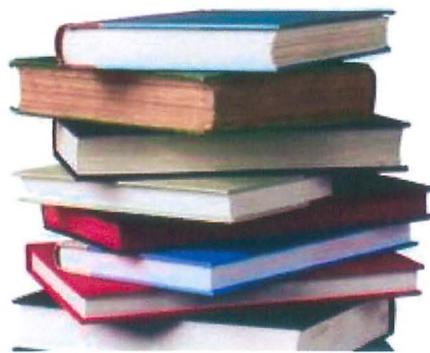


Wayne

Township Public Schools



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

Wayne Township Public Schools

Wayne, New Jersey

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

Prepared by

Business Office

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Note: The schedules denoted with N/A are not applicable in the current year. However, the New Jersey Department of Education requires the District to reference all schedules included in its sample Comprehensive Annual Financial Report.

Introductory Section

December 3, 2012

Honorable President and
Members of the Board of Education
Wayne Township Public Schools
50 Nellis Drive
Wayne, NJ 07470

Dear Board Members and Constituents,

The Comprehensive Annual Financial Report of the Wayne Township Public Schools (the "District") as of and for the fiscal year ended June 30, 2012 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "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 basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory Section includes this transmittal letter (designed to complement Managements' Discussion and Analysis and should be read in conjunction with it), the District's organization chart and a list of principal officials. The Financial Section includes the Independent Auditors' Report, the management's discussion and analysis, basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The Statistical Section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis and is unaudited. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey's OMB Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this Single Audit, including the auditors' report on the internal control and compliance with applicable major programs, are included in the single audit section of this report.

1) REPORTING ENTITY AND SERVICES: The Township of Wayne Public Schools is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and the Government-Wide financial statements of the District are included in this report. The Township of Wayne Public Schools and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels PreK through 12 for the students residing in the Township of Wayne. These include regular, vocational, as well as special education for handicapped youngsters. The District completed the 2011-2012 fiscal year with an enrollment of 8,563 students, a decrease of 121 students from the previous year's enrollment.

The following details the changes in the student enrollment of the District over the last five years:

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2011-12	8,563	(1.39)%
2010-11	8,684	(1.70)
2009-10	8,834	1.19
2008-09	8,730	(0.78)
2007-08	8,799	(0.85)

2) ECONOMIC CONDITION AND OUTLOOK: Wayne Township is located approximately 20 miles from Manhattan and is considered part of the greater New York metropolitan region. The community has a land area of almost 26.6 square miles with a population density of 2,055 residents per square mile. The school district has benefited from a high property tax base due to the location of several corporate headquarters and large shopping centers within the community.

Although the community has been negatively impacted by the slow national and state economy, the economic outlook in the community continues to be positive partially because of the location of the Township and its transportation facilities. The Township is served by major highways such as Interstate Highways 80 and 287, U.S. Highways 46 and 202 and State Highway 23. This ideal location for distribution of products within the New York metropolitan area has earned the Township the term of "Optimum Point" among business circles. The Township also benefits from the services of New Jersey Transit, which provides passenger service. All major airports, Kennedy, LaGuardia, Newark and Teterboro, as well as the New York and New Jersey ports, are accessible to Wayne.

3) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining internal controls 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 environment 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 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 controls, 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.

4) 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 voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2012.

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

6) 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. A detailed Management Discussion and Analysis follows this section of the report that discusses the District's financial performance for the year ended June 30, 2012.

7) DEBT ADMINISTRATION: At June 30, 2012, the District's outstanding debt issues included \$35,013,000 of general obligation bonds and \$1,231,262 of capital leases.

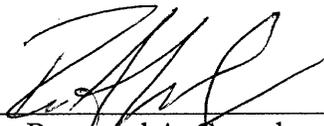
8) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 3. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the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

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

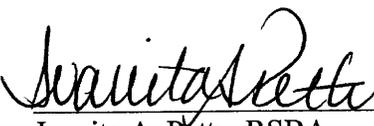
10) OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board appointed Wiss and Company, LLP of Iselin, New Jersey to conduct its independent audit. In addition to meeting the requirements 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 Federal OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey's OMB Circular NJOMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements, and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

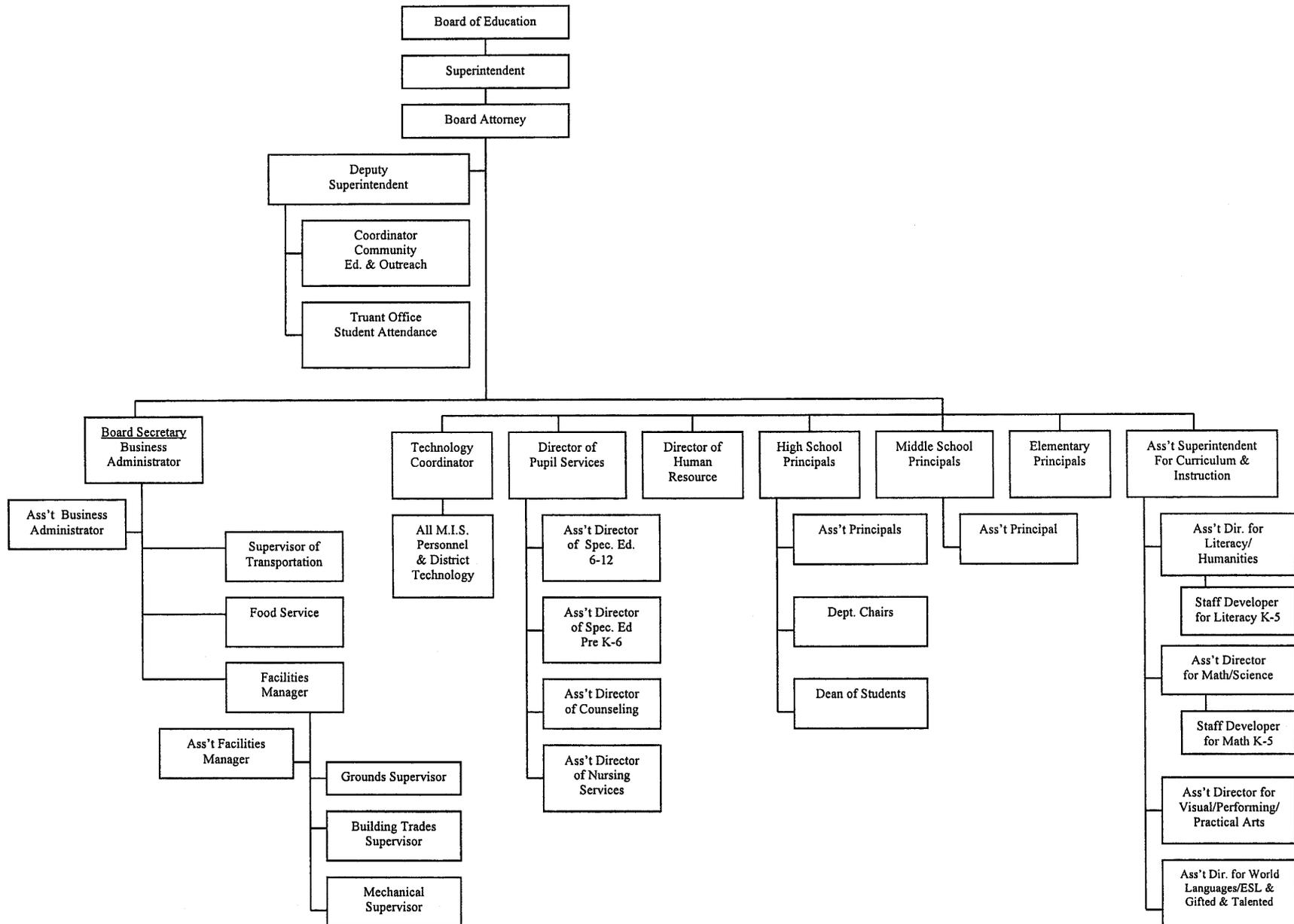


Dr. Raymond A. Gonzalez
Superintendent of Schools



Juanita A. Petty, RSBA
Business Administrator/Board Secretary

Wayne Board of Education
 Organization Chart
 June 30, 2012



Wayne Township Public Schools
Wayne, New Jersey

Roster of Officials

June 30, 2012

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Donald Pavlak, Jr., President	2014
Mitchell Badiner, Vice President	2013
Robert Ceberio	2013
Kim Essen	2012
Jane B. Hutchison	2012
Robyn Kingston	2014
Donald G. Monteyne	2012
Allan R. Mordkoff	2013
Laura Stinziano	2014

Other Officials

Dr. Raymond A. Gonzalez, Superintendent

Marysol Berrios, Assistant Superintendent

Juanita A. Petty, RSBA, School Business Administrator/Board Secretary

Nicole C. Schoening, CPA, Assistant School Business Administrator/Board Secretary

Robert Miller, Treasurer

Wayne Township Public Schools
Wayne, New Jersey

Independent Auditors and Advisors

Independent Auditors

Wiss & Company, LLP
485C Route 1 South
Iselin, NJ 08830

Attorney

Schwartz Simon Edelstein & Celso
100 South Jefferson Road, Suite 200
Whippany, NJ 07981
From 7.1.11 to 3.30.12

Machado Law Group, LLC
Clark Parkway Plaza
136 Central Avenue
Clark, NJ 07066
From 3.30.12 to 6.30.12

Architect

Parette Somjen Architects
439 Route 46 East
Rockaway, NJ 07866

Official Depositories

T.D. Bank North
2055 Hamburg Turnpike
Wayne, New Jersey 07470

Valley National Bank
1445 Valley Road
Wayne, NJ 07470

PNC Bank
580 Valley Road
Wayne, NJ 07470

Financial Section



Independent Auditors' Report

Honorable President and Members
of the Board of Education
Wayne Township Public Schools
Wayne, New Jersey
County of Passaic

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 Wayne Township Public Schools, County of Passaic, New Jersey (the "District"), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

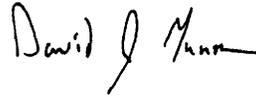
In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the District as of June 30, 2012, and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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2012, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, which consists of the combining and individual fund financial statements, long-term debt schedules and schedules of expenditures of federal awards and state financial assistance, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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



David J. Gannon
Licensed Public School Accountant
No. 2305



WISS & COMPANY, LLP

Iselin, New Jersey
December 3, 2012

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

Wayne Township Public Schools

Management's Discussion and Analysis

Year ended June 30, 2012

(Unaudited)

This section of the Wayne Township Public Schools' (the "District") annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2012. Please read it in conjunction with the transmittal letter at the front of this report and the District's basic financial statements, which immediately follow this section. Certain comparative information between the current year and the prior year is presented in the MD&A as required by GASB Statement No. 34.

Financial Highlights

- The District's General Fund unassigned Fund Balance increased to \$3,395,590, which is the maximum allowable amount permitted by State regulations.
- The District's Net Assets of Governmental Activities increased by \$2,639,119.
- The Wayne Community Programs Adult School Program had a net loss before transfers of \$108,782.
- The Wayne Community Programs Extended Day Program had an increase in net assets of \$131,796.
- Total General Fund Current Expenditures were \$140,203,551, which was \$3,689,012 less than the final approved budget.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This document also contains required and other supplementary information in addition to the basic financial statements themselves. The following discusses the various statements contained in the District's basic financial statements:

- The first two statements are *government-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more* detail than the government-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services.
- *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.
- *Notes to the Basic Financial Statements* provide additional information essential to full understanding of government-wide and fund financial statements.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further supports the financial statements with a comparison of the District's budget for the year.

The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Government-wide Statements

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

The two government-wide statements report the District's net assets and how they have changed. Net assets, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position.

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

In the government-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food service and academy school is included here.

Fund Financial Statements

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

- Some funds are required by state law.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

The District has three kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the Government-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows.

- *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as unemployment fund, scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

Financial Analysis of the District as a Whole

Net Assets. The District's combined net assets totaled \$24,523,129, approximately 12.7% more than the prior year. Net assets invested in capital assets, net of related debt increased \$582,114 and restricted net assets increased \$1,248,895. The increase in restricted net assets was due to the District's generation of current year excess surplus, which will be restricted for use to support the 2013-2014 school district budget in accordance with State regulations.

Unrestricted net assets increased by \$931,128, which resulted primarily due to an increase in state aid that was received from the State in July of 2011. Although the State allowed districts to appropriate this additional aid in its 2011-2012 school district budget, Wayne Board of Education chose to leave the additional amount as excess revenue which enabled the District to fully replenish its unrestricted fund balance that had been significantly reduced in prior years due to reductions in State Aid revenue.

The following table provides a summary of net assets relating to the District's governmental and business-type activities at June 30, 2012 and 2011:

	Net Assets					
	2012			2011		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 11,165,145	\$ 855,056	\$ 12,020,201	\$ 9,940,923	\$ 694,284	\$ 10,635,207
Capital assets, net	54,394,694	236,312	54,631,006	56,006,223	255,820	56,262,043
Total assets	65,559,839	1,091,368	66,651,207	65,947,146	950,104	66,897,250
Other liabilities	5,868,834	304,590	6,173,424	6,404,862	286,344	6,691,206
Long-term liabilities outstanding	35,954,594		35,954,594	38,444,992		38,444,992
Total liabilities	41,823,428	304,590	42,128,018	44,849,854	286,344	45,136,198
Net assets:						
Invested in capital assets net of related debt	18,069,619	236,312	18,305,931	17,467,997	255,820	17,723,817
Restricted	2,883,264		2,883,264	1,634,369		1,634,369
Unrestricted	2,783,528	550,466	3,333,994	1,994,926	407,940	2,402,866
Total net assets	\$ 23,736,411	\$ 786,778	\$ 24,523,189	\$ 21,097,292	\$ 663,760	\$ 21,761,052

Changes in Net Assets. The District's combined net assets increased \$2,762,137 or 12.7% from the prior year as presented below. Net assets from governmental activities increased \$2,639,119 while net assets from business-type activities increased \$123,018 which was primarily the result of the Extended Day Program operations. The following represents the changes in the District's net assets for the years ended June 30, 2012 and 2011:

	2012			2011		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 233,126	\$ 3,670,950	\$ 3,904,076	\$ 232,591	\$ 3,545,658	\$ 3,778,249
Operating grants and contributions	3,436,583	429,446	3,866,029	4,070,283	398,778	4,469,061
Capital grants and contributions			-	186,380		186,380
General revenues:						
Property taxes	129,001,249		129,001,249	127,360,545		127,360,545
Federal and State aid not restricted to specific purposes	16,012,559		16,012,559	12,274,239		12,274,239
Other	407,723	454	408,177	693,983	86	694,069
Total revenues	149,091,240	4,100,850	153,192,090	144,818,021	3,944,522	148,762,543
Expenses:						
Instructional services	87,266,186		87,266,186	85,819,477		85,819,477
Support services	57,633,777		57,633,777	56,175,793		56,175,793
Food Services		2,994,123	2,994,123		2,867,111	2,867,111
Community School		353,037	353,037		278,243	278,243
Extended Day Program		767,195	767,195		659,868	659,868
Interest on Long-Term Debt	1,415,635		1,415,635	1,535,058		1,535,058
Total expenses	146,315,598	4,114,355	150,429,953	143,530,328	3,805,222	147,335,550
Increase (decrease) in net assets before transfers	2,775,642	(13,505)	2,762,137	1,287,693	139,300	1,426,993
Transfers	(136,523)	136,523	-			-
Change in net assets	2,639,119	123,018	2,762,137	1,287,693	139,300	1,426,993
Net assets – beginning of year	21,097,292	663,760	21,761,052	19,809,599	524,460	20,334,059
Net assets – end of year	\$ 23,736,411	\$ 786,778	\$ 24,523,189	\$ 21,097,292	\$ 663,760	\$ 21,761,052

Revenue Sources. The District's total Governmental Funds revenue for the 2011-2012 school year was \$149,091,240. Property taxes and grants and contributions accounted for most of the District's revenue, with local taxes accounting for \$129,001,249 of the total, or approximately 86.5% of total revenues. Property taxes increased by \$1,640,704 or 1.3%.

The remaining 13.5% of revenues came from grants and contributions, tuition, investment income and miscellaneous sources. Grants and Contributions accounted for a total increase of \$3,738,320 of which \$805,234 of the increase was attributable to additional Extraordinary Aid received, \$1,290,732 was attributable to the additional State Aid received, and the much of the remainder from increases in Non Public Transportation Aid and Education Jobs Act funding.

The additional revenues received from grants and contributions helped to offset the unrealized revenues for rental fees, interest income, tuition, and athletic/activity participation fees. The most significant unrealized revenue amount was from interest income which only realized \$8,738 in revenue compared to projected revenue of \$100,000. This resulted from a restructure of the District's accounts by the financial institution, under which minimal compensating balances are now required to cover maintenance fees. Beginning with the 2013-2014 budget, the District will begin to budget for bank fees as a regular operating expense.

The other unrealized revenues resulted from reductions in rental income and revenues for athletic/activity participation fees. The unrealized revenue amount of \$47,450 in rental income resulted from the delay of imposing facility use fees that was expected through a revision of the Use of Facilities Policy as well as a reduction in the amount of anticipated revenue from the rental of the Preakness Facility as an Alternative School Program. The reduction of realized revenue for athletic/activity participation fees in the amount of \$230,092 was primarily attributable to the Board determining at the beginning of the school year that it was eliminating the collection of fees from students for participation in athletics or co-curricular activities.

With State Aid representing less than 2% of total revenues, the School District is basically totally reliant on conducting its operations from the revenues it receives from its local taxpayers. The following table presents the governmental fund revenues for the year ended June 30, 2012:

Revenue	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Local sources:					
Tax levy	\$ 124,894,494			\$ 4,106,755	\$ 129,001,249
Tuition	233,126				233,126
Investment income	9,127		\$ 84		9,211
Miscellaneous	398,512	\$ 126,128			524,640
Total Local Sources	125,535,259	126,128	84	4,106,755	129,768,226
State Sources	15,712,665	436,234			16,148,899
Federal sources	299,894	2,874,221			3,174,115
Total Revenues	\$ 141,547,818	\$ 3,436,583	\$ 84	\$ 4,106,755	\$ 149,091,240

Expenditures. The expenditures of all Governmental Funds programs and services was \$147,760,263, which are predominantly related to instructing students, both in-district and out-of-district, support services for students (such as related services, nursing, guidance, and media services) and transporting students.

General Fund total expenditures were \$140,203,551 which was \$3,689,012 less than the final approved budget. Over \$1.5 million of this resulted from savings in salaries due a reduction in salaries for new staff members replacing staff that retired or resigned as well as those who were out on leave and required long term substitutes. Another \$1 million dollars was saved in energy costs, due to continued participation in New Jersey ACES, a State-wide energy consortium, and the District's efforts in solar energy. Savings in employee benefits also contributed approximately one-half million dollars because of the favorable renewal rates for medical, prescription and dental benefits, required WEA tuition reimbursement that was not utilized to its full extent, savings in Board share FICA due to a reduction in the FICA rate and savings in PERS retirements that were less than the budgeted projection.

The following table presents the governmental funds expenditures for the year ended June 30, 2012:

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
Instruction	\$ 58,149,746	\$ 2,686,335		\$ 60,836,081
Support Services	15,399,090	679,541		16,078,631
General Administration	1,474,148			1,474,148
School Administration	4,856,263			4,856,263
Business/Technology Services	2,536,016			2,536,016
Operations/Maintenance	12,156,942			12,156,942
Transportation	5,035,745			5,035,745
Benefits	28,695,836			28,695,836
On-behalf TPAF/FICA	10,540,298			10,540,298
Capital Outlay	1,359,467	70,707		1,430,174
Debt Service:				
Principal			\$ 2,661,965	2,661,965
Interest			1,458,164	1,458,164
Total Expenditures:	\$ 140,203,551	\$ 3,436,583	\$ 4,120,129	\$ 147,760,263

The majority of the District's expenditures are related to instruction and support services for students, including transportation. These two cost areas account for 55.5% of the total expenditures, without including the costs for benefits. The District's administrative and business activities accounted for 6.0% of total costs, which is consistent with the prior year.

The Wayne Township Public Schools operates 14 schools, an administration office, a child study team office, a maintenance building, a Community School facility, an Environmental Lab building and two transportation offices, which results in operations and maintenance costs of 8.2% of the total expenditures. These costs were reduced from the prior year due to savings achieved in energy costs.

In addition, the Debt service payments continue from two bond issues in 2003 and 2010. These costs represent 2.8% of the total expenditures.

Governmental Activities

The financial position of the District improved from the prior year, with the District finally able to replenish its unassigned fund balance to the maximum 2% allowable per State regulations.

The District continues to evaluate and improve its internal controls on purchasing and expanding its use of regional cooperatives for purchasing. Efforts also continue on energy savings as noted, through participation in the NJ ACES program and its solar energy initiatives.

The District continues to see increases in special programs and services for disabled pupils, and costs to comply with increased State and Federal mandates. Assessment of these programs and services needs to continue in order to maximize the funds budgeted for these programs. In addition, the District needs to continue to assess the feasibility of offering other in-district programs that can either reduce the number of students sent out of District or to allow for the acceptance of students from out of District which would increase tuition revenue.

