

**PASSAIC COUNTY TECHNICAL AND
VOCATIONAL HIGH SCHOOL
COUNTY OF PASSAIC, NEW JERSEY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2012**

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**PASSAIC COUNTY TECHNICAL
AND
VOCATIONAL HIGH SCHOOL**

**Passaic County Technical and Vocational High School
Wayne, New Jersey**

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

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**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

Passaic County Technical and Vocational High School

County of Passaic, New Jersey

For The Fiscal Year Ended June 30, 2012

Prepared by

Passaic County Technical and Vocational High School

Business Office

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OUTLINE OF CAFR

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INTRODUCTORY SECTION

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Diana C. Lobosco

Chief School Administrator

Richard J. Giglio

Business Administrator

September 26, 2012

To the Citizens and
Honorable President and
Members of the Board of Education
Passaic County Technical Institute
County of Passaic
Wayne, New Jersey

The Comprehensive Annual Financial Report of the Passaic County Technical Institute for the fiscal year ended June 30, 2012 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the management's discussion and analysis, the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and 1996 Amendment, the U.S. Office of Management and Budget Circular A-133, "Audits of State, 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 auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES**

The Passaic County Technical Institute is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB Statement #14. All funds and account groups of the District are included in this report. The Passaic County Technical Institute Board of Education constitutes the District's reporting entity

The District is a county vocational school district that services eleven districts in the County of Passaic and approximately four out-of-county districts. The students are accepted through a point system based on criteria such as: elementary test results, attendance records, vocational aptitude, and administrative recommendations.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular and special needs vocational training, as well as a full academic component for regular and special needs students. The District completed the 2011-2012 fiscal year with an enrollment of 3,198 students, which is 17 students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

| <u>FISCAL YEAR</u> | <u>AVERAGE DAILY ENROLLMENT</u> <u>STUDENT ENROLLMENT</u> | <u>PERCENT CHANGE</u> |
|--------------------|--|-----------------------|
| 2002-2003 | 2011.4 | 7.50 |
| 2003-2004 | 2036.4 | 1.20 |
| 2004-2005 | 2026.7 | < .43 > |
| 2005-2006 | 2269.4 | 12.00 |
| 2006-2007 | 2484.9 | 9.49 |
| 2007-2008 | 2799.4 | 12.66 |
| 2008-2009 | 3058.5 | 9.26 |
| 2009-2010 | 3150.8 | 3.02 |
| 2010-2011 | 3229.0 | 2.48 |
| 2011-2012 | 3237.5 | .26 |

The causes for the fluctuations in enrollment each year can vary, but are dependent on spacing for programs, enrollment interest in programs, returning to the home districts, or suspensions.

2. **ECONOMIC CONDITION AND OUTLOOK**

The Passaic County area has experienced a tremendous change from a dependence in the manufacturing industry to one of non-manufacturing services. Growth in retailing, wholesaling, finance and insurance has changed the economy from blue collar to white collar, from narrow to more diversified. Passaic County continues to attract large corporate employers. Additionally, many national and regional retail chains have chosen Passaic County in which to do business.

3. **MAJOR INITIATIVES**

A. **STAFF DEVELOPMENT**

During the 2011-2012 school year the district provided one full-day and two half-days for professional development. However, the full range of the district's staff development program encompasses many independent activities in which teachers have been engaged. These include an array of workshops as per the district's professional development plan, graduate level courses with tuition reimbursement and opportunities to attend conferences, seminars and meetings. The focus of these activities is consistent with the Common Core Standards, New Jersey Professional Development Standards and above all promoting student achievement.

Over 9500 hours of professional development were recorded in the district's professional development database during school year 2011-2012. Our diverse faculty attended an equally diverse set of offerings ranging from pedagogical to vocational issues.

As a comprehensive vocational high school, our needs are unique and cross the spectrum from issues involving pedagogy, counseling, academic subjects, basic skills and ESL and a full range of vocational education areas. Meeting these needs is a monumental challenge. Our 350 teachers attended seminars and workshops designed to provide high quality and relevant professional development. We have developed an application which allows us to both analyze the type and level of participation of each of our staff members. Professional development is evaluated on a regular basis for alignment with individual Professional Growth Plans, the district's PD plan and the NJ Standards for Professional Development.

PCTI also continues a commitment to excellence in technology. On-line classes are offered at no charge to teachers. These courses are part of our effort to enhance the technological proficiencies of our entire staff to maximize our large investment in educational technology. As "the magnet school for technology" in our county, we are proud to state that the courses offered are state-of-the-art and include choices that integrate technology into the curriculum. These offerings were made available to faculty during school time, after school, on weekends and during the summer.

PCTI funds allocated to outside seminars and release time are provided in the spirit of upgrading faculty teaching skills and pedagogy. Follow-up evaluation is conducted and documented for each conference attended by staff. Additionally, a survey is distributed to all staff who participate in district sponsored PD activities. Results are compiled for review by the entire Professional Development Committee and act as the basis for future professional development activities.

In conclusion, staff development has turned a new page, both nationally and at Passaic County Technical Institute, where the administration and teaching staff have joined in an unprecedented alliance to provide staff development that meets the needs

of teachers and students alike. A Local Professional Development Committee (LPDC) continues to take a leadership role in identifying and addressing the needs of the school community.

Comprised of four teachers and two administrators, the LPDC has created a long-range professional development plan approved by the Passaic County Professional Development Committee. It should be noted that PCTI's professional development plan is distributed to the entire administrative team. It is an integral part of the planning process in developing professional improvement plans throughout the entire district. Survey results are carefully monitored and are the determining factor in planning PD activities.

B. COMMUNICATIONS

The Administration, Board of Education and staff of Passaic County Technical Institute remain committed to keeping an open line of communication with parents and the community. Communication continues to be a priority as PCTI expands and enhances its programs and offerings to ensure that our students are well-prepared to compete in our global society. At the start of the 2011-2012 school year we continued our expanded enrollment by welcoming a freshman class of 850 students, bringing our daytime student enrollment to over 3,200 students. In addition, our adult and continuing education programs serve approximately 1,000 adult students throughout the year. Therefore, it is essential that the PCTI mission is effectively communicated to our newcomers, parents, upperclassmen and staff, as well as to the greater community.

Our communication efforts are many and varied. Prior to the opening of school each year, a specially designed orientation program is planned not only for our 850 incoming freshmen, but their parents as well. Students and parents are acclimated to the PCTI experience while school policies, procedures and expectations are clearly outlined for all, making the transition to PCTI a smooth and exciting experience. Parents are also encouraged to attend and actively participate in PTSO (Parent/Teacher/Student Organization) monthly meetings and principal's parent meetings. A special annual Student Activities/Art Calendar is developed and presented to parents and staff in September containing valuable information about sports and school functions, PTSO meeting dates, school holidays and closures, school/staff contact information and more. Parents are encouraged to take part in functions such as Financial Aide Workshops, Saturday Computer Workshops, Back-to-School Night, Open House, Alumni Homecoming Day, School Musical Production, and the PTSO sponsored scholarship fundraising events. Our Saturday Academy program for 7th and 8th graders expose prospective parents and students to the many learning opportunities available at PCTI.

Our District website and publications also assist us in communicating with parents and the community on an ongoing basis. Our newly designed district website is key in communicating PCTI's programs, activities, events and daily announcements to the

PCTI community and beyond. Our district publications, which include PCTI's "Technician" newsletter, as well as the district's annual report, district video, brochures, media publications, press releases, social media venues and other informational publications also assist us in this regard. Our business and industry leaders and partners remain on our communications listings and play a key role in serving on our Advisory Council. Their participation and interest in our school provides direction and vision enabling PCTI to meet the challenges of the ever-changing workplace.

PCTI continues to be an active and bustling campus as we continue to receive requests from hundreds of State, County, and other outside agencies during the year. At any given time of day or evening, weekdays and weekends, numerous functions are hosted on our campus.

Character education is a vital component to the district's culture and we remain very proud of our students, who continuously display a spirit of generosity, respect, and compassion for others. Students donate thousands of hours every year assisting in the community and take their personal and civic responsibilities most seriously, bringing to life the six pillars of character education: respect, responsibility, trustworthiness, caring, fairness and citizenship. Our students continue to be ambassadors for our school and demonstrate the true ideals, traditions and expectations of our student body throughout the year. This extraordinary spirit of both students and staff gave birth to our communication campaigns, the "PCTI Blue Goes Green" Campaign, the "PCTI Recharged" and "PCTI Supercharged" Wellness Campaigns, and PCTI's Embracing Change Campaign which have raised a heightened awareness among the entire school community about positive values, environmental, and health & wellness issues.

C. CURRICULUM

The 2011-2012 school year continued with a new era in curriculum implementation at PCTI. This marked the seventh year of the "Schools of" paradigm which is defined as "smaller schools-within-a-school." The eleven schools and three academies now in effect remain as semi-autonomous, independent schools. At PCTI, more than 340 skilled and dedicated staff of professionals teach not only academics and technological skills, but also promote civic responsibility while delivering the curriculum in specialized career areas including:

- . Academy of Finance
- . Academy of Medical Arts
- . Academy of Information Technology
- . School of Applied Technology
- . School of Cosmetology
- . School of Automotive Technology
- . School of Culinary Arts

- . School of Education & Human Services
- . School of Communication Arts
- . School of Construction Technology
- . School of Service Careers
- . School of Business Careers
- . School of Performing Arts
- . School of Engineering (Project Lead the Way)

PCTI's challenging academic component includes many high level courses. From Physics to Forensics, PCTI students take advantage of a rigorous academic curriculum that prepares them for acceptance at some of the nation's finest four-year colleges and universities. Students may take honors courses in English, Science, Mathematics and Social Studies. Advanced Placement courses in English, U.S. History, Calculus and Spanish are also available to qualified students. Recognizing the value of preparing our students to succeed in a global society we now include Japanese, Chinese and Arabic language studies in our curriculum. Gifted and Talented, Bilingual/ESL, Special Needs and Basic Skills Improvement programs address the needs of the students with special learning requirements. The campus also serves as the North Jersey Regional Center for the Hearing Impaired. PCTI's numerous student activities also provide students with the opportunity to test their knowledge and skills in regional, state and national competition. At PCTI students are encouraged to enjoy "a total high school experience" which challenges them to Believe...Achieve...and Succeed...at all levels. Extensive curriculum revisions were authored in 2011-2012. The curriculum is now web based with easy access available to the entire campus. The level of commitment to our long range plan is evident in the progress shown toward updating all areas.

The district's "College Connections" program includes agreements with 15 colleges where both juniors and seniors gain earn college credit at a reduced fee. Students in Computer Science, Engineering - Project Lead The Way, Academy of Medical Arts, The Academy of Finance, Criminal Justice and Child Development can earn as many as 22 college credits by taking college courses provided by area colleges and universities. A collaborative effort with Seton Hall University dubbed Project Acceleration will give over 200 of our seniors the opportunity to earn up to 22 college credits in Calculus, Computer Science, AP History, French, Spanish and Chemistry. An agreement with NJIT and Seton Hall University's middle college program will give our students a head start at these prestigious institutions. On the career side, technical majors continue to offer the opportunity for internships and cooperative education placements in area businesses and firms. As a result of such programs, graduates are well prepared for the academic rigors of college or entry-level career employment.

High stakes testing continues to be a priority at Passaic County Technical Institute. Student performance on the HSPA test is most important. The curriculum includes HSPA classes and after school programs to assist students experiencing difficulties in language arts or mathematics.

D. TECHNOLOGY

PCTI's truly "converged network" is illustrated by our devotion to deliver all communication and data services over a single set of wires. Technologies such as Telephony, Video distribution, Surveillance and Access Control have been unified and are delivered via IP to all corners of the campus. An initiative to provide secure access control in our academic wings is now complete. Our security staff can control and monitor our entire campus from any location with network access. Each PCTI classroom has a wealth of technology that is typically seen only in corporate or university environments. The Technology Department constantly researches new and cutting edge technologies to both enhance PCTI's technological prowess and provide our students with the highest in performance and reliability.

Accomplishments and Enhancements for the 2011-2012 school year included:

- Completed integration of our IP surveillance and access control systems into a single system known as "Security Center".
- Greatly expanded the video surveillance storage infrastructure to allow for long term retention of HD quality video.
- Continued deployment of digital signage throughout the campus to deliver relevant information instantly and effectively.
- Virtualized over 90% of PCTI's servers to increase hardware utilization and reduce operational expenditures.
- Began planning for ubiquitous high-speed WiFi (802.11ac) throughout the campus to enable future 1:1 initiatives and "mobile-first" strategies.
- PCTI's Educational Foundation continued to award iPads to teachers with innovative plans to integrate the device into their classroom activities.

PCTI considers there to be two fundamental equalizers in life today, one being education, and the other the Internet. PCTI is dedicated to working to eliminate the barriers of time, distance and socioeconomic status. In the past, these barriers have prevented many individuals from gaining access to educational opportunities. Technology is truly changing the way we work, live, play and learn.

E. FACILITY AND BUILDING RENOVATIONS

Major projects completed in the 2011-2012 school year were:

| | <u>Estimated Cost</u> |
|--------------------------------|-----------------------|
| 1. Window Replacement – A Wing | \$ 842,172 |
| 2. Window Replacement – F Wing | 268,500 |
| 3. Auditorium Lighting Project | 126,006 |
| 4. Lawn Irrigation System | 42,850 |

4) **INTERNAL ACCOUNTING CONTROLS**

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

5) **BUDGETARY CONTROLS**

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

6) **ACCOUNTING SYSTEM AND REPORTS**

This year the School District has prepared financial statements following GASB Statement 34, "Basic Financial Statements-and Management's Discussion and Analysis- for State and Local Governments." GASB 34 creates new basic financial statements for reporting on the School District's financial activities as follows:

Government-wide financial statements-These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting

followed by many businesses. The government-wide statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

Fund financial statements-These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statements of budgetary comparisons-These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion is located in the financial section of this report following the audit opinion and provides an assessment of the School District finances for 2012 and a discussion of current issues that affect the outlook for the future.

7) **CASH MANAGEMENT**

The Cash Management policy of the District is guided by State statute that requires the District to deposit public funds in public depositories 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. The District's bank of record is Columbia Bank.

8) **DEBT ADMINISTRATION**

At June 30, 2012, the District does not have any debt service. All bonded long-term debt is included in the County of Passaic debt structure.

9) **RISK MANAGEMENT**

The Board carries various forms of insurance, including but not limited to general liability, automobile, property, computer, worker's compensation, excess liability, supplemental worker's compensation, and fidelity bonds. The District's agent of record is UHY Insurance Advisors, Oakland, New Jersey.

10) **OTHER INFORMATION**

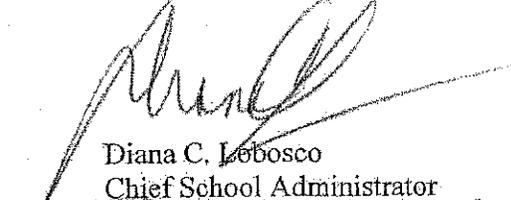
Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm, Ferraioli, Wielkotz, Cerullo & Cuva, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and 1996 Amendment, the U.S. Office of Management and Budget Circular A-133, Audits of State, Local Government and Non-Profit Organizations and NJ OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11) **ACKNOWLEDGMENTS**

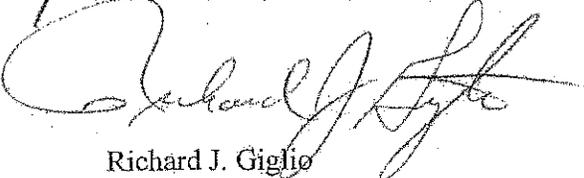
We would like to extend our appreciation to the Board of Education Commissioners of the Passaic County Technical Institute for their support in providing fiscal accountability to the taxpayers of the County of Passaic. It is through their contributions toward the development and maintenance of our financial operations that the preparation of this report could be possible.

We would be remiss if we did not recognize the efforts of our financial and accounting staff who, on a daily basis, maintain the integrity and efficiency of the financial information from which this report is derived. Their dedicated services are greatly appreciated.

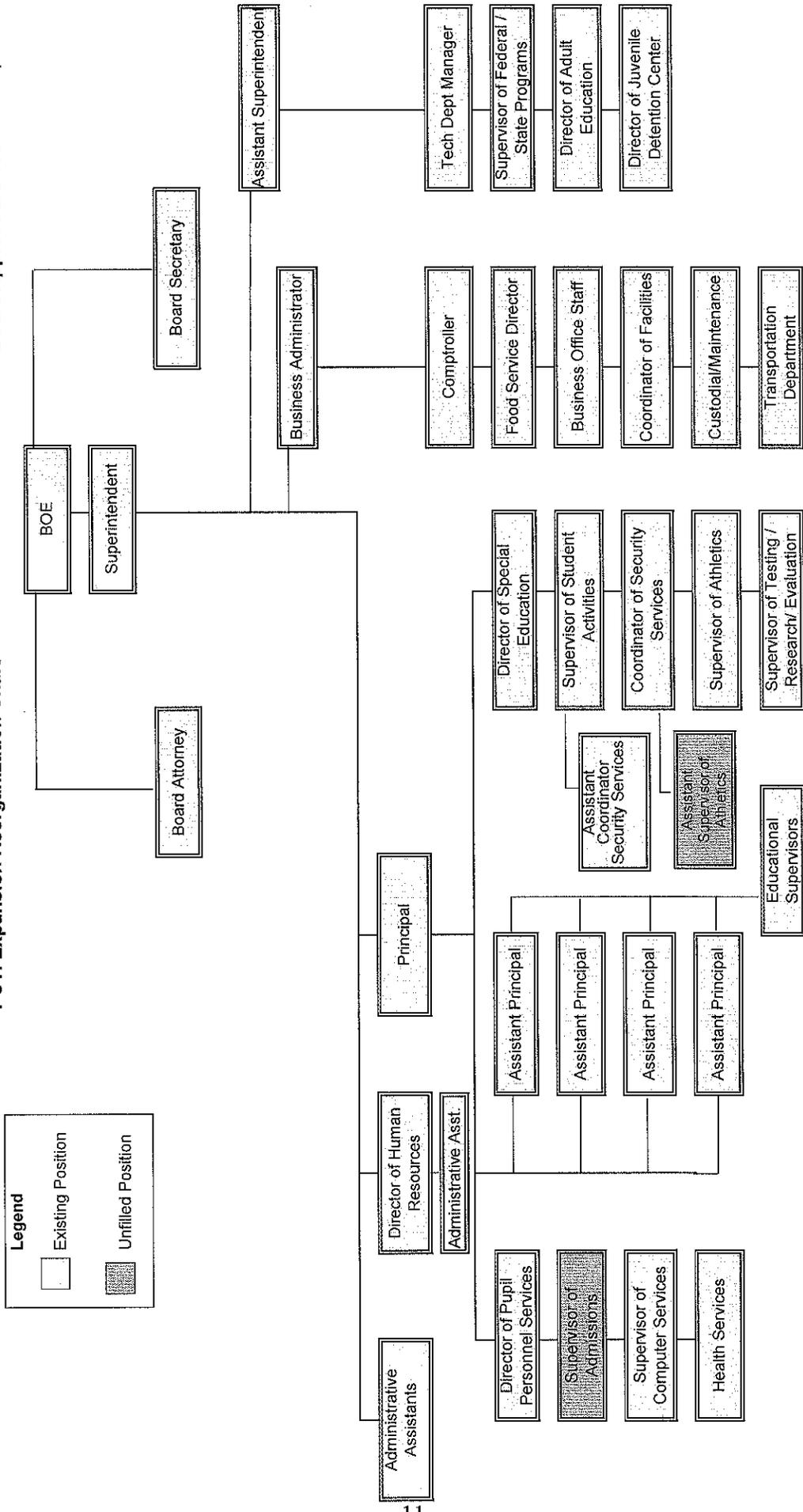
Respectfully Submitted,


Diana C. Lobosco
Chief School Administrator


Mae Reimer
Board Secretary


Richard J. Giglio
School Business Administrator

PCTI Expansion Reorganization Chart



Legend

- Existing Position
- Unfilled Position

**PASSAIC COUNTY TECHNICAL INSTITUTE
BOARD OF EDUCATION**
Wayne, New Jersey

ROSTER OF OFFICIALS
June 30, 2012

| <u>MEMBERS OF THE BOARD OF EDUCATION</u> | <u>TERM EXPIRES</u> |
|---|----------------------------|
| Albert A. Alexander, President | 2013 |
| Damaris M. Solomon, Vice President | 2015 |
| Leon Mondelli | 2012 |
| Glenn L. Brown | 2014 |
| Robert M. Gilmartin | Indefinite |

OTHER OFFICIALS

Diana C. Lobosco, Chief School Administrator

Mae Remer, Board Secretary

Richard J. Giglio, School Business Administrator

Rita Pascrell, Treasurer

Gerald S. Keegan, Esq., Board Counsel

Albert C. Buglione, Esq., Board Counsel

**PASSAIC COUNTY TECHNICAL INSTITUTE
BOARD OF EDUCATION
Wayne, New Jersey**

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OFFICIAL DEPOSITORY

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FINANCIAL SECTION

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James J. Cerullo, CPA, RMA
Paul J. Cuva, CPA, RMA
Thomas M. Ferry, CPA, RMA

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INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Trustees
Passaic County Technical and Vocational High School School District
County of Passaic, New Jersey

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 opinion.

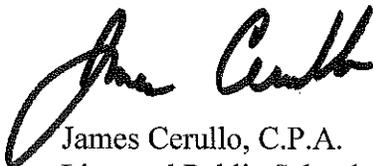
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund, and the aggregate remaining fund information of the Passaic County Technical and Vocational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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2012 on our consideration of the Passaic County Technical and Vocational High School Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. This report is an integral part of our audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management Discussion and Analysis and Budgetary Comparison Information on pages 16 through 25 and 57 through 66 are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Passaic County Technical and Vocational High School Board of Education's basic financial statements. The accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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



James Cerullo, C.P.A.
Licensed Public School Accountant
No. 881



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

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**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

As management of the Passaic County Technical and Vocational High School District (the "School District"), we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities of Passaic County Technical and Vocational High School District for the fiscal year ended June 30, 2012.

The management's discussion and analysis is provided at the beginning of the audit to provide an overall review of the past and current position of the School District's financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the School District's revenues and expenditures by program for the General Fund, Special Revenue Fund, Capital Projects Fund and Enterprise Fund.

FINANCIAL HIGHLIGHTS

- In total, net assets increased \$3,421,917.37. Net assets of governmental activities increased \$3,492,257.89 while net assets of business-type activity decreased by \$70,340.52. These variances are primarily the result of excess budget appropriations in 2011-12 and increased operating expenses of the business-type activities.
- General revenues accounted for \$72,061,770.18 in revenue or 93.01 percent of all district revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$5,413,582.32 or 6.99 percent of total revenues of \$77,475,352.50.
- The School District had \$72,266,192.79 in expenses related to governmental activities; only \$3,595,129.25 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$72,163,321.43 were adequate to provide for these programs.

USING THIS ANNUAL REPORT

This discussion and analysis are intended to serve as an introduction to the Passaic County Technical and Vocational High School District's basic financial statements. The Passaic County Technical and Vocational High School District's basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

USING THIS ANNUAL REPORT, (continued)

District-Wide Financial Statements

The *district-wide financial statements* are designed to provide readers with a broad overview of the Passaic County Technical and Vocational High School District's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Passaic County Technical and Vocational High School District's assets and liabilities using the accrual basis of accounting, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Passaic County Technical and Vocational High School District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the district-wide financial statements distinguish functions of the Passaic County Technical and Vocational High School District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Passaic County Technical and Vocational High School District include instruction, support services and special schools. The business-type activities of the Passaic County Technical and Vocational High School District include the food service program, student store, Educational Technical Trading Center and County Juvenile Detention Center.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Passaic County Technical and Vocational High School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of these funds of the Passaic County Technical and Vocational High School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

USING THIS ANNUAL REPORT, (continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflow of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Passaic County Technical and Vocational High School District maintains three 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 balances for the general fund, special revenue fund, and capital projects fund which are all considered to be major funds.

The Passaic County Technical and Vocational High School District adopts annual appropriated budgets for its governmental funds except for the capital projects fund. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with their budgets.

Proprietary Funds

The Passaic County Technical and Vocational High School District maintains one proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Passaic County Technical and Vocational High School District uses enterprise funds to account for its food service program, student store, and County Juvenile Detention Center.

Proprietary funds provide the same type of information as the district-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the local district services operations.

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

USING THIS ANNUAL REPORT, (continued)

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are *not* reflected in the district-wide financial statements because the resources of those funds are *not* available to support the Passaic County Technical and Vocational High School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

DISTRICT-WIDE FINANCIAL ANALYSIS

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

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

The School District's net assets were \$50,173,817.29 at June 30, 2012 and \$46,751,899.92 at June 30, 2011. Restricted net assets are reported separately to show legal constraints that limit the School District's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets for 2012 compared to 2011 (Table 1) and change in net assets (Table 2) of the School District.

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Table 1

**Net Assets
June 30,**

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total</u> | |
|--------------------------|--------------------------------|----------------------|---------------------------------|-------------------|----------------------|----------------------|
| | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> |
| Current and Other Assets | 12,060,829.86 | 8,381,575.38 | 314,548.31 | 380,309.14 | 12,375,378.17 | 8,761,884.52 |
| Capital Assets | <u>44,461,014.51</u> | <u>44,605,267.91</u> | <u>13,981.59</u> | <u>17,032.18</u> | <u>44,474,996.10</u> | <u>44,622,300.09</u> |
| Total Assets | <u>56,521,844.37</u> | <u>52,986,843.29</u> | <u>328,529.90</u> | <u>397,341.32</u> | <u>56,850,374.27</u> | <u>53,384,184.61</u> |
| Current Liabilities | 2,782,864.77 | 2,338,685.19 | 4,608.14 | 3,079.04 | 2,787,472.91 | 2,341,764.23 |
| Noncurrent Liabilities | <u>3,889,084.07</u> | <u>4,290,520.46</u> | — | — | <u>3,889,084.07</u> | <u>4,290,520.46</u> |
| Total Liabilities | <u>6,671,948.84</u> | <u>6,629,205.65</u> | <u>4,608.14</u> | <u>3,079.04</u> | <u>6,676,556.98</u> | <u>6,632,284.69</u> |
| Net Assets | | | | | | |
| Invested in Capital | | | | | | |
| Assets - Net of Debt | 44,461,014.51 | 44,605,267.91 | 13,981.59 | 17,032.18 | 44,474,996.10 | 44,622,300.09 |
| Restricted | 600,425.28 | (577,276.01) | | | 600,425.28 | (577,276.01) |
| Unrestricted | <u>4,788,455.74</u> | <u>2,329,645.74</u> | <u>309,940.17</u> | <u>377,230.10</u> | <u>5,098,395.91</u> | <u>2,706,875.84</u> |
| Total Net Assets | <u>49,849,895.53</u> | <u>46,357,637.64</u> | <u>323,921.76</u> | <u>394,262.28</u> | <u>50,173,817.29</u> | <u>46,751,899.92</u> |

The excess in unrestricted net assets represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills *today*, including all of our noncapital liabilities (compensated absences, unfunded pension obligations for example), we would have an excess.

