
Schedule of Findings and Questioned Costs
Year ended June 30, 2012

Part I - Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes X No

Significant deficiency(ies) identified? Yes X None Reported

Noncompliance material to financial statements noted? Yes X No

Federal Awards Section

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? X Yes No

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

Internal control over major programs:

Material weakness(es) identified? Yes X No

Significant deficiency(ies) identified? Yes X None Reported

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

Neptune Township School District
Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Part I - Summary of Auditor's Results (continued)

Federal Awards Section (continued)

Identification of major programs:

CFDA Number Program Number	Name of Federal Program or Cluster
84.027	IDEA Part B - Basic
84.173	IDEA Part B – Preschool
84.391 & 84.392	ARRA IDEA Part B and Preschool
84.410	Education Jobs Fund

Neptune Township School District
Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Part I - Summary of Auditor's Results (continued)

State Awards Section

Dollar threshold used to distinguish between Type A and Type B programs:

\$1,260,246

Auditee qualified as low-risk auditee?

X Yes No

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

Unqualified

Internal control over compliance:

Material weakness(es) identified?

Yes X No

Significant deficiency(ies) identified?

Yes X None Reported

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 04-04?

Yes X No

Identification of major programs:

GMIS/Program Number	Name of State Program or Cluster
State:	
495-034-5120-089	Special Education Categorical Aid
495-034-5120-078	Equalization Aid
495-034-5120-084	Security Aid
495-034-5120-085	Adjustment Aid

Neptune Township School District
Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Part II - Schedule of Financial Statement Findings

No compliance or internal controls over financial reporting findings were noted that were required to be reported under *Government Auditing Standards*.

Neptune Township School District
Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Part III- Schedule of Findings of Federal and State Awards

No federal or state award compliance findings or questioned costs were noted that are required to be reported in accordance with OMB Circular A-133 or New Jersey OMB 04-04.

Neptune Township School District
Summary Schedule of Prior Years Findings
Year ended June 30, 2012

All prior year findings were resolved in past years and therefore this schedule is not applicable in the current year.