

**BLOOMFIELD TOWNSHIP
SCHOOL DISTRICT**

**Bloomfield Township School District
Board of Education
Bloomfield, New Jersey**

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013**

**Comprehensive Annual
Financial Report**

of the

**Bloomfield Township School District
Board of Education**

Bloomfield, New Jersey

For the Fiscal Year Ended June 30, 2013

Prepared by

**Bloomfield Township School District
Board of Education**

Finance Department

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
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INTRODUCTORY SECTION

B**BLOOMFIELD TOWNSHIP BOARD OF EDUCATION****Office of the Business Administrator**

155 Broad Street
 Bloomfield, New Jersey 07003
www.bloomfield.k12.nj.us

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 Interim Superintendent

DR. JAMES P. VERBIST
 Interim Business Administrator

AARON MIZRAHI/ANDREW LI
 General Counsel

Dr. James P. Verbist
 Interim Business Administrator

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EMILY SMITH
 President, Board of Education

September 20, 2013

The Honorable President and Members of
 the Board of Education
 Bloomfield Township School District
 County of Essex, New Jersey

Dear Board Members:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Bloomfield Township School District (the "District") for the fiscal year ended June 30, 2013. 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, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the 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 financial and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act 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 OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, is included in the single audit section of this report.

The Honorable President and Members of
the Board of Education
Bloomfield Township School District
Page 2
September 20, 2013

1) REPORTING ENTITY AND ITS SERVICES: The Bloomfield School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) in codification section 2100. All funds of the District are included in this report. The Bloomfield Board of Education and all of its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational and special education for handicapped youngsters. The District also offers a limited pre-school program.

2) ECONOMIC CONDITION AND OUTLOOK: The Township of Bloomfield continues to explore various opportunities to rejuvenate the Bloomfield "shopping center" of town. The Bloomfield "renewal" project has been centered on the construction of the New Jersey Transit Terminal at the Grove Street/Franklin Avenue junction. This development, it is hoped, will rekindle interest in the residential real estate as well as local small businesses. With the renewal of the center of town and the rejuvenation of the "south end" of town it is anticipated there will be a reverse in the trend of reduced ratables.

3) MAJOR INITIATIVES: In 2012-2013, the Superintendent, Board of Education, and District Administrators collaborated to identify a list of District goals for the year. Various Administrators chaired committees charged with examining aspects of the initiative, including:

- Calculation of the fiscal impact to the current budget; impact on successive years;
- Identification of classroom space; facilities issues;
- Determination of staffing needs;
- Revisions to existing curriculums

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to these programs. This internal control system is also subject to periodic evaluation by the District management.

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at a year-end are either canceled or are included as re-appropriation of fund balance in the subsequent fiscal year. Those amounts to be re-appropriated are reported as restrictions, commitments and assignments of fund balance at June 30, 2013.

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

7) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Government Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect government units from 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.

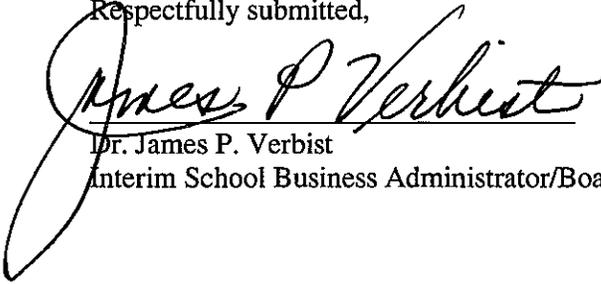
8) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents and fidelity bonds. Workers' compensation insurance coverage is provided, in conjunction with a group of other school districts, through a joint insurance fund.

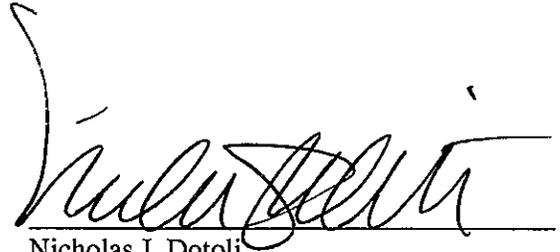
9) OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia, LLP was appointed by the Board of Education for this purpose. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1966 and the related OMB Circular A-133 and New Jersey OMB's Circular 04-04. The auditor's report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditor's reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

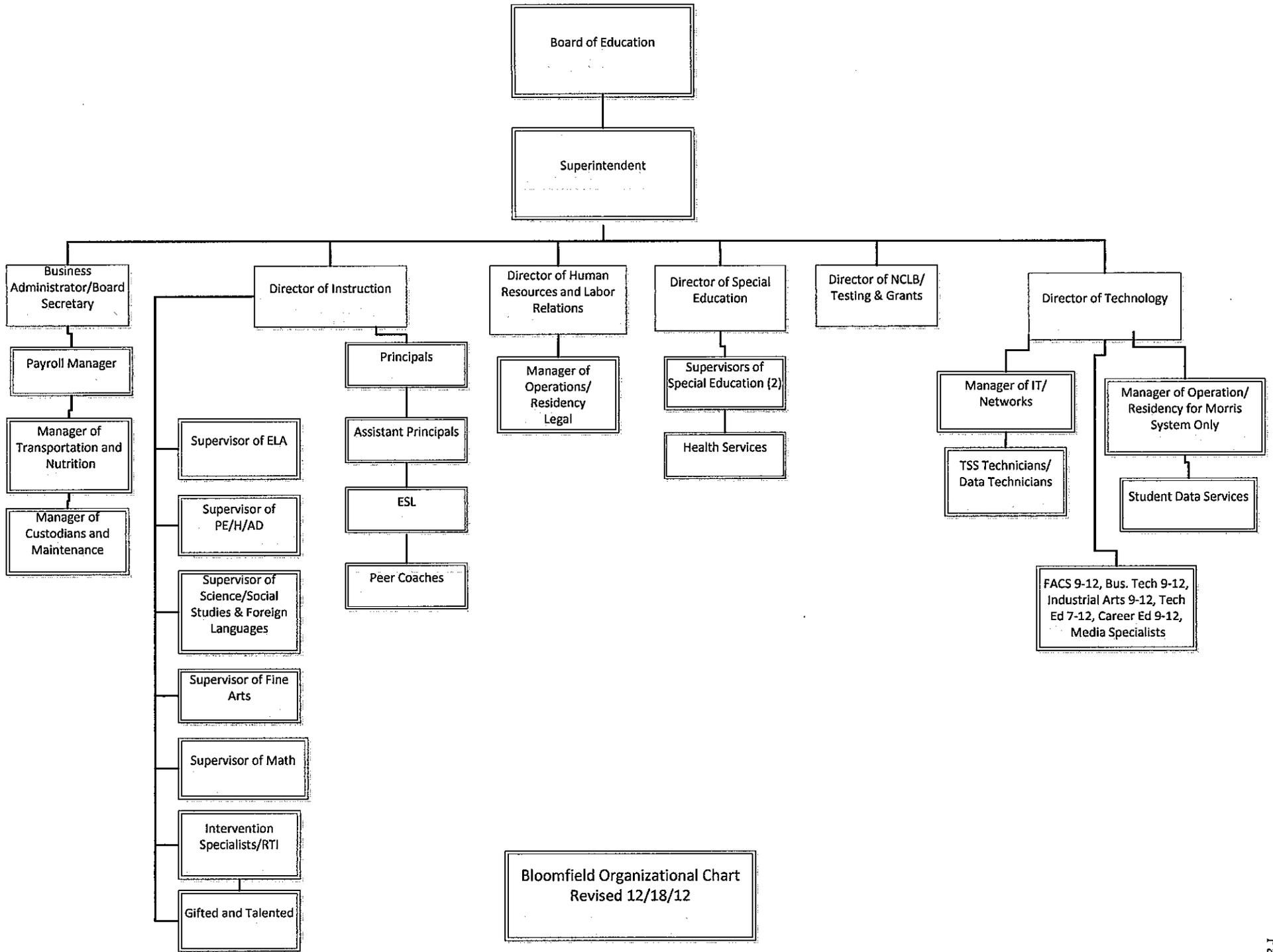
The Honorable President and Members of
the Board of Education
Bloomfield Township School District
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September 20, 2013

10) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Bloomfield 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. James P. Verbist
Interim School Business Administrator/Board Secretary


Nicholas J. Dotoli
Interim Superintendent of Schools



Bloomfield Organizational Chart
Revised 12/18/12

**BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ROSTER OF OFFICIALS
JUNE 30, 2013**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Emily Smith, President	2014
Shane Berger, Vice President	2013
Daniel Anderson	2015
Catherine Bumpus	2014
Robert DeMarino	2013
Maribel Perez	2013
Mary Shaughnessy	2015
Kent Weisert	2015
Paula Zaccone	2014

Other Officials

Title

Nicholas J. Dotoli	Interim Superintendent of Schools/On Staff Board Attorney
Dr. James P. Verbist	Interim School Business Administrator/Board Secretary
Robert Renna	Treasurer

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
Consultants and Advisors

Audit Firm

Nisivoccia LLP, CPAs
Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mount Arlington, NJ 07856

Attorney

Schwartz, Simon, Edelstein, Celso & Zitomer, LLC
44 Whippany Road, Suite 210
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Morristown, NJ 07962

Official Depository

Provident Bank
11 Broad Street
Bloomfield, NJ 07003

FINANCIAL SECTION



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 Newton, NJ 07860
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Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Bloomfield Township School District
 County of Essex, New Jersey

Report on the Financial Statements

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 Board of Education of the Township of Bloomfield School District (the "District") in the County of Essex, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise of the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
Page 2

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Bloomfield Township School District, in the County of Sussex, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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 such as the combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal and state awards, as required by the U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary schedules such as the combining and individual non-major fund financial statements and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
Page 3

The accompanying other information such as the introductory and statistical sections 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2013 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

September 20, 2013
Mount Arlington, New Jersey

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

**Bloomfield Township School District
Management's Discussion and Analysis
Unaudited**

This section of the Bloomfield Township School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2013. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Financial Highlights

- The District's financial status improved by \$2,728,573 on a District-wide basis.
- Overall revenue was \$98.5 million.
- Actual General Fund revenue (Net of on-behalf TPAF contributions) was \$305,359 lower than expected, primarily due to a reduction in extraordinary special education costs aid.
- Overall expenditures were \$95.77 million.
- Net position from the District's governmental activities increased \$2,738,449.
- Net position from the District's business-type activities decreased \$9,876.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-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 district-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.

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 explains and supports the financial statements with a comparison of the District's budget for the fiscal year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Bloomfield Township School District
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)**

**Figure A-1
Organization of Bloomfield Township School District’s Financial Report**

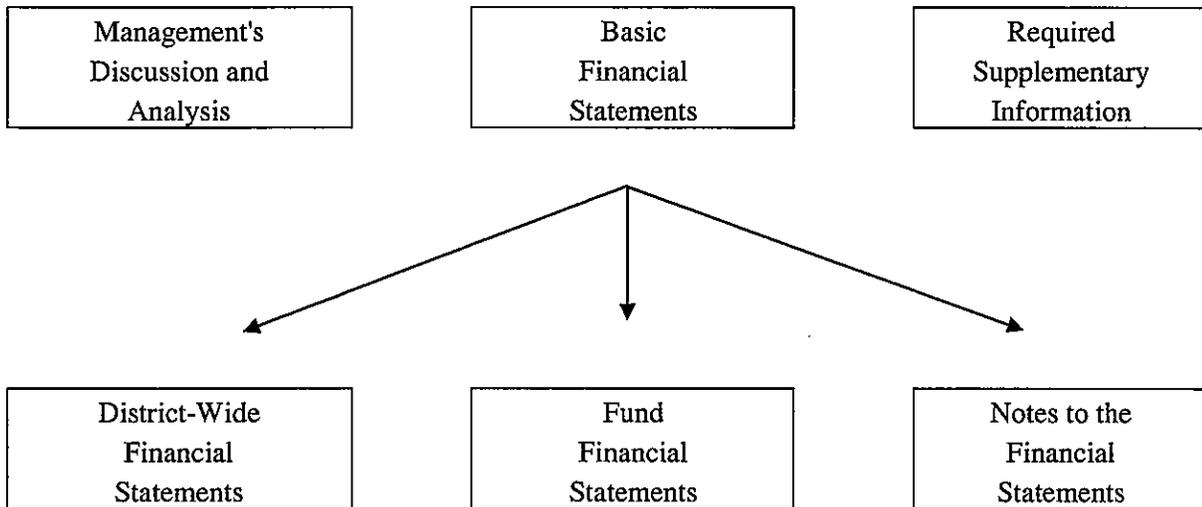


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents of each of the statements.

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)**

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services, and summer arts program	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities
Required Financial Statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the fiscal year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenue and expenses during the fiscal year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the fiscal year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the fiscal year, regardless of when cash is received or paid	All additions and deductions during the fiscal year, regardless of when cash is received or paid

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)**

District-wide Statements

The District-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 position includes all of the District's assets and liabilities. All of the current fiscal year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two District-wide statements report the District's *net position* and how it has changed. Net position – 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 position 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 District-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 summer arts programs are 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 and by bond covenants.
- 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 fiscal 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 District-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 District-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.

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)**

Fund Financial Statements

- *Fiduciary funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as 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 District-wide financial statements because it cannot use these assets to finance its operations.

Notes to the basic financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The Statement of Net Position provides one perspective of the District as a whole. Figure A-3 provides a summary of the District's net position as of June 30, 2013 and 2012. The District's *combined* net position was \$58,502,685 on June 30, 2013, \$2,728,573 or 4.89% more than it was the fiscal year before. The net position of the governmental activities increased by \$2,738,449 and the net position of the business-type activities decreased by \$9,876.

**Figure A-3
Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change 2012/13
	2012/13	2011/12 (Restated)	2012/13	2011/12 (Restated)	2012/13	2011/12 (Restated)	
Current and Other Assets	\$ 5,110,604	\$ 5,422,612	\$ 184,398	\$ 204,395	\$ 5,295,002	\$ 5,627,007	-5.90%
Capital Assets, Net	92,966,950	94,660,737	88,990	78,869	93,055,940	94,739,606	-1.78%
Total Assets	<u>98,077,554</u>	<u>100,083,349</u>	<u>273,388</u>	<u>283,264</u>	<u>98,350,942</u>	<u>100,366,613</u>	-2.01%
Long-Term Debt Outstanding	34,446,774	37,961,393			34,446,774	37,961,393	-9.26%
Other Liabilities	5,401,483	6,631,108			5,401,483	6,631,108	-18.54%
Total Liabilities	<u>39,848,257</u>	<u>44,592,501</u>			<u>39,848,257</u>	<u>44,592,501</u>	-10.64%
Net Position:							
Net Investment in Capital Assets	60,031,950	60,666,690	88,990	78,869	60,120,940	60,745,559	-1.03%
Restricted	2,490,180	865,120			2,490,180	865,120	187.84%
Unrestricted/(Deficit)	<u>(4,292,833)</u>	<u>(6,040,962)</u>	<u>184,398</u>	<u>204,395</u>	<u>(4,108,435)</u>	<u>(5,836,567)</u>	29.61%
Total Net Position	<u>\$ 58,229,297</u>	<u>\$ 55,490,848</u>	<u>\$ 273,388</u>	<u>\$ 283,264</u>	<u>\$ 58,502,685</u>	<u>\$ 55,774,112</u>	4.89%

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)**

Changes in Net Position. Total revenue increased 4.53% to \$98,502,738 and total expenses increased .33% to \$95,774,165. It is important to note here that depreciation of the District's capital assets is computed into the expense total. The depreciation factored into the District's governmental and business-type net position for 2012/13 is \$2,255,121 and \$8,873, respectively.

**Figure A-4
Changes in Net Position from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12	Change 2012/13
Revenue:							
Program Revenue:							
Charges for Services	\$ 248,508	\$ 131,610	\$ 771,640	\$ 869,569	\$ 1,020,148	\$ 1,001,179	1.89%
Grants and Contributions:							
Operating	15,867,734	14,646,833	1,119,265	1,160,877	16,986,999	15,807,710	7.46%
General Revenue:							
Property Taxes	64,290,906	61,874,348			64,290,906	61,874,348	3.91%
Unrestricted State/ Federal Aid	16,146,139	15,398,990			16,146,139	15,398,990	4.85%
Other	58,546	153,122		504	58,546	153,626	-61.89%
Total Revenue	96,611,833	92,204,903	1,890,905	2,030,950	98,502,738	94,235,853	4.53%
Expenses:							
Instruction	51,641,209	52,154,736			51,641,209	52,154,736	-0.98%
Pupil and Instruction Services	15,052,202	14,840,413			15,052,202	14,840,413	1.43%
Administration and Business	10,247,673	10,632,262			10,247,673	10,632,262	-3.62%
Maintenance and Operations	7,998,192	7,156,510			7,998,192	7,156,510	11.76%
Transportation	4,883,438	4,697,117			4,883,438	4,697,117	3.97%
Other	3,494,371	3,477,868	2,457,080	2,498,433	5,951,451	5,976,301	-0.42%
Total Expenses	93,317,085	92,958,906	2,457,080	2,498,433	95,774,165	95,457,339	0.33%
Transfers	(556,299)	(488,342)	556,299	488,342			0.00%
Increase/Decrease in Net Position	\$ 2,738,449	\$ (1,242,345)	\$ (9,876)	\$ 20,859	\$ 2,728,573	\$ (1,221,486)	323.38%

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)**

Revenue Sources. The District's total revenue for the 2012/13 school year was \$98,502,738 (See Figure A-5). Property taxes and state formula aid accounted for most of the District's revenue, \$84,374,677 of the total, or 85.66 percent. Another 13.19 percent came from state and federal aid for specific programs and the remainder from charges for services and miscellaneous sources.

**Figure A-5
Sources of Revenue for Fiscal Year 2013**

Sources of Income:	<u>Amount</u>	<u>Percentage</u>
State Formula Aid	\$ 20,083,771	20.39%
Property Taxes	64,290,906	65.27%
Federal and State Categorical Grants	12,996,439	13.19%
Charges for Services	1,020,148	1.04%
Other	111,474	0.11%
	<u>\$ 98,502,738</u>	<u>100.00%</u>

The total cost of all programs and services was \$95,774,165. The District's expenses are predominantly related to instructing, caring for pupil and instruction services and transporting students (74.74 percent) (See Figure A-6). The District's administrative and business activities accounted for 10.7 percent of total costs.

**Figure A-6
Expenses for Fiscal Year 2013**

Expense Category:	<u>Amount</u>	<u>Percentage</u>
Instruction	\$ 51,641,209	53.92%
Pupil and Instruction Services	15,052,202	15.72%
Administration and Business	10,247,673	10.70%
Maintenance and Operations	7,998,192	8.35%
Transportation	4,883,438	5.10%
Other	5,951,451	6.21%
	<u>\$ 95,774,165</u>	<u>100.00%</u>

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)**

Governmental Activities

As discussed elsewhere in this commentary, the district-wide financial position of the District improved from the prior fiscal year. However, maintaining existing programs with current regular pupil enrollment and the provision of a multitude of special programs and services for disabled pupils place great demands on the District's resources.

Careful management of expenses remains essential for the District to sustain its financial health.