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Table 2 below shows the changes in net assets for fiscal year 2012 compared to 2011.

**Table 2
Changes in Net Assets
Year Ended June 30,**

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total</u> | |
|---|--------------------------------|----------------------|---------------------------------|---------------------|----------------------|----------------------|
| | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> |
| Revenues | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services and Sales | | | 666,664.93 | 703,420.02 | 666,664.93 | 703,420.02 |
| Operating Grants and Contributions | 3,595,129.25 | 4,035,917.88 | 1,151,788.14 | 1,080,780.08 | 4,746,917.39 | 5,116,697.96 |
| General Revenues: | | | | | | |
| Taxes: | | | | | | |
| County taxes, levied for general purposes | 7,044,585.00 | 7,044,585.00 | | | 7,044,585.00 | 7,044,585.00 |
| Federal and State Aid not Restricted | 24,346,462.91 | 21,966,106.69 | | | 24,346,462.91 | 21,966,106.69 |
| Tuition Received | 39,644,580.90 | 37,137,986.96 | | | 39,644,580.90 | 37,137,986.96 |
| Investment Earnings | | | 1,160.92 | 1,783.72 | 1,160.92 | 1,783.72 |
| Miscellaneous Income | 471,394.65 | 385,863.75 | | | 471,394.65 | 385,863.75 |
| County Funding - Capital Outlay | | (57,235.32) | | | | (57,235.32) |
| Federal and State Aid- Capital Outlay | <u>656,297.97</u> | <u>823,310.66</u> | | | <u>656,297.97</u> | <u>823,310.66</u> |
| Total Revenues and Transfers | <u>75,758,450.68</u> | <u>71,336,535.62</u> | <u>1,819,613.99</u> | <u>1,785,983.82</u> | <u>77,578,064.67</u> | <u>73,122,519.44</u> |

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total</u> | |
|-----------------------------------|--------------------------------|----------------------|---------------------------------|---------------------|----------------------|----------------------|
| | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> |
| Functions/Program Expenses | | | | | | |
| Instruction: | | | | | | |
| Regular | 21,291,808.61 | 20,417,921.35 | | | 21,291,808.61 | 20,417,921.35 |
| Other Special | | | | | | |
| Instruction | 480,960.70 | 401,636.60 | | | 480,960.70 | 401,636.60 |
| Vocational | 12,551,753.21 | 12,190,925.54 | | | 12,551,753.21 | 12,190,925.54 |
| Other Instruction | 2,173,289.05 | 2,045,905.85 | | | 2,173,289.05 | 2,045,905.85 |
| Support Services: | | | | | | |
| Student & Instruction | | | | | | |
| Related Services | 12,555,309.08 | 12,965,393.36 | | | 12,555,309.08 | 12,965,393.36 |
| School Administrative | | | | | | |
| Services | 2,225,154.09 | 1,972,079.31 | | | 2,225,154.09 | 1,972,079.31 |
| General Administrative | | | | | | |
| Services | 1,653,901.37 | 1,703,493.08 | | | 1,653,901.37 | 1,703,493.08 |
| Central Services and Admin. | | | | | | |
| Info. Tech. | 1,877,837.73 | 1,880,709.97 | | | 1,877,837.73 | 1,880,709.97 |
| Plant Operations and | | | | | | |
| Maintenance | 8,243,818.71 | 8,555,594.02 | | | 8,243,818.71 | 8,555,594.02 |
| Pupil Transportation | 779,394.54 | 658,909.02 | | | 779,394.54 | 658,909.02 |
| Unallocated Benefits | 4,752,865.16 | 4,567,810.77 | | | 4,752,865.16 | 4,567,810.77 |
| Special Schools | 1,291,237.51 | 1,474,395.99 | | | 1,291,237.51 | 1,474,395.99 |
| Capital Outlay- | | | | | | |
| Non-depreciable | 47,324.00 | 89,877.61 | | | 47,324.00 | 89,877.61 |
| Unallocated depreciation | 2,341,539.03 | 1,806,853.08 | | | 2,341,539.03 | 1,806,853.08 |
| Food Service | | | 1,745,638.79 | 1,762,996.95 | 1,745,638.79 | 1,762,996.95 |
| Student Store | | | 41,603.55 | 26,157.48 | 41,603.55 | 26,157.48 |
| Transfers | | | <u>102,712.17</u> | | <u>102,712.17</u> | |
| Total Expenses and Transfers | <u>72,266,192.79</u> | <u>70,731,505.55</u> | <u>1,889,954.51</u> | <u>1,789,154.43</u> | <u>74,156,147.30</u> | <u>72,520,659.98</u> |
| Increase or (Decrease) in | | | | | | |
| Net Assets | <u>3,492,257.89</u> | <u>605,030.07</u> | <u>(70,340.52)</u> | <u>(3,170.61)</u> | <u>3,421,917.37</u> | <u>601,859.46</u> |

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business-Type Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$74,053,435.13. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$7,044,585.00 because some of the cost was paid by those who benefitted from the programs \$666,664.93, by other governments and organizations who subsidized certain programs with grants and contributions \$4,746,917.39, and by miscellaneous sources \$65,119,897.35.

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

The School District's budgets are prepared according to New Jersey law. The most significant budgeted funds are the general fund and the special revenue fund. The capital projects fund is funded by the County of Passaic bond ordinances. Therefore, no budget is presented.

During the fiscal year ended June 30, 2012, the School District amended the budgets of these major governmental funds several times. The general fund was amended by \$25,000.00 for the GED Program and \$21,316.00 for the education jobs funds program. The special revenue fund was increased by \$1,853,162.90 for increases in federal and state grants.

General Fund

The general fund actual revenue was \$71,641,788.46. That amount is \$5,404,742.46 above the final amended budget of \$66,237,046.00. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$5,154,301.55 for TPAF pension and social security reimbursements and \$250,440.91 for excesses in other anticipated revenues.

The actual expenditures of the general fund were \$67,591,359.56 including transfers which is \$2,637,541.81 below the final amended budget of \$70,228,901.37. The variance between the actual expenditures and final budget was due to non-budget on-behalf payments of \$5,154,301.55 for TPAF pension and social security reimbursements and \$7,791,843.36 of unexpended budgeted funds.

General fund had total revenues of \$71,641,788.46 and total expenditures of \$67,591,359.56 with an ending fund balance of \$12,404,387.47 on the budgetary basis of accounting.

Special Revenue Fund

The special revenue fund actual revenue was \$4,251,427.22. That amount is \$591,458.68 below the final amended budget of \$4,842,885.90. The variance between the actual revenues and the final budget was state and federal grant revenue that was anticipated to be spent by fiscal year end. The state and federal grant revenue will be received/realized in the next fiscal year.

The actual expenditures of the special revenue fund were \$4,251,427.22, which is \$591,458.68 below the final amended budget of \$4,842,885.90. The variance between the actual expenditures and the final budget was fully budgeted state and federal grant programs. Expenditures will be incurred in the next fiscal year.

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2012 the School District had \$70,978,087.11 invested in sites, buildings, equipment and construction in progress. Of this amount \$26,503,091.01 in depreciation has been taken over the years. We currently have a net book value of \$44,474,996.10. Total additions for the year were \$2,197,285.63, the majority of which was for various technology, office equipment, facility improvements and for construction in progress for facility improvements. Table 3 shows fiscal year 2012 balances compared to 2011.

**Table 3
Capital Assets at June 30,
(Net of Depreciation)**

| | <u>Governmental Activities</u> | | <u>Business Activities</u> | | <u>Total</u> | |
|-----------------------------------|--------------------------------|----------------------|----------------------------|-------------------|----------------------|----------------------|
| | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> | <u>2012</u> | <u>2011</u> |
| Sites and Improvements | 1,106,247.29 | 960,941.88 | | | 1,106,247.29 | 960,941.88 |
| Buildings and Improvements | 36,999,279.70 | 37,040,554.21 | | | 36,999,279.70 | 37,040,554.21 |
| Furniture, Equipment and Vehicles | 6,254,963.92 | 5,870,153.17 | 13,981.59 | 17,032.18 | 6,268,945.51 | 5,887,185.35 |
| Construction in Progress | <u>100,523.60</u> | <u>733,618.65</u> | <u> </u> | <u> </u> | <u>100,523.60</u> | <u>733,618.65</u> |
| | <u>44,461,014.51</u> | <u>44,605,267.91</u> | <u>13,981.59</u> | <u>17,032.18</u> | <u>44,474,996.10</u> | <u>44,622,300.09</u> |

For more detailed information, please refer to the Notes to Basic Financial Statements.

Debt Administration

At June 30, 2012, the District does not have any debt. All bonded long-term debt is included in the County of Passaic debt structure.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

Many factors were considered by the District's administration during the development of the 2012/2013 budget. The primary factors were the District's projected student enrollment, State Aid, the tuition rate, as well as salary and health benefit increases. PCTI was fortunate to receive an increase in State Aid of \$1,214,546 in 2012/2013 over 2011/2012, which helped offset increase costs, and the decrease in the tuition rate charged to sending districts.

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Passaic County Technical and Vocational High School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Richard J. Giglio
School Business Administrator
Passaic County Technical Institute
45 Reinhardt Road
Wayne, NJ 07470

BASIC FINANCIAL STATEMENTS

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DISTRICT-WIDE FINANCIAL STATEMENTS

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PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Statement of Net Assets
June 30, 2012

| | <u>Governmental Activities</u> | <u>Business-type Activities</u> | <u>Total</u> |
|---|------------------------------------|-------------------------------------|----------------------|
| ASSETS | | | |
| Cash and cash equivalents | 6,508,485.49 | 210,259.16 | 6,718,744.65 |
| Receivables, net | 4,552,343.37 | 65,913.37 | 4,618,256.74 |
| Inventory | | 38,375.78 | 38,375.78 |
| Restricted assets: | | | |
| Capital reserve account - cash | 1,000,001.00 | | 1,000,001.00 |
| Capital assets: | | | |
| Land and construction in progress | 100,523.60 | | 100,523.60 |
| Other capital assets, net | 44,360,490.91 | 13,981.59 | 44,374,472.50 |
| Total Assets | <u>56,521,844.37</u> | <u>328,529.90</u> | <u>56,850,374.27</u> |
| LIABILITIES | | | |
| Accounts payable and accrued liabilities | 1,036,862.78 | 4,608.14 | 1,041,470.92 |
| Intergovernmental loans payable | 1,649,721.38 | | 1,649,721.38 |
| Payable to federal government | 2,029.05 | | 2,029.05 |
| Payable to state government | 202.68 | | 202.68 |
| Deferred revenue | 94,048.88 | - | 94,048.88 |
| Noncurrent liabilities: | | | |
| Due within one year | 66,664.00 | | 66,664.00 |
| Due beyond one year | 3,822,420.07 | | 3,822,420.07 |
| Total liabilities | <u>6,671,948.84</u> | <u>4,608.14</u> | <u>6,676,556.98</u> |
| NET ASSETS | | | |
| Invested in capital assets, net of related debt | 44,461,014.51 | 13,981.59 | 44,474,996.10 |
| Restricted for: | | | |
| Capital projects | (649,720.38) | | (649,720.38) |
| Other purposes | 1,250,145.66 | | 1,250,145.66 |
| Unrestricted (Deficit) | 4,788,455.74 | 309,940.17 | 5,098,395.91 |
| Total net assets | <u>49,849,895.53</u> | <u>323,921.76</u> | <u>50,173,817.29</u> |

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

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Statement of Activities
For the Year Ended June 30, 2012

| Functions/Programs | Net (Expense) Revenue and Changes in Net Assets | | | | | | | |
|--|---|------------------------------|----------------------|--|----------------------------------|-------------------------|--------------------------|-----------------|
| | Expenses | Indirect Expenses Allocation | Charges for Services | Program Revenues Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total |
| Governmental activities: | | | | | | | | |
| Instruction: | | | | | | | | |
| Regular | 16,782,997.87 | 4,508,810.74 | | 2,123,785.24 | | (19,168,023.38) | | (19,168,023.38) |
| Other special instruction | 373,055.94 | 107,904.76 | | | | (480,960.70) | | (480,960.70) |
| Vocational | 9,769,917.02 | 2,781,836.19 | | | | (12,551,753.21) | | (12,551,753.21) |
| Other instruction | 1,762,066.47 | 411,282.58 | | | | (2,173,289.05) | | (2,173,289.05) |
| Support services: | | | | | | | | |
| Student & instruction related services | 10,047,629.75 | 2,507,679.33 | | 1,471,344.01 | | (11,083,965.07) | | (11,083,965.07) |
| School administrative services | 1,694,174.17 | 530,979.92 | | | | (2,225,154.09) | | (2,225,154.09) |
| General administrative services | 1,401,210.76 | 252,690.61 | | | | (1,653,901.37) | | (1,653,901.37) |
| Central Services & Admin. Info. Technology | 1,462,272.37 | 415,565.36 | | | | (1,877,837.73) | | (1,877,837.73) |
| Plant operations and maintenance | 7,171,641.92 | 1,072,176.79 | | | | (8,243,818.71) | | (8,243,818.71) |
| Pupil transportation | 779,394.54 | - | | | | (779,394.54) | | (779,394.54) |
| Unallocated benefits | 4,752,865.16 | - | | | | (4,752,865.16) | | (4,752,865.16) |
| Special schools | 1,048,556.75 | 242,680.76 | | | | (1,291,237.51) | | (1,291,237.51) |
| Capital outlay - non-depreciable | 47,324.00 | - | | | | (47,324.00) | | (47,324.00) |
| Unallocated depreciation | 2,341,539.03 | - | | | | (2,341,539.03) | | (2,341,539.03) |
| Total governmental activities | 59,434,585.75 | 12,831,607.04 | - | 3,595,129.25 | - | (68,671,063.54) | - | (68,671,063.54) |
| Business-type activities: | | | | | | | | |
| Food Service | 1,745,638.79 | - | 607,989.13 | 1,150,812.08 | - | 13,162.42 | 13,162.42 | 13,162.42 |
| Student Store | 41,603.55 | - | 58,675.80 | 976.06 | - | 17,072.25 | 17,072.25 | 17,072.25 |
| Juvenile Detention Education | - | - | - | - | - | 976.06 | 976.06 | 976.06 |
| Total business-type activities | 1,787,242.34 | - | 666,664.93 | 1,151,788.14 | - | 31,210.73 | 31,210.73 | 31,210.73 |
| Total primary government | 61,221,828.09 | - | 666,664.93 | 4,746,917.39 | - | (68,671,063.54) | 31,210.73 | (68,639,852.81) |
| General revenues: | | | | | | | | |
| Taxes: | | | | | | | | |
| County taxes, levied for general purposes | | | | | | 7,044,585.00 | | 7,044,585.00 |
| Federal and State aid not restricted | | | | | | 24,346,462.91 | | 24,346,462.91 |
| Tuition received | | | | | | 39,644,580.90 | | 39,644,580.90 |
| Investment earnings | | | | | | 60,230.00 | 1,160.92 | 60,230.00 |
| GED testing fees | | | | | | 411,164.65 | | 411,164.65 |
| Miscellaneous income | | | | | | - | (102,712.17) | (102,712.17) |
| Transfers | | | | | | 656,297.97 | | 656,297.97 |
| Federal and State aid - capital outlay | | | | | | (101,551.25) | | (101,551.25) |
| Total general revenues, special items, extraordinary items and transfers | | | | | | 72,163,331.43 | (101,551.25) | 72,061,779.18 |
| Change in Net Assets | | | | | | 3,492,257.89 | (70,340.52) | 3,421,917.37 |
| Net Assets—beginning | | | | | | 46,357,637.64 | 394,262.28 | 46,751,899.92 |
| Net Assets—ending | | | | | | 49,849,895.53 | 323,921.76 | 50,173,817.29 |

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

FUND FINANCIAL STATEMENTS

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PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Balance Sheet
Governmental Funds
June 30, 2012

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Capital Projects Fund</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|-------------------------------------|--------------------------------------|---|
| ASSETS | | | | |
| Cash and cash equivalents | 6,508,485.49 | | | 6,508,485.49 |
| Interfund receivables | 219,981.42 | | | 219,981.42 |
| Receivables from other governments | 183,996.44 | 483,551.90 | 76,790.44 | 744,338.78 |
| Tuitions receivable | 3,652,893.20 | | | 3,652,893.20 |
| Other receivables | 126,334.85 | 21,796.58 | | 148,131.43 |
| Restricted cash and cash equivalents | 1,000,001.00 | | | 1,000,001.00 |
| Total assets | <u>11,691,692.40</u> | <u>505,348.48</u> | <u>76,790.44</u> | <u>12,273,831.32</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable | 270,777.34 | 308,874.62 | | 579,651.96 |
| Accrued salaries & benefits | 452,437.51 | 4,773.31 | | 457,210.82 |
| Interfund payables | | 136,211.02 | 76,790.44 | 213,001.46 |
| Intergovernmental loans payable | | | 1,649,721.38 | 1,649,721.38 |
| Payable to federal government | | 2,029.05 | | 2,029.05 |
| Payable to state government | | 202.68 | | 202.68 |
| Deferred revenue | 40,791.08 | 53,257.80 | | 94,048.88 |
| Total liabilities | <u>764,005.93</u> | <u>505,348.48</u> | <u>1,726,511.82</u> | <u>2,995,866.23</u> |
| Fund Balances: | | | | |
| Restricted for: | | | | |
| Capital reserve account | 1,000,001.00 | | | 1,000,001.00 |
| Excess surplus -- designated for Subsequent year's expenditures | 723,960.54 | | | 723,960.54 |
| Capital projects fund | | | (1,905,836.38) | (1,905,836.38) |
| Committed to: | | | | |
| Other purposes | 1,250,145.66 | | 256,115.00 | 1,506,260.66 |
| Assigned to: | | | | |
| Designated by the BOE for subsequent year's expenditures | 5,732,676.46 | | | 5,732,676.46 |
| Unassigned: | | | | |
| General fund | 2,220,902.81 | | | 2,220,902.81 |
| Total Fund balances | <u>10,927,686.47</u> | <u>-</u> | <u>(1,649,721.38)</u> | <u>9,277,965.09</u> |
| Total liabilities and fund balances | <u>11,691,692.40</u> | <u>505,348.48</u> | <u>76,790.44</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 \$70,670,639.38 and the accumulated depreciation is \$26,209,624.87. 44,461,014.51

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 3) (3,889,084.07)

Net assets of governmental activities 49,849,895.53

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

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2012

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Capital Projects Fund</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|-------------------------------------|--------------------------------------|---|
| REVENUES | | | | |
| Local Sources: | | | | |
| County Tax levy | 7,044,585.00 | | | 7,044,585.00 |
| Tuition from LEA's | 39,253,686.82 | | | 39,253,686.82 |
| Other Tuition | 390,894.08 | | | 390,894.08 |
| GED testing fees | 60,230.00 | | | 60,230.00 |
| Miscellaneous | 411,164.65 | 33,653.77 | | 444,818.42 |
| Total - Local Sources | <u>47,160,560.55</u> | <u>33,653.77</u> | - | <u>47,194,214.32</u> |
| State Sources | 23,589,345.55 | 107,727.61 | | 23,697,073.16 |
| Federal Sources | 757,117.36 | 4,110,045.84 | | 4,867,163.20 |
| Total Revenues | <u>71,507,023.46</u> | <u>4,251,427.22</u> | - | <u>75,758,450.68</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Regular Instruction | 14,659,212.63 | 2,123,785.24 | | 16,782,997.87 |
| Other Special Instruction | 373,055.94 | | | 373,055.94 |
| Vocational Education | 9,769,917.02 | | | 9,769,917.02 |
| Other Instruction | 1,762,006.47 | | | 1,762,006.47 |
| Support Services and Undistributed Costs: | | | | |
| Student & Instruction Related Services | 8,576,285.74 | 1,471,344.01 | | 10,047,629.75 |
| School Administrative Services | 1,694,174.17 | | | 1,694,174.17 |
| General Administrative Services | 1,401,210.76 | | | 1,401,210.76 |
| Central Services & Admin. Info. Technolgy | 1,462,272.37 | | | 1,462,272.37 |
| Plant Operations and Maintenance | 7,171,641.92 | | | 7,171,641.92 |
| Pupil Transportation | 779,394.54 | | | 779,394.54 |
| Unallocated Benefits | 17,985,908.59 | | | 17,985,908.59 |
| Special Schools | 1,048,556.75 | | | 1,048,556.75 |
| Capital Outlay | 907,722.66 | 656,297.97 | 680,589.00 | 2,244,609.63 |
| Total Expenditures | <u>67,591,359.56</u> | <u>4,251,427.22</u> | <u>680,589.00</u> | <u>72,523,375.78</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>3,915,663.90</u> | - | <u>(680,589.00)</u> | <u>3,235,074.90</u> |
| Net Change in Fund Balances | 3,915,663.90 | - | (680,589.00) | 3,235,074.90 |
| Fund Balance / (Deficit) —July 1 | 7,012,022.57 | | (969,132.38) | 6,042,890.19 |
| Fund Balance / (Deficit) —June 30 | <u>10,927,686.47</u> | | <u>(1,649,721.38)</u> | <u>9,277,965.09</u> |

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

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2012

Total net change in fund balances - governmental funds (from B-2) 3,235,074.90

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

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

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

| | | |
|-----------------------------|---------------------|--------------|
| Depreciation expense | (2,341,539.03) | |
| Depreciable Capital outlays | <u>2,197,285.63</u> | (144,253.40) |

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

In the current year, these amounts consist of:

| | |
|--|-----------|
| Principal Payments on Unfunded Pension Obligations | 62,818.00 |
|--|-----------|

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

| | |
|---|------------|
| (Increase)/Decrease in compensated absences payable | 338,618.39 |
|---|------------|

Change in net assets of governmental activities 3,492,257.89

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

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Statement of Net Assets
Proprietary Funds
June 30, 2012

| | Business-type Activities - Enterprise Fund | | |
|--|---|--------------------------|--------------------------------------|
| | Food Service Program | Student Store | Total Enterprise Fund |
| ASSETS | | | |
| Current assets: | | | |
| Cash and cash equivalents | 185,622.96 | 24,636.20 | 210,259.16 |
| Accounts receivable: | | | |
| State | 846.48 | - | 846.48 |
| Federal | 52,113.16 | - | 52,113.16 |
| Other | 12,953.73 | - | 12,953.73 |
| Inventories | 29,964.50 | 8,411.28 | 38,375.78 |
| Total current assets | 281,500.83 | 33,047.48 | 314,548.31 |
| Noncurrent assets: | | | |
| Capital assets: | | | |
| Equipment | 292,660.73 | - | 292,660.73 |
| Less accumulated depreciation | (278,679.14) | - | (278,679.14) |
| Total capital assets (net of accumulated depreciation) | 13,981.59 | - | 13,981.59 |
| Total assets | 295,482.42 | 33,047.48 | 328,529.90 |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | 4,608.14 | - | 4,608.14 |
| Total current liabilities | 4,608.14 | - | 4,608.14 |
| Total liabilities | 4,608.14 | - | 4,608.14 |
| NET ASSETS | | | |
| Invested in capital assets net of related debt | 13,981.59 | - | 13,981.59 |
| Unrestricted | 276,892.69 | 33,047.48 | 309,940.17 |
| Total net assets | 290,874.28 | 33,047.48 | 323,921.76 |

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

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2012

| | Business-type Activities - | | | | Total Enterprise Fund |
|--|----------------------------|------------------|--|---------------------------------|-----------------------------|
| | Enterprise Fund | | | | |
| | Food Service Program | Student Store | Educational Technical Training Center | Juvenile Detention Center | |
| Operating revenues: | | | | | |
| Charges for services: | | | | | |
| Daily sales - reimbursable programs | 107,329.10 | - | - | - | 107,329.10 |
| Daily sales - non-reimbursable programs | 11,139.65 | - | - | - | 11,139.65 |
| Special functions | 489,520.38 | - | - | - | 489,520.38 |
| Miscellaneous | - | 58,675.80 | - | 976.06 | 59,651.86 |
| Total operating revenues | <u>607,989.13</u> | <u>58,675.80</u> | <u>-</u> | <u>976.06</u> | <u>667,640.99</u> |
| Operating expenses: | | | | | |
| Cost of sales | 1,040,390.51 | 41,603.55 | - | - | 1,081,994.06 |
| Salaries | 528,553.12 | - | - | - | 528,553.12 |
| Employee benefits | 105,822.04 | - | - | - | 105,822.04 |
| Cleaning repair & maintenance | 63,071.92 | - | - | - | 63,071.92 |
| Purchased services | 2,341.98 | - | - | - | 2,341.98 |
| Miscellaneous expense | 600.97 | - | - | - | 600.97 |
| General supplies | 1,807.66 | - | - | - | 1,807.66 |
| Depreciation | 3,050.59 | - | - | - | 3,050.59 |
| Total Operating Expenses | <u>1,745,638.79</u> | <u>41,603.55</u> | <u>-</u> | <u>-</u> | <u>1,787,242.34</u> |
| Operating income (loss) | <u>(1,137,649.66)</u> | <u>17,072.25</u> | <u>-</u> | <u>976.06</u> | <u>(1,119,601.35)</u> |
| Nonoperating revenues (expenses): | | | | | |
| State sources: | | | | | |
| State school lunch program | 18,423.92 | | | | 18,423.92 |
| Federal sources: | | | | | |
| National school lunch program | 846,262.89 | | | | 846,262.89 |
| National school breakfast program | 189,594.75 | | | | 189,594.75 |
| Food distribution program | 96,530.52 | | | | 96,530.52 |
| Interest and investment revenue | 963.26 | 62.84 | 134.82 | - | 1,160.92 |
| Total nonoperating revenues (expenses) | <u>1,151,775.34</u> | <u>62.84</u> | <u>134.82</u> | <u>-</u> | <u>1,151,973.00</u> |
| Income (loss) before contributions & transfers | <u>14,125.68</u> | <u>17,135.09</u> | <u>134.82</u> | <u>976.06</u> | <u>32,371.65</u> |
| Transfers in (out) | - | | (53,711.47) | (49,000.70) | (102,712.17) |
| Change in net assets | 14,125.68 | 17,135.09 | (53,576.65) | (48,024.64) | (70,340.52) |
| Total net assets—beginning | 276,748.60 | 15,912.39 | 53,576.65 | 48,024.64 | 394,262.28 |
| Total net assets—ending | <u>290,874.28</u> | <u>33,047.48</u> | <u>-</u> | <u>-</u> | <u>323,921.76</u> |