Efforts continue to focus on the renewal of bargaining unit contracts in the areas of salaries and benefits as the 2% cap on tax levy limits the District's ability to increase its budget. With the State's implementation of Chapter 78 relative to changes in health, prescription and dental benefit contributions, the District should begin to see an increase in revenue generated from premium contributions which will directly reduce these costs. This will allow the District to more easily budget within the 2% cap and potentially enable more dollars to be directed to the classroom.

The chart below presents the cost of major District Governmental activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

Function / Programs	Total Cost of Services		Net Cost of Services	
	2012	2011	2012	2011
Instruction	\$ 87,266,186	\$ 85,819,477	\$ 84,276,018	\$ 82,221,944
Support Services	22,976,908	22,013,472	22,297,367	21,121,751
General Administration	1,782,477	1,594,345	1,782,477	1,594,345
School Administration	7,243,935	7,044,118	7,243,935	7,044,118
Business / Technology Services	3,498,381	3,499,718	3,498,381	3,499,718
Operations / Maintenance	15,922,535	15,998,478	15,922,535	15,998,478
Transportation	6,209,541	6,025,662	6,209,541	6,025,662
Interest on long-term debt	1,415,635	1,535,058	1,415,635	1,535,058
<i>Total Government Activities</i>	<u>\$ 146,315,598</u>	<u>\$ 143,530,328</u>	<u>\$ 142,645,889</u>	<u>\$ 139,041,074</u>

- The cost of all governmental activities this year was \$146,315,598, an increase of \$2,785,270 from the prior year.
- Most of the District's expenditures \$126,633,330, however, were financed by District taxpayers.
- Remaining funding primarily came from increases in State and Federal resources.

Business-Type Activities

Net assets from the District's business-type activity increased by \$123,018 as noted below.

Function / Programs	Total Cost of Services		Net (Expenses) Revenue and Changes in Net Assets	
	2012	2011	2012	2011
Food Service	\$ 2,994,123	\$ 2,867,111	\$ (36,763)	\$ (40,596)
Community Audit School	353,037	278,243	(108,992)	(36,859)
Extended Day Program	767,195	659,868	131,796	216,755
<i>Total Business-type Activities</i>	<u>\$ 4,114,355</u>	<u>\$ 3,805,222</u>	<u>\$ (13,959)</u>	<u>\$ 139,300</u>

- Revenues and operating contributions for the Food Service Activity were less than the total expenses which decreased net assets for this business entity by \$36,763. Total net assets at June 30, 2012 was \$308,782.

- The revenue from the Extended Day Program accounted for the major increase in net assets for the business-type activities, increasing net assets by \$131,796. Total net assets at June 30, 2012 for this business type activity was \$477,996.
- Revenues for the Community Programs Adult School were \$108,992 less than total expenses. The general fund made a transfer to fund the operating deficit.

As noted in last year's Management Report, the District did an assessment of the Community Programs Adult School and determined that it could no longer sustain the program because it was not able to generate enough revenue to reduce the amount of the deficits. Efforts will be made to assess the viability of offering this program in the future, perhaps through a shared services arrangement.

Financial Analysis of the District's Funds

The District's financial position increased during the year, primarily due to continued cost savings measures, and increases in State and Federal contributions.

Continued difficult economic times have continued to have a direct impact upon the District's revenue sources as rates in the Township continued to decrease. In 2010 they decreased by 0.68% and in 2011 they decreased by another 0.78%. Although this does not appear to be significant, the rates certainly have an impact on the tax rate for the school budget. This reduction, coupled with a lingering economy, generates some concern for the local tax levy in the future. All of these factors are likely to continue for the next several years.

To maintain a stable financial position, the District must continue to practice sound fiscal management, continually looking for programs and services that it can consolidate or eliminate, or provide in a more efficient and cost effective manner. It must also seek out shared services agreements in order to increase its sources of revenue where possible.

Some efforts achieved in these areas in the 2011-2012 school year included District participation in the NJ Smart Start program whereby the District was able to obtain a thorough energy audit of its facilities that was reimbursed by the State and the institution of more 'paperless' procedures, including on line agendas for Board of Education meetings, electronic progress reports and report cards, and electronic parental notification systems.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget for the following:

- An increase in funding from the Education Jobs Act in the amount of \$7,000
- Changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment
- Changes made within budgetary line items for increases in special education tuition and services for students with disabilities, both in-district and out-of-district
- Changes made within budgetary line items for the hiring of an Assistant Superintendent rather than a Director of Curriculum
- Re-classification of expenditures from general supply expense to capital expense

Capital Asset and Debt Administration

Capital Assets for governmental activities decreased by \$1,611,529. Depreciation expense, net of disposals of accumulated depreciation for the year totaled \$2,596,418 which was offset by capital outlays, net of disposals in the amount of \$536,834 for a total net change as noted.

The following provides a summary of the capital assets held by the District at June 30, 2012 and 2011:

	Capital Assets (Net of Depreciation)			
	2012		2011	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Non-depreciable assets:				
Land	\$ 9,263,696		\$ 9,263,696	
Construction in progress	448,055			
Depreciable assets:				
Land improvements	4,486,323		4,898,842	
Building and building improvements	36,489,195		37,924,968	
Machinery and equipment	3,707,425	\$ 236,312	3,918,717	\$ 255,820
Total	\$ 54,394,694	\$ 236,312	\$ 56,006,223	\$ 255,820

More detailed information regarding the District’s capital assets is presented in Note 4 to the financial statements. At year-end, the District had \$35,013,000 in general obligation bonds outstanding from issues in 2003 and 2010.

During the 2010-2011 fiscal year, the District refunded its 2001 series of bonds in the amount of \$2,998,000 which resulted in a net present value savings of \$147,153 to the District. This refunding reduced the debt service repayment for the 2011-2012 budget cycle by only a minimal amount. However, the 2003 bond series balance at June 30, 2012 totaled \$33,063,000. Assessment of this series for refunding will be made during the 2012-2013 budget cycle as savings achieved through a refunding of this series would have a more significant impact on the debt.

Capital leases increased by \$466,074, which was mainly attributable to the District’s new lease for \$825,000 for three new school buses and technology equipment. This was partially offset by the District’s payments made on their pre-existing capital lease agreements in an amount of \$358,926. (More detailed information about the District’s long-term liabilities is presented in Note 5 to the financial statements.)

Factors Bearing on the District’s Future Revenue/Expense Changes

The continued implementation of the State imposed budget tax levy cap of 2% continues to create challenges for Districts, limiting the District’s ability to continue to provide the range of programs and services that the students and community of Wayne Township have come to enjoy.

At the end of the 2011-2012 school year, the Governor signed new legislation for pension and medical/dental benefit reforms (Chapter 78) which were required for implementation in the Fall of 2012. The District began to take the required medical benefit premium payments in accordance with the new legislation. The impact was not significant in the 2011-2012 school year, however, in that the District was already required to budget for contributions of 1.5% of base salary in accordance with legislation that had been passed earlier. In addition, the Chapter 78 reforms, which required employee contributions based on salary and premiums phased in over a four year period was not substantially different in the first year of implementation than the previous 1.5% of base salary. This will change during the future budget cycles, however, as the employees move through the four phases of the legislation as their bargaining units expire, and will generate more substantial revenue for the District to offset the rising costs of these insurance premiums.

Energy initiatives continued in the 2011-2012 school year with the following:

- The solar energy initiative that began in the Spring of 2011 at seven school facilities was completed at the seven school facilities identified. Although the generation of solar energy did not begin until late Fall of 2011, the District did achieve significant savings in its energy costs which should continue over the next budget cycles.

The District also joined with the Township of Wayne in another round of bidding for a solar project that would provide solar to three more buildings in the District. However, because of the pricing of SRECS, no bids were received and Phase Two was temporarily put on hold. The District does plan, however, to pursue another round of bidding for these facilities during the 2012-2013 school year, either by itself or through shared services agreements with the Township or the County.

- The District participated in the State's NJ Smart Start program, which enabled the District to obtain an in-depth energy audit of their facilities paid for by the State. The Board of Education voted to pursue an RFP in the 2012-2013 fiscal cycle to solicit bids for an ESCO to proceed with the development of a thorough energy plan to correct the deficiencies noted in the audit report which would be paid for through the energy savings achieved.

The District continues to experience increases in out of district tuition costs and services for students with disabilities and continues to evaluate and assess the services provided as well as opportunities to open new programs within District. During the 2011-2012 school year, the District did develop a shared services agreement with the Passaic County Educational Services Commission to operate an Alternative School program at the Preakness facility. This agreement provides two benefits to the District – another source of revenue for the use of its facilities and reduced tuition costs for students who may have required placement at other, more expensive, alternative placements. As this program expands, the revenue generated from it with regard to facility use fees would increase the District's revenue.

The reliance of the school budget on tax levy for its budget, coupled with the continued 2% cap on tax levy increases, requires the District to continually reassess its staffing, programs and services in order to maximize its limited funds. The Administration continues in this effort by assessing and evaluating current programs and services, eliminating or replacing those that are ineffective or inefficient, or streamlining them where appropriate, and expanding its assessment to administrative costs, by re-organizing staff and services provided.

The District is also continuing to identify other areas of revenue through shared services arrangements and cooperatives. With the approval of legislation that allows school districts to advertise on school buses, the Administration will focus its efforts in this area once the State releases the regulations as this could be another major source of revenue for the District.

The need for the District to relocate its bus depot from The North Cove has still not yet been resolved. Sites were evaluated for this facility, with a project application submitted to the State to relocate it at the Preakness site. However, because of concerns raised by the Township of Wayne, the Board abandoned this alternative and began seeking other solutions. Two such alternatives included 50 Nellis Drive and the abandoned NIKE base on Route 23 operated by the County of Passaic. Monies have been deposited into the capital reserve account for this relocation project and the Administration will continue its efforts in this regard.

The District continues to deposit money into its Capital Reserve account for required capital projects at the school facilities, including such items as the replacement of generators, all purpose room floors, and intercom/clock/phone systems. Without assistance from the State with regard to Debt Service or grants, it is difficult for the District to provide for the necessary improvements within the fiscal year budgets, or through annual deposits into its capital reserve account. In this effort, the Administration will develop a more short term capital budget that can serve as a budgeting tool for the next few fiscal cycles as well as to position the District to apply for State grants as the State has indicated it may release additional funds to support these capital efforts.

As noted above, the Board of Education determined that it would close the Community Program Adult School at June 30, 2012 as the program ran a deficit for the third year. The Administration will be working to secure a partner in a shared services arrangement that will enable the continuation of the program and potential revenue for program.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Wayne Board of Education Office, 50 Nellis Drive, New Jersey 07470.

Basic Financial Statements

Government-wide Financial Statements

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

Wayne Township Public Schools

Statement of Net Assets

June 30, 2012

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 5,512,409	\$ 541,769	\$ 6,054,178
Accounts receivable	4,547,161	144,164	4,691,325
Internal balances	(136,288)	136,288	-
Inventories		32,835	32,835
Deferred charges	74,732		74,732
Restricted:			
Cash and cash equivalents	1,167,131		1,167,131
Capital assets, non-depreciable	9,711,751		9,711,751
Capital assets, depreciable, net	44,682,943	236,312	44,919,255
Total assets	<u>65,559,839</u>	<u>1,091,368</u>	<u>66,651,207</u>
Liabilities			
Accounts payable and other current liabilities	668,021	215,300	883,321
Accrued interest payable	621,807		621,807
Accrued liabilities	727,098	1,239	728,337
Intergovernmental payables:			
Federal	1,051		1,051
State	94,687		94,687
Unearned revenue	289,775	88,051	377,826
Current portion of long-term obligations	3,466,395		3,466,395
Noncurrent portion of long-term obligations	35,954,594		35,954,594
Total liabilities	<u>41,823,428</u>	<u>304,590</u>	<u>42,128,018</u>
Net Assets			
Invested in capital assets, net of related debt	18,069,619	236,312	18,305,931
Restricted for:			
Debt service	5,502		5,502
Capital projects	587,036		587,036
Other purposes	2,290,726		2,290,726
Unrestricted	2,783,528	550,466	3,333,994
Total net assets	<u>\$ 23,736,411</u>	<u>\$ 786,778</u>	<u>\$ 24,523,189</u>

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

Wayne Township Public Schools

Statement of Activities

Year ended June 30, 2012

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities						
Instruction	\$ 87,266,186	\$ 233,126	\$ 2,757,042	\$ (84,276,018)		\$ (84,276,018)
Support services:						
Health services	2,110,663			(2,110,663)		(2,110,663)
Other support services	16,564,239		679,541	(15,884,698)		(15,884,698)
Improvement of instruction	2,465,573			(2,465,573)		(2,465,573)
School library	1,804,464			(1,804,464)		(1,804,464)
Other support: instructional staff	31,969			(31,969)		(31,969)
General administration	1,782,477			(1,782,477)		(1,782,477)
School administration	7,243,935			(7,243,935)		(7,243,935)
Central services	1,739,259			(1,739,259)		(1,739,259)
Administrative information technology	1,759,122			(1,759,122)		(1,759,122)
Operation and maintenance of plant service	15,922,535			(15,922,535)		(15,922,535)
Student transportation	6,209,541			(6,209,541)		(6,209,541)
Interest on long-term debt	1,415,635			(1,415,635)		(1,415,635)
Total governmental activities	<u>146,315,598</u>	<u>233,126</u>	<u>3,436,583</u>	<u>(142,645,889)</u>		<u>(142,645,889)</u>
Business-type activities						
Food service	2,994,123	2,527,914	429,446		\$ (36,763)	(36,763)
Community School	353,037	244,045			(108,992)	(108,992)
Extended Day Program	767,195	898,991			131,796	131,796
Total business-type activities	<u>4,114,355</u>	<u>3,670,950</u>	<u>429,446</u>		<u>(13,959)</u>	<u>(13,959)</u>
Total primary government	<u>\$ 150,429,953</u>	<u>\$ 3,904,076</u>	<u>\$ 3,866,029</u>	<u>(142,645,889)</u>	<u>(13,959)</u>	<u>(142,659,848)</u>
General revenues:						
Taxes:						
Property taxes, levied for general purposes				124,894,494		124,894,494
Property taxes, levied for debt service				4,106,755		4,106,755
State and federal sources—unrestricted				16,012,559		16,012,559
Investment income				9,211	454	9,665
Miscellaneous				398,512		398,512
Transfers				(136,523)	136,523	-
Total general revenues and transfers				<u>145,285,008</u>	<u>136,977</u>	<u>145,421,985</u>
Change in net assets				2,639,119	123,018	2,762,137
Net Assets—beginning				<u>21,097,292</u>	<u>663,760</u>	<u>21,761,052</u>
Net Assets—ending				<u>\$ 23,736,411</u>	<u>\$ 786,778</u>	<u>\$ 24,523,189</u>

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

Fund Financial Statements

Wayne Township Public Schools
Governmental Funds

Balance Sheet

June 30, 2012

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
Assets					
Cash and cash equivalents	\$ 5,377,196		\$ 129,711	\$ 5,502	\$ 5,512,409
Accounts receivable:					
State	2,768,729	\$ 25,006	457,325		3,251,060
Federal	52,187	1,043,922			1,096,109
Other	199,992				199,992
Interfund	517,927				517,927
Restricted assets:					
Cash and cash equivalents	1,167,131				1,167,131
Total assets	<u>\$ 10,083,162</u>	<u>\$ 1,068,928</u>	<u>\$ 587,036</u>	<u>\$ 5,502</u>	<u>\$ 11,744,628</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 457,123	\$ 185,088			\$ 642,211
Accrued liabilities	727,098				727,098
Intergovernmental payables:					
Federal		1,051			1,051
State		94,687			94,687
Interfunds payable	162,098	517,927			680,025
Deferred revenue	19,600	270,175			289,775
Total liabilities	<u>1,365,919</u>	<u>1,068,928</u>			<u>2,434,847</u>
Fund balances:					
Restricted for:					
Capital reserve	1,149,037				1,149,037
Capital projects			\$ 587,036		587,036
Debt service				\$ 5,502	5,502
Excess surplus	1,141,689				1,141,689
Assigned to:					
Designated for subsequent year's expenditures					
Other purposes	2,790,732				2,790,732
Other purposes	479,291				479,291
Unassigned	3,156,494				3,156,494
Total fund balances	<u>8,717,243</u>	<u>-</u>	<u>587,036</u>	<u>5,502</u>	<u>9,309,781</u>
Total liabilities and fund balances	<u>\$ 10,083,162</u>	<u>\$ 1,068,928</u>	<u>\$ 587,036</u>	<u>\$ 5,502</u>	

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$115,700,745, and the accumulated depreciation is \$61,306,051. 54,394,694

Unamortized portion of debt issuance costs is not reported as an asset in the funds. 74,732

Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds. (621,807)

Long-term liabilities, including bonds payable, loans payable, obligations under capital leases and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds. (39,420,989)

Net assets of governmental activities \$ 23,736,411

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

Wayne Township Public Schools
Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2012

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
Revenues					
Local sources:					
Local tax levy	\$ 124,894,494			\$ 4,106,755	\$ 129,001,249
Tuition	233,126				233,126
Investment income	9,127		\$ 84		9,211
Miscellaneous	398,512	\$ 126,128			524,640
Total local sources	125,535,259	126,128	84	4,106,755	129,768,226
State sources	15,712,665	436,234			16,148,899
Federal sources	299,894	2,874,221			3,174,115
Total revenues	141,547,818	3,436,583	84	4,106,755	149,091,240
Expenditures					
Current:					
Instruction	55,079,174	2,686,335			57,765,509
Undistributed-current:					
Instruction	3,070,572				3,070,572
Health services	1,441,245				1,441,245
Other support services	11,038,051	679,541			11,717,592
Improvement of instruction	1,646,080				1,646,080
Education media library	1,242,555				1,242,555
Other support: instructional staff	31,159				31,159
General administration	1,474,148				1,474,148
School administration	4,856,263				4,856,263
Central services	1,215,854				1,215,854
Administrative information technology	1,320,162				1,320,162
Required maintenance of plant services	2,074,615				2,074,615
Custodial services	9,675,481				9,675,481
Care and upkeep of grounds	406,846				406,846
Student transportation	5,035,745				5,035,745
Unallocated benefits	28,695,836				28,695,836
On-behalf TPAF social security and pension contributions	10,540,298				10,540,298
Capital outlay	1,359,467	70,707			1,430,174
Debt Service:					
Principal				2,661,965	2,661,965
Interest				1,458,164	1,458,164
Total expenditures	140,203,551	3,436,583	-	4,120,129	147,760,263
Excess (deficiency) of revenues over (under) expenditures	1,344,267	-	84	(13,374)	1,330,977
Other financing sources (uses):					
Transfers in	84				84
Capital leases	825,000				825,000
Transfers out	(136,523)		(84)		(136,607)
Total other financing sources (uses)	688,561	-	(84)	-	688,477
Net change in fund balances	2,032,828	-	-	(13,374)	2,019,454
Fund balances, July 1	6,684,415	-	587,036	18,876	7,290,327
Fund balance, June 30	\$ 8,717,243	\$ -	\$ 587,036	\$ 5,502	\$ 9,309,781

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

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

Wayne Township Public Schools
Governmental Funds

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

Year ended June 30, 2012

Total net change in fund balances - governmental funds (from B-2) **\$ 2,019,454**

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

Capital additions are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital additions and loss on disposal in the period.