It is crucial that the District examine its expenditures carefully. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

Figure A-7 presents the cost of six major District 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:

**Figure A-7
Net Cost of Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2012/2013	2011/2012	2012/2013	2011/2012
Instruction	\$ 51,641,209	\$ 52,154,736	\$40,488,903	\$41,776,321
Pupil and Instruction Services	15,052,202	14,840,413	12,533,514	12,321,956
Administration and Business	10,247,673	10,632,262	9,302,929	9,799,724
Maintenance and Operations	7,998,192	7,156,510	7,542,924	6,747,720
Transportation	4,883,438	4,697,117	4,054,632	4,280,646
Other	3,494,371	3,477,868	3,277,941	3,254,096
	<u>\$ 93,317,085</u>	<u>\$ 92,958,906</u>	<u>\$ 77,200,843</u>	<u>\$ 78,180,463</u>

- The cost of all governmental activities this fiscal year was \$93.32 million.
- The federal and state governments subsidized certain programs with grants and contributions (\$11.877 million).
- Most of the District's costs, however, were financed by District taxpayers (\$64.291 million).
- A portion of governmental activities was financed with state aid based on the SFRA formula (\$20.084 million).
- The remainder of funding came from tuition, local grants and miscellaneous revenues (\$.36 million).

Business-Type Activities

Net position from the District's business-type activity decreased by \$9,876 (Refer to Figure A-4).

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)**

Financial Analysis of the District's Funds

Although the financial position of the District improved significantly, difficult economic times have had a direct impact upon the District's revenue sources and planned expenditures. Ratables in the municipalities remain more or less stable, thus generating concern for the local tax levy in the future.

These factors are likely to continue for the near future. To maintain a stable financial position, the District must continue to practice sound fiscal management and carefully monitor expenditures.

General Fund Budgetary Highlights

Over the course of the fiscal year, the District revised the annual operating budget several times. These budget amendments fall into two categories:

- Changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.
- The preparation of the 2012/2013 budget was difficult as a result of rising costs and a lower than normal fund balance position for the District. This resulted in the need for line item transfers during the fiscal year.

Capital Asset and Debt Administration

The District's capital assets decreased by \$1,683,666 in the current fiscal year.

**Figure A-8
Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2012/13	2011/12 (Restated)	2012/13	2011/12 (Restated)	2012/13	2011/12 (Restated)	
Sites (Land)	\$ 15,902,555	\$ 15,902,555			\$ 15,902,555	\$ 15,902,555	0.00%
Buildings and Building Improvements	72,085,188	73,402,396			72,085,188	73,402,396	-1.79%
Land Improvements	4,512,668	4,823,887			4,512,668	4,823,887	-6.45%
Machinery and Equipment	466,539	531,899	\$ 88,990	\$ 78,869	555,529	610,768	-9.04%
Total Capital Assets, Net of Depreciation	<u>\$ 92,966,950</u>	<u>\$ 94,660,737</u>	<u>\$ 88,990</u>	<u>\$ 78,869</u>	<u>\$ 93,055,940</u>	<u>\$ 94,739,606</u>	<u>-1.78%</u>

During the 2012/13 school year, District additions totaled \$580,328 which were offset by \$2,263,994 in depreciation.

**Bloomfield Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)**

Long-term Debt

At fiscal year end, the District had \$31,792,120 of general obligation bonds outstanding, net – a decrease of \$2,093,570 from last fiscal year and \$-0- in capital leases – a decrease of \$108,357 from last fiscal year. In addition, the District has \$2,654,654 in compensated absences payable – a net decrease of \$1,312,692.

Figure A-9

Outstanding Long-Term Debt

	Total School District		Percentage Change
	2012/13	2011/12	
General Obligation Bonds, Net (Financed with Property Taxes)	\$ 31,792,120	\$ 33,885,690	-6.18%
Other Long-Term Liabilities	2,654,654	4,075,703	-34.87%
	<u>\$ 34,446,774</u>	<u>\$ 37,961,393</u>	<u>-9.26%</u>

- Principal payments of \$2,165,000 on the District's general obligation bonds were made during the fiscal year.
- The District's other long-term liabilities as of June 30, 2013 are comprised of compensated absences payable.

For the Future

The Bloomfield Township School District is proud of its community support and student involvement in the public schools. Major concerns are the increased reliance on local property taxes, potential reductions in State aid and a 2% tax revenue cap.

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 Dr. James P. Verbist, Interim Business Administrator/Board Secretary at Bloomfield Township School District Board of Education, 155 Broad Street, Bloomfield, New Jersey 07003. Please visit our website at <http://www.bloomfield.k12.nj.us>.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Exhibit A-1

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 103,996	\$ 91,854	\$ 195,850
Receivables from State Government	1,707,113	2,693	1,709,806
Receivables from Federal Government	585,269	69,383	654,652
Other Receivables	54,118	41,461	95,579
Inventory		1,640	1,640
Restricted Assets:			
Capital Reserve Account - Cash	2,485,164		2,485,164
Unamortized Bond Issuance Costs, Net	174,944		174,944
Capital Assets, Net:			
Sites (Land)	15,902,555		15,902,555
Depreciable Buildings and Building Improvements, Land Improvements and Machinery and Equipment	<u>77,064,395</u>	<u>88,990</u>	<u>77,153,385</u>
Total Assets	<u>98,077,554</u>	<u>296,021</u>	<u>98,373,575</u>
LIABILITIES			
Current Liabilities:			
Payable to State Government	27,241		27,241
Payable to Federal Government	117,806		117,806
Accounts Payable/Cash Deficit	1,637,595		1,637,595
Notes Payable	1,694,000		1,694,000
Accrued Interest Payable	454,246		454,246
Unamortized Bond Premiums, Net	1,357,824		1,357,824
Unearned Revenue	112,771	22,633	135,404
Noncurrent Liabilities:			
Due Within One Year	2,215,000		2,215,000
Due Beyond One Year	<u>32,231,774</u>		<u>32,231,774</u>
Total Liabilities	<u>39,848,257</u>	<u>22,633</u>	<u>39,870,890</u>
NET POSITION			
Net Investment in Capital Assets	60,031,950	88,990	60,120,940
Restricted for:			
Capital Projects	2,485,164		2,485,164
Debt Service	5,016		5,016
Unrestricted/(Deficit)	<u>(4,292,833)</u>	<u>184,398</u>	<u>(4,108,435)</u>
Total Net Position	<u>\$ 58,229,297</u>	<u>\$ 273,388</u>	<u>\$ 58,502,685</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 33,960,024	\$ 248,508	\$ 3,823,178		\$ (29,888,338)		\$ (29,888,338)
Special Education	12,904,747		6,578,720		(6,326,027)		(6,326,027)
Other Special Instruction	3,439,282		381,520		(3,057,762)		(3,057,762)
Other Instruction	1,337,156		120,380		(1,216,776)		(1,216,776)
Support Services:							
Tuition	4,653,002		1,379,758		(3,273,244)		(3,273,244)
Student & Instruction Related Services	10,399,200		1,138,930		(9,260,270)		(9,260,270)
General Administrative Services	1,680,255		45,906		(1,634,349)		(1,634,349)
School Administrative Services	6,049,340		691,091		(5,358,249)		(5,358,249)
Central Services	1,385,109		142,747		(1,242,362)		(1,242,362)
Administrative Information Technology	1,132,969		65,000		(1,067,969)		(1,067,969)
Plant Operations and Maintenance	7,998,192		455,268		(7,542,924)		(7,542,924)
Pupil Transportation	4,883,438		828,806		(4,054,632)		(4,054,632)
Transfer of Funds to Charter Schools	104,686				(104,686)		(104,686)
Interest on Long-Term Debt	1,373,430		216,430		(1,157,000)		(1,157,000)
Unallocated Depreciation	2,016,255				(2,016,255)		(2,016,255)
Total Governmental Activities	93,317,085	\$ 248,508	15,867,734		(77,200,843)		(77,200,843)

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Business-Type Activities:							
Food Service	\$ 2,400,580	\$ 715,140	\$ 1,119,265			\$ (566,175)	\$ (566,175)
Summer Arts Program	56,500	56,500					
Total Business-Type Activities	2,457,080	771,640	1,119,265			(566,175)	(566,175)
Total Primary Government	\$ 95,774,165	\$ 1,020,148	\$ 16,986,999	\$ -0-	\$ (77,200,843)	(566,175)	(77,767,018)

General Revenues:

Taxes:			
Property Taxes, Levied for General Purposes, Net	60,392,089		60,392,089
Taxes Levied for Debt Service	3,898,817		3,898,817
Federal and State Aid not Restricted	16,146,139		16,146,139
Miscellaneous Income	58,546		58,546
Transfers	(556,299)	556,299	
Total General Revenues and Transfers	79,939,292	556,299	80,495,591
Change in Net Position	2,738,449	(9,876)	2,728,573
Net Position - Beginning (Restated)	55,490,848	283,264	55,774,112
Net Position - Ending	\$ 58,229,297	\$ 273,388	\$ 58,502,685

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents			\$ 103,499	\$ 497	\$ 103,996
Interfund Receivable	\$ 170,076			4,519	174,595
Receivables from State Government	891,744		815,369		1,707,113
Receivables from Federal Government	1,812	\$ 583,457			585,269
Other Receivables	36,983	17,135			54,118
Restricted Cash and Cash Equivalents	2,485,164				2,485,164
Total Assets	\$ 3,585,779	\$ 600,592	\$ 918,868	\$ 5,016	\$ 5,110,255
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Payable			\$ 174,595		174,595
Payable to State Government		27,241			27,241
Payable to Federal Government		117,806			117,806
Accounts Payable/Cash Deficit	1,290,771	346,824			1,637,595
Notes Payable			1,694,000		1,694,000
Unearned Revenue	4,050	108,721			112,771
Total Liabilities	1,294,821	600,592	1,868,595		3,764,008
Fund Balances:					
Restricted:					
Capital Reserve Account	2,485,164				2,485,164
Debt Service Fund				\$ 5,016	5,016
Committed			17,334		17,334
Unassigned/(Deficit)	(194,206)		(967,061)		(1,161,267)
Total Fund Balances/(Deficit)	2,290,958		(949,727)	5,016	1,346,247
Total Liabilities and Fund Balances	\$ 3,585,779	\$ 600,592	\$ 918,868	\$ 5,016	\$ 5,110,255

Amounts reported for *Governmental Activities* in the Statement of Net Position (A-1) are different because:

Total Fund Balances (Above)	\$ 1,346,247
Capital Assets Used in Governmental Activities are not Financial Resources and therefore are not reported in the Funds. The cost of the assets is \$118,907,774 and the accumulated depreciation is \$25,940,824.	92,966,950
Long-Term Liabilities, including Bonds Payable, are not due and payable in the current period and therefore are not reported as Liabilities in the Funds.	(34,446,774)
Interest on Long-Term Debt is not accrued in the Governmental Funds, but rather is recognized as an expenditure when due.	(454,246)
Bond Issuance costs are reported as expenditures in the Funds. These costs total \$196,821 and the accumulated amortization is \$21,877.	174,944
Bond Premiums are reported as revenue in the Funds. These premiums total \$1,527,559 and the accumulated amortization is \$169,735.	(1,357,824)
Net Position of Governmental Activities	\$ 58,229,297

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-2

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 60,392,089			\$ 3,898,817	\$ 64,290,906
Tuition	248,508				248,508
Miscellaneous Revenues	58,546	\$ 52,928			111,474
Total - Local Sources	60,699,143	52,928		3,898,817	64,650,888
State Sources	28,880,233	118,019		216,430	29,214,682
Federal Sources	159,896	2,586,367			2,746,263
Total Revenues	89,739,272	2,757,314		4,115,247	96,611,833
EXPENDITURES					
Current:					
Regular Instruction	24,420,597	173,237			24,593,834
Special Education Instruction	8,526,453	967,808			9,494,261
Other Special Instruction	2,460,712				2,460,712
Other Instruction	1,028,389				1,028,389
Support Services and Undistributed Costs:					
Tuition	3,273,244	1,379,758			4,653,002
Student & Instruction Related Services	7,866,481	236,511			8,102,992
General Administrative Services	1,517,748				1,517,748
School Administrative Services	4,592,697				4,592,697
Central Services	997,365				997,365
Administration Information Technology	956,409				956,409
Plant Operations and Maintenance	6,591,658				6,591,658
Pupil Transportation	3,996,588				3,996,588
Unallocated Benefits	21,861,828				21,861,828
Debt Service:					
Principal				2,774,795	2,774,795
Interest and Other Charges				1,417,874	1,417,874
Capital Outlay	330,920		\$ 387,828		718,748
Transfer of Funds to Charter Schools	104,686				104,686
Total Expenditures	88,525,775	2,757,314	387,828	4,192,669	95,863,586
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	1,213,497		(387,828)	(77,422)	748,247
OTHER FINANCING SOURCES/(USES)					
Notes Funded by Budget Appropriation			609,795		609,795
Transfers Out	(556,299)				(556,299)
Total Other Financing Sources/(Uses)	(556,299)		609,795		53,496
Net Change in Fund Balances	657,198		221,967	(77,422)	801,743
Fund Balance/(Deficit) - July 1 (Restated)	1,633,760		(1,171,694)	82,438	544,504
Fund Balance/(Deficit) - June 30	\$ 2,290,958	\$ -0-	\$ (949,727)	\$ 5,016	\$ 1,346,247

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Total Net Change in Fund Balances - Governmental Funds (from B-2)		\$ 801,743
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differs from capital outlay in the period.		
	Depreciation expense	\$ (2,255,121)
	Capital outlays	<u>561,334</u>
		(1,693,787)
Repayment of capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		108,357
Repayment of debt service principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		2,165,000
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).		41,944
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used/paid. When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		1,312,692
The governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities (-)		(10,934)
The governmental funds report the effect of bond premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities (+)		84,864
The governmental funds report the effect of deferred bond interest when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities (-)		<u>(71,430)</u>
Change in Net Position of Governmental Activities (A-2)		<u>\$ 2,738,449</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-4

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	<u>Business-type Activities - Enterprise Funds</u> <u>Major Funds</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 91,854
Accounts Receivable:	
Other Governments:	
Federal	69,383
State	2,693
Other	41,461
Inventories	1,640
Total Current Assets	<u>207,031</u>
Non-Current Assets:	
Capital Assets	146,900
Less: Accumulated Depreciation	<u>(57,910)</u>
Total Non-Current Assets	<u>88,990</u>
Total Assets	<u>296,021</u>
LIABILITIES:	
Current Liabilities:	
Unearned Revenue	<u>22,633</u>
Total Current Liabilities	<u>22,633</u>
Total Liabilities	<u>22,633</u>
NET POSITION:	
Net Investment in Capital Assets	88,990
Unrestricted	<u>184,398</u>
Total Net Position	<u>\$ 273,388</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-5

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Business-type Activities - Enterprise Funds Major Funds</u>
Operating Revenue:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 330,198
Daily Sales - Non-Reimbursable Programs	381,365
Special Events	3,577
Program Fees	<u>56,500</u>
Total Operating Revenue	<u>771,640</u>
Operating Expenses:	
Cost of Sales	906,254
Salaries	1,059,112
Payroll Taxes	212,684
Employee Benefits	36,030
Purchased Property Services	132,926
Management Fee	34,461
Supplies and Materials	66,740
Depreciation Expense	<u>8,873</u>
Total Operating Expenses	<u>2,457,080</u>
Operating Loss	<u>(1,685,440)</u>
Non-Operating Revenue:	
Federal Sources:	
National School Breakfast Program	62,669
National School Lunch Program	935,864
Food Distribution Program	96,916
State Sources:	
School Lunch Program	22,341
School Lunch Program - Supplemental	<u>1,475</u>
Total Non-Operating Revenue	<u>1,119,265</u>
Change in Net Position Before Operating Transfer	(566,175)
Operating Transfer In - General Fund	<u>556,299</u>
Change in Net Position	(9,876)
Net Position - Beginning of Year (Restated)	<u>283,264</u>
Net Position - End of Year	<u>\$ 273,388</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-6

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Business-type Activities - Enterprise Funds Major Funds</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 754,511
Payments to Employees	(671,035)
Payments to Food Service Vendor	(1,643,715)
Payments to Suppliers	(35,111)
Net Cash Used for Operating Activities	<u>(1,595,350)</u>
Cash Flows from Capital Financing Activities:	
Acquisition of Capital Assets	(18,994)
Net Cash Used for Capital Financing Activities	<u>(18,994)</u>
Cash Flows from Noncapital Financing Activities:	
Federal Sources	993,167
State Sources	22,644
Operating Transfer In - General Fund	556,299
Net Cash Provided by Noncapital Financing Activities	<u>1,572,110</u>
Net Decrease in Cash and Cash Equivalents	(42,234)
Cash and Cash Equivalents, July 1	<u>134,088</u>
Cash and Cash Equivalents, June 30	<u>\$ 91,854</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (1,685,440)
Adjustment to Reconcile Operating Loss to Cash Used for Operating Activities:	
Depreciation	8,873
Federal Food Distribution Program	96,916
Changes in Assets and Liabilities:	
(Decrease) in Other Accounts Receivable	(39,679)
Decrease in Inventory	1,347
Increase in Unearned Revenue	22,633
Net Cash Used for Operating Activities	<u>\$ (1,595,350)</u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$96,916 for the fiscal year ended June 30, 2013.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-7

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2013

	<u>Agency</u>	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
ASSETS:			
Cash and Cash Equivalents	\$ 727,304	\$ 222,655	\$ 116,618
Interfund Receivable		28,602	
Total Assets	<u>727,304</u>	<u>251,257</u>	<u>116,618</u>
LIABILITIES:			
Interfund Payable	28,602		
Accounts Payable		11,589	
Payroll Deductions and Withholdings	412,377		
Due to Student Groups	286,325		
Total Liabilities	<u>727,304</u>	<u>11,589</u>	<u>-0-</u>
NET POSITION:			
Held in Trust for:			
Unemployment Claims		239,668	
Scholarships			116,618
Total Net Position	<u>\$ -0-</u>	<u>\$ 239,668</u>	<u>\$ 116,618</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-8

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
ADDITIONS:		
Contributions:		
Plan Member	\$ 86,782	
Employer	100,000	
Other		\$ 2,730
Total Contributions	<u>186,782</u>	<u>2,730</u>
Investment Earnings:		
Interest		<u>29</u>
Net Investment Earnings		<u>29</u>
Total Additions	<u>186,782</u>	<u>2,759</u>
DEDUCTIONS:		
Quarterly Contribution Reports and Unemployment Claims	161,581	
Scholarships Awarded		<u>22,774</u>
Total Deductions	<u>161,581</u>	<u>22,774</u>
Change in Net Position	25,201	(20,015)
Net Position - Beginning of the Year	<u>214,467</u>	<u>136,633</u>
Net Position - End of the Year	<u>\$ 239,668</u>	<u>\$ 116,618</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the "Board") of Bloomfield Township School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government 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 Board's accounting policies are described below.

A. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include nine elementary schools, one middle school and one high school which comprise the Bloomfield Township School District. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business type activities. These statements include the financial activities of the overall District in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses in the program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

Fund Financial Statements:

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

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by the NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expenses by Board resolution.