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

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2012

| | Business-type Activities - | | | | Total Enterprise Fund |
|--|-----------------------------------|----------------------|--|----------------------------------|------------------------------|
| | Food Service Program | Student Store | Educational Technical Training Center | Juvenile Detention Center | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts from customers | 610,840.90 | 58,675.80 | - | - | 669,516.70 |
| Payments to employees | (524,638.08) | - | - | - | (524,638.08) |
| Payments for employee benefits | (105,822.04) | - | - | - | (105,822.04) |
| Payments to suppliers | (1,013,584.52) | (45,880.41) | - | - | (1,059,464.93) |
| Net cash provided by (used for) operating activities | (1,033,203.74) | 12,795.39 | - | - | (1,020,408.35) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| State Sources | 19,403.65 | - | - | - | 19,403.65 |
| Federal Sources | 1,041,028.64 | - | - | - | 1,041,028.64 |
| Operating subsidies and transfers to other funds | - | - | (53,711.47) | - | (53,711.47) |
| Net cash provided by (used for) non-capital financing activities | 1,060,432.29 | - | (53,711.47) | - | 1,006,720.82 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Interest and dividends | 963.26 | 62.84 | 134.82 | - | 1,160.92 |
| Net cash provided by (used for) investing activities | 963.26 | 62.84 | 134.82 | - | 1,160.92 |
| Net increase (decrease) in cash and cash equivalents | 28,191.81 | 12,858.23 | (53,576.65) | - | (12,526.61) |
| Balances—beginning of year | 157,431.15 | 11,777.97 | 53,576.65 | - | 222,785.77 |
| Balances—end of year | 185,622.96 | 24,636.20 | - | - | 210,259.16 |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | | | | |
| Operating income (loss) | (1,137,649.66) | 17,072.25 | - | 976.06 | (1,119,601.35) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities | | | | | |
| Depreciation and net amortization | 3,050.59 | - | - | - | 3,050.59 |
| Food Distribution Program Donated Commodities | 96,530.52 | - | - | - | 96,530.52 |
| (Increase) decrease in accounts receivable, net | 2,851.77 | - | - | - | 2,851.77 |
| (Increase) decrease in inventories | (1,902.00) | (2,866.98) | - | - | (4,768.98) |
| Increase (decrease) in accounts payable | 3,915.04 | (1,409.88) | - | - | 2,505.16 |
| Increase (decrease) in other current liabilities | - | - | - | (976.06) | (976.06) |
| Total adjustments | 104,445.92 | (4,276.86) | - | (976.06) | 99,193.00 |
| Net cash provided by (used for) operating activities | (1,033,203.74) | 12,795.39 | - | - | (1,020,408.35) |

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

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

| | <u>Unemployment Compensation Trust Fund</u> | <u>Scholarship Fund</u> | <u>Agency Fund</u> |
|---|---|-----------------------------|------------------------|
| ASSETS | | | |
| Cash and cash equivalents | 644,125.91 | 53,319.09 | 2,645,771.20 |
| Total assets | <u>644,125.91</u> | <u>53,319.09</u> | <u>2,645,771.20</u> |
| LIABILITIES | | | |
| Payable to student groups | | | 265,908.21 |
| Due to General Fund | | | 6,979.96 |
| Summer payroll due employees | | | 2,027,840.45 |
| Payroll deductions and withholdings | | | 337,238.65 |
| Reserve for Employee's FSA/DDC | | | 7,803.93 |
| Total liabilities | <u>-</u> | <u>-</u> | <u>2,645,771.20</u> |
| NET ASSETS | | | |
| Held in trust for unemployment claims and other purposes | <u>644,125.91</u> | | |
| Reserved for scholarships | | <u>53,319.09</u> | |

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

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2012

| | Unemployment Compensation Trust Fund | Scholarship Fund |
|----------------------------------|---|-----------------------------|
| ADDITIONS | | |
| Contributions: | | |
| Plan member | 50,519.20 | - |
| Other | - | 39,300.00 |
| Total Contributions | 50,519.20 | 39,300.00 |
| Investment earnings: | | |
| Interest | 2,234.13 | 101.82 |
| Net investment earnings | 2,234.13 | 101.82 |
| Total additions | 52,753.33 | 39,401.82 |
| DEDUCTIONS | | |
| Unemployment claims | 81,313.89 | |
| Scholarships awarded | | 36,650.00 |
| Total deductions | 81,313.89 | 36,650.00 |
| Change in net assets | (28,560.56) | 2,751.82 |
| Net assets—beginning of the year | 672,686.47 | 50,567.27 |
| Net assets—end of the year | 644,125.91 | 53,319.09 |

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

NOTES TO THE FINANCIAL STATEMENTS

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**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY:

The Board of Education ("Board") of the Passaic County Technical and Vocational High School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of officials appointed by the County of Passaic Board of Chosen Freeholders and the County Superintendent of Schools and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

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

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

Based on the aforementioned criteria, the Board has no component units. Furthermore, the Board would be includable in the reporting entity of the County of Passaic on the basis of such criteria.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

A. Basis of Presentation:

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

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

District-wide Financial Statements:

The statement of net assets and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District, except for the fiduciary funds. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Board.

Fund Financial Statements:

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *governmental*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models. The various funds of the Board are grouped into the categories governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

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

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

GOVERNMENTAL FUNDS, (continued)

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

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

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

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

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from sale of bonds by the County of Passaic, lease purchases and other revenues.

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net assets, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

PROPRIETARY FUNDS, (continued)

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

The Board's Enterprise Fund is comprised of the Food Service Fund, School Store, Educational Technical Training Center Program and the Juvenile Detention Center.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net assets and changes in net assets. The Fiduciary Funds are used to account for assets held by the Board in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Fiduciary Funds include Unemployment Compensation Insurance and the Passaic County Technical and Vocational High School Scholarship Funds, Payroll Fund, Employee Flexible Spending Account/Dependent Child Care Account and Student Activities Fund.

B. Measurement Focus:

District-wide Financial Statements

The District-wide statements (i.e., the statement of net assets and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net assets, except for fiduciary funds.

Fund Financial Statements

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

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

B. Measurement Focus: (continued)

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

C. Basis of Accounting:

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

Revenues - Exchange and Non-exchange Transactions

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

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: ad valorem property taxes, tuition, unrestricted grants and interest.

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

C. Basis of Accounting: (continued)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

D. Budgets/Budgetary Control:

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. 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:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. The Board of Education made supplemental budget appropriations of \$25,000.00 for the GED Program and \$21,316.00 for the education jobs fund program in the general fund budget during the fiscal year. The special revenues fund was increased by \$1,853,162.90 for additional aid allotted to the District.

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 of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

E. Encumbrances:

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

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

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

F. Cash, Cash Equivalents and Investments:

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

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

Additionally, the Board 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.

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

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

G. Tuition Revenues/Receivable:

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

H. Inventories:

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

I. Prepaid Items:

Payments made to vendors for services that will benefit periods beyond June 30, 2012, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

J. Short-Term Interfund Receivables/Payables:

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

K. Capital Assets:

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

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value fo the asset or materially extend an asset's life are not.

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

K. Capital Assets: (continued)

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

| <u>Description</u> | <u>Governmental Activities Estimated Lives</u> | <u>Business-Type Activity Estimated Lives</u> |
|-----------------------------------|--|---|
| Sites and Improvements | 20 years | N/A |
| Buildings and Improvements | 7-50 years | N/A |
| Furniture, Equipment and Vehicles | 5-20 years | 5-20 years |

L. Compensated Absences:

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

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

M. Deferred Revenue:

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

Deferred revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 2(E) regarding the special revenue fund.

N. Accrued Liabilities and Long-term Obligations:

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

N. Accrued Liabilities and Long-term Obligations: (continued):

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

O. Fund Balances:

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

P. Net Assets:

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

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Q. Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

R. Contributed Capital:

Contributions of capital in proprietary fund financial statements arise from outside contributions of fixed assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

S. Extraordinary and Special Items:

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

T. Allocation of Indirect Expenses:

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. TPAF on-behalf contributions and changes in compensated absences have not been allocated and have been reported as unallocated benefits on the Statement of Activities. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities as unallocated depreciation.

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

U. Use of Estimates:

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS:

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2012, \$0- of the District's bank balance of \$13,084,543.43 was exposed to custodial credit risk.

Investments

Investment Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012

NOTE 4. RECEIVABLES:

Receivables at June 30, 2012, consisted of accounts receivable, other, interfund and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

| | Governmental Fund Financial Statements | Enterprise Fund | District Wide Financial Statements |
|------------------------------------|--|---------------------------|--|
| State Aid | \$117,383.98 | \$846.48 | \$118,230.46 |
| Federal Aid | 550,164.36 | 52,113.16 | 602,277.52 |
| Passaic County | 76,790.44 | | 76,790.44 |
| Tuition | 3,652,893.20 | | 3,652,893.20 |
| Interfunds | 219,981.42 | | 6,979.96 |
| Other | <u>148,131.43</u> | <u>12,953.73</u> | <u>161,085.16</u> |
| Gross Receivables | 4,765,344.83 | 65,913.37 | 4,618,256.74 |
| Less: Allowance for Uncollectibles | | | |
| Total Receivables, Net | <u><u>\$4,765,344.83</u></u> | <u><u>\$65,913.37</u></u> | <u><u>\$4,618,256.74</u></u> |

NOTE 5. INTERFUND BALANCES AND ACTIVITY:

Balances due to/from other funds at June 30, 2012, consist of the following:

| | |
|----------------------------|---|
| \$136,211.02 | Due to the General Fund from the Special Revenue Fund representing short term loans. |
| 6,979.96 | Due to the General Fund from the Agency Fund representing short term loans. |
| <u>76,790.44</u> | Due to the General Fund from the Capital Projects Fund representing short term loans. |
| <u><u>\$219,981.42</u></u> | |

It is anticipated that all interfunds will be liquidated during the fiscal year.

There were no operating transfers to or from other funds at June 30, 2012.

Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012

NOTE 6. CAPITAL ASSETS:

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

| | <u>Balance</u> <u>6/30/11</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance</u> <u>6/30/12</u> |
|--|----------------------------------|-----------------------|-----------------------|----------------------------------|
| Governmental Activities | | | | |
| Capital Assets, Not Being Depreciated | | | | |
| Construction in Progress | <u>\$733,618.65</u> | <u>\$100,523.60</u> | <u>(\$733,618.65)</u> | <u>\$100,523.60</u> |
| Total Capital Assets, Not Being Depreciated | <u>733,618.65</u> | <u>100,523.60</u> | <u>(733,618.65)</u> | <u>100,523.60</u> |
| Capital Assets Being Depreciated | | | | |
| Sites and Improvements | 1,392,399.36 | 168,855.61 | | 1,561,254.97 |
| Buildings and Improvements | 53,097,944.59 | 614,528.02 | 733,618.65 | 54,446,091.26 |
| Furniture, Equipment and Vehicles | <u>13,286,770.26</u> | <u>1,313,378.40</u> | <u>(37,379.11)</u> | <u>14,562,769.55</u> |
| Total Capital Assets, Being Depreciated | <u>67,777,114.21</u> | <u>2,096,762.03</u> | <u>696,239.54</u> | <u>70,570,115.78</u> |
| Less Accumulated Depreciation: | | | | |
| Sites and Improvements | (431,457.48) | (23,550.20) | | (455,007.68) |
| Buildings and Improvements | (16,057,390.38) | (1,389,421.18) | | (17,446,811.56) |
| Furniture, Equipment and Vehicles | <u>(7,416,617.09)</u> | <u>(928,567.65)</u> | <u>37,379.11</u> | <u>(8,307,805.63)</u> |
| Total Accumulated Depreciation | <u>(23,905,464.95)</u> | <u>(2,341,539.03)</u> | <u>37,379.11</u> | <u>(26,209,624.87)</u> |
| Total Capital Assets, Being Depreciated, Net | <u>43,871,649.26</u> | <u>(244,777.00)</u> | <u>733,618.65</u> | <u>44,360,490.91</u> |
| Governmental Activities Capital Assets, Net | <u>\$44,605,267.91</u> | <u>(\$144,253.40)</u> | <u>\$0.00</u> | <u>\$44,461,014.51</u> |

| | <u>Balance</u> <u>6/30/11</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance</u> <u>6/30/12</u> |
|--|----------------------------------|---------------------|-------------------|----------------------------------|
| Business-Type Activity | | | | |
| Furniture and Equipment | <u>\$307,447.73</u> | <u>\$</u> | <u>\$</u> | <u>\$307,447.73</u> |
| Totals | <u>307,447.73</u> | <u>_____</u> | <u>_____</u> | <u>307,447.73</u> |
| Less Accumulated Depreciation | | | | |
| Furniture and Equipment | <u>(290,415.55)</u> | <u>(3,050.59)</u> | <u>_____</u> | <u>(293,466.14)</u> |
| Total Accumulated Depreciation | <u>(290,415.55)</u> | <u>(3,050.59)</u> | <u>_____</u> | <u>(293,466.14)</u> |
| Business-Type Activity Capital Assets, Net | <u>\$17,032.18</u> | <u>(\$3,050.59)</u> | <u>\$</u> | <u>\$13,981.59</u> |

Depreciation expense was not allocated to governmental functions. It appears on the statement of activities as "unallocated depreciation".

Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012

NOTE 7. LONG-TERM OBLIGATION ACTIVITY:

Changes in long-term obligations for the fiscal year ended June 30, 2012 were as follows:

| | Balance <u>June 30, 2011</u> | <u>Issued</u> | <u>Retired</u> | Balance <u>June 30, 2012</u> | Amounts Due Within <u>One Year</u> |
|------------------------------|---------------------------------|---------------------|-----------------------|---------------------------------|--|
| Unfunded Pension Obligations | \$526,261.00 | | (\$62,818.00) | \$463,443.00 | \$64,664.00 |
| Compensated absences payable | <u>3,764,259.46</u> | <u>\$528,076.05</u> | <u>(866,694.44)</u> | <u>3,425,641.07</u> | <u> </u> |
| | <u>\$4,290,520.46</u> | <u>\$528,076.05</u> | <u>(\$929,512.44)</u> | <u>\$3,889,084.07</u> | <u>\$64,664.00</u> |

NOTE 8. OPERATING LEASES:

The District has commitments to lease copiers under an operating lease that expires in 2016. Total operating lease payments made during the year ended June 30, 2012 were \$153,835.04. Future minimum lease payments are as follows:

| Year <u>Ending</u> | <u>Amount</u> |
|-------------------------------------|---------------------|
| 6/30/13 | \$162,393.56 |
| 6/30/14 | 98,373.34 |
| 6/30/15 | 53,297.64 |
| 6/30/16 | <u>34,327.45</u> |
| Total future minimum lease payments | <u>\$348,391.99</u> |

NOTE 9. DESCRIPTION OF FACILITY LEASING ARRANGEMENTS:

The District conducts the LPN Program from leased facilities. The lease expires on December 31, 2016.

Rental expense, under operating leases, was \$118,032.00 for the year ended June 30, 2012.

The following is a schedule, by year, of the total future minimum rental payments required under operating leases that have initial or remaining lease terms in excess of one year at June 30, 2012:

| Year Ending <u>June 30,</u> | <u>Amounts</u> |
|--------------------------------|---------------------|
| 2013 | \$126,438.00 |
| 2014 | 128,966.76 |
| 2015 | 129,506.34 |
| 2016 | <u>66,048.00</u> |
| Total Minimum Payments | <u>\$450,959.10</u> |

Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012

NOTE 10. PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or reports can be accessed on the internet at: http://www.state.nj.us/treasury/pensions/annrpts_archive.htm.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Contribution Requirements - The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS and 5.5% for TPAF of the employee's annual compensation. Pursuant to the provisions of Chapter 78, P.L. 2011, this amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning in the first year. For fiscal year 2012, the member rate will increase in October 2011. The phase in will take place on July 1 of each subsequent fiscal year. Employers are required to contribute at an actuarially determined rate in all Funds except the SACT. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and TPAF. In the PERS and TPAF, the employer contribution includes funding for post-retirement medical premiums.

Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012

NOTE 10. PENSION PLANS: (continued)

During the year ended June 30, 2007 for TPAF, which is a cost sharing plan with special funding situations, annual pension cost equals annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997.

The Board's contribution to PERS, equal to the required contributions for each year, were as follows:

| Year <u>Ending</u> | |
|-----------------------|--------------|
| 6/30/12 | \$925,981.00 |
| 6/30/11 | 877,772.00 |
| 6/30/10 | 675,004.00 |

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and accrued pension costs, post retirement medical benefits and noncontributory group insurance premiums were as follows:

| Year <u>Ending</u> | <u>Pension Contributions</u> | Post- Retirement Medical <u>Contributions</u> | NCGI <u>Premium</u> |
|-----------------------|----------------------------------|--|------------------------|
| 6/30/12 | \$857,708.00 | \$1,909,247.00 | \$92,044.00 |
| 6/30/11 | | 2,008,090.00 | 94,543.00 |
| 6/30/10 | | 1,873,582.00 | 99,757.00 |

During the fiscal year ended June 30, 2012, the State of New Jersey contributed \$2,858,999.00 to the TPAF for pension contributions, noncontributory life insurance contributions and post-retirement medical benefits on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$2,295,302.55 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. This amount has been included in the district-wide financial statements, and the fund-based statements as a revenue and expenditure in accordance with GASB 24.

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 11. POST-RETIREMENT BENEFITS:

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2011, there were 93,323 retirees eligible for post-retirement medical benefits and the State contributed \$935.5 million on their behalf. 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 prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 Chapter 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.

NOTE 12. DEFERRED COMPENSATION:

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

| | |
|---------------|---------------------|
| Ameriprise | Lincoln Investment |
| MetLife | Grant American Life |
| AXA Equitable | Valic |

NOTE 13. RISK MANAGEMENT:

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

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

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 13. RISK MANAGEMENT: (continued)

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. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years:

| <u>Fiscal Year</u> | <u>Interest Earnings/ District Contributions</u> | <u>Employee Contributions</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|--------------------|--|-----------------------------------|------------------------------|---------------------------|
| 2011-2012 | \$2,234.13 | \$50,519.20 | \$81,313.89 | \$644,125.91 |
| 2010-2011 | 531,986.41 | 52,359.57 | 234,146.29 | 672,686.47 |
| 2009-2010 | 2,745.25 | 52,495.27 | | 322,486.78 |

NOTE 14. CAPITAL RESERVE ACCOUNT:

A capital reserve account was established by the Passaic County Technical and Vocational High Board of Education by inclusion of \$1.00 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). 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 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 | \$1.00 |
| Deposit - Board Resolution, June 28, 2012 | <u>1,000,000.00</u> |
| Ending balance, June 30, 2012 | <u>\$1,000,001.00</u> |

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 15. DEFICIT FUND BALANCES:

The District has an accumulated deficit of \$1,649,721.38 in the Capital Projects Fund as of June 30, 2012. This deficit is the result of the County of Passaic utilizing temporary financing to fund expenditures for certain capital projects. As the County permanently finances these appropriations, the District will realize as revenues the proceeds of the financing. This deficit does not indicate that the District is facing financial difficulties and is permitted practice under accounting principles generally accepted in the United States of America.

NOTE 16. FUND BALANCE APPROPRIATED:

General Fund [Exhibit B-1] - Of the \$10,927,686.47 General Fund fund balance at June 30, 2012, \$1,250,145.66 is reserved for encumbrances; \$723,960.54 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 (\$723,960.54 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2013); \$1,000,001.00 has been reserved in the Capital Reserve Account; \$5,732,676.46 has been appropriated and included as anticipated revenue for the year ending June 30, 2013; and \$2,220,902.81 is unreserved and undesignated.

NOTE 17. CALCULATION OF EXCESS SURPLUS:

In accordance with N.J.S.A. 18A:7F-7, as amended, the designation for Reserved Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2012 is \$723,960.54 which is the result of prior year operations.

NOTE 18. INVENTORY:

Inventory in the Enterprise Funds at June 30, 2012 consisted of the following:

| | |
|----------|--------------------|
| Food | \$29,964.50 |
| Supplies | <u>8,411.28</u> |
| | <u>\$38,375.78</u> |

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

NOTE 19. REVOLVING LINE OF CREDIT:

The Board entered into an agreement with Columbia Bank for a \$3,000,000.00 revolving line of credit. The line of credit is to be utilized for cash flow purposes. During the 2011-2012 school year, the Board did not utilize this line of credit.

**Passaic County Technical and Vocational High School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2012**

NOTE 20. CONTINGENT LIABILITIES:

Litigation:

The Board is involved in several 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 material adverse effect on the financial position of the District.

Grants:

The Board received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Board at June 30, 2012.

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**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

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BUDGETARY COMPARISON SCHEDULES

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PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2012

Exhibit C-1

Page 1 of 7

| | <u>Original Budget</u> | <u>Budget Transfers/ Adjustments</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|--|-------------------------|----------------------|-------------------------------------|
| REVENUES: | | | | | |
| Local Sources: | | | | | |
| County Tax Levy | 7,044,585.00 | | 7,044,585.00 | 7,044,585.00 | - |
| Tuition from LEA's | 39,617,980.00 | | 39,617,980.00 | 39,253,686.82 | (364,293.18) |
| Other Tuition | 452,750.00 | | 452,750.00 | 390,894.08 | (61,855.92) |
| GED Testing Center Fees/Jail | 50,000.00 | 25,000.00 | 75,000.00 | 60,230.00 | (14,770.00) |
| Miscellaneous | 370,500.00 | | 370,500.00 | 411,164.65 | 40,664.65 |
| Total - Local Sources | <u>47,535,815.00</u> | <u>25,000.00</u> | <u>47,560,815.00</u> | <u>47,160,560.55</u> | <u>(400,254.45)</u> |
| State Sources: | | | | | |
| Equalization Aid | 16,017,957.00 | | 16,017,957.00 | 16,674,787.00 | 656,830.00 |
| Special Education Aid | 1,889,556.00 | | 1,889,556.00 | 1,889,556.00 | - |
| Other - Anti-Bullying Bill of Rights | | | - | 5,466.00 | 5,466.00 |
| On-behalf TPAF NCGI Premium (non-budgeted) | | | - | 92,044.00 | 92,044.00 |
| On-behalf TPAF Pension Contributions (non-budgeted) | | | - | 857,708.00 | 857,708.00 |
| On-behalf TPAF Post Retirement Medical (non-budgeted) | | | - | 1,909,247.00 | 1,909,247.00 |
| TPAF Social Security (Reimbursed - Non-Budgeted) | | | - | 2,295,302.55 | 2,295,302.55 |
| Total - State Sources | <u>17,907,513.00</u> | <u>-</u> | <u>17,907,513.00</u> | <u>23,724,110.55</u> | <u>5,816,597.55</u> |
| Federal Sources: | | | | | |
| Education Jobs Fund | 680,412.00 | 21,316.00 | 701,728.00 | 700,273.13 | (1,454.87) |
| Medical Assistance Program | 66,990.00 | | 66,990.00 | 56,844.23 | (10,145.77) |
| Total - Federal Sources | <u>747,402.00</u> | <u>21,316.00</u> | <u>768,718.00</u> | <u>757,117.36</u> | <u>(11,600.64)</u> |
| TOTAL REVENUES | <u>66,190,730.00</u> | <u>46,316.00</u> | <u>66,237,046.00</u> | <u>71,641,788.46</u> | <u>5,404,742.46</u> |
| EXPENDITURES: | | | | | |
| Current Expense: | | | | | |
| Regular Programs - Grade 9-12 - Instruction | | | | | |
| Salaries of Teachers | 13,519,962.00 | (16,741.00) | 13,503,221.00 | 13,446,207.07 | 57,013.93 |
| Other Salaries for Instruction | 426,515.00 | 30,000.00 | 456,515.00 | 434,531.10 | 21,983.90 |
| Purchased Professional-Educational Services | 13,050.00 | (6,180.00) | 6,870.00 | 3,711.25 | 3,158.75 |
| Purchased Technical Services | 30,000.00 | | 30,000.00 | 13,670.75 | 16,329.25 |
| Other Purchased Services (400-500 series) | 272,845.00 | 14,800.00 | 287,645.00 | 250,686.27 | 36,958.73 |
| General Supplies | 269,753.24 | (50,300.00) | 219,453.24 | 128,359.25 | 91,093.99 |
| Textbooks | 333,767.98 | 44,980.00 | 378,747.98 | 313,841.00 | 64,906.98 |
| Other Objects | 29,000.00 | (9,501.00) | 19,499.00 | 3,554.24 | 15,944.76 |
| Regular Programs - Home Instruction: | | | | | |
| Salaries of Teachers | 39,000.00 | 27,001.00 | 66,001.00 | 62,333.72 | 3,667.28 |
| Purchased Professional-Educational Services | 9,000.00 | | 9,000.00 | 2,317.98 | 6,682.02 |
| TOTAL REGULAR PROGRAMS - INSTRUCTION | <u>14,942,893.22</u> | <u>34,059.00</u> | <u>14,976,952.22</u> | <u>14,659,212.63</u> | <u>317,739.59</u> |
| Basic Skills/Remedial - Instruction | | | | | |
| Salaries of Teachers | 669,038.00 | (239,000.00) | 430,038.00 | 168,518.08 | 261,519.92 |
| Purchased Professional-Educational Services | 1,000.00 | | 1,000.00 | 373.00 | 627.00 |
| Purchased Technical Services | 5,000.00 | | 5,000.00 | 1,345.50 | 3,654.50 |
| Other Purchased Services (400-500 series) | 9,100.00 | | 9,100.00 | 8,090.64 | 1,009.36 |
| General Supplies | 17,000.00 | 1,500.00 | 18,500.00 | 7,247.40 | 11,252.60 |
| Textbooks | 1,800.00 | 20,000.00 | 21,800.00 | 17,701.44 | 4,098.56 |
| Other Objects | 3,600.00 | (1,500.00) | 2,100.00 | 1,598.50 | 501.50 |
| Total Basic Skills/Remedial - Instruction | <u>706,538.00</u> | <u>(219,000.00)</u> | <u>487,538.00</u> | <u>204,874.56</u> | <u>282,663.44</u> |
| Bilingual Education - Instruction | | | | | |
| Salaries of Teachers | 174,430.00 | | 174,430.00 | 165,167.20 | 9,262.80 |
| Purchased Professional-Educational Services | 1,890.00 | | 1,890.00 | 125.00 | 1,765.00 |
| Other Purchased Services (400-500 series) | 1,000.00 | | 1,000.00 | | 1,000.00 |
| General Supplies | 5,400.00 | (159.00) | 5,241.00 | 1,781.15 | 3,459.85 |
| Textbooks | 1,800.00 | | 1,800.00 | | 1,800.00 |
| Other Objects | 950.00 | 159.00 | 1,109.00 | 1,108.03 | 0.97 |
| Total Bilingual Education - Instruction | <u>185,470.00</u> | <u>-</u> | <u>185,470.00</u> | <u>168,181.38</u> | <u>17,288.62</u> |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2012