Capital additions	\$ 1,374,170	
Depreciation expense	(2,976,039)	
Loss on disposal	<u>(9,660)</u>	(1,611,529)

In the statement of activities, interest on long-term debt, including bonds payable and capital leases, is accrued, regardless of when due. In the governmental funds, interest is reported when due. 39,946

The acquisition of capital leases provides current financial resources to governmental funds, which has no effect on net assets. (825,000)

Governmental funds report the effect of issuance costs, premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences. 2,583

The repayment of the principal of long-term debt, loans and capital leases consumes the current financial resources of governmental funds. This transaction, however, has no effect on net assets. 3,020,891

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). (7,226)

Change in net assets of governmental activities (A-2) **\$ 2,639,119**

Wayne Township Public Schools
Proprietary Funds

Statement of Net Assets

June 30, 2012

	Major Funds			
	Business Type Activities -			
	Enterprise Funds			
	Food Service	Community School	Extended Day Program	Totals
Assets				
Current assets:				
Cash and cash equivalents	\$ 207,305		\$ 334,464	\$ 541,769
Accounts receivable:				
State	2,779			2,779
Federal	53,221			53,221
Other	27,029		61,135	88,164
Interfund receivable		\$ 136,288	84,470	220,758
Inventories	32,835			32,835
Total current assets	323,169	136,288	480,069	939,526
Capital assets:				
Equipment	751,391			751,391
Accumulated depreciation	(515,079)			(515,079)
Total capital assets, net	236,312			236,312
Total assets	559,481	136,288	480,069	1,175,838
Liabilities				
Current liabilities:				
Accounts payable	212,033	1,451	1,816	215,300
Accrued liabilities		982	257	1,239
Interfunds payable		84,470		84,470
Unearned revenue	38,666	49,385		88,051
Total current liabilities	250,699	136,288	2,073	389,060
Net assets				
Invested in capital assets	236,312			236,312
Unrestricted	72,470	-	477,996	550,466
Total net assets	\$ 308,782	\$ -	\$ 477,996	\$ 786,778

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

Wayne Township Public Schools
Proprietary Funds

Statement of Revenues, Expenses and
Changes in Fund Net Assets

Year ended June 30, 2012

	Major Funds			
	Business Type Activities -			
	Enterprise Funds			
	Food Service	Community School	Extended Day Program	Totals
Operating revenues:				
Local sources:				
Daily food sales	\$ 2,527,914			\$ 2,527,914
Charges for services		\$ 244,045	\$ 898,991	1,143,036
Total operating revenues	2,527,914	244,045	898,991	3,670,950
Operating expenses:				
Salaries	956,548	166,626	584,748	1,707,922
Employee benefits	269,778	49,435	83,415	402,628
Purchased professional services			3,748	3,748
Other purchased services	208,438	106,031	3,241	317,710
Supplies and materials	168,506	6,966	5,367	180,839
Cost of sales	990,601			990,601
Management fee	277,652			277,652
Utilities			81,093	81,093
Depreciation	36,387			36,387
Miscellaneous	86,213	23,979	5,583	115,775
Total operating expenses	2,994,123	353,037	767,195	4,114,355
Operating (loss) income	(466,209)	(108,992)	131,796	(443,405)
Nonoperating revenues:				
State sources:				
State school lunch program	15,402			15,402
Federal sources:				
School breakfast program	7,460			7,460
National school lunch program	277,740			277,740
Special milk program	4,991			4,991
Food donation program	123,853			123,853
Interest income	244	210		454
Total nonoperating revenues	429,690	210		429,900
(Loss) income before transfers	(36,519)	(108,782)	131,796	(13,505)
Transfer in - Board contribution		136,523		136,523
Change in net assets	(36,519)	27,741	131,796	123,018
Total net assets (deficit)-beginning	345,301	(27,741)	346,200	663,760
Total net assets-ending	\$ 308,782	\$ -	\$ 477,996	\$ 786,778

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

Wayne Township Public Schools
Proprietary Funds

Statement of Cash Flows

Year ended June 30, 2012

	Major Funds			
	Business Type Activities -			
	Enterprise Funds			
	Food Service	Community School	Extended Day Program	Totals
Cash flows from operating activities				
Receipts from customers	\$ 2,544,615	\$ 261,809	\$ 905,840	\$ 3,712,264
Payments to employees	(956,548)	(165,709)	(584,523)	(1,706,780)
Payments for employee benefits	(269,778)	(49,435)	(83,415)	(402,628)
Payments to suppliers	(1,726,983)	(136,371)	(112,541)	(1,975,895)
Net cash (used in) provided by operating activities	(408,694)	(89,706)	125,361	(373,039)
Cash flows from noncapital financing activities				
Receipts from (disbursed to) other funds		84,239	(84,470)	(231)
Cash received from state and federal reimbursements	272,581			272,581
Receipts from food donation program	121,547			121,547
Net cash provided by (used in) noncapital financing activities	394,128	84,239	(84,470)	393,897
Cash flows from capital and related financing activities				
Purchase of capital assets	(16,879)			(16,879)
Net cash used in capital and related financing activities	(16,879)			(16,879)
Cash flows from investing activities				
Interest received	244	210		454
Net cash provided by investing activities	244	210		454
Net (decrease) increase in cash and cash equivalents	(31,201)	(5,257)	40,891	4,433
Cash and cash equivalents, beginning of year	238,506	5,257	293,573	537,336
Cash and cash equivalents, end of year	<u>\$ 207,305</u>	<u>\$ -</u>	<u>\$ 334,464</u>	<u>\$ 541,769</u>
Reconciliation of operating (loss) income to net cash (used in) provided by operating activities:				
Operating (loss) income	\$ (466,209)	\$ (108,992)	\$ 131,796	\$ (443,405)
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:				
Depreciation	36,387			36,387
Change in assets and liabilities:				
Decrease in accounts receivable	1,959		6,849	8,808
Decrease in inventory	4,619			4,619
(Decrease) increase in accounts payable	(192)	605	(13,509)	(13,096)
Increase in accrued liabilities		917	225	1,142
Increase in unearned revenue	14,742	17,764		32,506
Net cash (used in) provided by operating activities	<u>\$ (408,694)</u>	<u>\$ (89,706)</u>	<u>\$ 125,361</u>	<u>\$ (373,039)</u>

Noncash noncapital financing activities:

The District received \$121,547 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2012.

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

Wayne Township Public Schools
Fiduciary Funds

Statement of Fiduciary Net Assets

June 30, 2012

	Private-Purpose Scholarship Trust Fund	Employee Benefits Program Trust Fund	Unemployment Compensation Trust Fund	Total Agency Funds
Assets				
Cash and cash equivalents	\$ 42,775	\$ 36,703	\$ 65,069	\$ 1,767,360
Interfund receivable			25,810	
Total assets	<u>42,775</u>	<u>36,703</u>	<u>90,879</u>	<u>\$ 1,767,360</u>
Liabilities				
Payroll deductions payable				\$ 602,054
Accrued salaries and wages				678,174
Accounts payable			84,259	
Due to student groups				487,132
Total liabilities			<u>84,259</u>	<u>\$ 1,767,360</u>
Net assets				
Held in trust for unemployment claims			<u>\$ 6,620</u>	
Held in trust for employee benefits		<u>\$ 36,703</u>		
Held in trust for scholarships	<u>\$ 42,775</u>			

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

Wayne Township Public Schools
Fiduciary Funds

Statement of Changes in Fiduciary Net Assets

Year ended June 30, 2012

	Private-Purpose Scholarship Trust Fund	Employee Benefits Program Trust Fund	Unemployment Compensation Trust Fund
Additions			
Contributions:			
Plan Members		\$ 86,909	\$ 259,027
Board			100,000
Interest income	\$ 175		24
Total additions	<u>175</u>	<u>86,909</u>	<u>359,051</u>
Deductions			
Unemployment claims			455,396
Employee benefit withdrawals		85,169	
Total deductions	<u>-</u>	<u>85,169</u>	<u>455,396</u>
Change in net assets	175	1,740	(96,345)
Net assets-beginning of the year	42,600	34,963	102,965
Net assets-end of the year	<u>\$ 42,775</u>	<u>\$ 36,703</u>	<u>\$ 6,620</u>

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

Wayne Township Public Schools

Notes to the Basic Financial Statements

Year ended June 30, 2012

1. Summary of Significant Accounting Policies

The financial statements of the Wayne Township Public Schools (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

A. Reporting Entity

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

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

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

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

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, capital leases, and claims, are recorded only when payment is due.

Property taxes, interest and state equalization monies associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when the District receives cash.

The District has reported the following major governmental funds:

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

Special Revenue Fund: The District maintains one special revenue fund, which includes the proceeds of specific revenue sources (other than fiduciary funds or major capital projects) that are restricted or committed to expenditures for specified purposes.

Capital Projects Fund: The capital projects fund is used to account for and report financial resources that are restricted, committed or assigned to an expenditure for capital outlays, including the acquisition or construction of major capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds, transfers from capital outlay and capital reserve and state aid that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

The District reports the following major proprietary fund:

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

The District's Enterprise Funds are comprised of the Food Service, Community School and Extended Day Program.

Additionally, the District reports the following fiduciary fund types:

Trust Funds: The unemployment compensation trust fund is used to account for contributions from the District, employees and interest earned on the balance as well as payments to the State for unemployment claims. The employee benefits program trust fund is used to account for employee benefits insurance withholdings contributed by employees for increased health benefits coverage. The private-purpose scholarship trust fund is utilized to provide scholarships to students and to account for the related transactions.

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

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

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

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

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

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the District's enterprise funds are charges for sales of food, tuition and program fees. Operating expenses for enterprise funds include the cost of sales, administrative expenses, and depreciation on capital assets, if applicable. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Ad Valorem (Property) taxes are susceptible to accrual as, under New Jersey State Statute, a municipality is required to remit to its school 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 moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable."

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

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval in April. Budgets are prepared using the modified accrual basis of accounting and the special revenue fund uses a non-GAAP budget (budgetary basis). 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 referred in N.J.A.C. 6A:23. All budget amendments/transfers must be approved by School Board resolution and certain others require approval by the County Superintendent of Schools. Budgetary transfers were made during the current year in accordance with statutory guidelines. The amendments made by the District were part of the normal course of operations. The over-expenditures in the general fund are due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures as well as non-budgeted assets acquired under a capital lease. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last two 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 reports.

E. Interfund Receivables/Payables

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

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

F. Inventories

Inventories, which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expense during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. At June 30, 2012, the District had inventories in the Food Service Enterprise Fund of \$32,835, of which, the portion of unused Food Donation Program commodities in the amount of \$6,409 are reported as unearned revenue.

G. Tuition

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined. Tuition charges for the 2011-2012 fiscal year were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

H. Capital Assets

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

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

Property, plant and equipment of the District is depreciated using the straight line method. The following estimated useful lives are used to compute depreciation:

Asset Class	Estimated Useful Life
Buildings	20-50
Building improvements	25
Heavy equipment	10-20
Office and furniture	7-10
Computer equipment	5

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

I. Compensated Absences

A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits. The District uses the "vesting method" for estimating its accrued sick and vacation leave liability.

It is the District's policy to permit employees to accumulate earned but unused vacation, personal and sick leave benefits. A long-term liability of accumulated vacation, personal and sick leave and salary related payments has been recorded in the governmental activities in the government-wide financial statements, representing the Board's commitment to fund such costs from future operations. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

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, a liability existed for compensated absences in the government-wide financial statements in the amount of \$3,095,914 and no liability existed for compensated absences in the enterprise funds.

J. Deferred Revenue / Unearned Revenue

Deferred revenue / unearned revenue in the special revenue fund and unearned revenue in the general fund and food service and community school enterprise funds represents cash, which has been received but not yet earned, and outstanding encumbrances in the special revenue fund.

K. Long-Term Obligations

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

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

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

L. Fund Balances

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

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

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. For the unrestricted fund balance, the District first spends committed funds, then assigned funds, and finally, unassigned funds.

Of the \$8,717,243 of fund balance in the General Fund, \$1,149,037 has been restricted in the capital reserve account, \$1,141,689 has been restricted for current year excess surplus, \$2,790,732 has been assigned to designated for subsequent year expenditures, \$479,291 of encumbrances are assigned to other purposes and \$3,156,494 is unassigned.

M. Net Assets

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

N. Management Estimates

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

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

1. Summary of Significant Accounting Policies (continued)

O. On-Behalf Payments

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

P. Calculation of Excess Surplus

The designation for restricted fund balance - excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District generated \$1,141,689 of excess fund balances during the 2011-2012 fiscal year, which will be included in the 2013-2014 budget.

Q. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2012 and December 3, 2012, the date that the financial statements were issued for possible disclosure and recognition in the financial statement. Aside from the following, no additional items have come to the attention of the District that would require disclosure.

Advance Refunding

On October 4, 2012, the District issued \$25,440,000 of refunding bonds to provide resources to refund all of the \$28,413,000 outstanding callable principal amount of the District's school bonds dated July 15, 2003. As a result, \$28,413,000 of the refunded bond is considered defeased and the liability will be removed from the 2013 financial statements.

Termination of Adult School Operations

Effective July 1, 2012, the Community School Enterprise Fund will no longer be offering the adult school program. The Board decided to terminate this program in order to eliminate the operating deficit in the Community School Enterprise Fund.

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

2. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that long-term liabilities, including bonds payable, loans payable, capital leases and compensated absences, are not due and payable in the current period and therefore are not reported in the funds. The details of this \$39,420,989 difference are as follows:

Bonds payable	\$ 35,013,000
Deferred interest costs	(38,970)
Premium on bonds	105,855
Loans payable	13,928
Capital leases payable	1,231,262
Compensated absences payable	<u>3,095,914</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net assets – governmental activities	<u>\$ 39,420,989</u>

3. Deposits and Investments

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

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

3. Deposits and Investments (continued)

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

Deposits

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

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

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

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

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

The District's cash and cash equivalents are classified below to inform financial statement users about the extent to which the District's deposits and investments are exposed to custodial credit risk.

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

3. Deposits and Investments (continued)

At June 30, 2012, the carrying amount of the District's deposits for all funds was \$9,133,216 and the bank balance was \$11,881,668. Of the bank balances, \$323,479 of the District's cash deposits on June 30, 2012 were secured by federal depository insurance and \$11,558,189 was covered by GUDPA.

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

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

Investments

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

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

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

3. Deposits and Investments (continued)

As of June 30, 2012, the District had no investments.

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

Concentration of Credit Risk: The District places no limit on the amount the District may invest in any one issuer.

Interest Rate Risk: The District does not have a formal investment policy that limits interest rate risk.

4. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 9,263,696			\$ 9,263,696
Construction in progress		\$ 448,055		448,055
Total capital assets, not being depreciated	9,263,696	448,055		9,711,751
Capital assets, being depreciated				
Land improvements	8,903,664			8,903,664
Buildings and building improvements	77,318,131			77,318,131
Machinery, equipment, and vehicles	19,230,365	926,115	\$ 389,281	19,767,199
Total capital assets being depreciated	105,452,160	926,115	389,281	105,988,994
Less accumulated depreciation/amortization for:				
Land improvements	(4,004,822)	(412,519)		(4,417,341)
Buildings and building improvements	(39,393,163)	(1,435,773)		(40,828,936)
Machinery, equipment, and vehicles	(15,311,648)	(1,127,747)	(379,621)	(16,059,774)
Total accumulated depreciation	(58,709,633)	(2,976,039)	(379,621)	(61,306,051)
Total capital assets, being depreciated, net	46,742,527	(2,049,924)	9,660	44,682,943
Governmental activities capital assets, net	\$ 56,006,223	\$ (1,601,869)	\$ 9,660	\$ 54,394,694

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

4. Capital Assets (continued)

Depreciation expense was charged to functions/programs of the District for the year ended June 30, 2012 as follows:

Instruction	\$ 1,720,788
Support services:	
Health services	42,934
Other support services	349,058
Improvement of instruction	49,035
Other support: instructional staff ⁹²⁸	
School library	37,015
General administration	43,914
School Administration	144,664
Central services	36,219
Administrative information technology	39,327
Plant operation and maintenance	362,146
Student transportation	<u>150,011</u>
Total	<u>\$ 2,976,039</u>

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

Business-type activities:	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, being depreciated:				
Machinery and equipment	\$ 741,106	\$ 16,879	\$ 6,594	\$ 751,391
Less accumulated depreciation for:				
Machinery and equipment	<u>(485,286)</u>	<u>(36,387)</u>	<u>(6,594)</u>	<u>(515,079)</u>
Total business-type activities capital assets, net	<u>\$ 255,820</u>	<u>(19,508)</u>	<u>\$ -</u>	<u>\$ 236,312</u>

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

5. Long-Term Liabilities

During the year ended June 30, 2012, the following changes occurred in governmental activities long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Bonds payable	\$ 37,668,000		\$ 2,655,000	\$ 35,013,000	\$ 2,765,000
Deferred interest costs	(49,027)		(10,057)	(38,970)	(10,057)
Premium on bonds	133,172		27,317	105,855	27,317
Loans payable	20,893		6,965	13,928	6,965
Capital leases	765,188	\$ 825,000	358,926	1,231,262	272,362
Compensated absences	3,088,688	454,091	446,865	3,095,914	404,808
Governmental activities long-term liabilities	<u>\$ 41,626,914</u>	<u>\$ 1,279,091</u>	<u>\$ 3,485,016</u>	<u>\$ 39,420,989</u>	<u>\$ 3,466,395</u>

The District expects to liquidate the compensated absences and capital leases with payments made from the District's general fund and the bonds and loans payable from the debt service fund.

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

In November 2010, the District issued \$2,470,000 of refunding bonds with interest rates ranging between 3.00% and 4.00%. The District issued the bonds to advance refund \$2,498,000 of the outstanding school bonds dated May 15, 2001 with interest rates ranging between 4.38% and 4.75%. The outstanding principal of the defeased bonds is \$1,998,000 at June 30, 2012.

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

5. Long-Term Liabilities (continued)

Bonds Payable

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2013	\$ 2,765,000	\$ 1,362,515	\$ 4,127,515
2014	2,875,000	1,254,515	4,129,515
2015	2,990,000	1,142,015	4,132,015
2016	3,120,000	1,024,465	4,144,465
2017	2,785,000	896,865	3,681,865
2018-2022	14,600,000	2,743,276	17,343,276
2023-2024	5,878,000	249,773	6,127,773
	<u>\$ 35,013,000</u>	<u>\$ 8,673,424</u>	<u>\$ 43,686,424</u>

All bonds outstanding are presented on schedule I-1 in this report.

Capital Leases Payable

The District is leasing several passenger buses and equipment totaling \$1,231,262 under capital leases. The following is a schedule of the future minimum lease payments under these capital leases and the net minimum lease payments at June 30, 2012:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2013	\$ 272,362	\$ 37,754	\$ 310,116
2014	281,269	28,847	310,116
2015	290,468	19,648	310,116
2016	299,967	10,149	310,116
2017	87,196	1,416	88,612
	<u>\$ 1,231,262</u>	<u>\$ 97,814</u>	<u>\$ 1,329,076</u>

All capital leases outstanding are presented on schedule I-2 in this report.

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

6. Deferred Charges

In the governmental funds, debt issuance costs are recognized as expenditures in the year the bonds are issued. For the government-wide financial statements, debt issuance costs are amortized using the straight line method, which approximates the effective interest method, over the life of the specific bonds. The amortization expense for the year ended June 30, 2012 amounted to \$14,677. The total unamortized balance of the deferred charges at June 30, 2012 is \$74,732.

7. Pension Plans

Description of Systems

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

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full-time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Members are eligible for retirement at age 55 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Early retirement is available for these systems to those employees under age 55 participating in TPAF or PERS with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

7. Pension Plans (continued)

Public Employee's Retirement System

The Public Employees' Retirement System was established in January 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service and 25 years for healthcare coverage. Members are eligible for retirement at age 55 with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of creditable service. Early retirement is available for these systems to those employees under age 55 participating in TPAF or PERS with 25 or more years of credited service. Anyone who retires early and is under age 55 receives retirement benefits as calculated in the above mentioned formula but at a reduced rate (one quarter of one percent for each month the member lacks of attaining age 55).

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

Funding Policy

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

During the year ended June 30, 2012, the State of New Jersey contributed \$5,939,236 to the TPAF for on-behalf medical and pension contributions on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$4,601,062 during the year ended June 30, 2012 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the government-wide and fund financial statements.

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

7. Pension Plans (continued)

Funding policy

The Board's actuarially determined contributions to PERS for each of the years ended June 30, 2012, 2011 and 2010 were \$1,911,847, \$1,917,599 and \$1,452,541, respectively, equal to the required contributions for each year.

8. Post-Retirement Benefits

Plan Description

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

Funding Policy

P.L. 1987, chapter 384 and P.L. 1990, Chapter 6 required Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, 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 receiving post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

8. Post-Retirement Benefits (continued)

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

The State will set the contribution rate based on the *annual required contribution of the employers* (ARC), an amount actuarially determined in accordance with parameters of GASB 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the District for the years ended June 30, 2012, 2011 and 2010 were \$3,966,239, \$4,071,985 and \$3,864,598, respectively, which equaled the required contributions for each year. The State's contributions to the SHBP Fund for PERS retirees' post-retirement benefits on behalf of the District was not determined or made available by the State of New Jersey.

9. Interfund Receivables and Payables

The total interfund accounts receivable and payable balances for the District as of June 30, 2012 were as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 517,927	\$ 162,098
Special Revenue Fund		517,927
Community School Enterprise Fund	136,288	84,470
Extended Day Program Enterprise Fund	84,470	
Unemployment Compensation Trust Fund	25,810	
	\$ 764,495	\$ 764,495

The interfund payable in the special revenue fund represents cash loaned from the general fund to the special revenue fund to eliminate a pooled cash deficit that has resulted from the District incurring expenses in the special revenue fund for which they had not been fully reimbursed from federal, state and/or local agencies. The interfund receivable in the Community School Enterprise Fund represents a contribution from the General Fund to cover a deficit in operations. The interfund payable in the Community School Enterprise Fund represents cash loaned from the Extended Day Program Enterprise Fund to cover a pooled cash deficit. The interfund receivable in the unemployment compensation trust fund represents employer contributions charged to the general fund budget, but not turned over as of year-end. All interfunds are expected to be liquidated within one year.

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

10. Economic Dependency

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

11. Contingent Liabilities

The District is a defendant in several legal proceedings that are in various stages of litigation. In the opinion of management and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District.

Prior to the end of the 2011 fiscal year, the District entered into a collective bargaining agreement with the Wayne Education Association from June 26, 2011 through June 25, 2014, which was subsequently approved by the Board of Education during the 2012 fiscal year. The previous collective bargaining agreement was set to terminate on June 30, 2011. During the 2012 fiscal year, the District determined that certain aspects of the agreement were not in accordance with New Jersey law. The District is currently working with the Wayne Education Association to address these issues. The effects on the financial position of the District are not currently known.

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2012 may be impaired. In addition, the District is receiving funding from the New Jersey Schools Development Authority (NJSDA), in connection with several of its capital projects. The costs associated with the funding received from the NJSDA are subject to final review of eligible costs and compliance by the New Jersey Department of Education and the NJSDA. To the extent that the District has not complied with the rules and regulations governing the NJSDA funds or has not met the final eligible requirements, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2012 may be impaired.

In the opinion of the District's management, there are no significant contingent liabilities relating to compliance with rules and regulations or final eligible cost requirements governing the respective grants or funding; therefore, no provisions have been recorded in the accompanying basic financial statements for such contingencies.