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally 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 expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

The District reports the following proprietary funds:

Enterprise Funds: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria and Summer Arts Program operations. The food service and Summer Arts Program are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and include the Student Activities Fund, Payroll Agency Fund, Unemployment Insurance Trust Fund (SUI), and the Private Purpose Scholarship Trust.

C. Measurement Focus and Basis of Accounting

The District-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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 budget for the fiscal year ended June 30, 2013 was submitted to the County office and was approved by the Board of Education on the third Wednesday in April, 2012. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the fiscal year).

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of 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 revenue, whereas the GAAP basis does not. Additionally, the special revenue budgetary revenue differs from the GAAP revenue due to a difference in the recognition of the last two state aid payments for the current fiscal year. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the June state aid payments for the current fiscal year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 89,854,515	\$ 2,764,941
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and revenue, whereas the GAAP basis does not.		
Current Year Encumbrances		(7,627)
Prior Year State aid payments recognized for GAAP statements, not recognized for budgetary purposes	1,832,343	
Current Year State aid payments recognized for budgetary purposes, not recognized for GAAP statements	<u>(1,947,586)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 89,739,272</u>	<u>\$ 2,757,314</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 88,525,775	\$ 2,764,941
Differences - Budget to GAAP:		
Encumbrances 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 Encumbrances		<u>(7,627)</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 88,525,775</u>	<u>\$ 2,757,314</u>

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

New Jersey school districts are limited as to type 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.

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 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 of at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Government Units. If a public depository fails, the collateral it has pledged, plus the collateral of all the other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. Encumbrances:

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as unearned revenue at fiscal year end.

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise and general funds represent payments made to vendors for services that will benefit periods beyond June 30, 2013.

K. Capital Assets:

During the fiscal year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost, including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$5,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the District-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings and Improvements	20 to 50 years
Furniture and Equipment	5 to 20 years
Vehicles	8 years

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Capital Assets: (Cont'd)

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

L. Long Term Liabilities:

In the District-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise funds. Bond issuance costs, as well as applicable bond premium and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, governmental fund types recognize bond discounts, as well as bond issuance costs, as expenditures in 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 expenditures.

M. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year; therefore, there are no accrued salaries and wages as of June 30, 2013.

N. Compensated Absences:

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

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

In the District-wide *Statement of Net Position*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due beyond one year.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

O. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

P. Fund Balance Appropriated:

General Fund: Of the \$2,290,958 General Fund balance at June 30, 2013, \$2,485,164 is reserved in the capital reserve account; \$(194,206) is a deficit in unassigned fund balance which is \$1,904,884 less on the GAAP Basis due to the June state aid payments that are not recognized until the fiscal year ending June 30, 2014 and \$-0- is assigned for encumbrances which is \$42,702 less on the GAAP basis due to the June State Aid payments that are not recognized until the fiscal year less June 30, 2014.

Capital Projects Fund: The Capital Projects Fund balance at June 30, 2013 of \$(949,727) consists of \$17,334 committed and \$(967,061) is a deficit in unassigned fund balances due to notes payable of \$1,694,000.

Debt Service Fund: The Debt Service Fund balance at June 30, 2013 of \$5,016 is restricted.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General 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 fiscal year's budget. The District did not have excess surplus at June 30, 2013.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$1,947,586 as reported in the fund statements (modified accrual basis). N.J.A.C. 6A:23A-8.5(j) provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payments on the GAAP financial statements until the fiscal year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

Q. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed or assigned.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Q. Fund Balance Restrictions, Commitments and Assignments: (Cont'd)

Fund balance restrictions have been established for a capital reserve and the debt service fund.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources in the Capital Projects Fund at June 30, 2013.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for fiscal year-end encumbrances in the General Fund at June 30, 2013.

R. Deficit Net Position/Fund Balance:

The District has a deficit of \$4,292,833 in governmental activities unrestricted net position as of June 30, 2013 primarily due to the non-recognition of the June state aid payments as explained in Note 1P on the previous page, the accrual of \$2,654,654 in compensated absences payable, \$454,246 in accrued interest payable, notes payable of \$1,694,000, and \$1,357,824 of unamortized bond premiums, offset by \$174,944 of unamortized bond issuance costs, \$1,142,880 deferred amount on refunding, and governmental funds committed, assigned and unassigned fund balances. The District has a deficit of \$967,061 in capital projects fund unassigned fund balance due to notes payable of \$1,694,000. These deficits do not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

S. Net Position:

The District implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, during the current fiscal year. This statement defines net position as the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. This Statement provides guidance for reporting net position within a framework that includes deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District did not have any deferred inflows or outflows of resources at June 30, 2013.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

S. Net Position: (Cont'd)

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

T. Revenue - Exchange and Nonexchange Transactions:

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

U. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activities of the Enterprise Funds. For the School District, these revenues are sales for food service and fees for the summer arts program. Operating expenses are necessary costs incurred to provide the services that are the primary activities of the Enterprise Funds.

V. Management Estimates:

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

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

(Continued)

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and District-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. 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.

GASB Statement No. 40, *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the Board in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Board ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Board limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following page.

Deposits:

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

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

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit, and

In addition to the above collateral requirement, if 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, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (5) Local government investment pools;
- (6) Deposits with the State of New Jersey Cash Management Fund; or
- (7) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in statute; and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2013, cash and cash equivalents and investments of the District consisted of the following:

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents Capital Reserve Account	Total
Checking Accounts	\$ 29,217	\$ 2,485,164	\$ 2,514,381

During the period ended June 30, 2013, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2013 was \$2,514,381 and the bank balance was \$4,520,249. The cash and cash equivalents balance at June 30, 2013 of \$2,514,381 differs from the total of \$3,747,591 on the Governmental Funds Balance Sheet and Proprietary Funds and Fiduciary Fund Statements of Net Position at June 30, by \$1,233,210.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

The difference of \$1,233,210 noted on the previous page is the result of a cash deficit of \$996,560 in the General Fund due to the Board approved transfer of funds to the capital reserve and restricted cash and cash equivalents and \$236,650 in the Special Revenue Fund due to outstanding grants receivable. This cash deficit of \$1,233,210 is included in the accounts payable on the Governmental Funds Balance Sheet and the Statement of Net Position. This deficit does not indicate that the District is in financial difficulties and is the correct presentation under Generally Accepted Accounting Principles.

NOTE 4. CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at fiscal year-end of any unanticipated revenue or unexpended line item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2012 to June 30, 2013 fiscal year is as follows:

Beginning Balance, July 1, 2012	\$ 782,682
Increase Approved by Board Resolution June, 2013	<u>1,702,482</u>
Ending Balance, June 30, 2013	<u><u>\$ 2,485,164</u></u>

The balance in the capital reserve account at June 30, 2013 does not exceed the balance of local support costs of uncompleted capital projects in the District's Long Range Facilities Plan ("LRFP").

NOTE 5. RECEIVABLES FROM OTHER GOVERNMENTS

The following receivables due from other governments existed as of June 30, 2013:

	<u>Governmental Activities</u>			<u>Business-</u>
	<u>General</u>	<u>Special</u>	<u>Capital</u>	<u>Type</u>
	<u>Fund</u>	<u>Revenue</u>	<u>Projects</u>	<u>Activities</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Proprietary</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>
Federal	\$ 1,812	\$ 583,457		\$ 69,383
State	891,744		\$ 815,369	2,693
	<u>\$ 893,556</u>	<u>\$ 583,457</u>	<u>\$ 815,369</u>	<u>\$ 72,076</u>
			<u>\$ 2,292,382</u>	

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 6: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2013, the District transferred \$21,053 from the capital outlay accounts which pertained to equipment purchases, therefore, approval from the County Superintendent was not required.

NOTE 7. CAPITAL ASSETS

Capital asset balances and activity for the fiscal year ended June 30, 2013 were as follows:

	Beginning Balance (Restated)	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 15,902,555			\$ 15,902,555
Total Capital Assets Not Being Depreciated	<u>15,902,555</u>			<u>15,902,555</u>
Capital Assets Being Depreciated:				
Buildings and Building Improvements	93,811,805	\$ 387,828		94,199,633
Land Improvements	6,224,370			6,224,370
Machinery and Equipment	2,407,710	173,506		2,581,216
Total Capital Assets Being Depreciated	<u>102,443,885</u>	<u>561,334</u>		<u>103,005,219</u>
Governmental Activities Capital Assets	<u>118,346,440</u>	<u>561,334</u>		<u>118,907,774</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(20,409,409)	(1,705,036)		(22,114,445)
Land Improvements	(1,400,483)	(311,219)		(1,711,702)
Machinery and Equipment	(1,875,811)	(238,866)		(2,114,677)
	<u>(23,685,703)</u>	<u>(2,255,121)</u>		<u>(25,940,824)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 94,660,737</u>	<u>\$(1,693,787)</u>	<u>\$ -0-</u>	<u>\$ 92,966,950</u>
	Beginning Balance (Restated)	Increases	Adjustments/ Decreases	Ending Balance
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 127,906	\$ 18,994		\$ 146,900
Less Accumulated Depreciation	(49,037)	(8,873)		(57,910)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 78,869</u>	<u>\$ 10,121</u>	<u>\$ -0-</u>	<u>\$ 88,990</u>

The increases totaling \$580,328 represent current fiscal year capitalized expenditures in the general fund and the food service enterprise fund.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 7. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 4,360
General Administrative Services	37,813
Plant Operations and Maintenance	7,787
Pupil Transportation	188,906
Unallocated	<u>2,016,255</u>
	<u>\$ 2,255,121</u>

NOTE 8. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2013, the following changes occurred in liabilities reported in the District-wide financial statements:

	<u>Balance</u> <u>6/30/2012</u>	<u>Issued/</u> <u>Added</u>	<u>Retired/</u> <u>Defeased</u>	<u>Balance</u> <u>6/30/2013</u>
Serial Bonds Payable	\$ 35,100,000		\$ 2,165,000	\$ 32,935,000
Less: Deferred Amount on Refunding	<u>(1,214,310)</u>		<u>(71,430)</u>	<u>(1,142,880)</u>
Net Serial Bonds Payable	33,885,690		2,093,570	31,792,120
Capital Leases Payable	108,357		108,357	
Compensated Absences Payable	<u>3,967,346</u>	<u>\$ 8,560</u>	<u>1,321,252</u>	<u>2,654,654</u>
	<u>\$ 37,961,393</u>	<u>\$ 8,560</u>	<u>\$ 3,523,179</u>	<u>\$ 34,446,774</u>

A. Bonds Payable:

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 Board are general obligation bonds and will be liquidated through the debt service fund.

The District had bonds outstanding as of June 30, 2013 as follows:

<u>Date of</u> <u>Issue</u>	<u>Final</u> <u>Maturity</u>	<u>Interest</u> <u>Rate</u>	<u>Amount</u>
06/02/09	03/01/19	3.50% - 4.00%	\$ 3,925,000
09/02/11	09/01/28	3.00% - 5.00%	<u>29,010,000</u>
			<u>\$ 32,935,000</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

Principal and interest due on the District's serial bonds outstanding is as follows:

<u>Year Ended</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 2,205,000	\$ 1,318,925	\$ 3,523,925
2015	2,255,000	1,248,575	3,503,575
2016	2,230,000	1,177,800	3,407,800
2017	2,255,000	1,103,850	3,358,850
2018	2,275,000	1,012,900	3,287,900
Thereafter:			
2019-2023	9,850,000	3,655,675	13,505,675
2024-2028	9,930,000	1,385,600	11,315,600
2029	1,935,000	38,700	1,973,700
	<u>\$ 32,935,000</u>	<u>\$ 10,942,025</u>	<u>\$ 43,877,025</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2013, the Board had no bonds authorized but not issued.

C. Bond Anticipation Notes Payable:

As of June 30, 2013, the Board had bond anticipation notes payable as follows:

<u>Final</u> <u>Maturity</u>	<u>Description</u>	<u>Interest</u> <u>Rate</u>	<u>Amount</u>
7/18/2013	Foley Field Renovations	0.91%	<u>\$ 1,694,000</u>

The note was renewed on July 18, 2013 for \$1,109,000, maturing on July 18, 2014 at an interest rate of 1.00%.

D. Capital Leases Payable:

The District had no capital leases payable at June 30, 2013.

E. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The entire amount of compensated absences payable at June 30, 2013 of \$2,654,654 is a long-term liability. There is no current portion of the payable.

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, 2013, no liability existed for compensated absences in the Proprietary Funds.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 9. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey. However, if an employee is ineligible to enroll in the TPAF or PERS, the employee may be eligible to enroll in the Defined Contribution Retirement Program (DCRP). PERS and TPAF are sponsored and administered by the State of New Jersey. Prudential Financial jointly administer the DCRP investments with the NJ Division of Pension and Benefits. The TPAF 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 noncontribution employers. The PERS is also considered a cost-sharing, multiple-employer plan.

Employees who are members of TPAF or PERS and retire at a specified age according to the relevant tier category for that employee are entitled to a retirement benefit based upon a formula which takes "final average salary" during the years of creditable service. Vesting occurs after 8 to 10 years of service. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, NJ, 08625-0295.

The contribution policy is set by New Jersey State Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey regulation. Effective July 1, 2012, the employee contributions for PERS and TPAF increased from 6.5% to 6.64% of employees' annual compensation, as defined. Subsequent increases are being phased in over 7 years effective each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018. Employers are required to contribute at an actuarially determined rate in the TPAF and PERS. The actuarially determined employer contribution includes funding for cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums. Under current statute, the District is a noncontributing employer of the TPAF. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions of 5.5% of employees' annual compensation for DCRP are matched by a 3% employer contribution.

District contributions to PERS amounted to \$896,628, \$1,071,441 and \$1,003,267 for 2013, 2012 and 2011, respectively.

The State of New Jersey contributed \$2,434,734, \$1,193,048 and \$-0- to the TPAF for normal pension benefits on behalf of the District for the fiscal years ending June 30, 2013, 2012 and 2011, respectively.

Employee contributions to the DCRP for the fiscal years ended June 30, 2013, 2012 and 2011 were \$107,989, \$92,062 and \$34,881, respectively. Employer contributions to the DCRP for the fiscal years ended June 30, 2013, 2012 and 2011 were \$59,138, \$52,680 and \$20,183, respectively.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 10. POST-RETIREMENT BENEFITS

P.L. 1987, c.384 and P.L. 1990, c.6 required the TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2012, there were 97,661 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 benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributed 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 \$146.6 million toward Chapter 126 benefits for 16,618 eligible retired members for Fiscal Year 2012.

The State's on behalf Post-Retirement Medical Contributions to TPAF for the District amounted to \$2,753,070, \$2,398,339 and \$2,438,383 for 2013, 2012 and 2011, respectively. These amounts have been included in the District-wide financial statements and the fund-based statements as revenues and expenditures in accordance with GASB Statement No. 24.

NOTE 11. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health benefits coverage is provided by Connecticut General Life Insurance Company ("CIGNA").

Property and Liability Insurance

The District has commercial insurance coverage for general liability, property and auto insurance.

The Bloomfield Township School District is a member of the Diploma Joint Insurance Fund (the "Fund") through which the District is provided workers' compensation coverage. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. The Fund is a risk-sharing public entity risk pool that is an insured and self-administered groups of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

As a member of the Fund, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities. The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

The June 30, 2013 audit was not available as of the date of this report. Selected, summarized financial information for the Fund as of June 30, 2012 is as follows:

	<u>Diploma Joint</u> <u>Insurance Fund</u>
Total Assets	<u>\$ 10,580,120</u>
Net Position	<u>\$ 4,666,353</u>
Total Revenue	<u>\$ 5,218,598</u>
Total Expenses	<u>\$ 3,962,510</u>
Member Dividends	<u>\$ -0-</u>
Change in Net Position for the Year Ended June 30, 2012	<u>\$ 1,256,088</u>

Financial statements for the Fund are available at the Fund's Executive Directors' Office:

RLM Agency (Risk & Loss Managers)
51 Everett Drive, Suite B40
West Windsor, NJ 078550

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two fiscal years.

<u>Fiscal Year</u>	<u>District</u> <u>Contributions</u>	<u>Interest</u> <u>Earned</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2012-2013	\$ 100,000	\$ -0-	\$ 86,782	\$ 161,581	\$ 239,668
2011-2012	200,000	639	69,727	336,547	214,467
2010-2011	230,000	1,664	82,290	398,904	280,648

NOTE 12. ECONOMIC DEPENDENCY

The Board of Education 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, may have an effect on the Board of Education's programs and activities.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2013:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 170,076	
Capital Projects Fund		\$ 174,595
Debt Service Fund	<u>4,519</u>	
	<u>\$ 174,595</u>	<u>\$ 174,595</u>

The General Fund interfund receivable of \$170,076 is an interfund loan due from the Capital Projects Fund. The Debt Service Fund interfund receivable of \$4,519 is interest revenue earned in the Capital Projects Fund.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 14. DEFERRED COMPENSATION

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

The plan administrators are as follows:

403(b)

The Variable Annuity Life Insurance Company
First Investors Corporation
Lincoln Financial Group
AXA Equitable

NOTE 15. TAX CALENDAR

Property taxes are levied by the District's constituent municipality as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipality and are remitted to the School District on a predetermined mutually agreed-upon schedule.

NOTE 16. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2013:

	<u>Governmental Activities</u>			<u>Fiduciary</u>
	<u>General</u>	<u>Special</u>	<u>Total</u>	<u>Fund</u>
	<u>Fund</u>	<u>Revenue</u>	<u>Governmental</u>	<u>Unemployment</u>
		<u>Fund</u>	<u>Funds</u>	<u>Compensation</u>
				<u>Trust</u>
Vendors	\$ 294,211	\$ 45,718	\$ 339,929	
Due to Other Governmental Funds		64,456	64,456	
Deficit in Cash and Cash Equivalents	996,560	236,650	1,233,210	\$ 11,589
	<u>\$ 1,290,771</u>	<u>\$ 346,824</u>	<u>\$ 1,637,595</u>	<u>\$ 11,589</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 17. PRIOR PERIOD ADJUSTMENTS

The District adjusted the capital assets in its governmental activities and business-type activities as of June 30, 2012, as the District revalued capital assets during the year. Adjustments were made as of June 30, 2012 in the District's governmental activities and business-type activities Assets: Capital Assets, Net and Net Position: Net Investment in Capital Assets. As a result, the District's financial statements as of June 30, 2012 have been restated as follows:

	Balance 6/30/2012 as Previously Reported	Retroactive Adjustments	Balance 6/30/2012 Restated
<u>Statement of Net Position - Governmental Activities:</u>			
Assets:			
Capital Assets, Net:			
Depreciable Buildings and Building Improvements, Land Improvements and Machinery and Equipment	\$74,658,937	\$ 4,099,245	\$78,758,182
Net Position:			
Net Investment in Capital Assets	28,996,750	4,099,245	33,095,995
<u>Statement of Net Position - Business-Type Activities:</u>			
Assets:			
Capital Assets, Net:			
Depreciable Buildings and Building Improvements, Land Improvements and Machinery and Equipment	\$ 17,341	\$ 61,528	\$ 78,869
Net Position:			
Net Investment in Capital Assets	17,341	61,528	78,869
	Balance 6/30/2012 as Previously Reported	Retroactive Adjustments	Balance 6/30/2012 Restated
<u>Statement of Net Position - Proprietary Funds:</u>			
Assets:			
Non-Current Assets:			
Capital Assets	\$ 285,645	\$ (157,739)	\$ 127,906
Less: Accumulated Depreciation	(268,304)	219,267	(49,037)
Net Position:			
Net Investment in Capital Assets	17,341	61,528	78,869

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 18. CONTINGENCIES

Litigation

The Board is periodically involved in claims and lawsuits arising in the normal course of business. The Board does not believe that the ultimate outcome of these claims will have a material adverse effect on the District's financial position.