| | <u>Original Budget</u> | <u>Budget Transfers/ Adjustments</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|--|-------------------------|----------------------|-------------------------------------|
| Regular Vocational Programs - Instruction | | | | | |
| Salaries of Teachers | 8,276,690.00 | (501,700.00) | 7,774,990.00 | 7,757,088.54 | 17,901.46 |
| Other Salaries for Instruction | 90,544.00 | | 90,544.00 | 83,034.23 | 7,509.77 |
| Purchased Professional-Educational Services | 5,400.00 | (2,000.00) | 3,400.00 | 560.00 | 2,840.00 |
| Purchased Technical Services | 2,800.00 | | 2,800.00 | 1,666.50 | 1,133.50 |
| Other Purchased Services (400-500 series) | 137,694.00 | 22,500.00 | 160,194.00 | 146,036.73 | 14,157.27 |
| General Supplies | 1,037,785.39 | 92,688.69 | 1,130,474.08 | 847,390.61 | 283,083.47 |
| Textbooks | 192,038.00 | 25,613.00 | 217,651.00 | 104,046.35 | 113,604.65 |
| Other Objects | 83,367.00 | (4,101.69) | 79,265.31 | 32,729.90 | 46,535.41 |
| Total Regular Vocational Programs - Instruction | <u>9,826,318.39</u> | <u>(367,000.00)</u> | <u>9,459,318.39</u> | <u>8,972,552.86</u> | <u>486,765.53</u> |
| Special Vocational Programs - Instruction | | | | | |
| Salaries of Teachers | 843,909.00 | (13,400.00) | 830,509.00 | 723,257.04 | 107,251.96 |
| Other Salaries for Instruction | 29,000.00 | 43,000.00 | 72,000.00 | 39,186.20 | 32,813.80 |
| Purchased Technical Services | 7,200.00 | (3,100.00) | 4,100.00 | 1,139.29 | 2,960.71 |
| Other Purchased Services (400-500 series) | 3,832.00 | 1,800.00 | 5,632.00 | 3,317.64 | 2,314.36 |
| General Supplies | 38,519.84 | 500.00 | 39,019.84 | 29,204.84 | 9,815.00 |
| Textbooks | 10,485.00 | | 10,485.00 | 391.99 | 10,093.01 |
| Other Objects | 2,300.00 | | 2,300.00 | 867.16 | 1,432.84 |
| Total Special Vocational Programs - Instruction | <u>935,245.84</u> | <u>28,800.00</u> | <u>964,045.84</u> | <u>797,364.16</u> | <u>166,681.68</u> |
| TOTAL VOCATIONAL PROGRAMS | <u>10,761,564.23</u> | <u>(338,200.00)</u> | <u>10,423,364.23</u> | <u>9,769,917.02</u> | <u>653,447.21</u> |
| School-Sponsored Cocurricular Activities - Instruction | | | | | |
| Salaries | 332,700.00 | (7,000.00) | 325,700.00 | 322,488.68 | 3,211.32 |
| Purchased Services (300-500 series) | 110,946.00 | (900.00) | 110,046.00 | 102,336.84 | 7,709.16 |
| Supplies and Materials | 55,510.00 | 25,400.00 | 80,910.00 | 71,142.38 | 9,767.62 |
| Other Objects | 59,850.00 | (5,500.00) | 54,350.00 | 52,816.79 | 1,533.21 |
| Total School-Sponsored Cocurricular Activities - Instruction | <u>559,006.00</u> | <u>12,000.00</u> | <u>571,006.00</u> | <u>548,784.69</u> | <u>22,221.31</u> |
| School-Sponsored Athletics - Instruction | | | | | |
| Salaries | 691,300.00 | 111,000.00 | 802,300.00 | 801,104.18 | 1,195.82 |
| Purchased Services (300-500 series) | 67,622.00 | (41,000.00) | 26,622.00 | 12,869.62 | 13,752.38 |
| Supplies and Materials | 144,093.62 | 31,000.00 | 175,093.62 | 159,662.20 | 15,431.42 |
| Other Objects | 121,095.00 | (9,000.00) | 112,095.00 | 91,326.06 | 20,768.94 |
| Total School-Sponsored Athletics - Instruction | <u>1,024,110.62</u> | <u>92,000.00</u> | <u>1,116,110.62</u> | <u>1,064,962.06</u> | <u>51,148.56</u> |
| Other Instructional Programs - Instruction | | | | | |
| Salaries | 260,573.00 | (85,569.00) | 175,004.00 | 148,259.72 | 26,744.28 |
| Total Other Instructional Programs - Instruction | <u>260,573.00</u> | <u>(85,569.00)</u> | <u>175,004.00</u> | <u>148,259.72</u> | <u>26,744.28</u> |
| TOTAL INSTRUCTION | <u>28,440,155.07</u> | <u>(504,710.00)</u> | <u>27,935,445.07</u> | <u>26,564,192.06</u> | <u>1,371,253.01</u> |
| Undistributed Expend. - Attend. & Social Work | | | | | |
| Salaries | 802,940.00 | 201,601.00 | 1,004,541.00 | 986,997.10 | 17,543.90 |
| Purchased Professional and Technical Services | 5,000.00 | (932.00) | 4,068.00 | 4,068.00 | - |
| Other Purchased Services (400-500 series) | 3,756.00 | 4,150.00 | 7,906.00 | 7,421.18 | 484.82 |
| Supplies and Materials | 2,500.00 | (218.00) | 2,282.00 | 1,416.50 | 865.50 |
| Other Objects | 400.00 | | 400.00 | | 400.00 |
| Total Undistributed Expend. - Attend. & Social Work | <u>814,596.00</u> | <u>204,601.00</u> | <u>1,019,197.00</u> | <u>999,902.78</u> | <u>19,294.22</u> |
| Undist. Expend. - Health Services | | | | | |
| Salaries | 492,406.00 | 6,000.00 | 498,406.00 | 436,097.96 | 62,308.04 |
| Purchased Professional and Technical Services | 32,000.00 | | 32,000.00 | 24,853.10 | 7,146.90 |
| Other Purchased Services (400-500 series) | 3,200.00 | | 3,200.00 | | 3,200.00 |
| Supplies and Materials | 24,100.00 | | 24,100.00 | 17,376.38 | 6,723.62 |
| Other Objects | 6,239.00 | | 6,239.00 | 3,439.61 | 2,799.39 |
| Total Undistributed Expenditures - Health Services | <u>557,945.00</u> | <u>6,000.00</u> | <u>563,945.00</u> | <u>481,767.05</u> | <u>82,177.95</u> |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2012

| | <u>Original Budget</u> | <u>Budget Transfers/ Adjustments</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|--|----------------------------|--|-------------------------|---------------------|-------------------------------------|
| Undist. Expend. - Guidance | | | | | |
| Salaries of Other Professional Staff | 2,057,047.00 | 266,660.13 | 2,323,707.13 | 2,323,021.13 | 686.00 |
| Salaries of Secretarial and Clerical Assistants | 392,470.00 | (27,252.02) | 365,217.98 | 365,151.17 | 66.81 |
| Other Salaries | 94,439.00 | 2,000.00 | 96,439.00 | 96,223.60 | 215.40 |
| Purchased Professional - Educational Services | 1,800.00 | | 1,800.00 | | 1,800.00 |
| Other Purchased Prof. and Tech. Services | 175,500.00 | (8,000.00) | 167,500.00 | 96,480.43 | 71,019.57 |
| Other Purchased Services (400-500 series) | 18,180.00 | 3,600.00 | 21,780.00 | 21,280.59 | 499.41 |
| Supplies and Materials | 59,021.95 | (1,300.00) | 57,721.95 | 51,336.72 | 6,385.23 |
| Other Objects | 13,085.90 | (3,600.00) | 9,485.90 | 3,695.89 | 5,790.01 |
| Total Undist. Expend. - Guidance | <u>2,811,543.85</u> | <u>232,108.11</u> | <u>3,043,651.96</u> | <u>2,957,189.53</u> | <u>86,462.43</u> |
| Undist. Expend. - Child Study Team | | | | | |
| Salaries of Other Professional Staff | 958,277.00 | (162,900.00) | 795,377.00 | 787,373.70 | 8,003.30 |
| Salaries of Secretarial and Clerical Assistants | 219,453.00 | (2,800.00) | 216,653.00 | 171,180.80 | 45,472.20 |
| Purchased Professional - Educational Services | 800.00 | 500.00 | 1,300.00 | | 1,180.00 |
| Other Purchased Prof. and Tech. Services | 14,760.00 | (5,000.00) | 9,760.00 | 620.00 | 9,110.00 |
| Other Purchased Services (400-500 series) | 3,523.00 | 5,556.00 | 9,079.00 | 6,895.42 | 2,183.58 |
| Supplies and Materials | 6,930.00 | (896.00) | 6,034.00 | 4,148.61 | 1,885.39 |
| Other Objects | 3,730.00 | | 3,730.00 | 1,222.09 | 2,507.91 |
| Total Undist. Expend. - Child Study Team | <u>1,207,473.00</u> | <u>(165,540.00)</u> | <u>1,041,933.00</u> | <u>971,590.62</u> | <u>70,342.38</u> |
| Undist. Expend. - Improvement of Instructional Services | | | | | |
| Salaries of Supervisor of Instruction | 1,458,888.00 | (88,200.00) | 1,370,688.00 | 1,199,690.97 | 170,997.03 |
| Salaries of Secretarial and Clerical Assistants | 649,145.00 | (5,000.00) | 644,145.00 | 470,149.98 | 173,995.02 |
| Other Purch Prof. and Tech. Services | | 1,370.00 | 1,370.00 | | - |
| Other Purch Services (400-500) | 16,766.00 | 10,200.00 | 26,966.00 | 16,201.51 | 10,764.49 |
| Supplies and Materials | 41,848.00 | (1,902.00) | 39,946.00 | 20,629.76 | 19,316.24 |
| Other Objects | 15,805.00 | 632.00 | 16,437.00 | 10,776.17 | 5,660.83 |
| Total Undist. Expend. - Improvement of Inst. Services | <u>2,182,452.00</u> | <u>(82,900.00)</u> | <u>2,099,552.00</u> | <u>1,718,818.39</u> | <u>380,733.61</u> |
| Undist. Expend. - Educational Media Serv./Sch. Library | | | | | |
| Salaries | 763,255.00 | 201,089.92 | 964,344.92 | 776,411.37 | 187,933.55 |
| Salaries of Technology Coordinators | 144,165.00 | (1,000.00) | 143,165.00 | 142,464.00 | 701.00 |
| Purchased Professional and Technical Services | 356,585.00 | 12,000.00 | 368,585.00 | 327,544.63 | 41,040.37 |
| Other Purchased Services (400-500 series) | 9,848.00 | 7,600.00 | 17,448.00 | 13,166.66 | 4,281.34 |
| Supplies and Materials | 323,889.02 | (24,100.00) | 299,789.02 | 186,505.71 | 113,283.31 |
| Other Objects | 1,800.00 | | 1,800.00 | 425.00 | 1,375.00 |
| Total Undist. Expend. - Educational Media Serv./Sch. Library | <u>1,599,542.02</u> | <u>195,589.92</u> | <u>1,795,131.94</u> | <u>1,446,517.37</u> | <u>348,614.57</u> |
| Undist. Expend. - Instructional Staff Training Serv. | | | | | |
| Purchased Professional - Educational Serv | | 500.00 | 500.00 | 500.00 | - |
| Total Undist. Expend. - Instructional Staff Training Serv. | - | 500.00 | 500.00 | 500.00 | - |
| Undist. Expend. - Supp. Serv. - General Administration | | | | | |
| Salaries | 772,556.00 | (3,491.00) | 769,065.00 | 735,843.98 | 33,221.02 |
| Salaries of Attorneys | 175,753.00 | (130,175.00) | 45,578.00 | 45,577.90 | 0.10 |
| Legal Services | 8,000.00 | 132,175.00 | 140,175.00 | 118,249.04 | 21,925.96 |
| Audit Fees | 44,500.00 | | 44,500.00 | 44,500.00 | - |
| Architectural / Engineering Services | 130,000.00 | 36,000.00 | 166,000.00 | 162,838.80 | 3,161.20 |
| Other Purchased Professional Services | 9,000.00 | | 9,000.00 | | 9,000.00 |
| Purchased Technical Services | 48,345.00 | (8,000.00) | 40,345.00 | 15,395.00 | 24,950.00 |
| Communications/Telephone | 101,333.00 | 47,400.00 | 148,733.00 | 111,875.47 | 36,857.53 |
| BOE Other Purchased Services | 9,000.00 | (3,000.00) | 6,000.00 | 4,069.96 | 1,930.04 |
| Other Purchased Services (400-500 series) | 25,317.00 | 2,800.00 | 28,117.00 | 24,911.56 | 3,205.44 |
| General Supplies | 42,233.00 | (3,909.00) | 38,324.00 | 31,141.24 | 7,182.76 |
| Miscellaneous Expenditures | 46,640.00 | 39,500.00 | 86,140.00 | 81,713.46 | 4,426.54 |
| BOE Membership Dues and Fees | 25,200.00 | 100.00 | 25,300.00 | 25,094.35 | 205.65 |
| Total Undist. Expend. - Supp. Serv. - General Administration | <u>1,437,877.00</u> | <u>109,400.00</u> | <u>1,547,277.00</u> | <u>1,401,210.76</u> | <u>146,066.24</u> |
| Undist. Expend. - Support Serv. - School Administration | | | | | |
| Salaries of Principals/Assistant Principals | 1,355,396.00 | (60,600.00) | 1,294,796.00 | 1,287,374.53 | 7,421.47 |
| Salaries of Secretarial and Clerical Assistants | 226,298.00 | 131,000.00 | 357,298.00 | 354,630.78 | 2,667.22 |
| Purchased Professional and Technical Services | 2,500.00 | | 2,500.00 | 2,000.00 | 500.00 |
| Other Purchased Services (400-500 series) | 6,300.00 | 12,265.00 | 18,565.00 | 13,285.67 | 5,279.33 |
| Supplies and Materials | 47,935.00 | (8,665.00) | 39,270.00 | 27,604.17 | 11,665.83 |
| Other Objects | 16,230.00 | 3,300.00 | 19,530.00 | 9,279.02 | 10,250.98 |
| Total Undist. Expend. - Support Serv. - School Administration | <u>1,654,659.00</u> | <u>77,300.00</u> | <u>1,731,959.00</u> | <u>1,694,174.17</u> | <u>37,784.83</u> |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2012

| | <u>Original Budget</u> | <u>Budget Transfers/ Adjustments</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|--|-------------------------|---------------------|-------------------------------------|
| Undist. Expend. - Central Services | | | | | |
| Salaries | 1,222,455.00 | (5,000.00) | 1,217,455.00 | 1,179,005.70 | 38,449.30 |
| Purchased Professional Services | 122,000.00 | 9,000.00 | 131,000.00 | 96,589.79 | 34,410.21 |
| Purchased Technical Services | 15,000.00 | 2,000.00 | 17,000.00 | 16,610.00 | 390.00 |
| Miscellaneous Purchased Services (400-500 series) | 36,492.00 | 1,500.00 | 37,992.00 | 29,067.61 | 8,924.39 |
| Supplies and Materials | 68,400.00 | (16,500.00) | 51,900.00 | 27,338.19 | 24,561.81 |
| Miscellaneous Expenditures | 8,000.00 | 500.00 | 8,500.00 | 7,570.10 | 929.90 |
| Total Undist. Expend. - Central Services | <u>1,472,347.00</u> | <u>(8,500.00)</u> | <u>1,463,847.00</u> | <u>1,356,181.39</u> | <u>107,665.61</u> |
| Undist. Expend. - Admin. Information Technology | | | | | |
| Salaries | 155,618.00 | | 155,618.00 | 106,090.98 | 49,527.02 |
| Purchased Technical Services | 1,000.00 | | 1,000.00 | | 1,000.00 |
| Total Undist. Expend. - Admin. Information Technology | <u>156,618.00</u> | <u>-</u> | <u>156,618.00</u> | <u>106,090.98</u> | <u>50,527.02</u> |
| Undist. Expend. - Required Maint. for School Facilities | | | | | |
| Salaries | 1,270,098.00 | 55,745.70 | 1,325,843.70 | 1,041,253.03 | 284,590.67 |
| Cleaning, Repair and Maintenance Services | 555,000.00 | | 555,000.00 | 494,557.66 | 60,442.34 |
| General Supplies | 250,650.00 | | 250,650.00 | 168,746.87 | 81,903.13 |
| Other Objects | 12,000.00 | | 12,000.00 | 7,532.66 | 4,467.34 |
| Total Undist. Expend. - Required Maint. for School Facilities | <u>2,087,748.00</u> | <u>55,745.70</u> | <u>2,143,493.70</u> | <u>1,712,090.22</u> | <u>431,403.48</u> |
| Undist. Expend. - Custodial Services | | | | | |
| Salaries | 1,777,747.00 | 111,987.47 | 1,889,734.47 | 1,489,670.57 | 400,063.90 |
| Purchased Professional and Technical Services | 126,100.00 | (1,000.00) | 125,100.00 | 119,687.10 | 5,412.90 |
| Cleaning, Repair and Maintenance Services | 262,569.00 | (22,000.00) | 240,569.00 | 171,191.02 | 69,377.98 |
| Rental of Land & Building Other than Lease Purchase Agreement | 2,750.00 | 8,000.00 | 10,750.00 | 7,185.00 | 3,565.00 |
| Other Purchased Property Services | 41,000.00 | 23,000.00 | 64,000.00 | 60,752.82 | 3,247.18 |
| Insurance | 324,745.00 | (3,000.00) | 321,745.00 | 319,766.00 | 1,979.00 |
| Miscellaneous Purchased Services | 2,700.00 | | 2,700.00 | 2,395.00 | 305.00 |
| General Supplies | 420,380.00 | | 420,380.00 | 186,490.86 | 233,889.14 |
| Energy (Electricity) | 1,146,500.00 | 104,000.00 | 1,250,500.00 | 863,820.58 | 386,679.42 |
| Energy (Natural Gas) | 140,075.00 | 24,000.00 | 164,075.00 | 85,004.68 | 79,070.32 |
| Energy (Oil) | 260,000.00 | 46,000.00 | 306,000.00 | 305,965.06 | 34.94 |
| Energy (Gasoline) | 40,000.00 | | 40,000.00 | 27,465.40 | 12,534.60 |
| Other Objects | 21,450.00 | | 21,450.00 | 3,610.36 | 17,839.64 |
| Total Undist. Expend. - Custodial Service | <u>4,566,016.00</u> | <u>290,987.47</u> | <u>4,857,003.47</u> | <u>3,643,004.45</u> | <u>1,213,999.02</u> |
| Undist. Expend. - Care & Upkeep of Grounds | | | | | |
| Purchased Professional and Technical Services | 145,000.00 | (10,000.00) | 135,000.00 | 116,961.67 | 18,038.33 |
| Cleaning, Repair and Maintenance Services | 10,000.00 | | 10,000.00 | | 10,000.00 |
| General Supplies | 20,000.00 | | 20,000.00 | 2,702.50 | 17,297.50 |
| Total Undist. Expend. - Care & Upkeep of Towns | <u>175,000.00</u> | <u>(10,000.00)</u> | <u>165,000.00</u> | <u>119,664.17</u> | <u>45,335.83</u> |
| Undist. Expend. - Security | | | | | |
| Salaries | 814,463.00 | (29,000.00) | 785,463.00 | 784,681.97 | 781.03 |
| Purchased Professional and Technical Services | 750,790.00 | 162,000.00 | 912,790.00 | 907,155.40 | 5,634.60 |
| General Supplies | 26,200.00 | (13,000.00) | 13,200.00 | 2,486.71 | 10,713.29 |
| Other Objects | 2,700.00 | | 2,700.00 | 2,559.00 | 141.00 |
| Total Undist. Expend. - Security | <u>1,594,153.00</u> | <u>120,000.00</u> | <u>1,714,153.00</u> | <u>1,696,883.08</u> | <u>17,269.92</u> |
| Total Undist. Expend. - Operation & Maint. Of Plant Services | <u>8,422,917.00</u> | <u>456,733.17</u> | <u>8,879,650.17</u> | <u>7,171,641.92</u> | <u>1,708,008.25</u> |
| Undist. Expend. - Student Transportation Services | | | | | |
| Cleaning, Repair and Maintenance Services | 20,250.00 | | 20,250.00 | 6,368.14 | 13,881.86 |
| Contract Services (Other than Between Home & School)-Vendors | 849,087.00 | | 849,087.00 | 703,838.51 | 145,248.49 |
| Miscellaneous Purchased Services - Transportation | 43,692.00 | (1,178.00) | 42,514.00 | 42,514.00 | - |
| General Supplies | 27,000.00 | 2,178.00 | 29,178.00 | 22,779.45 | 6,398.55 |
| Transportation Supplies | 3,950.00 | | 3,950.00 | 2,074.84 | 1,875.16 |
| Other Objects | 3,000.00 | (1,000.00) | 2,000.00 | 1,819.60 | 180.40 |
| Total Undist. Expend. - Student Transportation Services | <u>946,979.00</u> | <u>-</u> | <u>946,979.00</u> | <u>779,394.54</u> | <u>167,584.46</u> |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2012

| | <u>Original Budget</u> | <u>Budget Transfers/ Adjustments</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|--|-------------------------|----------------------|-------------------------------------|
| UNALLOCATED BENEFITS | | | | | |
| Social Security Contributions | 1,054,247.00 | | 1,054,247.00 | 784,126.08 | 270,120.92 |
| Other Retirement Contributions - PERS | | 925,981.00 | 925,981.00 | 925,981.00 | - |
| Other Retirement Contributions - Regular | 1,013,232.00 | (925,981.00) | 87,251.00 | 5,782.69 | 81,468.31 |
| Other Retirement Contributions - ERIP | 88,979.00 | | 88,979.00 | 88,979.00 | - |
| Unemployment Compensation | 485,000.00 | | 485,000.00 | | 485,000.00 |
| Workmen's Compensation | 666,951.00 | | 666,951.00 | 573,585.59 | 93,365.41 |
| Health Benefits | 12,142,150.00 | (1,041,266.20) | 11,100,883.80 | 10,216,904.17 | 883,979.63 |
| Tuition Reimbursement | 90,000.00 | 2,500.00 | 92,500.00 | 85,744.37 | 6,755.63 |
| Other Employee Benefits | | 150,700.00 | 150,700.00 | 150,504.14 | 195.86 |
| TOTAL UNALLOCATED BENEFITS | <u>15,540,559.00</u> | <u>(888,066.20)</u> | <u>14,652,492.80</u> | <u>12,831,607.04</u> | <u>1,820,885.76</u> |
| On-behalf TPAF NCGI Premium (non-budgeted) | | | - | 92,044.00 | (92,044.00) |
| On-behalf TPAF Pension Contributions (non-budgeted) | | | - | 857,708.00 | (857,708.00) |
| On-behalf TPAF Post Retirement Medical (non-budgeted) | | | - | 1,909,247.00 | (1,909,247.00) |
| Reimbursed TPAF Social Security Contributions (non-budgeted) | | | - | 2,295,302.55 | (2,295,302.55) |
| TOTAL ON-BEHALF CONTRIBUTIONS | <u>-</u> | <u>-</u> | <u>-</u> | <u>5,154,301.55</u> | <u>(5,154,301.55)</u> |
| TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS | <u>15,540,559.00</u> | <u>(888,066.20)</u> | <u>14,652,492.80</u> | <u>17,985,908.59</u> | <u>(3,333,415.79)</u> |
| TOTAL UNDISTRIBUTED EXPENDITURES | <u>38,805,507.87</u> | <u>137,226.00</u> | <u>38,942,733.87</u> | <u>39,070,888.09</u> | <u>(128,154.22)</u> |
| TOTAL GENERAL CURRENT EXPENSE | <u>67,245,662.94</u> | <u>(367,484.00)</u> | <u>66,878,178.94</u> | <u>65,635,080.15</u> | <u>1,243,098.79</u> |
| CAPITAL OUTLAY | | | | | |
| Equipment | | | | | |
| Regular Programs - Instruction: | | | | | |
| Grades 9-12 | 54,000.00 | 22,000.00 | 76,000.00 | 68,533.00 | 7,467.00 |
| Vocational Programs - Regular Programs | 277,416.32 | (38,100.00) | 239,316.32 | 212,623.77 | 26,692.55 |
| Vocational Programs - Special Programs | | 39,600.00 | 39,600.00 | 20,718.95 | 18,881.05 |
| Undist.Expend.-Support Serv.-Students - Reg. | | 22,000.00 | 22,000.00 | | 22,000.00 |
| Undistributed Expenditures - General Admin. | | 102,000.00 | 102,000.00 | 99,443.15 | 2,556.85 |
| Undistributed Expenditures - Central Services | 2,862.00 | 3,000.00 | 5,862.00 | | 5,862.00 |
| Undistributed Expenditures - Operation of Plant Services | 117,345.11 | 200,000.00 | 317,345.11 | 266,800.56 | 50,544.55 |
| Total Equipment | <u>451,623.43</u> | <u>350,500.00</u> | <u>802,123.43</u> | <u>668,119.43</u> | <u>134,004.00</u> |
| Facilities Acquisition and Construction Services | | | | | |
| Other Purchased Professional and Technical Services | 200,000.00 | (70,000.00) | 130,000.00 | 105,340.63 | 24,659.37 |
| Construction Services | 973,918.00 | 70,000.00 | 1,043,918.00 | 86,938.60 | 956,979.40 |
| Supplies and Materials | 200,000.00 | | 200,000.00 | | 200,000.00 |
| Assesment for Debt Service on SDA Funding | 47,324.00 | | 47,324.00 | 47,324.00 | - |
| Total Facilities Acquisition and Construction Services | <u>1,421,242.00</u> | <u>-</u> | <u>1,421,242.00</u> | <u>239,603.23</u> | <u>1,181,638.77</u> |
| TOTAL CAPITAL OUTLAY | <u>1,872,865.43</u> | <u>350,500.00</u> | <u>2,223,365.43</u> | <u>907,722.66</u> | <u>1,315,642.77</u> |
| SPECIAL SCHOOLS | | | | | |
| Post Secondary Programs - Instruction | | | | | |
| Salaries of Teachers | 444,671.00 | (27,242.00) | 417,429.00 | 416,717.46 | 711.54 |
| Purchased Professional and Technical Services | 3,000.00 | (2,650.00) | 350.00 | 350.00 | - |
| Other Purchased Services (400-500 series) | 1,000.00 | (1,000.00) | - | - | - |
| General Supplies | 5,000.00 | (2,502.00) | 2,498.00 | 800.36 | 1,697.64 |
| Textbooks | | 1,645.00 | 1,645.00 | 964.95 | 680.05 |
| Other Objects | 19,970.00 | (12,211.00) | 7,759.00 | 5,830.72 | 1,928.28 |
| Total Post Secondary Programs - Instruction | <u>473,641.00</u> | <u>(43,960.00)</u> | <u>429,681.00</u> | <u>424,663.49</u> | <u>5,017.51</u> |
| Post Secondary Programs - Support Services | | | | | |
| Salaries | 109,479.00 | 30,225.00 | 139,704.00 | 135,626.67 | 4,077.33 |
| Personal Services - Employee Benefits | 96,144.00 | 10,933.00 | 107,077.00 | 106,685.78 | 391.22 |
| Other Purchased Services (400-500 series) | 117,666.00 | 5,402.00 | 123,068.00 | 123,066.66 | 1.34 |
| Supplies and Materials | 18,400.00 | (2,600.00) | 15,800.00 | 13,757.26 | 2,042.74 |
| Total Post Secondary Programs - Support Services | <u>341,689.00</u> | <u>43,960.00</u> | <u>385,649.00</u> | <u>379,136.37</u> | <u>6,512.63</u> |
| Total Post Secondary Programs | <u>815,330.00</u> | <u>-</u> | <u>815,330.00</u> | <u>803,799.86</u> | <u>18,042.77</u> |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2012

