

Comprehensive Annual Financial Report

of the

Union County Vocational-Technical Schools

County of Union

Scotch Plains, New Jersey

For the Fiscal Year Ended June 30, 2012

Prepared by

**Union County Vocational-Technical Schools, Board of Education
Finance Department**



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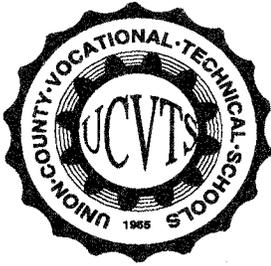
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INTRODUCTORY SECTION



UNION COUNTY VOCATIONAL - TECHNICAL SCHOOLS

1776 RARITAN ROAD SCOTCH PLAINS, NEW JERSEY 07076-2997
(908)889-8288 Fax: (908)889-5554 www.ucvts.tec.nj.us

November 1, 2012

Honorable President and
Members of the Board of Education
Union County Vocational-Technical Schools
Scotch Plains, New Jersey 07076

Dear Board Members:

The comprehensive annual financial report of the Union County Vocational-Technical School (UCVTS) District (District) for the fiscal year ended June 30, 2012, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures rests with management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, 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 general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, 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 Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments," and the State Treasury Circular Letter OMB 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: Effective this year, UCVTS District is no longer an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. The UCVTS Board of Education and all its schools are now considered fiscally dependent upon County Government and must now report under GASB Statement No. 34.

The District provides a full range of educational services appropriate to grade levels 9 through 12. The District completed the 2011-2012 fiscal year with an enrollment of **1,823** students. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

Fiscal Year	Student (6/30) Enrollment	Percent Change
2011-12	1823	1.6%
2010-11	1795	6.7%
2009-10	1683	8.7%
2008-09	1549	7.0%
2007-08	1443	2.0%
2006-07	1414	7.0%
2005-06	1322	15.3%
2004-05	1147	3.1%
2003-04	1112	15.5%
2002-03	963	7.1%
2001-02	899	.9%

During the course of the 2011-2012 school year, the district accepted its sixteenth freshman class for the Union County Magnet High School for Mathematics, Science, and Technology. There were 286 students enrolled in the Magnet High School.

In September 2011, the District accepted its eleventh class of full-time vocational education students and Academy for Information Technology students. In the 2011-2012 school year there were 251 students enrolled in the Academy for Information Technology and 254 in U.C. Tech.

In September 2011 the District accepted its sixth full-time class of freshman students in the Academy for Allied Health Sciences. In the 2011-2012 school year there were 250 students enrolled in the Academy for Allied Health Sciences.

Also, in September 2011 the District accepted its fourth class of freshman students in the Academy for Performing Arts. In the 2011-2012 school year there were a total of 192 students enrolled in the Academy for Performing Arts with the senior class of 46 students being housed and earning university freshman credits at Kean University.

2) ECONOMIC CONDITION AND OUTLOOK: The Union County area is experiencing the same struggles as the rest of the nation, a turndown in development and expansion. Any number of businesses starting or relocating to the area will result in an increase in the employment level which results in an increased tax base, both residential and industrial and an anticipated increase in annual daily enrollment. It is critical that Union County take steps to continue efforts for expansion.

3) MAJOR INITIATIVES: In the vast majority of our vocational-technical programs, students continue to score above the state and national averages on their important end of course assessments. Over 83% of our students taking these assessments during the 2011- 2012 school year finished at or above the national average. All of the districts full-time high schools were successful in meeting the standards of annual yearly progress (AYP).

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 Board of School Estimate. 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 subsequent years. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2012.

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

7) FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. You should review in detail the Management's Discussion and Analysis for the Fiscal Year ended June 30, 2012, for Financial Summaries.

8) DEBT ADMINISTRATION: At June 30, 2012, the District had no outstanding debt.

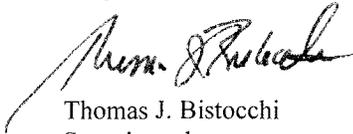
9) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the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

10) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehension/collision, hazard and theft insurance on property and contents, and fidelity bonds.

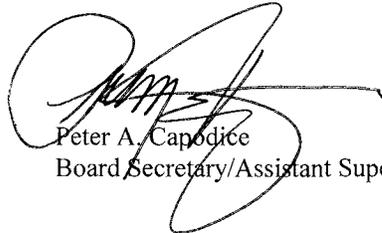
11) OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Suplee, Clooney and Company, CPA's, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related U.S. Office of Management and Budget Circular A-133 and State Treasury Circular Letter OMB 04-04. 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.

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

Respectfully submitted,



Thomas J. Bistocchi
Superintendent



Peter A. Capodice
Board Secretary/Assistant Superintendent

PAC/pac
Enclosure (1)

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
ROSTER OF OFFICIALS
JUNE 30, 2012**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Charles S. Mancuso	2015
Marge Devanney	2015
Theodora Kulish	2013
Jane Lorber	2014
Joseph F. Passiment, Jr.	-----

Other Officials

Thomas J. Bistocchi, Superintendent

Peter A. Capodice, Board Secretary/Assistant Superintendent

Edward H. Mellage, Treasurer

Robert F. Varady, Esq., Board Attorney

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CONSULTANTS AND ADVISORS
JUNE 30, 2012**

Audit Firm

Suplee, Clooney & Company
Certified Public Accountants
308 East Broad Street
Westfield, New Jersey 07090-2122

Architect

Netta Architects
25 Route 22 East, Suite 290
Springfield, NJ 07081

Official Depository

Wachovia Bank, N.A.
460 Park Avenue
Scotch Plains, New Jersey 07076

Attorney

Robert F. Varady, Esq.
La Corte, Bundy, Varady & Kinsella
989 Bonnel Court
Union, NJ 07083

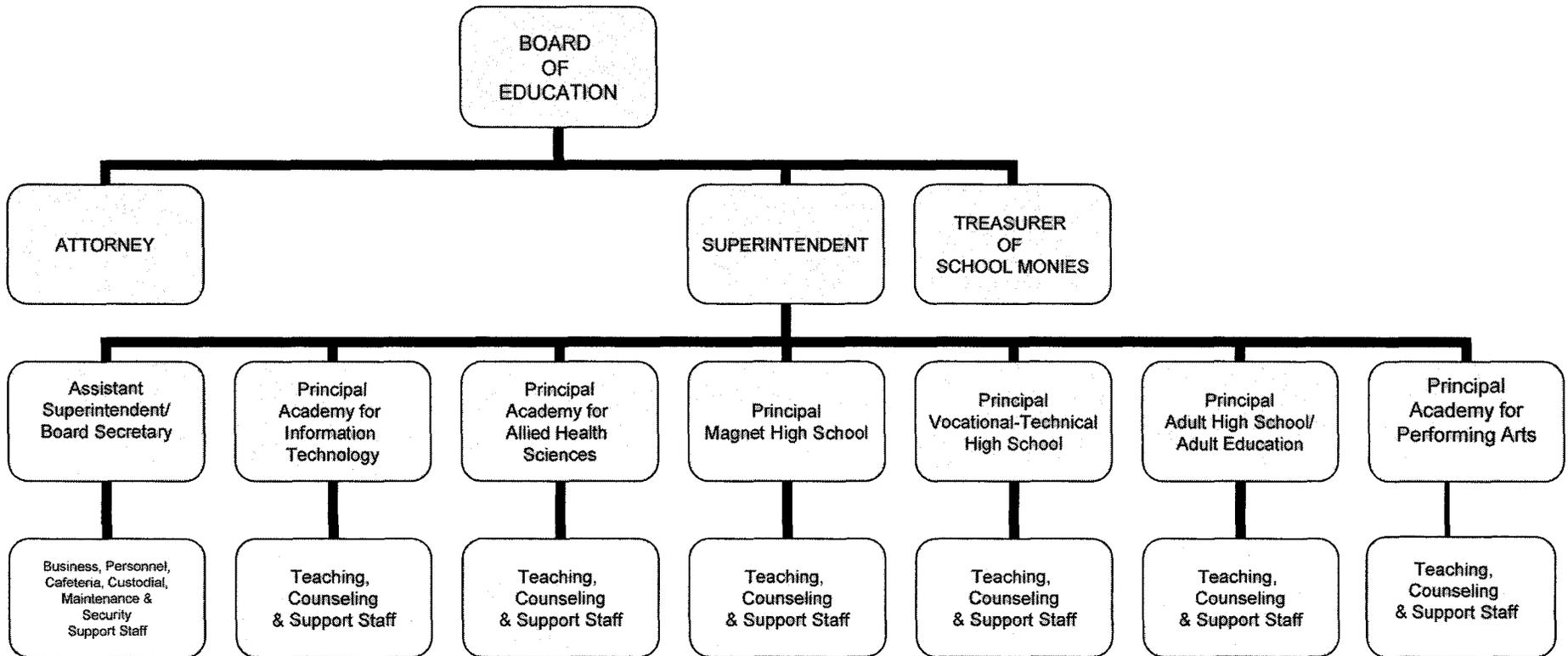
Insurance Broker of Record

Brown & Brown Metro Inc.
30A Vreeland Road
Florham Park, NJ 07932
Union, NJ 07083

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS

ORGANIZATION CHART

2011-2012



FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Union County Vocational-Technical Schools
County of Union
Scotch Plains, New Jersey 07076

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

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the provisions of U. S. Office of Management and Budget (OMB) Circular A-133 "Audits of State, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Union County Vocational-Technical Schools, County of Union, New Jersey as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

SUPLEE, CLOONEY & COMPANY

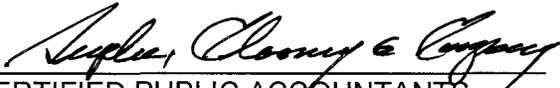
In accordance with Government Auditing Standards, we have also issued our report dated November 4, 2012 on our consideration of the Union County Vocational-Technical Schools internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the Union County Vocational-Technical Schools financial statements that collectively comprise the basic financial statements. The accompanying supplementary information schedules such as the combining and individual fund financial statements and the Schedules of Expenditures of Federal and State Awards, as listed in the table of contents, as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Nonprofit Organization," New Jersey's OMB Circular NJOMB 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and State of New Jersey, Department of Education, Division of Finance are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Union County Vocational-Technical Schools, County of Union, New Jersey. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

SUPLEE, CLOONEY & COMPANY

In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The accompanying other information, such as the introductory and statistical sections, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 93

November 4, 2012

REQUIRED SUPPLEMENTARY INFORMATION – Part I

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)**

**UNION COUNTY VOCATIONAL-TECHNICALSCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED**

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

The Management's Discussion and Analysis (MD&A) is a new element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2011-2012) and the prior year (2010-2011) is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for Fiscal Year 2012 are as follows:

- In total, net assets decreased \$533,174.73 which represents a 5 percent increase from Fiscal Year 2011.
- General revenues accounted for \$10,544,343.09 in revenue or 45 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$13,198,853.54. Capital assets decreased by \$1,344,289.74.
- The School District had \$24,276,371.36 in expenses; only \$13,198,853.54 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily County tax levy and tuition) of \$10,544,174.73 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$21,631,812.15 in revenues and \$21,030,957.87 in expenditures. The General Fund's fund balance increased \$600,854.28 over Fiscal Year 2011. This increase was anticipated by the Board of Education.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand UCVTS District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets and Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of UCVTS District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

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

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

**UNION COUNTY VOCATIONAL-TECHNICALSCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

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

- Government Activities – All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business – Type Activity – This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service, Educational Technology Training Center and Material for Resale enterprise funds are reported as business activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore these statements are essentially the same.

**UNION COUNTY VOCATIONAL-TECHNICALSCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for 2012 and 2011.

**Table 1
Net Assets**

Assets	2012	2011
Current and Other Assets	\$7,019,415.12	\$7,389,060.44
Capital Assets	<u>65,512,780.66</u>	<u>66,857,070.40</u>
Total Assets	<u>72,532,195.78</u>	<u>74,246,130.84</u>
Liabilities		
Long-Term Liabilities	1,516,271.00	1,931,985.08
Other Liabilities	<u>1,034,350.61</u>	<u>1,799,396.86</u>
Total Liabilities	<u>2,550,621.61</u>	<u>3,731,381.94</u>
Net Assets		
Invested in Capital Assets, Net of Debt	64,859,555.58	65,741,217.03
Restricted	4,499,112.40	4,581,829.92
Unrestricted	<u>622,906.19</u>	<u>191,701.95</u>
Total Net Assets	<u><u>\$69,981,574.17</u></u>	<u><u>\$70,514,748.90</u></u>

The District's combined net assets were \$70,116,365.950 on June 30, 2012. This was a decrease of 1 percent from the prior year.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

Table 2 shows changes in net assets for fiscal year 2012 and 2011.

**Table 2
Changes in Net Assets**

Revenues	2012	2011
Program Revenues:		
Charges for Services	\$10,244,121.74	\$10,083,574.31
Operating Grants and Contributions	2,954,731.80	2,677,906.70
General Revenues:		
Property Taxes	4,332,048.00	4,280,680.00
Grants and Entitlements	6,748,422.56	6,658,109.72
Other	<u>(536,127.47)</u>	<u>491,425.48</u>
 Total Revenues	 <u>23,743,196.63</u>	 <u>24,191,696.21</u>
 Program Expenses		
Instruction	13,653,259.83	12,698,558.40
Support Services:		
Pupils and Instructional Staff	1,553,794.41	1,543,850.53
General and School Administration and Business Operations and		
Maintainance	7,729,395.46	7,751,165.09
Pupil Transportation	23,725.00	54,334.88
Business Type Activities	422,981.98	404,861.50
Other	<u>893,214.68</u>	<u>841,951.71</u>
 Total Expenses	 <u>24,276,371.36</u>	 <u>23,294,722.11</u>
 Change in Net Assets	 <u><u>(\$533,174.73)</u></u>	 <u><u>\$896,974.10</u></u>

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

Government Activities

The unique nature of County property taxes in New Jersey creates the legal requirements to annually seek approval of the Union County Board of School Estimates for the School District operations. County property taxes made up 18 percent of revenues for governmental activities for the UCVTS District for fiscal year 2012. The District's total revenues were \$23,311,362.63 for the year ended June 30, 2012. Federal, state, local grants and aid accounted for another 33 percent of revenue and tuition accounted for another 41 percent of the revenue.

Business-Type Activities

Revenues for the District's business-type activities were comprised of charges for services. These services are included but are not limited to Food Service, Educational Technology Training Center and Materials for Resale. Following are some of our major business type activity results.

Overall business type revenues exceeded expenditures by \$8,852.02.

- Food service expenditures were \$26,615.93 more than revenues.
- Materials for resale revenues were \$35,467.95 more than expenditures. We purchase materials for our students and resell them at cost.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

Governmental Activities

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

Table 3

	<u>Total Cost of Services 2012</u>	<u>Total Cost of Services 2011</u>	<u>Net Cost of Services 2012</u>	<u>Net Cost of Services 2011</u>
Instruction	\$13,653,259.83	\$12,698,558.40	\$2,045,783.83	\$1,442,716.70
Support Services:				
Pupils and Instructional Staff	1,553,794.41	1,543,850.53	967,282.67	951,676.62
General and School Administration and Business and Maintenance	7,729,395.46	7,751,165.09	7,295,745.26	7,385,890.57
Pupil Transportation	23,725.00	54,334.88	23,725.00	54,334.88
Business Type Activities	422,981.98	404,861.50	(8,846.05)	(25,919.71)
Other	<u>893,214.68</u>	<u>841,951.71</u>	<u>753,827.11</u>	<u>724,542.04</u>
Total Expenses	<u>\$24,276,371.36</u>	<u>\$23,294,722.11</u>	<u>\$11,077,517.82</u>	<u>\$10,533,241.10</u>

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

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

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.

“Other” includes special schools and unallocated depreciation.

**UNION COUNTY VOCATIONAL-TECHNICALSCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund and capital projects fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$23,077,947.52 and expenditures were \$22,477,093.24. The table below only includes revenues in the general fund and special revenue fund. Capital project funds are not included.

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

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Inc/(Dec) FY 2012</u>	<u>Percent Inc/(Dec)</u>
County Levy	\$4,332,048.00	18.77%	\$51,368.00	1.20%
Tuition	9,913,716.74	42.96%	155,633.76	1.59%
Other	475,068.05	2.06%	(76,717.03)	-13.90%
State Sources	7,206,048.83	31.22%	571,417.54	8.61%
Federal Sources	<u>1,151,065.90</u>	<u>4.99%</u>	<u>11,821.77</u>	<u>1.04%</u>
Total	<u>\$23,077,947.52</u>	<u>100.00%</u>	<u>\$713,524.04</u>	<u>3.09%</u>

The increase in local revenue was primarily due to an increase in State revenues.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

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

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Inc/(Dec) FY 2012</u>	<u>Percent Inc/(Dec)</u>
Current:				
Instruction	\$10,029,390.75	44.62%	\$964,505.74	10.64%
Undistributed	11,147,480.11	49.59%	115,590.07	1.05%
Capital Outlay	776,518.95	34.55%	(476,627.47)	-38.03%
Special Schools	<u>523,703.43</u>	<u>2.33%</u>	<u>(18,529.72)</u>	<u>-3.42%</u>
Total	<u>\$22,477,093.24</u>	<u>100.00%</u>	<u>\$ 584,938.62</u>	<u>2.60%</u>

General Fund Budgeting Highlights

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent overexpenditures in specific line item accounts. Several of these revisions bear notation:

- The district utilized fund balance to increase security though out the campus with the installation of interior and exterior security cameras in all of the buildings.
- A substantial number of students throughout the district qualified for state and national competitions requiring additional field trip funding.
- The district utilized fund balance to make the necessary improvements required to be able to offer a new graphic design program in the 2012-2013 school year.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

General Fund Budgeting Highlights, Continued

- The district utilized fund balance to acquire equipment necessary to maintain buildings and grounds.
- We were required to include a number of competitive grants earned and awarded after the budget was submitted and approved by the State.
- The district utilized fund balance to make a number of necessary improvements to buildings throughout the district.

Capital Assets

At the end of the fiscal year 2012, the School District had \$65,512,780.66 invested in land, building, machinery and equipment, easements and construction in progress. Table 4 shows fiscal year 2012 balances compared to 2011.

**Table 4
Capital Assets (Net of Depreciation) at June 30, 2012**

	<u>2012</u>	<u>2011</u>
Land	\$1,289,141.75	\$1,289,141.75
Construction in Progress	20,086,602.02	20,020,218.90
Site Improvements	400,149.45	417,719.46
Building and Building Improvements	35,865,462.81	36,094,997.94
Intangible Asset-Easement	4,340,277.73	4,506,944.41
Machinery and Equipment	<u>3,531,146.90</u>	<u>4,528,047.94</u>
Total	<u><u>\$65,512,780.66</u></u>	<u><u>\$66,857,070.40</u></u>

Overall capital assets decreased \$1,344,289.74 from fiscal year 2011 to fiscal year 2012. The decrease capital assets are due primarily to adjusting for items under \$2,000.00.

**UNION COUNTY VOCATIONAL-TECHNICALSCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

State of the District

The Union County Vocational-Technical School District provides a full range of educational services appropriate to grade levels 9 through 12. The School District completed the 2011-2012 fiscal school year with an enrollment of 1,823 students, over a 102 percent growth in enrollment over the last ten years and a 38 percent increase in the last five years. In addition, the district continues to offer a wide range of evening programs and remains involved with the New Jersey Youth Corp program.