Grant Programs

The District participates in federally and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management of the District is not aware of any material items of noncompliance which would result in the disallowance of grant program expenditures.

Encumbrances

At June 30, 2013, there were encumbrances as detailed below in the governmental funds. All of the governmental funds are considered to be major funds:

Governmental Funds			
General	Special Revenue	Capital Projects	Total
\$ 42,702	\$ 7,627	\$ 721,083	\$ 771,412

At June 30, 2013, there were encumbrances in the General Fund of \$42,702 reported on Schedule C-1, Budgetary Comparison Schedule – General Fund, which were not reported on Schedule B-1, Balance Sheet for the Governmental Funds, due to the final two state aid payments not being recognized on a GAAP basis.

In the District's Governmental Funds Balance Sheet as of June 30, 2013, no amount is assigned for encumbrances in the Special Revenue Fund since encumbrances are not recognized on the GAAP basis until they are paid. Actual encumbrances of \$7,627 on the budgetary basis are instead reflected as either a reduction of grants receivable or an increase in unearned revenue on the GAAP basis in the Special Revenue Fund.

**BUDGETARY COMPARISON SCHEDULES
(UNAUDITED)**

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 60,392,089		\$ 60,392,089	\$ 60,392,089	
Tuition from Other LEA's	173,321		173,321	248,508	\$ 75,187
Other Restricted Miscellaneous Revenues	20,000		20,000	58,546	38,546
Total - Local Sources	60,585,410		60,585,410	60,699,143	113,733
State Sources:					
Transportation Aid	512,716		512,716	512,716	
Special Education Categorical Aid	3,654,865		3,654,865	3,654,865	
Equalization Aid	15,037,142		15,037,142	15,037,142	
Categorical Security Aid	994,291		994,291	994,291	
Nonpublic School Transportation Costs				101,094	101,094
Extraordinary Special Education Costs Aid	1,169,000		1,169,000	648,814	(520,186)
On-Behalf TPAF Contributions:					
Post Retirement Medical (Non-Budgeted)				2,753,070	2,753,070
Pension (Non-Budgeted)				2,434,734	2,434,734
Reimbursed TPAF Social Security (Non-Budgeted)				2,858,750	2,858,750
Total State Sources	21,368,014		21,368,014	28,995,476	7,627,462
Federal Sources:					
Medicaid Reimbursement	122,673		122,673	158,084	35,411
Education Jobs Fund		\$ 1,812	1,812	1,812	
Total Federal Sources	122,673	1,812	124,485	159,896	35,411
TOTAL REVENUES	82,076,097	1,812	82,077,909	89,854,515	7,776,606

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 1,725,631	\$ 157,810	\$ 1,883,441	\$ 1,882,090	\$ 1,351
Grades 1-5 - Salaries of Teachers	6,891,503	(75,763)	6,815,740	6,805,090	10,650
Grades 6-8 - Salaries of Teachers	4,824,891	148,171	4,973,062	4,963,251	9,811
Grades 9-12 - Salaries of Teachers	8,019,376	(96,593)	7,922,783	7,906,701	16,082
Regular Programs - Home Instruction:					
Salaries of Teachers	50,000	75,548	125,548	125,548	
Purchased Professional - Educational Services	85,901	46,512	132,413	101,336	31,077
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	1,438,352	84,511	1,522,863	1,505,239	17,624
Purchased Professional - Educational Services	1,000		1,000	1,000	
Other Purchased Services (400-500 series)	22,839	632	23,471	18,770	4,701
General Supplies	1,324,714	(356,183)	968,531	955,192	13,339
Textbooks	178,873	(30,777)	148,096	147,666	430
Other Objects	16,644	(7,650)	8,994	8,714	280
Total Regular Programs - Instruction	24,579,724	(53,782)	24,525,942	24,420,597	105,345
Special Education - Instruction:					
Cognitive - Mild:					
Salaries of Teachers	348,531	3,000	351,531	351,214	317
Other Salaries for Instruction	118,197	(22,000)	96,197	74,096	22,101
General Supplies	9,846	(3,000)	6,846	2,914	3,932
Total Cognitive - Mild	476,574	(22,000)	454,574	428,224	26,350

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Special Education - Instruction: (Cont'd)					
Learning and/or Language Disabilities:					
Salaries of Teachers	\$ 147,502	\$ 3,616	\$ 151,118	\$ 148,366	\$ 2,752
Other Salaries for Instruction	174,313	29,000	203,313	202,597	716
Total Learning and/or Language Disabilities	<u>321,815</u>	<u>32,616</u>	<u>354,431</u>	<u>350,963</u>	<u>3,468</u>
Visual Impairments:					
Purchased Professional - Educational Services		20,000	20,000	20,000	
Total Visual Impairments		<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	
Behavioral Disabilities:					
Salaries of Teachers	747,284	17,000	764,284	761,022	3,262
Other Salaries for Instruction	458,015	(90,710)	367,305	357,873	9,432
General Supplies	18,968	(5,000)	13,968	12,284	1,684
Total Behavioral Disabilities	<u>1,224,267</u>	<u>(78,710)</u>	<u>1,145,557</u>	<u>1,131,179</u>	<u>14,378</u>
Multiple Disabilities:					
Salaries of Teachers	293,262	(51,121)	242,141	231,516	10,625
Other Salaries for Instruction	373,958	(13,202)	360,756	351,292	9,464
General Supplies	11,602	(2,000)	9,602	9,173	429
Total Multiple Disabilities	<u>678,822</u>	<u>(66,323)</u>	<u>612,499</u>	<u>591,981</u>	<u>20,518</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Special Education - Instruction: (Cont'd)					
Resource Room/Resource Center:					
Salaries of Teachers	\$ 4,585,136	\$ (31,742)	\$ 4,553,394	\$ 4,542,729	\$ 10,665
General Supplies	38,205	(8,901)	29,304	25,714	3,590
Total Resource Room/Resource Center	<u>4,623,341</u>	<u>(40,643)</u>	<u>4,582,698</u>	<u>4,568,443</u>	<u>14,255</u>
Autism:					
Salaries of Teachers	288,287	2,000	290,287	283,224	7,063
Other Salaries for Instruction	311,193	28,002	339,195	333,081	6,114
General Supplies	12,400	(4,867)	7,533	5,959	1,574
Total Autism	<u>611,880</u>	<u>25,135</u>	<u>637,015</u>	<u>622,264</u>	<u>14,751</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	285,433	25,400	310,833	309,756	1,077
Other Salaries for Instruction	411,520	5,000	416,520	398,275	18,245
General Supplies	2,969		2,969	1,644	1,325
Total Preschool Disabilities - Part-Time	<u>699,922</u>	<u>30,400</u>	<u>730,322</u>	<u>709,675</u>	<u>20,647</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Special Education - Instruction: (Cont'd)					
Preschool Disabilities - Full-Time:					
Salaries of Teachers	\$ 75,191	\$ (48,000)	\$ 27,191	\$ 26,987	\$ 204
Other Salaries for Instruction	47,048	28,400	75,448	75,258	190
General Supplies	1,500		1,500	1,479	21
Total Preschool Disabilities - Full-Time	<u>123,739</u>	<u>(19,600)</u>	<u>104,139</u>	<u>103,724</u>	<u>415</u>
Total Special Education Instruction	<u>8,760,360</u>	<u>(119,125)</u>	<u>8,641,235</u>	<u>8,526,453</u>	<u>114,782</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	2,277,541	(265,434)	2,012,107	1,987,712	24,395
Purchased Professional - Educational Services		9,000	9,000	8,513	487
General Supplies	15,620		15,620	14,212	1,408
Total Basic Skills/Remedial - Instruction	<u>2,293,161</u>	<u>(256,434)</u>	<u>2,036,727</u>	<u>2,010,437</u>	<u>26,290</u>
Bilingual Education - Instruction:					
Salaries of Teachers	449,477	(5,000)	444,477	436,066	8,411
General Supplies	11,273	5,500	16,773	14,209	2,564
Total Bilingual Education - Instruction	<u>460,750</u>	<u>500</u>	<u>461,250</u>	<u>450,275</u>	<u>10,975</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	\$ 224,393	\$ 20,930	\$ 245,323	\$ 219,278	\$ 26,045
Purchased Services (300-500 series)	9,115	(2,206)	6,909	6,759	150
Supplies and Materials	1,000	191	1,191	1,191	
Total School-Sponsored Cocurricular Activities - Instruction	234,508	18,915	253,423	227,228	26,195
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	478,823	1,501	480,324	403,785	76,539
Purchased Services (300-500 series)	135,470	54,953	190,423	189,141	1,282
Supplies and Materials	70,000	(16,181)	53,819	53,305	514
Other Objects	11,790	1,432	13,222	13,222	
Total School-Sponsored Cocurricular Athletics - Instruction	696,083	41,705	737,788	659,453	78,335
Community Services Programs/Operations:					
Salaries		157,539	157,539	141,708	15,831
Purchased Services (300-500 series)	175,000	(175,000)			
Total Community Services Programs/Operations	175,000	(17,461)	157,539	141,708	15,831
Total Instruction	37,199,586	(385,682)	36,813,904	36,436,151	377,753

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Regular	\$ 157,000	\$ (6,220)	\$ 150,780	\$ 150,780	
Tuition to Other LEAs Within the State - Special	9,100	(5,680)	3,420	3,420	
Tuition to County Vocational Schools - Regular	252,200	(19,141)	233,059	206,503	\$ 26,556
Tuition to County Vocational Schools - Special	133,000	21,000	154,000	141,167	12,833
Tuition to County Special Services Schools and Regional Day Schools	1,460,777	(274,304)	1,186,473	1,180,187	6,286
Tuition to Private Schools for the Disabled - Within the State	972,612	378,613	1,351,225	1,334,226	16,999
Tuition to Private Schools for the Disabled and Other LEA's - Outside the State	8,000	(8,000)			
Tuition - State Facilities	1,000	(1,000)			
Tuition - Other	90,000	187,375	277,375	256,961	20,414
Total Undistributed Expenditures - Instruction	3,083,689	272,643	3,356,332	3,273,244	83,088
Health Services:					
Salaries	811,471	(3,514)	807,957	807,518	439
Purchased Professional and Technical Services	325,087	6,458	331,545	317,541	14,004
Supplies and Materials	23,625	(8,622)	15,003	14,678	325
Total Health Services	1,160,183	(5,678)	1,154,505	1,139,737	14,768

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Speech, OT, PT and Related Services:					
Salaries	\$ 671,450	\$ (66,000)	\$ 605,450	\$ 603,328	\$ 2,122
Purchased Professional - Educational Services	1,182,598	143,167	1,325,765	1,184,187	141,578
Supplies and Materials	7,700	(2,231)	5,469	5,469	
Total - Speech, OT, PT and Related Services	1,861,748	74,936	1,936,684	1,792,984	143,700
Guidance:					
Salaries of Other Professional Staff	1,514,694	(11,700)	1,502,994	1,495,502	7,492
Salaries of Secretarial and Clerical Assistants	113,185	19,000	132,185	131,671	514
Other Salaries	81,765	8,000	89,765	87,368	2,397
Purchased Professional - Educational Services	14,000	(14,000)			
Supplies and Materials	21,226	(8,286)	12,940	12,933	7
Total Guidance	1,744,870	(6,986)	1,737,884	1,727,474	10,410
Child Study Team:					
Salaries of Other Professional Staff	2,025,049	(239,839)	1,785,210	1,785,210	
Salaries of Secretarial and Clerical Assistants	134,671	800	135,471	135,415	56
Other Purchased Professional and Technical Services	40,000	2,281	42,281	42,281	
Miscellaneous Purchased Services	13,500	(2,218)	11,282	11,247	35
Supplies and Materials	50,000	29,682	79,682	79,439	243
Other Objects	2,000	373	2,373	2,373	
Total Child Study Team	2,265,220	(208,921)	2,056,299	2,055,965	334

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Improvement of Instructional Services:					
Salaries of Secretarial and Clerical Assistants	\$ 44,866	\$ (13,000)	\$ 31,866	\$ 30,971	\$ 895
Purchased Professional - Educational Services	28,726	(6,877)	21,849	20,093	1,756
Other Purchased Services (400-500 series)	275,290	67,869	343,159	342,896	263
Supplies and Materials	4,500	(1,469)	3,031	2,721	310
Total Improvement of Instructional Services	353,382	46,523	399,905	396,681	3,224
Educational Media Services/School Library:					
Salaries	639,975	9,100	649,075	648,412	663
Other Purchased Services (400-500 series)	4,870	(240)	4,630	4,630	
Supplies and Materials	82,920	(22,142)	60,778	59,979	799
Other Objects	800	(800)			
Total Educational Media Services/School Library	728,565	(14,082)	714,483	713,021	1,462
Instructional Staff Training Services:					
Other Salaries	5,000	2,631	7,631	7,631	
Purchased Professional - Educational Services	19,100	13,484	32,584	32,584	
Supplies and Materials	500		500	404	96
Total Instructional Staff Training Services	24,600	16,115	40,715	40,619	96

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Support Services - General Administration:					
Salaries	\$ 336,491	\$ 1,000	\$ 337,491	\$ 291,637	\$ 45,854
Legal Services	416,373	71,253	487,626	471,561	16,065
Audit Fees	33,500	(1,000)	32,500	32,500	
Other Purchased Professional Services	6,000	16,312	22,312	22,312	
BOE Other Purchased Services	28,000		28,000	26,788	1,212
Miscellaneous Purchased Services (400-500 series)	1,071,114	(199,603)	871,511	599,837	271,674
General Supplies	14,000		14,000	12,512	1,488
Judgments Against The School District		49,283	49,283	49,283	
Miscellaneous Expenditures	9,000	3,380	12,380	11,318	1,062
Total Support Services - General Administration	<u>1,914,478</u>	<u>(59,375)</u>	<u>1,855,103</u>	<u>1,517,748</u>	<u>337,355</u>
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	3,520,048	(68,000)	3,452,048	3,442,377	9,671
Salaries of Other Professional Staff	95,071	(1,000)	94,071	93,327	744
Salaries of Secretarial and Clerical Assistants	741,819	8,196	750,015	744,417	5,598
Other Salaries	102,772	8,000	110,772	110,348	424
Other Purchased Services (400-500 series)	15,545	9,934	25,479	22,048	3,431
Supplies and Materials	160,639	5,971	166,610	165,651	959
Other Objects	27,995	(5,240)	22,755	14,529	8,226
Total Support Services - School Administration	<u>4,663,889</u>	<u>(42,139)</u>	<u>4,621,750</u>	<u>4,592,697</u>	<u>29,053</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Central Services:					
Salaries	\$ 862,687	\$ 86,335	\$ 949,022	\$ 906,865	\$ 42,157
Purchased Professional Services	56,100	(13,530)	42,570	42,570	
Miscellaneous Purchased Services (400-500 series)	33,702	(16,170)	17,532	4,797	12,735
Sale/Lease-Back Payments	80,000	(80,000)			
Supplies and Materials	66,000	(23,908)	42,092	41,617	475
Miscellaneous Expenditures	3,550	(1,771)	1,779	1,516	263
Total Central Services	1,102,039	(49,044)	1,052,995	997,365	55,630
Administration Information Technology:					
Salaries	409,796	13,332	423,128	412,942	10,186
Purchased Technical Services	741,884	(195,077)	546,807	534,552	12,255
Other Purchased Services (400-500 series)	3,750	(2,521)	1,229	1,229	
Supplies and Materials		7,686	7,686	7,686	
Total Administration Information Technology	1,155,430	(176,580)	978,850	956,409	22,441
Required Maintenance for School Facilities:					
Salaries	664,639	38,709	703,348	697,388	5,960
Cleaning, Repair and Maintenance Services	425,831	380,994	806,825	729,627	77,198
General Supplies	123,048	22,851	145,899	133,971	11,928
Total Required Maintenance for School Facilities	1,213,518	442,554	1,656,072	1,560,986	95,086

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Custodial Services:					
Salaries	\$ 2,069,373	\$ 950	\$ 2,070,323	\$ 2,044,939	\$ 25,384
Purchased Professional and Technical Services	42,000	19,967	61,967	61,859	108
Cleaning, Repair and Maintenance Services	248,712	(174,380)	74,332	61,821	12,511
Rental of Land and Buildings Other Than Lease Purchase					
Agreements	10,400	(4,580)	5,820	5,264	556
Insurance	530,100	35,745	565,845	565,718	127
Miscellaneous Purchased Services	500	(500)			
General Supplies	260,000	(22,035)	237,965	233,038	4,927
Energy (Natural Gas)	667,376	(48,093)	619,283	389,429	229,854
Energy (Electricity)	1,023,029	247,429	1,270,458	1,270,458	
Other Objects	25,000	(4,070)	20,930	20,930	
Total Custodial Services	<u>4,876,490</u>	<u>50,433</u>	<u>4,926,923</u>	<u>4,653,456</u>	<u>273,467</u>
Care and Upkeep of Grounds:					
Salaries	166,677	(16,705)	149,972	149,972	
General Supplies	2,000	(2,000)			
Total Care and Upkeep of Grounds	<u>168,677</u>	<u>(18,705)</u>	<u>149,972</u>	<u>149,972</u>	