| | Original Budget | Budget Transfers/ Adjustments | Final Budget | Actual | Variance Final to Actual |
|---|-----------------------|-------------------------------------|-----------------------|----------------------|-----------------------------|
| Other Special Schools - Support Services | | | | | |
| Salaries | 22,000.00 | (11,800.00) | 10,200.00 | 9,797.16 | 402.84 |
| Supplies and Materials | 2,500.00 | | 2,500.00 | 2,413.69 | 86.31 |
| Other Objects | 9,000.00 | | 9,000.00 | 3,950.40 | 5,049.60 |
| Total Other Special Schools - Support Services | <u>33,500.00</u> | <u>(11,800.00)</u> | <u>21,700.00</u> | <u>16,161.25</u> | <u>5,538.75</u> |
| Total Other Special Schools | <u>33,500.00</u> | <u>(11,800.00)</u> | <u>21,700.00</u> | <u>16,161.25</u> | <u>5,538.75</u> |
| Accred. Even./Adult H.S./Post-Grad.-Supp. Service | | | | | |
| Salaries | | 461.00 | 461.00 | 382.79 | 78.21 |
| Personal Services - Employee Benefits | | 39.00 | 39.00 | 29.28 | 9.72 |
| Total Accred. Even./Adult H.S./Post-Grad.-Supp. Service | - | <u>500.00</u> | <u>500.00</u> | <u>412.07</u> | <u>87.93</u> |
| Total Accred. Even./Adult H.S./Post-Grad. | - | <u>500.00</u> | <u>500.00</u> | <u>412.07</u> | <u>87.93</u> |
| Adult Education-Local-Instruction | | | | | |
| Salaries of Teachers | | 10,893.34 | 10,893.34 | 10,893.34 | - |
| Other Salaries for Instruction | | 2,290.71 | 2,290.71 | 2,290.71 | - |
| Other Objects | | 715.11 | 715.11 | 688.11 | 27.00 |
| Total Adult Education-Local-Instruction | - | <u>13,899.16</u> | <u>13,899.16</u> | <u>13,872.16</u> | <u>27.00</u> |
| Adult Education-Local -Support Serv. | | | | | |
| Salaries | | 33,436.54 | 33,436.54 | 33,436.54 | - |
| Personal Services - Employee Benefits | | 2,264.30 | 2,264.30 | 2,068.37 | 195.93 |
| Total Adult Education-Local -Support Serv. | - | <u>35,700.84</u> | <u>35,700.84</u> | <u>35,504.91</u> | <u>195.93</u> |
| Total Adult Education-Local | - | <u>49,600.00</u> | <u>49,600.00</u> | <u>49,377.07</u> | <u>222.93</u> |
| Vocational Evening-Local-Instruction | | | | | |
| Salaries of Teachers | 85,000.00 | | 85,000.00 | 64,725.00 | 20,275.00 |
| General Supplies | 12,227.00 | | 12,227.00 | 9,029.67 | 3,197.33 |
| Other Objects | 6,000.00 | | 6,000.00 | 150.00 | 5,850.00 |
| Total Vocational Evening-Local-Instruction | <u>103,227.00</u> | - | <u>103,227.00</u> | <u>73,904.67</u> | <u>29,322.33</u> |
| Vocational Evening-Local-Support Services | | | | | |
| Salaries | 29,000.00 | 12,000.00 | 41,000.00 | 22,066.90 | 18,933.10 |
| Personal Services - Employee Benefits | 7,000.00 | | 7,000.00 | 6,470.71 | 529.29 |
| Other Purchased Services (400-500 series) | 26,000.00 | (12,000.00) | 14,000.00 | 13,867.12 | 132.88 |
| Total Vocational Evening-Local-Support Services | <u>62,000.00</u> | - | <u>62,000.00</u> | <u>42,404.73</u> | <u>19,595.27</u> |
| Total Vocational Evening-Local | <u>165,227.00</u> | - | <u>165,227.00</u> | <u>116,309.40</u> | <u>48,917.60</u> |
| GED Test Centers | | | | | |
| Salaries | 47,500.00 | 16,000.00 | 63,500.00 | 54,530.78 | 8,969.22 |
| Personal Services - Employee Benefits | | 1,000.00 | 1,000.00 | 726.32 | 273.68 |
| General Supplies | 2,500.00 | 8,000.00 | 10,500.00 | 7,240.00 | 3,260.00 |
| Total GED Test Centers | <u>50,000.00</u> | <u>25,000.00</u> | <u>75,000.00</u> | <u>62,497.10</u> | <u>12,502.90</u> |
| TOTAL SPECIAL SCHOOLS | <u>1,064,057.00</u> | <u>63,300.00</u> | <u>1,127,357.00</u> | <u>1,048,556.75</u> | <u>78,800.25</u> |
| TOTAL EXPENDITURES | <u>70,182,585.37</u> | <u>46,316.00</u> | <u>70,228,901.37</u> | <u>67,591,359.56</u> | <u>2,637,541.81</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(3,991,855.37)</u> | <u>0.00</u> | <u>(3,991,855.37)</u> | <u>4,050,428.90</u> | <u>8,042,284.27</u> |
| Other Financing Sources/(Uses): | | | | | |
| Operating Transfer In: | | | | | |
| Operating Transfer Out: | | | | | |
| Total Other Financing Sources/(Uses): | - | - | - | - | - |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses) | <u>(3,991,855.37)</u> | <u>0.00</u> | <u>(3,991,855.37)</u> | <u>4,050,428.90</u> | <u>8,042,284.27</u> |
| Fund Balance, July 1 | 8,353,958.57 | | 8,353,958.57 | 8,353,958.57 | - |
| Fund Balance, June 30 | <u>4,362,103.20</u> | <u>0.00</u> | <u>4,362,103.20</u> | <u>12,404,387.47</u> | <u>8,042,284.27</u> |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2012

Exhibit C-1

Page 7 of 7

| | <u>Original Budget</u> | <u>Budget Transfers/ Adjustments</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|--|-------------------------|-----------------------|-------------------------------------|
| Recapitulation of excess (deficiency) of revenues under expenditures | | | | | |
| Adjustment for Prior Year Encumbrances | (391,855.37) | | (391,855.37) | (391,855.37) | - |
| Increase in Capital Reserve: | | | - | - | - |
| Principal | | | - | 1,000,000.00 | (1,000,000.00) |
| Budgeted Fund Balance | <u>(3,600,000.00)</u> | | <u>(3,600,000.00)</u> | <u>2,785,454.27</u> | <u>6,385,454.27</u> |
| | <u>(3,991,855.37)</u> | <u>-</u> | <u>(3,991,855.37)</u> | <u>3,393,598.90</u> | <u>5,385,454.27</u> |
| Recapitulation: | | | | | |
| Restricted Fund Balance: | | | | | |
| Reserve for Excess Surplus - Designated for Subsequent Year's Expenditures | | | | 723,960.54 | |
| Capital Reserve | | | | 1,000,001.00 | |
| Committed Fund Balance | | | | | |
| Year End Encumbrances | | | | 1,250,145.66 | |
| Assigned Fund Balance: | | | | | |
| Designated for Subsequent Year's Expenditures | | | | 5,732,676.46 | |
| Unassigned Fund Balance | | | | | |
| | | | | <u>3,697,603.81</u> | |
| | | | | 12,404,387.47 | |
| Reconciliation to Governmental Funds Statements (GAAP): | | | | | |
| Last State Aid Payment not recognized on GAAP basis | | | | <u>(1,476,701.00)</u> | |
| Fund Balance per Governmental Funds (GAAP) | | | | <u>10,927,686.47</u> | |

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PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Education Jobs Fund - Budget and Actual
General Fund
For the Year Ended June 30, 2012

| | <u>Original Budget</u> | <u>Budget Transfers/ Adjustments</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|--|-------------------------|-------------------|-------------------------------------|
| REVENUES: | | | | | |
| Federal Sources: | | | | | |
| Education Jobs Fund | 680,412.00 | 21,316.00 | 701,728.00 | 700,273.13 | (1,454.87) |
| Total - Federal Sources | <u>680,412.00</u> | <u>21,316.00</u> | <u>701,728.00</u> | <u>700,273.13</u> | <u>(1,454.87)</u> |
| TOTAL REVENUES | <u>680,412.00</u> | <u>21,316.00</u> | <u>701,728.00</u> | <u>700,273.13</u> | <u>(1,454.87)</u> |
| EXPENDITURES: | | | | | |
| Regular Programs - Instruction | | | | | |
| Grades 9-12 - Salaries of Teachers | 475,581.00 | (475,581.00) | - | - | - |
| TOTAL REGULAR PROGRAMS - INSTRUCTION | <u>475,581.00</u> | <u>(475,581.00)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL INSTRUCTION | <u>475,581.00</u> | <u>(475,581.00)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Undist. Expend. - Guidance | | | | | |
| Salaries | - | 41,708.11 | 41,708.11 | 41,708.11 | - |
| Total Undist. Expend. - Guidance | <u>-</u> | <u>41,708.11</u> | <u>41,708.11</u> | <u>41,708.11</u> | <u>-</u> |
| Undist. Expend. - Educational Media Serv./Sch. Library | | | | | |
| Salaries | - | 191,413.92 | 191,413.92 | 191,413.92 | - |
| Total Undist. Expend. - Educational Media Serv./Sch. Library | <u>-</u> | <u>191,413.92</u> | <u>191,413.92</u> | <u>191,413.92</u> | <u>-</u> |
| Undist. Expend. - Required Maint. for School Facilities | | | | | |
| Salaries | - | 55,745.70 | 55,745.70 | 55,745.70 | - |
| Undist. Expend. - Required Maint. for School Facilities | <u>-</u> | <u>55,745.70</u> | <u>55,745.70</u> | <u>55,745.70</u> | <u>-</u> |
| Undist. Expend. - Oth. Oper. & Maint. of Plant | | | | | |
| Salaries | - | 166,987.47 | 166,987.47 | 165,532.60 | 1,454.87 |
| Total Undist. Expend. - Other Oper. & Maint. Of Plant | <u>-</u> | <u>166,987.47</u> | <u>166,987.47</u> | <u>165,532.60</u> | <u>1,454.87</u> |
| UNALLOCATED BENEFITS | | | | | |
| Health Benefits | 126,514.00 | 41,041.80 | 167,555.80 | 167,555.80 | - |
| Tuition Reimbursement | 78,317.00 | - | 78,317.00 | 78,317.00 | - |
| TOTAL UNALLOCATED BENEFITS | <u>204,831.00</u> | <u>41,041.80</u> | <u>245,872.80</u> | <u>245,872.80</u> | <u>-</u> |
| TOTAL UNDISTRIBUTED EXPENDITURES | <u>204,831.00</u> | <u>496,897.00</u> | <u>701,728.00</u> | <u>700,273.13</u> | <u>1,454.87</u> |
| TOTAL EXPENDITURES | <u>680,412.00</u> | <u>21,316.00</u> | <u>701,728.00</u> | <u>700,273.13</u> | <u>1,454.87</u> |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Budgetary Comparison Schedule
Special Revenue Fund
For the Year Ended June 30, 2012

| | Original Budget | Budget Transfers/ Adjustments | Final Budget | Actual | Variance Final to Actual |
|---|---------------------|-------------------------------|---------------------|---------------------|--------------------------|
| REVENUES: | | | | | |
| Local Sources | - | 138,120.08 | 138,120.08 | 33,653.77 | (104,466.31) |
| State Sources | 9,105.00 | 106,747.43 | 115,852.43 | 107,727.61 | (8,124.82) |
| Federal Sources | 2,980,618.00 | 1,608,295.39 | 4,588,913.39 | 4,110,045.84 | (478,867.55) |
| Total Revenues | 2,989,723.00 | 1,853,162.90 | 4,842,885.90 | 4,251,427.22 | (591,458.68) |
| EXPENDITURES: | | | | | |
| Instruction: | | | | | |
| Salaries of Teachers | 2,373,234.00 | (926,476.16) | 1,446,757.84 | 1,325,152.61 | 121,605.23 |
| Other Salaries for Instruction | | 17,903.15 | 17,903.15 | 11,594.50 | 6,308.65 |
| Purchased Professional - Educational Services | | 87,687.50 | 87,687.50 | 84,120.66 | 3,566.84 |
| Purchased Professional and Technical Services | | 200,564.20 | 200,564.20 | 185,024.20 | 15,540.00 |
| Other Purchased Services (400-500 series) | | 7,600.75 | 7,600.75 | 4,757.50 | 2,843.25 |
| General Supplies | 603,907.00 | (15,676.43) | 588,230.57 | 445,437.13 | 142,793.44 |
| Textbooks | | 54,603.00 | 54,603.00 | 53,788.64 | 814.36 |
| Other Objects | | 14,614.00 | 14,614.00 | 13,910.00 | 704.00 |
| Total instruction | 2,977,141.00 | (559,179.99) | 2,417,961.01 | 2,123,785.24 | 294,175.77 |
| Support services: | | | | | |
| Salaries of Other Professional Staff | 9,105.00 | 334,242.12 | 343,347.12 | 341,876.12 | 1,471.00 |
| Other Salaries | | 106,413.85 | 106,413.85 | 93,973.45 | 12,440.40 |
| Personal Services - Employee Benefits | | 834,572.88 | 834,572.88 | 711,401.02 | 123,171.86 |
| Purchased Professional - Educational Services | 3,477.00 | 349,586.32 | 353,063.32 | 272,410.97 | 80,652.35 |
| Travel | | 9,437.30 | 9,437.30 | 5,916.76 | 3,520.54 |
| Other Purchased Services (400-500 series) | | 57,317.41 | 57,317.41 | 38,717.41 | 18,600.00 |
| Supplies & Materials | | 9,481.53 | 9,481.53 | 5,244.53 | 4,237.00 |
| Other Objects | | 5,803.75 | 5,803.75 | 1,803.75 | 4,000.00 |
| Total support services | 12,582.00 | 1,706,855.16 | 1,719,437.16 | 1,471,344.01 | 248,093.15 |
| Facilities acquisition and const. serv.: | | | | | |
| Buildings | | 74,790.00 | 74,790.00 | 32,990.00 | 41,800.00 |
| Instructional Equipment | | 436,297.00 | 436,297.00 | 433,974.97 | 2,322.03 |
| Noninstructional Equipment | | 194,400.73 | 194,400.73 | 189,333.00 | 5,067.73 |
| Total facilities acquisition and const. serv. | - | 705,487.73 | 705,487.73 | 656,297.97 | 49,189.76 |
| Total Expenditures | 2,989,723.00 | 1,853,162.90 | 4,842,885.90 | 4,251,427.22 | 591,458.68 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | - | - | - | - | - |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Required Supplementary Information
Budgetary Comparison Schedule
Note to Required Supplementary Information
For the Year Ended June 30, 2012

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

| | General Fund | Special Revenue Fund |
|---|-----------------|----------------------------|
| Sources/inflows of resources | | |
| Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule | 71,641,788.46 | 4,251,427.22 |
| Difference - budget to GAAP: | | |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. | | |
| Add Prior Year Encumbrances | | |
| Less Current Year Encumbrances | | |
| The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33). | | |
| State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year. | (1,476,701.00) | |
| State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes. | 1,341,936.00 | |
| Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. | 71,507,023.46 | 4,251,427.22 |
| Uses/outflows of resources | | |
| Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule | 67,591,359.56 | 4,251,427.22 |
| Differences - budget to GAAP | | |
| Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes. | NONE | |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds | 67,591,359.56 | 4,251,427.22 |

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SPECIAL REVENUE FUND

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PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Year Ended June 30, 2012

| | Total | Title I Part A - Improving Improving Basic Programs | | I.D.E.A. Part B | | ARRA Title I Part A | ARRA School Improvement | Totals 2012 |
|---|--------------|--|-------------------|-----------------|-------------------|---------------------------|-------------------------------|----------------|
| | | 2011-12 | 2010-11 Summer | 2011-12 | 2010-11 Summer | | | |
| REVENUES | | | | | | | | |
| Local Sources | 33,653.77 | | | | | | | 33,653.77 |
| State Sources | 107,727.61 | | | | | | | 107,727.61 |
| Federal Sources | 1,216,110.45 | 1,851,585.63 | 180,647.17 | 732,151.39 | 31,911.59 | 37,339.05 | 60,300.56 | 4,110,045.84 |
| Total Revenues | 1,357,491.83 | 1,851,585.63 | 180,647.17 | 732,151.39 | 31,911.59 | 37,339.05 | 60,300.56 | 4,251,427.22 |
| EXPENDITURES: | | | | | | | | |
| Instruction: | | | | | | | | |
| Salaries of Teachers | 123,264.13 | 970,262.77 | 37,291.02 | 140,627.68 | | | 53,707.01 | 1,325,152.61 |
| Other Salaries for Instruction | 11,594.50 | | | | | | | 11,594.50 |
| Purchased Professional - Educational Services | 42,871.50 | | 12,100.00 | 29,149.16 | | | | 84,120.66 |
| Purchased Professional and Technical Services | 24,440.00 | 153,460.20 | 7,124.00 | | | | | 185,024.20 |
| Other Purchased Services (400-500 series) | 4,757.50 | | | | | | | 4,757.50 |
| General Supplies | 357,785.35 | 40,179.59 | 37,654.06 | 9,137.13 | | | 681.00 | 445,437.13 |
| Textbooks | | | | 53,788.64 | | | | 53,788.64 |
| Other Objects | 13,910.00 | | | | | | | 13,910.00 |
| Total instruction | 578,622.98 | 1,163,902.56 | 94,169.08 | 232,702.61 | | | 54,388.01 | 2,123,785.24 |
| Support services: | | | | | | | | |
| Salaries of Other Professional Staff | 30,630.12 | 87,130.00 | 524.85 | 311,246.00 | | | | 341,876.12 |
| Other Salaries | 6,318.60 | 412,780.50 | 41,191.61 | 185,108.58 | 31,911.59 | 14,438.05 | 4,108.80 | 93,973.45 |
| Personal Services - Employee Benefits | 21,861.89 | 167,774.00 | 22,896.00 | 3,094.20 | | | | 711,401.02 |
| Purchased Professional - Educational Services | 55,745.77 | | | | | 22,901.00 | | 272,410.97 |
| Travel | 5,414.19 | 502.57 | | | | | | 5,916.76 |
| Other Purchased Services (400-500 series) | 1,110.00 | 18,000.00 | 19,607.41 | | | | | 38,717.41 |
| Supplies & Materials | 1,490.31 | 1,496.00 | 2,258.22 | | | | | 5,244.53 |
| Other Objects | | | | | | | 1,803.75 | 1,803.75 |
| Total support services | 122,570.88 | 687,683.07 | 86,478.09 | 499,448.78 | 31,911.59 | 37,339.05 | 5,912.55 | 1,471,344.01 |
| Facilities acquisition and const. serv.: | | | | | | | | |
| Buildings | 32,990.00 | | | | | | | 32,990.00 |
| Instructional Equipment | 433,974.97 | | | | | | | 433,974.97 |
| Noninstructional Equipment | 189,333.00 | | | | | | | 189,333.00 |
| Total facilities acquisition and const. serv. | 656,297.97 | | | | | | | 656,297.97 |
| Total Expenditures | 1,357,491.83 | 1,851,585.63 | 180,647.17 | 732,151.39 | 31,911.59 | 37,339.05 | 60,300.56 | 4,251,427.22 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | | | | | | | | |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Year Ended June 30, 2012

| | Total Brought Forward (Ex. E-1b) | Title II Part A Teacher and Principal Train./Recruiting | Title II Part A Carryover | Title II Part D Summer | Title III English Language Enhancement | Summer Title IV Safe & Drug Free Schools | Total Carried Forward |
|---|----------------------------------|---|---------------------------|------------------------|--|--|-----------------------|
| REVENUES | | | | | | | |
| Local Sources | 33,653.77 | | | | | | 33,653.77 |
| State Sources | 107,727.61 | | | | | | 107,727.61 |
| Federal Sources | 1,077,889.17 | 107,510.00 | 8,999.67 | 3,136.10 | 15,907.00 | 2,668.51 | 1,216,110.45 |
| Total Revenues | 1,219,270.55 | 107,510.00 | 8,999.67 | 3,136.10 | 15,907.00 | 2,668.51 | 1,357,491.83 |
| EXPENDITURES: | | | | | | | |
| Instruction: | | | | | | | |
| Salaries of Teachers | 53,839.21 | 60,162.12 | | | 9,262.80 | | 123,264.13 |
| Other Salaries for Instruction | 11,594.50 | | | | | | 11,594.50 |
| Purchased Professional - Educational Services | 42,871.50 | | | | | | 42,871.50 |
| Purchased Professional and Technical Services | 24,440.00 | | | | | | 24,440.00 |
| Other Purchased Services (400-500 series) | 4,757.50 | | | | | | 4,757.50 |
| General Supplies | 355,116.84 | | | | | 2,668.51 | 357,785.35 |
| Other Objects | 13,910.00 | | | | | | 13,910.00 |
| Total instruction | 506,529.55 | 60,162.12 | - | - | 9,262.80 | 2,668.51 | 578,622.98 |
| Support services: | | | | | | | |
| Salaries of Other Professional Staff | 30,630.12 | | | | | | 30,630.12 |
| Other Salaries | 6,318.60 | | | | | | 6,318.60 |
| Personal Services - Employee Benefits | 9,920.81 | 10,347.88 | | | 1,593.20 | | 21,861.89 |
| Purchased Professional - Educational Services | 1,559.00 | 37,000.00 | 8,999.67 | 3,136.10 | 5,051.00 | | 55,745.77 |
| Travel | 5,414.19 | | | | | | 5,414.19 |
| Other Purchased Services (400-500 series) | 1,110.00 | | | | | | 1,110.00 |
| Supplies & Materials | 1,490.31 | | | | | | 1,490.31 |
| Other Objects | | | | | | | |
| Total support services | 56,443.03 | 47,347.88 | 8,999.67 | 3,136.10 | 6,644.20 | - | 122,570.88 |
| Facilities acquisition and const. serv.: | | | | | | | |
| Buildings | 32,990.00 | | | | | | 32,990.00 |
| Instructional Equipment | 433,974.97 | | | | | | 433,974.97 |
| Noninstructional Equipment | 189,333.00 | | | | | | 189,333.00 |
| Total facilities acquisition and const. serv. | 656,297.97 | - | - | - | - | - | 656,297.97 |
| Total Expenditures | 1,219,270.55 | 107,510.00 | 8,999.67 | 3,136.10 | 15,907.00 | 2,668.51 | 1,357,491.83 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | - | - | - | - | - | - | - |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Year Ended June 30, 2012

| | Total Brought Forward (Ex. E-1c) | NJ Green POS | MSG Varsity Grant | NFL Youth Football Fund | PACES | School Based Youth Svcs. | Adult Basic Education | Arnold Foundation | Total Carried Forward |
|---|----------------------------------|-----------------|-------------------|-------------------------|-----------------|--------------------------|-----------------------|-------------------|-----------------------|
| REVENUES | | | | | | | | | |
| Local Sources | 22,986.89 | | 2,234.20 | 1,060.00 | 2,615.18 | 183.67 | | 4,757.50 | 33,653.77 |
| State Sources | 101,499.88 | 6,044.06 | | | | | 105,373.00 | | 107,727.61 |
| Federal Sources | 972,516.17 | | | | | | | | 1,077,889.17 |
| Total Revenues | 1,097,002.94 | 6,044.06 | 2,234.20 | 1,060.00 | 2,615.18 | 183.67 | 105,373.00 | 4,757.50 | 1,219,270.55 |
| EXPENDITURES: | | | | | | | | | |
| Instruction: | | | | | | | | | |
| Salaries of Teachers | 3,927.13 | 3,545.50 | | | | | 46,366.58 | | 53,839.21 |
| Other Salaries for Instruction | - | | 2,234.20 | | | | 9,360.30 | | 11,594.50 |
| Purchased Professional - Educational Services | 42,871.50 | | | | | | | | 42,871.50 |
| Purchased Professional and Technical Services | 24,440.00 | | | | | | | | 24,440.00 |
| Other Purchased Services (400-500 series) | - | | | | | | | 4,757.50 | 4,757.50 |
| General Supplies | 335,381.29 | 1,535.70 | | | 2,615.18 | 183.67 | 15,401.00 | | 355,116.84 |
| Textbooks | - | | | | | | | | - |
| Other Objects | 12,850.00 | | | 1,060.00 | | | | | 13,910.00 |
| Total Instruction | 419,469.92 | 5,081.20 | 2,234.20 | 1,060.00 | 2,615.18 | 183.67 | 71,127.88 | 4,757.50 | 506,529.55 |
| Support services: | | | | | | | | | |
| Salaries of Other Professional Staff | 10,700.00 | | | | | | 19,930.12 | | 30,630.12 |
| Other Salaries | 888.60 | | | | | | 5,430.00 | | 6,318.60 |
| Personal Services - Employee Benefits | 2,521.58 | 271.23 | | | | | 7,128.00 | | 9,920.81 |
| Purchased Professional - Educational Services | - | | | | | | 1,559.00 | | 1,559.00 |
| Travel | 4,524.56 | 691.63 | | | | | 198.00 | | 5,414.19 |
| Other Purchased Services (400-500 series) | 1,110.00 | | | | | | | | 1,110.00 |
| Supplies & Materials | 1,490.31 | | | | | | | | 1,490.31 |
| Other Objects | - | | | | | | | | - |
| Total support services | 21,235.05 | 962.86 | - | - | - | - | 34,245.12 | - | 56,443.03 |
| Facilities acquisition and const. serv.: | | | | | | | | | |
| Buildings | 32,990.00 | | | | | | | | 32,990.00 |
| Instructional Equipment | 433,974.97 | | | | | | | | 433,974.97 |
| Noninstructional Equipment | 189,333.00 | | | | | | | | 189,333.00 |
| Total facilities acquisition and const. serv. | 656,297.97 | - | - | - | - | - | - | - | 656,297.97 |
| Total Expenditures | 1,097,002.94 | 6,044.06 | 2,234.20 | 1,060.00 | 2,615.18 | 183.67 | 105,373.00 | 4,757.50 | 1,219,270.55 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | - | - | - | - | - | - | - | - | - |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2012

| | Total Brought Forward (Ex. E-1d) | ARRA - IDEA Part B | Manufacturing Talent Network | Parent Involvement | Carl Perkins | Vocational Education | | | Total Carried Forward |
|---|----------------------------------|--------------------|------------------------------|--------------------|--------------|-----------------------------|----------------------|--------------------|-----------------------|
| | | | | | | Carl Perkins Post-Secondary | Carl Perkins Reserve | Apprentice Program | |
| REVENUES | | | | | | | | | |
| Local Sources | - | - | 21,796.58 | 1,190.31 | - | - | - | - | 22,986.89 |
| State Sources | - | 287,170.07 | - | - | 582,574.60 | 89,811.32 | 102,771.50 | 11,688.56 | 101,499.88 |
| Federal Sources | - | - | - | - | - | - | - | - | 972,516.17 |
| Total Revenues | - | 287,170.07 | 21,796.58 | 1,190.31 | 582,574.60 | 89,811.32 | 102,771.50 | 11,688.56 | 1,097,002.94 |
| EXPENDITURES: | | | | | | | | | |
| Instruction: | | | | | | | | | |
| Salaries of Teachers | - | 3,927.13 | - | - | - | - | - | - | 3,927.13 |
| Other Salaries for Instruction | - | - | - | - | - | 12,040.00 | - | - | 12,040.00 |
| Purchased Professional - Educational Services | - | 30,831.50 | - | - | - | - | - | - | 42,871.50 |
| Purchased Professional and Technical Services | - | 3,600.00 | 20,840.00 | - | - | - | - | - | 24,440.00 |
| Other Purchased Services (400-500 series) | - | (53.16) | - | - | 232,076.53 | 66,362.42 | 36,995.50 | - | 335,381.29 |
| General Supplies | - | - | - | - | 10,225.00 | 2,625.00 | - | - | 12,850.00 |
| Other Objects | - | - | - | - | - | - | - | - | - |
| Total Instruction | - | 38,305.47 | 20,840.00 | - | 242,301.53 | 81,027.42 | 36,995.50 | - | 419,469.92 |
| Support services: | | | | | | | | | |
| Salaries of Other Professional Staff | - | - | - | - | - | - | - | 10,700.00 | 10,700.00 |
| Other Salaries | - | - | 888.60 | - | - | - | - | - | 888.60 |
| Personal Services - Employee Benefits | - | 2,453.60 | 67.98 | - | - | - | - | - | 2,521.58 |
| Purchased Professional - Educational Services | - | - | - | - | - | - | - | - | - |
| Other Purchased Professional Services | - | - | - | - | - | - | - | - | - |
| Purchased Technical Services | - | - | - | - | 3,836.00 | - | - | 688.56 | 4,524.56 |
| Travel | - | - | - | 1,190.31 | 500.00 | 610.00 | - | - | 1,110.00 |
| Other Purchased Services (400-500 series) | - | - | - | - | - | - | - | - | 1,490.31 |
| Supplies & Materials | - | - | - | - | - | - | - | - | - |
| Other Objects | - | - | - | - | - | - | - | - | - |
| Total support services | - | 2,453.60 | 956.58 | 1,190.31 | 4,336.00 | 610.00 | - | 11,688.56 | 21,235.05 |
| Facilities acquisition and const. serv.: | | | | | | | | | |
| Buildings | - | 32,990.00 | - | - | - | - | - | - | 32,990.00 |
| Instructional Equipment | - | 24,088.00 | - | - | 335,937.07 | 8,173.90 | 65,776.00 | - | 433,974.97 |
| Noninstructional Equipment | - | 189,333.00 | - | - | - | - | - | - | 189,333.00 |
| Total facilities acquisition and const. serv. | - | 246,411.00 | - | - | 335,937.07 | 8,173.90 | 65,776.00 | - | 656,297.97 |
| Total Expenditures | - | 287,170.07 | 21,796.58 | 1,190.31 | 582,574.60 | 89,811.32 | 102,771.50 | 11,688.56 | 1,097,002.94 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | - | - | - | - | - | - | - | - | - |