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

12. Capital Reserve Account

A capital reserve account was established by the Wayne Board of Education by inclusion of \$1 on September 25, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning balance, July 1, 2011	\$	1,028,457
Interest earnings		389
Deposit:		
Approved by June 2012 resolution		500,000
Withdrawals:		
Approved by various Board resolutions		<u>(379,809)</u>
Ending balance, June 30, 2012	\$	<u>1,149,037</u>

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

Wayne Township Public Schools

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2012

13. Risk Management

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

Property and Liability Insurance

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

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

14. Transfers – Reconciliation

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

	<u>In</u>	<u>Out</u>
General Fund	\$ 84	\$ 136,523
Capital Projects Fund		84
Community School Enterprise Fund	136,523	
	<u>\$ 136,607</u>	<u>\$ 136,607</u>

The transfer from the Capital Projects Fund to the General Fund represents interest earned in the Capital Projects Fund due to the General Fund. The transfer from the General Fund to the Community School Enterprise Fund represents a contribution to cover a deficit in operations in the Community School Enterprise Fund.

Required Supplementary Information – Part II

Budgetary Comparison Schedules

Wayne Township Public Schools
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues					
Local sources:					
Local tax levy	\$ 124,894,494		\$ 124,894,494	\$ 124,894,494	
Tuition	253,075		253,075	233,126	\$ (19,949)
Interest	100,000		100,000	8,738	(91,262)
Interest on capital reserve funds				389	389
Miscellaneous:					
Rentals	129,287		129,287	81,837	(47,450)
Ice hockey	37,500		37,500	35,725	(1,775)
Camp Warwick	46,000		46,000	36,658	(9,342)
Other	442,500		442,500	244,292	(198,208)
Total revenues - local sources	125,902,856		125,902,856	125,535,259	(367,597)
State sources:					
Categorical special education aid	1,586,528		1,586,528	2,877,260	1,290,732
Extraordinary aid	1,658,428		1,658,428	2,463,662	805,234
Additional non public transportation aid	56,950		56,950	70,541	13,591
On-behalf TPAF pension contributions (non-budgeted)				5,939,236	5,939,236
Reimbursed TPAF social security contributions (non-budgeted)				4,601,062	4,601,062
Total - state sources	3,301,906		3,301,906	15,951,761	12,649,855
Federal sources:					
Education Jobs Fund	223,426	\$ 7,000	230,426	230,426	
Medicaid assistance program	70,000		70,000	69,468	(532)
Total - federal sources	293,426	7,000	300,426	299,894	(532)
Total revenues	129,498,188	7,000	129,505,188	141,786,914	12,281,726
Expenditures					
Current expenditures:					
Instruction - regular programs:					
Salaries of teachers:					
Preschool	199,880	(193,449)	6,431	6,431	
Kindergarten	1,027,928	(161,712)	866,216	866,216	
Grades 1-5	13,005,583	(55,544)	12,950,039	12,950,039	
Grades 6-8	9,744,261	13,148	9,757,409	9,757,409	
Grades 9-12	15,324,473	(19,948)	15,304,525	15,304,525	
Home instruction - regular programs:					
Salaries of teachers	76,000	(24,486)	51,514	51,447	67
Purchased professional-educational services	52,000	(19,034)	32,966	32,966	
Undistributed instruction - regular programs:					
Other salaries for instruction	103,310	(36,225)	67,085	43,773	23,312
Purchased professional educational services	100	46,100	46,200	42,500	3,700
Purchased technical services	449,600	(1,751)	447,849	388,282	59,567
Other purchased services	102,296	28,765	131,061	109,110	21,951
General supplies	1,077,277	251	1,077,528	987,659	89,869
Textbooks	345,326	(81,138)	264,188	243,793	20,395
Other objects	9,830	(293)	9,537	3,738	5,799
Total instruction - regular programs	41,517,864	(505,316)	41,012,548	40,787,888	224,660

Wayne Township Public Schools
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Cognitive-mild:					
Salaries of teachers	\$ 241,072	\$ 19,527	\$ 260,599	\$ 260,599	
Total cognitive-mild:	241,072	19,527	260,599	260,599	
Learning and/or language disabilities:					
Salaries of teachers	1,306,754	(31,718)	1,275,036	1,275,036	
Other salaries for instruction	250,481	175,154	425,635	425,635	
General supplies	21,000	(8,144)	12,856	12,856	
Textbooks	10,500	(1,308)	9,192	9,192	
Total learning and/or language disabilities	1,588,735	133,984	1,722,719	1,722,719	
Multiple disabilities:					
Salaries of teachers	469,102	121,656	590,758	590,758	
Other salaries for instruction	75,810	35,635	111,445	111,445	
General supplies	7,000	(1,748)	5,252	5,252	
Textbooks	3,000	(3,000)			
Total multiple disabilities	554,912	152,543	707,455	707,455	
Resource room/center:					
Salaries of teachers	6,009,484	(58,579)	5,950,905	5,950,905	
Other salaries for instruction	433,213	(186,000)	247,213	247,213	
General supplies	10,000	4,607	14,607	14,607	
Textbooks	3,000	(1,050)	1,950	1,950	
Total resource room/center	6,455,697	(241,022)	6,214,675	6,214,675	
Autism:					
Salaries of teachers	169,140	(7,432)	161,708	161,679	\$ 29
Other salaries for instruction	25,448	(25,448)			
General supplies		586	586	586	
Total autism	194,588	(32,294)	162,294	162,265	29
Preschool disabilities - part time:					
Salaries of teachers	284,830	211,359	496,189	496,189	
Other salaries for instruction	157,958	(40,434)	117,524	117,524	
General supplies	3,000	(854)	2,146	2,146	
Total preschool disabilities - part time	445,788	170,071	615,859	615,859	
Total special education	9,480,792	202,809	9,683,601	9,683,572	29
Home instruction-special:					
Other salaries	2,000	56,657	58,657	58,657	
Purchased professional services	54,000	(33,790)	20,210	20,210	
Total home instruction-special	56,000	22,867	78,867	78,867	

Wayne Township Public Schools
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Basic skills/remedial - instruction:					
Salaries of teachers	\$ 1,720,312	\$ (202,850)	\$ 1,517,462	\$ 1,501,754	\$ 15,708
Other salaries for instruction		80	80	80	
General supplies	8,598	(675)	7,923	2,949	4,974
Total basic skills/remedial - instruction	1,728,910	(203,445)	1,525,465	1,504,783	20,682
Bilingual education - instruction:					
Salaries of teachers	377,366	20,890	398,256	352,778	45,478
General supplies	710		710	186	524
Total bilingual education - instruction	378,076	20,890	398,966	352,964	46,002
School - sponsored cocurricular activities:					
Salaries	571,904	36,062	607,966	607,966	
Other salaries		14,066	14,066	14,066	
Purchased services	10,725		10,725	9,978	747
Supplies and materials	12,530	(4,072)	8,458	6,837	1,621
Other objects	19,963	(15,440)	4,523	4,523	
Total school spn. cocurricular activities	615,122	30,616	645,738	643,370	2,368
School - sponsored athletics - instruction:					
Salaries	1,176,055	50,230	1,226,285	1,226,267	18
Purchased services	458,401	(75,098)	383,303	360,360	22,943
Supplies and materials	189,314	17,226	206,540	186,796	19,744
Other objects		15,210	15,210	6,190	9,020
Total school - sponsored athletics - instruction	1,823,770	7,568	1,831,338	1,779,613	51,725
Community services:					
Salaries	95,000	(1,668)	93,332	82,449	10,883
Other purchased services	350,073	(184,405)	165,668	165,668	
Total community services	445,073	(186,073)	259,000	248,117	10,883
Total instruction	56,045,607	(610,084)	55,435,523	55,079,174	356,349
Undistributed expenditures:					
Instruction:					
Tuition to other LEAs w/in the state - regular	576,554	(562,689)	13,865	13,865	
Tuition to other LEAs w/in the state - special ed		300,193	300,193	300,193	
Tuition to county vocational - regular	177,960	30,846	208,806	208,806	
Tuition to county vocational - special	42,658	(23,829)	18,829	18,829	
Tuition to CSSD and regional day schools	382,540	(57,275)	325,265	322,415	2,850
Tuition to private schools for the handicapped - within state	1,070,699	1,026,249	2,096,948	2,088,092	8,856
Tuition to private schools disabled outside the State	397,943	(362,692)	35,251	35,216	35
Tuition - state facilities	4,500		4,500	4,500	
Tuition - other	149,426	(70,770)	78,656	78,656	
Total instruction	2,802,280	280,033	3,082,313	3,070,572	11,741

Wayne Township Public Schools
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Health services:					
Salaries	\$ 1,397,099	\$ (27,619)	\$ 1,369,480	\$ 1,329,913	\$ 39,567
Purchased professional and technical services	85,050		85,050	84,119	931
Other purchased services	4,000		4,000	1,739	2,261
Supplies and materials	38,315	(1,629)	36,686	24,530	12,156
Other objects	1,150		1,150	944	206
Total health services	1,525,614	(29,248)	1,496,366	1,441,245	55,121
Speech, OT, PT & related services:					
Salaries	2,065,572	125,405	2,190,977	2,188,708	2,269
Purchased professional educational services	427,000	110,146	537,146	507,588	29,558
Travel		2,100	2,100	1,760	340
Supplies and materials	11,000	19,153	30,153	30,087	66
Total speech, OT, PT & related services	2,503,572	256,804	2,760,376	2,728,143	32,233
Other support services students - extra services:					
Salaries	2,208,929	136,094	2,345,023	2,231,511	113,512
Purchased professional educational services	514,409	124,894	639,303	635,913	3,390
Other purchased services	140	(140)			
Supplies and materials	2,000	(505)	1,495	1,495	
Total other support services students - extra services	2,725,478	260,343	2,985,821	2,868,919	116,902
Guidance:					
Salaries of other professional staff	2,374,256	97,313	2,471,569	2,463,573	7,996
Salaries of secretarial and clerical assistants	300,233	1,105	301,338	293,000	8,338
Other salaries	51,606	32,035	83,641	83,641	
Purchased professional educational services	7,849	1,034	8,883	4,383	4,500
Other purchased services		389	389	389	
Supplies and materials	32,377	(5,333)	27,044	19,477	7,567
Other objects	1,405	(289)	1,116	1,108	8
Total guidance	2,767,726	126,254	2,893,980	2,865,571	28,409
Child study teams:					
Salaries of other professional staff	2,446,069	(349,754)	2,096,315	2,094,648	1,667
Salaries of secretarial and clerical assistants	179,800		179,800	178,627	1,173
Other salaries	66,852	(42,034)	24,818	24,818	
Other purchased professional - technical services	250,000	24,835	274,835	257,384	17,451
Miscellaneous purchased services	20,349	(9,907)	10,442	6,322	4,120
Supplies and materials	13,629		13,629	13,619	10
Total child study teams	2,976,699	(376,860)	2,599,839	2,575,418	24,421
Improvement of instructional services:					
Salaries of supervisors of instruction	1,712,033	(178,434)	1,533,599	1,455,591	78,008
Salaries of other professional staff	203,609		203,609	164,384	39,225
Salaries of secretarial and clerical assistants	70,268	(40,268)	30,000	30,000	
Other salaries	29,797	(5,550)	24,247	14,556	9,691
Other purchased services	18,900	(9,338)	9,562	2,282	7,280
Travel		1,584	1,584	1,211	373
Supplies and materials	600	1,956	2,556	2,358	198
Other objects	2,500	3,198	5,698	5,698	
Total improvement of instructional services	2,037,707	(226,852)	1,810,855	1,646,080	164,775

Wayne Township Public Schools
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Educational media services/school library:					
Salaries	\$ 1,137,140	\$ 1	\$ 1,137,141	\$ 1,114,535	\$ 22,606
Purchased professional and technical services	20,560	5	20,565	19,091	1,474
Other purchased services	768		768	768	
Supplies and materials	108,867	7,962	116,829	108,161	8,668
Total educational media services/ school library	1,267,335	7,968	1,275,303	1,242,555	32,748
Instructional staff training services:					
Salaries of other professional staff	15,000	(5,000)	10,000		10,000
Other purchased professional and technical services	22,156	(12,613)	9,543	677	8,866
Other purchased services	25,956	12,741	38,697	24,816	13,881
Travel		4,262	4,262	3,032	1,230
Supplies and materials		2,634	2,634	2,634	
Total instructional staff training services	63,112	2,024	65,136	31,159	33,977
Support services-general administration:					
Salaries	377,741	190,489	568,230	568,230	
Purchased professional services	513,704	(22,069)	491,635	471,750	19,885
Other purchased professional services	93,935	(48,770)	45,165	45,165	
Communications/telephone	48,000	198,199	246,199	246,199	
Travel		1,174	1,174	1,174	
BOE other purchased services	900	1,017	1,917	1,917	
Miscellaneous purchased services	106,176	790	106,966	106,966	
General supplies	5,675	8,345	14,020	2,612	11,408
BOE membership dues and fees	35,000	(8,337)	26,663	26,663	
Miscellaneous expenditures	5,000	(1,528)	3,472	3,472	
Total support services-general administration	1,186,131	319,310	1,505,441	1,474,148	31,293
Support services-school administration:					
Salaries of supervisors of instruction		245,453	245,453	245,453	
Salaries of principals/ assistant principals	3,308,849	(353,317)	2,955,532	2,955,531	1
Salaries of other professional staff	285,231	28,774	314,005	314,005	
Salaries of secretarial and clerical assistants	1,338,415	(91,974)	1,246,441	1,244,079	2,362
Purchased professional and technical services	2,128		2,128	892	1,236
Other purchased services	28,835	(10,892)	17,943	8,506	9,437
Travel		8,182	8,182	1,313	6,869
Supplies and materials	43,500	3,702	47,202	30,271	16,931
Other objects	61,780	(234)	61,546	56,213	5,333
Total support services-school administration	5,068,738	(170,306)	4,898,432	4,856,263	42,169
Central services:					
Salaries	1,126,968	(3,641)	1,123,327	1,034,967	88,360
Purchased professional services	44,300	24,021	68,321	66,970	1,351
Misc. purchased services	101,330	(36,419)	64,911	52,249	12,662
Supplies and materials	57,035	12,389	69,424	54,985	14,439
Miscellaneous expenditures	8,000	510	8,510	6,683	1,827
Total central services	1,337,633	(3,140)	1,334,493	1,215,854	118,639

Wayne Township Public Schools
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Administrative information technology:					
Salaries	\$ 828,878	\$ 22,677	\$ 851,555	\$ 851,555	
Purchased technical services	335,258	(80,350)	254,908	245,638	\$ 9,270
Other purchased services	41,116		41,116	5,457	35,659
Supplies and materials	233,756	(14,695)	219,061	216,667	2,394
Other objects	1,000		1,000	845	155
Total administrative information technology	1,440,008	(72,368)	1,367,640	1,320,162	47,478
Required maintenance for school facilities:					
Salaries	864,762	38,262	903,024	886,483	16,541
Purchased professional services		32,762	32,762	24,512	8,250
Cleaning, repair and maintenance services	801,659	(9,925)	791,734	753,415	38,319
Other purchased services		10,510	10,510	10,510	
General supplies	437,526	10,579	448,105	399,695	48,410
Total required maintenance for school facilities	2,103,947	82,188	2,186,135	2,074,615	111,520
Custodial services:					
Salaries	5,118,981	7,838	5,126,819	5,109,545	17,274
Purchased professional and technical services	83,282	(5,000)	78,282	56,669	21,613
Cleaning, repair and maintenance services	951,696	98,933	1,050,629	1,011,941	38,688
Rental of land and building	3,000		3,000	2,575	425
Other purchased property services	114,470		114,470	100,029	14,441
Insurance	543,115	(31,610)	511,505	495,078	16,427
Other purchased services		1,100	1,100	1,100	
Travel		3,000	3,000	161	2,839
Miscellaneous purchased services	14,000	5,500	19,500	19,500	
General supplies	381,500	25,713	407,213	393,642	13,571
Energy (natural gas)	1,498,968	(208,378)	1,290,590	593,046	697,544
Energy (electricity)	2,308,000	(29,500)	2,278,500	1,890,830	387,670
Other objects	1,000	365	1,365	1,365	
Total custodial services	11,018,012	(132,039)	10,885,973	9,675,481	1,210,492
Care and upkeep of grounds:					
Salaries	331,937		331,937	326,408	5,529
Cleaning, repair and maintenance services	85,000	5,431	90,431	80,438	9,993
Total care and upkeep of grounds	416,937	5,431	422,368	406,846	15,522
Student transportation services:					
Salaries for pupil transportation:					
Between home and school - regular	1,486,135	23,405	1,509,540	1,477,347	32,193
Between home and school - special	1,388,595	(29,014)	1,359,581	1,344,990	14,591
Between home and school - nonpublic	195,000	(55,860)	139,140	127,739	11,401
Lease purchase payments - school buses	408,898	(3,450)	405,448	405,403	45
Contracted services:					
Between home & school - regular	218,380	(45,581)	172,799	172,799	
Other between home & school - regular	20,400	(9,946)	10,454	8,017	2,437
Vendors - special ed	396,997	38,468	435,465	435,465	
Aid in lieu - nonpublic	324,442	(92,083)	232,359	232,359	
Miscellaneous purchased services	110,455	(9,830)	100,625	99,213	1,412
General supplies	655,670	74,070	729,740	729,504	236
Other objects	3,240		3,240	2,909	331
Total student transportation services	5,208,212	(109,821)	5,098,391	5,035,745	62,646

Wayne Township Public Schools
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
Current expenditures (continued):					
Undistributed expenditures (continued):					
Unallocated benefits:					
Social security contributions	\$ 1,775,903	\$ (17,355)	\$ 1,758,548	\$ 1,657,210	\$ 101,338
Other retirement contributions - regular	2,011,412	24,290	2,035,702	1,927,560	108,142
Unemployment	100,000		100,000	100,000	
Worker's compensation	1,071,488		1,071,488	1,019,851	51,637
Health insurance	23,575,949	(33,013)	23,542,936	23,367,699	175,237
Tuition reimbursement	190,535	(1)	190,534	70,716	119,818
Other employee benefits	405,597	148,922	554,519	552,800	1,719
Total unallocated benefits	29,130,884	122,843	29,253,727	28,695,836	557,891
On-behalf TPAF pension contributions (non-budgeted)				5,939,236	(5,939,236)
Reimbursed TPAF social security contributions (non-budgeted)				4,601,062	(4,601,062)
Total personal services: benefits	29,130,884	122,843	29,253,727	39,236,134	(9,982,407)
Total undistributed expenditures	75,580,025	342,564	75,922,589	83,764,910	(7,842,321)
Total current expenditures	131,625,632	(267,520)	131,358,112	138,844,084	(7,485,972)
Capital outlay:					
Equipment:					
Regular programs - instruction:					
Preschool disabilities - part time		10,352	10,352	10,352	
School-sponsored and other instructional prgms	5,000		5,000		5,000
Undistributed expenditures:					
Other support services - students - regular		2,414	2,414	2,414	
Other support services - students - special		4,580	4,580	4,580	
Operation and maintenance of plant services	56,181	9,090	65,271	65,271	
Student transportation		3,795	3,795	3,795	
Total equipment	61,181	30,231	91,412	86,412	5,000
Facilities acquisition and construction services:					
Architectural/Engineering services	18,000	67,240	85,240	52,354	32,886
Construction services	381,200	327,870	709,070	395,701	313,369
Supplies and materials	322,000	(38,569)	283,431		283,431
Other objects	112,252	(112,252)			
Total facilities acquisition and construction services	833,452	244,289	1,077,741	448,055	629,686
Assets acquired under capital lease (non-budgeted)				825,000	(825,000)
Total expenditures - capital outlay	894,633	274,520	1,169,153	1,359,467	(190,314)
Total expenditures	132,520,265	7,000	132,527,265	140,203,551	(7,676,286)

Wayne Township Public Schools
General Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Expenditures (continued)					
(Deficiency) excess of revenues (under) over expenditures	\$ (3,022,077)	-	\$ (3,022,077)	\$ 1,583,363	\$ 4,605,440
Other financing sources (uses)					
Transfers in				84	84
Capital leases				825,000	825,000
Transfers out - Community School Enterprise Fund				(136,523)	(136,523)
Total other financing sources (uses)	-	-	-	688,561	688,561
(Deficiency) excess of revenues (under) over expenditures and other financing sources (uses)	(3,022,077)	-	(3,022,077)	2,271,924	5,294,001
Fund balances, July 1	6,684,415		6,684,415	6,684,415	
Fund balances, June 30	\$ 3,662,338	\$ -	\$ 3,662,338	\$ 8,956,339	\$ 5,294,001
Recapitulation of (deficiency) excess of revenues (under) over expenditures and other financing sources (uses)					
Budgeted fund balance	\$ (2,100,000)		(2,100,000)	\$ 2,373,421	\$ 4,473,421
Net increase in capital reserve				820,580	820,580
Net decrease in capital reserve	(700,000)		(700,000)	(700,000)	
Adjustment for prior year encumbrances	(222,077)		(222,077)	(222,077)	
Total	\$ (3,022,077)	\$ -	\$ (3,022,077)	\$ 2,271,924	\$ 5,294,001
Recapitulation of fund balance:					
Restricted for Capital Reserve				\$ 1,149,037	
Restricted for Excess Surplus				1,141,689	
Assigned to year-end encumbrances				479,291	
Assigned to subsequent years expenditures				2,790,732	
Unassigned				3,395,590	
Total fund balance (budgetary basis)				8,956,339	
Reconciliation to Government Funds Statements (GAAP):					
Last state aid payments not recognized on GAAP basis				(239,096)	
Fund balance per Government Funds (GAAP) (B-1)				\$ 8,717,243	