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Security:					
Purchased Professional and Technical Services	\$ 232,248	\$ (4,000)	\$ 228,248	\$ 227,244	\$ 1,004
Total Security	<u>232,248</u>	<u>(4,000)</u>	<u>228,248</u>	<u>227,244</u>	<u>1,004</u>
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular	634,000	(66,500)	567,500	547,785	19,715
Between Home and School - Special	780,000	67,434	847,434	737,202	110,232
Other Than Between Home and School - Regular	412,000		412,000	394,941	17,059
Cleaning, Repair and Maintenance Services	99,148	34,374	133,522	120,486	13,036
Contracted Services:					
Between Home and School - Vendors	10,440	(4,000)	6,440	1,875	4,565
Other Than Between Home and School - Vendors	177,648	(8,974)	168,674	85,697	82,977
Special Education Students - Joint Agreements	111,000	(39,000)	72,000	61,620	10,380
Special Education Students - ESCs & CTSAAs	1,519,277	(131,838)	1,387,439	1,283,318	104,121
Aid in Lieu Payments - Nonpublic Schools	402,750	231,513	634,263	485,602	148,661
Miscellaneous Purchased Services	500		500	16	484
General Supplies	306,918	(33,419)	273,499	262,300	11,199
Other Objects	10,000	9,346	19,346	15,746	3,600
Total Student Transportation Services	<u>4,463,681</u>	<u>58,936</u>	<u>4,522,617</u>	<u>3,996,588</u>	<u>526,029</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Unallocated Benefits:					
Social Security Contributions	\$ 900,000	\$ 152,163	\$ 1,052,163	\$ 1,010,501	\$ 41,662
Other Retirement Contributions - PERS	1,106,326		1,106,326	993,963	112,363
Unemployment Compensation	100,000		100,000	100,000	
Workmen's Compensation	611,850	(16,000)	595,850	595,528	322
Health Benefits	11,969,565	(176,606)	11,792,959	11,034,838	758,121
Tuition Reimbursement	95,000		95,000	54,351	40,649
Other Employee Benefits	218,000	4,418	222,418	26,093	196,325
Total Unallocated Benefits	<u>15,000,741</u>	<u>(36,025)</u>	<u>14,964,716</u>	<u>13,815,274</u>	<u>1,149,442</u>
On-Behalf TPAF Contributions:					
Post Retirement Medical (non-budgeted)				2,753,070	(2,753,070)
Pension (non-budgeted)				2,434,734	(2,434,734)
Reimbursed TPAF Social Security Contributions (non-budgeted)				2,858,750	(2,858,750)
Total On-Behalf and Reimbursed Contributions				<u>8,046,554</u>	<u>(8,046,554)</u>
Total Personal Services - Employee Benefits	<u>15,000,741</u>	<u>(36,025)</u>	<u>14,964,716</u>	<u>21,861,828</u>	<u>(6,897,112)</u>
Total Undistributed Expenses	<u>46,013,448</u>	<u>340,605</u>	<u>46,354,053</u>	<u>51,654,018</u>	<u>(5,299,965)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>83,213,034</u>	<u>(45,077)</u>	<u>83,167,957</u>	<u>88,090,169</u>	<u>(4,922,212)</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CAPITAL OUTLAY					
Regular Programs - Instruction:					
Grades 1-5	\$ 199,774	\$ (39,733)	\$ 160,041	\$ 151,337	\$ 8,704
Grades 6-8		11,980	11,980	11,935	45
Grades 9-12	10,800		10,800	3,600	7,200
Undistributed Expenditures:					
Care and Upkeep of Grounds		6,700	6,700	6,634	66
Total Equipment	<u>210,574</u>	<u>(21,053)</u>	<u>189,521</u>	<u>173,506</u>	<u>16,015</u>
Facilities Acquisition and Construction Services:					
Other Objects (Debt Service Assessment)	<u>157,414</u>		<u>157,414</u>	<u>157,414</u>	
Total Facilities Acquisition and Construction Services	<u>157,414</u>		<u>157,414</u>	<u>157,414</u>	
TOTAL CAPITAL OUTLAY	<u>367,988</u>	<u>(21,053)</u>	<u>346,935</u>	<u>330,920</u>	<u>16,015</u>
Transfer of Funds to Charter Schools	<u>45,200</u>	<u>59,486</u>	<u>104,686</u>	<u>104,686</u>	
TOTAL EXPENDITURES	<u>83,626,222</u>	<u>(6,644)</u>	<u>83,619,578</u>	<u>88,525,775</u>	<u>(4,906,197)</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(1,550,125)</u>	<u>8,456</u>	<u>(1,541,669)</u>	<u>1,328,740</u>	<u>2,870,409</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing (Uses):					
Operating Transfers Out:					
Board Contribution - Food Service Enterprise Fund	\$ (550,000)	\$ (6,644)	\$ (556,644)	\$ (556,299)	\$ 345
Total Other Financing Sources/(Uses)	(550,000)	(6,644)	(556,644)	(556,299)	345
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(2,100,125)	1,812	(2,098,313)	772,441	2,870,754
Fund Balance, July 1	3,466,103		3,466,103	3,466,103	
Fund Balance, June 30	\$ 1,365,978	\$ 1,812	\$ 1,367,790	\$ 4,238,544	\$ 2,870,754
Recapitulation:					
Restricted:					
Capital Reserve				\$ 2,485,164	
Assigned:					
Year-End Encumbrances				42,702	
Unassigned				1,710,678	
				4,238,544	
Reconciliation to Governmental Funds Statement (GAAP):					
June State Aid Payments not Recognized on GAAP Basis				(1,947,586)	
Fund Balance per Governmental Funds (GAAP)				\$ 2,290,958	

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	\$ 27,700	\$ 117,560	\$ 145,260	\$ 118,019	\$ (27,241)
Federal Sources	2,516,126	549,676	3,065,802	2,593,994	(471,808)
Local Sources		60,157	60,157	52,928	(7,229)
Total Revenues	2,543,826	727,393	3,271,219	2,764,941	(506,278)
EXPENDITURES:					
Instruction					
Personal Services - Salaries	386,420	296,091	682,511	472,911	209,600
Purchased Professional/Educational Services		191,201	191,201	93,420	97,781
Purchased Technical Services		4,408	4,408	4,408	
Other Purchased Services	207,000	(133,617)	73,383	73,153	230
Tuition	1,464,289	(42,144)	1,422,145	1,379,758	42,387
General Supplies	214,800	287,653	502,453	489,518	12,935
Textbooks	11,700	242	11,942	11,862	80
Total Instruction	2,284,209	603,834	2,888,043	2,525,030	363,013
Support Services					
Personal Services - Salaries		13,475	13,475	9,850	3,625
Personal Services - Employee Benefits	81,000	1,263	82,263	63,375	18,888
Purchased Professional/Educational Services	139,224	102,396	241,620	154,799	86,821
Travel		26,695	26,695	6,666	20,029
Supplies and Materials	20,750	(2,127)	18,623	4,800	13,823
Other Objects	18,643	(18,143)	500	421	79
Total Support Services	259,617	123,559	383,176	239,911	143,265
Total Expenditures	2,543,826	727,393	3,271,219	2,764,941	506,278
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 89,854,515	\$ 2,764,941
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		
Current Year Encumbrances		(7,627)
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	1,832,343	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(1,947,586)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 89,739,272	\$ 2,757,314
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 88,525,775	\$ 2,764,941
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, not in the Year the Supplies are Received for Financial Reporting Purposes		
Current Year Encumbrances		(7,627)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 88,525,775	\$ 2,757,314

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(UNAUDITED)

Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2013 was submitted to the County office and was approved by the Board of Education on the third Wednesday in April, 2012. Budgets are prepared using the accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the 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 revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The General and Special Revenue Fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of the June state aid payments for the current year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

**SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)**

SPECIAL REVENUE FUND

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	No Child Left Behind					Race to the Top
	Title I		Title IIA	Title III		
	Current Year	Carryover		Current Year	Carryover	
REVENUE:						
State Sources						
Federal Sources	\$ 682,227	\$ 161,066	\$ 135,493	\$ 52,867	\$ 9,952	\$ 59,860
Local Sources						
Total Revenue	<u>\$ 682,227</u>	<u>\$ 161,066</u>	<u>\$ 135,493</u>	<u>\$ 52,867</u>	<u>\$ 9,952</u>	<u>\$ 59,860</u>
EXPENDITURES:						
Instruction:						
Personal Services - Salaries	\$ 324,446	\$ 39,338	\$ 92,601	\$ 2,870	\$ 5,149	
Purchased Professional/Educational Services						
Purchased Technical Services						
Other Purchased Services				43,350	4,803	
Tuition						
General Supplies	213,595	118,928	425			\$ 54,360
Textbooks						
Total Instruction	<u>538,041</u>	<u>158,266</u>	<u>93,026</u>	<u>46,220</u>	<u>9,952</u>	<u>54,360</u>
Support Services:						
Personal Services - Salaries						
Personal Services - Employee Benefits	44,843		18,532			
Purchased Professional/Educational Services	99,343	2,800	23,935	6,647		5,500
Travel						
Supplies and Materials						
Other Objects						
Total Support Services	<u>144,186</u>	<u>2,800</u>	<u>42,467</u>	<u>6,647</u>		<u>5,500</u>
Total Expenditures	<u>\$ 682,227</u>	<u>\$ 161,066</u>	<u>\$ 135,493</u>	<u>\$ 52,867</u>	<u>\$ 9,952</u>	<u>\$ 59,860</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>I.D.E.A. - Part B, Basic</u>		<u>Vocational Education - Perkins</u>	<u>Alternative Education for Academically Challenged Students</u>		<u>Summer Youth Employment Training Program</u>
	<u>Regular</u>	<u>Preschool</u>		<u>Current Year</u>	<u>Carryover</u>	
REVENUE:						
State Sources						
Federal Sources	\$ 1,339,762	\$ 39,996	\$ 46,465	\$ 6,370	\$ 46,451	\$ 13,485
Local Sources						
Total Revenue	\$ 1,339,762	\$ 39,996	\$ 46,465	\$ 6,370	\$ 46,451	\$ 13,485
EXPENDITURES:						
Instruction:						
Personal Services - Salaries				\$ 522		\$ 3,635
Purchased Professional/Educational Services					\$ 8,245	
Purchased Technical Services						25,000
Other Purchased Services						
Tuition	\$ 1,339,762	\$ 39,996				
General Supplies			\$ 46,465	50		7,538
Textbooks						
Total Instruction	1,339,762	39,996	46,465	572	40,783	3,635
Support Services:						
Personal Services - Salaries						9,850
Personal Services - Employee Benefits						
Purchased Professional/Educational Services						
Travel				998	5,668	
Supplies and Materials				4,800		
Other Objects						
Total Support Services				5,798	5,668	9,850
Total Expenditures	\$ 1,339,762	\$ 39,996	\$ 46,465	\$ 6,370	\$ 46,451	\$ 13,485

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Nonpublic Auxiliary Services (Chapter 192)	Nonpublic Handicapped Services (Chapter 193)			NJ Nonpublic	
	Compensatory Education	Supplementary Instruction	Examination & Classification	Corrective Speech	Technology	Textbooks
REVENUE:						
State Sources	\$ 32,691	\$ 14,432	\$ 21,022	\$ 17,030	\$ 4,408	\$ 11,862
Federal Sources						
Local Sources						
Total Revenue	\$ 32,691	\$ 14,432	\$ 21,022	\$ 17,030	\$ 4,408	\$ 11,862
EXPENDITURES:						
Instruction:						
Personal Services - Salaries						
Purchased Professional/Educational Services	\$ 32,691	\$ 14,432	\$ 21,022	\$ 17,030		
Purchased Technical Services					\$ 4,408	
Other Purchased Services						
Tuition						
General Supplies						
Textbooks						\$ 11,862
Total Instruction	32,691	14,432	21,022	17,030	4,408	11,862
Support Services:						
Personal Services - Salaries						
Personal Services - Employee Benefits						
Purchased Professional/Educational Services						
Travel						
Supplies and Materials						
Other Objects						
Total Support Services						
Total Expenditures	\$ 32,691	\$ 14,432	\$ 21,022	\$ 17,030	\$ 4,408	\$ 11,862

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>NJ Nonpublic Nursing</u>	<u>Bloomfield Education Foundation</u>	<u>Montclair State University</u>	<u>Totals June 30, 2013</u>
REVENUE:				
State Sources	\$ 16,574			\$ 118,019
Federal Sources				2,593,994
Local Sources		\$ 52,507	\$ 421	52,928
Total Revenue	<u>\$ 16,574</u>	<u>\$ 52,507</u>	<u>\$ 421</u>	<u>\$ 2,764,941</u>
EXPENDITURES:				
Instruction:				
Personal Services - Salaries		\$ 4,350		\$ 472,911
Purchased Professional/Educational Services				93,420
Purchased Technical Services				4,408
Other Purchased Services				73,153
Tuition				1,379,758
General Supplies		48,157		489,518
Textbooks				11,862
Total Instruction		<u>52,507</u>		<u>2,525,030</u>
Support Services:				
Personal Services - Salaries				9,850
Personal Services - Employee Benefits				63,375
Purchased Professional/Educational Services	\$ 16,574			154,799
Travel				6,666
Supplies and Materials				4,800
Other Objects			\$ 421	421
Total Support Services	<u>16,574</u>		<u>421</u>	<u>239,911</u>
Total Expenditures	<u>\$ 16,574</u>	<u>\$ 52,507</u>	<u>\$ 421</u>	<u>\$ 2,764,941</u>

CAPITAL PROJECTS FUND

Exhibit F-1

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Revenue and Other Financing Sources:	
Budget Appropriation	<u>\$ 609,795</u>
Total Revenue and Other Financing Sources	<u>609,795</u>
Expenditures and Other Financing Uses:	
Construction Services	<u>387,828</u>
Total Expenditures and Other Financing Uses	<u>387,828</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	221,967
Fund Balance/(Deficit) - Beginning	<u>(1,171,694)</u>
Fund Balance/(Deficit) - Ending	<u>\$ (949,727)</u>
<u>Recapitulation of Fund Balance/(Deficit) at June 30, 2013:</u>	
Unassigned/(Deficit)	\$ (967,061)
Committed	<u>17,334</u>
Total Fund Balance/(Deficit) per Governmental Funds Budgetary/GAAP	<u>\$ (949,727)</u>

Exhibit F-1a

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
FRANKLIN ELEMENTARY SCHOOL CLASSROOM TRAILERS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 262,688		\$ 262,688	\$ 262,688
Total Revenue and Other Financing Sources	262,688	\$ -0-	262,688	262,688
Expenditures:				
Purchased Professional and Technical Services	55,878		55,878	55,878
Construction Services	190,647		190,647	206,810
Total Expenditures	246,525	-0-	246,525	262,688
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 16,163	\$ -0-	\$ 16,163	\$ -0-

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	\$ 262,688
Change Orders	\$ -0-
Revised Authorized Cost	\$ 262,688
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/31/12
Revised Target Completion Date	N/A

Exhibit F-1b

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
FOLEY FIELD RENOVATIONS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Prior Periods	Current Year	Totals	Project Authorization		
				Revised	Adjustments	Original
Revenue and Other Financing Sources:						
Bond Proceeds and Transfers	\$ 610,365	\$ 609,795	\$ 1,220,160	\$ 2,914,160		\$ 2,914,160
Transfer from Capital Reserve	153,076		153,076	153,076	\$ 153,076	
Total Revenue and Other Financing Sources	763,441	609,795	1,373,236	3,067,236	153,076	2,914,160
Expenditures and Other Financing Uses:						
Purchased Professional and Technical Services	291,928		291,928	291,928		291,928
Construction Services	2,728,774	43,679	2,772,453	2,775,308	153,076	2,622,232
Total Expenditures and Other Financing Uses	3,020,702	43,679	3,064,381	3,067,236	153,076	2,914,160
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures and Other Financing Uses	\$ (2,257,261)	\$ 566,116	\$ (1,691,145)	\$ -0-	\$ -0-	\$ -0-

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	04/20/10
Bonds Authorized	\$ 2,914,160
Bonds Issued	\$ -0-
Original Authorized Cost	\$ 2,914,160
Change Orders	\$ 153,654
Revised Authorized Cost	\$ 3,067,814
Change Order Percentage	5.27%
Percentage Completion	100.00%
Original Target Completion Date	9/30/12
Revised Target Completion Date	N/A

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HIGH SCHOOL CORNICE REPAIR
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Prior Periods	Current Year	Totals	Project Authorization		
				Revised	Adjustments	Original
Revenue and Other Financing Sources:						
State Sources - SDA Grant	\$ 336,040		\$ 336,040	\$ 336,040	\$ 13,600	\$ 322,440
Transfer from Capital Reserve	538,059		538,059	538,059	20,400	517,659
Total Revenue and Other Financing Sources	874,099	\$ -0-	874,099	874,099	34,000	840,099
Expenditures:						
Purchased Professional and Technical Services	77,229		77,229	78,400	34,000	44,400
Construction Services	795,699		795,699	795,699		795,699
Total Expenditures	872,928	-0-	872,928	874,099	34,000	840,099
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 1,171	\$ -0-	\$ 1,171	\$ -0-	\$ -0-	\$ -0-

Additional Project Information:

Project Number	0410-020-09-1002
Grant Date	04/10/07; 08/06/09
Bond Authorization Date	N/A
Bonds Authorized	\$ -0-
Bonds Issued	\$ -0-
Original Authorized Cost	\$ 840,099
Change Orders	\$ 34,000
Revised Authorized Cost	\$ 874,099
Change Order Percentage	4.05%
Percentage Completion	100.00%
Original Target Completion Date	08/10/10
Revised Target Completion Date	06/30/10

Exhibit F-1d

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
HIGH SCHOOL ADDITION AND RENOVATION
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

	Prior Periods	Current Year	Totals	Project Authorization		
				Revised	Adjustments	Original
Revenue and Other Financing Sources:						
State Sources - SDA Grants	\$ 18,117,276		\$ 18,117,276	\$ 18,117,276		\$ 18,117,276
Bond Proceeds and Transfers	39,945,767		39,945,767	39,945,767		39,945,767
Reappropriated	62,465		62,465	62,465	\$ 62,465	
Transfer from Capital Reserve	51,978		51,978	51,978	51,978	
Transfer from Capital Outlay	2,042		2,042	2,042		2,042
Total Revenue and Other Financing Sources	58,179,528	\$ -0-	58,179,528	58,179,528	114,443	58,065,085
Expenditures and Other Financing Uses:						
Purchased Professional and Technical Services	2,108,210		2,108,210	2,108,211		2,108,211
Construction Services	55,003,085	344,149	55,347,234	56,071,317	114,443	55,956,874
Total Expenditures and Other Financing Uses	57,111,295	344,149	57,455,444	58,179,528	114,443	58,065,085
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures and Other Financing Uses	\$ 1,068,233	\$ (344,149)	\$ 724,084	\$ -0-	\$ -0-	\$ -0-

Additional Project Information:

Project Number	0410-020-02-0451
Grant Date	01/28/02
Bond Authorization Date	03/12/02
Bonds Authorized	\$39,945,000
Bonds Issued	\$39,945,000
Original Authorized Cost	\$58,065,085
Change Orders	\$ 114,443
Revised Authorized Cost	\$58,179,528
Change Order Percentage	0.20%
Percentage Completion	100.00%
Original Target Completion Date	12/31/06
Revised Target Completion Date	12/31/06

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

<u>Purpose</u>	<u>Original Issue</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance June 30, 2012</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance June 30, 2013</u>
Foley Field Renovations	\$ 2,914,160	7/20/2011	7/19/2012	1.00%	\$ 2,303,795		\$ 2,303,795	
		7/19/2012	7/18/2013	0.91%		\$ 1,694,000		\$ 1,694,000
					<u>\$ 2,303,795</u>	<u>\$ 1,694,000</u>	<u>\$ 2,303,795</u>	<u>\$ 1,694,000</u>

PROPRIETARY FUNDS

Exhibit G-1

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2013

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Food Service</u>	<u>Summer Arts Program</u>	<u>Totals</u>
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 69,221	\$ 22,633	\$ 91,854
Accounts Receivable:			
Other Governments:			
Federal	69,383		69,383
State	2,693		2,693
Other	41,461		41,461
Inventories	1,640		1,640
Total Current Assets	<u>184,398</u>	<u>\$ 22,633</u>	<u>207,031</u>
Non-Current Assets:			
Capital Assets	146,900		146,900
Less: Accumulated Depreciation	<u>(57,910)</u>		<u>(57,910)</u>
Total Non-Current Assets	<u>88,990</u>	<u>-0-</u>	<u>88,990</u>
Total Assets	<u>273,388</u>	<u>22,633</u>	<u>296,021</u>
<u>LIABILITIES:</u>			
Current Liabilities:			
Unearned Revenue		22,633	22,633
Total Current Liabilities	<u>-0-</u>	<u>22,633</u>	<u>22,633</u>
Total Liabilities	<u>-0-</u>	<u>22,633</u>	<u>22,633</u>
<u>NET POSITION:</u>			
Net Investment in Capital Assets	88,990		88,990
Unrestricted	<u>184,398</u>		<u>184,398</u>
Total Net Position	<u>\$ 273,388</u>	<u>\$ -0-</u>	<u>\$ 273,388</u>