CAPITAL PROJECTS FUND

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PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2012

Revenues and Other Financing Sources

| | |
|----------------|---|
| Total Revenues | - |
|----------------|---|

Expenditures and Other Financing Uses

| | |
|--|------------|
| Purchased Professional and Technical Services | |
| Construction Services | 668,557.00 |
| Equipment | 12,032.00 |
| Unexpended Funds Returned to County of Passaic | |
| Total Expenditures | 680,589.00 |

| | |
|---|--------------|
| Excess (deficiency) or Revenues over (under) Expenditures | (680,589.00) |
|---|--------------|

| | |
|--------------------------|--------------|
| Fund balance - Beginning | (969,132.38) |
|--------------------------|--------------|

| | |
|-----------------------|----------------|
| Fund balance - Ending | (1,649,721.38) |
|-----------------------|----------------|

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Capital Projects Fund
Summary Statement of Project Expenditures
For the Year Ended June 30, 2012**

| Project Title/Issue | Date | Appropriations | Expenditures to Date | | Unexpended Balance June 30, 2012 |
|-----------------------|-------|----------------|--|-----------------|--|
| | | | Prior Years | Current Year | |
| Equipment | 96/97 | 661,459.00 | 660,808.84 | | 650.16 |
| Construction | 98/99 | 527,550.00 | 520,112.76 | | 7,437.24 |
| Equipment | 99/00 | 330,730.00 | 330,640.04 | | 89.96 |
| Professional Services | 00/01 | 121,028.00 | 120,602.87 | | 425.13 |
| Equipment | 00/01 | 330,730.00 | 330,522.36 | | 207.64 |
| Equipment | 01/02 | 351,758.00 | 351,224.17 | | 533.83 |
| Equipment | 02/03 | 351,758.00 | 351,429.39 | | 328.61 |
| Professional Services | 03/04 | 27,550.00 | 27,035.20 | | 514.80 |
| Equipment | 03/04 | 351,450.00 | 350,674.87 | | 775.13 |
| Professional Services | 04/05 | 19,457.00 | 18,749.13 | | 707.87 |
| Construction | 04/05 | 300,000.00 | 232,014.97 | | 67,985.03 |
| Equipment | 04/05 | 659,851.00 | 658,002.03 | | 1,848.97 |
| Construction | 05/06 | 600,000.00 | 468,116.50 | | 131,883.50 |
| Equipment | 05/06 | 279,308.00 | 245,883.87 | 12,032.00 | 21,392.13 |
| Professional Services | 06/07 | 100,000.00 | 95,486.30 | | 4,513.70 |
| Equipment | 06/07 | 326,110.00 | 179,238.01 | | 146,871.99 |
| Construction | 09/10 | 652,872.00 | 387,165.07 | 265,706.93 | - |
| Construction | 09/10 | 850,000.00 | | 389,265.07 | 460,734.93 |
| Construction | 09/10 | 879,308.00 | | 13,585.00 | 865,723.00 |
| Equipment | 09/10 | 326,436.00 | | | 326,436.00 |
| Equipment | 09/10 | 129,308.00 | | | 129,308.00 |
| Equipment | 09/10 | 100,000.00 | | | 100,000.00 |
| | | 8,276,663.00 | 5,327,706.38 | 680,589.00 | 2,268,367.62 |
| | | | Analysis | | |
| | | | Project Balance - June 30, 2012 | | 2,268,367.62 |
| | | | Unfunded Authorizations | | (3,918,089.00) |
| | | | Fund Balance (Deficit) - June 30, 2012 | | (1,649,721.38) |

PROPRIETARY FUNDS

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PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Combining Statement of Net Assets
Enterprise Funds
June 30, 2012

| | <u>Food Service Program</u> | <u>Student Store</u> | <u>Totals</u> |
|---|---------------------------------|--------------------------|---------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash and cash equivalents | 185,622.96 | 24,636.20 | 210,259.16 |
| Accounts receivable: | | | |
| State | 846.48 | | 846.48 |
| Federal | 52,113.16 | | 52,113.16 |
| Other | 12,953.73 | | 12,953.73 |
| Inventories | 29,964.50 | 8,411.28 | 38,375.78 |
| Total current assets | <u>281,500.83</u> | <u>33,047.48</u> | <u>314,548.31</u> |
| Noncurrent assets: | | | |
| Capital assets: | | | |
| Equipment | 292,660.73 | | 292,660.73 |
| Less accumulated depreciation | <u>(278,679.14)</u> | | <u>(278,679.14)</u> |
| Total capital assets (net of accumulated depreciation) | <u>13,981.59</u> | - | <u>13,981.59</u> |
| Total assets | <u>295,482.42</u> | <u>33,047.48</u> | <u>328,529.90</u> |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable and accrued liabilities | <u>4,608.14</u> | | <u>4,608.14</u> |
| Total current liabilities | <u>4,608.14</u> | - | <u>4,608.14</u> |
| NET ASSETS | | | |
| Invested in capital assets net of related debt | 13,981.59 | | 13,981.59 |
| Unrestricted | <u>276,892.69</u> | <u>33,047.48</u> | <u>309,940.17</u> |
| Total net assets | <u>290,874.28</u> | <u>33,047.48</u> | <u>323,921.76</u> |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Enterprise Funds
For the Year Ended June 30, 2012

| | <u>Food Service Program</u> | <u>Student Store</u> | <u>Educational Technical Training Center</u> | <u>Juvenile Detention Center</u> | <u>Totals</u> |
|--|---------------------------------|--------------------------|--|--|-----------------------|
| Operating revenues: | | | | | |
| Charges for services: | | | | | |
| Daily sales - reimbursable programs | 107,329.10 | | | | 107,329.10 |
| Daily sales - non-reimbursable programs | 11,139.65 | | | | 11,139.65 |
| Special functions | 489,520.38 | | | | 489,520.38 |
| Miscellaneous | | 58,675.80 | | 976.06 | 59,651.86 |
| Total operating revenues | <u>607,989.13</u> | <u>58,675.80</u> | <u>-</u> | <u>976.06</u> | <u>667,640.99</u> |
| Operating expenses: | | | | | |
| Cost of sales | 1,040,390.51 | 41,603.55 | | | 1,081,994.06 |
| Salaries | 528,553.12 | | | | 528,553.12 |
| Employee benefits | 105,822.04 | | | | 105,822.04 |
| Cleaning repair & maintenance | 63,071.92 | | | | 63,071.92 |
| Purchased services | 2,341.98 | | | | 2,341.98 |
| Miscellaneous expense | 600.97 | | | | 600.97 |
| General supplies | 1,807.66 | | | | 1,807.66 |
| Depreciation | 3,050.59 | | | | 3,050.59 |
| Total Operating Expenses | <u>1,745,638.79</u> | <u>41,603.55</u> | <u>-</u> | <u>-</u> | <u>1,787,242.34</u> |
| Operating income (loss) | <u>(1,137,649.66)</u> | <u>17,072.25</u> | <u>-</u> | <u>976.06</u> | <u>(1,119,601.35)</u> |
| Nonoperating revenues (expenses): | | | | | |
| State sources: | | | | | |
| State school lunch program | 18,423.92 | | | | 18,423.92 |
| Federal sources: | | | | | |
| National school lunch program | 846,262.89 | | | | 846,262.89 |
| National school breakfast program | 189,594.75 | | | | 189,594.75 |
| Food distribution program | 96,530.52 | | | | 96,530.52 |
| Interest and investment revenue | 963.26 | 62.84 | 134.82 | | 1,160.92 |
| Total nonoperating revenues (expenses) | <u>1,151,775.34</u> | <u>62.84</u> | <u>134.82</u> | <u>-</u> | <u>1,151,973.00</u> |
| Income (loss) before contributions & transfers | 14,125.68 | 17,135.09 | 134.82 | 976.06 | 32,371.65 |
| Transfers in (out) | | | | | |
| Change in net assets | 14,125.68 | 17,135.09 | (53,711.47) | (49,000.70) | (70,340.52) |
| Total net assets—beginning | <u>276,748.60</u> | <u>15,912.39</u> | <u>53,576.65</u> | <u>48,024.64</u> | <u>394,262.28</u> |
| Total net assets—ending | <u>290,874.28</u> | <u>33,047.48</u> | <u>-</u> | <u>-</u> | <u>323,921.76</u> |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Combining Statement of Cash Flows
Enterprise Funds
For the Year Ended June 30, 2012

| | Food Service Program | Student Store | Educational Technical Training Center | Juvenile Detention Center | Totals |
|--|-------------------------|-------------------|--|---------------------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts from customers | 610,840.90 | 58,675.80 | | | 669,516.70 |
| Payments to employees | (524,638.08) | | | | (524,638.08) |
| Payments for employee benefits | (105,822.04) | | | | (105,822.04) |
| Payments to suppliers | (1,013,584.52) | (45,880.41) | | | (1,059,464.93) |
| Net cash provided by (used for) operating activities | <u>(1,033,203.74)</u> | <u>12,795.39</u> | <u>-</u> | | <u>(1,020,408.35)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| State Sources | 19,403.65 | | | | 19,403.65 |
| Federal Sources | 1,041,028.64 | | | | 1,041,028.64 |
| Operating subsidies and transfers to other funds | | | (53,711.47) | | (53,711.47) |
| Net cash provided by (used for) non-capital financing activities | <u>1,060,432.29</u> | <u>-</u> | <u>(53,711.47)</u> | <u>-</u> | <u>1,006,720.82</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Interest and dividends | 963.26 | 62.84 | 134.82 | - | 1,160.92 |
| Net cash provided by (used for) investing activities | <u>963.26</u> | <u>62.84</u> | <u>134.82</u> | <u>-</u> | <u>1,160.92</u> |
| Net increase (decrease) in cash and cash equivalents | 28,191.81 | 12,858.23 | (53,576.65) | - | (12,526.61) |
| Balances—beginning of year | 157,431.15 | 11,777.97 | 53,576.65 | | 222,785.77 |
| Balances—end of year | <u>185,622.96</u> | <u>24,636.20</u> | <u>-</u> | <u>-</u> | <u>210,259.16</u> |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | | | | |
| Operating income (loss) | (1,137,649.66) | 17,072.25 | - | 976.06 | (1,119,601.35) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities | | | | | |
| Depreciation and net amortization | 3,050.59 | | | | 3,050.59 |
| Food Distribution Program Donated Commodities | 96,530.52 | | | | 96,530.52 |
| (Increase) decrease in accounts receivable, net | 2,851.77 | | | | 2,851.77 |
| (Increase) decrease in inventories | (1,902.00) | (2,866.98) | | | (4,768.98) |
| Increase (decrease) in accounts payable | 3,915.04 | (1,409.88) | | | 2,505.16 |
| Increase (decrease) in other current liabilities | | | | (976.06) | (976.06) |
| Total adjustments | <u>104,445.92</u> | <u>(4,276.86)</u> | <u>-</u> | <u>(976.06)</u> | <u>99,193.00</u> |
| Net cash provided by (used for) operating activities | <u>(1,033,203.74)</u> | <u>12,795.39</u> | <u>-</u> | <u>-</u> | <u>(1,020,408.35)</u> |

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FIDUCIARY FUND

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PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Combining Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

| | Unemployment Compensation Trust Fund | Scholarship Fund | Agency Fund |
|---|---|-----------------------------|------------------------|
| ASSETS | | | |
| Cash and cash equivalents | 644,125.91 | 53,319.09 | 2,645,771.20 |
| Total assets | 644,125.91 | 53,319.09 | 2,645,771.20 |
| LIABILITIES | | | |
| Payable to student groups | | | 265,908.21 |
| Due to General Fund | | | 6,979.96 |
| Summer payroll due employees | | | 2,027,840.45 |
| Payroll deductions and withholdings | | | 337,238.65 |
| Reserve for Employee's FSA/DDC | | | 7,803.93 |
| Total liabilities | - | - | 2,645,771.20 |
| NET ASSETS | | | |
| Held in trust for unemployment claims and other purposes | 644,125.91 | | |
| Reserved for scholarships | | 53,319.09 | |

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Combining Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2012

| | <u>Unemployment Compensation Trust Fund</u> | <u>Scholarship Fund</u> |
|----------------------------------|---|-----------------------------|
| ADDITIONS | | |
| Contributions: | | |
| Plan member | 50,519.20 | |
| Other | | 39,300.00 |
| Total Contributions | <u>50,519.20</u> | <u>39,300.00</u> |
| Investment earnings: | | |
| Interest | 2,234.13 | 101.82 |
| Net investment earnings | <u>2,234.13</u> | <u>101.82</u> |
| Total additions | <u>52,753.33</u> | <u>39,401.82</u> |
| DEDUCTIONS | | |
| Unemployment claims | 81,313.89 | |
| Scholarships awarded | | 36,650.00 |
| Total deductions | <u>81,313.89</u> | <u>36,650.00</u> |
| Change in net assets | (28,560.56) | 2,751.82 |
| Net assets—beginning of the year | <u>672,686.47</u> | <u>50,567.27</u> |
| Net assets—end of the year | <u><u>644,125.91</u></u> | <u><u>53,319.09</u></u> |

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
 Student Activity Agency Fund
 Schedule of Receipts and Disbursements
 For the Year Ended June 30, 2012**

| | <u>Balance July 1, 2011</u> | <u>Cash Receipts</u> | <u>Cash Disbursed</u> | <u>Balance June 30, 2012</u> |
|------------------------------|---------------------------------|--------------------------|---------------------------|----------------------------------|
| HIGH SCHOOL: | | | | |
| General Organization Account | 243,399.44 | 346,972.58 | 324,463.81 | 265,908.21 |
| | <u>243,399.44</u> | <u>346,972.58</u> | <u>324,463.81</u> | <u>265,908.21</u> |

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the Year Ended June 30, 2012**

| | <u>Balance July 1, 2011</u> | <u>Cash Receipts</u> | <u>Cash Disbursed</u> | <u>Balance June 30, 2012</u> |
|--|---------------------------------|--------------------------|---------------------------|----------------------------------|
| Net Payroll | | 24,453,660.83 | 24,453,660.83 | - |
| Payroll Deductions and Withholdings | 290,255.28 | 20,173,155.38 | 20,126,172.01 | 337,238.65 |
| Summer Payroll | 1,822,080.17 | 2,035,665.62 | 1,829,905.34 | 2,027,840.45 |
| Employee's FSA/DDC | 5,921.02 | 10,920.00 | 9,037.09 | 7,803.93 |
| | <u>2,118,256.47</u> | <u>46,673,401.83</u> | <u>46,418,775.27</u> | <u>2,372,883.03</u> |

STATISTICAL SECTION

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STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

| <u>Contents</u> | <u>Page</u> |
|--|---------------------|
| Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time. | J-1 to J-5 |
| Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax. | J-6 to J-9 |
| 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. | J-10 to J-13 |
| 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. | J-14 to J-15 |
| 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. | J-16 to J-20 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2003; schedules presenting district-wide information include information beginning in that year.

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

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

Revenue Capacity

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
- J-8 Principal Property Taxpayers
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Debt Capacity

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

Demographic and Economic Information

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

Operating Information

- J-16 Full-time Equivalent District Employees by Function/Program
- J-17 Operating Statistics
- J-18 School Building Information*
- J-19 Schedule of Allowable Maintenance Expenditures by School Facility
- J-20 Insurance Schedule

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
 Net Assets by Component,
 Last Ten Fiscal Years
(accrual basis of accounting)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|
| Governmental activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | 9,297,951.48 | 13,600,525.18 | 34,170,950.60 | 38,451,558.51 | 40,507,713.21 | 42,260,441.57 | 43,251,832.92 | 44,783,910.14 | 44,605,267.91 | 44,461,014.51 |
| Restricted | (2,552,263.88) | 2,789,908.36 | 8,457,638.99 | 3,064,757.38 | 611,042.00 | 1,593,509.21 | 2,592,349.02 | 161,672.25 | (577,276.01) | 600,425.28 |
| Unrestricted | (1,715,955.16) | (1,744,542.48) | (3,471,582.32) | (4,275,205.92) | (3,667,662.00) | (3,453,496.13) | (2,899,131.05) | 807,025.18 | 2,329,645.74 | 4,788,455.74 |
| Total governmental activities net assets | 5,029,732.44 | 14,645,891.06 | 39,157,007.27 | 37,241,109.97 | 37,451,093.21 | 40,400,454.65 | 42,945,050.89 | 45,752,607.57 | 46,357,637.64 | 49,849,895.53 |
| Business-type activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | 32,856.30 | 41,969.73 | 33,432.76 | 26,678.64 | 23,542.00 | 17,721.45 | 25,399.36 | 20,541.02 | 17,032.18 | 13,981.59 |
| Restricted | 411,795.82 | 425,474.69 | 370,654.34 | 427,560.51 | 486,051.00 | 270,014.56 | 331,837.82 | 376,891.87 | 377,230.10 | 309,940.17 |
| Unrestricted | 444,652.12 | 467,444.42 | 404,087.10 | 454,239.15 | 509,593.00 | 287,736.01 | 357,237.18 | 397,432.89 | 394,262.28 | 323,921.76 |
| Total business-type activities net assets | 889,204.24 | 934,888.84 | 807,574.20 | 908,478.30 | 1,018,786.00 | 565,472.02 | 714,036.36 | 794,865.78 | 771,522.48 | 647,843.52 |
| District-wide | | | | | | | | | | |
| Invested in capital assets, net of related debt | 9,330,807.78 | 13,642,494.91 | 34,204,383.36 | 38,478,237.15 | 40,531,255.21 | 42,278,163.02 | 43,277,232.28 | 44,804,451.16 | 44,622,300.09 | 44,474,996.10 |
| Restricted | (2,552,263.88) | 2,789,908.36 | 8,457,638.99 | 3,064,757.38 | 611,042.00 | 1,593,509.21 | 2,592,349.02 | 161,672.25 | (577,276.01) | 600,425.28 |
| Unrestricted | (1,304,159.34) | (1,319,067.79) | (3,100,927.98) | (3,847,645.41) | (3,181,611.00) | (3,183,481.57) | (2,567,293.23) | 1,183,917.05 | 2,706,875.84 | 5,098,395.91 |
| Total district net assets | 5,474,384.56 | 15,113,335.48 | 39,561,094.37 | 37,695,349.12 | 37,960,686.21 | 40,688,190.66 | 43,302,288.07 | 46,150,040.46 | 46,751,899.92 | 50,173,817.29 |

Source: CAFR Schedule A-1

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Changes in Net Assets, Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Expenses | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular | 13,643,744.00 | 14,807,067.00 | 15,179,861.00 | 16,856,201.00 | 17,460,910.00 | 19,715,055.62 | 20,090,935.30 | 21,343,806.67 | 20,417,921.35 | 21,291,808.61 |
| Other special education | 173,487.00 | 188,572.00 | 256,601.00 | 267,931.00 | 778,240.00 | 437,511.02 | 517,457.95 | 523,800.99 | 401,636.60 | 480,960.70 |
| Vocational | 3,992,763.00 | 4,831,983.00 | 5,637,951.00 | 6,208,330.00 | 7,523,825.00 | 8,928,141.03 | 10,837,789.66 | 11,648,392.26 | 12,190,925.54 | 12,551,753.21 |
| Other instruction | 1,126,486.00 | 1,252,907.00 | 1,293,429.00 | 1,430,662.00 | 1,527,650.00 | 1,637,460.04 | 1,813,483.71 | 2,107,165.62 | 2,045,905.85 | 2,173,289.05 |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 7,245,296.00 | 8,203,498.00 | 8,768,470.00 | 10,183,176.00 | 10,256,861.00 | 11,614,646.56 | 11,641,650.72 | 12,100,541.32 | 12,965,393.36 | 12,553,309.08 |
| General administrative services | 1,200,085.00 | 1,423,307.00 | 1,531,018.00 | 1,471,271.00 | 1,356,880.00 | 1,430,613.81 | 1,416,742.91 | 1,477,399.18 | 1,703,493.08 | 1,653,901.37 |
| School administrative services | 462,874.00 | 575,792.00 | 317,921.00 | 691,831.00 | 893,250.00 | 960,857.12 | 1,066,120.70 | 2,018,690.07 | 1,972,079.31 | 2,223,154.09 |
| Central Services & Admin Info Technology | | | 13,265.00 | 1,396,750.00 | 1,355,042.00 | 1,780,199.29 | 1,769,704.45 | 1,974,327.13 | 1,880,709.97 | 1,877,837.73 |
| Business administrative services | 1,222,495.00 | 1,331,605.00 | 15,265.00 | | | | | | | |
| Plant operations and maintenance | 5,325,035.00 | 5,866,274.00 | 6,483,639.00 | 7,843,176.00 | 8,154,108.00 | 8,975,995.23 | 9,665,145.06 | 9,567,951.09 | 8,555,594.02 | 8,243,818.71 |
| Pupil transportation | 466,782.00 | 518,811.00 | 578,840.00 | 678,198.00 | 719,797.00 | 844,725.46 | 870,960.09 | 880,634.00 | 658,909.02 | 779,394.54 |
| Unallocated benefits | 1,589,828.00 | 2,502,385.00 | 3,609,680.00 | 2,514,814.00 | 4,815,014.00 | 5,048,584.84 | 3,661,359.20 | 3,034,111.93 | 4,567,810.77 | 4,752,865.16 |
| Special Schools | 1,480,774.00 | 1,790,501.00 | 1,872,148.00 | 2,025,803.00 | 2,111,262.00 | 2,410,112.06 | 2,479,028.61 | 2,932,736.69 | 1,474,395.99 | 1,291,237.51 |
| Capital Outlay - non-depreciable | 890,444.00 | 805,317.00 | 359,728.00 | 83,675.00 | 1,030,440.00 | 29,553.65 | 34,471.80 | 7,941.00 | 89,877.61 | 47,324.00 |
| Unallocated depreciation | 1,486,221.00 | 1,063,782.00 | 1,038,767.00 | 1,258,259.00 | 1,694,566.00 | 1,950,378.58 | 2,075,832.74 | 2,524,867.86 | 1,806,833.08 | 2,341,539.03 |
| Total governmental activities expenses | 40,306,314.00 | 45,161,801.00 | 48,293,838.00 | 52,910,077.00 | 59,677,845.00 | 65,763,814.31 | 67,940,742.90 | 72,141,465.81 | 70,731,505.55 | 72,266,192.79 |
| Business-type activities: | | | | | | | | | | |
| Food service | 849,041.00 | 697,170.00 | 1,019,401.00 | 1,206,485.00 | 1,249,426.00 | 1,437,645.88 | 1,567,060.81 | 1,754,641.76 | 1,762,996.95 | 1,745,638.79 |
| Student Store | 12,960.00 | 10,659.00 | 13,878.00 | 8,422.00 | 8,792.00 | 8,690.07 | 5,491.84 | 14,996.81 | 26,157.48 | 41,603.55 |
| Educational, Technical Training | 161,320.00 | 40,387.00 | 54,727.00 | 26,654.00 | | | | | | |
| Juvenile Detention Education | 771,939.00 | 841,741.00 | 868,691.00 | 906,077.00 | 727,379.00 | 768,334.01 | 508,328.52 | 1,349.50 | 1,789,154.43 | 1,787,242.34 |
| Total business-type activities expense | 1,795,260.00 | 1,589,957.00 | 1,958,697.00 | 2,147,638.00 | 1,985,597.00 | 2,214,669.96 | 2,080,881.17 | 1,770,988.07 | 1,789,154.43 | 1,787,242.34 |
| Total district expenses | 42,101,574.00 | 46,751,758.00 | 50,252,535.00 | 55,057,715.00 | 61,663,442.00 | 67,978,484.27 | 70,021,624.07 | 73,912,453.88 | 72,520,659.98 | 74,053,435.13 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Operating grants and contributions | 5,610,168.00 | 6,554,153.00 | 6,482,858.00 | 6,044,128.00 | 5,621,159.00 | 6,891,360.96 | 3,933,015.67 | 3,996,460.15 | 4,035,917.88 | 3,593,129.25 |
| Total governmental activities program revenues | 5,610,168.00 | 6,554,153.00 | 6,482,858.00 | 6,044,128.00 | 5,621,159.00 | 6,891,360.96 | 3,933,015.67 | 3,996,460.15 | 4,035,917.88 | 3,593,129.25 |
| Business-type activities: | | | | | | | | | | |
| Charges for services | 363,306.00 | 334,635.00 | 467,854.00 | 545,488.00 | 521,625.00 | 553,140.80 | 659,894.98 | 711,203.92 | 669,304.56 | 607,989.13 |
| Food service | 11,267.00 | 7,225.00 | 11,314.00 | 14,170.00 | 9,680.00 | 10,055.63 | 5,342.09 | 12,557.59 | 34,115.46 | 58,675.80 |
| Student Store | 134,568.00 | 70,951.00 | 70,450.00 | 980.00 | | | | | | |
| Educational, Technical Training | | | | | | | | 47.72 | | |
| Juvenile Detention Education | 1,089,158.00 | 1,197,394.00 | 1,338,246.00 | 1,627,979.00 | 1,497,100.00 | 1,421,104.77 | 1,482,507.26 | 1,084,656.21 | 1,080,780.08 | 1,151,788.14 |
| Operating grants and contributions | 1,598,299.00 | 1,610,205.00 | 1,887,844.00 | 2,188,617.00 | 2,028,405.00 | 1,984,301.20 | 2,147,744.33 | 1,808,463.44 | 1,784,200.10 | 1,818,453.07 |
| Total business-type activities program revenues | 7,208,467.00 | 8,164,358.00 | 8,370,702.00 | 8,232,745.00 | 7,649,564.00 | 8,875,662.16 | 6,080,760.00 | 5,820,117.98 | 5,820,117.98 | 5,413,582.32 |
| Total district program revenues | | | | | | | | | | |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Business-type activities | (196,961.00) | 20,248.00 | (70,853.00) | 40,979.00 | 42,808.00 | (230,368.76) | 66,863.16 | 37,477.37 | (4,954.33) | 31,210.73 |
| Total district-wide net expense | (34,893,107.00) | (38,587,400.00) | (41,881,833.00) | (46,824,970.00) | (54,013,878.00) | (59,102,822.11) | (63,940,864.07) | (68,107,528.29) | (66,700,542.00) | (68,639,852.81) |
| Business-type activities | | | | | | | | | | |
| Operating grants and contributions | (34,696,146.00) | (38,607,648.00) | (41,810,980.00) | (46,865,949.00) | (54,056,686.00) | (58,872,453.55) | (64,007,727.23) | (68,145,005.66) | (66,695,587.67) | (68,671,063.54) |
| Total business-type activities | (34,696,146.00) | (38,607,648.00) | (41,810,980.00) | (46,865,949.00) | (54,056,686.00) | (58,872,453.55) | (64,007,727.23) | (68,145,005.66) | (66,695,587.67) | (68,671,063.54) |
| Total district-wide net expense | (34,893,107.00) | (38,587,400.00) | (41,881,833.00) | (46,824,970.00) | (54,013,878.00) | (59,102,822.11) | (63,940,864.07) | (68,107,528.29) | (66,700,542.00) | (68,639,852.81) |