During the course of the 2011-2012 school year, the District accepted its fifteenth freshman class for the Union County Magnet High School for Mathematics, Science, and Technology. There were 286 students enrolled in the Magnet High School.

In September 2011, the District accepted its tenth class of full-time vocational education UC Tech and Academy for Information Technology students. During that school year there were 251 students enrolled in the Academy for Allied Health and 254 students in UC Tech.

In September 2011, the District accepted its seventh freshman class and of the Academy for Allied Health Sciences and finished the school year with 250 students.

In September 2011, the district accepted its fourth class of full time students in our Academy for Performing Arts. There were 192 students enrolled in the program. This innovative program includes senior year students of the program being housed on the campus of Kean University in Union, NJ These students take a full complement of college courses while completing their high school graduation requirements. In May 2012, we successfully graduated our first class of 46 students who amassed an average GPA of 3.2.

In the vast majority of our vocational-technical training programs, students continue to score above the state and national averages on their end of course assessments. Over eighty-three percent of the students taking these assessments during the 2011-2012 school year finished at or above the national average. All of the districts high schools were successful in meeting the standards of annual yearly progress (AYP)

The Union County Vocational-Technical School District is proud of the accomplishments of all its schools and programs and is extremely proud to announce its latest award. The UC Tech program has been designated a Blue Ribbon School by the United States Department of Education and will be recognized by the Commissioner of education and President of the United States this November in Washington D.C.

**UNION COUNTY VOCATIONAL-TECHNICAL SCHOOL DISTRICT
SCOTCH PLAINS, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
UNAUDITED (CONTINUED)**

The Union County Vocational-Technical School District continues to commit itself to providing the highest level of educational programs while maintaining financial excellence. The School District's system for financial planning, budgeting and internal financial controls are well regarded. Finally, the District has continued to perform well financially even during these trying times.

In the 2011-2012 school year, we successfully negotiated three year labor agreements with all the unions covering us through the 2011-2014 fiscal school year. This successful completion allows us to budget more accurately during this timeframe and help us control operating expenditures. We thank all the members of the various associations for working with the administration.

We continue to make every effort to control both Health and Liability Insurance expenses. To date, in addition to having staff members contribute to their health benefit premiums, our enrollment in the State Health Benefits programs and a mix of Private Carriers has assisted the District in controlling medical, dental and prescription drug expenses. We have also been effective in controlling our Liability Insurance and Workers Compensation costs by enrolling in a Pooled Insurance Program.

In the future, we must continue to accept multiple proposals to ensure that we are getting the best possible coverage at the least possible expense.

Contacting the School District's Financial Management Office

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information contact Peter A. Capodice, Assistant Superintendent/Board Secretary, UnionCountyVocational-TechnicalSchools, 1776 Raritan Road, Scotch Plains, NJ07076. Also, please visit our website to learn more about our School District www.ucvts.tec.nj.us.

BASIC FINANCIAL STATEMENTS

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2012.

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net assets and the statement of activities display information about the District. These statements include the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
STATEMENT OF NET ASSETS
JUNE 30, 2012

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$ 1,284,257.79	\$ 775,107.63	\$ 2,059,365.42
Receivables, net	4,890,976.73	4,796.83	4,895,773.56
Inventory		2,389.44	2,389.44
Interfund Receivable	61,886.70		61,886.70
Capital assets:			
Land and construction in progress	21,375,743.77		21,375,743.77
Other capital assets, net of accumulated depreciation	<u>44,137,036.89</u>		<u>44,137,036.89</u>
Total assets	71,749,901.88	782,293.90	72,532,195.78
LIABILITIES:			
Accounts payable	435,889.00		435,889.00
Interfunds payable	70.14	61,886.70	61,956.84
Deferred revenue	51,913.88	1,434.81	53,348.69
Noncurrent liabilities:			
Due within one year:			
Bonds and capital leases payable	483,156.08		483,156.08
Due beyond one year:			
Compensated absences payable	821,202.00		821,202.00
Bonds and capital leases payable	<u>695,069.00</u>		<u>695,069.00</u>
Total liabilities	2,487,300.10	63,321.51	2,550,621.61
NET ASSETS:			
Invested in capital assets, net of related debt	64,859,555.58		64,859,555.58
Restricted for:			
Capital projects	2,541,611.56		2,541,611.56
Other purposes	1,957,500.84		1,957,500.84
Unrestricted (deficit)	<u>(96,066.20)</u>	<u>718,972.39</u>	<u>622,906.19</u>
Total net assets	\$ <u>69,262,601.78</u>	\$ <u>718,972.39</u>	\$ <u>69,981,574.17</u>

See accompanying notes to financial statements.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
STATEMENT OF ACTIVITIES
JUNE 30, 2012

Functions/Programs	Expenses	Programs Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Vocational - regular	\$ 12,123,252.72	\$ 8,962,716.74	\$ 1,367,854.85	\$	\$ (1,792,681.13)	\$	\$ (1,792,681.13)
Vocational - special	1,298,647.84	951,000.00	310,416.90		(37,230.94)		(37,230.94)
School-sponsored cocurricular activities	231,359.27		15,487.51		(215,871.76)		(215,871.76)
Support services:							
Student and instruction related services	1,553,794.41		586,511.74		(967,282.67)		(967,282.67)
General administrative services	868,475.22		46,462.52		(822,012.70)		(822,012.70)
School administrative services	1,219,368.22		154,875.07		(1,064,493.15)		(1,064,493.15)
Central services	720,555.41		123,900.06		(596,655.35)		(596,655.35)
Plant operations and maintenance	4,920,996.61		108,412.55		(4,812,584.06)		(4,812,584.06)
Pupil transportation	23,725.00				(23,725.00)		(23,725.00)
Special schools	848,318.41		139,387.57		(708,930.84)		(708,930.84)
Interest on long-term debt	42,191.71				(42,191.71)		(42,191.71)
Unallocated depreciation	2,704.56				(2,704.56)		(2,704.56)
Total governmental activities	23,853,389.38	9,913,716.74	2,853,308.77		(11,086,363.87)		(11,086,363.87)
Business-type activities							
Materials for resale	42,661.66	78,129.61				35,467.95	35,467.95
Food service	380,320.32	252,275.39	101,423.03			(26,621.90)	(26,621.90)
Total business-type activities	422,981.98	330,405.00	101,423.03			8,846.05	8,846.05
Total primary government	\$ 24,276,371.36	\$ 10,244,121.74	\$ 2,954,731.80		\$ (11,086,363.87)	\$ 8,846.05	\$ (11,077,517.82)
General revenues:							
Taxes:							
Property taxes				\$	4,332,048.00	\$	4,332,048.00
Federal and state aid not restricted					5,441,637.00		5,441,637.00
Federal and state aid restricted					141,577.34		141,577.34
County of Union					1,165,208.22		1,165,208.22
Miscellaneous income					395,659.67	5.97	395,665.64
Disposal of assets (net)					(931,793.11)		(931,793.11)
Total general revenues, transfers and special items					10,544,337.12	5.97	10,544,343.09
Change in net assets					(542,026.75)	8,852.02	(533,174.73)
Net assets - beginning					69,804,628.53	710,120.37	70,514,748.90
Net assets ending				\$	69,262,601.78	718,972.39	69,981,574.17

See accompanying notes to financial statements.

MAJOR FUND FINANCIAL STATEMENTS

The Individual Fund financial statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:				
Cash and cash equivalents	\$ 275,491.84	\$	\$ 8,428.92	\$ 283,920.76
Cash, capital reserve	1,000,337.03			1,000,337.03
Receivables from other governments	131,767.05	180,450.05	3,149,436.52	3,461,653.62
Other (tuition)	1,377,075.00			1,377,075.00
Other receivables	41,108.11	11,140.00		52,248.11
Interfunds receivable	779,140.25			779,140.25
	<u>3,604,919.28</u>	<u>191,590.05</u>	<u>3,157,865.44</u>	<u>6,954,374.77</u>
Total assets	\$	\$	\$	\$
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable	\$ 397,212.50	\$ 38,676.50	\$	\$ 435,889.00
Interfund payables	70.14	100,999.67	616,253.88	717,323.69
Deferred revenue		51,913.88		51,913.88
	<u>397,282.64</u>	<u>191,590.05</u>	<u>616,253.88</u>	<u>1,205,126.57</u>
Total liabilities				
Fund balances:				
Restricted for:				
Capital reserve account	1,750,337.03			1,750,337.03
Excess surplus - designated for subsequent years expenditure	192,404.56			192,404.56
Excess surplus - current year	14,759.25			14,759.25
Capital projects fund			2,292,866.72	2,292,866.72
Committed for year-end encumbrances			248,744.84	248,744.84
Assigned for year-end encumbrances	233,479.96			233,479.96
Assigned for subsequent years expenditures	372,611.44			372,611.44
Unassigned:				
General fund	644,044.40			644,044.40
	<u>3,207,636.64</u>		<u>2,541,611.56</u>	<u>5,749,248.20</u>
Total fund balances				
Total liabilities and fund balances	\$ <u>3,604,919.28</u>	\$ <u>191,590.05</u>	\$ <u>3,157,865.44</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 assets is \$84,584,431.41 and the accumulated depreciation is \$19,071,650.75.

\$ 65,512,780.66

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see note 4)

(1,999,427.08)

\$ 69,262,601.78

See accompanying notes to financial statements.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:				
Local sources:				
County tax levy	\$ 4,332,048.00			\$ 4,332,048.00
County of Union			1,165,208.22	1,165,208.22
Tuition from LEA	9,264,875.00			9,264,875.00
Other tuition	648,841.74			648,841.74
Miscellaneous	395,659.67	79,408.38		475,068.05
Total - local sources	<u>14,641,424.41</u>	<u>79,408.38</u>	<u>1,165,208.22</u>	<u>15,886,041.01</u>
State sources	6,789,882.74	416,166.09		7,206,048.83
Federal sources	200,505.00	950,560.90		1,151,065.90
Total revenues	<u>21,631,812.15</u>	<u>1,446,135.37</u>	<u>1,165,208.22</u>	<u>24,243,155.74</u>
EXPENDITURES:				
Current expense:				
Regular vocational programs - instruction	8,114,524.40	639,942.00		8,754,466.40
Special vocational programs - instruction	863,551.53	202,004.35		1,065,555.88
School sponsored cocurricular activities-instruction	209,368.47			209,368.47
Support services:				
Student and instruction related services	831,162.82	462,611.68		1,293,774.50
General administrative services	459,298.24			459,298.24
School administrative services	885,960.67			885,960.67
Central services	606,356.48			606,356.48
Plant operations and maintenance	3,290,573.58			3,290,573.58
Pupil transportation	23,725.00			23,725.00
Unallocated benefits	4,587,791.64			4,587,791.64
Special schools	523,703.43			523,703.43
Capital outlay	634,941.61	141,577.34	1,433,985.80	2,210,504.75
Total expenditures	<u>21,030,957.87</u>	<u>1,446,135.37</u>	<u>1,433,985.80</u>	<u>23,911,079.04</u>
Excess (deficiency) of revenues over (under) expenditures	600,854.28		(268,777.58)	332,076.70
Net change in fund balances	600,854.28		(268,777.58)	332,076.70
Fund balances, June 30, 2011	<u>2,606,782.36</u>		<u>2,810,389.14</u>	<u>5,417,171.50</u>
Fund balances, June 30, 2012	<u>\$ 3,207,636.64</u>		<u>\$ 2,541,611.56</u>	<u>\$ 5,749,248.20</u>

See accompanying notes to financial statements.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Total net change in fund balances - governmental funds (from B-2) \$ 332,076.70

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	\$	(2,040,281.07)	
Capital outlays		2,210,504.75	
Less: Capital outlays not capitalized		<u>(582,720.31)</u>	
			(412,496.63)

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

Payment of capital lease payable	462,628.29
Payment of pension costs payable	75,000.00

In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed(-). (931,793.11)

In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In 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 a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). (67,442.00)

Change in net assets of governmental activities \$ (542,026.75)

See accompanying notes to financial statements.

OTHER FUNDS

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

		<u>ENTERPRISE FUNDS</u> <u>(NON-MAJOR)</u>
ASSETS:		
Current assets:		
Cash and cash equivalents	\$	775,107.63
Intergovernmental receivables:		
State		184.99
Federal		4,611.84
Inventories		2,389.44
Total current assets		<u>782,293.90</u>
 Total assets	 \$	 <u><u>782,293.90</u></u>
 LIABILITIES:		
Current liabilities:		
Interfund payable	\$	61,886.70
Deferred revenue		1,434.81
Total current liabilities		<u>63,321.51</u>
 Total liabilities		 <u>63,321.51</u>
 NET ASSETS:		
Unrestricted		<u>718,972.39</u>
 Total net assets	 \$	 <u><u>718,972.39</u></u>

See accompanying notes to financial statements.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

		<u>ENTERPRISE FUNDS</u> <u>(NON-MAJOR)</u>
OPERATING REVENUES:		
Charges for services:		
Daily sales - reimbursable programs	\$	246,481.73
Daily sales - non-reimbursable programs		5,793.66
Miscellaneous		<u>78,129.61</u>
Total operating revenues		<u>330,405.00</u>
OPERATING EXPENSES:		
Cost of sales		131,259.30
Salaries		144,066.84
Employee benefits		47,790.12
Cleaning, repairs and maintenance		1,744.82
Supplies and materials		54,778.38
Management fee		12,627.00
Miscellaneous		<u>30,715.52</u>
Total operating expenses		<u>422,981.98</u>
Operating loss		<u>(92,576.98)</u>
NONOPERATING REVENUES:		
State sources:		
State school lunch program		3,277.22
Federal sources:		
National school breakfast program		5,229.60
National school lunch program		73,052.98
National food distribution commodities		19,863.23
Interest and investment revenue		<u>5.97</u>
Total nonoperating revenues		<u>101,429.00</u>
Change in net assets		8,852.02
Total net assets - beginning		<u>710,120.37</u>
Total net assets - ending	\$	<u><u>718,972.39</u></u>

See accompanying notes to financial statements.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

		<u>ENTERPRISE FUNDS</u> <u>(NON-MAJOR)</u>
Cash flows from operating activities:		
Receipts from customers	\$	330,405.00
Payments to employees		(144,066.84)
Payments to employees benefits		(47,790.12)
Payments to suppliers		<u>(244,963.68)</u>
Net cash provided by (used for) operating activities		<u>(106,415.64)</u>
Cash flows from noncapital financing activities:		
State sources		3,321.59
Federal sources		<u>99,287.35</u>
Net cash provided by noncapital financing activities:		<u>102,608.94</u>
Cash flows from investing activities:		
Interest and dividends		<u>5.97</u>
Net cash provided by (used for) investing activities		<u>5.97</u>
Net decrease in cash and cash equivalents		(3,800.73)
Cash and cash equivalents, July 1, 2011		<u>778,908.36</u>
Cash and cash equivalents, June 30, 2012	\$	<u><u>775,107.63</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities		
Operating (loss)	\$	(92,576.98)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:		
Change in assets and liabilities:		
(Increase)/decrease in inventories		1,777.55
Increase/(decrease) in deferred revenue		(901.60)
Increase/(decrease) in accounts payable		<u>(14,714.61)</u>
		<u>(13,838.66)</u>
Net cash provided by (used for) operating activities	\$	<u><u>(106,415.64)</u></u>

See accompanying notes to financial statements.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>PRIVATE PURPOSE</u> <u>SCHOLARSHIP FUND</u>	<u>FLEXIBLE</u> <u>SPENDING</u>	<u>AGENCY FUNDS</u>
ASSETS:			
Cash and cash equivalents	\$ 17,438.94	\$ 869.02	\$ 192,631.18
Interfunds Receivable			<u>170.14</u>
Total Assets	<u>\$ 17,438.94</u>	<u>\$ 869.02</u>	<u>\$ 192,801.32</u>
LIABILITIES:			
Interfund payable			\$ 100.00
Due to student groups			191,338.97
Payroll deductions payable			<u>1,362.35</u>
Total liabilities			<u>\$ 192,801.32</u>
NET ASSETS:			
Reserved for scholarships	<u>\$ 17,438.94</u>		
Held for claims		<u>\$ 869.02</u>	

See accompanying notes to financial statements.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>FLEXIBLE SPENDING</u>	<u>PRIVATE PURPOSE SCHOLARSHIP FUND</u>
ADDITIONS:		
Contributions:		
Employee	\$ 2,266.81	\$
Total contributions	<u>2,266.81</u>	<u></u>
Investment earnings:		
Interest	<u></u>	<u>4.83</u>
Net investment earnings	<u></u>	<u>4.83</u>
Total additions	<u>2,266.81</u>	<u>4.83</u>
DEDUCTIONS:		
Disbursements	<u></u>	<u>14,391.08</u>
Claims paid	<u>1,397.79</u>	<u></u>
Total deductions	<u>1,397.79</u>	<u>14,391.08</u>
Change in net assets	<u>869.02</u>	<u>(14,386.25)</u>
Net assets beginning of year	<u></u>	<u>31,825.19</u>
Net assets end of year	\$ <u><u>869.02</u></u>	\$ <u><u>17,438.94</u></u>

See accompanying notes to financial statements.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Union County Vocational-Technical Schools (District) have been prepared in conformity with U.S. generally accepted accounting principles (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 more significant of the District's accounting policies are described below.

Reporting Entity

The Union County Vocational-Technical Schools is a Type I District located in Union County, New Jersey. The District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education of the Union County Vocational-Technical School consists of five (5) members; four (4) members are appointed by the Union County Board of Chosen Freeholders and one (1) statutory member, who is the Union County Superintendent of Schools. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39) as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and that meet *all* of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization.
3. The economic resources received or held by an *individual organization* that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include a Vocational-Technical school, Magnet High School, Academy for Information Technology, Academy for Performing Arts and Academy for Allied Health Services located in the Township of Scotch Plains. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Basis of Presentation, Basis of Accounting

The District'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.

Basis of Presentation

District-wide Statements: The Statement of Net Assets and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Net Assets presents the financial condition of the governmental and business-type activity of the District at fiscal year end. The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain 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 public school district financial reporting models.

Governmental Fund Types

General Fund - The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for acquisition of facilities and/or equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey State Department of Education, the District includes budgeted capital outlay in this fund. Generally accepted accounting principles 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 capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution, subject to approval from the County Superintendent of Schools.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue sources from State and Federal Government (other than those for major capital projects, debt service or proprietary funds) and local appropriations that are restricted or committed to expenditures for specified purposes.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Projects Funds - The capital projects fund is used to account for and report all financial resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition or construction of major capital facilities or other capital assets.

Proprietary Fund

Enterprise Fund - The enterprise fund accounts for all revenues and expenses pertaining to the cafeteria operation, material for resale, electronics technology training center and the district internet consortium operations. The enterprise fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Fiduciary Fund Types

Agency Funds - The agency funds are used to account for assets held by the district on behalf of others and are custodial in nature. The agency funds included in this category are as follows:

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

Rahway Projects Funds - An expendable trust fund used to account for assets donated by the Union County Utilities Authority that will provide for the payment of tuition for students from the City of Rahway.

Affirmative Action Training Funds - An expendable trust fund used to account for assets donated by the City of Plainfield School District that will provide for the payment of tuition for students from the City of Plainfield.

Federal Funds - This agency fund is used to account for receipts for Pell Grants and Guaranteed Student Loans.

Vocational Scholarship Fund - This expendable trust is used to account for donations received that are for student scholarships.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Private Purpose Trust Funds - These are trust funds used to account for assets donated by individuals that will provide for the payment of awards and scholarships to district students.