Exhibit G-2

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Food Service</u>	<u>Summer Arts Program</u>	<u>Total</u>
Operating Revenue:			
Charges for Services:			
Daily Sales - Reimbursable Programs:			
School Breakfast Program	\$ 9,808		\$ 9,808
School Lunch Program	320,390		320,390
Total Daily Sales - Reimbursable Programs	330,198		330,198
Daily Sales - Non-Reimbursable Programs	381,365		381,365
Special Events	3,577		3,577
Program Fees		\$ 56,500	56,500
Total Operating Revenue	715,140	56,500	771,640
Operating Expenses:			
Cost of Sales	906,254		906,254
Salaries	1,006,112	53,000	1,059,112
Payroll Taxes	212,684		212,684
Employee Benefits	36,030		36,030
Purchased Property Services	132,926		132,926
Management Fee	34,461		34,461
Supplies and Materials	63,240	3,500	66,740
Depreciation Expense	8,873		8,873
Total Operating Expenses	2,400,580	56,500	2,457,080
Operating Income/(Loss)	(1,685,440)	-0-	(1,685,440)
Non-Operating Revenue:			
Federal Sources:			
National School Breakfast Program	62,669		62,669
National School Lunch Program	935,864		935,864
Food Distribution Program	96,916		96,916
State Sources:			
School Lunch Program	22,341		22,341
School Lunch Program - Supplemental	1,475		1,475
Total Non-Operating Revenue	1,119,265	-0-	1,119,265
Change in Net Position Before Operating Transfer	(566,175)		(566,175)
Operating Transfer In - General Fund	556,299		556,299
Change in Net Position	(9,876)	-0-	(9,876)
Net Position - Beginning of Year (Restated)	283,264	-0-	283,264
Net Position - End of Year	\$ 273,388	\$ -0-	\$ 273,388

Exhibit G-3

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Food Service</u>	<u>Summer Arts Program</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 675,378	\$ 79,133	\$ 754,511
Payments to Employees	(618,035)	(53,000)	(671,035)
Payments to Food Service Vendor	(1,643,715)		(1,643,715)
Payments to Suppliers	(31,611)	(3,500)	(35,111)
Net Cash Provided by/(Used for) Operating Activities	<u>(1,617,983)</u>	<u>22,633</u>	<u>(1,595,350)</u>
Cash Flows from Capital Financing Activities:			
Acquisition of Capital Assets	(18,994)		(18,994)
Net Cash Used for Capital Financing Activities	<u>(18,994)</u>	<u>-0-</u>	<u>(18,994)</u>
Cash Flows from Noncapital Financing Activities:			
Federal Sources	993,167		993,167
State Sources	22,644		22,644
Operating Transfer In - General Fund	556,299		556,299
Net Cash Provided by Noncapital Financing Activities	<u>1,572,110</u>	<u>-0-</u>	<u>1,572,110</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(64,867)	22,633	(42,234)
Cash and Cash Equivalents, July 1	134,088	-0-	134,088
Cash and Cash Equivalents, June 30	<u>\$ 69,221</u>	<u>\$ 22,633</u>	<u>\$ 91,854</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Operating Income/(Loss)	\$ (1,685,440)	\$ -0-	\$ (1,685,440)
Adjustment to Reconcile Operating Income/(Loss) to Cash Provided by/(Used for) Operating Activities:			
Depreciation	8,873		8,873
Federal Food Distribution Program	96,916		96,916
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	(39,679)		(39,679)
Decrease in Inventory	1,347		1,347
Increase in Unearned Revenue		22,633	22,633
Net Cash Provided by/(Used for) Operating Activities	<u>\$ (1,617,983)</u>	<u>\$ 22,633</u>	<u>\$ (1,595,350)</u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$96,916 for the fiscal year ended June 30, 2013.

FIDUCIARY FUNDS

Exhibit H-1

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2013

	<u>Agency</u>			<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
	<u>Student Activity</u>	<u>Payroll</u>	<u>Total</u>		
<u>ASSETS:</u>					
Cash and Cash Equivalents	\$ 286,325	\$ 440,979	\$ 727,304	\$ 222,655	\$ 116,618
Interfund Receivable				28,602	
Total Assets	<u>286,325</u>	<u>440,979</u>	<u>727,304</u>	<u>251,257</u>	<u>116,618</u>
<u>LIABILITIES:</u>					
Interfund Payable		28,602	28,602		
Accounts Payable				11,589	
Payroll Deductions and Withholdings		412,377	412,377		
Due to Student Groups	286,325		286,325		
Total Liabilities	<u>286,325</u>	<u>440,979</u>	<u>727,304</u>	<u>11,589</u>	<u>-0-</u>
<u>NET POSITION:</u>					
Held in Trust for:					
Unemployment Claims				239,668	
Scholarships					116,618
Total Net Position	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 239,668</u>	<u>\$ 116,618</u>

Exhibit H-2

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUND
STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>
ADDITIONS:		
Contributions:		
Plan Member	\$ 86,782	
Employer	100,000	
Other		\$ 2,730
Total Contributions	<u>186,782</u>	<u>2,730</u>
Investment Earnings:		
Interest		29
Net Investment Earnings		<u>29</u>
Total Additions	<u>186,782</u>	<u>2,759</u>
DEDUCTIONS:		
Quarterly Contribution Reports and Unemployment Claims	161,581	
Scholarships Awarded		22,774
Total Deductions	<u>161,581</u>	<u>22,774</u>
Change in Net Position	25,201	(20,015)
Net Position - Beginning of the Year	<u>214,467</u>	<u>136,633</u>
Net Position - End of the Year	<u>\$ 239,668</u>	<u>\$ 116,618</u>

Exhibit H-3

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 284,058	\$ 520,002	\$ 517,735	\$ 286,325
Total Assets	<u>\$ 284,058</u>	<u>\$ 520,002</u>	<u>\$ 517,735</u>	<u>\$ 286,325</u>
<u>LIABILITIES:</u>				
Liabilities:				
Due to Student Groups	\$ 284,058	\$ 520,002	\$ 517,735	\$ 286,325
Total Liabilities	<u>\$ 284,058</u>	<u>\$ 520,002</u>	<u>\$ 517,735</u>	<u>\$ 286,325</u>

Exhibit H-4

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2013</u>
Senior High School:				
Bloomfield High School	\$ 263,006	\$ 436,753	\$ 431,401	\$ 268,358
Student Athletic Account		79,732	79,732	
Middle School:				
Bloomfield Middle School	1,613	1,542	1,571	1,584
Elementary Schools:				
Berkeley School	1,084		728	356
Brookdale School	814			814
Carteret School	3,266			3,266
Demarest School	3,649			3,649
Fairview School	1,702	347	220	1,829
Forest Glen School	1,122	98	83	1,137
Franklin School	429			429
Oak View School	2,854			2,854
Watsessing School	4,519	1,530	4,000	2,049
	<u>4,519</u>	<u>1,530</u>	<u>4,000</u>	<u>2,049</u>
Total All Schools	<u>\$ 284,058</u>	<u>\$ 520,002</u>	<u>\$ 517,735</u>	<u>\$ 286,325</u>

Exhibit H-5

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Balance</u> <u>June 30, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 431,126	\$ 52,639,685	\$ 52,629,832	\$ 440,979
Total Assets	<u>\$ 431,126</u>	<u>\$ 52,639,685</u>	<u>\$ 52,629,832</u>	<u>\$ 440,979</u>
<u>LIABILITIES:</u>				
Interfund Payable:				
Fiduciary Fund:				
Unemployment Compensation Trust	\$ 27,411	\$ 28,602	\$ 27,411	\$ 28,602
Payroll Deductions and Withholdings	403,715	52,611,083	52,602,421	412,377
Total Liabilities	<u>\$ 431,126</u>	<u>\$ 52,639,685</u>	<u>\$ 52,629,832</u>	<u>\$ 440,979</u>

LONG-TERM DEBT

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance July 1, 2012	Retired/ Matured	Balance June 30, 2013
			Date	Amount				
School Bonds	09/01/02	\$ 39,945,000				\$ 1,425,000	\$ 1,425,000	
School Refunding Bonds	06/02/09	12,180,000	03/01/14	675,000	3.500%			
			03/01/15	670,000	3.500%			
			03/01/16	660,000	4.000%			
			03/01/17	655,000	4.000%			
			03/01/18	645,000	4.000%			
			03/01/19	620,000	4.000%	4,610,000	685,000	\$ 3,925,000
School Refunding Bonds	09/02/11	29,065,000	09/01/13	1,530,000	3.000%			
			09/01/14	1,585,000	3.000%			
			09/01/15	1,570,000	3.000%			
			09/01/16	1,600,000	3.000%			
			09/01/17	1,630,000	5.000%			
			09/01/18	1,695,000	4.000%			
			09/01/19	1,760,000	4.000%			
			09/01/20	1,840,000	5.000%			
			09/01/21	1,940,000	5.000%			
			09/01/22	1,995,000	5.000%			
			09/01/23	2,000,000	5.000%			
			09/01/24	2,005,000	4.000%			
			09/01/25	1,990,000	4.000%			
			09/01/26	1,975,000	4.000%			
			09/01/27	1,960,000	4.000%			
			09/01/28	1,935,000	4.000%	29,065,000	\$ 55,000	29,010,000
						<u>\$ 35,100,000</u>	<u>\$ 2,165,000</u>	<u>\$ 32,935,000</u>

Exhibit I-2

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance July 1, 2012</u>	<u>Retired/ Matured</u>	<u>Balance June 30, 2013</u>
Copiers	5.58%	325,070	<u>\$ 108,357</u>	<u>\$ 108,357</u>	<u>\$ -0-</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 3,898,817		\$ 3,898,817	\$ 3,898,817	
State Sources:					
Debt Service Aid Type II	216,430		216,430	216,430	
Total Revenues	<u>4,115,247</u>		<u>4,115,247</u>	<u>4,115,247</u>	
EXPENDITURES:					
Regular Debt Service:					
Interest	1,417,800	\$ 74	1,417,874	1,417,874	
Redemption of Principal	2,775,365	(74)	2,775,291	2,774,795	\$ 496
Total Regular Debt Service	<u>4,193,165</u>		<u>4,193,165</u>	<u>4,192,669</u>	<u>496</u>
Total Expenditures	<u>4,193,165</u>		<u>4,193,165</u>	<u>4,192,669</u>	<u>496</u>
Excess/(Deficiency) of Revenues and Other Over/(Under) Expenditures	(77,918)	\$ -0-	(77,918)	(77,422)	496
Fund Balance, July 1 (Restated)	<u>82,438</u>		<u>82,438</u>	<u>82,438</u>	
Fund Balance, June 30	<u>\$ 4,520</u>	<u>\$ -0-</u>	<u>\$ 4,520</u>	<u>\$ 5,016</u>	<u>\$ 496</u>
<u>Recapitulation of Fund Balance at June 30, 2013:</u>					
Restricted				<u>\$ 5,016</u>	

STATISTICAL SECTION
(UNAUDITED)

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents

Exhibit

Financial Trends

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

J-1 thru J-5

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.

J-6 thru J-9

Debt Capacity

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

J-10 thru J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.

J-14 thru J-15

Operating Information

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

J-16 thru J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The District implemented GASB Statement 34 in a previous fiscal year. Schedules presenting government-wide information include information beginning in the fiscal year ended June 30, 2004.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 29,848,095	\$ 30,409,940	\$ 32,261,136	\$ 34,852,936	\$ 35,348,513	\$ 34,593,798	\$ 36,722,399	\$ 33,710,076	\$ 34,115,372	\$ 33,960,024
Special Education	6,037,985	7,028,251	6,679,227	7,485,704	7,480,093	7,556,218	8,299,766	9,443,200	13,112,003	12,904,747
Other Special Instruction	1,162,085	1,192,107	1,317,426	1,633,273	1,889,684	2,715,708	3,199,512	3,468,866	3,667,694	3,439,282
Other Instruction	793,328	762,125	909,080	1,063,976	1,117,813	1,178,014	1,240,460	1,275,954	1,259,667	1,337,156
Support Services:										
Tuition	2,430,818	2,660,935	2,672,943	2,881,197	3,946,673	4,117,006	3,646,662	4,744,949	4,279,268	4,653,002
Student & Instruction Related Services	10,405,563	10,371,878	9,776,844	10,845,882	11,376,793	11,294,256	10,437,226	8,849,533	10,561,145	10,399,200
School Administrative Services	3,435,734	3,497,322	3,750,801	4,056,398	5,941,413	6,052,220	6,644,781	5,981,342	6,446,036	6,049,340
General Administrative Services	1,199,651	2,433,253	2,499,557	2,826,661	1,786,268	1,792,279	3,390,011	3,671,999	1,524,824	1,680,255
Central Services									1,291,750	1,385,109
Administrative Information Technology									1,369,652	1,132,969
Plant Operations and Maintenance	5,855,065	5,248,415	6,843,855	7,027,461	7,653,327	7,263,705	7,346,089	7,679,216	7,156,510	7,998,192
Pupil Transportation	2,796,984	3,679,934	3,585,674	4,389,194	5,003,794	4,420,181	4,779,445	4,782,816	4,697,117	4,883,438
Special Schools	202,009	108,725	107,784	114,913	39,833	39,526	44,989			
Charter Schools	22,658	19,353	24,322	6,519	26,625	71,332	106,956	83,567	91,358	104,686
Interest on Long-term Debt	3,132,371	2,171,079	2,098,068	2,024,732	2,090,375	1,785,161	1,697,405	1,586,538	1,689,231	1,373,430
Unallocated Depreciation	1,783,859	1,903,699	2,346,518	1,784,407	3,019,366	2,756,187	1,967,354	1,970,257	1,697,279	2,016,255
Total Governmental Activities Expenses	69,106,205	71,487,016	74,873,235	80,993,253	86,720,570	85,635,591	89,523,055	87,248,313	92,958,906	93,317,085
Business-Type Activities:										
Food Service	1,864,921	2,035,367	2,132,134	2,240,554	2,259,173	2,354,071	2,486,882	2,367,953	2,465,433	2,400,580
Summer Arts Program									33,000	56,500
Total Business-Type Activities Expenses	1,864,921	2,035,367	2,132,134	2,240,554	2,259,173	2,354,071	2,486,882	2,367,953	2,498,433	2,457,080
Total District-Wide Expenses	70,971,126	73,522,383	77,005,369	83,233,807	88,979,743	87,989,662	92,009,937	89,616,266	95,457,339	95,774,165
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)									131,610	248,508
Operating Grants and Contributions	8,515,019	9,210,783	9,845,947	12,146,829	12,183,965	8,271,856	9,284,499	8,017,243	14,646,833	15,867,734
Total Governmental Activities Program Revenues	8,515,019	9,210,783	9,845,947	12,146,829	12,183,965	8,271,856	9,284,499	8,017,243	14,778,443	16,116,242

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Business-Type Activities:										
Charges for Services:										
Food Service and Grants	\$ 1,491,707	\$ 1,666,114	\$ 1,693,066	\$ 1,744,656	\$ 1,753,844	\$ 1,787,861	\$ 1,954,454	\$ 1,851,495	\$ 836,569	\$ 715,140
Summer Arts Program									33,000	56,500
Operating Grants and Contributions									1,160,877	1,119,265
Total Business-Type Activities Revenues	1,491,707	1,666,114	1,693,066	1,744,656	1,753,844	1,787,861	1,954,454	1,851,495	2,030,446	1,890,905
Total District-Wide Program Revenues	10,006,726	10,876,897	11,539,013	13,891,485	13,937,809	10,059,717	11,238,953	9,868,738	16,808,889	18,007,147
Net (Expense)/Revenue:										
Governmental Activities	(60,591,186)	(62,276,233)	(65,027,288)	(68,846,424)	(74,536,605)	(77,363,735)	(80,238,556)	(79,231,070)	(78,180,463)	(77,200,843)
Business-type Activities	(373,214)	(369,253)	(439,068)	(495,898)	(505,329)	(566,210)	(532,428)	(516,458)	(467,987)	(566,175)
Total District-Wide Net (Expense)/Revenue	(60,964,400)	(62,645,486)	(65,466,356)	(69,342,322)	(75,041,934)	(77,929,945)	(80,770,984)	(79,747,528)	(78,648,450)	(77,767,018)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	39,485,554	44,379,373	46,233,202	48,322,565	52,212,387	54,572,251	56,980,309	60,189,793	59,411,033	60,392,089
Taxes Levied for Debt Service	3,243,239	2,844,685	2,838,893	3,256,651	3,500,300	3,482,421	3,459,024	3,364,042	2,463,315	3,898,817
Restricted Grants and Contributions	389,450		5,996	26,567	11,462		1,735,417	5,950,496		
Unrestricted Grants and Contributions	14,047,934	15,249,759	14,659,045	14,950,718	16,602,241	19,564,529	21,668,514	12,924,191	15,398,990	16,146,139
Tuition	382,218	359,291	422,168	404,645	407,599	219,356				
Bonds Authorized but not issued							2,914,161			
Miscellaneous Income	1,793,080	586,919	602,962	358,071	235,199	527,170	465,153	650,070	153,122	58,546
Adjustment for Note Payable								(2,914,160)		
Transfers	(405,496)	(369,993)	(433,119)	(360,000)	(470,548)	(590,979)	(525,576)	(496,028)	(488,342)	(556,299)
Total Governmental Activities General Revenues and Other Changes in Net Position	58,935,979	63,050,034	64,329,147	66,959,217	72,498,640	77,774,748	86,697,002	79,668,404	76,938,118	79,939,292
Business-type Activities:										
Investment Earnings									504	
Miscellaneous		3,743	8,919	7,913	3,338	670	946	979		
Transfers	405,496	369,993	433,119	360,000	508,448	590,979	525,576	496,028	488,342	556,299
Total Business-type Activities General Revenues and Other Changes in Net Position	405,496	373,736	442,038	367,913	511,786	591,649	526,522	497,007	488,846	556,299
Total District-Wide General Revenues and Other Changes in Net Position	59,341,475	63,423,770	64,771,185	67,327,130	73,010,426	78,366,397	87,223,524	80,165,411	77,426,964	80,495,591
Change in Net Position:										
Governmental Activities	(1,655,207)	773,801	(698,141)	(1,887,207)	(2,037,965)	411,013	6,458,446	437,334	(1,242,345)	2,738,449
Business-Type Activities	32,282	4,483	2,970	(127,985)	6,456	25,439	(5,906)	(19,451)	20,859	(9,876)
Total District-Wide Change in Net Position	\$ (1,622,925)	\$ 778,284	\$ (695,171)	\$ (2,015,192)	\$ (2,031,509)	\$ 436,452	\$ 6,452,540	\$ 417,883	\$ (1,221,486)	\$ 2,728,573

Source: Bloomfield Township School District Financial Reports.