Exhibit J-2

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Changes in Net Assets, Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|-----------------------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| General Revenues and Other Changes in Net Assets | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes levied for general purposes, net | 1,859,373.00 | 3,369,218.00 | 3,369,218.00 | 5,864,335.00 | 7,144,585.00 | 7,044,585.00 | 7,044,585.00 | 7,044,585.00 | 7,044,585.00 | 7,044,585.00 |
| Unrestricted grants and contributions | 12,960,711.00 | 13,479,881.00 | 14,125,225.00 | 14,819,987.00 | 16,709,490.00 | 17,715,124.81 | 22,390,012.96 | 24,565,965.66 | 21,966,106.69 | 24,346,462.91 |
| Tuition Received | 17,346,704.00 | 21,125,340.00 | 20,930,550.00 | 23,954,088.00 | 29,794,574.55 | 33,600,545.50 | 36,421,752.98 | 36,929,083.16 | 37,137,986.96 | 39,644,580.90 |
| GED Testing fees | | | | | 237,881.00 | 284,758.58 | 367,880.93 | 479,164.35 | 21,970.00 | 60,230.00 |
| Miscellaneous income | 115,403.00 | 517,673.00 | 174,535.00 | 198,457.00 | 257,881.00 | 2,937,308.00 | 978,739.00 | | 363,893.75 | 411,164.65 |
| Special Item - Funded by Passaic County | 2,516,346.00 | 9,611,194.00 | 20,000,000.00 | | | | | | (57,235.52) | |
| Special Item - Funds to Passaic County | | | | | | | | | | |
| State Aid - capital outlay facilities grant | 135,886.00 | 120,501.00 | 7,505,998.00 | 113,185.00 | 420,138.00 | 239,493.57 | 328,091.60 | 759,711.49 | 823,310.66 | 656,297.97 |
| Federal and State Aid - capital outlay | (132,383.00) | | | | | | | | | |
| Transfers | 34,802,040.00 | 48,223,807.00 | 66,322,096.00 | 44,950,057.00 | 54,266,668.55 | 61,821,815.46 | 66,552,323.47 | 70,757,268.66 | 67,300,617.74 | 72,163,321.43 |
| Total governmental activities | 4,042.00 | 2,544.00 | 7,496.00 | 9,173.00 | 12,546.00 | 8,511.56 | 2,638.00 | 2,718.35 | 1,783.72 | 1,160.92 |
| Business-type activities: | | | | | | | | | | |
| Investment earnings | 132,383.00 | | | | | | | | | (102,712.17) |
| Transfers | 34,938,465.00 | 48,226,351.00 | 66,329,592.00 | 44,959,723.00 | 54,279,214.55 | 61,830,327.02 | 66,554,961.47 | 70,759,987.01 | 67,302,401.46 | 72,061,770.18 |
| Total business-type activities | | | | | | | | | | |
| Total district-wide | 105,894.00 | 9,616,159.00 | 24,511,116.00 | (1,915,897.00) | 209,982.55 | 2,949,362.11 | 2,544,596.24 | 2,612,263.00 | 605,030.07 | 3,492,257.89 |
| Change in Net Assets | (60,536.00) | 22,792.00 | (63,357.00) | 50,152.00 | 55,354.00 | (221,857.20) | 69,501.16 | 40,195.72 | (3,170.61) | (70,340.52) |
| Governmental activities | 45,358.00 | 9,638,951.00 | 24,447,759.00 | (1,865,745.00) | 265,336.55 | 2,727,504.91 | 2,614,097.40 | 2,652,458.72 | 601,859.46 | 3,421,917.37 |
| Business-type activities | | | | | | | | | | |
| Total district | | | | | | | | | | |

Source: CAFR Schedule A-2

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Fund Balances, Governmental Funds,

Last Ten Fiscal Years

(modified accrual basis of accounting)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|------------------------------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------|
| General Fund | | | | | | | | | | |
| Reserved | 170,561.00 | 1,196,010.00 | 917,937.00 | 640,664.00 | 1,380,021.00 | 1,501,741.60 | 3,223,401.50 | 583,439.68 | 723,961.54 | 1,723,961.54 |
| Unreserved | 1,589,241.00 | 2,035,448.00 | 1,687,483.00 | 663,756.00 | 1,638,875.00 | 2,060,669.07 | 2,234,591.66 | 4,836,126.55 | 391,855.37 | 1,250,145.66 |
| Restricted | | | | | | | | | 3,600,000.00 | 5,732,676.46 |
| Committed | | | | | | | | | 2,296,205.66 | 2,220,902.81 |
| Assigned | | | | | | | | | | |
| Unassigned | | | | | | | | | | |
| Total general fund | 1,759,802.00 | 3,231,458.00 | 2,605,420.00 | 1,304,420.00 | 3,018,896.00 | 3,562,410.67 | 5,457,993.16 | 5,419,566.23 | 7,012,022.57 | 10,927,686.47 |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | | 50,664.00 | 121,590.00 | 316,760.00 | 1,113.00 | 486,037.68 | 282,192.96 | 53,345.10 | 701,472.00 | 256,115.00 |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue fund | (71,670.00) | (83,904.00) | (100,596.00) | (62,375.00) | (92,181.00) | (102,201.80) | | | | |
| Capital projects fund | (2,722,825.00) | 1,543,234.00 | 7,418,113.00 | 2,107,333.00 | (770,093.00) | (394,270.07) | (913,245.44) | (475,112.53) | (1,670,604.38) | (1,905,836.38) |
| Total all other governmental funds | (2,794,495.00) | 1,509,994.00 | 7,439,107.00 | 2,361,718.00 | (861,161.00) | (10,434.19) | (631,052.48) | (421,767.43) | (969,132.38) | (1,649,721.38) |

Source: CAFR Schedule B-1

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|----------------|----------------|-----------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|
| Revenues | | | | | | | | | | |
| Tax levy | 1,859,373.00 | 3,369,218.00 | 3,369,218.00 | 5,864,335.00 | 7,144,585.00 | 7,044,585.00 | 7,044,585.00 | 7,044,585.00 | 7,044,585.00 | 7,044,585.00 |
| Tuition charges | 17,346,704.00 | 21,125,340.00 | 20,930,550.00 | 23,954,088.00 | 29,754,574.00 | 33,600,545.50 | 36,421,752.98 | 36,929,083.16 | 37,137,986.96 | 39,644,580.90 |
| Interest earnings | 43,598.00 | 46,576.00 | 76,026.00 | 100,206.00 | 167,373.00 | 160,797.11 | 50,155.13 | 67,088.60 | 44,357.38 | 30,606.86 |
| GED Testing fees/jail | | | | | | | | | 21,970.00 | 60,230.00 |
| Miscellaneous | 71,806.00 | 471,097.00 | 98,509.00 | 99,705.00 | 74,678.00 | 128,325.88 | 338,511.77 | 416,819.26 | 368,314.38 | 414,211.56 |
| State sources | 15,839,836.00 | 16,122,662.00 | 24,542,069.00 | 17,511,172.00 | 19,402,606.00 | 21,177,809.72 | 22,687,527.99 | 21,469,683.81 | 21,998,315.48 | 23,697,073.16 |
| Federal sources | 2,866,928.00 | 4,031,873.00 | 3,788,641.00 | 3,464,674.00 | 3,344,011.00 | 3,663,805.21 | 3,942,806.27 | 7,847,709.98 | 4,778,241.74 | 4,867,163.20 |
| Total revenue | 38,028,245.00 | 45,166,766.00 | 52,804,953.00 | 50,994,180.00 | 59,887,827.00 | 65,775,868.42 | 70,485,339.14 | 73,774,969.81 | 71,393,770.94 | 75,758,450.68 |
| Expenditures | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular Instruction | 11,734,164.00 | 12,859,266.00 | 13,078,666.00 | 14,363,924.00 | 14,826,810.00 | 16,756,630.25 | 16,552,555.18 | 17,174,019.34 | 16,063,662.21 | 16,782,997.87 |
| Other special instruction | 138,899.00 | 150,764.00 | 205,685.00 | 215,170.00 | 630,256.00 | 348,189.65 | 422,049.08 | 409,274.47 | 305,486.04 | 373,055.94 |
| Vocational education | 3,160,414.00 | 3,883,703.00 | 4,505,545.00 | 5,001,357.00 | 6,127,123.00 | 7,256,774.81 | 8,814,758.13 | 9,281,321.45 | 9,411,268.83 | 9,769,917.02 |
| Other instruction | 942,760.00 | 1,068,104.00 | 1,092,501.00 | 1,213,017.00 | 1,293,372.00 | 1,375,637.85 | 1,537,885.06 | 1,727,563.99 | 1,644,929.27 | 1,762,006.47 |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 5,942,322.00 | 6,849,077.00 | 7,230,746.00 | 8,429,194.00 | 8,530,810.00 | 9,652,268.30 | 9,689,691.35 | 9,937,948.15 | 10,398,020.68 | 10,047,629.75 |
| General administrative services | 1,022,686.00 | 1,218,911.00 | 1,306,956.00 | 1,267,429.00 | 1,168,891.00 | 1,207,167.36 | 1,196,599.77 | 1,212,950.75 | 1,397,188.74 | 1,401,210.76 |
| School Administrative services | 367,503.00 | 465,971.00 | 256,775.00 | 557,200.00 | 718,055.00 | 761,785.68 | 855,252.44 | 1,584,981.88 | 1,489,467.18 | 1,694,174.17 |
| Central Services & Admin. Info. Technology | 4,609,995.00 | 5,129,967.00 | 5,656,108.00 | 6,938,405.00 | 7,226,310.00 | 7,989,063.57 | 8,715,228.80 | 8,445,309.65 | 7,444,425.84 | 7,171,641.92 |
| Plant operations and maintenance | 459,345.00 | 517,894.00 | 578,840.00 | 678,198.00 | 719,797.00 | 844,725.46 | 870,960.09 | 880,634.00 | 658,909.02 | 779,394.54 |
| Business and Other Support Services | 989,476.00 | 1,089,506.00 | 1,326,640.00 | 10,294,845.00 | 12,514,275.00 | 13,913,812.49 | 13,904,365.83 | 16,062,955.95 | 17,131,234.25 | 17,985,908.59 |
| Unallocated employee benefits | 7,531,701.00 | 8,131,440.00 | 8,971,029.00 | 1,660,311.00 | 1,766,551.00 | 2,005,338.27 | 2,084,637.66 | 2,377,328.25 | 1,176,838.96 | 1,048,556.75 |
| Special Schools | 1,193,093.00 | 1,465,539.00 | 1,528,587.00 | 5,622,542.00 | 4,781,161.00 | 3,732,660.59 | 3,101,695.89 | 3,869,592.40 | 1,718,088.46 | 2,244,609.63 |
| Capital outlay | 2,182,320.00 | 6,171,672.00 | 21,968,920.00 | 5,622,542.00 | 61,396,231.00 | 67,318,934.85 | 69,210,374.94 | 74,582,870.69 | 70,291,444.23 | 72,523,375.78 |
| Total expenditures | 40,274,678.00 | 49,001,814.00 | 67,501,879.00 | 57,372,568.00 | 61,396,231.00 | 67,318,934.85 | 69,210,374.94 | 74,582,870.69 | 70,291,444.23 | 72,523,375.78 |
| Excess (Deficiency) of revenues over (under) expenditures | (2,246,433.00) | (3,835,048.00) | (14,696,926.00) | (6,378,388.00) | (1,508,404.00) | (1,543,066.43) | 1,274,964.20 | (807,900.88) | 1,102,326.71 | 3,235,074.90 |
| Other Financing sources (uses) | | | | | | | | | | |
| Funded by County of Passaic | 2,516,346.00 | 9,611,194.00 | 20,000,000.00 | - | - | 2,937,308.00 | 978,759.00 | - | (57,235.32) | - |
| Returned to Passaic County | (132,383.00) | - | - | - | - | - | - | - | - | - |
| Transfers out | 2,383,963.00 | 9,611,194.00 | 20,000,000.00 | - | - | 2,937,308.00 | - | 978,759.00 | (57,235.32) | - |
| Total other financing sources (uses) | 137,530.00 | 5,776,146.00 | 5,305,074.00 | (6,378,388.00) | (1,508,404.00) | 1,394,241.57 | 1,274,964.20 | 170,858.12 | 1,045,091.39 | 3,235,074.90 |
| Net change in fund balances | | | | | | | | | | |

Source: CAFR Schedule B-2

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

General Fund Other Local Revenue by Source
Last Ten Fiscal Years

| Fiscal Year Ended June 30, | Tuition Charges | Facility Rental | Interest Income | Prior Year Refunds | Management Fee | GED Revenue | Miscellaneous | County Tax Levy | Total |
|-------------------------------|--------------------|--------------------|--------------------|-----------------------|-------------------|----------------|---------------|--------------------|---------------|
| 2012 | 39,644,580.90 | 118,265.76 | 30,606.86 | 61,419.21 | 171,360.00 | 60,230.00 | 29,512.82 | 7,044,585.00 | 47,160,560.55 |
| 2011 | 37,137,986.96 | 124,448.19 | 44,357.38 | 25,954.89 | 168,000.00 | 21,970.00 | 1,133.29 | 7,044,585.00 | 44,568,435.71 |
| 2010 | 36,929,083.16 | 75,802.60 | 67,088.60 | 52,144.32 | 168,000.00 | 83,003.06 | 33,125.77 | 7,044,585.00 | 44,452,832.51 |
| 2009 | 36,421,752.98 | 63,367.42 | 50,155.13 | 42,527.15 | 162,000.00 | | 49,831.23 | 7,044,585.00 | 43,834,218.91 |
| 2008 | 33,600,545.50 | 57,809.38 | 160,797.11 | 18,221.54 | | | 47,930.55 | 7,044,585.00 | 40,929,889.08 |
| 2007 | 29,754,575.00 | 39,450.00 | 167,373.00 | 18,082.00 | | | 12,975.00 | 7,144,585.00 | 37,137,040.00 |
| 2006 | 23,954,088.00 | 44,575.00 | 100,206.00 | 35,827.00 | | | 17,849.00 | 5,864,335.00 | 30,016,880.00 |
| 2005 | 20,930,549.00 | 4,862.00 | 76,026.00 | 48,511.00 | | | 45,136.00 | 3,369,218.00 | 24,474,302.00 |
| 2004 | 21,125,340.00 | | 46,576.00 | 449,548.00 | | | 21,549.00 | 3,369,218.00 | 25,012,231.00 |
| 2003 | 17,346,704.00 | | 43,598.00 | 9,007.00 | | | 62,799.00 | 1,859,373.00 | 19,321,481.00 |

Source: District records.

Exhibit J-6

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Assessed Value and Actual Value of Taxable Property
For the County of Passaic
Last Ten Fiscal Years

| <u>Year Ended December 31,</u> | <u>Net Assessed Valuation</u> | <u>Estimated Actual Equalized Valuations</u> | <u>Percentage of Net Assessed to Estimated Valuations</u> |
|------------------------------------|-----------------------------------|--|---|
| 2011 | 34,115,939,359 | 53,342,056,687 | 63.96% |
| 2010 | 33,772,107,167 | 55,645,717,304 | 60.69% |
| 2009 | 33,948,296,609 | 57,882,171,238 | 58.65% |
| 2008 | 30,307,653,137 | 56,290,518,188 | 53.84% |
| 2007 | 30,268,051,426 | 52,440,489,938 | 57.72% |
| 2006 | 21,394,285,749 | 45,986,845,299 | 46.52% |
| 2005 | 21,335,720,331 | 40,727,773,476 | 52.39% |
| 2004 | 21,208,000,480 | 35,756,408,765 | 59.31% |
| 2003 | 20,972,139,025 | 31,609,594,693 | 66.35% |
| 2002 | 20,795,690,938 | 28,658,939,475 | 72.56% |

Source: Passaic County, Abstract of Ratables.

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**County of Passaic Tax Rates
Per \$100 of Assessed Valuation
Last Ten Fiscal Years**

| <u>Year Ended December 31,</u> | <u>County</u> |
|------------------------------------|---------------|
| 2011 | 0.5669 |
| 2010 | 0.5284 |
| 2009 | 0.4937 |
| 2008 | 0.4950 |
| 2007 | 0.4852 |
| 2006 | 0.5142 |
| 2005 | 0.5160 |
| 2004 | 0.5431 |
| 2003 | 0.5705 |
| 2002 | 0.5995 |

Source: Passaic County Board of Taxation.

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Schedule of Principal Taxpayers - County of Passaic

| Taxpayer | Current and Nine Years Ago | | | 2002 | | |
|-------------------------------|----------------------------|---------------|-------------------------------------|------------------------|---------------|-------------------------------------|
| | Taxable Assessed Value | Rank Optional | % of District's Equalized Valuation | Taxable Assessed Value | Rank Optional | % of District's Equalized Valuation |
| Willow Brook Mall | 156,000,000 | 1 | 0.29% | 156,000,000 | 1 | 0.54% |
| Hoffman LaRoche | 132,047,700 | 2 | 0.25% | 139,334,100 | 2 | 0.49% |
| North Jersey District Water | 59,146,200 | 3 | 0.11% | | | |
| Clifton Commons, LLC | 40,863,500 | 4 | 0.08% | 40,863,500 | 6 | 0.14% |
| Toys "R" Us, Inc. | 38,527,100 | 5 | 0.07% | | | |
| Castleton Assoc., LLC | 35,026,800 | 6 | 0.07% | | | |
| Rose Manor Estates | 33,028,100 | 7 | 0.06% | 36,178,000 | 8 | 0.13% |
| Wayne PSC, LLC | 32,612,400 | 8 | 0.06% | | | |
| Public Service | 32,535,600 | 9 | 0.06% | 32,376,200 | 10 | 0.11% |
| Mt. View Crossing | 31,970,400 | 10 | 0.06% | 53,000,000 | 4 | 0.18% |
| Mandelbaum/Mandelbaum & RIMJJ | | | | 71,500,000 | 3 | 0.25% |
| American Home Products | | | | 50,049,500 | 5 | 0.17% |
| Levco Associates | | | | 37,300,000 | 7 | 0.13% |
| Totowa VF LLC | | | | 33,000,000 | 9 | 0.12% |
| | <u>591,757,800</u> | | <u>1.11%</u> | <u>649,601,300</u> | | <u>2.27%</u> |

Source: Passaic County Board of Taxation.

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**County School Tax Levies and Collections
Last Ten Years**

| <u>Fiscal Year Ended June 30,</u> | <u>Taxes Levied for the Fiscal Year</u> | <u>Collected within the Fiscal Year of the Levy^a</u> | | <u>Collections in Subsequent Years</u> |
|---|---|---|-------------------------------|--|
| | | <u>Amount</u> | <u>Percentage of Levy</u> | |
| 2012 | 7,044,585.00 | 7,044,585.00 | 100.00% | |
| 2011 | 7,044,585.00 | 7,044,585.00 | 100.00% | |
| 2010 | 7,044,585.00 | 7,044,557.00 | 100.00% | 28.00 |
| 2009 | 7,044,585.00 | 7,044,566.00 | 100.00% | 19.00 |
| 2008 | 7,044,585.00 | 7,044,575.00 | 100.00% | 10.00 |
| 2007 | 7,144,585.00 | 6,549,202.00 | 91.67% | 595,383.00 |
| 2006 | 5,864,335.00 | 5,864,335.00 | 100.00% | |
| 2005 | 3,369,218.00 | 3,369,218.00 | 100.00% | |
| 2004 | 3,369,218.00 | 3,369,218.00 | 100.00% | |
| 2003 | 1,859,373.00 | 1,859,373.00 | 100.00% | |

Source: Districts Records

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years

| Fiscal Year Ended June 30, | Governmental Activities | | | Business-Type Activities | | Percentage of Personal Income | Per Capita |
|----------------------------------|--------------------------------|----------------------------------|-------------------|--|----------------|----------------------------------|------------|
| | General Obligation Bonds | Certificates of Participation | Capital Leases | Bond Anticipation Notes (BANDs) | Capital Leases | | |

NOT APPLICABLE

Exhibit J-11

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

| Fiscal Year Ended June 30, | General Bonded Debt Outstanding | | | Percentage of Actual Taxable Value of Property | Per Capita |
|----------------------------------|---------------------------------|------------|---|---|------------|
| | General Obligation Bonds | Deductions | Net General Bonded Debt Outstanding | | |
| | | | | | |

NOT APPLICABLE

Exhibit J-12

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011

| <u>Governmental Unit</u> | <u>Debt</u> | <u>Estimated</u> | <u>Estimated Share</u> |
|--------------------------|--------------------|-------------------|------------------------|
| | <u>Outstanding</u> | <u>Percentage</u> | <u>of Overlapping</u> |
| | | <u>Applicable</u> | <u>Debt</u> |

NOT APPLICABLE

Exhibit E-13

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Legal Debt Margin Information,
Last Ten Fiscal Years

NOT APPLICABLE

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Demographic and Economic Statistics
Last Ten Years**

| <u>Year Ended June 30,</u> | <u>School District Population (1)</u> | <u>Personal Income in Thousands \$ (2)</u> | <u>Per Capita Income (3)</u> | <u>Unemployment Rate (4)</u> |
|--------------------------------|---|--|----------------------------------|----------------------------------|
| 2012 | N/A | | N/A | 11.10 |
| 2011 | 502,007 | | 42,228 | 11.30 |
| 2010 | 501,606 | | 40,426 | 11.20 |
| 2009 | 491,778 | | 41,556 | 6.80 |
| 2008 | 488,364 | | 40,223 | 5.30 |
| 2007 | 487,067 | | 37,865 | 5.60 |
| 2006 | 487,544 | | 35,269 | 5.40 |
| 2005 | 489,211 | | 33,370 | 5.90 |
| 2004 | 490,527 | | 32,585 | 7.70 |
| 2003 | 492,259 | | 32,195 | 7.50 |

Source:

- (1) U.S. Bureau of the Census, Population Division,
(Estimates July 1, 2003-2011)
- (2) Personal income of the District is not available.
- (3) U.S. Department of Commerce, County Information 2001-2010
- (4) N.J. Department of Labor.