Wayne Township Public Schools
General Fund

Budgetary Comparison Schedule
Education Jobs Fund
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues					
Federal sources:					
Education jobs	\$ 223,426	\$ 7,000	\$ 230,426	\$ 230,426	
Total - federal sources	223,426	7,000	230,426	230,426	
Expenditures					
Current expenditures:					
Learning and/or language disabilities:					
Salaries of teachers	32,642		32,642	32,642	
Other salaries for instruction	7,660		7,660	7,660	
Total learning and/or language disabilities	40,302		40,302	40,302	
Multiple disabilities:					
Salaries of teachers	48,300		48,300	48,300	
Total multiple disabilities	48,300		48,300	48,300	
Resource room/center:					
Salaries of teachers	21,761		21,761	21,761	
Total resource room/center	21,761		21,761	21,761	
Other support services students - extra services:					
Salaries	83,915	7,000	90,915	90,915	
Total other support services students - extra services	83,915	7,000	90,915	90,915	
Unallocated benefits:					
Social security contributions	7,541		7,541	7,541	
Health insurance	4,517		4,517	4,517	
Other employee benefits	17,090		17,090	17,090	
Total unallocated benefits	29,148		29,148	29,148	
Total expenditures	223,426	7,000	230,426	230,426	
Excess revenues over expenditures	-	-	-	-	
Fund balances, July 1	\$ -	\$ -	\$ -	\$ -	-
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	-

Wayne Township Public Schools
Special Revenue Fund

Budgetary Comparison Schedule
(Budgetary Basis)

Year ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
State sources	\$ 513,210	\$ 11,306	\$ 524,516	\$ 436,234	\$ (88,282)
Federal sources	2,207,147	1,207,234	3,414,381	2,817,368	(597,013)
Other sources	349,989	349,989	349,989	78,395	(271,594)
Total revenues	2,720,357	1,568,529	4,288,886	3,331,997	(956,889)
Expenditures:					
Current expenditures:					
Instruction:					
Salaries of teachers	160,000	178,335	338,335	239,375	98,960
Other salaries for instruction		92,200	92,200	88,236	3,964
Tuition		1,800,087	1,800,087	1,732,631	67,456
Other purchased services	1,879,332	(1,774,757)	104,575	21,161	83,414
General supplies	35,690	552,874	588,564	428,649	159,915
Textbooks	75,582	(10,328)	65,254	64,774	480
Other objects		122,674	122,674	43,796	78,878
Total instruction	2,150,604	961,085	3,111,689	2,618,622	493,067
Support services:					
Salaries of supervisors of instruction	10,000	68,783	78,783	6,300	72,483
Personal services—employee benefits	33,500	37,388	70,888	64,422	6,466
Other purchased professional educational services	10,000	481,750	491,750	365,035	126,715
Other purchased professional services	476,838	(134,914)	341,924	201,330	140,594
Supplies and materials	39,415	8,656	48,071	5,581	42,490
Total support services	569,753	461,663	1,031,416	642,668	388,748
Facilities acquisition and construction services:					
Instructional equipment		145,781	145,781	70,707	75,074
Total facilities acquisition and construction services		145,781	145,781	70,707	75,074
Total expenditures	2,720,357	1,568,529	4,288,886	3,331,997	956,889
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

Wayne Township Public Schools
Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2012

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the Budgetary Comparison Schedule (C-1, C-2)	\$ 141,786,914	\$ 3,331,997
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances (net) are recognized as expenditures, and the related revenue is recognized.		
Current year		(14,790)
Prior year		119,376
State aid payments for budgetary purposes, and recognized for GAAP statements in the current fiscal year.	(239,096)	
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (B-2)	\$ 141,547,818	\$ 3,436,583
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the Budgetary Comparison Schedule (C-1, C-2)	\$ 140,203,551	\$ 3,331,997
Differences - budget to GAAP		
Encumbrances (net) for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current year		(14,790)
Prior year		119,376
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 140,203,551	\$ 3,436,583

Supplementary Information

Supplementary Information

Wayne Township Public Schools
 Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures –
 Budgetary Basis

Year ended June 30, 2012

	Nonpublic												
	Nursing	Text-books	Transportation	Compensatory Education	Exam and Class	ESL	Corrective Speech	Supplemental Instruction	Home Instruction	Anti-Bullying	Title IID Carryover	Title IIA Current	Title IIA Carryover
Revenues:													
State sources	\$ 93,208	\$ 64,774	\$ 36,100	\$ 66,781	\$ 70,358	\$ 2,586	\$ 23,617	\$ 52,404	\$ 19,981	\$ 6,425			
Federal sources											\$ 813	\$ 117,268	\$ 95,602
Local sources													
Total revenues	\$ 93,208	\$ 64,774	\$ 36,100	\$ 66,781	\$ 70,358	\$ 2,586	\$ 23,617	\$ 52,404	\$ 19,981	\$ 6,425	\$ 813	\$ 117,268	\$ 95,602
Expenditures:													
Current expenditures:													
Instruction:													
Salaries of teachers												\$ 16,537	
Other salaries for instruction													
Tuition													
Other purchased services													
General supplies											\$ 712	65,095	\$ 75,881
Textbooks		\$ 64,774											
Other objects													
Total instruction		<u>64,774</u>									<u>712</u>	<u>81,632</u>	<u>75,881</u>
Support services:													
Salaries of supervisors of instruction										\$ 6,300			
Personal services—employee benefits													
Other purchased professional educational services	\$ 93,208		\$ 36,100	\$ 66,781	\$ 70,358	\$ 2,586	\$ 23,617	\$ 52,404	\$ 19,981				
Other purchased professional services										125	101	35,636	19,721
Supplies and materials													
Total support services	<u>93,208</u>		<u>36,100</u>	<u>66,781</u>	<u>70,358</u>	<u>2,586</u>	<u>23,617</u>	<u>52,404</u>	<u>19,981</u>	<u>6,425</u>	<u>101</u>	<u>35,636</u>	<u>19,721</u>
Equipment													
Instruction equipment													
Total equipment													
Total expenditures	\$ 93,208	\$ 64,774	\$ 36,100	\$ 66,781	\$ 70,358	\$ 2,586	\$ 23,617	\$ 52,404	\$ 19,981	\$ 6,425	\$ 813	\$ 117,268	\$ 95,602

Wayne Township Public Schools
Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures –
Budgetary Basis

Year ended June 30, 2012

	I.D.E.A.					Title IV Carryover	Title I Current	Title I Carryover	Title III Current	Title III Carryover	Title III Immigrant	Perkins Current	Local Programs	Totals
	Part B Current	Part B ARRA	Preschool Current	Preschool Carryover	Preschool ARRA									
Revenues:														
State sources														\$ 436,234
Federal sources	\$ 1,840,769	\$ 123,575	\$ 72,803	\$ 36,130	\$ 25,342	\$ 1,793	\$ 341,203	\$ 82,357	\$ 28,168	\$ 7,545	\$ 5,573	\$ 38,427		\$ 2,817,368
Local sources													\$ 78,395	\$ 78,395
Total revenues	\$ 1,840,769	\$ 123,575	\$ 72,803	\$ 36,130	\$ 25,342	\$ 1,793	\$ 341,203	\$ 82,357	\$ 28,168	\$ 7,545	\$ 5,573	\$ 38,427	\$ 78,395	\$ 3,331,997
Expenditures:														
Current expenditures:														
Instruction:														
Salaries of teachers			\$ 67,600				\$ 133,730		\$ 21,508					\$ 239,375
Other salaries for instruction							86,036						\$ 2,200	\$ 88,236
Tuition	\$ 1,732,631													1,732,631
Other purchased services				\$ 20,771								\$ 390		21,161
General supplies		\$ 90,487		15,359		\$ 1,793	67,959	\$ 49,700	1,239	\$ 7,545	\$ 5,573	14,907	32,399	428,649
Textbooks														64,774
Other objects													43,796	43,796
Total instruction	1,732,631	90,487	67,600	36,130		1,793	287,725	49,700	22,747	7,545	5,573	15,297	78,395	2,618,622
Support services:														
Salaries of supervisors of instruction														6,300
Personal services—employee benefits														64,422
Other purchased professional educational services			5,203				22,863	32,657	3,699					365,035
Other purchased professional services	108,138	7,258					28,359		1,722			270		201,330
Supplies and materials							2,256					3,325		5,581
Total support services	108,138	7,258	5,203				53,478	32,657	5,421			3,595		642,668
Equipment														
Instruction equipment		25,830			\$ 25,342							19,535		70,707
Total equipment		25,830			25,342							19,535		70,707
Total expenditures	\$ 1,840,769	\$ 123,575	\$ 72,803	\$ 36,130	\$ 25,342	\$ 1,793	\$ 341,203	\$ 82,357	\$ 28,168	\$ 7,545	\$ 5,573	\$ 38,427	\$ 78,395	\$ 3,331,997

Wayne Township Public Schools
 Capital Projects Fund
 Summary Schedule of Project Revenues, Expenditures,
 Project Balance and Project Status
 (Budgetary Basis)
 Year ended June 30, 2012

REVENUES AND OTHER FINANCING SOURCES

State Sources - SDA Grant

Local Sources

Interest earnings

Total revenue

\$ 84
84

EXPENDITURES

Total expenditures

-

Excess of revenues over expenditures

84

OTHER FINANCING (USES)

Transfers out

Total other financing (uses)

(84)
(84)

Excess of revenues over expenditures and other financing (uses)

-

Fund Balance - July 1

Fund Balance - June 30

587,036
\$ 587,036

Wayne Township Public Schools
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 14,331,211		\$ 14,331,211	\$ 14,331,211
Bond proceeds and transfers	45,575,818		45,575,818	45,575,818
Transfer from capital reserve	6,250,047		6,250,047	6,250,047
Total revenues	<u>66,157,076</u>	-	<u>66,157,076</u>	<u>\$ 66,157,076</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	5,541,032		5,541,032	
Construction services	57,372,042		57,372,042	
Equipment	2,654,982		2,654,982	
Transfer to capital reserve	1,984		1,984	
Total expenditures	<u>65,570,040</u>	-	<u>65,570,040</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 587,036</u>	<u>\$ -</u>	<u>\$ 587,036</u>	

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Various 2003 School Improvements

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 13,937,149		\$ 13,937,149	\$ 13,937,149
Bond proceeds and transfers	45,575,818		45,575,818	45,575,818
Transfer from capital reserve				
Total revenues	<u>59,512,967</u>	<u>-</u>	<u>59,512,967</u>	<u>\$ 59,512,967</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	4,974,799		4,974,799	
Construction services	51,841,808		51,841,808	
Equipment	2,654,982		2,654,982	
transfer to capital reserve				
Total expenditures	<u>59,471,589</u>	<u>-</u>	<u>59,471,589</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 41,378</u>	<u>\$ -</u>	<u>\$ 41,378</u>	
Additional project information				
Project number	Various			
Grant date	Various			
Bond authorization date	July 15, 2003			
Bonds Authorized	\$ 45,531,700			
Bonds Issued	45,531,700			
Original Authorized Cost	59,970,208			
Additional Authorized Cost	(457,241)			
Revised Authorized Cost	\$ 59,512,967			
Percentage Increase over Original				
Authorized Cost	-0.76%			
Percentage completion	100.00%			
Original target completion date	September 1, 2005			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Roof Replacement - Wayne Valley High School

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 98,434		\$ 98,434	\$ 98,434
Bond proceeds and transfers				
Transfer from capital reserve	230,877		230,877	230,877
Total revenues	<u>329,311</u>	-	<u>329,311</u>	<u>\$ 329,311</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	8,866		8,866	
Construction services	262,141		262,141	
Equipment				
Transfer to capital reserve	1,984		1,984	
Total expenditures	<u>272,991</u>	-	<u>272,991</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 56,320</u>	<u>\$ -</u>	<u>\$ 56,320</u>	
Additional project information				
Project number	5570-050-02-0675			
Grant date	June 2003			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 388,102			
Additional Authorized Cost	(58,791)			
Revised Authorized Cost	\$ 329,311			
Percentage Increase over Original				
Authorized Cost	-15.15%			
Percentage completion	100.00%			
Original target completion date	June 2005			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Rooftop Chiller Replacement - Wayne Hills High School

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 38,166		\$ 38,166	\$ 38,166
Bond proceeds and transfers				
Transfer from capital reserve	124,740		124,740	124,740
Total revenues	<u>162,906</u>	-	<u>162,906</u>	<u>\$ 162,906</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	11,927		11,927	
Construction services	79,832		79,832	
Equipment				
Transfer to capital reserve				
Total expenditures	<u>91,759</u>	-	<u>91,759</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 71,147</u>	<u>\$ -</u>	<u>\$ 71,147</u>	
Additional project information				
Project number	5570-055-04-2000			
Grant date	June 2004			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 207,900			
Additional Authorized Cost	(44,994)			
Revised Authorized Cost	\$ 162,906			
Percentage Increase over Original				
Authorized Cost	-21.64%			
Percentage completion	100.00%			
Original target completion date	September 2005			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Various 2005 School Improvements

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 71,082		\$ 71,082	\$ 71,082
Bond proceeds and transfers				
Transfer from capital reserve	166,128		166,128	166,128
Total revenues	<u>237,210</u>	-	<u>237,210</u>	<u>\$ 237,210</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	22,770		22,770	
Construction services	214,440		214,440	
Equipment				
Transfer to capital reserve				
Total expenditures	<u>237,210</u>	-	<u>237,210</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Additional project information				
Project number	Various			
Grant date	June 2005			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 262,714			
Additional Authorized Cost	(25,504)			
Revised Authorized Cost	\$ 237,210			
Percentage Increase over Original				
Authorized Cost	-9.71%			
Percentage completion	100.00%			
Original target completion date	December 2005			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Various 2006 School Improvements

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers				
Transfer from capital reserve	\$ 782,925		\$ 782,925	\$ 782,925
Total revenues	<u>782,925</u>	-	<u>782,925</u>	<u>\$ 782,925</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	104,737		104,737	
Construction services	637,993		637,993	
Equipment				
Transfer to capital reserve				
Total expenditures	<u>742,730</u>	-	<u>742,730</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 40,195</u>	<u>-</u>	<u>\$ 40,195</u>	
Additional project information				
Project number	N/A			
Grant date	N/A			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 118,375			
Additional Authorized Cost	664,550			
Revised Authorized Cost	\$ 782,925			
Percentage Increase over Original				
Authorized Cost	561.39%			
Percentage completion	100.00%			
Original target completion date	December 2006			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Various 2007 School Improvements

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers				
Transfer from capital reserve	\$ 2,220,566	-	\$ 2,220,566	\$ 2,220,566
Total revenues	<u>2,220,566</u>	<u>-</u>	<u>2,220,566</u>	<u>\$ 2,220,566</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	221,680		221,680	
Construction services	1,964,284		1,964,284	
Equipment				
Transfer to capital reserve				
Total expenditures	<u>2,185,964</u>	<u>-</u>	<u>2,185,964</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 34,602</u>	<u>\$ -</u>	<u>\$ 34,602</u>	
Additional project information				
Project number	N/A			
Grant date	N/A			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 2,293,167			
Additional Authorized Cost	(72,601)			
Revised Authorized Cost	\$ 2,220,566			
Percentage Increase over Original				
Authorized Cost	-3.17%			
Percentage completion	100.00%			
Original target completion date	December 2007			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

High School Intercoms

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers				
Transfer from capital reserve	\$ 444,444		\$ 444,444	\$ 444,444
Total revenues	444,444	-	444,444	<u>444,444</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services				
Construction services	396,972		396,972	
Equipment				
Transfer to capital reserve				
Total expenditures	396,972	-	396,972	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 47,472</u>	<u>\$ -</u>	<u>\$ 47,472</u>	
Additional project information				
Project number	N/A			
Grant date	N/A			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 444,444			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 444,444			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	September 2008			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Pines Lake Electrical

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers				
Transfer from capital reserve	\$ 586,020	-	\$ 586,020	\$ 586,020
Total revenues	586,020	-	586,020	<u>586,020</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	66,523		66,523	
Construction services	487,095		487,095	
Equipment				
Transfer to capital reserve				
Total expenditures	553,618	-	553,618	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 32,402</u>	<u>\$ -</u>	<u>\$ 32,402</u>	
Additional project information				
Project number	N/A			
Grant date	N/A			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 586,020			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 586,020			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	September 2008			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

George Washington Room Conversion

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers				
Transfer from capital reserve	\$ 279,190		\$ 279,190	\$ 279,190
Total revenues	279,190	-	279,190	<u>\$ 279,190</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	27,012		27,012	
Construction services	228,850		228,850	
Equipment				
Transfer to capital reserve				
Total expenditures	255,862	-	255,862	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 23,328</u>	<u>\$ -</u>	<u>\$ 23,328</u>	
Additional project information				
Project number		N/A		
Grant date		N/A		
Bond authorization date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost	\$ 279,190			
Additional Authorized Cost		-		
Revised Authorized Cost	\$ 279,190			
Percentage Increase over Original				
Authorized Cost		0.00%		
Percentage completion		100.00%		
Original target completion date		December 2008		
Revised target completion date		Completed		

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

High School Lockers

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers				
Transfer from capital reserve	\$ 298,864	-	\$ 298,864	\$ 298,864
Total revenues	298,864	-	298,864	<u>298,864</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	30,203		30,203	
Construction services	259,473		259,473	
Equipment				
Transfer to capital reserve				
Total expenditures	289,676	-	289,676	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 9,188</u>	<u>-</u>	<u>\$ 9,188</u>	
Additional project information				
Project number	5570-055-08-1000			
Grant date	N/A			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 298,864			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 298,864			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	September 2008			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Preakness Masonry

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers				
Transfer from capital reserve	\$ 12,300		\$ 12,300	\$ 12,300
Total revenues	12,300	-	12,300	<u>12,300</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	2,800		2,800	
Construction services				
Equipment				
Transfer to capital reserve				
Total expenditures	2,800	-	2,800	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 9,500</u>	<u>\$ -</u>	<u>\$ 9,500</u>	
Additional project information				
Project number	5570-X02-08-2000			
Grant date	N/A			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 12,300			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 12,300			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	June 2009			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Randall Carter Boiler Upgrade

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers				
Transfer from capital reserve	\$ 356,900	-	\$ 356,900	\$ 356,900
Total revenues	<u>356,900</u>	<u>-</u>	<u>356,900</u>	<u><u>\$ 356,900</u></u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	36,382		36,382	
Construction services	307,862		307,862	
Equipment				
Transfer to capital reserve				
Total expenditures	<u>344,244</u>	<u>-</u>	<u>344,244</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 12,656</u>	<u>\$ -</u>	<u>\$ 12,656</u>	
Additional project information				
Project number	N/A			
Grant date	N/A			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 356,900			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 356,900			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	December 2008			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

George Washington Fire Alarms

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers				
Transfer from capital reserve	\$ 225,609		\$ 225,609	\$ 225,609
Total revenues	<u>225,609</u>	-	<u>225,609</u>	<u>\$ 225,609</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	24,876		24,876	
Construction services	184,709		184,709	
Equipment				
Transfer to capital reserve				
Total expenditures	<u>209,585</u>	-	<u>209,585</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 16,024</u>	<u>\$ -</u>	<u>\$ 16,024</u>	
Additional project information				
Project number	5570-083-08-1000			
Grant date	N/A			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 225,609			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 225,609			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	September 2008			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Board Office Fire Alarms

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant				
Bond proceeds and transfers				
Transfer from capital reserve	\$ 55,534		\$ 55,534	\$ 55,534
Total revenues	55,534	-	55,534	<u>55,534</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	8,457		8,457	
Construction services	40,633		40,633	
Equipment				
Transfer to capital reserve				
Total expenditures	49,090	-	49,090	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 6,444</u>	<u>\$ -</u>	<u>\$ 6,444</u>	
Additional project information				
Project number	5570-X01-08-1000			
Grant date	N/A			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 55,534			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 55,534			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	100.00%			
Original target completion date	September 2008			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status
(Budgetary Basis)

Wayne Valley High School Roof

From Inception and for the year ended June 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
State Sources - SDA Grant	\$ 186,380		\$ 186,380	\$ 186,380
Bond proceeds and transfers				
Transfer from capital reserve	465,950		465,950	465,950
Total revenues	<u>465,950</u>	-	<u>652,330</u>	<u>\$ 652,330</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services				
Construction services	465,950		465,950	
Equipment				
Transfer to capital reserve				
Total expenditures		-	<u>465,950</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 465,950</u>	<u>\$ -</u>	<u>\$ 186,380</u>	
Additional project information				
Project number	N/A			
Grant date	N/A			
Bond authorization date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 785,480			
Additional Authorized Cost	(133,150)			
Revised Authorized Cost	\$ 652,330			
Percentage Increase over Original				
Authorized Cost	-16.95%			
Percentage completion	100.00%			
Original target completion date	June 2010			
Revised target completion date	Completed			

Wayne Township Public Schools
Capital Projects Fund

Summary Schedule of Project Expenditures
(Budgetary Basis)
Year Ended June 30, 2012