Basis of Accounting - Measurement Focus

Basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements.

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem Property Taxes are susceptible to accrual since, under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "intergovernmental receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Account Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county superintendent of schools' office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments and transfers must be approved by School Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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

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

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Encumbrance Accounting

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 and capital projects fund for which the District 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.

Interfunds

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available expendable resources.

Inventories and Prepaid Expenses

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

Prepaid expenses which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures in the year of purchase.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

The District has established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994 are recorded at actual cost. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated fixed assets are valued at their estimated fair market value on the date received. The cost of normal repairs and maintenance are not capitalized. Interest is not capitalized on Capital Assets.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method and the half-year convention over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School buildings	45
Building improvements	20
Electrical/plumbing	30
Vehicles	6-8
Easements	30
Office and computer equipment	5-20
Instructional equipment	5-20
Grounds equipment	5-15
Food service equipment	7-20

Compensated Absences

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount of subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave and vacation days that are expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

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 governmental fund level and District-wide presentations.

Fund Equity

Fund balance reserves are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designations of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unreserved fund balances represent the amount available for future budgetary operations.

Unrestricted retained earnings represent the remains of the District's equity in the cumulative earnings of the food service and summer enrichment fund.

Deferred/ Unearned Revenue

Deferred revenue in the general, special revenue and capital projects funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is allowable under Generally Accepted Accounting Principles.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 balance of any borrowing 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 District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance Reserves

In fiscal year 2011, the District implemented GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions". This statement modifies fund balance reporting and clarifies fund type definitions. This new Statement aims to enhance the usefulness of fund balance information by providing clearer fund balance clarifications that can be applied more consistently.

The restricted fund balance classification includes amounts that are subject to externally enforceable legal restriction such as by constitutional provision, enabling legislation or other government imposed restrictions. The committed fund balance classification includes amounts constrained for a specific purpose by a government using its highest decision-making authority. The assigned fund balance classification includes amounts for all funds, other than the general fund with any remaining positive balances not already classified as restricted or committed. For the general fund, amounts constrained with the intent to be used for a specific purpose by the governing board or an official delegated authority by the board. The unassigned fund balance classification includes for the general fund, amounts not classified as restricted, committed or assigned. The general fund is the only fund that will report a positive unassigned fund balance. For all other governmental funds the amount of a residual deficit would be classified as unassigned. Fund balance restrictions have been established for excess surplus, excess surplus-designated for subsequent year's expenditures, capital reserve and emergency reserve.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the 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 fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

Proprietary Funds Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District enterprise funds are charges to customers for sales of food service and charges for the summer enrichment program. Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

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 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 the program. Depreciation expense, where practicable, is specifically identified by function and is included in 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.

Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent of occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make assumptions that affect the amounts reported as revenue and expenditures/expenses during the reporting period. These estimates may differ from actual results.

The District considers petty cash, change funds, cash in banks, certificates of deposits, and short term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at fair value.

Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Deposits (Continued)

Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), 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 the deposits to the governmental unit.

The Union County Vocational-Technical Schools had the following cash and cash equivalents at June 30, 2012:

<u>Fund Type</u>	<u>Bank</u>	<u>Reconciling Items</u>		<u>Reconciled</u>
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Governmental	\$2,300,553.50	\$0.00	\$1,016,295.71	\$1,284,257.79
Proprietary	775,107.63	0.00	0.00	775,107.63
Fiduciary	418,473.28	69.00	207,603.14	210,939.14
	<u>\$3,494,134.41</u>	<u>\$69.00</u>	<u>\$1,223,898.85</u>	<u>\$2,270,304.56</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2012, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$287,547.25 was covered by Federal Depository Insurance and \$3,206,587.16 was covered under the provisions of NJGUDPA.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments

The purchases of investments by the District are strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

7. Deposits with the State of New Jersey Cash Management Fund established pursuant to Section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The District had no investments outstanding at June 30, 2012.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 3: CHANGE IN CAPITAL ASSETS

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

	<u>Beginning</u> <u>Balance</u>	<u>Additions/</u> <u>Transfers</u>	<u>Deletions</u>	<u>Ending</u> <u>Balance</u>
<u>Governmental activities:</u>				
Capital assets not being depreciated				
Sites	\$1,289,141.75			\$1,289,141.75
Construction in progress	<u>20,020,218.90</u>	<u>\$76,065.07</u>		<u>20,096,283.97</u>
Total capital assets not being depreciated	<u>21,309,360.65</u>	<u>76,065.07</u>		<u>21,385,425.72</u>
Capital assets being depreciated				
Site improvements	975,866.75	30,377.84		1,006,244.59
Intangible assets	5,000,000.00			5,000,000.00
Building and building improvements	48,399,656.48	895,336.33		49,294,992.81
Machinery and equipment	<u>9,603,368.97</u>	<u>626,005.20</u>	<u>\$17,985.00</u>	<u>10,211,389.17</u>
Total capital assets being depreciated	<u>63,978,892.20</u>	<u>1,551,719.37</u>	<u>17,985.00</u>	<u>65,512,626.57</u>
Totals at historical cost	<u>85,288,252.85</u>	<u>1,627,784.44</u>	<u>17,985.00</u>	<u>86,898,052.29</u>
Total gross assets (memo only)	85,288,252.85	1,627,784.44	17,985.00	86,898,052.29
Less: accumulated depreciation for:				
Site improvements	(558,147.29)	(31,409.97)		(589,557.26)
Intangible assets	(493,055.59)	(166,666.68)		(659,722.27)
Building and building improvements	(12,304,658.54)	(1,245,053.13)		(13,549,711.67)
Machinery and equipment	<u>(5,075,321.03)</u>	<u>(597,151.29)</u>	<u>(17,985.00)</u>	<u>(5,654,487.32)</u>
Total depreciation	<u>(18,431,182.45)</u>	<u>(2,040,281.07)</u>	<u>(17,985.00)</u>	<u>(20,453,478.52)</u>
Total capital assets being depreciated net of accumulated depreciation	<u>66,857,070.40</u>	<u>(412,496.63)</u>		<u>66,444,573.77</u>
Governmental activities capital assets, net	<u>\$66,857,070.40</u>	<u>(\$412,496.63)</u>		<u>\$66,444,573.77</u>

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 3: CHANGE IN CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to governmental expenses as follows:

Instruction:	
Regular instruction	\$847,939.70
Support services:	
Student and instruction related services	352.56
School administration	16,469.83
General administration	55,240.68
Central services	7,338.84
Plant operations and maintenance	1,110,234.90
Direct expense of various functions	<u>2,704.56</u>
	<u>\$2,040,281.07</u>

NOTE 4: LONG-TERM DEBT

Bonds are issued by the District pursuant to the provisions of Title 18A - Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness.

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Statutorily, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 4: LONG-TERM DEBT (CONTINUED)

The following is a summary of changes in liabilities that affect other long-term obligations for the year ended June 30, 2012:

	Pension Costs <u>Payable</u>	Compensated Absences <u>Payable</u>	Capital Lease/ Lease Purchase <u>Agreements</u>	<u>Total</u>
Balance, June 30, 2011	\$600,000.00	\$753,760.00	\$1,115,853.37	\$2,469,613.37
Additions	<u>600,000.00</u>	<u>67,442.00</u>	<u>1,115,853.37</u>	<u>2,537,055.37</u>
Deletions	<u>75,000.00</u>	<u> </u>	<u>462,628.29</u>	<u>537,628.29</u>
Balance, June 30, 2012	<u>\$525,000.00</u>	<u>\$821,202.00</u>	<u>\$653,225.08</u>	<u>\$1,999,427.08</u>
Amounts due within one year	<u>\$75,000.00</u>	<u> </u>	<u>\$483,156.08</u>	<u>558,156.08</u>

Capital Leases Payable:

The District has entered into various lease agreements for energy conservation and copiers as outlined in Schedule I-2. The following is a schedule of the future minimum lease payments under capital lease, and the present value of the net minimum lease payments at June 30, 2012:

<u>Year</u>	<u>Amount</u>
2013	\$504,820.00
2014	109,620.00
2015	65,339.00
2016	<u>2,910.00</u>
Total Minimum Lease Payments	682,689.00
Less: Amounts Representing Interest	<u>29,463.92</u>
Present Value of Minimum Lease Payments	<u>\$653,225.08</u>

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 5: PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System (PERS) or the Teachers' Pension and Annuity Fund (TPAF) 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.

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 provision 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.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 5: PENSION PLANS (CONTINUED)

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

Significant Legislation

Chapter 89-P.L. 2008-Members of either system who became members before July 1, 2007 may retire at age 55 years with 25 years of service or at age 60 with any number of years of service without a reduction in the amount of retirement allowance the members' receive. There is a reduction in such an allowance if the member is under 55 with 25 years of service. There is also a reduction in an allowance for members of either system who became members on or after July 1, 2007 and who retire between age 55 and 60 years with 25 or more years of service.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 5: PENSION PLANS (CONTINUED)

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

<u>Three-Year Trend Information for PERS</u>			
<u>Year</u> <u>June 30,</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
2012	\$171,875.00	100.00%	\$171,875.00
2011	\$161,374.00	100.00%	\$161,374.00
2010	\$119,329.00	100.00%	\$119,329.00

During the fiscal year ended June 30, 2012, the State of New Jersey contributed \$496,693.00 to the TPAF pension system on behalf of the District.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$683,441.74 during the year ended June 30, 2011 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund statements and schedules as a revenue and expenditure in accordance with GASB 27.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 6: OTHER POST-RETIREMENT BENEFITS

For eligible retired employees, the School District participates in the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 *et seq.*, to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

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

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

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 6: OTHER POST-RETIREMENT BENEFITS

The State will set the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the years ended June 30, 2012, 2011 and 2010 were \$577,856.00, \$592,487.00 and \$500,388.00 respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

NOTE 7: LITIGATION

The District, based upon the opinions of the District attorney, there is no litigation, pending claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the School District and which might materially affect the District's financial position.

NOTE 8: INVENTORY

Inventory in the Food Service Fund at June 30, 2012 consisted of the following:

Food and Supplies	<u>\$2,389.44</u>
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The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 9: CONTINGENCIES

The Board receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2011-2012 fiscal year were subject to the U.S. OMB A-133 and New Jersey OMB Circular 04-04 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit.

Findings and questioned costs, if any, relative to federal awards and state financial assistance programs are disclosed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. Further, the School Child Nutrition Program is a recipient of federal reimbursements and is subject to certain related federal regulations. These federal reimbursements are subject to subsequent audit and interpretation by the New Jersey Department of Education. The District's management does not believe such an audit would result in material amounts of disallowed costs.

NOTE 10: 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 coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Liability Method". Under this plan, the District is required to calculate and pay the amount required on a quarterly basis based upon rates as determined by the New Jersey Department of Labor.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 11: COMPENSATED ABSENCES

Tenured teachers are entitled to up to 15 sick days per year and upon retirement or termination of employment (with proper notice if by employee) shall be paid an amount of money calculated at the rate of thirty dollars per day for each day of accumulated sick leave at the time of retirement or termination up to a maximum of two hundred twenty five days. If a teacher, as of June 30, 1993, has accumulated more than the aforesaid amount of sick days, the same, to the amount accumulated, shall be the teacher's entitlement unless the same are subsequently utilized which then results in a lesser number which would be the teacher's entitlement. For a teacher's last year of employment, he/she shall receive thirty dollars per sick day for each month worked and fifteen dollars per sick day for the remaining months. Smaller bargaining units of the District are also entitled to compensation for unused sick days based on their bargaining agreements.

The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group. The current portion of the compensated absence balance is not considered material to the applicable fund total liabilities, and is therefore not shown separately for the long-term liability balance of compensated absences.

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

NOTE 12: FUND BALANCE APPROPRIATED

General Fund - Of the \$3,207,636.64 in General Fund Balance at June 30, 2012, \$233,479.96 has been assigned for encumbrances, \$14,759.25 is restricted for excess surplus in accordance with N.J.S.A. 18A:7F7 and \$192,404.56 of the total restricted for excess surplus has been appropriated in the budget for the fiscal year ended June 30, 2012; \$1,750,337.03 has been restricted in the Capital Reserve Account; \$372,611.44 has been assigned for subsequent years expenditures and \$644,044.40 is unassigned.

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 13: CALCULATION OF EXCESS SURPLUS-BUDGETARY BASIS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to *N.J.S.A. 18A:7F-7*, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget.

General Fund Expenditures

Fiscal Year Ended June 30, 2012	\$ 21,030,957.87
Less:	
On-Behalf TPAF Pension and Social Security Reimbursement	<u>(1,548,750.74)</u>
Adjusted General Fund Expenditures	<u>\$ 19,482,207.13</u>
6% of Adjusted 2011-12 General Fund Expenditures	<u>\$ 1,168,932.43</u>
Greater of 6% or \$250,000.00	\$ 1,168,932.43
Maximum Unreserved/Undesignated Fund Balance	<u>\$ 1,168,932.43</u>
Actual Unreserved/Undesignated	
General Fund Balance	<u>1,183,691.68</u>
Excess Surplus	<u>\$ 14,759.25</u>

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2012

NOTE 14: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Union County Vocational-Technical Schools by inclusion of \$500,001.00 during fiscal year 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. 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. 6:23A-5.1(d)7, 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	\$1,000,337.03
Transfer per Board Resolution 6/18/2012	<u>750,000.00</u>
Ending balance, June 30, 2012	<u><u>\$1,750,337.03</u></u>

Union County Vocational-Technical Schools
Notes to the Financial Statements
June 30, 2011

NOTE 15: INTERFUNDS RECEIVABLE AND PAYABLE

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

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>
General Fund	\$ 779,140.25	\$ 70.14
Special Revenue Fund		100,999.67
Capital Projects Fund		616,253.88
Proprietary Fund		61,886.70
Fiduciary Fund	170.14	100.00
	\$ 779,310.39	\$ 779,310.39

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between the funds were returned.

NOTE 16: DEFERRED COMPENSATION

The Board offers its employees a choice of various 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 district offers a variety of plan administrators as follows:

- AXA Equitable
- Valic
- Lincoln Investments
- Lincoln National Life Insurances
- Fidelity Investments

NOTE 17: SUBSEQUENT EVENT

On October 19, 2012, a resolution was approved by the Board of School Estimates for the Vocational Schools in Union County, New Jersey requesting funding from Union County Board of Chosen Freeholders for funding which shall include the authorization of \$11,000,000.00 in the issuance of bonds or notes for the construction of instructional space at the UC Tech High School.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>BUDGET</u>	<u>BUDGET</u>		<u>FINAL TO ACTUAL</u>
REVENUES:				
Local sources:				
County tax levy	\$ 4,332,048.00	\$ 4,332,048.00	\$ 4,332,048.00	\$
Tuition from LEA's	9,292,000.00	9,292,000.00	9,264,875.00	(27,125.00)
Other tuition	770,000.00	770,000.00	648,841.74	(121,158.26)
Unrestricted miscellaneous revenue	384,246.00	384,246.00	395,659.67	11,413.67
	<u>14,778,294.00</u>	<u>14,778,294.00</u>	<u>14,641,424.41</u>	<u>(136,869.59)</u>
Total revenues-local sources:				
State sources				
Categorical special education aid	865,955.00	865,955.00	865,955.00	
Equalization aid	4,221,607.00	4,221,607.00	4,416,580.00	194,973.00
On-behalf TPAF non-contributory insurance			287,453.00	287,453.00
On-behalf TPAF post retirement medical			577,856.00	577,856.00
Reimbursed TPAF social security contributions (non-budgeted)			683,441.74	683,441.74
	<u>5,087,562.00</u>	<u>5,087,562.00</u>	<u>6,831,285.74</u>	<u>1,743,723.74</u>
Total - state sources				
Federal sources:				
Education jobs fund	194,414.00	200,505.00	200,505.00	
	<u>194,414.00</u>	<u>200,505.00</u>	<u>200,505.00</u>	
Total - federal sources				
Total revenues	<u>20,060,270.00</u>	<u>20,066,361.00</u>	<u>21,673,215.15</u>	<u>1,606,854.15</u>
GENERAL CURRENT EXPENSE:				
Regular vocational programs-instruction:				
Salaries of teachers	6,869,859.00	6,875,950.00	6,676,744.18	199,205.82
Purchased instructional services	425,000.00	424,946.00	389,399.69	35,546.31
Other purchased services (400-500 series)	100,000.00	100,000.00	40,302.12	59,697.88
General supplies	555,000.00	819,278.07	769,232.71	50,045.36
Textbooks	225,000.00	247,848.79	219,819.85	28,028.94
Other objects	15,000.00	20,000.00	19,025.85	974.15
	<u>8,189,859.00</u>	<u>8,488,022.86</u>	<u>8,114,524.40</u>	<u>373,498.46</u>
Total regular vocational programs-instruction				

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Special vocational programs-instruction:				
Salaries of teachers	\$ 916,000.00	\$ 916,000.00	\$ 747,476.02	\$ 168,523.98
General supplies	100,000.00	120,000.00	113,371.66	6,628.34
Textbooks	10,000.00	10,000.00	2,703.85	7,296.15
Other objects	5,000.00	5,000.00		5,000.00
Total special vocational programs-instruction	1,031,000.00	1,051,000.00	863,551.53	187,448.47
School sponsored cocurricular activities-instruction:				
Salaries	150,000.00	167,500.00	167,437.50	62.50
Supplies and materials	25,000.00	11,500.00	11,019.77	480.23
Other objects		31,000.00	30,911.20	88.80
Total school sponsored cocurricular activities-instruction	175,000.00	210,000.00	209,368.47	631.53
TOTAL VOCATIONAL PROGRAMS	9,395,859.00	9,749,022.86	9,187,444.40	561,578.46
Undistributed expenses:				
Other support services-students - regular:				
Salaries of other professional staff	550,800.00	550,800.00	550,182.26	617.74
Supplies and materials	10,000.00	10,000.00	2,862.07	7,137.93
Other objects	25,000.00	25,247.00	3,377.20	21,869.80
Total other support services-students - regular	585,800.00	586,047.00	556,421.53	29,625.47
Other support services-students - special:				
Salaries of other professional staff	214,200.00	214,200.00	212,237.56	1,962.44
Supplies and materials	2,500.00	2,500.00		2,500.00
Other objects	5,000.00	8,000.00	8,000.00	
Total other support services-students - special	221,700.00	224,700.00	220,237.56	4,462.44
Improvement of instructional services:				
Salaries of other professional staff	25,000.00	25,000.00	24,222.00	778.00
Total improvement of instructional services	25,000.00	25,000.00	24,222.00	778.00