Exhibit J-3

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,				
	2004	2005	2006	2007	2008
General Fund:					
Reserved	\$ 1,257,924	\$ 2,009,389	\$ 2,983,226	\$ 1,523,980	\$ 444,074
Unreserved/(Deficit)	838,497	293,963	(519,415)	(391,968)	(237,320)
Total General Fund	<u>\$ 2,096,421</u>	<u>\$ 2,303,352</u>	<u>\$ 2,463,811</u>	<u>\$ 1,132,012</u>	<u>\$ 206,754</u>
All Other Governmental Funds:					
Reserved	\$ 40,867,584	\$ 23,403,609	\$ 9,538,760	\$ 1,580,042	\$ 1,301,844
Unreserved, Reported in:					
Special Revenue Fund/(Deficit)	(66,749)	(90,367)	(80,032)	(66,749)	(66,749)
Capital Projects Fund	11,705,519	4,683,978	1,771,398	1,763,771	815,138
Debt Service Fund	231,656	7,545	19,110		
Total All Other Governmental Funds	<u>\$ 52,738,010</u>	<u>\$ 28,004,765</u>	<u>\$ 11,249,236</u>	<u>\$ 3,277,064</u>	<u>\$ 2,050,233</u>
Total Governmental Funds	<u>\$ 54,834,431</u>	<u>\$ 30,308,117</u>	<u>\$ 13,713,047</u>	<u>\$ 4,409,076</u>	<u>\$ 2,256,987</u>

	Fiscal Year Ending June 30,				
	2009	2010	2011	2012	2013
General Fund:					
Reserved	\$ 1,469,007	\$ 2,852,978			
Unreserved/(Deficit)	(528,669)	(457,144)			
Restricted			\$ 1,196,966	\$ 782,682	\$ 2,485,164
Assigned			3,228,131	851,078	
Unassigned/(Deficit)			(1,785,891)		(194,206)
Total General Fund	<u>\$ 940,338</u>	<u>\$ 2,395,834</u>	<u>\$ 2,639,206</u>	<u>\$ 1,633,760</u>	<u>\$ 2,290,958</u>
All Other Governmental Funds:					
Reserved	\$ 1,102,148	\$ 1,237,713			
Unreserved, Reported in:					
Capital Projects Fund	137,884	2,840,632			
Debt Service Fund		189,687			
Restricted			\$ 1,711,247	\$ 82,438	\$ 5,016
Committed			128,962	17,336	17,334
Unassigned/(Deficit)				(1,189,030)	(967,061)
Total All Other Governmental Funds	<u>\$ 1,240,032</u>	<u>\$ 4,268,032</u>	<u>\$ 1,840,209</u>	<u>\$ (1,089,256)</u>	<u>\$ (944,711)</u>
Total Governmental Funds	<u>\$ 2,180,370</u>	<u>\$ 6,663,866</u>	<u>\$ 4,479,415</u>	<u>\$ 544,504</u>	<u>\$ 1,346,247</u>

Source: Bloomfield Township School District Financial Reports.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues:										
Tax Levy	\$ 42,728,793	\$ 47,224,058	\$ 49,072,095	\$ 51,579,216	\$ 55,712,687	\$ 58,054,672	\$ 60,439,333	\$ 63,553,835	\$ 61,874,348	\$ 64,290,906
Tuition Charges	382,218	359,291	422,168	404,645	407,599	219,356	212,553	103,034	131,610	248,508
Interest Earnings	740,666	444,772	401,261	301,454	202,658	4				
Miscellaneous	1,070,350	163,888	201,702	56,616	70,440	410,728	162,124	547,036	149,153	111,474
Local Sources	20,891,869	22,088,966	22,011,405	24,766,672	26,501,052	24,942,111	24,969,010	25,716		
State Sources	2,042,598	2,349,835	2,499,582	2,357,442	2,259,338	2,839,216	7,719,420	23,994,240	26,525,403	29,214,682
Federal Sources					37,279	55,058	90,474	2,871,974	3,512,981	2,746,263
Total Revenues	67,856,494	72,630,810	74,608,213	79,466,045	85,191,053	86,521,145	93,592,914	91,095,835	92,193,495	96,611,833
Expenditures:										
Instruction:										
Regular Instruction	22,956,995	24,317,096	24,291,852	25,106,085	25,736,570	26,441,711	27,736,649	25,097,965	24,332,374	24,593,834
Special Education Instruction	4,513,658	4,901,673	4,894,541	5,207,056	5,344,609	5,586,372	6,038,735	6,943,570	9,480,844	9,494,261
Other Special Instruction	867,148	902,477	961,444	1,135,051	1,331,222	2,005,813	2,327,456	2,533,148	2,566,817	2,460,712
Other Instruction	639,386	622,296	717,455	798,266	837,501	924,740	949,506	993,275	1,003,584	1,028,389
Support Services:										
Tuition	2,430,818	2,660,935	2,672,943	2,881,197	3,946,673	4,117,006	3,646,662	4,744,949	4,279,268	4,653,002
Student & Instruction Related Services	6,934,455	7,258,437	7,476,974	7,935,235	8,367,994	8,709,668	8,011,845	7,911,056	8,143,401	8,102,992
General Administrative Services									1,409,551	1,517,748
Other Administrative Services		1,013,158	1,133,526	1,169,118	1,154,905	1,258,939	3,081,239	4,410,642		
School Administrative Services	4,040,914	4,136,646	3,868,457	4,136,297	4,436,333	4,832,605	4,839,441	3,364,036	4,528,055	4,592,697
Plant Operations and Maintenance	4,941,591	5,399,449	5,770,309	5,716,121	6,378,713	6,156,193	6,157,068	6,728,344	5,922,623	6,591,658
Pupil Transportation	2,645,991	3,432,636	3,157,889	3,823,539	4,409,235	3,888,719	4,156,311	4,104,291	3,931,400	3,996,588
Central Services									988,887	997,365
Administrative Information Technology									1,191,132	956,409
Business and Other Support Services	980,781									
Unallocated Benefits	12,080,116	13,221,184	14,869,332	18,050,215	19,196,770	16,822,188	19,287,775	18,492,030	21,440,300	21,861,828
Special Schools	173,225	84,276	79,447	80,581	29,108	30,082	33,251			
Charter Schools	22,658	19,353	24,322	6,519	26,625	71,332	106,956	83,567	91,358	104,686
Capital Outlay	5,773,483	25,156,231	16,989,048	8,524,782	1,682,171	1,372,800	1,422,719	1,552,610	2,619,841	718,748
Debt Service	3,954,313	4,028,417	3,862,625	3,839,955	3,956,265	3,788,615	3,702,389	3,673,063		
Debt Service:										
Principal									2,660,365	2,774,795
Interest and Other Charges									1,672,037	1,417,874
Total Expenditures	72,955,532	97,154,264	90,770,164	88,410,017	86,834,694	86,006,783	91,498,002	90,632,546	96,261,837	95,863,586

SCOTCH PLAINS-FANWOOD REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (5,099,038)	\$ (24,523,454)	\$ (16,161,951)	\$ (8,943,972)	\$ (1,643,641)	\$ 514,362	\$ 2,094,912	\$ 463,289	\$ (4,068,342)	\$ 748,247
Other Financing Sources (Uses):										
Proceeds from Borrowing							2,914,160			
Notes Funded by Budget Appropriation									610,365	609,795
Unexpended Balance of School Refunding Bonds Issuance Costs									11,408	
Capital Leases (non-budgeted)	123,709	367,133								
Transfers In	1,056,218	593,626	271,093	647,442	518,762		126,813		421,442	
Transfers Out	(1,416,714)	(963,619)	(704,211)	(1,007,442)	(1,027,210)	(590,979)	(652,389)	(3,410,188)	(909,784)	(556,299)
Total Other Financing Sources (Uses)	(236,787)	(2,860)	(433,118)	(360,000)	(508,448)	(590,979)	2,388,584	(3,410,188)	133,431	53,496
Net Change in Fund Balances	\$ (5,335,825)	\$ (24,526,314)	\$ (16,595,069)	\$ (9,303,972)	\$ (2,152,089)	\$ (76,617)	\$ 4,483,496	\$ (2,946,899)	\$ (3,934,911)	\$ 801,743
Debt Service as a Percentage of Noncapital Expenditures	5.89%	5.60%	5.24%	4.81%	4.65%	4.48%	4.11%	4.12%	4.63%	4.41%

Source: Bloomfield Township School District Financial Reports.

Exhibit J-5

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Other</u>	<u>Total</u>
2004	\$ 73,097	\$ 382,218	\$ 1,052,415	\$ 1,507,730
2005	47,854	359,291	142,147	549,292
2006	130,169	422,168	201,701	754,038
2007	174,115	404,645	56,616	635,376
2008	189,016	407,599	32,541	629,156
2009	153,900		56,268	210,168
2010	31,473		26,914	58,387
2011	73,276	103,034		176,310
2012	21,147	131,610	116,047	268,804
2013		248,508	58,546	307,054

Source: Bloomfield Township School District Records.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Add: Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2003	\$ 7,183,900	\$ 1,621,351,900	\$ -0-	\$ -0-	\$ 306,102,900	\$ 44,596,800	\$ 109,612,200	\$ 2,088,847,700	\$ 5,596,500	\$ 2,094,444,200	\$ 184,287,600	2.0400	\$ 2,798,344,364
2004	8,026,500	1,625,252,300	-0-	-0-	309,685,000	43,108,300	109,810,700	2,095,882,800	4,699,400	2,100,582,200	205,866,700	2.2100	3,276,057,371
2005	8,101,600	1,631,317,800	-0-	-0-	305,583,000	42,867,200	109,813,800	2,097,683,400	4,019,605	2,101,703,005	205,905,000	2.3000	3,708,282,131
2006	8,422,300	1,638,258,000	-0-	-0-	292,049,800	35,060,700	109,725,800	2,083,516,600	3,212,200	2,086,728,800	206,292,900	2.4200	4,281,979,303
2007	9,879,000	1,636,108,400	-0-	-0-	291,284,000	33,789,600	108,657,500	2,079,718,500	2,835,200	2,082,553,700	210,838,000	2.5800	4,919,325,154
2008	9,275,900	1,639,810,200	-0-	-0-	286,204,100	33,682,200	110,326,600	2,079,299,000	2,717,600	2,082,016,600	208,422,100	2.7300	5,270,466,086
2009	8,305,700	1,644,649,700	-0-	-0-	281,194,500	31,378,700	106,891,500	2,072,420,100	3,035,200	2,075,455,300	210,823,900	2.8600	5,284,685,279
2010 *	15,465,300	3,458,290,000	-0-	-0-	594,964,200	64,442,000	223,419,600	4,356,581,100	7,436,700	4,364,017,800	432,357,600	1.4200	5,152,499,771
2011	14,322,300	3,345,486,300	-0-	-0-	597,276,100	63,317,000	224,588,900	4,244,990,600	7,032,700	4,252,023,300	436,628,900	1.4800	4,797,547,917
2012	33,502,200	3,269,570,800	-0-	-0-	574,761,400	62,525,400	222,986,800	4,163,346,600	7,268,287	4,170,614,887	431,413,100	1.5130	4,335,918,127

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 Revaluation of Real Property was effective in this year.

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

b - Tax rates are per \$100 of assessed value.

Exhibit J-7

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(Rate per \$100 of Assessed Value)

Year Ended December 31,	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Township of Bloomfield	Essex County	
2003	1.9400	0.1000	2.040	1.400	0.790	4.230
2004	2.0422	0.1678	2.210	1.560	0.810	4.580
2005	2.1614	0.1386	2.300	1.650	0.850	4.800
2006	2.2800	0.1400	2.420	1.800	0.900	5.120
2007	2.4171	0.1629	2.580	1.950	0.920	5.450
2008	2.5585	0.1715	2.730	2.170	0.990	5.890
2009	2.6884	0.1716	2.860	2.250	0.990	6.100
2010	1.3387	0.0813	1.420	1.170	0.480	3.070 *
2011	1.4017	0.0783	1.480	1.249	0.495	3.224
2012	1.4528	0.0602	1.513	1.361	0.500	3.374

*A Revaluation of Real Property was effective in this year.

a - The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

b - Rates for debt service are based on each year's requirements.

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.

Source: Municipal Tax Collector and School Business Administrator.

Exhibit J-8

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Taxpayer	2012			2003		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Forest Hill Properties	\$ 48,934,700	1	1.17%	\$ 24,246,600	1	1.16%
Broadacres Realty Co.	46,615,200	2	1.12%	22,241,700	2	1.06%
Bloomfield Condo Association	31,078,300	3	0.75%			
Troy Towers	23,500,000	4	0.56%	13,500,000	4	0.64%
1515 Broad St LLC.	23,317,400	5	0.56%			
Bloomfield Developers	16,065,200	6	0.39%			
Leonard Stern/Hartz Mountain	14,980,000	7	0.36%	8,639,000	6	0.41%
Newco Properties, LLC	13,449,300	8	0.32%			
Newels Development	13,197,400	9	0.32%			
Bloomfield Plaza Assoc	11,710,800	10	0.28%			
Blum Ltd. Partnership				17,670,200	3	0.84%
Hammer & Associates				9,532,700	5	0.46%
Shop-Rite Realty Company				7,610,500	7	0.36%
Total	<u>\$ 242,848,300</u>		<u>5.83%</u>	<u>\$ 103,440,700</u>		<u>4.93%</u>

Note - A revaluation was effective in 2010.

Source: Municipal Tax Assessor.

Exhibit J-9

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal 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	
2004	\$ 42,728,793	\$ 42,728,793	100.00%	-0-
2005	47,224,058	47,224,058	100.00%	-0-
2006	49,072,095	49,072,095	100.00%	-0-
2007	51,579,216	51,579,216	100.00%	-0-
2008	55,712,687	55,712,687	100.00%	-0-
2009	54,572,251	54,572,251	100.00%	-0-
2010	60,439,333	60,439,333	100.00%	-0-
2011	63,553,835	63,553,835	100.00%	-0-
2012	61,874,348	61,874,348	100.00%	-0-
2013	64,290,906	64,290,906	100.00%	-0-

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

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

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities					Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	School Facilities Loans	Capital Leases				
2004	\$ 50,228,000	\$ -0-	\$ 587,466	\$ -0-	\$ 142,587	\$ -0-	\$50,958,053	2.66%	\$ 1,103.63	
2005	48,538,000	-0-	667,167	-0-	-0-	-0-	49,205,167	2.50%	1,081.38	
2006	46,798,000	-0-	464,392	-0-	-0-	-0-	47,262,392	2.24%	1,057.06	
2007	45,008,000	-0-	254,988	-0-	-0-	-0-	45,262,988	2.06%	1,024.58	
2008	43,168,000	-0-	436,921	-0-	-0-	-0-	43,604,921	1.92%	993.62	
2009	41,220,000	-0-	496,383	-0-	-0-	-0-	41,716,383	1.95%	953.34	
2010	39,190,000	-0-	226,887	-0-	-0-	-0-	39,416,887	1.64%	832.93	
2011	37,195,000	-0-	265,948	2,914,160	-0-	-0-	40,375,108	1.61%	852.03	
2012	35,100,000	-0-	108,357	2,303,795	-0-	-0-	37,512,152	1.49%	788.48	
2013	32,935,000	-0-	-0-	1,694,000	-0-	-0-	34,629,000	1.37%	727.88	

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

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

Source: Bloomfield Township School District Financial Reports.

Exhibit J-11

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation Taxable ^a	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2004	\$ 50,228,000	\$ -0-	\$ 50,228,000	2.391%	\$ 1,087.82
2005	48,538,000	-0-	48,538,000	2.309%	1,066.72
2006	46,798,000	-0-	46,798,000	2.243%	1,046.68
2007	45,008,000	-0-	45,008,000	2.161%	1,018.81
2008	43,168,000	-0-	43,168,000	2.073%	983.66
2009	41,220,000	-0-	41,220,000	1.986%	942.00
2010	39,190,000	-0-	39,190,000	0.898%	828.14
2011	37,195,000	-0-	37,195,000	0.875%	784.92
2012	35,100,000	-0-	35,100,000	0.825%	737.78
2013	32,935,000	-0-	32,935,000	0.790%	692.28

a - See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

b - See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

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

Source: Bloomfield Township District Financial Reports.

Exhibit J-12

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2012
UNAUDITED

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Bloomfield Township	\$ 47,667,856	100.00%	\$ 47,667,856
Essex County General Obligation Debt	328,290,325	5.09%	<u>16,716,338</u>
Subtotal, Overlapping Debt			64,384,194
Bloomfield Township School District Direct Debt			<u>33,620,000</u>
Total Direct and Overlapping Debt			<u>\$ 98,004,194</u>

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

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by residents and businesses of Bloomfield Township. This process recognizes that, when considering the District's ability to issue and repay long-term, 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 unit.

Sources: Assessed value data used to estimate applicable percentages provided by the Essex County Board of Taxation; debt outstanding data provided by each governmental unit.

Exhibit J-13

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2013

Year Ended December 31,	Equalized Valuation Basis
2010	\$ 4,875,860,213
2011	4,546,418,121
2012	4,328,358,020
	<u>\$ 13,750,636,354</u>
Average Equalized Valuation of Taxable Property	<u>\$ 4,583,545,451</u>
Debt Limit (4% of Average Equalization Value) ^a	\$ 183,341,818
Net Bonded School Debt	<u>32,935,000</u>
Legal Debt Margin	<u>\$ 150,406,818</u>

	Fiscal Year				
	2004	2005	2006	2007	2008
Debt Limit	\$ 112,908,079	\$ 128,643,856	\$ 148,849,682	\$ 170,929,567	\$ 191,703,664
Total Net Debt Applicable to Limit	50,228,000	48,538,000	49,205,167	45,698,000	43,118,000
Legal Debt Margin	<u>\$ 62,680,079</u>	<u>\$ 80,105,856</u>	<u>\$ 99,644,515</u>	<u>\$ 125,231,567</u>	<u>\$ 148,585,664</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	44.49%	37.73%	33.06%	26.73%	22.49%

	Fiscal Year				
	2009	2010	2011	2012	2013
Debt Limit	\$ 204,838,025	\$ 207,760,970	\$ 203,117,629	\$ 193,673,392	\$ 183,341,818
Total Net Debt Applicable to Limit	41,220,000	39,190,000	37,195,000	35,100,000	32,935,000
Legal Debt Margin	<u>\$ 163,618,025</u>	<u>\$ 168,570,970</u>	<u>\$ 165,922,629</u>	<u>\$ 158,573,392</u>	<u>\$ 150,406,818</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	20.12%	18.86%	18.31%	18.12%	17.96%

a - Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts.

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey,
Department of Treasury, Division of Taxation.