Issue/Project Title	Appropriations	Expenditures to Date		Unexpended Balance
		Prior Years	Current Year	
2003 Referendum - Various School Improvements	\$ 59,512,967	\$ 59,471,589		\$ 41,378
Capital Projects 2003:				
Roof Replacement - WVHS	329,311	272,991		56,320
Capital Projects 2004:				
Rooftop Chiller Replace WHHS	162,906	91,759		71,147
Capital Projects 2005:				
RC Floor Removal and Replace	94,645	94,645		
Ryerson Fire Alarm Upgrade	142,565	142,565		
Capital Projects 2006:				
WHHS No. Wing Chiller	545,050	517,994		27,056
SCMS Fire Alarm Upgrade	202,875	202,256		619
Nellis Gas Tank Removal	35,000	22,480		12,520
Capital Projects 2007:				
GWMS Modular	1,062,000	1,059,189		2,811
Ryerson Window Replacement	48,526	38,034		10,492
Randall Carter Gym Glass Block	253,000	252,119		881
Thuenis Dey Exterior Doors	179,450	177,951		1,499
APT Exterior Doors	179,450	177,865		1,585
Lafayette Exterior Doors	108,525	106,933		1,592
Admin. Bldg Roof	224,600	219,070		5,530
Pines Lake Window Replacement	42,066	33,418		8,648
Ryerson Media Center	122,949	121,385		1,564
Capital Projects 2008:				
High School Intercoms	444,444	396,972		47,472
Pines Lake Electrical	586,020	553,618		32,402
GW Room Conversion	279,190	255,862		23,328
High School Lockers	298,864	289,676		9,188
Preakness Masonry	12,300	2,800		9,500
R. Carter Boiler Upgrade	356,900	344,244		12,656
GW Fire Alarms	225,609	209,585		16,024
Board Office Fire Alarm	55,534	49,090		6,444
Capital Projects 2010:				
Wayne Valley High School Roof	652,330	465,950		186,380
	<u>\$ 66,157,076</u>	<u>\$ 65,570,040</u>	<u>\$ -</u>	<u>\$ 587,036</u>

Wayne Township Public Schools
Trust and Agency Funds

Combining Statement of Fiduciary Net Assets

June 30, 2012

	Trust				Agency		
	Private Purpose Scholarship Fund	Employee Benefits Program Fund	Unemployment Compensation Fund	Total Trust	Student Activity	Payroll	Total Agency
Assets							
Cash and cash equivalents	\$ 42,775	\$ 36,703	\$ 65,069	\$ 144,547	\$ 487,132	\$ 1,280,228	\$ 1,767,360
Interfund receivable			25,810	25,810			
Total assets	<u>42,775</u>	<u>36,703</u>	<u>90,879</u>	<u>170,357</u>	<u>\$ 487,132</u>	<u>\$ 1,280,228</u>	<u>\$ 1,767,360</u>
Liabilities							
Accounts payable			84,259	84,259			
Payroll deductions payable						\$ 602,054	\$ 602,054
Accrued salaries and wages						678,174	678,174
Due to student groups					<u>\$ 487,132</u>		<u>487,132</u>
Total liabilities			<u>84,259</u>	<u>84,259</u>	<u>\$ 487,132</u>	<u>\$ 1,280,228</u>	<u>\$ 1,767,360</u>
Net assets							
Held in trust for:							
Employee benefits		36,703		36,703			
Unemployment claims			6,620	6,620			
Scholarships	42,775			42,775			
Total net assets	<u>\$ 42,775</u>	<u>\$ 36,703</u>	<u>\$ 6,620</u>	<u>\$ 86,098</u>			

Wayne Township Public Schools
Student Activity Agency Fund

Statement of Cash Receipts and Cash Disbursements

Year ended June 30, 2012

	Balance July 1, 2011	Cash Receipts	Cash Disbursements	Balance June 30, 2012
Elementary schools:				
A.P. Terhune	\$ 3,055	\$ 9,389	\$ 7,670	\$ 4,774
Theunis Dey	7,066	9,533	8,351	8,248
James Fallon	1,071	8,362	8,424	1,009
John F. Kennedy	481	11,053	10,992	542
Lafayette	1,216	7,394	7,253	1,357
Pines Lake	14,631	17,391	18,749	13,273
Ryerson	547	3,481	1,958	2,070
Randall Carter	6,047	13,708	14,962	4,793
Packanack	5,534	9,813	7,764	7,583
	<u>\$ 39,648</u>	<u>\$ 90,124</u>	<u>\$ 86,123</u>	<u>\$ 43,649</u>
Middle schools:				
George Washington	\$ 44,461	\$ 123,246	\$ 121,298	\$ 46,409
Schyler Colfax	16,031	172,278	160,150	28,159
Anthony Wayne	36,821	162,224	150,542	48,503
	<u>\$ 97,313</u>	<u>\$ 457,748</u>	<u>\$ 431,990</u>	<u>\$ 123,071</u>
High schools:				
Wayne Valley	\$ 123,531	\$ 313,843	\$ 312,270	\$ 125,104
Wayne Hills	220,183	216,843	241,718	195,308
	<u>\$ 343,714</u>	<u>\$ 530,686</u>	<u>\$ 553,988</u>	<u>\$ 320,412</u>
Total all schools	<u>\$ 480,675</u>	<u>\$ 1,078,558</u>	<u>\$ 1,072,101</u>	<u>\$ 487,132</u>

Wayne Township Public Schools
Payroll Agency Fund

Statement of Cash Receipts and Cash Disbursements

Year ended June 30, 2012

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012
Assets				
Cash and equivalents	\$ 1,236,828	\$ 96,404,513	\$ 96,361,113	\$ 1,280,228
Total assets	<u>\$ 1,236,828</u>	<u>\$ 96,404,513</u>	<u>\$ 96,361,113</u>	<u>\$ 1,280,228</u>
Liabilities				
Payroll deductions and withholdings payable	\$ 553,693	\$ 94,062,233	\$ 94,013,872	\$ 602,054
Accrued salaries and wages	683,135	2,342,280	2,347,241	678,174
Total liabilities	<u>\$ 1,236,828</u>	<u>\$ 96,404,513</u>	<u>\$ 96,361,113</u>	<u>\$ 1,280,228</u>

Wayne Township Public Schools
Long-Term Debt

Schedule of Serial Bonds Payable

Year ended June 30, 2012

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance		Balance June 30, 2012
			Date	Amount		July 1, 2011	Retired	
School District Bond Series	7/15/2003	\$45,883,000	7/15/2012	\$2,265,000	4.00 %			
			7/15/2013	2,385,000	4.00			
			7/15/2014	2,505,000	4.00			
			7/15/2015	2,645,000	4.00			
			7/15/2016	2,785,000	4.00			
			7/15/2017-18	2,900,000	4.00			
			7/15/2019	2,920,000	4.00			
			7/15/2020-21	2,940,000	4.125			
			7/15/2022	2,940,000	4.25			
			7/15/2023	2,938,000	4.25	\$ 35,213,000	\$ 2,150,000	\$ 33,063,000
Refunding Bonds	11/16/2010	2,470,000	5/15/2013	500,000	3.00			
			5/15/2014	490,000	3.00			
			5/15/2015	485,000	3.00			
			5/15/2016	475,000	4.00	2,455,000	505,000	1,950,000
						<u>\$ 37,668,000</u>	<u>\$ 2,655,000</u>	<u>\$ 35,013,000</u>

Wayne Township Public Schools
Long-Term Debt

Schedule of Obligations Under Capital Leases

Year ended June 30, 2012

Date of Issue	Purpose	Interest Rate	Amount of Original Issue	Balance Outstanding July 31, 2011	Issued	Retired	Balance Outstanding June 30, 2012
2010	Passenger Buses (3)	3.45%	\$ 256,255	\$ 85,386		\$ 85,386	
2010	Passenger Vans (4)	4.503	239,560	79,802		79,802	
2011	PCIA - Equipment & Buses	3.25	600,000	600,000		105,183	\$ 494,817
2012	PCIA - Equipment & Buses	3.25	825,000		\$ 825,000	88,555	736,445
				<u>\$ 765,188</u>	<u>\$ 825,000</u>	<u>\$ 358,926</u>	<u>\$ 1,231,262</u>

Wayne Township Public Schools
Debt Service Fund

Budgetary Comparison Schedule

Year ended June 30, 2012

	Original Budget	Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
Local sources:					
Local tax levy	\$ 4,106,755		\$ 4,106,755	\$ 4,106,755	
Total revenues	<u>4,106,755</u>		<u>4,106,755</u>	<u>4,106,755</u>	
Expenditures:					
Principal on bonds and loans	2,661,965		2,661,965	2,661,965	
Interest on bonds and loans	1,458,164		1,458,164	1,458,164	
Total expenditures	<u>4,120,129</u>		<u>4,120,129</u>	<u>4,120,129</u>	
(Deficiency) excess of revenues (under) over expenditures	(13,374)		(13,374)	(13,374)	
Fund balance, July 1	18,876		18,876	18,876	
Fund balance, June 30	<u>\$ 5,502</u>	\$ -	<u>\$ 5,502</u>	<u>\$ 5,502</u>	<u>\$ -</u>

Statistical Section
(Unaudited)

**Statistical Section
Unaudited**

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year.*

Wayne Township Public Schools
 Net Assets by Component
 Last Ten Fiscal Years
(accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009 (as restated)	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	\$ 15,995,402	\$ 18,494,584	\$ 29,271,594	\$ 32,300,599	\$ 34,025,322	\$ 36,758,970	\$ 17,790,311	\$ 18,033,672	\$ 17,467,997	\$ 18,069,619
Restricted	441,102	1,563,351	2,520,595	3,669,531	1,065,416	1,327,030	1,189,006	3,035,982	1,634,369	2,883,264
Unrestricted (deficit)	(1,013,150)	2,182,839	3,695,851	4,596,883	8,514,401	8,213,169	4,373,669	(1,260,055)	1,994,926	2,783,528
Total governmental activities net assets	<u>\$ 15,423,354</u>	<u>\$ 22,240,774</u>	<u>\$ 35,488,040</u>	<u>\$ 40,567,013</u>	<u>\$ 43,605,139</u>	<u>\$ 46,299,169</u>	<u>\$ 23,352,986</u>	<u>\$ 19,809,599</u>	<u>\$ 21,097,292</u>	<u>\$ 23,736,411</u>
Business-type activities										
Invested in capital assets	\$ 51,568	\$ 126,671	\$ 137,111	\$ 208,133	\$ 187,840	\$ 208,300	\$ 303,589	\$ 282,513	\$ 255,820	\$ 236,312
Unrestricted	215,021	244,368	213,085	41,561	199,318	131,951	166,561	241,947	407,940	550,466
Total business-type activities net assets	<u>\$ 266,589</u>	<u>\$ 371,039</u>	<u>\$ 350,196</u>	<u>\$ 249,694</u>	<u>\$ 387,158</u>	<u>\$ 340,251</u>	<u>\$ 470,150</u>	<u>\$ 524,460</u>	<u>\$ 663,760</u>	<u>\$ 786,778</u>
District-wide										
Invested in capital assets, net of related debt	\$ 16,046,970	\$ 18,621,255	\$ 29,408,705	\$ 32,508,732	\$ 34,213,162	\$ 36,967,270	\$ 18,093,900	\$ 18,316,185	\$ 17,723,817	\$ 18,305,931
Restricted	441,102	1,563,351	2,520,595	3,669,531	1,065,416	1,327,030	1,189,006	3,035,982	1,634,369	2,883,264
Unrestricted (deficit)	(798,129)	2,427,207	3,908,936	4,638,444	8,713,719	8,345,120	4,540,230	(1,018,108)	2,402,866	3,333,994
Total district net assets	<u>\$ 15,689,943</u>	<u>\$ 22,611,813</u>	<u>\$ 35,838,236</u>	<u>\$ 40,816,707</u>	<u>\$ 43,992,297</u>	<u>\$ 46,639,420</u>	<u>\$ 23,823,136</u>	<u>\$ 20,334,059</u>	<u>\$ 21,761,052</u>	<u>\$ 24,523,189</u>

Source: CAFR Schedule A-1 and District records.

Wayne Township Public Schools
Changes in Net Assets, Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009 (as restated)	2010	2011	2012
Expenses										
Governmental activities										
Instruction	\$ 65,070,800	\$ 66,412,108	\$ 70,650,304	\$ 76,468,984	\$ 79,868,696	\$ 82,669,427	\$ 82,499,868	\$ 86,411,538	\$ 85,819,477	\$ 87,266,186
Support Services:										
Student & instruction related services	10,490,159	12,146,526	12,611,128	14,021,566	15,048,020	17,234,748	17,751,392	22,440,126	22,013,472	22,976,908
School administration services	5,829,251	6,214,607	6,566,976	7,378,947	8,495,875	8,524,344	9,329,822	7,390,439	7,044,118	7,243,935
General administration services	1,078,230	1,222,193	1,269,980	1,354,335	1,485,336	1,529,347	1,480,514	1,672,451	1,594,345	1,782,477
Plant operations and maintenance	10,981,911	11,532,213	11,732,562	14,305,692	14,695,266	16,041,638	15,673,553	15,491,154	15,998,478	16,884,900
Pupil transportation	4,701,552	5,154,354	5,180,301	5,251,819	5,620,682	5,902,081	5,611,903	6,080,974	6,025,662	6,209,541
Other support services	2,250,397	2,925,875	3,595,707	3,853,032	4,380,722	4,365,077	4,657,736	4,012,777	3,499,718	2,536,016
Special Schools							622,319	618,098		
Charter Schools							9,818	15,528		
Interest on long-term debt	438,304	1,954,181	2,204,258	2,276,978	2,062,946	1,890,086	1,694,647	1,603,066	1,535,058	1,415,635
Total governmental activities expenses	100,840,604	107,562,057	113,811,216	124,911,353	131,657,543	138,156,748	139,331,572	145,736,151	143,530,328	146,315,598
Business-type activities:										
Food service	2,010,214	2,023,433	2,183,069	2,409,042	2,442,455	2,695,454	2,774,039	2,854,815	2,867,111	2,994,123
Community School					362,596	343,938	306,178	256,970	278,243	353,037
Extended Day Program					732,755	791,158	799,382	724,062	659,868	767,195
Total business-type activities expense	2,010,214	2,023,433	2,183,069	2,409,042	3,537,806	3,830,550	3,879,599	3,835,847	3,805,222	4,114,355
Total district expenses	\$ 102,850,818	\$ 109,585,490	\$ 115,994,285	\$ 127,320,395	\$ 135,195,349	\$ 141,987,298	\$ 143,211,171	\$ 149,571,998	\$ 147,335,550	\$ 150,429,953
Program Revenues										
Governmental activities:										
Charges for services:										
Regular		\$ 64,620	\$ 146,871	\$ 168,736	\$ 71,588	\$ 87,195	\$ 676,835	\$ 369,001	\$ 232,591	\$ 233,126
Special education	\$ 1,030,630	1,100,064	979,720	698,779	704,769	744,847				
Other instruction	852,634	970,392	914,067	893,111	17,425					
Operating grants and contributions	14,179,015	15,131,524	15,906,804	16,992,979	21,280,074	22,414,520	2,797,692	4,257,925	4,070,283	3,436,583
Capital grants and contributions	-	2,472,444	9,578,865	2,274,241	319,096	841,450	697		186,380	
Total governmental activities program revenues	16,062,279	19,739,044	27,526,327	21,027,846	22,392,952	24,088,012	3,475,224	4,626,926	4,489,254	3,669,709

Wayne Township Public Schools
Changes in Net Assets, Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	(as restated)									
Business-type activities:										
Charges for services										
Food service	\$ 1,758,894	\$ 1,806,870	\$ 1,943,029	\$ 2,072,663	\$ 2,178,437	\$ 2,258,914	\$ 2,462,681	\$ 2,484,017	\$ 2,427,692	\$ 2,527,914
Community School					379,457	368,215	282,816	230,891	241,343	244,045
Extended Day Program					798,127	800,665	787,227	790,783	876,623	898,991
Operating grants and contributions	196,951	204,862	204,390	214,546	236,749	302,996	314,446	373,860	398,778	429,446
Total business type activities program revenues	1,955,845	2,011,732	2,147,419	2,287,209	3,592,770	3,730,790	3,847,170	3,879,551	3,944,436	4,100,396
Total district program revenues	\$ 18,018,124	\$ 21,750,776	\$ 29,673,746	\$ 23,315,055	\$ 25,985,722	\$ 27,818,802	\$ 7,322,394	\$ 8,506,477	\$ 8,433,690	\$ 7,770,105
Net (Expense)/Revenue										
Governmental activities	\$ (84,778,325)	\$ (87,823,013)	\$ (86,284,889)	\$ (103,883,507)	\$ (109,264,591)	\$ (114,068,736)	\$ (135,856,348)	\$ (141,109,225)	\$ (139,041,074)	\$ (142,645,889)
Business-type activities	(54,369)	(11,701)	(35,650)	(121,833)	54,964	(99,760)	(32,429)	43,704	139,214	(13,959)
Total district-wide net expense	\$ (84,832,694)	\$ (87,834,714)	\$ (86,320,539)	\$ (104,005,340)	\$ (109,209,627)	\$ (114,168,496)	\$ (135,888,777)	\$ (141,065,521)	\$ (138,901,860)	\$ (142,659,848)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 85,875,434	\$ 89,802,527	\$ 94,622,711	\$ 102,135,284	\$ 105,832,575	\$ 110,065,878	\$ 114,193,348	\$ 116,896,889	\$ 123,231,644	\$ 124,894,494
Taxes levied for debt service		2,501,276	2,511,038	3,900,005	3,596,051	4,041,637	4,072,583	4,102,121	4,128,901	4,106,755
Unrestricted grants and contributions		947,804	1,168,329	1,176,852	1,179,019	1,367,782	14,659,356	16,177,806	12,274,239	16,012,559
Donations		23,067	65,740	68,930	31,850		67,331			
Gain (Loss) on Disposal of Fixed Assets		(4,189)	(35,200)	9,708		(33,822)				
Investment earnings	113,224	651,678	791,987	1,023,595	1,166,445	1,006,514	243,991	59,343	7,429	9,211
Premium on Issuance of Note			131,460				18			
Miscellaneous income	877,636	1,015,175	288,407	667,412	551,576	344,510	704,630	329,679	686,554	398,512
Transfers	(9,211)	(113,452)	(12,317)	(19,306)	(54,800)	(29,734)	(34,224)			(136,523)
Total governmental activities	86,857,083	94,823,886	99,532,155	108,962,480	112,302,716	116,762,765	133,907,033	137,565,838	140,328,767	145,285,008
Business-type activities:										
Investment earnings	6,068	2,699	2,490	2,025	13,835	23,119	8,602	10,606	86	454
Miscellaneous income	79,825									
Transfers	9,211	113,452	12,317	19,306	54,800	29,734	34,224			136,523
Total business-type activities	95,104	116,151	14,807	21,331	68,635	52,853	42,826	10,606	86	136,977
Total district-wide	\$ 86,952,187	\$ 94,940,037	\$ 99,546,962	\$ 108,983,811	\$ 112,371,351	\$ 116,815,618	\$ 133,949,859	\$ 137,576,444	\$ 140,328,853	\$ 145,421,985
Change in Net Assets										
Governmental activities	\$ 2,078,758	\$ 7,000,873	\$ 13,247,266	\$ 5,078,973	\$ 3,038,125	\$ 2,694,029	\$ (1,949,315)	\$ (3,543,387)	\$ 1,287,693	\$ 2,639,119
Business-type activities	40,735	104,450	(20,843)	(100,502)	123,599	(46,907)	10,397	54,310	139,300	123,018
Total district	\$ 2,119,493	\$ 7,105,323	\$ 13,226,423	\$ 4,978,471	\$ 3,161,724	\$ 2,647,122	\$ (1,938,918)	\$ (3,489,077)	\$ 1,426,993	\$ 2,762,137

Source: CAFR Schedule A-2 and District records.

Wayne Township Public Schools
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009 (as restated)	2010	2011	2012
General Fund										
Reserved	\$ 993,873	\$ 4,146,687	\$ 7,206,901	\$ 9,655,454	\$ 8,235,764	\$ 7,793,521	\$ 7,049,091	\$ 3,446,630		
Unreserved	3,702,830	3,657,544	2,841,227	1,981,511	4,486,121	3,446,248	1,576,820	2,423,731		
Restricted									\$ 1,028,457	\$ 2,290,726
Assigned									2,322,077	3,270,023
Unassigned									3,333,881	3,156,494
Total general fund	<u>\$ 4,696,703</u>	<u>\$ 7,804,231</u>	<u>\$ 10,048,128</u>	<u>\$ 11,636,965</u>	<u>\$ 12,721,885</u>	<u>\$ 11,239,769</u>	<u>\$ 8,625,911</u>	<u>\$ 5,870,361</u>	<u>\$ 6,684,415</u>	<u>\$ 8,717,243</u>
All Other Governmental Funds										
Reserved	\$ 828,418	\$ 40,736,077	\$ 9,702,529	\$ 1,442,430	\$ 2,132,687	\$ 1,554,994				
Unreserved	(2,458,328)	(2,229,232)	2,609,191	2,893,975	(460,553)	470,536	\$ 401,006	\$ 400,666		
Restricted for:										
Capital projects fund									\$ 587,036	\$ 587,036
Debt service fund									18,876	5,502
Total all other governmental funds	<u>\$ (1,629,910)</u>	<u>\$ 38,506,845</u>	<u>\$ 12,311,720</u>	<u>\$ 4,336,405</u>	<u>\$ 1,672,134</u>	<u>\$ 2,025,530</u>	<u>\$ 401,006</u>	<u>\$ 400,666</u>	<u>\$ 605,912</u>	<u>\$ 592,538</u>

Source: CAFR Schedule B-1 and District records.