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Instructional staff training services:				
Salaries of other professional staff	\$ 25,000.00	\$ 25,000.00	\$ 12,716.00	\$ 12,284.00
Other purchased professional and technical services	5,000.00	6,400.00	6,331.73	68.27
Other purchased services	10,000.00	11,250.00	11,234.00	16.00
Total instructional staff training services	<u>40,000.00</u>	<u>42,650.00</u>	<u>30,281.73</u>	<u>12,368.27</u>
Support services general administration:				
Salaries	288,000.00	295,000.00	294,890.04	109.96
Legal services	50,000.00	50,000.00	14,108.32	35,891.68
Audit fees	30,000.00	30,000.00	25,332.00	4,668.00
Other purchased professional services				
Communications/telephone	155,000.00	148,000.00	97,361.94	50,638.06
General supplies	20,000.00	20,000.00	7,761.81	12,238.19
Miscellaneous expenditures	20,000.00	20,000.00	19,844.13	155.87
Total support services general administration	<u>563,000.00</u>	<u>563,000.00</u>	<u>459,298.24</u>	<u>103,701.76</u>
Support services school administration:				
Salaries of principals/assistant principals	581,400.00	581,400.00	572,194.08	9,205.92
Salaries of professional staff	3,000.00	3,000.00	3,000.00	
Salaries of secretarial and clerical assistants	255,000.00	255,000.00	247,152.47	7,847.53
Other salaries	25,000.00	33,000.00	32,951.81	48.19
Other purchased services	5,000.00	17,415.20	16,869.92	545.28
Supplies and materials	20,000.00	15,100.00	3,097.39	12,002.61
Other objects	25,000.00	25,000.00	10,695.00	14,305.00
Total support services school administration	<u>914,400.00</u>	<u>929,915.20</u>	<u>885,960.67</u>	<u>43,954.53</u>
Central services:				
Miscellaneous expenses				
Salaries	499,800.00	499,800.00	499,277.45	522.55
Purchasing services	30,000.00	30,000.00	27,891.70	2,108.30
Supplies and materials	10,000.00	10,000.00	4,202.17	5,797.83
Other objects	80,000.00	41,500.00	32,793.45	8,706.55
Interest on lease purchase agreements	75,000.00	75,000.00	42,191.71	32,808.29
Total central services	<u>694,800.00</u>	<u>656,300.00</u>	<u>606,356.48</u>	<u>49,943.52</u>

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Allowance for maintenance for school facilities:				
Salaries	\$ 110,000.00	\$ 116,500.00	\$ 116,472.10	\$ 27.90
Cleaning, repair and maintenance services	600,000.00	619,684.67	613,800.99	5,883.68
General supplies	175,000.00	266,000.00	264,551.42	1,448.58
Total allowance for maintenance for school facilities	885,000.00	1,002,184.67	994,824.51	7,360.16
Other operation and maintenance of plant:				
Salaries	304,192.00	304,192.00	299,371.39	4,820.61
Purchased professional and technical services	135,000.00	185,000.00	155,799.00	29,201.00
Cleaning, repair and maintenance services	290,000.00	306,000.00	305,662.87	337.13
Other purchased property services	30,000.00	47,500.00	47,242.88	257.12
Insurance	150,000.00	150,000.00	109,657.50	40,342.50
Energy (heat and electricity)	1,870,000.00	1,710,500.00	1,378,015.43	332,484.57
Total other operation and maintenance of plant	2,779,192.00	2,703,192.00	2,295,749.07	407,442.93
TOTAL OPERATION & MAINTENANCE OF PLANT SERVICE	3,664,192.00	3,705,376.67	3,290,573.58	414,803.09
Student transportation services:				
Cleaning, repair and maintenance services	5,000.00	5,000.00	75.00	4,925.00
Other contracted services	50,000.00	50,000.00	23,650.00	26,350.00
Transportation supplies	5,000.00	5,000.00		5,000.00
Total student transportation services	60,000.00	60,000.00	23,725.00	36,275.00
Unallocated benefits - employee benefits:				
Social security	235,000.00	235,000.00	204,112.86	30,887.14
TPAF contribution - ERIP	115,000.00	118,000.00	117,597.73	402.27
Other retirement contributions - regular	150,000.00	175,000.00	172,708.91	2,291.09
Unemployment compensation	40,000.00	37,000.00		37,000.00
Workmen's compensation	115,000.00	115,000.00	105,123.00	9,877.00
Health benefits	2,600,000.00	2,521,500.00	2,353,762.53	167,737.47
Tuition reimbursement	60,000.00	64,597.00	56,497.00	8,100.00
Other employee benefits	100,000.00	100,000.00	29,238.87	70,761.13
Total unallocated benefits - employee benefits	3,415,000.00	3,366,097.00	3,039,040.90	327,056.10
Total undistributed expenses	10,183,892.00	10,159,085.87	9,136,117.69	1,022,968.18
On-behalf TPAF non-contributory insurance			287,453.00	(287,453.00)
On-behalf TPAF post retirement medical			577,856.00	(577,856.00)
Reimbursed TPAF social security contributions (non-budgeted)			683,441.74	(683,441.74)
TOTAL EXPENDITURES - CURRENT EXPENSE	19,579,751.00	19,908,108.73	19,872,312.83	35,795.90

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
CAPITAL OUTLAY:				
Facilities acquisition and construction services:				
Construction services	\$ 470,000.00	\$ 299,696.08	\$ 128,501.32	\$ 171,194.76
Principal - lease purchase		470,000.00	462,628.29	7,371.71
Instructional equipment		10,187.00	10,187.00	
Other objects		33,625.00	33,625.00	
Total facilities acquisition and construction services	470,000.00	813,508.08	634,941.61	178,566.47
TOTAL CAPITAL OUTLAY	470,000.00	813,508.08	634,941.61	178,566.47
SPECIAL SCHOOLS:				
Accredited evening/adult high school/post-grad - instruction:				
Salaries of teachers	323,340.00	363,340.00	356,032.73	7,307.27
Supplies and materials	35,000.00	35,041.17	32,876.52	2,164.65
Textbooks	15,000.00	13,000.00		13,000.00
Other objects	5,000.00	5,000.00	2,152.12	2,847.88
Total accredited evening/adult high school/post-grad - instruction	378,340.00	416,381.17	391,061.37	25,319.80
Accredited evening/adult high school/post-grad - support services:				
Salaries	160,000.00	160,000.00	95,264.25	64,735.75
Supplies and materials	10,000.00	10,000.00	1,325.10	8,674.90
Other objects	10,000.00	12,000.00	11,198.71	801.29
Total accredited evening/adult high school/post-grad - support services	180,000.00	182,000.00	107,788.06	74,211.94
Total accredited evening/adult high school/post-grad	558,340.00	598,381.17	498,849.43	99,531.74

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
Vocational evening - local - instruction:				
Salaries	\$ 40,000.00	\$ 40,000.00	\$ 24,854.00	\$ 15,146.00
General supplies	5,000.00	5,000.00		5,000.00
Total vocational evening - local - instruction	45,000.00	45,000.00	24,854.00	20,146.00
Vocational evening - local - support services:				
General administration				
Salaries	8,000.00	8,000.00		8,000.00
Total vocational evening - local - support services	8,000.00	8,000.00		8,000.00
TOTAL SPECIAL SCHOOLS	611,340.00	651,381.17	523,703.43	127,677.74
TOTAL GENERAL FUND	20,661,091.00	21,372,997.98	21,030,957.87	342,040.11
Excess (deficiency) of revenues over (under) expenditures	(600,821.00)	(1,306,636.98)	642,257.28	1,264,814.04

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>ORIGINAL</u> <u>BUDGET</u>	<u>FINAL</u> <u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FINAL TO ACTUAL</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ <u>(600,821.00)</u>	\$ <u>(1,306,636.98)</u>	\$ <u>642,257.28</u>	\$ <u>1,264,814.04</u>
Fund balances, June 30, 2011	<u>3,090,267.36</u>	<u>3,090,267.36</u>	<u>3,090,267.36</u>	<u>1,483,409.36</u>
Fund balances, June 30, 2012	\$ <u><u>2,489,446.36</u></u>	\$ <u><u>1,783,630.38</u></u>	\$ <u><u>3,732,524.64</u></u>	\$ <u><u>2,748,223.40</u></u>
Recapitulation:				
Assigned - year-end encumbrances			\$ 233,479.96	
Restricted - capital reserve			1,750,337.03	
Restricted - excess surplus - designated for subsequent year's expenditures			192,404.56	
Restricted - excess surplus - current year			14,759.25	
Assigned - designated for subsequent years expenditures			372,611.44	
Unassigned fund balance			<u>1,168,932.40</u>	
			\$ 3,732,524.64	
Reconciliation to Governmental Funds Statements (GAAP)				
Last State Aid Payment not recognized on GAAP basis			<u>(41,403.00)</u>	
Fund Balance per Governmental Funds (GAAP)			\$ <u><u>3,691,121.64</u></u>	

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND - EDUCATION JOBS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>ORIGINAL</u> <u>BUDGET</u>	<u>BUDGET</u> <u>TRANSFERS/</u> <u>AMENDMENT</u>	<u>FINAL</u> <u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FINAL TO ACTUAL</u>
REVENUES:					
Federal sources:	\$ 194,414.00	\$ 6,091.00	\$ 200,505.00	\$ 200,505.00	\$ _____
Total revenues	<u>\$ _____</u>	<u>\$ 6,091.00</u>	<u>\$ 200,505.00</u>	<u>\$ 200,505.00</u>	<u>\$ _____</u>
GENERAL CURRENT EXPENSE:					
Regular vocational programs-instruction					
Salaries of teachers	\$ 194,414.00	\$ 6,091.00	\$ 200,505.00	\$ 200,505.00	\$ _____
Total regular vocational programs-instruction	_____	6,091.00	200,505.00	200,505.00	_____
TOTAL EXPENDITURES - CURRENT EXPENSE	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 200,505.00</u>	<u>\$ 200,505.00</u>	<u>\$ 0.00</u>

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
State sources	\$	\$ 416,166.70	\$ 416,166.70	\$ 416,166.09	\$ (0.61)
Federal sources	600,000.00	387,408.32	987,408.32	941,482.61	(45,925.71)
Local sources		90,512.10	90,512.10	79,408.38	(11,103.72)
Total revenues	<u>600,000.00</u>	<u>894,087.12</u>	<u>1,494,087.12</u>	<u>1,437,057.08</u>	<u>(57,030.04)</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers		464,815.63	464,815.63	451,107.13	13,708.50
Purchased professional services		73,792.52	73,792.52	73,792.52	
General supplies		284,532.61	284,532.61	249,647.64	34,884.97
Textbooks		10,524.12	10,524.12	10,524.12	
Other objects		18,149.00	18,149.00	18,149.00	
Total instruction		<u>851,813.88</u>	<u>851,813.88</u>	<u>803,220.41</u>	<u>48,593.47</u>
Support services:					
Salaries of program directors	600,000.00	(572,578.00)	27,422.00	27,422.00	
Salaries of principals and assistants		21,968.42	21,968.42	21,968.42	
Salaries of other professional staff		149,339.37	149,339.37	149,339.37	
Salaries of secretarial and clerical assistant		3,665.75	3,665.75	3,665.75	
Other salaries		6,000.00	6,000.00	6,000.00	
Personal services - employee benefits		105,697.77	105,697.77	103,075.30	2,622.47
Purchased professional - educational services		825.00	825.00	825.00	
Other purchased professional services		9,000.00	9,000.00	9,000.00	
Rentals		18,000.00	18,000.00	15,000.00	3,000.00
Travel		28,000.00	28,000.00	25,292.50	2,707.50
Other purchased services		7,120.00	7,120.00	7,120.00	
Supplies and materials		46,498.59	46,498.59	46,498.59	
Other objects		15,953.00	15,953.00	15,846.40	106.60
Miscellaneous expenditures		61,206.00	61,206.00	61,206.00	
Total support services	<u>600,000.00</u>	<u>(99,304.10)</u>	<u>500,695.90</u>	<u>492,259.33</u>	<u>8,436.57</u>
Facilities acquisition and construction services:					
Instructional equipment		115,931.34	115,931.34	115,931.34	
Non-instructional equipment		25,646.00	25,646.00	25,646.00	
Total facilities acquisition and construction services		<u>141,577.34</u>	<u>141,577.34</u>	<u>141,577.34</u>	
Total expenditures	<u>600,000.00</u>	<u>894,087.12</u>	<u>1,494,087.12</u>	<u>1,437,057.08</u>	<u>57,030.04</u>
Excess (deficiency) of revenues over (under) expenditures	\$	\$	\$	\$	\$ (114,060.08)

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Note A - Explanation of difference between budgetary inflows and outflows and GAAP Revenues and Expenditures

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule		\$1,437,057.08
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
State aid payment is recognized as revenue for GAAP Statements in the current year, previously recognized for budgetary purposes.	\$483,485.00	
State aid payment recognized for budgetary purposes not recognized for GAAP statements until the subsequent year.	(524,888.00)	
Adjust for encumbrances:		
Add prior year encumbrances		9,942.29
Less prior year encumbrances canceled		(864.00)
Less current year encumbrances		
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>(\$41,403.00)</u>	<u>\$1,446,135.37</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$20,369,973.05	\$1,437,057.08
Difference - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes but in the year the supplies are received for <i>financial reporting</i> purposes.		
Adjust for encumbrances:		
Add prior year encumbrances		9,942.29
Less prior year encumbrances canceled		(864.00)
Less current year encumbrances		-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	<u>\$20,369,973.05</u>	<u>\$1,446,135.37</u>

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	APPRENTICE COORDINATOR	ADULT BASIC SKILLS	IDEA ARRA	TITLE I ARRA	YTTW CARPENTERS APPRENTICES-10	N.J. YOUTH CORPS-ELIZABETH PRIOR YEARS	N.J. YOUTH CORPS-ELIZABETH FY2012
REVENUES:							
State sources	\$ 17,891.00	\$	\$	\$	\$ 879.14	\$ 1,202.60	\$ 396,088.00
Federal sources		30,000.00	10,882.60	454.36			
Local sources							
Total revenues	\$ 17,891.00	\$ 30,000.00	\$ 10,882.60	\$ 454.36	\$ 879.14	\$ 1,202.60	\$ 396,088.00
EXPENDITURES:							
Instruction:							
Salaries of teachers	\$	\$ 21,635.00	\$	\$ 454.36	\$	\$	\$ 119,690.27
Purchased professional services							
General supplies		1,156.61	10,489.69				
Textbooks		379.39					
Other objects							
Total instruction		23,171.00	10,489.69	454.36			119,690.27
Support services:							
Salaries of program directors							
Salaries of principals and assistants	10,727.00	2,000.00					
Salaries of other professional staff		2,805.00					137,612.00
Salaries of secretarial and clerical assistant	3,665.75						
Other salaries							
Personal services - employee benefits		2,024.00					40,438.00
Purchased professional - educational services							
Other purchased professional services							
Rentals							12,000.00
Travel							
Other purchased services							
Supplies and materials	3,498.25		392.91		879.14	1,202.60	12,688.73
Other objects							12,453.00
Miscellaneous expenditures							61,206.00
Total support services	17,891.00	6,829.00	392.91		879.14	1,202.60	276,397.73
Facilities acquisition and construction service:							
Instructional equipment							
Noninstructional equipment							
Total facilities acquisition and construction service							
Total expenditures	\$ 17,891.00	\$ 30,000.00	\$ 10,882.60	\$ 454.36	\$ 879.14	\$ 1,202.60	\$ 396,088.00

(Continued on next page)

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	TECH PREP	AGRICULTURE	NO CHILD LEFT BEHIND		INVESTORS SAVINGS	PERKINS VOCATIONAL EDUCATION SECONDARY	PERKINS POST-SECONDARY
			FY2012 TITLE I	FY2011 TITLE II A			
REVENUES:							
State sources							
Federal sources	\$ 0.61		\$ 121,041.22	\$ 11,447.03		\$ 326,210.00	\$ 216,314.00
Local sources		95.72			2,500.00		
Total revenues	\$ 0.61	\$ 95.72	\$ 121,041.22	\$ 11,447.03	\$ 2,500.00	\$ 326,210.00	\$ 216,314.00
EXPENDITURES:							
Instruction:							
Salaries of teachers			\$ 99,656.00	\$ 10,633.50		\$ 29,774.00	\$ 1,545.00
Purchased professional services						61,747.52	77,824.25
General supplies		95.72	1,454.22		2,500.00	144,959.13	
Textbooks							
Other objects						15,601.00	
Total instruction		95.72	101,110.22	10,633.50	2,500.00	252,081.65	79,369.25
Support services:							
Salaries of program directors						21,050.00	6,372.00
Salaries of principals and assistants							
Salaries of other professional staff							
Salaries of secretarial and clerical assistant							
Other salaries							
Personal services - employee benefits			19,931.00	813.53		5,952.35	445.41
Purchased professional - educational services							825.00
Other purchased professional services							
Rentals							
Travel							
Other purchased services						7,120.00	
Supplies and materials	0.61						27,731.00
Other objects							
Miscellaneous expenditures							
Total support services	0.61		19,931.00	813.53		34,122.35	35,373.41
Facilities acquisition and construction services:							
Instructional equipment						14,360.00	101,571.34
Noninstructional equipment						25,646.00	
Total facilities acquisition and construction services						40,006.00	101,571.34
Total expenditures	\$ 0.61	\$ 95.72	\$ 121,041.22	\$ 11,447.03	\$ 2,500.00	\$ 326,210.00	\$ 216,314.00

(Continued on next page)

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	WIA GREEN SOLAR	IDEA	WEATHER GRANT	WOMEN AND MINORITIES	GREEN TECH	GREEN JOBS	TOTALS	
							2012	2011
REVENUES:								
State sources	\$	\$	\$ 5.35	\$ 100.00	\$	\$	\$ 416,166.09	\$ 333,552.45
Federal sources	34,465.40	190,667.39					941,482.61	1,103,289.46
Local sources					47,672.66	29,140.00	79,408.38	49,384.99
Total revenues	\$ 34,465.40	190,667.39	5.35	100.00	47,672.66	29,140.00	1,437,057.08	1,486,226.90
EXPENDITURES:								
Instruction:								
Salaries of teachers	\$	\$ 155,497.00	\$	\$	\$ 12,203.00	\$ 1,564.00	\$ 451,107.13	\$ 417,690.57
Purchased professional services	10,500.00						73,792.52	34,248.00
General supplies	8,255.11	367.55			783.76	1,761.60	249,647.64	307,983.50
Textbooks	3,645.23					6,499.50	10,524.12	6,644.44
Other objects		2,548.00					18,149.00	20,631.00
Total instruction	22,400.34	158,412.55			12,986.76	9,825.10	803,220.41	787,197.51
Support services:								
Salaries of program directors							27,422.00	19,430.00
Salaries of principals and assistants	9,241.42						21,968.42	15,997.05
Salaries of other professional staff	1,762.00					7,160.37	149,339.37	137,752.53
Salaries of secretarial and clerical assistant							3,665.75	3,555.20
Other salaries					6,000.00		6,000.00	
Personal services - employee benefits	1,061.64	32,254.84				154.53	103,075.30	99,516.07
Purchased professional - educational services							825.00	1,073.00
Other purchased professional services						9,000.00	9,000.00	
Rentals						3,000.00	15,000.00	19,500.00
Travel					25,292.50		25,292.50	3,634.60
Other purchased services							7,120.00	34,613.17
Supplies and materials			5.35	100.00			46,498.59	81,734.16
Other objects						3,393.40	15,846.40	9,362.00
Miscellaneous expenditures							61,206.00	64,641.98
Total support services	12,065.06	32,254.84	5.35	100.00	34,685.90	19,314.90	492,259.33	490,809.76
Facilities acquisition and construction services:								
Instructional equipment							115,931.34	149,440.36
Noninstructional equipment							25,646.00	58,779.27
Total facilities acquisition and construction services.							141,577.34	208,219.63
Total expenditures	\$ 34,465.40	190,667.39	5.35	100.00	47,672.66	29,140.00	1,437,057.08	1,486,226.90

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGE IN FUND BALANCE - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2012