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
Principal Employers,
Current Year and Nine Years Ago**

| | 2011 | | 2002 | | Percentage of Total Employment |
|-----------------|-----------|--------------------|-----------|-----------------|--------------------------------------|
| | Employees | Rank (Optional) | Employees | Rank (Optional) | |
| Employer | | | | | |

NOT AVAILABLE

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
 Full-time Equivalent District Employees by Function/Program,
 Last Ten Fiscal Years

| <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 | 135 | 136 | 139 | 153 | 141 | 157 | 169 | 180 | 176 | 171 |
| Regular | | | | | | | | | | |
| Other special education | 20 | 26 | 26 | 28 | 28 | 35 | 36 | 42 | 35 | 39 |
| Vocational | 74 | 77 | 78 | 78 | 95 | 108 | 112 | 97 | 109 | 101 |
| Other instruction | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 3 | 3 |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 76 | 74 | 83 | 70 | 88 | 90 | 92 | 97 | 94 | 93 |
| General administrative services | 8 | 10 | 9 | 9 | 9 | 9 | 10 | 12 | 10 | 8 |
| School administrative services | 6 | 7 | 6 | 6 | 8 | 7 | 7 | 13 | 12 | 16 |
| Business administrative services | 14 | 15 | 14 | 20 | 20 | 21 | 20 | 17 | 17 | 16 |
| Plant operations and maintenance | 75 | 72 | 73 | 78 | 82 | 85 | 86 | 84 | 78 | 77 |
| Pupil transportation | 1 | | | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Special Schools | 30 | 26 | 28 | 26 | 31 | 30 | 31 | 29 | 23 | 19 |
| Food Service | 13 | 12 | 12 | 12 | 13 | 14 | 13 | 13 | 13 | 13 |
| Juvenile Detention Center | 12 | 14 | 15 | 14 | 11 | 10 | | | | |
| ETTC | 2 | 2 | 2 | 2 | 2 | | | | | |
| Total | 469 | 473 | 487 | 499 | 531 | 569 | 579 | 589 | 571 | 557 |

Source: District Personnel Records

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
 Operating Statistics
 Last Ten Fiscal Years

Pupil/Teacher Ratio

| Fiscal Year | Enrollment | Operating Expenditures ^a | Cost Per Pupil | Percentage Change | Teaching Staff ^b | Senior High School | Average Daily | | % Change in | | Student Attendance Percentage |
|-------------|------------|-------------------------------------|----------------|-------------------|-----------------------------|--------------------|-------------------------------|-------------------------------|--------------------------|--------------------------|-------------------------------|
| | | | | | | | Enrollment (ADE) ^c | Attendance (ADA) ^c | Average Daily Enrollment | Average Daily Attendance | |
| 2003 | 2,013 | 38,092,358 | 18,923 | -4.98% | 290 | 1:8 | 2,011.4 | 1,883.6 | 0.75% | 93.65% | |
| 2004 | 2,031 | 42,830,142 | 21,088 | 11.44% | 284 | 1:9 | 2,036.4 | 1,912.2 | 1.24% | 93.90% | |
| 2005 | 2,045 | 45,532,959 | 22,266 | 5.58% | 297 | 1:7 | 2,026.7 | 1,897.6 | -0.48% | 93.63% | |
| 2006 | 2,301 | 51,750,026 | 22,490 | 1.01% | 273 | 1:8 | 2,269.4 | 2,131.6 | 11.98% | 93.93% | |
| 2007 | 2,517 | 56,615,070 | 22,493 | 0.01% | 281 | 1:9 | 2,484.9 | 2,338.1 | 9.50% | 94.09% | |
| 2008 | 2,785 | 63,586,274 | 22,832 | 1.51% | 300 | 1:9 | 2,799.4 | 2,646.6 | 12.66% | 94.54% | |
| 2009 | 3,020 | 66,108,679 | 21,890 | -4.12% | 317 | 1:9 | 3,058.5 | 2,891.4 | 9.26% | 94.54% | |
| 2010 | 3,110 | 70,713,278 | 22,737 | 3.87% | 319 | 1:09 | 3,150.8 | 3,002.1 | 3.02% | 95.28% | |
| 2011 | 3,215 | 68,573,356 | 21,329 | -6.19% | 320 | 1:10 | 3,250.3 | 3,090.1 | 3.16% | 95.07% | |
| 2012 | 3,198 | 70,278,766 | 21,976 | 3.03% | 315 | 1:10 | 3,237.5 | 3,086.0 | -0.39% | 95.32% | |

Sources: District records, ASSA

Note: Enrollment based on annual October district count.

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).

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
 School Building Information
 Last Ten Fiscal Years

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <u>District Building</u> | | | | | | | | | | |
| <u>High School</u> | | | | | | | | | | |
| Main, Rocco, T and Q Buildings and F-Wing | 373,189 | 373,189 | 373,189 | 430,424 | 430,424 | 430,424 | 430,424 | 430,424 | 430,424 | 430,424 |
| Square Feet | 2,310 | 2,310 | 2,310 | 3,016 | 3,016 | 3,016 | 3,016 | 3,016 | 3,016 | 3,016 |
| Capacity (students) | 2,013 | 2,031 | 2,045 | 2,301 | 2,517 | 2,517 | 3,020 | 3,110 | 3,215 | 3,198 |
| Enrollment | | | | | | | | | | |
| <u>Other</u> | | | | | | | | | | |
| Business Office | 2,871 | 2,871 | 2,871 | 2,871 | 2,871 | 2,871 | 2,871 | 2,871 | 2,871 | 2,871 |
| Square Feet | | | | | | | | | | |
| Athletic Center | | | | 38,595 | 38,595 | 38,595 | 38,595 | 38,595 | 38,595 | 38,595 |
| Square Feet | | | | 8,310 | 8,310 | 8,310 | 8,310 | 8,310 | 8,310 | 8,310 |
| Media Center | | | | | | | | | | |
| Square Feet | | | | | | | | | | |

Source: District records, ASSA

PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
 GENERAL FUND
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 LAST EIGHT FISCAL YEARS

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

| School Facilities | Project # (\$) | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|-------------------|---------------------|-----------|-----------|-----------|---------|---------|---------|---------|---------|---------|---------|
| Main Building | N/A | 928,671 | 911,147 | 1,204,064 | 295,802 | 286,712 | 345,453 | 279,669 | 351,328 | 385,850 | 391,168 |
| Rocco Building | N/A | 156,350 | 153,400 | 202,715 | 49,801 | 48,270 | 58,160 | 47,085 | 59,149 | 64,961 | 65,857 |
| T Building | N/A | 43,492 | 42,671 | 56,389 | 13,853 | 13,427 | 16,178 | 13,097 | 16,453 | 18,070 | 18,319 |
| Q Building | N/A | 24,138 | 23,683 | 31,298 | 7,689 | 7,452 | 8,979 | 7,269 | 9,132 | 10,029 | 10,167 |
| F Wing | N/A | 180,311 | 176,909 | 233,781 | 57,433 | 55,668 | 67,073 | 54,301 | 68,214 | 74,917 | 75,949 |
| Phase I Expansion | SP#3995-050-03-0921 | 202,872 | 199,044 | 263,032 | 64,619 | 62,634 | 75,466 | 61,095 | 78,097 | 85,771 | 86,953 |
| Athletic Center | SP#3995-050-03-0921 | 136,802 | 134,221 | 177,368 | 43,574 | 42,235 | 50,888 | 41,198 | | | |
| Media Center | SP#3995-050-03-0921 | 29,454 | 28,897 | 38,190 | 9,382 | 9,094 | 10,957 | 8,870 | | | |
| Grand Total | | 1,702,090 | 1,669,972 | 2,206,837 | 542,153 | 525,492 | 633,154 | 512,584 | 582,373 | 639,598 | 648,413 |

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

Source: District records

PASSAIC COUNTY TECHNICAL INSTITUTE AND VOCATIONAL HIGH SCHOOL
INSURANCE SCHEDULE
JUNE 30, 2012

| | <u>Coverage</u> | <u>Deductible</u> |
|---|-----------------|----------------------------|
| School Package Policy - N.J. School Boards Association Insurance Group: | | |
| Property: | | |
| Blanket Building and Contents | \$ 95,880,021 | \$ 5,000 |
| Electronic Data processing | 7,750,000 | \$ 1,000 |
| Equipment Breakdown | 100,000,000 | \$ 5,000 |
| Liability: | | |
| Comprehensive General Liability | 11,000,000 | |
| Bodily Injury from Products & Completed Operations | 11,000,000 | |
| Sexual Abuse | 11,000,000 | |
| Premises Medical Payments | 10,000 | |
| Employee Benefits | 11,000,000 | |
| Crime: | | |
| Employee Dishonesty | 1,000,000 | 1,000 |
| Forgery or Alteration | 1,000,000 | 1,000 |
| Money Orders & Counterfeit Paper | 50,000 | 500 |
| Money & Securities | 50,000 | 500 |
| Computer Fraud | 1,000,000 | 1,000 |
| Automobile: | | |
| Comprehensive Automobile Liability | 11,000,000 | 1,000 |
| Uninsured/Underinsured Motorists | 1,000,000 | |
| Personal Injury Protection | 250,000 | |
| Medical payments | 10,000 | |
| Garagekeepers Liability | Included | |
| Physical Damage Coverage | Included | |
| Errors and Omissions - N.J. School Boards Association Insurance Group | 11,000,000 | 5,000 |
| CAP Liability (Over \$11,000,000) Fireman's Fund Insurance | 50,000,000 | |
| Public Official Bonds - Selective Insurance Co. | | |
| | <u>Name</u> | <u>Position</u> |
| | Richard Giglio | Business Administrator |
| | | 10,000 |
| | Rita Pascrell | Treasurer of School Monies |
| | | 335,000 |
| Storage Tank Liability - Zurich | Each Occurrence | 1,000,000 |
| | Aggregate | 2,000,000 |
| Student Accident Insurance - Bollinger Insurance | | |
| Maximum Benefit Blanket Athletic Coverage Including Football | | 5,000,000 |
| Workers Compensation - N.J. School Boards Associatino Insurance Group | Statutory | |
| Employers Liability | | 2,000,000 |

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SINGLE AUDIT SECTION

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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 Trustees
Passaic County Technical and Vocational High School District
County of Passaic, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Passaic County Technical and Vocational High School District in the County of Passaic as of and for the fiscal year ended June 30, 2012 which collectively comprise the basic financial statements of the Board of Education of the Passaic County Technical and Vocational High School District in the County of Passaic, and have issued our report thereon dated September 26, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Administration and 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 Board of Education of the Passaic County Technical and Vocational High School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Passaic County Technical and Vocational High School District Board of Education'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 Passaic County Technical and Vocational High School District Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Passaic County Technical and Vocational High School District Board of Education's internal control over financial reporting.

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



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

Compliance and Other Matters

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

This report is intended solely for the information of management, the Passaic County Technical and Vocational High School District Board of Education, New Jersey State Department of Education and other state and federal awarding agencies and is not intended to be, and should not be, used by anyone other than these specified parties.



James Cerullo, C.P.A.
Licensed Public School Accountant
No. 881



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

September 26, 2012

Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR FEDERAL AND STATE PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
AND N.J. OMB CIRCULAR 04-04**

Honorable President and
Members of the Board of Trustees
Passaic County Technical and Vocational High School District
County of Passaic, New Jersey

Compliance

We have audited the compliance of the Board of Education of the Passaic County Technical and Vocational High School District in the County of Passaic 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 State Office of Management and Budget's State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2012. Passaic County Technical and Vocational High School District Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Passaic County Technical and Vocational High School District Board of Education's management. Our responsibility is to express an opinion on the Passaic County Technical and Vocational High School District Board of Education's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations"; and the provisions the New Jersey State Treasury Circular Letter 04-04 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards, and OMB Circular A-133 and N.J. 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 and state program occurred. An audit includes examining, on a test basis, evidence about the Passaic County Technical and Vocational High School District Board of Education'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 Passaic County Technical and Vocational High School District Board of Education's compliance with those requirements.



In our opinion, the Passaic County Technical and Vocational High School District Board of Education complied, in all material respects, with the requirements referred to above that are applicable to each of its major state and federal programs for the fiscal year ended June 30, 2012.

Internal Control Over Compliance

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

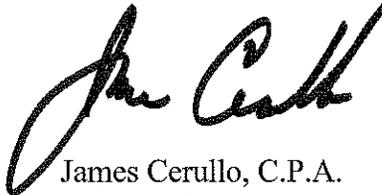
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be 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.

Honorable President and
Members of the Board of Education

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This report is intended solely for the information of the management, the Passaic County Technical and Vocational High Board of Education, the New Jersey State Department of Education, other state and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.



James Cerullo, C.P.A.
Licensed Public School Accountant
No. 881



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

September 26, 2012

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PASSAC COUNTY VOCATIONAL AND TECHNICAL HIGH SCHOOL
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ended June 30, 2012

| Federal Grant/Pass-Through Grant Program Title | Federal CFDA Number | Grant or State Project Number | Grant Period | Award Amount | Balance at June 30, 2011 | Carryover/Adjustments | Cash Received | Budgetary Expenditures | Repayment of Prior Year's Balance | Accounts Receivable | Balance at June 30, 2012 | Due To Grantor at | Memo Cumulative Total Expenditures |
|---|---------------------|-------------------------------|-------------------|--------------|--------------------------|-----------------------|---------------|------------------------|-----------------------------------|---------------------|--------------------------|-------------------|------------------------------------|
| | | | | | | | | | | | Deferred Revenue | | |
| U.S. Department of Education: | | | | | | | | | | | | | |
| General Fund: | | | | | | | | | | | | | |
| Education Jobs Fund | 84.410 | | 08/10/10-09/30/12 | 701,728.00 | | | 630,807.89 | (700,273.13) | | (69,465.24) | | | 700,273.13 |
| Medical Assistance Program | 93.778 | | 07/01/11-06/30/12 | 56,844.23 | | | 56,844.23 | (56,844.23) | | | | | 56,844.23 |
| Total General Fund | | | | | | | 687,652.12 | (757,117.36) | | (69,465.24) | | | 757,117.36 |
| U.S. Department of Agriculture Passed-Through State Department of Education: | | | | | | | | | | | | | |
| Enterprise Fund: | | | | | | | | | | | | | |
| Food Distribution Program | 10.550 | | 07/01/11-06/30/12 | 96,630.52 | | 300.00 | 96,630.52 | (96,530.52) | | | 400.00 | | 96,530.52 |
| Food Distribution Program | 10.550 | | 07/01/10-06/30/11 | 47,301.10 | 300.00 | (300.00) | | (189,594.75) | | (13,095.57) | | | 189,594.75 |
| National School Breakfast Program | 10.553 | | 07/01/11-06/30/12 | 189,594.75 | | | 176,699.18 | (180,647.17) | | | | | 176,699.18 |
| National School Breakfast Program | 10.553 | | 07/01/10-06/30/11 | 176,050.38 | (13,191.24) | | 13,191.24 | (107,510.00) | | (39,017.59) | | | 846,262.89 |
| National School Lunch Program | 10.555 | | 07/01/11-06/30/12 | 846,262.89 | | | 807,245.30 | (8,999.67) | | | | | 839,459.60 |
| National School Lunch Program | 10.555 | | 07/01/10-06/30/11 | 839,459.60 | (44,092.92) | | 44,092.92 | (3,136.10) | | | | | 839,459.60 |
| Total Enterprise Fund | | | | | (56,984.16) | | 1,137,659.16 | (1,132,388.16) | | (52,113.16) | 400.00 | | 2,147,898.34 |
| U.S. Department of Education Passed-Through State Department of Education: | | | | | | | | | | | | | |
| Special Revenue Fund: | | | | | | | | | | | | | |
| ARRA - Title I Part School Improvements | 84.388 | ARRA39995 | 07/01/09-08/31/11 | 91,229.00 | (1,762.09) | | 62,062.65 | (60,300.56) | | | | | 91,229.00 |
| ARRA - Title I Part A - Improving Basic Programs | 84.389 | ARRA39995 | 07/01/09-08/31/11 | 1,000,736.00 | (73,443.95) | | 110,783.00 | (37,339.05) | | | | | 1,000,736.00 |
| I.A.S.A. Title I Part A - Improving Basic Programs | 84.010 | NCLB399512 | 09/01/11-08/31/12 | 2,250,385.00 | | | 1,607,872.00 | (1,851,585.65) | | (243,713.63) | | | 1,851,585.65 |
| I.A.S.A. Title I Part A - Improving Basic Programs | 84.010 | NCLB399512 | 09/01/10-08/31/11 | 1,621,862.00 | (336,156.83) | | 516,804.00 | (180,647.17) | | | | | 1,621,862.00 |
| I.A.S.A. Title II Part A - Teacher/Principal Training | 84.367 | NCLB399512 | 09/01/11-08/31/12 | 122,510.00 | | | 80,758.00 | (107,510.00) | | (26,752.00) | | | 107,510.00 |
| I.A.S.A. Title II Part A - Teacher/Principal Training | 84.367 | NCLB399511 | 09/01/10-08/31/11 | 164,148.00 | (57,615.33) | | 66,615.00 | (8,999.67) | | | | | 164,148.00 |
| I.A.S.A. Title II Part D - Enhancing Education | 84.318 | NCLB399511 | 09/01/10-08/31/11 | 6,782.00 | (645.90) | | 3,782.00 | (3,136.10) | | | | | 6,782.00 |
| I.A.S.A. Title III - English Language Enhancement | 84.365 | NCLB399512 | 09/01/11-08/31/12 | 22,816.00 | | | 9,047.00 | (15,907.00) | | (6,860.00) | | | 22,816.00 |
| I.A.S.A. Title III - English Language Enhancement | 84.365 | NCLB399511 | 09/01/10-08/31/11 | 3,871.00 | (10,412.99) | | 10,412.99 | (2,668.51) | | | | | 3,668.00 |
| I.A.S.A. Title IV - Safe & Drug Free Schools | 84.186 | NCLB399511 | 09/01/10-08/31/11 | 872,691.00 | (999.49) | | 3,668.00 | (287,170.07) | | | | | 866,002.00 |
| ARRA - I.D.E.A. Part B - Basic | 84.391 | ARRA399510 | 07/01/09-08/31/11 | 780,488.00 | (238,160.93) | | 527,360.05 | (732,151.39) | | (82,615.39) | | 2,029.05 | 732,151.39 |
| I.D.E.A. Part B - Basic | 84.027 | IDEA399512 | 09/01/11-08/31/12 | 845,725.70 | (213,196.92) | | 649,536.00 | (31,911.59) | | | | | 845,725.70 |
| I.D.E.A. Part B - Basic | 84.027 | IDEA399511 | 09/01/10-08/31/11 | 845,725.70 | | | 245,108.51 | (15,907.00) | | | | | 845,725.70 |
| Vocational Education: | | | | | | | | | | | | | |
| Carl Perkins - Reserve | 84.048 | PERK399511 | 07/01/10-06/30/11 | 639,596.00 | (352,581.94) | | 352,381.94 | | | | | | 636,622.94 |
| Carl Perkins - Reserve | 84.048 | PERK399511 | 07/01/10-06/30/11 | 124,057.00 | (68,404.70) | | 68,404.70 | | | | | | 123,761.70 |
| Carl Perkins - Reserve | 84.048 | PERK399512 | 07/01/11-06/30/12 | 588,899.00 | | | 537,087.00 | (582,574.60) | | (45,487.60) | | | 582,574.60 |
| Carl Perkins - Reserve | 84.048 | PERK399512 | 07/01/11-06/30/12 | 105,559.00 | | | 36,996.00 | (102,771.50) | | (65,775.50) | | | 102,771.50 |
| State Department of Labor & Workforce Dev. | | | | | | | | | | | | | |
| Pass Thru Paterson Public Schools | | | | | | | | | | | | | |
| Adult Basic Education | 17.258 | | 07/01/11-06/30/12 | 105,700.00 | (28,248.00) | | 95,878.00 | (105,373.00) | | (9,495.00) | | | 105,373.00 |
| Adult Basic Education | 17.258 | | 07/01/10-06/30/11 | 105,700.00 | | | 28,248.00 | | | | | | 103,484.00 |
| Total Special Revenue Fund | | | | | (1,381,629.07) | | 5,013,004.84 | (4,110,045.84) | | (480,699.12) | | 2,029.05 | 8,984,710.15 |
| TOTAL FEDERAL FINANCIAL AWARDS | | | | | (1,438,613.23) | | 6,838,316.12 | (5,999,531.36) | | (609,277.52) | 400.00 | 2,029.05 | 11,889,725.85 |

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

PASSAIC COUNTY VOCATIONAL AND TECHNICAL HIGH SCHOOL
 Schedule of Expenditures of State Financial Assistance
 for the Fiscal Year Ended June 30, 2012

| State Grantor/Program Title | Grant or State Project Number | Grant Period | Award Amount | Balance at June 30, 2011 | | | Carryover/Walkover Amount | Cash Received | Budgetary Expenditures | Adjustment/Repayment of Prior Year's Balance | Balance at June 30, 2012 | | | MEMO |
|---|-------------------------------|-------------------|---------------|--------------------------------------|----------------|-------------------|---------------------------|-----------------|------------------------|--|--------------------------|-------------------|----------------------|---------------|
| | | | | Deferred Revenue/(Accts. Receivable) | Due To Grantor | Due To Grantor at | | | | | Deferred Revenue | Due To Grantor at | Budgetary Receivable | |
| State Department of Education: | | | | | | | | | | | | | | |
| General Fund: | | | | | | | | | | | | | | |
| Equalization Aid | 12-495-034-5120-078 | 07/01/11-06/30/12 | 16,674,787.00 | | | | 15,348,414.00 | (16,674,787.00) | | | | 1,326,373.00 | 16,674,787.00 | |
| Special Education, Categorical Aid | 12-495-034-5120-089 | 07/01/11-06/30/12 | 1,889,556.00 | | | | 1,739,228.00 | (1,889,556.00) | | | | 130,328.00 | 1,889,556.00 | |
| Anti-Bullying Bill of Rights Act | | 07/01/11-06/30/12 | 5,466.00 | | | | 5,466.00 | (5,466.00) | | | | - | 5,466.00 | |
| On-Behalf TPAF - Post Retirement Medical | 12-495-034-5120-001 | 07/01/11-06/30/12 | 1,909,247.00 | | | | 1,909,247.00 | (1,909,247.00) | | | | - | 1,909,247.00 | |
| On-Behalf TPAF - Pension Contributions | 12-495-034-5120-006 | 07/01/11-06/30/12 | 857,708.00 | | | | 857,708.00 | (857,708.00) | | | | - | 857,708.00 | |
| On-Behalf TPAF - Non-contributory Insurance | 12-495-034-5120-007 | 07/01/11-06/30/12 | 92,044.00 | | | | 92,044.00 | (92,044.00) | | | | - | 92,044.00 | |
| Reimbursed TPAF - Social Security | 12-495-034-5095-002 | 07/01/11-06/30/12 | 2,295,302.55 | | | | 2,180,771.35 | (2,295,302.55) | | | | (114,531.20) | 2,295,302.55 | |
| Reimbursed TPAF - Social Security | 11-495-034-5095-002 | 07/01/10-06/30/11 | 2,203,758.68 | (110,978.47) | | | 110,978.47 | | | | | | | |
| Total General Fund | | | | (110,978.47) | | | 22,243,856.82 | (23,724,110.55) | | | | (114,531.20) | 23,724,110.55 | |
| Special Revenue Fund: | | | | | | | | | | | | | | |
| Four-Year Green Program of Study | 11-AG85-G06 | 01/01/11-01/31/12 | 6,000.00 | (4,164.82) | | | 6,000.00 | (1,835.18) | | | | | 6,000.00 | |
| Four-Year Green Program of Study | 12-AG85-G06 | 01/01/11-01/31/12 | 6,000.00 | | | | 4,165.00 | (4,208.88) | | | | (43.88) | 4,208.88 | |
| Vocational Education: | | | | | | | | | | | | | | |
| Post Secondary - Perkins State Funds | 12-100-034-5062-032 | 07/01/11-06/30/12 | 93,980.00 | | | | 89,948.00 | (89,811.32) | | | | | 89,811.32 | |
| Post Secondary - Perkins State Funds | 11-100-034-5062-032 | 07/01/10-06/30/11 | 83,454.00 | (13,241.51) | | | 13,307.51 | | | | | 136.68 | 83,454.00 | |
| State Department of Labor & Workforce Dev.: | | | | | | | | | | | | | | |
| Apprentice Coordinator | WDP 01-12-0116 | 07/01/11-06/30/12 | 11,758.00 | | | | 8,879.66 | (11,688.56) | | | | | 11,688.56 | |
| Apprentice Coordinator | WDP 01-11-0116 | 07/01/10-06/30/11 | 11,896.00 | (3,091.44) | | | 3,091.44 | | | | | | 11,896.00 | |
| Pass Thru: NJ Community Development Corp: | | | | | | | | | | | | | | |
| School Based Youth Services Program | | 07/01/07-06/30/08 | 18,080.00 | 2,279.25 | | | | (183.67) | | | | | 2,095.58 | 15,984.42 |
| Total Special Revenue Fund | | | | (18,218.52) | | | 125,391.61 | (107,727.61) | | | | (2,852.78) | 202.68 | 142,840.06 |
| State Department of Agriculture: | | | | | | | | | | | | | | |
| Enterprise Fund: | | | | | | | | | | | | | | |
| National School Lunch Program (State Share) | 12-100-010-3360-067 | 07/01/11-06/30/12 | 18,423.92 | (1,826.21) | | | 17,577.44 | (18,423.92) | | | | (846.48) | 18,423.92 | |
| National School Lunch Program (State Share) | 11-100-010-3360-023 | 07/01/10-06/30/11 | 18,288.80 | | | | 1,826.21 | | | | | | 18,288.80 | |
| Total Enterprise Fund | | | | (1,826.21) | | | 19,403.65 | (18,423.92) | | | | (846.48) | 18,423.92 | |
| TOTAL STATE FINANCIAL ASSISTANCE | | | | (131,025.20) | | | 22,388,652.08 | (23,850,262.08) | | | | (118,230.46) | 2,095.58 | 23,885,374.53 |

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

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the activity of all federal and state award programs of the Board of Education, Passaic County Technical and Vocational High School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 2(C) and 2(D) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(134,765.00) for the general fund and \$0.00 for the special revenue fund. See Notes to Required Supplemental Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as follows:

| | <u>Federal</u> | <u>State</u> | <u>Total</u> |
|------------------------|-----------------------|------------------------|------------------------|
| General Fund | \$757,117.36 | \$23,589,345.55 | \$24,346,462.91 |
| Special Revenue Fund | 4,110,045.84 | 107,727.61 | 4,217,773.45 |
| Enterprise Funds | <u>1,132,388.16</u> | <u>18,423.92</u> | <u>1,150,812.08</u> |
| Total Financial Awards | <u>\$5,999,551.36</u> | <u>\$23,715,497.08</u> | <u>\$29,715,048.44</u> |

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

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

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

1. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

Noncompliance material to basic financial statements noted? _____ yes X no

Federal Awards

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

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

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

Identification of major programs:

| <u>CFDA Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|-----------------------|---|
| <u>10.555</u> | <u>National School Lunch</u> |
| <u>84.010/84.388</u> | <u>Title I - Part A/ARRA Title I</u> |
| <u>84.410</u> | <u>Education Jobs Fund</u> |
| <u>84.027/84.391</u> | <u>IDEA Part B - Basic/ARRA IDEA</u> |
| <u>84.048</u> | <u>Carol Perkins</u> |

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

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

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(continued)**

Section I - Summary of Auditor's Results, (continued)

State Awards

Dollar threshold used to distinguish between type A and type B programs: \$ 715,508.00

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:

1. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

2. Material weakness(es) identified? _____ yes X no

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04? _____ yes X no

Identification of major programs:

| GMIS Number(s) | Name of State Program |
|---------------------------|------------------------------|
| 12-495-034-5120-078 | Equalization Aid |
| 12-495-034-5095-002 | TPAF Social Security |
| 12-495-034-5120-089 | Special Education Aid |
| 12-495-034-5095-001/06/07 | On-Behalf TPAF Contributions |

Section II - Financial Statement Findings

None

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

No matters were reported.

**PASSAIC COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Status of Prior Year Findings

There were no prior year audit findings.