Note 1: GASB #54 was implemented in the 2011 fiscal year, which required the presentations of fund balances to be reported in different classifications from those presented in prior years. (See footnote 1.L in the basic financial statements)
Prior years have not been restated above and are not required to be.

Note 2: The deficit in the Unreserved fund balance is the result of the last state aid payments being deferred until the subsequent fiscal year. See notes to the basic financial statements for additional information.

Wayne Township Public Schools
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	Fiscal Year ended June 30,									
	2003	2004	2005	2006	2007	2008	2009 (as restated)	2010 a	2011	2012
Revenues										
Tax levy	\$ 85,875,434	\$ 92,303,803	\$ 97,133,749	\$ 106,035,289	\$ 109,428,626	\$ 114,107,515	\$ 118,265,931	\$ 120,999,010	\$ 127,360,545	\$ 129,001,249
Tuition Charges	1,030,630	1,057,249	979,720	698,779	793,782	832,042	676,835	369,001	232,591	233,126
Interest earnings	113,224	651,678	791,987	1,023,595	1,166,444	1,006,514	243,991	59,343	7,429	9,211
Miscellaneous	1,797,335	2,202,692	1,426,350	1,839,947	605,360	384,576	839,726	454,115	802,606	524,640
State sources	12,477,904	16,610,961	24,643,115	18,389,610	20,563,272	22,368,330	15,341,633	16,741,519	12,880,750	16,148,899
Federal sources	1,634,046	1,831,121	1,898,547	1,943,774	2,161,134	2,215,356	1,981,016	3,569,776	3,534,100	3,174,115
Total revenue	102,928,573	114,657,504	126,873,468	129,930,994	134,718,618	140,914,333	137,349,132	142,192,764	144,818,021	149,091,240
Expenditures										
Instruction	64,267,838	66,782,420	70,362,234	75,579,298	78,971,262	81,475,077	81,029,907	59,385,126	57,343,735	57,765,509
Support Services:										
Student & instruction related services	10,329,544	12,146,363	12,484,579	14,068,947	15,125,708	17,274,743	17,413,474	18,979,792	18,649,448	19,149,203
General administrative services	1,029,170	988,029	1,030,769	1,129,121	1,267,355	1,312,970	1,451,556	1,430,632	1,372,059	1,474,148
School Administrative services	5,850,236	6,348,480	6,584,411	7,361,172	8,475,434	8,545,239	9,149,376	5,119,821	4,783,305	4,856,263
Plant operations and maintenance	10,206,403	10,876,615	11,032,191	13,503,653	14,012,676	15,262,060	15,588,365	12,313,394	12,240,523	12,156,942
Pupil transportation	4,270,944	5,196,440	4,842,345	4,923,255	5,196,264	5,475,611	5,611,395	5,107,810	4,874,217	5,035,745
Other Support Services	2,250,025	2,810,735	3,502,181	3,635,512	4,146,443	4,137,255	4,616,398	2,994,041	2,550,747	2,536,016
Unallocated benefits								25,520,532	28,092,689	28,695,836
On-behalf TPAF Social Security and pension contributions								8,749,723	8,898,940	10,540,298
Charter Schools								15,528		
Capital outlay	3,155,641	10,501,619	38,316,816	11,768,535	4,479,955	4,485,102	2,791,796	1,300,011	1,467,354	1,430,174
Special Schools								425,598		
Debt service:										
Principal	1,770,851	586,965	1,158,311	2,295,849	2,438,916	2,427,411	2,713,804	2,441,965	2,562,114	2,661,965
Interest and other charges	450,315	1,238,793	1,980,966	2,382,744	2,152,302	1,933,600	1,748,702	1,660,496	1,563,590	1,458,164
Cost of issuance									66,933	
Total expenditures	103,580,967	117,476,459	151,294,803	136,648,086	136,266,315	142,329,068	142,114,773	145,444,469	144,465,654	147,760,263
Excess (Deficiency) of revenues over (under) expenditures	(652,394)	(2,818,955)	(24,421,335)	(6,717,092)	(1,547,697)	(1,414,735)	(4,765,641)	(3,251,705)	352,367	1,330,977
Other Financing sources (uses)										
Capital leases (non-budgeted)	922,957	293,690	315,633	349,920	23,145	315,748	561,465	495,815	600,000	825,000
Refunding bonds issued									2,470,000	
Premium on bonds									150,245	
Payment to refunding bond escrow agent									(2,553,312)	
Bond payable issued		45,883,000								
Other			166,791				18			
Transfers in	1,155,087	2,122,296	1,768,436	1,057,900	2,208,731	3,754,758	799	468,585	177	84
Transfers out	(1,164,298)	(2,235,748)	(1,780,753)	(1,077,206)	(2,263,531)	(3,784,492)	(35,023)	(468,585)	(177)	(136,607)
Total other financing sources (uses)	913,746	46,063,238	470,107	330,614	(31,655)	286,014	527,259	495,815	666,933	688,477
Net change in fund balances	\$ 261,352	\$ 43,244,283	\$ (23,951,228)	\$ (6,386,478)	\$ (1,579,352)	\$ (1,128,721)	\$ (4,238,382)	\$ (2,755,890)	\$ 1,019,300	\$ 2,019,454
Debt service as a percentage of noncapital expenditures	2.21%	1.71%	2.78%	3.75%	3.48%	3.16%	3.20%	2.85%	2.93%	2.82%

NOTE: Noncapital expenditures are total expenditures less capital outlay.

Source: CAFR Schedule B-2 and District records.

a - District reclassified the presentation of various revenue and expenditure categories for presentation in the June 30, 2010 CAFR.

Wayne Township Public Schools
 General Fund Other Local Revenue by Source
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Tuition	Special School Programs*	Interest on Investments	Rents	Refunds	Misc.	Total
2003	\$ 1,030,630	\$ 852,634	\$ 89,167	\$ 26,049	\$ 370,207	\$ 481,380	\$ 2,850,067
2004	1,057,249	1,055,047	40,936	13,412		1,024,543	3,191,187
2005	979,720	914,067	225,843		125,988	273,959	2,519,577
2006	698,779	1,230,583	559,852	48,339	212,452	237,885	2,987,890
2007	594,305	199,477	940,753	100,364	259,677	191,536	2,286,112
2008	674,605	157,437	882,817	43,684	193,836	106,990	2,059,369
2009	506,130	170,705	243,210	45,964	149,468	509,198	1,624,675
2010	369,001		59,343			454,115	882,459
2011	232,591		7,252	29,287	66,499	575,099	910,728
2012	233,126		9,127	81,837	11,276	305,399	640,765

* Effective 2006/07 school year, the Community School (Adult Education) and extended Day (Before and After School) Programs transferred to an Enterprise Fund.

Source: School District's Financial Statements.

Wayne Township Public Schools
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

Year Ended Dec. 31	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate*
2003	\$ 69,895,500	\$ 3,706,997,300	\$ 1,768,300		\$ 1,404,951,100		\$ 118,696,000	\$ 5,302,308,200	\$ 13,030,731	\$ 5,315,338,931	\$ 7,422,416,258	\$ 1.660
2004	62,744,200	3,746,288,800	1,677,100	\$ 91,200	1,207,992,000	\$ 215,059,700	120,181,300	5,354,034,300	11,330,275	5,365,364,575	8,084,297,722	1.760
2005	68,935,400	3,776,507,400	1,677,100	91,200	1,192,393,900	214,759,100	120,181,300	5,374,545,400	10,043,148	5,384,588,548	9,015,822,657	1.900
2006	64,360,700	3,804,473,500	1,677,100	91,200	1,166,087,800	209,554,900	108,481,300	5,354,726,500	8,630,137	5,363,356,637	9,774,668,010	2.010
2007	66,003,100	3,814,643,700	1,677,100	91,200	1,149,631,300	207,547,100	96,576,700	5,336,170,200	7,818,898	5,343,989,098	11,218,260,495	2.090
2008	68,260,300	3,838,488,400	1,405,200	75,100	1,127,402,400	206,519,700	92,400,400	5,334,551,500	7,875,618	5,342,427,118	11,627,460,676	2.173
2009	64,382,500	3,845,019,100	1,405,200	75,200	1,117,146,700	209,038,500	89,685,600	5,326,752,800	7,832,109	5,334,584,909	11,653,849,620	2.244
2010	60,695,200	3,846,590,300	1,405,200	94,100	1,096,721,100	205,217,100	87,685,600	5,298,408,600	7,898,604	5,306,307,204	11,135,789,407	2.341
2011	60,926,600	3,827,548,900	1,405,200	94,100	1,086,648,800	200,571,500	87,685,600	5,266,285,900	7,898,604	5,274,184,504	10,676,280,899	2.435
2012	62,112,500	3,810,021,900	1,405,200	94,100	1,072,707,700	195,634,500	87,685,600	5,229,661,500	495	5,229,661,995	9,548,405,644	2.490

Source: County Abstract of Ratables

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

Wayne Township Public Schools
 Governments Property Tax Rates - Direct and Overlapping
 Last Ten Fiscal Years
(rate per \$100 of assessed value)
 Unaudited

Fiscal Year Ended June 30,	Total Direct School Tax Rate	Overlapping Rates		Total Direct and Overlapping Tax Rate
		Municipality	County	
2003	\$ 1.660	\$ 0.640	\$ 0.800	\$ 3.100
2004	1.760	0.690	0.850	3.300
2005	1.900	0.740	0.890	3.530
2006	2.010	0.810	0.950	3.770
2007	2.090	0.880	1.010	3.980
2008	2.173	0.947	1.055	4.175
2009	2.244	0.997	1.084	4.325
2010	2.341	1.046	1.130	4.517
2011	2.435	1.093	1.161	4.689
2012	2.490	1.141	1.238	4.869

Source: A4F and County Abstract of Ratables

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

Wayne Township Public Schools
Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited

Taxpayer	2012			Taxpayer	2003		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value		Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Willowbrook Mall	\$ 156,000,000	1	2.98%	Willowbrook Mall	\$ 156,000,000		2.93%
Toys R Us	38,527,100	2	0.74%	Wayne Retail, LLC	53,300,000		1.00%
Wayne PSC, LLC	32,612,400	3	0.62%	Mountain View Crossings	53,000,000		1.00%
Mountain View Crossings	31,970,400	4	0.61%	Levco Associates	37,300,000		0.70%
Macy's East Inc	27,610,700	5	0.53%	1st Union Development Corp.	35,000,000		0.66%
PL Wayne	26,000,000	6	0.50%	Wayne Preakness Associates	31,646,300		0.60%
Levco Associates	24,808,600	7	0.47%	Macy's East Inc	30,024,200		0.56%
Wayne Retail	22,900,000	8	0.44%	Price Enterprises, Inc.	28,940,200		0.54%
Sears Roebuck	18,078,000	9	0.35%	GAF/ISP Realty Corp	21,900,000		0.41%
Maquest Cardiovascular	17,706,600	10	0.34%	Meadox Medicals Inc.	20,089,900		0.38%
Total	<u>\$ 396,213,800</u>		<u>7.52%</u>	Total	<u>\$ 467,200,600</u>		<u>8.78%</u>

Source: Municipal Tax Assessor.

Wayne Township Public Schools
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2003	\$ 85,875,434	\$ 85,875,434	100.00%	N/A
2004	92,303,803	92,303,803	100.00%	N/A
2005	97,133,749	97,133,749	100.00%	N/A
2006	106,035,289	106,035,289	100.00%	N/A
2007	109,428,626	109,428,626	100.00%	N/A
2008	114,107,515	114,107,515	100.00%	N/A
2009	118,265,931	118,265,931	100.00%	N/A
2010	120,999,010	120,999,010	100.00%	N/A
2011	127,360,545	127,360,545	100.00%	N/A
2012	129,001,249	129,001,249	100.00%	N/A

Source: District records including the certificate and Report of School Taxes (A4F Form)

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

Wayne Township Public Schools
 Ratios of Outstanding Debt by Type
 Last Eight Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	<u>Governmental Activities</u>				Total District	Population	Per Capita
	General Obligation Bonds	Loans Payable	Capital Leases	Bond Anticipation Notes			
2005	\$ 51,479,000	\$ 62,681	\$ 279,751	\$ 14,000,000	\$ 65,821,432	54,077	\$ 1,217
2006	49,411,000	55,717	408,786	8,500,000	58,375,503	53,807	1,085
2007	47,261,000	48,752	149,980	3,500,000	50,959,732	53,625	950
2008	45,021,000	41,787	285,282	2,500,000	47,848,069	53,632	892
2009	42,686,000	34,822	474,908	1,800,000	44,995,730	53,918	835
2010	40,251,000	27,857	512,901	-	40,791,758	54,758	745
2011	37,668,000	20,893	765,188	-	38,454,081	54,801	702
2012	35,013,000	13,928	1,231,262	-	36,258,190	N/A	N/A

N/A - information not available

Source: District Records

Note: Information prior to fiscal year ended June 30, 2005 was not available. In future years, the District will continue to add information until 10 years of comparative information are presented.

Wayne Township Public Schools
Ratios of Net General Bonded Debt Outstanding
Last Eight Fiscal Years
Unaudited

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2005	\$ 65,821,432	-	\$ 65,821,432	1.23%	\$ 35,699
2006	58,375,503	-	58,375,503	1.09%	38,392
2007	50,959,732	-	50,959,732	0.95%	40,845
2008	47,848,069	-	47,848,069	0.90%	42,354
2009	44,995,730	-	44,995,730	0.85%	40,426
2010	40,251,000	-	40,251,000	0.76%	54,758
2011	37,668,000	-	37,668,000	0.71%	54,801
2012	35,013,000	-	35,013,000	0.67%	N/A

Source: District Records

Note: Information prior to fiscal year ended June 30, 2005 was not available. In future years, the District will continue to add information until 10 years of comparative information are presented.

Wayne Township Public Schools
 Ratios of Overlapping Governmental Activities Debt
 As of June 30, 2012
 Unaudited

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
Direct Debt of School District as of June 30, 2012			\$ 36,258,190
Net overlapping debt of School District:			
Wayne Township	100.000%	\$ 55,833,909 *	
County of Passaic (Total debt of \$336,680,616)	20.540%	<u>69,154,199</u>	
Subtotal, overlapping debt			<u>124,988,108</u>
Total direct and overlapping debt			<u><u>\$ 161,246,298</u></u>

Sources: Wayne Township Administrator / Passaic County Treasurer's Office

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

Note:

a

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

* Per the Supplemental Debt Statement presented at the June 6th Township Counsel meeting. The Net Debt of the Township remained unchanged as of June 30, 2012.

Wayne Township Public Schools
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2012

	Equalized valuation basis	
	2012	\$ 9,548,405,640
	2011	10,676,280,899
	2010	11,135,789,407
	[A]	<u>\$ 31,360,475,946</u>
Average equalized valuation of taxable property	[A/3]	\$ 10,453,491,982
Debt limit (4 % of average equalization value)	[B]	\$ 418,139,679
Total net debt applicable to limit	[C]	<u>35,013,000</u>
Legal debt margin	[B-C]	<u>\$ 383,126,679</u>

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt limit	\$ 267,370,793	\$ 292,528,504	\$ 322,997,748	\$ 355,336,265	\$ 395,282,342	\$ 425,657,259	\$ 450,435,032	\$ 458,894,663	\$ 446,212,266	\$ 418,139,679
Total net debt applicable to limit	<u>67,478,859</u>	<u>52,139,886</u>	<u>51,542,921</u>	<u>49,467,957</u>	<u>47,309,752</u>	<u>45,062,787</u>	<u>42,720,822</u>	<u>40,278,857</u>	<u>38,454,081</u>	<u>35,013,000</u>
Legal debt margin	<u>\$ 199,891,934</u>	<u>\$ 240,388,618</u>	<u>\$ 271,454,827</u>	<u>\$ 305,868,308</u>	<u>\$ 347,972,590</u>	<u>\$ 380,594,472</u>	<u>\$ 407,714,210</u>	<u>\$ 418,615,806</u>	<u>\$ 407,758,185</u>	<u>\$ 383,126,679</u>
Total net debt applicable to the limit as a percentage of debt limit	25.24%	17.82%	15.96%	13.92%	11.97%	10.59%	9.48%	8.78%	8.62%	8.37%

Source: Annual Debt Statements

Wayne Township Public Schools
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population	Per Capita Personal Income	Unemployment Rate
2003	54,607	\$ 32,807	4.2%
2004	54,322	33,721	3.2%
2005	54,077	35,699	3.2%
2006	53,807	38,392	3.4%
2007	53,625	40,845	3.1%
2008	53,632	42,354	4.1%
2009	53,918	40,426	7.0%
2010	54,758	42,228	7.60%
2011	54,801	N/A	7.10%
2012	N/A	N/A	N/A

N/A - information not available

Source: New Jersey State Department of Education

Wayne Township Public Schools
 Principal Employers
 Current Year and Nine Years Ago
 Unaudited

	2012		2003	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

Wayne Township Public Schools
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
 Unaudited

<u>Function/Program</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Instruction:										
Regular	522	524	493	494	542	580	575	573	594	538
Special education	159	171	192	197	218	211	216	243	225	250
Support Services:										
Student/Instr Related Services								130	131	131
General administrative services	6	6	6	6	6	6	6	14	14	13
School administrative services	54	56	56	62	62	69	69	57	52	46
Central services	20	19	18	18	19	17	18	19	18	17
Administrative information technology	12	9	9	7	14	10	11	15	14	11
Plant operations and maintenance	159	159	159	172	178	112	115	116	115	104
Pupil transportation	20	25	24	24	25	70	72	92	91	94
Other Support Services	125	124	131	147	155	155	154	71	71	63
Special Schools			4	5	5	5	5	-	-	-
Total	<u>1,077</u>	<u>1,093</u>	<u>1,092</u>	<u>1,132</u>	<u>1,224</u>	<u>1,235</u>	<u>1,241</u>	<u>1,331</u>	<u>1,325</u>	<u>1,267</u>

Source: District Personnel Records

Wayne Township Public Schools
 Operating Statistics
 Last Nine Fiscal Years
 Unaudited

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost per Pupil ^c	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary ^d	Middle School ^d	High School ^d				
2004	8,798	\$ 105,149,082	\$ 11,951	N/A	726	1:15.5	1:12.6	1:12.5	8,752	8,360	1.40%	95.56%
2005	8,823	109,838,710	12,449	4.16%	730	1:11.0	1:11.6	1:11.0	8,771	8,360	0.22%	95.31%
2006	8,858	120,200,558	13,570	9.00%	747	1:12.8	1:16.5	1:11.6	8,830	8,448	0.67%	95.67%
2007	8,874	127,195,142	14,333	5.63%	772	1:11.7	1:11.3	1:11.3	8,894	8,492	0.72%	95.48%
2008	8,799	133,482,955	15,170	5.84%	792	1:11.1	1:11.0	1:10.9	8,786	8,401	-1.21%	95.62%
2009	8,730	134,860,471	15,448	1.83%	791	1:10.6	1:9.8	1:10.4	8,749	8,372	-0.42%	95.69%
2010	8,834	140,041,997	15,853	2.62%	816	1:10.6	1:9.8	1:10.4	8,823	8,449	0.85%	95.76%
2011	8,684	138,805,663	15,984	0.83%	819	1:10.6	1:9.8	1:10.4	8,684	8,288	-1.58%	95.44%
2012	8,563	142,209,960	16,607	3.90%	788	(A)	(A)	(A)	8,563	8,198	-1.39%	95.74%

Sources: District records

NOTE:

- a Enrollment based on annual October district count for all students attending school facilities
- b Operating expenditures equal total expenditures less debt service and capital outlay
- c Cost per pupil represents operating expenditures divided by enrollment
- d School Report Card - State of New Jersey

Note: Information prior to fiscal year ended June 30, 2004 was not available. In future years, the District will continue to add information until 10 years of comparative information are presented.