Revenues and Other Financing Sources:		
County of Union Capital Ordinances	\$	<u>1,165,208.22</u>
Total Revenue	\$	<u>1,165,208.22</u>
Expenditures and Other Financing Uses:		
Purchased Professional and Technical Services	\$	63,184.30
Construction Services		683,453.94
Equipment and Purchases		<u>235,170.42</u>
Total Expenditures	\$	<u>981,808.66</u>
Excess (Deficiency) of Revenues over (under) Expenditures	\$	183,399.56
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses		<u>183,399.56</u>
Fund Balance - Beginning		<u>2,358,212.00</u>
Fund Balance - Ending	\$	<u><u>2,541,611.56</u></u>
Reconciliation to GAAP Financial Statements:		
Fund Balance- Budgetary Basis (Exhibit F-1)	\$	2,541,611.56
Less: Unearned Revenue (GAAP Basis)		<u>-0-</u>
Fund Balance- GAAP Basis (Exhibit B-1)	\$	<u><u>2,541,611.56</u></u>
Recapitulation:		
Reserved for Encumbrances	\$	248,744.84
Restricted for Capital Projects		<u>2,292,866.72</u>
	\$	<u><u>2,541,611.56</u></u>

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL-APA/KEAN EASEMENT
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing				
Sources				
County of Union Capital Ordinances	\$ 20,000,000.00	\$ _____	\$ 20,000,000.00	\$ 20,000,000.00
Total Revenue	<u>20,000,000.00</u>	<u>_____</u>	<u>20,000,000.00</u>	<u>20,000,000.00</u>
 Expenditures and Other Financing				
Uses				
Purchased Profession and Technical Services	1,499,415.42		1,499,415.42	1,500,000.00
Construction Services	13,122,309.76	108,856.37	13,231,166.13	13,500,000.00
Other Objects	<u>5,000,000.00</u>	<u>_____</u>	<u>5,000,000.00</u>	<u>5,000,000.00</u>
Total Expenditures	<u>19,621,725.18</u>	<u>108,856.37</u>	<u>19,730,581.55</u>	<u>20,000,000.00</u>
Excess (Deficiency) of Revenues (under) Expenditures	\$ <u>378,274.82</u>	\$ <u>(108,856.37)</u>	\$ <u>269,418.45</u>	\$ _____
 <u>Additional Project Information</u>				
County Ordinance Number	669			
Grant date	N/A			
County Authorization Date	6/26/2009			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	20,000,000.00			
Additional Authorized Cost	-0-			
Revised Authorized Cost	20,000,000.00			
Percentage Increase over Original Authorized Costs				
Percentage Completion	99.00%			
Original Completion Date	6/1/2010			
Revised Completion Date	6/1/2010			

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing				
Sources				
County of Union Capital Ordinances	\$ 1,235,855.31	\$ _____	\$ 1,235,855.31	\$ 1,235,855.31
Total Revenue	<u>1,235,855.31</u>	<u>_____</u>	<u>1,235,855.31</u>	<u>1,235,855.31</u>
Expenditures and Other Financing				
Uses				
Purchased Profession and Technical Services	2,750.00		2,750.00	2,750.00
Construction Services	142,549.63	3,585.00	146,134.63	151,262.12
Equipment Purchases	432,674.79	9,682.00	442,356.79	478,212.10
Undistributed	<u>603,631.09</u>	<u>_____</u>	<u>603,631.09</u>	<u>603,631.09</u>
Total Expenditures	<u>1,181,605.51</u>	<u>13,267.00</u>	<u>1,194,872.51</u>	<u>1,235,855.31</u>
Excess (Deficiency) of Revenues (under) Expenditures	\$ <u>54,249.80</u>	\$ <u>(13,267.00)</u>	\$ <u>40,982.80</u>	\$ _____

Additional Project Information

County Ordinance Number	578
Grant date	N/A
County Authorization Date	8/21/2003
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,200,000.00
Additional Authorized Cost	35,855.31
Revised Authorized Cost	1,235,855.31
Percentage Increase over Original Authorized Costs	2.99%
Percentage Completion	96.70%
Original Completion Date	N/A
Revised Completion Date	N/A

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing Sources				
County of Union Capital Ordinances	\$ 1,600,000.00	\$ _____	\$ 1,600,000.00	\$ 1,600,000.00
Total Revenue	<u>1,600,000.00</u>	<u>_____</u>	<u>1,600,000.00</u>	<u>1,600,000.00</u>
Expenditures and Other Financing Uses				
Construction Services	990,602.01	10,377.84	1,000,979.85	1,114,739.05
Equipment Purchases	<u>485,260.95</u>	<u>_____</u>	<u>485,260.95</u>	<u>485,260.95</u>
Total Expenditures	<u>1,475,862.96</u>	<u>10,377.84</u>	<u>1,486,240.80</u>	<u>1,600,000.00</u>
Excess (Deficiency) of Revenues				
(under) Expenditures	\$ <u>124,137.04</u>	\$ <u>(10,377.84)</u>	\$ <u>113,759.20</u>	\$ _____
<u>Additional Project Information</u>				
County Ordinance Number	671			
Grant date	N/A			
County Authorization Date	10/9/2008			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	1,600,000.00			
Additional Authorized Cost	_____			
Revised Authorized Cost	1,600,000.00			
Percentage Increase over Original Authorized Costs	_____			
Percentage Completion	93.00%			
Original Completion Date	N/A			
Revised Completion Date	N/A			

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
RENOVATION OF BAXEL AND WEST HALLS TO HOUSE THE NEW ALLIED HEALTH /MEDICAL PROGRAM
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing Sources:				
County of Union Capital Ordinances	\$ 19,955,071.07	\$ _____	\$ 19,955,071.07	\$ 19,955,071.07
Total Revenue	<u>19,955,071.07</u>	<u>_____</u>	<u>19,955,071.07</u>	<u>19,955,071.07</u>
Expenditures and Other Financing Uses:				
Purchased Profession and Technical Services	2,419,946.95		2,419,946.95	2,419,946.95
Construction Services	16,699,983.69		16,699,983.69	16,699,983.69
Undistributed	<u>835,140.43</u>	<u>_____</u>	<u>835,140.43</u>	<u>835,140.43</u>
Total Expenditures	<u>19,955,071.07</u>	<u>_____</u>	<u>19,955,071.07</u>	<u>19,955,071.07</u>
Excess (Deficiency) of Revenues (under) Expenditures	\$ _____	\$ _____	\$ _____	\$ _____
<u>Additional Project Information</u>				
County Ordinance Number	610			
Grant date	N/A			
County Authorization Date	5/31/2001			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	20,000,000.00			
Additional Authorized Cost	(44,928.93)			
Revised Authorized Cost	19,955,071.07			
Percentage Increase over Original Authorized Costs	-0.22%			
Percentage Completion	100.00%			
Original Completion Date	11/06			
Revised Completion Date	06/09			

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
<u>Revenues and Other Financing Sources</u>				
Transfer from Capital Reserve	\$ 1,436,863.00	\$	\$ 1,436,863.00	\$ 1,436,863.00
County of Union Capital Ordinances	<u>1,470,011.23</u>	<u> </u>	<u>1,470,011.23</u>	<u>1,470,011.23</u>
Total Revenue	<u>2,906,874.23</u>	<u> </u>	<u>2,906,874.23</u>	<u>2,906,874.23</u>
<u>Expenditures and Other Financing Uses</u>				
Construction Services	2,095,779.74	<u> </u>	2,095,779.74	2,095,779.74
Equipment Purchases	<u>750,361.27</u>	<u>53,714.65</u>	<u>804,075.92</u>	<u>811,094.49</u>
Total Expenditures	<u>2,846,141.01</u>	<u>53,714.65</u>	<u>2,899,855.66</u>	<u>2,906,874.23</u>
Excess (Deficiency) of Revenues (under) Expenditures	<u>\$ 60,733.22</u>	<u>\$ (53,714.65)</u>	<u>\$ 7,018.57</u>	<u>\$</u>
<u>Additional Project Information</u>				
County Ordinance Number	616			
Grant date	N/A			
County Authorization Date	5/31/2001			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	2,936,863.00			
Additional Authorized Cost	(29,988.77)			
Revised Authorized Cost	2,906,874.23			
Percentage Increase over Original Authorized Costs	-1.02%			
Percentage Completion	100.00%			
Original Completion Date	11/06			
Revised Completion Date	06/09			

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing Sources:				
County of Union Capital Ordinances	\$ 1,217,418.22	\$ (134,791.78)	\$ 1,082,626.44	\$ 1,082,626.44
Total Revenue	<u>1,217,418.22</u>	<u>(134,791.78)</u>	<u>1,082,626.44</u>	<u>1,082,626.44</u>
Expenditures and Other Financing Uses:				
Purchased Profession and Technical Services	2,920.00		2,920.00	2,920.00
Construction Services	248,614.70	34,250.86	282,865.56	442,806.44
Equipment Purchases	<u>636,900.00</u>		<u>636,900.00</u>	<u>636,900.00</u>
Total Expenditures	<u>888,434.70</u>	<u>34,250.86</u>	<u>922,685.56</u>	<u>1,082,626.44</u>
Excess (Deficiency) of Revenues (under) Expenditures	<u>\$ 328,983.52</u>	<u>\$ (169,042.64)</u>	<u>\$ 159,940.88</u>	<u>\$ _____</u>
<u>Additional Project Information</u>				
County Ordinance Number	632			
Grant date	N/A			
County Authorization Date	7/20/2006			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	1,300,000.00			
Additional Authorized Cost	(217,373.56)			
Revised Authorized Cost	1,082,626.44			
Percentage Increase over Original Authorized Costs	-16.72%			
Percentage Completion	85.00%			
Original Completion Date	11/06			
Revised Completion Date	06/09			

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing Sources:				
County of Union Capital Ordinances	\$ 2,360,860.10	\$ _____	\$ 2,360,860.10	\$ 2,360,860.10
Total Revenue	<u>2,360,860.10</u>	<u>_____</u>	<u>2,360,860.10</u>	<u>2,360,860.10</u>
Expenditures and Other Financing Uses:				
Construction Services	1,417,080.40		1,417,080.40	1,417,080.40
Equipment Purchases	<u>912,005.08</u>	<u>14,234.93</u>	<u>926,240.01</u>	<u>943,779.70</u>
Total Expenditures	<u>2,329,085.48</u>	<u>14,234.93</u>	<u>2,343,320.41</u>	<u>2,360,860.10</u>
Excess (Deficiency) of Revenues (under) Expenditures	<u>\$ 31,774.62</u>	<u>\$ (14,234.93)</u>	<u>\$ 17,539.69</u>	<u>\$ _____</u>
<u>Additional Project Information</u>				
County Ordinance Number	653			
Grant date	N/A			
County Authorization Date	9/6/2007			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	2,350,000.00			
Additional Authorized Cost	10,860.10			
Revised Authorized Cost	2,360,860.10			
Percentage Increase over Original Authorized Costs	0.46%			
Percentage Completion	99.00%			
Original Completion Date	12/09			
Revised Completion Date	12/09			

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing Sources:				
County of Union Capital Ordinances	\$ 1,400,000.00	\$ _____	\$ 1,400,000.00	\$ 1,400,000.00
Total Revenue	<u>1,400,000.00</u>	<u>_____</u>	<u>1,400,000.00</u>	<u>1,400,000.00</u>
Expenditures and Other Financing Uses:				
Construction Services	214,327.78	158,110.24	372,438.02	660,993.43
Equipment Purchases	<u>717,057.69</u>	<u>12,920.00</u>	<u>729,977.69</u>	<u>739,006.57</u>
Total Expenditures	<u>931,385.47</u>	<u>171,030.24</u>	<u>1,102,415.71</u>	<u>1,400,000.00</u>
Excess (Deficiency) of Revenues (under) Expenditures	<u>\$ 468,614.53</u>	<u>\$ (171,030.24)</u>	<u>\$ 297,584.29</u>	<u>\$ _____</u>

Additional Project Information

County Ordinance Number	687
Grant date	N/A
County Authorization Date	7/30/2009
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,400,000.00
Additional Authorized Cost	-0-
Revised Authorized Cost	1,400,000.00
Percentage Increase over Original Authorized Costs	N/A
Percentage Completion	79.00%
Original Completion Date	12/09
Revised Completion Date	12/09

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS ACQUISITIONS AND IMPROVEMENT TO UNION COUNTY VOCATIONAL SCHOOL
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing Sources:				
County of Union Capital Ordinances	\$ 1,400,000.00	\$ _____	\$ 1,400,000.00	\$ 1,400,000.00
Total Revenue	<u>1,400,000.00</u>	<u>_____</u>	<u>1,400,000.00</u>	<u>1,400,000.00</u>
Expenditures and Other Financing Uses:				61.00
Construction Services	334,405.00	368,273.63	702,678.63	711,000.00
Equipment Purchases	<u>268,684.62</u>	<u>144,618.84</u>	<u>413,303.46</u>	<u>689,000.00</u>
Total Expenditures	<u>603,089.62</u>	<u>512,892.47</u>	<u>1,115,982.09</u>	<u>1,400,000.00</u>
Excess (Deficiency) of Revenues (under) Expenditures	\$ <u>796,910.38</u>	\$ <u>(512,892.47)</u>	\$ <u>284,017.91</u>	\$ _____

Additional Project Information

County Ordinance Number	713
Grant date	N/A
County Authorization Date	12/8/2010
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,400,000.00
Additional Authorized Cost	-0-
Revised Authorized Cost	1,400,000.00
Percentage Increase over Original Authorized Costs	N/A
Percentage Completion	80.00%
Original Completion Date	12/09
Revised Completion Date	12/09

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS IMPROVEMENTS TO UNION COUNTY VOCATIONAL SCHOOL
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing Sources:				
County of Union Capital Ordinances	\$ _____	\$ 1,300,000.00	\$ 1,300,000.00	\$ 1,300,000.00
Total Revenue	_____	1,300,000.00	1,300,000.00	1,300,000.00
Expenditures and Other Financing Uses:				
Purchased Profession and Technical Services	_____	63,184.30	63,184.30	1,300,000.00
Total Expenditures	_____	63,184.30	63,184.30	1,300,000.00
Excess (Deficiency) of Revenues (under) Expenditures	\$ _____	\$ 1,236,815.70	\$ 1,236,815.70	\$ _____

Additional Project Information

County Ordinance Number	723
Grant date	N/A
County Authorization Date	9/21/2011
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,300,000.00
Additional Authorized Cost	-0-
Revised Authorized Cost	1,300,000.00
Percentage Increase over Original Authorized Costs	N/A
Percentage Completion	5.00%
Original Completion Date	12/13
Revised Completion Date	12/13

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS IMPROVEMENTS TO UNION COUNTY VOCATIONAL SCHOOL
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing Sources:				
County of Union Capital Ordinances	\$ 88,283.87	\$ _____	\$ 88,283.87	\$ 88,283.87
Total Revenue	<u>88,283.87</u>	<u>_____</u>	<u>88,283.87</u>	<u>88,283.87</u>
Expenditures and Other Financing Uses:				
Purchased Profession and Technical Services	_____	_____	_____	88,283.87
Total Expenditures	_____	_____	_____	<u>88,283.87</u>
Excess (Deficiency) of Revenues (under) Expenditures	<u>\$ 88,283.87</u>	<u>\$ _____</u>	<u>\$ 88,283.87</u>	<u>\$ _____</u>

Additional Project Information

County Ordinance Number	501
Grant date	N/A
County Authorization Date	2/23/2012
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	88,283.87
Additional Authorized Cost	-0-
Revised Authorized Cost	88,283.87
Percentage Increase over Original Authorized Costs	N/A
Percentage Completion	0.00%
Original Completion Date	12/13
Revised Completion Date	12/13

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS IMPROVEMENTS TO UNION COUNTY VOCATIONAL SCHOOL
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing Sources:				
County of Union Capital Ordinances	\$ 15,000.00	\$ _____	\$ 15,000.00	\$ 15,000.00
Total Revenue	<u>15,000.00</u>	<u>_____</u>	<u>15,000.00</u>	<u>15,000.00</u>
Expenditures and Other Financing Uses:				
Purchased Profession and Technical Services	_____	_____	_____	15,000.00
Total Expenditures	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>15,000.00</u>
Excess (Deficiency) of Revenues (under) Expenditures	\$ <u>15,000.00</u>	\$ <u>_____</u>	\$ <u>15,000.00</u>	\$ <u>_____</u>

Additional Project Information

County Ordinance Number	555
Grant date	N/A
County Authorization Date	2/23/2012
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	15,000.00
Additional Authorized Cost	-0-
Revised Authorized Cost	15,000.00
Percentage Increase over Original Authorized Costs	N/A
Percentage Completion	0.00%
Original Completion Date	12/13
Revised Completion Date	12/13

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS - BUDGETARY BASIS
VARIOUS IMPROVEMENTS TO UNION COUNTY VOCATIONAL SCHOOL
FROM THE INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	<u>PRIOR</u> <u>PERIODS</u>	<u>CURRENT</u> <u>YEAR</u>	<u>TOTALS</u>	<u>REVISED</u> <u>AUTHORIZED</u> <u>COSTS</u>
Revenues and Other Financing Sources:				
County of Union Capital Ordinances	\$ 11,250.00	\$ _____	\$ 11,250.00	\$ 11,250.00
Total Revenue	<u>11,250.00</u>	<u>_____</u>	<u>11,250.00</u>	<u>11,250.00</u>
Expenditures and Other Financing Uses:				
Purchased Profession and Technical Services	_____	_____	_____	11,250.00
Total Expenditures	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>11,250.00</u>
Excess (Deficiency) of Revenues (under) Expenditures	\$ <u>11,250.00</u>	\$ <u>_____</u>	\$ <u>11,250.00</u>	\$ <u>_____</u>

Additional Project Information

County Ordinance Number	601
Grant date	N/A
County Authorization Date	2/23/2012
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	11,250.00
Additional Authorized Cost	-0-
Revised Authorized Cost	11,250.00
Percentage Increase over Original Authorized Costs	N/A
Percentage Completion	0.00%
Original Completion Date	12/13
Revised Completion Date	12/13

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES-BUDGETARY BASIS
AS OF JUNE 30, 2012

ORDINANCE NUMBER	ISSUE/PROJECT TITLE	APPROPRIATIONS	EXPENDITURES TO DATE		(MEMO ONLY) UNEXPENDED PROJECT BALANCE
			PRIOR YEAR	CURRENT YEAR	
501	Improvements to Union County Vocational School	\$88,283.87			\$88,283.87
555	Improvements to Union County Vocational School	15,000.00			15,000.00
578	Improvements to Union County Vocational School	1,235,855.51	\$1,181,605.51	\$13,267.00	40,983.00
601	Improvements to Union County Vocational School	11,250.00			11,250.00
610	Renovation of Baxel and West Halls to House the New Allied Health/Medical Science Program	19,955,071.07	19,955,071.07		
616	Improvements to Union County Vocation Technical Schools	2,906,874.23	2,846,141.01	53,714.65	7,018.57
632	Improvements to Union County Vocation Technical Schools	1,082,626.44	888,434.70	34,250.86	159,940.88
653	Improvements to Union County Vocation Technical Schools	2,360,860.10	2,329,085.48	14,234.93	17,539.69
669	Performing Arts Academy	20,000,000.00	19,621,725.18	108,856.37	269,418.45
671	Improvements to Union County Vocation Technical Schools	1,600,000.00	1,475,862.96	10,377.84	113,759.20
687	Improvements to Union County Vocation Technical Schools	1,400,000.00	931,385.47	171,030.24	297,584.29
713	Improvements to Union County Vocation Technical Schools	1,400,000.00	603,089.62	512,892.47	284,017.91
723	Improvements to Union County Vocation Technical Schools	<u>1,300,000.00</u>		<u>63,184.30</u>	<u>1,236,815.70</u>
	Totals	<u>\$53,355,821.22</u>	<u>\$49,832,401.00</u>	<u>\$981,808.66</u>	<u>\$2,541,611.56</u>

PROPRIETARY FUNDS DETAIL STATEMENTS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

FOOD SERVICES FUND: This fund provides for the operation of food services in the school district.

MATERIALS FOR RESALE FUND: This fund is used to account for fees collected and expenses incurred for student services provided to the general public.

ELECTRONIC TECHNOLOGY TRAINING CENTER FUND: This fund is used to account for fees collected and expenses incurred for electronic technology training services provided to the general public.

DISTRICT INTERNET CONSORTIUM This fund is used to account for fees collected and expenses incurred for internet services provided to other districts.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
COMBINING STATEMENT OF NET ASSETS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
JUNE 30, 2012

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	ELECTRONIC TECHNOLOGY TRAINING CENTER	MATERIALS FOR RESALE FUND	FOOD SERVICE FUND	TOTAL NON-MAJOR FUNDS
ASSETS:				
Current assets:				
Cash and cash equivalents	\$ 394,442.72	\$ 289,604.62	\$ 91,060.29	\$ 775,107.63
Intergovernmental receivables:				
State			184.99	184.99
Federal			4,611.84	4,611.84
Inventories			2,389.44	2,389.44
Total current assets	394,442.72	289,604.62	98,246.56	782,293.90
Total assets	\$ 394,442.72	\$ 289,604.62	\$ 98,246.56	\$ 782,293.90
LIABILITIES:				
Current liabilities:				
Interfund payable	\$	\$ 5,000.00	\$ 56,886.70	\$ 61,886.70
Deferred revenue			1,434.81	1,434.81
Total current liabilities		5,000.00	58,321.51	63,321.51
Total liabilities		5,000.00	58,321.51	63,321.51
NET ASSETS:				
Unrestricted	394,442.72	284,604.62	39,925.05	718,972.39
Total net assets	\$ 394,442.72	\$ 284,604.62	\$ 39,925.05	\$ 718,972.39

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS - ENTERPRISE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	ELECTRONIC TECHNOLOGY TRAINING CENTER	MATERIALS FOR RESALE FUND	FOOD SERVICE FUND	TOTAL NON-MAJOR FUNDS
OPERATING REVENUES:				
Charges for services:				
Daily sales - reimbursable programs	\$	\$	\$ 246,481.73	\$ 246,481.73
Daily sales - non-reimbursable programs			5,793.66	5,793.66
Miscellaneous		78,129.61		78,129.61
Total operating revenues		78,129.61	252,275.39	330,405.00
OPERATING EXPENSES:				
Cost of sales			131,259.30	131,259.30
Salaries			144,066.84	144,066.84
Employee benefits			47,790.12	47,790.12
Cleaning, repairs & maintenance			1,744.82	1,744.82
Supplies and materials		42,661.66	12,116.72	54,778.38
Management fee			12,627.00	12,627.00
Miscellaneous			30,715.52	30,715.52
Total operating expenses		42,661.66	380,320.32	422,981.98
Operating income (loss)		35,467.95	(128,044.93)	(92,576.98)
NONOPERATING REVENUES (EXPENSES):				
State Sources:				
State School Lunch Program			3,277.22	3,277.22
Federal Sources:				
National School Breakfast Program			5,229.60	5,229.60
National School Lunch Program			73,052.98	73,052.98
National Food Distribution Commodities			19,863.23	19,863.23
Interest and investment revenue			5.97	5.97
Total nonoperating revenues (expenses)			101,429.00	101,429.00
Income (loss) before contributions & transfers		35,467.95	(26,615.93)	8,852.02
Change in net assets		35,467.95	(26,615.93)	8,852.02
Total net assets - beginning	394,442.72	249,136.67	66,540.98	710,120.37
Total net assets - ending	\$ 394,442.72	\$ 284,604.62	\$ 39,925.05	\$ 718,972.39

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	ELECTRONIC TECHNOLOGY TRAINING CENTER	MATERIALS FOR RESALE FUND	FOOD SERVICE FUND	TOTAL NON-MAJOR FUNDS
Cash flows from operating activities:				
Receipts from customers	\$	\$ 78,129.61	\$ 252,275.39	\$ 330,405.00
Payments to employees			(144,066.84)	(144,066.84)
Payments to employees benefits			(47,790.12)	(47,790.12)
Payments to suppliers		(42,661.66)	(202,302.02)	(244,963.68)
Net cash provided by (used for) operating activities)		35,467.95	(141,883.59)	(106,415.64)
Cash flows from noncapital financing activities:				
State Sources			3,321.59	3,321.59
Federal Sources			99,287.35	99,287.35
Net cash provided by noncapital financing activities:			102,608.94	102,608.94
Cash flows from investing activities:				
Interest and dividends			5.97	5.97
Net cash provided by (used for) investing activities			5.97	5.97
Net decrease in cash and cash equivalents		35,467.95	(39,268.68)	(3,800.73)
Cash and cash equivalents, July 1, 2011	394,442.72	254,136.67	130,328.97	778,908.36
Cash and cash equivalents, June 30, 2012	\$ 394,442.72	\$ 289,604.62	\$ 91,060.29	\$ 775,107.63
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$	\$ 35,467.95	\$ (128,044.93)	\$ (92,576.98)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:				
(Increase)/Decrease in inventories			1,777.55	1,777.55
Increase/(Decrease) in deferred revenue			(901.60)	(901.60)
Increase/(Decrease) in accounts payable			(14,714.61)	(14,714.61)
			(13,838.66)	(13,838.66)
Net cash provided by (used for) operating activities	\$	\$ 35,467.95	\$ (141,883.59)	\$ (106,415.64)

FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary Funds are used to account for funds received by the district for a specific purpose:

Rahway Project Fund: This expendable trust fund is used to account for assets donated by the Union County Utilities Authority that will provide for the payment of tuition for students from the City of Rahway.

Affirmative Action Training Fund: This expendable trust fund is used to account for assets donated by the Plainfield School District that will provide for the payment of tuition for students from the City of Plainfield.

Vocational Scholarship Fund : This expendable trust is used to account for donations received that are for student scholarships.

Agency Funds are used to account for assets held by the district as an agent for another party:

Student Activity Fund : This agency fund is used to account for student funds held at the schools.

Payroll Fund: This agency fund is used to account for the payroll transactions of the school district.

Federal Fund : This agency fund is used to account for receipts for PELL Grants

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2012

	TRUST FUNDS			AGENCY FUNDS			COMPARATIVE TOTALS	
	FLEXIBLE SPENDING	AFFIRMATIVE ACTION TRAINING	SCHOLARSHIP AND AWARDS	STUDENT ACTIVITY	FEDERAL FUNDS	PAYROLL DEDUCTIONS	JUNE 30	
							2012	2011
ASSETS:								
Cash and cash equivalents	\$869.02	\$762.82	\$16,676.12	\$191,338.97	\$100.00	\$1,192.21	\$210,939.14	\$194,897.89
Interfunds Receivable						170.14	170.14	170.14
Total assets	\$869.02	\$762.82	\$16,676.12	\$191,338.97	\$100.00	\$1,362.35	\$211,109.28	\$195,068.03
LIABILITIES:								
Interfund payable					\$100.00		\$100.00	\$100.51
Due to student groups				\$191,338.97			191,338.97	162,963.42
Payroll Deductions payable						\$1,362.35	1,362.35	178.91
Total liabilities				191,338.97	100.00	1,362.35	192,801.32	163,242.84
NET ASSETS:								
Reserved:								
For payment of claims	\$869.02						869.02	
For scholarships and awards		\$762.82	\$16,676.12				17,438.94	31,825.19
Total net assets	\$869.02	\$762.82	\$16,676.12				\$18,307.96	\$31,825.19

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	TRUST FUNDS				TOTAL
	RAHWAY PROJECT	FLEXIBLE SPENDING	AFFIRMATIVE ACTION TRAINING	SCHOLARSHIP AND AWARDS	
ADDITIONS:					
Contributions		\$2,266.81			\$2,266.81
Interest	\$4.60		\$0.23		4.83
Total additions	4.60	2,266.81	0.23		2,271.64
DEDUCTIONS					
Disbursement	14,391.08				14,391.08
Claims paid		1,397.79			1,397.79
Total deductions	14,391.08	1,397.79			15,788.87
Change in net assets	(14,386.48)		0.23		(13,517.23)
Net assets beginning of year	14,386.48		762.59	\$16,676.12	31,825.19
Net assets end of year		\$869.02	\$762.82	\$16,676.12	\$18,307.96

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>BALANCE</u> <u>JUNE 30, 2011</u>	<u>CASH</u> <u>RECEIPTS</u>	<u>CASH</u> <u>DISBURSE-</u> <u>MENTS</u>	<u>BALANCE</u> <u>JUNE 30, 2012</u>
Student activities funds	\$ <u>162,963.42</u>	\$ <u>268,267.58</u>	\$ <u>239,892.03</u>	\$ <u>191,338.97</u>
Total all schools	\$ <u><u>162,963.42</u></u>	\$ <u><u>268,267.58</u></u>	\$ <u><u>239,892.03</u></u>	\$ <u><u>191,338.97</u></u>

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>BALANCE</u> <u>JUNE 30, 2011</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2012</u>
ASSETS:				
Cash and cash equivalents	\$ 8.77	\$ 12,535,916.45	\$ 12,534,733.01	\$ 1,192.21
Interfunds receivable	<u>170.14</u>	<u> </u>	<u> </u>	<u>170.14</u>
Total assets	\$ <u>178.91</u>	\$ <u>12,535,916.45</u>	\$ <u>12,534,733.01</u>	\$ <u>1,362.35</u>
LIABILITIES:				
Payroll deductions and withholdings	\$ <u>178.91</u>	\$ <u>12,535,916.45</u>	\$ <u>12,534,733.01</u>	\$ <u>1,362.35</u>
Total liabilities	\$ <u>178.91</u>	\$ <u>12,535,916.45</u>	\$ <u>12,534,733.01</u>	\$ <u>1,362.35</u>

LONG-TERM DEBT SCHEDULES

The Long-Term schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under capital leases.

UNION COUNTY VOCATIONAL TECHNICAL SCHOOLS
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
AS OF JUNE 30, 2012

<u>SERIES</u>	<u>INTEREST RATE PAYABLE</u>	<u>AMOUNT OF ORIGINAL LEASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2011</u>	<u>DECREASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2012</u>
Energy Conservation Project	4.14%	\$ 3,153,082.50	\$ 754,793.42	\$ 369,619.44	\$ 385,173.98
Copier	6.30%	17,966.65	14,539.25	3,378.24	11,161.01
Copiers	4.80%	350,731.00	259,884.49	68,015.10	191,869.39
Copiers	5.30%	61,804.06	42,464.79	12,103.67	30,361.12
Copiers	5.00%	50,980.00	<u>44,171.42</u>	<u>9,511.84</u>	<u>34,659.58</u>
			<u>\$ 1,115,853.37</u>	<u>\$ 462,628.29</u>	<u>\$ 653,225.08</u>

STATISTICAL SECTION - UNAUDITED



UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
STATISTICAL SECTION

Contents

Page

Financial Trends:

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

J-1 to J-4

Revenue Capacity:

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

J-5 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.

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
NET ASSETS BY COMPONENT
UNAUDITED

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental activities									
Invested in capital assets, net of related debt	\$64,859,555.58	\$65,741,217.03	\$64,957,168.86	\$54,975,957.27	\$45,628,819.54	\$39,296,729.95	\$29,602,004.26	\$22,633,681.42	\$22,009,298.10
Restricted	4,499,112.40	4,581,829.92	4,493,008.93	14,919,160.11	2,172,333.18	3,791,943.98	16,457,287.26	2,626,138.97	4,759,532.46
Unrestricted (deficit)	(96,066.20)	(518,418.42)	(516,580.58)	(731,402.51)	(678,364.90)	2,362,619.78	(979,614.96)	(1,298,138.06)	(468,516.26)
Total governmental activities net assets	<u>\$69,262,601.78</u>	<u>\$69,804,628.53</u>	<u>\$68,933,597.21</u>	<u>\$69,163,714.87</u>	<u>\$47,122,787.82</u>	<u>\$45,451,293.71</u>	<u>\$45,079,676.56</u>	<u>\$23,961,682.33</u>	<u>\$26,300,314.30</u>
Business-type activities									
Unrestricted	<u>\$718,972.39</u>	<u>\$710,120.37</u>	<u>\$684,177.59</u>	<u>\$774,522.77</u>	<u>\$751,437.64</u>	<u>\$718,540.17</u>	<u>\$694,274.92</u>	<u>\$588,048.78</u>	<u>\$678,785.17</u>
Total business-type activities net assets	<u>\$718,972.39</u>	<u>\$710,120.37</u>	<u>\$684,177.59</u>	<u>\$774,522.77</u>	<u>\$751,437.64</u>	<u>\$718,540.17</u>	<u>\$694,274.92</u>	<u>\$588,048.78</u>	<u>\$678,785.17</u>
District-wide									
Invested in capital assets	\$64,859,555.58	\$65,741,217.03	\$64,957,168.86	\$54,975,957.27	\$45,628,819.54	\$39,296,729.95	\$29,602,004.26	\$22,633,681.42	\$22,009,298.10
Restricted	4,499,112.40	4,581,829.92	4,493,008.93	14,919,160.11	2,172,333.18	3,791,943.98	16,457,287.26	2,626,138.97	4,759,532.46
Unrestricted (deficit)	622,906.19	191,701.95	167,597.01	43,120.26	73,072.74	3,081,159.95	(285,340.04)	(710,089.28)	210,268.91
Total district net assets	<u>\$69,981,574.17</u>	<u>\$70,514,748.90</u>	<u>\$69,617,774.80</u>	<u>\$69,938,237.64</u>	<u>\$47,874,225.46</u>	<u>\$46,169,833.88</u>	<u>\$45,773,951.48</u>	<u>\$24,549,731.11</u>	<u>\$26,979,099.47</u>

Source: CAFR Schedule A-1

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
CHANGES IN NET ASSETS
UNAUDITED

	2012	2011	2010	2009	2008	2007	2006	2005	2004
EXPENSES									
Governmental activities									
Instruction:									
Vocational and Regular	\$12,123,252.72	\$11,225,220.48	\$11,865,527.47	\$10,339,610.97	10,142,143.81	\$9,271,996.51	\$7,190,139.03	\$6,648,026.81	\$5,602,418.83
Vocational and Special	1,298,647.84	1,277,958.97	873,843.42	975,655.45	828,615.56	2,041,983.06	2,160,863.99	1,818,103.24	1,767,598.66
Other instruction	231,359.27	195,378.95	183,486.96	167,293.14	119,147.37	97,722.56	115,114.36	115,260.22	107,678.29
Support Services:									
Student & instruction related services	1,553,794.41	1,543,850.53	1,920,837.71	1,966,986.34	1,864,626.49	2,001,075.68	2,178,137.99	1,968,068.12	1,330,946.76
General administrative services	868,475.22	937,043.34	974,858.48	783,564.48	730,331.48	701,163.61	770,473.96	776,007.22	801,147.77
School administrative services	1,219,368.22	1,124,111.40	1,187,201.17	1,083,904.91	997,640.86	815,866.99	809,140.66	574,686.51	629,053.18
Central services	720,555.41	779,784.76	802,438.59	774,581.32	733,430.30	807,131.30	694,797.40	31,500.00	
Plant operations and maintenance	4,920,996.61	4,910,225.59	4,660,407.70	4,510,473.88	3,997,852.67	3,025,928.03	2,838,861.88	2,634,107.45	2,266,706.36
Student transportation services	23,725.00	54,334.88	51,907.15	57,299.36	36,100.00	26,042.65	28,906.30	31,263.30	18,098.50
Business and other support services								618,223.24	654,842.84
Community Service operations								132,435.10	
Special schools	848,318.41	839,247.15	1,051,176.07	995,203.89	928,517.55	712,789.28	867,890.92	946,048.58	864,485.65
Interest on Long term Debt	42,191.71						47,553.29	49,004.50	48,700.50
Unallocated depreciation	2,704.56	2,704.56	2,704.56	1,464.99		2,424.66	844.40	1,796.40	15,816.72
Total governmental activities expenses	<u>23,853,389.38</u>	<u>22,889,860.61</u>	<u>23,574,389.28</u>	<u>21,656,038.73</u>	<u>20,378,406.09</u>	<u>19,504,124.33</u>	<u>17,702,724.18</u>	<u>16,344,530.69</u>	<u>14,107,494.06</u>
Business-type activities:									
Electronic Technology Training Center		1,400.00	32,406.95	15,913.61	26,828.33	46,406.75	65,811.79	156,020.62	100,972.68
Materials for Resale	42,661.66	33,914.48	45,336.25	32,778.00	22,198.12	74,610.04	80,071.41	82,058.70	46,393.60
Food Service	380,320.32	389,547.02	418,425.27	342,131.28	330,260.55	301,250.43	311,512.37	312,747.02	306,770.48
District Internet Consortium				98,618.09	109,407.45	68,997.29	95,809.69	148,373.02	92,319.49
Total business-type activities expense	<u>422,981.98</u>	<u>424,861.50</u>	<u>496,168.47</u>	<u>489,440.98</u>	<u>488,694.45</u>	<u>491,264.51</u>	<u>553,205.26</u>	<u>699,199.36</u>	<u>546,456.25</u>
Total district expenses	<u>\$24,276,371.36</u>	<u>\$23,314,722.11</u>	<u>\$24,070,557.75</u>	<u>\$22,145,479.71</u>	<u>\$20,867,100.54</u>	<u>\$19,995,388.84</u>	<u>\$18,255,929.44</u>	<u>\$17,043,730.05</u>	<u>\$14,653,950.31</u>
PROGRAM REVENUES									
Governmental activities:									
Charges for Services	\$9,913,716.74	\$9,758,082.98	\$8,496,720.34	\$8,496,720.34	\$7,583,188.57	\$7,444,027.98	\$6,891,618.44	\$5,181,382.06	\$5,010,810.40
Operating grants and contributions	2,853,308.77	2,572,616.82	3,249,259.86	3,249,259.86	3,371,816.76	1,285,124.25	775,633.18	658,743.83	661,086.60
Total governmental activities program revenues	<u>12,767,025.51</u>	<u>12,330,699.80</u>	<u>11,745,980.20</u>	<u>11,745,980.20</u>	<u>10,955,005.33</u>	<u>8,729,152.23</u>	<u>7,667,251.62</u>	<u>5,840,125.89</u>	<u>5,671,897.00</u>
Business-type activities:									
Charges for services									
Electronic Technology Training Center		2,578.00	62,628.00	62,628.00	56,576.00	26,447.00	98,917.00	76,522.50	78,467.03
Materials for Resale	78,129.61	87,153.28	34,040.22	34,040.22	23,153.25	46,879.97	54,630.58	74,010.89	68,866.75
Food Service	252,275.39	235,760.05	232,144.18	232,144.18	181,944.19	182,545.34	171,680.47	121,652.32	127,418.87
District Internet Consortium			11,550.00	11,550.00	80,850.00	101,700.00	105,600.00	129,525.00	117,825.00
Operating grants and contributions	101,423.03	105,289.88	72,514.64	72,514.64	38,246.91	27,133.99	15,008.32		
Total business-type activities program revenues	<u>431,828.03</u>	<u>430,781.21</u>	<u>412,877.04</u>	<u>412,877.04</u>	<u>380,770.35</u>	<u>384,706.30</u>	<u>445,836.37</u>	<u>401,710.71</u>	<u>392,577.65</u>
Total district program revenues	<u>\$13,198,853.54</u>	<u>\$12,761,481.01</u>	<u>\$12,158,857.24</u>	<u>\$12,158,857.24</u>	<u>\$11,335,775.68</u>	<u>\$9,113,858.53</u>	<u>\$8,113,087.99</u>	<u>\$6,241,836.60</u>	<u>\$6,064,474.65</u>