(A) Information not yet available

Wayne Township Public Schools
School Building Information
Last Seven Fiscal Years
Unaudited

	2006	2007	2008	2009	2010	2011	2012
<u>District Buildings</u>							
<u>Elementary Schools</u>							
Randall Carter							
Square Feet	36,070	36,070	36,070	36,070	36,070	36,070	36,070
Capacity: (students)	415	415	415	415	415	415	415
Enrollment	367	360	354	353	353	353	365
Theunis Dey							
Square Feet	43,360	43,360	43,360	43,360	43,360	43,360	43,360
Capacity: (students)	454	454	454	454	454	454	454
Enrollment	472	470	469	447	447	447	441
James Fallon							
Square Feet	44,765	44,765	44,765	44,765	44,765	44,765	44,765
Capacity: (students)	351	351	351	351	351	351	351
Enrollment	455	448	446	418	418	418	396
John F. Kennedy							
Square Feet	43,530	43,530	43,530	43,530	43,530	43,530	43,530
Capacity: (students)	428	428	428	428	428	428	428
Enrollment	456	461	452	428	428	428	452
Lafayette							
Square Feet	38,850	38,850	38,850	38,850	38,850	38,850	38,850
Capacity: (students)	416	416	416	416	416	416	416
Enrollment	429	442	424	397	397	397	381
Packanack Lake							
Square Feet	49,195	49,195	49,195	49,195	49,195	49,195	49,195
Capacity: (students)	404	404	404	404	404	404	404
Enrollment	501	521	517	496	496	496	510
Pines Lake							
Square Feet	47,610	47,610	47,610	47,610	47,610	47,610	47,610
Capacity: (students)	446	446	446	446	446	446	446
Enrollment	488	489	466	448	448	448	429
Ryerson							
Square Feet	46,715	46,715	46,715	46,715	46,715	46,715	46,715
Capacity: (students)	424	424	424	424	424	424	424
Enrollment	312	302	305	282	282	282	262
Albert Payson Terhune							
Square Feet	40,295	40,295	40,295	40,295	40,295	40,295	40,295
Capacity: (students)	454	454	454	454	454	454	454
Enrollment	423	423	413	412	412	412	412

**Wayne Township Public Schools
School Building Information
Last Seven Fiscal Years
Unaudited**

	2006	2007	2008	2009	2010	2011	2012
<u>District Buildings</u>							
<u>Middle Schools</u>							
Schuyler Colfax							
Square Feet	121,395	121,395	121,395	121,395	121,395	121,395	121,395
Capacity: (students)	758	758	758	758	758	758	758
Enrollment	798	754	725	717	717	717	780
George Washington							
Square Feet	109,220	109,220	109,220	109,220	109,220	109,220	109,220
Capacity: (students)	686	686	686	686	686	686	686
Enrollment	650	634	662	652	652	652	603
Anthony Wayne							
Square Feet	101,500	101,500	101,500	101,500	101,500	101,500	101,500
Capacity: (students)	497	497	497	497	497	497	497
Enrollment	690	731	725	756	756	756	714
<u>High Schools</u>							
Wayne Valley							
Square Feet	239,260	239,260	239,260	239,260	239,260	239,260	239,260
Capacity: (students)	1,615	1,615	1,615	1,615	1,615	1,615	1,615
Enrollment	1,381	1,399	1,429	1,434	1,434	1,434	1,479
Wayne Hills							
Square Feet	229,860	229,860	229,860	229,860	229,860	229,860	229,860
Capacity: (students)	1,673	1,673	1,673	1,673	1,673	1,673	1,673
Enrollment	1,385	1,440	1,412	1,387	1,387	1,387	1,339
<u>Other</u>							
Preakness Academy							
Square Feet	25,130	25,130	25,130	25,130	25,130	25,130	25,130
Capacity: (students)	77	77	77	77	77	77	77
Enrollment							
Outdoor Lab							
Square Feet		1,222	1,222	1,222	1,222	1,222	1,222
Child Study Team							
Square Feet		1,299	1,299	1,299	1,299	1,299	1,299
Transportation Building							
Square Feet		11,995	11,995	11,995	11,995	11,995	11,995
Maintenance Building							
Square Feet		11,995	11,995	11,995	11,995	11,995	11,995
Number of Schools at June 30, 2012							
Elementary =	9						
Middle School =	3						
High School =	2						
Other =	6						

Source: District records, ASSA

Note: Enrollment is based on students' enrolled within the District -- out of district students have not been included

Note: Information prior to fiscal year ended June 30, 2006 was not available. In future years, the District will continue to add information until 10 years of comparative information are presented.

Wayne Township Public Schools
 General Fund
 Schedule of Required Maintenance for School Facilities
 Last Ten Fiscal Years
 Unaudited

School Facilities	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Wayne Valley High School	\$ 367,317	\$ 423,801	\$ 465,449	\$ 563,095	\$ 427,679	\$ 482,152	\$ 436,935	\$ 295,951	\$ 332,639	\$ 401,202
Wayne Hills High School	352,886	407,151	446,055	540,160	410,877	463,210	419,770	284,326	319,570	385,439
Schuyler-Colfax Middle School	186,368	215,027	237,034	285,273	216,995	244,633	221,691	150,160	168,773	203,560
George Washington Middle School	167,677	193,461	213,330	256,662	195,232	220,098	199,457	135,100	151,846	183,145
Theunis Dey Elementary School	66,553	76,804	84,039	101,894	77,506	87,378	79,184	53,634	60,283	72,708
Ryerson Elementary School	71,718	82,746	90,504	109,778	83,503	94,139	85,310	57,784	64,947	78,334
A. P. Terhune Elementary School	61,862	71,375	77,575	94,691	72,028	81,202	73,587	49,843	56,021	67,568
James Fallon Elementary School	68,724	79,292	86,195	105,196	80,018	90,210	81,750	55,372	62,236	75,064
John F. Kennedy Elementary School	66,828	77,105	84,039	106,993	81,385	87,721	79,494	53,845	60,519	72,993
Lafayette Elementary School	59,643	68,815	75,420	91,296	69,445	78,290	70,948	48,056	54,012	65,145
Packanack Elementary School	75,525	87,139	94,813	115,606	87,937	99,137	89,840	60,852	68,395	82,492
Pines Lake Elementary School	73,092	84,332	92,142	111,881	85,103	95,943	86,945	58,891	66,191	79,835
Randall Carter Elementary School	55,375	63,891	68,956	84,763	64,475	72,688	65,871	44,617	50,147	60,484
Administration Building	23,030	36,239	39,306	48,078	36,571	41,228	37,363	25,307	28,444	34,307
Anthony Wayne Middle School				238,520	181,432	204,541	185,359	125,551	141,114	170,200
Preakness					73,199	50,641	45,892	31,085	34,939	42,139
Total School Facilities	\$ 1,696,598	\$ 1,967,178	\$ 2,154,857	\$ 2,853,886	\$ 2,243,385	\$ 2,493,211	\$ 2,259,396	\$ 1,530,374	\$ 1,720,076	\$ 2,074,615

Source: District records of required maintenance.

Wayne Township Public Schools
Insurance Schedule
Year Ended June 30, 2012
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
New Jersey School Boards Assoc. Insurance Group		
Commercial Property	\$ 300,000,000	\$ 5,000
Computer Equipment	3,338,675	1,000
Equipment Breakdown/Boiler and Machinery	100,000,000	5,000
Valuable Papers & Records	10,000,000	5,000
Automobile	6,000,000	1,000
General Liability	6,000,000	1,000
Environmental	1,000,000	10,000
Employee Dishonesty	500,000	1,000
National Union Fire Insurance Company (Chartis)		
School Leaders Errors & Omissions	5,000,000	25,000
Insurance Company of the State of PA		
Additional Excess Liability	5,000,000	
Fireman's Fund Insurance Company		
High Excess Liability	50,000,000	
Life Insurance Company		
Volunteer Liability	500,000	

Source: School District Records

Single Audit Section

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

Honorable President and
Members of the Board of Education
Wayne Township Public Schools
Wayne, New Jersey
County of Passaic

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wayne Township Public Schools, County of Passaic, New Jersey (the "District") as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 3, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

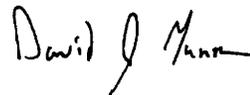
We noted certain matters involving internal control over financial reporting that we have reported to management of the District in a separate *Auditors' Management Report on Administrative Findings* dated December 3, 2012.

Compliance and Other Matters

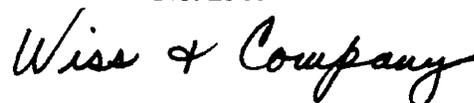
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect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

We noted certain matters of noncompliance that we have reported to management of the District in a separate *Auditors' Management Report on Administrative Findings* dated December 3, 2012.

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



David J. Gannon
Licensed Public School Accountant
No. 2305



WISS & COMPANY, LLP

December 3, 2012
Iselin, New Jersey



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

Honorable President and
Members of the Board of Education
Wayne Township Public Schools
Wayne, New Jersey
County of Passaic

Compliance

We have audited the compliance of the Wayne Township Public Schools, in the County of Passaic, New Jersey (the "District") with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2012. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

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

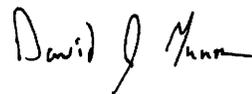
Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and 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.

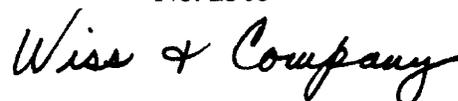
This report is intended solely for the information and use of the District's management and Board, others within the entity, the New Jersey Department of Education, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these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



David J. Gannon

Licensed Public School Accountant

No. 2305



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Iselin, New Jersey

Wayne Township Public Schools
Schedule of Expenditures of Federal Awards
Year ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Period	Award Amount	Balance at June 30, 2011	Carryover/Walkover	Cash Received	Budgetary Expenditures	Repayment of Prior year Balances	Adjustments	Deferred Revenue at June 30, 2012	(Accounts Receivable) at June 30, 2012	Due to Grantor at June 30, 2012
General Fund												
U.S. Department of Health and Human Services - Passed Through State Department of Education												
Medical Assistance Program (SEMI)	93.778	7/1/10 - 6/30/11	\$ 61,358	\$ (13,743)		\$ 13,743						
Medical Assistance Program (SEMI)	93.778	7/1/11 - 6/30/12	69,468			17,281	(69,468)				\$ (52,187)	
U.S. Department of Education - Passed-Through State Department of Education												
Education Jobs Fund	84.410	7/1/11 - 6/30/12	230,426			230,426	(230,426)					
Total General Fund				(13,743)		261,450	(299,894)				(52,187)	
Special Revenue Fund												
U.S. Department of Education - Passed Through State Department of Education												
IDEA, Part B	84.027A	9/1/11 - 8/31/12	1,870,289			1,142,797	(1,840,769)				(697,972)	
IDEA, Part B	84.027A	9/1/10 - 8/31/11	1,908,913	(1,724,879)		1,761,009	(36,130)					
IDEA, Part B	84.027A	9/1/09 - 8/31/10	1,828,194	(56,280)		56,280						
IDEA, Preschool	84.173A	9/1/11 - 8/31/12	102,680			102,680	(72,803)		\$ 29,877			
IDEA, Preschool	84.173A	9/1/10 - 8/31/11	73,197	(37,325)		37,325						
ARRA - IDEA, Part B	84.391	9/1/09 - 8/31/11	2,135,826	(633,818)		760,230	(123,575)			2,837		
ARRA - IDEA, Preschool	84.392	9/1/09 - 8/31/11	77,263	(39,229)		64,664	(25,342)			93		
NCLB Programs:												
Title I	84.010A	9/1/11 - 8/31/12	610,602			222,237	(341,203)				(118,966)	
Title I	84.010A	9/1/10 - 8/31/11	340,140	(153,257)		235,614	(82,357)					
Title I - carryover	84.010A	9/1/09 - 8/31/10	290,230	(11,324)		11,324						
Title II - A	84.367A	9/1/11 - 8/31/12	152,783				(117,268)				(117,268)	
Title II - A	84.367A	9/1/10 - 8/31/11	173,513	(122,068)		118,106	(95,602)				(99,564)	
Title II - A - carryover	84.367A	9/1/09 - 8/31/10	167,233	(42,436)		42,436						
Title II - D	84.318X	9/1/11 - 8/31/12	813				(813)				(813)	
Title III	84.365	9/1/11 - 8/31/12	51,210			19,092	(28,168)				(9,076)	
Title III	84.365	9/1/10 - 8/31/11	37,356	(35,665)		43,210	(7,545)					
Title III - carryover	84.365	9/1/08 - 8/31/10	26,530	19,288				\$ (19,288)				
Title III - Immigrant	84.365	9/1/09 - 8/31/11	44,079	(1,779)		7,089	(5,573)				(263)	
Title IV	84.186A	9/1/10 - 8/31/11	16,692	(8,777)		19,030	(1,793)			8,460		
Vocational Education - Carl Perkins	84.048A	7/01/11 - 6/30/12	39,478			39,478	(38,427)					\$ 1,051
Vocational Education - Carl Perkins	84.048A	7/01/10 - 6/30/11	43,344	(16,695)		16,695						
Total Special Revenue Fund				(2,864,244)		4,699,296	(2,817,368)	(19,288)		41,267	(1,043,922)	1,051
Enterprise Fund												
U.S. Department of Agriculture-Passed-Through State Department of Education												
School Breakfast Program	10.553	7/1/11 - 6/30/12	7,460			6,113	(7,460)				(1,347)	
School Breakfast Program	10.553	7/1/10 - 6/30/11	7,496	(751)		751						
National School Lunch Program	10.555	7/1/11 - 6/30/12	277,740			226,613	(277,740)				(51,127)	
National School Lunch Program	10.555	7/1/10 - 6/30/11	244,664	(19,749)		19,749						
Food Donation (NC)	10.555	7/1/11 - 6/30/12	121,547			121,547	(115,138)		6,409			
Food Donation (NC)	10.555	7/1/11 - 6/30/12	124,629	8,715			(8,715)					
Special Milk Program	10.556	7/1/11 - 6/30/12	4,991			4,244	(4,991)				(747)	
Special Milk Program	10.556	7/1/10 - 6/30/11	5,164	(307)		307						
Total Enterprise Fund				(12,092)		379,324	(414,044)			6,409	(53,221)	
Total federal financial assistance				\$ (2,890,079)	\$ -	\$ 5,340,070	\$ (3,531,306)	\$ (19,288)	\$ -	\$ 47,676	\$ (1,149,330)	\$ 1,051

NC - represents non cash expenditures

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

Wayne Township Public Schools
Schedule of Expenditures of State Financial Assistance
Year ended June 30, 2012

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2011			Walkover/ Adjustments	Cash Received	Budgetary Expenditures	Repayment of Prior Year's Balances	Adjustments	Balance June 30, 2012			Memo	
				Deferred Revenue	(Accounts Receivable)	Due to Grantor						Deferred Revenue	(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
General Fund																
State Department of Education																
Categorical Special Education Aid	495-034-5120-014	7/1/11 - 6/30/12	\$ 2,877,260					\$ 2,638,164	\$ (2,877,260)						\$ (239,096)	\$ (2,877,260)
TPAF - Social Security	495-034-5095-002	7/1/11 - 6/30/12	4,601,062					4,366,536	(4,601,062)				\$ (234,526)			(4,601,062)
TPAF - Social Security	495-034-5095-002	7/1/10 - 6/30/11	4,635,242	\$ (232,233)				232,233								
Other State Aid-TPAF Wage Freeze	495-034-5095-002	7/1/10 - 6/30/11	1,575	(787)				787								
Other state aid-Add'l NP Transportation	Not available	7/1/11 - 6/30/12	70,541						(70,541)				(70,541)			(70,541)
Other state aid-Add'l NP Transportation	Not available	7/1/10 - 6/30/11	67,789	(67,789)				67,789								
Extraordinary Aid	100-034-5120-473	7/1/11 - 6/30/12	2,463,662						(2,463,662)				(2,463,662)			(2,463,662)
Extraordinary Aid	100-034-5120-473	7/1/10 - 6/30/11	2,337,059	(2,337,059)				2,337,059								
Total general fund				(2,637,868)				9,642,568	(10,012,525)				(2,768,729)		(239,096)	(10,012,525)
Special Revenue Fund																
State Department of Education																
New Jersey Non-Public Aid:																
Nursing Services	100-034-5120-070	7/1/11 - 6/30/12	93,208					93,208	(93,208)							(93,208)
Textbook Aid	100-034-5120-064	7/1/11 - 6/30/12	65,254					65,254	(64,774)				\$ 480			(64,774)
Textbook Aid	100-034-5120-064	7/1/10 - 6/30/11	82,077		\$ 5,955					\$ (5,955)						
Non Public Handicapped Services (Ch. 193):																
Corrective Speech	100-034-5120-066	7/1/11 - 6/30/12	30,014					30,014	(23,617)				6,397			(23,617)
Corrective Speech	100-034-5120-066	7/1/10 - 6/30/11	35,204			14,785				(14,785)						
Examination and Classification	100-034-5120-066	7/1/11 - 6/30/12	104,333					104,333	(70,358)				33,975			(70,358)
Examination and Classification	100-034-5120-066	7/1/10 - 6/30/11	103,343			23,249				(23,249)						
Supplemental Instruction	100-034-5120-066	7/1/11 - 6/30/12	76,466					76,466	(52,404)				24,062			(52,404)
Supplemental Instruction	100-034-5120-066	7/1/10 - 6/30/11	83,380			24,250				(24,250)						
Non Public Auxiliary Services (Ch. 192):																
Compensatory Education	100-034-5120-067	7/1/11 - 6/30/12	95,691					95,691	(66,781)				28,910			(66,781)
Compensatory Education	100-034-5120-067	7/1/10 - 6/30/11	113,869			26,625				(26,625)						
English as a Second Language	100-034-5120-067	7/1/11 - 6/30/12	3,448					3,448	(2,586)				862			(2,586)
English as a Second Language	100-034-5120-067	7/1/10 - 6/30/11	13,575			6,744				(6,744)						
Transportation	100-034-5120-067	7/1/11 - 6/30/12	36,101					36,101	(36,100)				1			(36,100)
Home Instruction	100-034-5120-067	7/1/11 - 6/30/12	19,981						(19,981)				(19,981)			(19,981)
Home Instruction	100-034-5120-067	7/1/10 - 6/30/11	20,299	(20,299)				20,299								
Anti-Bullying	Not available	7/1/11 - 6/30/12	6,425					1,400	(6,425)				(5,025)			(6,425)
Total special revenue fund				(20,299)		101,608		526,214	(436,234)	(101,608)			(25,006)	94,687		(436,234)
Capital Projects Fund																
New Jersey Economic Development Authority																
Educational Facilities Construction and Financing Act Grant																
2003 Referendum																
New Middle School	5570-N01-03-0175	Until Completion	6,020,995		(270,945)								(270,945)			(270,945)
Wayne Valley Roof Project	5570-050-09-0XAD	7/1/09 - 6/30/11	314,192		(186,380)								(186,380)			(186,380)
Total Capital Projects Fund					(457,325)								(457,325)			(457,325)
Enterprise Fund:																
National School Lunch Program	100-010-3350-023	7/1/11 - 6/30/12	15,402					12,623	(15,402)				(2,779)			(15,402)
National School Lunch Program	100-010-3350-023	7/1/10 - 6/30/11	16,009	(2,181)				2,181								
Total enterprise fund				(2,181)				14,804	(15,402)				(2,779)			(15,402)
Total state financial assistance				\$ -	\$ (3,117,673)	\$ 101,608	\$ -	\$ 10,183,586	\$ (10,464,161)	\$ (101,608)	\$ -	\$ -	\$ (3,253,839)	\$ 94,687	\$ (239,096)	\$ (10,921,486)

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

Wayne Township Public Schools

Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance Year ended June 30, 2012

1. General

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all expenditures of federal awards and state financial assistance programs of the District. The District is defined in Note 1 to the District's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

2. Basis of Accounting

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

3. Relationship to Basic Financial Statements

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

Wayne Township Public Schools

Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance
Year Ended June 30, 2012

3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$239,096 for the general fund and \$104,586 for the special revenue fund. See note to required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds (C-3). Federal and State award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 299,894	\$ 15,712,665	\$ 16,012,559
Special Revenue Fund	2,874,221	436,234	3,310,455
Enterprise Food Service Fund	414,044	15,402	429,446
Total award revenues	<u>\$ 3,588,159</u>	<u>\$ 16,164,301</u>	<u>\$ 19,752,460</u>

4. Relationship to Federal and State Financial Reports

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

Wayne Township Public Schools

Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance
Year ended June 30, 2012

5. Other

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

The on-behalf post retirement pension and medical benefits received on-behalf of the District for the year ended June 30, 2012 amounted to \$5,939,236. Since on-behalf post retirement pension and medical benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey's OMB Circular 04-04 and are not reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

Wayne Township Public Schools

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2012

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

Financial Statement Section

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes ✓ No

Significant deficiency(ies) identified? Yes ✓ None Reported

Noncompliance material to basic financial statements noted? Yes ✓ No

Federal Awards Section

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

Auditee qualified as low-risk auditee? ✓ Yes No

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

Internal control over major programs:

Material weakness(es) identified? Yes ✓ No

Significant deficiency(ies) identified? Yes ✓ None Reported

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

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027A / 84.173A 84.391 / 84.392	IDEA, Part B and Preschool ARRA IDEA, Part B and Preschool

Wayne Township Public Schools

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2012

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

State Awards Section

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

\$313,924

Auditee qualified as low-risk auditee?

✓ Yes No

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

Unqualified

Internal control over major programs:

Material weakness(es) identified?

 Yes ✓ No

Significant deficiency(ies) identified?

 Yes ✓ No

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

 Yes ✓ No

Identification of major programs:

GMIS/Program Number	Name of State Program or Cluster
495-034-5095-002	Reimbursed TPAF Social Security Contributions
100-034-5210-473	Extraordinary Aid

Wayne Township Public Schools
Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2012

Part II – Schedule of Financial Statement Findings

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

Wayne Township Public Schools
Schedule of Findings and Questioned Costs

Year ended June 30, 2012

**Part III - Schedule of Federal and State Award Findings
and Questioned Costs**

No compliance or internal control findings noted that are required to be reported in accordance with OMB Circular A-133 and New Jersey State Circular 04-04.

Wayne Township Public Schools
Summary Schedule of Prior Year Audit Findings
Year ended June 30, 2012

Not applicable.