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
CHANGES IN NET ASSETS
UNAUDITED

	2012	2011	2010	2009	2008	2007	2006	2005	2004
NET (EXPENSE)/REVENUE									
Governmental activities	(\$11,086,363.87)	(\$10,559,160.81)	(\$10,846,197.08)	(\$11,828,409.08)	(\$9,910,058.53)	(\$10,774,972.10)	(\$10,035,472.56)	(\$10,504,404.80)	(\$8,435,597.06)
Business-type activities	8,846.05	5,919.71	(90,360.54)	(83,291.43)	(76,563.94)	(106,558.21)	(107,368.89)	(297,488.65)	(153,878.60)
Total district-wide net expense	<u>(\$11,077,517.82)</u>	<u>(\$10,936,557.62)</u>	<u>(\$10,936,557.62)</u>	<u>(\$11,911,700.51)</u>	<u>(\$9,986,622.47)</u>	<u>(\$10,881,530.31)</u>	<u>(\$10,142,841.45)</u>	<u>(\$10,801,893.45)</u>	<u>(\$8,589,475.66)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS									
Governmental activities:									
Property taxes levied for general purposes, net	\$4,332,048.00	\$4,280,680.00	\$4,156,000.00	\$4,034,250.00	4,034,250.00	\$3,879,087.00	\$3,747,910.00	\$3,656,500.00	\$3,550,000.00
Unrestricted grants and contributions	5,441,637.00	4,996,527.00	4,441,242.00	5,485,198.95	3,642,752.60	3,257,303.45	3,293,931.00	3,171,100.97	2,830,382.89
Restricted grants and contributions	141,577.34	254,116.59	155,891.12	76,435.58	113,226.34	2,403,506.81	2,351,344.09	2,188,790.42	1,714,261.75
County of Union	1,165,208.22	1,407,466.13	1,400,000.00	21,600,000.00	2,350,000.00	1,300,000.00	1,500,000.00	324,930.83	6,602,127.58
Miscellaneous income	395,659.67	502,400.09	465,141.26	416,414.30	445,847.75	437,023.54	468,056.71	497,078.10	512,343.54
Transfers				(99,575.56)	(101,166.23)	(130,331.55)	(213,269.79)	(206,721.27)	(196,141.33)
Disposal of Capital Assets (Net)	(931,793.11)	(10,997.68)	(2,194.96)	(14,667.97)				(102,612.27)	(126,699.86)
Total governmental activities	<u>10,544,337.12</u>	<u>10,616,079.42</u>	<u>10,616,079.42</u>	<u>31,498,055.30</u>	<u>10,484,910.46</u>	<u>11,146,589.25</u>	<u>11,147,972.01</u>	<u>9,529,066.78</u>	<u>14,886,274.57</u>
Business-type activities:									
Miscellaneous Income	5.97	23.07	15.36	73.51	365.34	491.91	325.24	30.76	32.56
Transfers				99,575.56	101,166.23	130,331.55	213,269.79	206,721.27	196,141.33
Total business-type activities	<u>5.97</u>	<u>15.36</u>	<u>15.36</u>	<u>99,649.07</u>	<u>101,531.57</u>	<u>130,823.46</u>	<u>213,595.03</u>	<u>206,752.03</u>	<u>196,173.89</u>
Total district-wide	<u>\$10,544,343.09</u>	<u>\$10,616,094.78</u>	<u>\$10,616,094.78</u>	<u>\$31,597,704.37</u>	<u>\$10,586,442.03</u>	<u>\$11,277,412.71</u>	<u>\$11,361,567.04</u>	<u>\$9,735,818.81</u>	<u>\$15,082,448.46</u>
CHANGE IN NET ASSETS									
Governmental activities	(\$542,026.75)	\$56,918.61	(\$230,117.66)	(\$230,117.66)	\$19,669,646.22	\$371,617.15	\$1,112,499.45	(\$975,338.02)	\$6,450,677.51
Business-type activities	8,852.02	5,935.07	(90,345.18)	(90,345.18)	16,357.64	24,265.25	106,226.14	(90,736.62)	42,295.29
Total district	<u>(\$533,174.73)</u>	<u>(\$320,462.84)</u>	<u>(\$320,462.84)</u>	<u>(\$320,462.84)</u>	<u>\$19,686,003.86</u>	<u>\$395,882.40</u>	<u>\$1,218,725.59</u>	<u>(\$1,066,074.64)</u>	<u>\$6,492,972.80</u>

Source: CAFR Schedule A-2

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
 FUND BALANCES - GOVERNMENTAL FUNDS
 UNAUDITED

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General fund:									
Reserved			\$1,550,667.68	\$1,809,991.58	225,835.36	\$181,285.37	\$26,799.33	\$1,539,445.02	\$1,903,569.57
Restricted	\$1,957,500.84	\$1,771,440.78							
Assigned	606,091.40	\$177,960.11							
Unassigned	644,044.40	\$657,381.47							
Unreserved			532,865.82	587,108.50	788,183.87	1,068,253.19	665,366.75	276,284.24	753,474.83
Total general fund	<u>\$3,207,636.64</u>	<u>\$2,606,782.36</u>	<u>\$2,083,533.50</u>	<u>\$2,397,100.08</u>	<u>\$1,014,019.23</u>	<u>\$1,249,538.56</u>	<u>\$692,166.08</u>	<u>\$1,815,729.26</u>	<u>\$2,657,044.40</u>
All other governmental funds:									
Reserved					\$18,943.58	\$2,775,563.90	\$16,728,503.71		
Restricted	\$2,292,866.72	\$2,358,212.00							
Committed	248,744.84	\$452,177.14							
Unreserved, reported in:									
Special revenue fund (deficit)					(904.05)	(904.05)	(\$904.05)	(\$904.05)	(\$904.05)
Capital projects fund			\$3,241,850.85	\$13,199,074.89	1,946,738.27	3,609,917.37	3,703,330.00	1,087,598.00	3,262,764.00
Total all other governmental funds	<u>\$2,541,611.56</u>	<u>\$2,810,389.14</u>	<u>\$3,241,850.85</u>	<u>\$13,199,074.89</u>	<u>\$1,964,777.80</u>	<u>\$6,384,577.22</u>	<u>\$20,430,929.66</u>	<u>\$1,086,693.95</u>	<u>\$3,261,859.95</u>

Source: CAFR Schedule B-1

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
UNAUDITED

	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues									
Tax levy	\$4,332,048.00	\$4,280,680.00	\$4,156,000.00	\$4,034,250.00	\$4,034,250.00	\$3,879,087.00	\$3,747,910.00	\$3,656,500.00	\$3,550,000.00
County of Union	1,165,208.22	1,407,466.13	1,400,000.00	21,600,000.00	2,350,000.00	1,300,000.00	1,500,000.00	324,930.83	6,602,127.58
Tuition from LEA	9,264,875.00	8,971,975.00	8,430,075.00	7,795,300.00	7,064,525.00	6,789,050.00	6,299,765.00	4,970,775.00	4,514,700.00
Other tuition	648,841.74	786,107.98	865,455.51	701,420.34	518,663.57	654,977.98	591,853.44	310,607.06	496,110.40
Miscellaneous	475,068.05	551,785.08	502,180.17	416,646.30	446,174.14	601,470.48	441,699.34	475,597.08	512,343.54
Interest on capital reserve			4.00	3.00	673.61	170.38	26,357.37	21,481.02	
State sources	7,206,048.83	6,634,631.29	5,892,541.86	7,736,063.48	6,555,924.28	5,200,121.21	5,654,001.05	5,158,220.25	4,386,081.48
Federal sources	1,151,065.90	1,139,244.13	2,100,210.04	1,074,595.91	570,871.42	1,581,195.98	766,907.22	777,691.12	819,649.76
Total revenue	<u>24,243,155.74</u>	<u>23,346,466.58</u>	<u>23,346,466.58</u>	<u>43,358,279.03</u>	<u>21,541,082.02</u>	<u>20,006,073.03</u>	<u>19,028,493.42</u>	<u>15,695,802.36</u>	<u>20,881,012.76</u>
Expenditures									
Instruction									
Regular vocational programs - instruction	8,754,466.40	7,823,494.32	8,701,604.15	7,626,888.58	7,490,803.19	6,973,824.75	5,113,038.71	4,611,965.72	3,937,222.28
Special vocational programs - instruction	1,065,555.88	1,062,980.69	663,384.98	779,083.71	632,915.08	624,423.10	1,848,285.28	1,657,524.56	1,631,139.95
Other instruction	209,368.47	178,410.00	167,269.50	152,548.44	102,169.59	80,986.03	104,429.40	106,371.77	100,234.48
Support services									
Student and instruction related services	1,293,774.50	1,311,550.75	1,687,879.19	1,766,533.66	1,661,645.70	1,800,160.72	1,931,464.80	1,641,129.93	1,091,630.88
General administrative services	459,298.24	529,542.68	590,986.31	466,538.08	469,322.76	429,237.21	441,838.92	430,711.49	452,103.88
School administrative services	885,960.67	836,381.49	904,175.31	784,460.75	610,849.59	604,589.68	542,596.86	525,671.39	544,416.68
Business and other support services									
Central services	606,356.48	635,351.86	654,365.57	642,277.82	543,835.78	578,225.80	609,317.70	31,500.00	595,292.36
Plant operations and maintenance	3,290,573.58	3,442,522.97	3,208,107.34	3,075,717.09	2,743,692.48	2,364,365.78	2,344,320.15	2,180,187.57	1,856,065.31
Student transportation services	23,725.00	54,334.88	51,907.15	57,299.36	36,100.00	26,042.65	28,906.30	31,263.30	18,098.50
Unallocated employee benefits	4,587,791.64	4,222,205.41	4,118,250.98	3,618,922.44	3,782,162.26	3,695,539.73	2,959,189.83	2,620,330.52	2,225,003.76
Capital outlay	2,210,504.75	3,092,074.26	12,475,122.19	10,931,326.89	7,366,464.43	11,725,344.07	7,961,063.42	3,189,689.68	8,758,201.74
Special schools	523,703.43	542,233.15	762,902.18	736,757.18	655,273.68	461,981.92	710,594.51	799,665.61	763,376.23
Community service operations								132,435.10	
Total expenditures	<u>23,911,079.04</u>	<u>33,985,954.85</u>	<u>33,985,954.85</u>	<u>30,638,354.00</u>	<u>26,095,234.54</u>	<u>29,364,721.44</u>	<u>24,595,045.88</u>	<u>18,373,127.13</u>	<u>21,972,786.05</u>
Excess (deficiency) of revenues over (under) expenditures	332,076.70	(10,639,488.27)	(10,639,488.27)	12,719,925.03	(4,554,152.52)	(9,358,648.41)	(5,566,552.46)	(2,677,324.77)	(1,091,773.29)
Other financing sources (uses)									
Capital leases		50,980.00	368,697.65						
Transfers out				(99,575.56)	(101,166.23)	(130,331.55)	(213,269.79)	(206,721.27)	(196,141.33)
Total other financing sources (uses)		<u>368,697.65</u>	<u>368,697.65</u>	<u>(99,575.56)</u>	<u>(101,166.23)</u>	<u>(130,331.55)</u>	<u>(213,269.79)</u>	<u>(206,721.27)</u>	<u>(196,141.33)</u>
Net change in fund balances	<u>\$332,076.70</u>	<u>(\$10,270,790.62)</u>	<u>(\$10,270,790.62)</u>	<u>\$12,620,349.47</u>	<u>(\$4,655,318.75)</u>	<u>(\$9,488,979.96)</u>	<u>(\$5,779,822.25)</u>	<u>(\$2,884,046.04)</u>	<u>(\$1,287,914.62)</u>

Source: CAFR Schedule B-2

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Evening School</u> <u>Fees</u>	<u>Reimbursement of</u> <u>Costs</u>	<u>PSE & G</u> <u>Reimbursement</u>	<u>Miscellaneous</u>	<u>Total</u>
2012	\$ 56,230.00	\$	\$ 242,259.68	\$ 203,910.41	\$ 502,400.09
2011	60,310.00	68,251.00	251,436.52	122,402.57	502,400.09
2010	57,290.00		265,383.20	142,464.06	465,137.26
2009	60,150.00		252,526.64	103,734.66	416,411.30
2008	62,890.00		269,910.81	113,373.33	446,174.14
2007	63,700.00		224,545.83	148,607.33	436,853.16
2006	51,760.00	65,905.74	222,246.15	101,787.45	441,699.34
2005	50,325.00	28,993.27	201,259.32	195,019.49	475,597.08
2004	64,052.00	91,528.97	184,000.00	176,948.82	516,529.79
2003	62,280.00	13,518.34	95,367.49	102,271.65	273,437.48

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
PROPERTY TAX LEVIES AND COLLECTIONS
UNAUDITED

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for the <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2012	\$4,332,048.00	\$4,332,048.00	100.00%	\$0.00
2011	4,280,680.00	4,280,680.00	100.00%	0.00
2010	4,156,000.00	4,156,000.00	100.00%	0.00
2009	4,034,250.00	4,034,250.00	100.00%	0.00
2008	4,034,250.00	4,034,250.00	100.00%	0.00
2007	3,879,087.00	3,879,087.00	100.00%	0.00
2006	3,747,910.00	3,747,910.00	100.00%	0.00
2005	3,656,500.00	3,656,500.00	100.00%	0.00
2004	3,550,000.00	3,550,000.00	100.00%	0.00
2003	3,550,000.00	3,550,000.00	100.00%	0.00

Source: District records.

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
UNAUDITED

Function/Program	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Instruction:							
Vocational, Regular and Special Education	127	127	124	121	119	115	112
Support Services:							
Student & instruction related services	9	8	8	8	8	8	8
General administrative services	2	2	2	2	2	2	2
School administrative services	6	6	6	6	5	5	5
Central services	21	21	21	21	21	21	21
Administration information technology	1	1	1	1	1	1	1
Plant operations and maintenance	13	10	20	20	20	20	20
Total	<u>179</u>	<u>175</u>	<u>182</u>	<u>179</u>	<u>176</u>	<u>172</u>	<u>169</u>

Source: District Personnel Records

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
OPERATING STATISTICS
UNAUDITED

<u>Fiscal Year</u>	<u>Enrollment (d)</u>	<u>Operating Expenditures (a)</u>	<u>Cost Per Pupil</u>	<u>% Change</u>	<u>Teaching Staff (b)</u>	<u>Teacher/Pupil Ratio</u>	<u>Average Daily Enrollment (c)</u>	<u>Average Daily Attendance (c)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2012	1,549	\$21,700,574.20	\$14,009.41	2.02%	127	1:12	1,542	1,460	-1.00%	94.68%
2011	1,503	20,639,008.20	13,731.88	-8.98%	125	1:12	1,587	1,481	-8.00%	93.32%
2010	1,408	21,241,057.13	15,085.98	-3.12%	124	1:11	1,725	1,618	20.97%	93.80%
2009	1,302	20,274,718.57	15,571.98	-4.22%	121	1:11	1,426	1,348	9.69%	94.53%
2008	1,187	19,298,563.56	16,258.27	3.59%	119	1:10	1,300	1,228	14.94%	94.46%
2007	1,148	18,018,369.00	15,695.44	22.05%	115	1:12	1,131	1,063	9.38%	93.99%
2006	1,322	17,001,164.75	12,860.19	-7.84%	112	1:12	1,034	983	-9.85%	95.07%
2005	1,147	16,005,465.40	13,954.20	12.94%	156	1:11	1,147	1,079	4.50%	94.10%
2004	1,112	13,739,266.47	12,355.46	-5.60%	139	1:14	1,098	1,015	11.32%	92.46%
2003	963	12,604,380.44	13,088.66	11.30%	126	1:14	986	917	4.23%	93.02%

Sources: District records

Note: Enrollment based on annual October district count.

(a) Operating expenditures equal total expenditures less capital outlay.

(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).

(d) Enrollment obtained from fall survey system report.

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
SCHOOL BUILDING INFORMATION
UNAUDITED

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>District Buildings</u>									
Union County Vocational - 1965									
West Hall									
Square Feet	190,639	190,639	190,689	190,689	190,689	178,689	178,689	178,689	178,689
Capacity (students - full time)	1,130	1,130	1,130	1,130	1,130	1,060	1,060	1,060	1,060
Enrollment *	844	880	845	759	810	715	897	728	824
Mancuso Hall - 1997									
Square Feet	46,438	46,438	46,438	46,438	46,438	46,438	46,438	46,438	46,438
Capacity (students - full time)	428	428	428	428	428	428	428	428	428
Enrollment *	286	279	274	270	283	283	292	279	274
Bistocchi Hall - 2004									
Square Feet	67,900	67,900	67,900	67,900	67,900	67,900	67,900	67,900	67,900
Capacity (students - full time)	518	518	518	518	518	518	518	518	518
Enrollment *	505	495	470	457	416	416	470	314	214
Baxel Hall - 2008									
Square Feet	54,843	54,843	54,834	54,834	54,834	54,834			
Capacity (students - full time)	498	498	498	498	498	498			
Enrollment **	250	256	353	287	180				
APA Building - 2010									
Square Feet	42,451	42,451							
Capacity (students - full time)	385	385							
Enrollment	142	143							

* full and share-time students

** AAHS and APA Students

Number of Schools at June 30, 2012

Union County Technical High School = 1

Magnet High School = 1

Academy for Information Technology = 1

Academy for Allied Health Sciences = 1

Adult High School = 1

APA Building+1

Number of Buildings-5

Source: District records

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

UNION COUNTY VOCATIONAL AND TECHNICAL SCHOOLS
SCHEDULE OF REQUIRED MAINTENANCE
UNAUDITED

Undistributed expenditures - Required maintenance for school facilities - 11-000-261-XXX

School Facilities * Project #(s)	<u>Total</u>	<u>Mancuso Hall</u>	<u>West Hall</u>	<u>Bistocchi Hall</u>	<u>Baxel Hall</u>	<u>APA Building</u>
2012	\$ 1,005,981.00	\$ 158,938.00	\$ 516,721.00	\$ 187,558.00	\$ 117,237.00	\$ 25,527.00
2011	1,577,948.00	249,493.00	810,631.00	294,760.00	183,064.00	40,000.00
2010	1,469,001.47	249,730.25	690,430.69	308,490.31	220,350.22	
2009	1,304,156.00	169,540.00	691,203.00	247,790.00	195,623.00	
2008	1,119,705.00	212,744.00	559,853.00	257,532.00	89,576.00	
2007	972,469.34	188,216.00	505,089.00	228,513.00	83,554.00	
2006	972,469.34	252,842.02	544,582.84	175,044.48		
2005	984,705.00	276,705.00	588,000.00	120,000.00		
2004	689,461.70	267,996.47	421,465.23			
Total School Facilities	\$ 10,095,896.85	\$ 2,026,204.74	\$ 5,327,975.76	\$ 1,819,687.79	\$ 889,404.22	\$ 65,527.00

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

Source: District records

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
INSURANCE SCHEDULE
JUNE 30, 2012
UNAUDITED

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
<u>Property and Casualty:</u>		
Building and Contents including Equipment Breakdown	\$100,000,000	\$1,000
Commercial General Liability	1,000,000	N/A
Boiler and Machinery Blanket Property Limit	100,000,000	1,000
Crime - Blanket Employee Dishonesty	500,000	5,000
- Forgery or Alteration	50,000	1,000
School Board Legal Liability E & O	1,000,000	
<u>Public Officials Bonds:</u>		
Peter Capodice - Board Secretary/Business Administrator	250,000	N/A
Edward Mellage - Treasurer of School Monies	250,000	N/A
<u>Accidental Death & Dismemberment</u>		
Principal Sum	100,000	N/A
Aggregate	500,000	N/A
<u>Environmental Impairment Liability - Site Specific</u>		
Each Occurrence	1,000,000	N/A
Aggregate	3,000,000	N/A
Program Aggregate	20,000,000	15,000.00
<u>Storage Tank Liability</u>		
Policy Aggregate	1,000,000	
Each Occurrence	1,000,000	
Defense Cost Expense Limit	250,000	
Deductible - Per Claim		5,000

Source: Union County Vocational Technical Schools - Board of Education

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SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

EXHIBIT "K-1"

308 East Broad Street, Westfield, New Jersey 07090-2122

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Honorable President and Members
of the Board of Education
Union County Vocational-Technical Schools
County of Union
Scotch Plains, New Jersey 07076

We have audited the basic financial statements of the Union County Vocational-Technical Schools, County of Union, New Jersey as of and for the fiscal year ended June 30, 2012, and have issued our report thereon dated November 4, 2012. We conducted our audit in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Union County Vocational-Technical Schools, County of Union, New Jersey internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements but not for the purpose of expressing an opinion on the effectiveness of the Union County Vocational-Technical Schools internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Union County Vocational-Technical Schools 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 possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

SUPLEE, CLOONEY & COMPANY

Our consideration of the internal control over financial reporting was limited for the 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 Union County Vocational-Technical Schools basic 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 basic 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.

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


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 93

November 4, 2012



SUPLEE, CLOONEY & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

EXHIBIT "K-2"

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL
AND STATE FINANCIAL ASSISTANCE PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04**

Honorable President and Members
of the Board of Education
Union County Vocational-Technical Schools
County of Union
Scotch Plains, New Jersey 07076

Compliance

We have audited the compliance of the Union County Vocational-Technical Schools with the types of compliance requirements described in the New Jersey State Grant Compliance Supplement that are applicable to each of its major federal and state programs for the year ended June 30, 2012. The Union County Vocational-Technical Schools 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 Union County Vocational-Technical Schools management. Our responsibility is to express an opinion on Union County Vocational-Technical Schools compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions 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 Union County Vocational-Technical Schools 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 Union County Vocational-Technical Schools compliance with those requirements.

SUPLEE, CLOONEY & COMPANY

In our opinion, the Union County Vocational-Technical Schools complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2012.

Internal Control Over Compliance

The management of the Union County Vocational-Technical Schools 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 Union County Vocational-Technical Schools internal control over compliance with requirements that could have a direct and material effect on a major federal and 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 Union County Vocational-Technical Schools internal control over compliance.

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

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

This report is intended solely for the information and use of management and the Board of Education of the Union County Vocational-Technical Schools, the New Jersey State Department of Education and federal and state audit awarding agencies and is not intended to be and should not be used by anyone other than these specified parties


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 93

November 4, 2012

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEARS ENDED JUNE 30, 2012

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30, 2011	PRIOR PERIOD ADJUSTMENTS	BALANCE AT JUNE 30, 2011	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEAR'S BALANCE	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2012	DEFERRED REVENUE AT JUNE 30, 2012	DUE TO GRANTOR AT JUNE 30, 2012
Special Revenue Funds:												
U.S. Department of Education												
Passed-Through State Department of Education:												
No Child Left Behind:												
Title I	84.010	9/1/11-8/31/12	\$ 121,232.00	\$	\$	\$	103,971.00	\$ (121,041.22)	\$	(17,070.22)	\$	\$
Title I	84.010	9/1/10-8/31/11	125,201.00	(33,390.00)		(33,390.00)	33,390.00					
Title I ARRA	84.389	9/1/09-8/31/10	34,366.00	182.36		182.36	272.00	(454.36)				
Title II A	84.281	9/1/11-8/31/12	16,040.00				11,447.00	(11,447.03)		(0.03)		
Title II A	84.281	9/1/11-8/31/12	11,441.00									
IDEA Part B Basic	84.027	9/1/11-8/31/12	209,050.00				177,446.00	(189,511.55)		(12,065.55)		
IDEA Part B Basic	84.027	9/1/10-8/31/11	193,190.33	(68,824.33)		(68,824.33)	70,201.00	(1,155.84)			220.83	
IDEA Part B Basic ARRA	84.391	9/1/09-8/31/10	289,001.00	(57,026.31)		(57,026.31)	67,909.00	(10,882.60)			0.09	
Vocational Education - Secondary	84.048	7/1/11-6/30/12	326,210.00				305,446.00	(326,210.00)		(20,764.00)		
Vocational Education - Post Secondary	84.048	7/1/11-6/30/12	216,314.00					(216,314.00)		(88,158.00)		
Vocational Education - Secondary	84.048	7/1/10-6/30/11	323,798.00	(173,129.00)	864.00	(172,265.00)	173,129.00				864.00	
Vocational Education - Post Secondary	84.048	7/1/10-6/30/11	83,454.00	(25,427.00)		(25,427.00)	25,427.00					
Tech-Prep	84.243	9/1/09-8/30/10	240,000.00	0.24		0.24		(0.24)				
Tech-Prep	84.243	9/1/08-8/31/09	240,000.00	0.37		0.37		(0.37)				
Passed-Through Union County College:												
Adult Basic Education	84.002	7/1/11-6/30/12	30,000.00				28,030.00	(30,000.00)		(1,970.00)		
Adult Basic Education	84.002	7/1/07-6/30/08	107,900.00	1,559.85		1,559.85					1,559.85	
Adult Basic Education	84.002	7/1/10-6/30/11	40,000.00	(22,569.15)		(22,569.15)	22,569.15					
Adult Basic Education	84.002	7/1/08-6/30/09	28,000.00	(4,176.00)		(4,176.00)				(4,176.00)		
Passed-Through County of Union:												
WIA Youth Year Round Program	17.250	7/1/08-6/30/09	53,760.00	10,752.00		10,752.00					10,752.00	
WIA Youth Year Round Program	17.250	7/1/09-6/30/10	97,163.00	683.09		683.09					683.09	
WIA Green Skills Green Jobs Solar	17.279	7/1/10-6/30/11	100,000.00	(65,534.60)		(65,534.60)	100,000.00	(34,465.40)				
Elizabeth Community Development Block Grant	14.218	9/1/10-8/31/11	10,000.00	(10,000.00)		(10,000.00)	10,000.00					
Total Special Revenue Fund				<u>(446,898.48)</u>	<u>864.00</u>	<u>(446,034.48)</u>	<u>1,297,393.15</u>	<u>(941,482.61)</u>		<u>(144,203.80)</u>	<u>14,079.86</u>	

See accompanying notes to schedules of financial assistance.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEARS ENDED JUNE 30, 2012

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30, 2011	PRIOR PERIOD ADJUSTMENTS	BALANCE AT JUNE 30, 2011	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEAR'S BALANCE	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2012	DEFERRED REVENUE AT JUNE 30, 2012	DUE TO GRANTOR AT JUNE 30, 2012					
Enterprise Fund:																	
U.S. Department of Agriculture																	
Passed-Through State Department of Education:																	
Food Distribution Commodities Program	10.550	7/1/11-6/30/12	\$ 18,961.63	\$	\$	\$	18,961.63	(17,526.82)	\$	\$	1,434.81	\$					
Food Distribution Commodities Program	10.550	7/1/10-6/30/11	18,059.27	2,336.41		2,336.41		(2,336.41)									
National School Breakfast Program	10.553	7/1/11-6/30/12	5,229.60				4,882.67	(5,229.60)		(346.93)							
National School Breakfast Program	10.553	7/1/10-6/30/11	6,835.10	(487.96)		(487.96)	487.96										
National School Lunch Program	10.555	7/1/10-6/30/11	77,200.62	(5,265.42)		(5,265.42)	5,265.42										
National School Lunch Program	10.555	7/1/11-6/30/12	73,052.98				68,788.07	(73,052.98)		(4,264.91)							
Total Enterprise Fund				<u>(3,416.97)</u>		<u>(3,416.97)</u>	<u>98,385.75</u>	<u>(98,145.81)</u>		<u>(4,611.84)</u>	<u>1,434.81</u>						
Fiduciary Fund:																	
United States Department of Education:																	
Trust and Agency Funds:																	
Pell Grant	84.063	7/1/11-6/30/12	319,659.50				319,659.50	(319,659.50)									
Total Fiduciary Fund							<u>319,659.50</u>	<u>(319,659.50)</u>									
Total Federal Financial Assistance			\$	<u>(450,315.45)</u>	\$	<u>864.00</u>	\$	<u>(449,451.45)</u>	\$	<u>1,675,438.40</u>	\$	<u>(1,359,287.92)</u>	\$	<u>(148,815.64)</u>	\$	<u>15,514.67</u>	\$

See accompanying notes to schedules of financial assistance.

UNION COUNTY VOCATIONAL-TECHNICAL SCHOOLS
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	BALANCE AT JUNE 30, 2011			ADJUSTED BALANCE AT JUNE 30, 2011		BALANCE AT JUNE 30, 2012			MEMO CUMULATIVE								
			AWARD AMOUNT	DEFERRED REVENUE ACC'TS RECEIVABLE	DUE TO GRANTOR	PRIOR PERIOD ADJUSTMENTS	JUNE 30, 2011	CARRYOVER	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	(ACCOUNTS RECEIVABLE)	DEFERRED REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	TOTAL EXPENDITURES			
State Department of Education																			
General Funds																			
Special Education Aid	12-495-034-5120-011	7/1/11-6/30/12	\$865,955.00	\$	\$	\$	\$	\$ 865,955.00	(\$865,855.00)	\$	\$	\$	\$	\$	\$ 865,955.00				
Equalization Aid	12-495-034-5120-078	7/1/11-6/30/12	4,221,607.00					3,696,719.00	(4,221,607.00)					524,888.00	4,221,607.00				
Reimbursed TPAF Social Security Contributions	11-100-034-5085-051	7/1/10-6/30/11	684,169.84	(66,223.74)			(66,223.74)	66,223.74							684,169.84				
Reimbursed TPAF Social Security Contributions	12-100-034-5085-051	7/1/11-6/30/12	683,441.74					551,674.69	(683,441.74)				(131,767.05)	131,767.05	683,441.74				
Total General Funds				(66,223.74)			(66,223.74)	5,160,572.43	(5,771,003.74)				(656,655.05)	656,655.05	6,455,173.58				
Special Revenue Fund:																			
Distance Learning Network	00-495-034-5120-040	9/1/99-8/31/00	21,829.00	2,173.00			2,173.00								19,656.00				
Distance Learning Network	01-495-034-5120-040	9/1/00-8/31/01	25,979.00	609.00			609.00							609.00	25,370.00				
Apprentice Coordinator	06-100-034-5062-032	9/1/07-8/31/08	53,541.00	(0.96)			(0.96)	0.96							53,541.00				
Apprentice Coordinator	11-100-034-5062-032	9/1/10-8/31/11	18,990.00	(7,337.62)			(7,337.62)	7,337.62							18,990.00				
Apprentice Coordinator	12-100-034-5062-032	9/1/11-8/31/12	17,891.00					10,956.75	(17,891.00)				(6,934.25)	6,934.25	17,891.00				
Weatherization		9/1/10-8/31/11	31,320.60	5.35			5.35		(5.35)						31,620.60				
Youth Transitions to Work Partnership Program:																			
Carpenter	N/A	7/1/04-6/30/05	2,394.53	154.33			154.33		(154.33)						2,394.53				
Carpenter	N/A	7/1/05-6/30/06	1,120.00	451.24			451.24		(451.24)						1,120.00				
Carpenter's Apprentice	WDP-05-06-014	7/1/05-6/30/06	150,000.00	273.15			273.15		(273.15)						150,000.00				
Carpenter's Apprentice	WDP-05-08-014	10/1/08-9/30/09	190,000.00	0.42			0.42		(0.42)						190,000.00				
N.J. Department of Labor Workforce Development Partnership:																			
Women & Minorities in Construction Trades	WDP - 04 - 007	8/1/01-5/30/02	64,004.00	100.00			100.00		(100.00)						64,004.00				
Juvenile Justice Commission	FY93/2X	7/1/01-6/30/02	240,000.00	24.03			24.03		(24.03)						240,000.00				
N.J. Youth Corps Plainfield	04-100-054-6030-200	9/1/03-8/31/04	251,270.00	96.56			96.56		(96.56)						251,270.00				
N.J. Youth Corps Plainfield	05-100-054-6030-200	9/1/04-8/31/05	45.15	45.15			45.15		(45.15)						45.15				
N.J. Youth Corps Plainfield	06-100-054-6030-200	9/1/05-8/31/06	332,700.00	9,040.54			9,040.54								323,659.46				
N.J. Youth Corps Elizabeth	04-100-054-6030-200	9/1/03-8/31/04	191,670.00	472.97			472.97		(472.97)			9,040.54			191,670.00				
N.J. Youth Corps Elizabeth	05-100-054-6030-200	9/1/04-8/31/05	191,670.00	63.89			63.89		(63.89)						191,670.00				
N.J. Youth Corps Elizabeth		9/1/10-8/31/11	297,127.00	(2,000.00)			(2,000.00)	2,000.00							297,127.00				
N.J. Youth Corps Elizabeth	12-100-054-6030-200	9/1/11-8/31/12	396,088.00					366,776.00	(396,088.00)			(29,312.00)		29,312.00	396,088.00				
N.J. Youth Corps	05-100-054-6030-200	9/1/04-8/31/05	900.00	500.00			500.00		(500.00)						900.00				
N.J. Youth Corps DDD RPR			26,840.00	13,450.76			13,450.76							13,450.76	13,189.24				
Total Special Revenue Fund				18,121.81			18,121.81	387,071.33	(416,165.09)			(36,246.25)	25,273.30	36,246.25	2,480,205.98				
Capital Projects Fund:																			
New Jersey Economic Development Authority																			
New Vocational School Academic Building	2025273	3/13/02-6/30/03	5,437,940.00	(131,917.00)			(131,917.00)					(131,917.00)			131,917.00	5,306,023.00			
Enterprise Fund:																			
National School Breakfast Program (State Share)	11-100-010-3360-096	7/1/10-6/30/11													369.90				
National School Lunch Program (State Share)	11-100-034-5120-122	7/1/10-6/30/11	3,194.89	(229.36)			(229.36)	229.36							3,194.89				
National School Lunch Program (State Share)	12-100-034-5120-122	7/1/11-6/30/12		(229.36)			(229.36)	3,292.23	(3,277.22)			(184.99)		184.99	3,277.22				
								3,321.89	(3,277.22)			(184.99)		184.99	6,672.01				
Total Expenditures of State Financial Assistance Subject to OMB 04-04			\$	(180,248.29)	\$		\$	(180,248.29)	\$	5,570,965.35	(\$6,190,447.05)	\$	(825,003.29)	\$	25,273.30	\$	825,003.29	\$	14,248,274.57
On Behalf TPAF Contributions Not Subject to OMB 04-04:																			
On-behalf TPAF pension		7/1/11-6/30/12	287,453.00					287,453.00	(287,453.00)										
On-behalf TPAF post retirement medical		7/1/11-6/30/12	577,856.00					577,856.00	(577,856.00)										
								\$	6,438,274.35	\$	(7,055,756.05)								

See accompanying notes to schedules of financial assistance.

Union County Vocational-Technical Schools
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2012

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Board of Education, Union County Vocational-Technical Schools. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from the federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

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

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedule (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated 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 revenue, whereas 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.

Union County Vocational-Technical Schools
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2012

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$41,403.00 for the general fund and \$(9,078.29) for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$200,505.00	\$5,771,003.74	\$5,971,508.74
Special Revenue Fund	943,121.83	416,166.09	1,359,287.92
Fiduciary Fund	319,659.50		319,659.50
Food Service Fund	<u>99,047.41</u>	<u>3,277.22</u>	<u>102,324.63</u>
 Total Awards & Financial Assistance	 <u>\$1,562,333.74</u>	 <u>\$6,190,447.05</u>	 <u>\$7,752,780.79</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 in the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF pension contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2012. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2012.

Union County Vocational-Technical Schools
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section I – Summary of Auditor’s Results

Financial Statements

- | | | |
|-----|--|-------------|
| (1) | Type of Auditor’s Report Issued: | Unqualified |
| (2) | Internal Control Over Financial Reporting: | |
| | (a) Material weakness identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | N/A |
| (3) | Noncompliance material to basic financial statements noted? | No |

Federal Program(s)

- | | | |
|-----|---|---------------|
| (1) | Internal Control Over Major Federal Programs: | |
| | (a) Material weakness identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | N/A |
| (2) | Type of Auditor’s Report issued on compliance for major federal program(s)? | Unqualified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with Circular OMB A-133 and listed in Section III of this schedule? | None Reported |

Union County Vocational-Technical Schools
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section I – Summary of Auditor’s Results (Continued)

Federal Program(s) (Continued)

(4) Identification of Major Federal Program(s):

<u>Program</u>	<u>C.F.D.A Number</u>
Vocational Education	84.048
Title I	84.010
Title I ARRA	84.389

(5) Program Threshold Determination:
 Type A Federal Program Threshold > \$300,000.00
 Type B Federal Program Threshold <= \$300,000.00

(6) Auditee qualified as a low-risk auditee under OMB Circular A-133? Yes

State Program(s)

(1) Internal Control Over Major State Programs:

(a) Material weakness identified? No

(b) Significant deficiencies identified that are not considered to be material weaknesses? N/A

(2) Type of Auditor’s Report issued on compliance for major state program(s)? Unqualified

Union County Vocational-Technical Schools
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section I – Summary of Auditor’s Results (Continued)

(3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04 and listed in Section III of this schedule? None Reported

(4) Identification of Major State Program(s):

<u>Program</u>	<u>Grant Number</u>
Equalization Aid	12-495-034-5120-078
Special Education Aid	12-495-034-5120-089
NJ Youth Corp	12-100-54-6030-200

(5) Program Threshold Determination:
 Type A State Program Threshold > \$300,000.00
 Type B State Program Threshold <= \$300,000.00

(6) Auditee qualified as a low-risk auditee under OMB Circular A-133? Yes

Union County Vocational-Technical Schools
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

Section II – Financial Statement Audit – Reported Findings
Under Government Auditing Standards

Internal Control Findings – None Reported

Compliance Findings – None Reported

Section III – Findings and Questioned Costs Relative to Major Federal and State Programs

Federal Programs – None Reported

State Programs – None Reported

Union County Vocational-Technical Schools

Schedule of Prior Year Audit Findings

Not Applicable