Exhibit J-14

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
UNAUDITED

<u>Year</u>	<u>Population ^a</u>	<u>Essex County Per Capita Personal Income ^b</u>	<u>Personal Income ^c</u>	<u>Township Unemployment Rate ^d</u>
2003	46,815	\$ 38,746	\$ 1,813,893,990	4.2%
2004	46,173	41,417	1,912,347,141	3.7%
2005	45,502	43,231	1,967,096,962	4.3%
2006	44,711	47,290	2,114,383,190	4.6%
2007	44,177	49,850	2,202,223,450	4.2%
2008	43,885	51,665	2,267,318,525	5.4%
2009	43,758	48,901	2,139,809,958	9.5%
2010	47,323	50,791	2,403,582,493	9.5%
2011	47,387	52,956	2,509,425,972	8.9%
2012	47,575	52,956 *	2,519,381,700 *	8.8%

* - Latest Essex County per capita personal income (2011) and population data available was used for calculation purposes.

Source:

- a - Population information provided by the US Department of Census - Population Division.
- b - Per Capita Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.
- c - Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.
- d - Unemployment data provided by the NJ Department of Labor and Workforce Development.

Exhibit J-15

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Information was not available

Exhibit J-16

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST NINE FISCAL YEARS
UNAUDITED

<u>Function/Program</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Instruction:					
Regular	451	461	467	485	487
Special Education	28	28	28	28	
Other Special Instruction	48	51	55	55	55
Support Services:					
Health Services	16	16	16	16	16
Administration Information Technology	2	2	4	4	4
General Administrative Services	4	4	1	5	6
Related Services	4	4	4	4	4
Guidance-Professional/Support	26	26	26	26	26
Child Study Team/Support	30	30	31	31	33
Supervisors	14	14	13	13	10
Plant Operations and Maintenance	71	71	74	76	71
Pupil Transportation	5	6	16	40	40
Central Services	16	16	13	16	12
Media Services Technology	8	8	8	8	16
Principals/School Administrative	48	48	48	48	47
Total	<u>771</u>	<u>785</u>	<u>804</u>	<u>855</u>	<u>827</u>

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Instruction:				
Regular	476	530	532	542
Special Education				
Other Special Instruction	57	64	66	67
Support Services:				
Health Services	15	15	14	13
Administration Information Technology	4	6	6.5	6
General Administrative Services	5	5	5	5
Related Services	2	6	6	8
Guidance-Professional/Support	25	30	30	32
Child Study Team/Support	33	35.5	35.5	33
Supervisors	11			
Plant Operations and Maintenance	70	68	69	70
Pupil Transportation	40	42	46	73
Central Services	8	11	11	13
Media Services Technology	16	10	10	11
Principals/School Administrative	45	61	62	48
Total	<u>807</u>	<u>883.5</u>	<u>893</u>	<u>921</u>

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Source: Bloomfield Township School District Personnel Records.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff ^d	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^e	Average Daily Attendance (ADA) ^e	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2004	6,106	\$ 63,232,782	\$ 10,356	2.63%	548	24:1	26:1	23:1	6,106	5,741	2.18%	94.02%
2005	6,103	67,969,615	11,137	7.54%	546	24:1	26:1	23:1	6,103	5,733	-0.05%	93.94%
2006	6,029	69,918,491	11,597	4.13%	465	18:1	10:1	10:1	6,029	5,671	-1.21%	94.06%
2007	5,962	76,045,281	12,755	9.99%	494	10:1	10:1	11:1	5,962	5,598	-1.11%	93.89%
2008	5,836	81,196,258	13,913	9.08%	513	14:1	10:1	10:1	5,836	5,518	-2.11%	94.55%
2009	5,921	80,845,368	13,654	-1.86%	501	14:1	10:1	10:1	5,930	5,551	1.61%	93.61%
2010	5,934	81,867,657	13,796	1.04%	533	14:1	10:1	10:1	5,934	5,564	0.07%	93.76%
2011	5,938	80,000,090	13,473	-2.35%	530	14:1	10:1	10:1	5,976	*	0.71%	*
2012	6,174	89,309,594	14,465	7.37%	553	14:1	10:1	10:1	5,822	5,489	-2.58%	94.28%
2013	6,194	90,952,169	14,684	1.51%	542	14:1	14:1	10:1	6,183	5,842	6.20%	94.48%

* Data not provided by the school district

a - Enrollment is obtained from October 15 Enrollment Summary, including students placed out of district.

b - Operating expenditures equal total expenditures less debt service and capital outlay.

c - Cost per pupil is calculated based upon enrollment and operating expenditures as presented and may not be the same as other (State) cost per pupil calculations.

d - Teaching staff includes only full-time equivalents of certificated staff.

e - Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Source: Bloomfield Township School District records.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>District Building</u>										
<u>Elementary Schools</u>										
Berkeley										
Square Feet	62,805	62,805	62,805	62,805	62,805	62,805	62,805	62,805	62,805	62,805
Capacity (students)	300	300	300	300	300	300	300	300	400	400
Enrollment	*	496	506	462	434	458	*	*	403	417
Brookdale										
Square Feet	53,952	53,952	53,952	53,952	53,952	53,952	53,952	53,952	53,952	53,952
Capacity (students)	300	300	300	300	300	300	300	300	350	350
Enrollment	*	294	291	299	290	282	*	*	354	356
Carteret										
Square Feet	54,867	54,867	54,867	54,867	54,867	54,867	54,867	54,867	54,867	54,867
Capacity (students)	300	300	300	300	300	300	300	300	450	450
Enrollment	*	460	464	445	419	414	*	*	427	445
Demarest										
Square Feet	61,061	61,061	61,061	61,061	61,061	61,061	61,061	61,061	61,061	61,061
Capacity (students)	300	300	300	300	300	300	300	300	500	500
Enrollment	*	418	422	447	456	468	*	*	486	486
Fairview										
Square Feet	50,264	50,264	50,264	50,264	50,264	50,264	50,264	50,264	50,264	50,264
Capacity (students)	300	300	300	300	300	300	300	300	450	450
Enrollment	*	477	484	487	478	477	*	*	522	512
Forest Glen										
Square Feet	28,539	28,539	28,539	28,539	28,539	28,539	28,539	28,539	28,539	28,539
Capacity (students)	50	50	50	50	50	50	50	50	80	80
Enrollment	*	34	30	37	28	41	*	*	31	20
Franklin										
Square Feet	28,070	28,070	28,070	28,070	28,070	28,070	28,070	28,070	28,070	28,070
Capacity (students)	300	300	300	300	300	300	300	300	380	380
Enrollment	*	360	335	346	360	370	*	*	398	377

* - Data was not provided by School District

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<u>District Building</u>										
<u>Oak View</u>										
Square Feet	41,255	41,255	41,255	41,255	41,255	41,255	41,255	41,255	41,255	41,255
Capacity (students)	300	300	300	300	300	300	300	300	400	400
Enrollment	*	359	346	361	344	348	*	*	363	369
<u>Watsessing</u>										
Square Feet	56,153	56,153	56,153	56,153	56,153	56,153	56,153	56,153	56,153	56,153
Capacity (students)	300	300	300	300	300	300	300	300	400	400
Enrollment	*	315	307	395	290	305	*	*	314	325
<u>Middle School:</u>										
Square Feet	99,032	99,032	99,032	99,032	99,032	99,032	99,032	99,032	99,032	99,032
Capacity (students)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	*	1,024	940	926	930	908	*	*	934	880
<u>High School:</u>										
Square Feet	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	615,000	615,000
Capacity (students)	2,000	2,000	2,000	2,000	2,200	2,200	2,200	2,200	2,400	2,400
Enrollment	*	1,866	1,903	1,856	1,807	1,846	*	*	1,787	1,945

Number of Schools at June 30, 2013

 Elementary School = 9

 Middle School = 1

 High School = 1

* - Data was not provided by School District

Source: Bloomfield Township School District.

Exhibit J-19

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures - Required Maintenance
 For School Facilities - Account #11-000-261-XXX:

<u>School Facilities*</u>	Project # (s)	2004	2005	2006	2007	2008
High School	N/A	\$ 238,152	\$ 239,247	\$ 377,653	\$ 304,952	\$ 216,657
Middle School	N/A	151,551	142,732	234,197	167,020	89,465
Berkeley	N/A	97,425	89,598	77,160	59,423	75,263
Brookdale	N/A	76,176	77,096	66,296	55,648	83,541
Carteret	N/A	74,876	78,138	90,617	63,886	75,617
Demarest	N/A	86,600	87,514	111,234	97,360	102,859
Fairview	N/A	75,776	71,887	67,284	49,845	89,544
Forest Glen	N/A	54,125	40,632	35,062	25,145	55,412
Franklin	N/A	56,038	39,590	42,593	32,422	81,579
Oak View	N/A	55,011	59,385	50,741	36,189	105,787
Watsessing	N/A	74,391	80,222	81,728	69,177	92,656
Administration Building	N/A	19,912	15,628		233,345	69,817
Service Center	N/A	22,475	20,173		8,862	43,656
Total School Facilities		<u>1,082,508</u>	<u>1,041,842</u>	<u>1,234,565</u>	<u>1,203,274</u>	<u>1,181,853</u>
Grand Total		<u>\$ 1,082,508</u>	<u>\$ 1,041,842</u>	<u>\$ 1,234,565</u>	<u>\$ 1,203,274</u>	<u>\$ 1,181,853</u>

<u>School Facilities*</u>	Project # (s)	2009	2010	2011	2012	2013
High School	N/A	\$ 167,092	\$ 239,635	\$ 256,171	\$ 160,742	\$ 534,738
Middle School	N/A	89,108	138,987	148,577	110,533	84,637
Berkeley	N/A	109,899	73,363	78,425	132,297	284,624
Brookdale	N/A	89,398	88,847	94,978	70,890	113,171
Carteret	N/A	74,325	99,648	106,524	78,126	59,727
Demarest	N/A	86,324	78,634	84,060	112,082	90,620
Fairview	N/A	87,345	73,393	78,457	109,236	86,271
Forest Glen	N/A	69,134	95,682	102,284	173,779	32,108
Franklin	N/A	85,328	80,283	85,823	96,133	34,949
Oak View	N/A	87,883	77,242	82,572	69,934	36,700
Watsessing	N/A	83,901	66,907	71,524	78,325	41,307
Administration Building	N/A	70,550	67,694	72,365	71,766	16,633
Service Center	N/A	120,962	111,860	119,579	91,328	111,208
Total School Facilities		<u>1,221,249</u>	<u>1,292,175</u>	<u>1,381,339</u>	<u>1,355,171</u>	<u>1,526,693</u>
Other Facilities	N/A				<u>17,282</u>	<u>34,293</u>
Grand Total		<u>\$ 1,221,249</u>	<u>\$ 1,292,175</u>	<u>\$ 1,381,339</u>	<u>\$ 1,372,453</u>	<u>\$ 1,560,986</u>

N/A - Not Applicable.

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

Source: Bloomfield Township School District records.

Exhibit J-20
1 of 2

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2013
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
NJSBAIG:		
Property Blanket Building and Contents Limit	\$ 400,000,000	\$ 5,000
Electronic Data Processing	550,000	1,000
Boiler and Machinery Coverage	100,000,000	5,000
Environmental/Pollution:		
Each Occurrence	1,000,000	25,000
Pool Aggregate	10,000,000	
General Liability:		
Each Occurrence	31,000,000	
Personal Injury	31,000,000	
Medical Expenses (Excluding Students)	10,000	
Employee Benefit Liability - Aggregate	31,000,000	
Automotive Coverage:		
Combined Single Limit	31,000,000	
Hired/Non-owned	31,000,000	
Personal Injury Protection	250,000	
Collision		1,000
Other Than Collision		1,000
Crime Coverage:		
Public Employee Dishonesty	1,000,000	1,000
Theft, Disappearance and Destruction (Inside and Out)	100,000	500
Robbery and Safe Burglary Property -		
Other Than Money and Securities (Inside and Out)	100,000	500
Forgery or Alteration	100,000	500
Computer Fraud	100,000	500
Board of Education:		
School Leaders Errors and Omissions Liability -		
Each Loss/Aggregate	31,000,000	20,000
Fidelity Bonds:		
School Business Administrator/Board Secretary	500,000	1,000
Treasurer	500,000	1,000

Exhibit J-20
2 of 2

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2013
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Harleysville:		
Commercial Flood:		
71 Prospect Street		
Building	\$ 500,000	\$ 25,000
Contents	100,000	25,000
3300 John F. Kennedy Drive		
Building	500,000	5,000
Contents	41,000	5,000
Diploma Joint Insurance Fund:		
Worker's Compensation:		
Each Accident/Each Employee/Aggregate	5,000,000	

Source: Bloomfield Township School District records.

SINGLE AUDIT SECTION



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

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Bloomfield Township School District
 County of Essex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Bloomfield Township School District, in the County of Essex (the "District") as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September 20, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
Page 2

Compliance and Other Matters

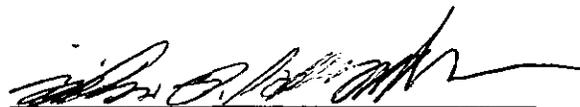
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mount Arlington, New Jersey
September 20, 2013

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant



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Report on Compliance For Each Major Federal and State Program;
 Report on Internal Control Over Compliance Required by OMB Circular A-133
 and New Jersey OMB's Circular 04-04

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Bloomfield Township School District
 County of Essex, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Bloomfield Township School District (the "District's") compliance 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 the District's major federal and state programs for the fiscal year ended June 30, 2013. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal and state programs based on our audit of the types of compliance requirements referred to above. 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the District's compliance.

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
Page 2

Basis for Qualified Opinion on the National School Lunch Program Cluster Major Federal Program

As described in the accompanying Schedule of Findings and Questioned Costs, the District did not comply with requirements regarding C.F.D.A. 10.553 School Breakfast Program and C.F.D.A. 10.555 National School Lunch Program (included in the Child Nutrition Program Cluster) as described in Finding 2013-2 for Eligibility. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to that program.

Qualified Opinion on the Child Nutrition Program Cluster Major Federal Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Child Nutrition Program Cluster for the fiscal year ended June 30, 2013.

Unmodified Opinion on Each of the Other Major Federal and State Programs

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal and state programs identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs for the fiscal year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed another instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and NJOMB 04-04 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2013-1. Our opinion on each major federal and state program is not modified with respect to this matter.

The District's responses to the noncompliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJOMB 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.

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
Page 3

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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2013-1 and 2013-2, that we consider to be significant deficiencies.

The District's responses to the internal control over compliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results that the testing based on the requirements of OMB Circular A-133 or NJOMB 04-04. Accordingly, this report is not suitable for any other purpose.

Mount Arlington, New Jersey
September 20, 2013

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Federal Grantor/Pass-Through Grantor/ Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2012				Prior Year Accounts Payable Canceled	Repayment of Prior Years' Balances	Balance Adjustment	Balance at June 30, 2013		
			From	To		Unearned Revenue/ (Accounts Receivable)	Due to Grantor	Cash Received	Budgetary Expenditures				(Accounts Receivable)	Unearned Revenue	Due to Grantor
U.S. Department of Education:															
Passed-through State Department of Education:															
General Fund:															
Education Jobs Fund	84.410	N/A	8/1/10	9/30/12	\$ 727,864				\$ (1,812)				\$ (1,812)		
Total General Fund									(1,812)				(1,812)		
Special Revenue Fund:															
Special Education Cluster:															
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-0410-13	9/1/12	8/31/13	1,434,109			\$ 1,150,165	(1,339,762)				(189,597)		
I.D.E.A. - Part B, Basic Regular - Carryover	84.027	IDEA-0410-12	9/1/11	8/31/12	1,471,617	\$ 2,460				\$ 931				\$ 3,391	
I.D.E.A. - Part B, Preschool	84.173	IDEA-0410-13	9/1/12	8/31/13	40,366			39,996	(39,996)						
Subtotal Special Education Cluster						2,460		1,190,161	(1,379,758)	931			(189,597)		3,391
No Child Left Behind:															
Title I	84.010	NCLB-0410-13	9/1/12	8/31/13	893,875			375,001	(682,227)				(307,226)		
Title I	84.010	NCLB-0410-12	9/1/11	8/31/12	933,852	(72,818)		313,974	(161,066)	7,711		\$ (79,064)			8,737
Title I	84.010	NCLB-0410-11	9/1/10	8/31/11	923,081							79,064			79,064
Title I - Carryover	84.010	NCLB-0410-08	9/1/07	8/31/08	458,268		\$ 3,598					\$ (3,598)			
Title I - SIA	84.010	NCLB-0410-08	9/1/07	8/31/08	29,327		11,462					(11,462)			
Title II A	84.367A	NCLB-0410-13	9/1/12	8/31/13	145,000			92,892	(135,493)				(42,601)		
Title II A	84.367A	NCLB-0410-12	9/1/11	8/31/12	167,274	(761)		22,534				(17,574)			4,199
Title II A - Carryover	84.367A	NCLB-0410-11	9/1/10	8/31/11	198,597		1,563					(1,563)			17,574
Title III	84.365A	NCLB-0410-13	9/1/12	8/31/13	69,092			3,095	(52,867)			21,359	(28,413)		
Title III	84.365A	NCLB-0410-12	9/1/11	8/31/12	68,676	(2,305)		17,098	(9,952)			(4,841)			4,841
Title III	84.365A	NCLB-0410-11	9/1/10	8/31/11	68,949							4,841			4,841
Title III - Carryover	84.365A	NCLB-0410-08	9/1/07	8/31/08	54,302		685					(685)			
Carl D. Perkins Vocational Education Alternative Education for Academically Challenged Students	84.048A	PERK-0410-12	7/1/11	6/30/12	46,736			37,203	(46,465)				(9,262)		
State Fiscal Stabilization Fund (SFSF)- Race to the Top, Phase 3 - ARRA	84.294A	U215K100268	9/1/10	8/31/14	300,000	65,020		94,593	(52,821)	1,850			\$ 108,642		
Race to the Top, Phase 3 - ARRA	84.395	12-RT01-A-01	7/1/12	11/30/15	74,372			59,360	(59,860)				(500)		
Total Special Revenue Fund						(8,404)	17,308	2,205,911	(2,580,509)	10,492	(17,308)	21,359	(577,599)	108,642	117,806
Total U.S. Department of Education						(8,404)	17,308	2,205,911	(2,582,321)	10,492	(17,308)	21,359	(579,411)	108,642	117,806
U.S. Department of Labor:															
Summer Youth Employment Training Program	17.259	N/A	7/1/12	6/30/13	27,500				(13,485)				(13,485)		
Total Special Revenue Fund									(13,485)				(13,485)		
Total U.S. Department of Labor									(13,485)				(13,485)		

N/A - Not Available/Applicable

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Federal Grantor/Pass-Through Grantor/ Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2012			Budgetary Expenditures	Prior Year Accounts Payable Canceled	Repayment of Prior Years' Balances	Balance Adjustment	Balance at June 30, 2013		
			From	To		Unearned Revenue/ (Accounts Receivable)	Due to Grantor	Cash Received					(Accounts Receivable)	Unearned Revenue	Due to Grantor
U.S. Department of Health and Human Services - Passed-through State Department of Human Services:															
Medical Assistance Program (SEMI)	93.778	N/A	7/1/12	6/30/13	\$ 158,084			\$ 158,084	\$ (158,084)						
Medical Assistance Program (SEMI)	93.778	N/A	7/1/11	6/30/12	126,395	\$ (16,704)		16,704							
Total General Fund						(16,704)		174,788	(158,084)						
Total U.S. Department of Health and Human Services						(16,704)		174,788	(158,084)						
U.S. Department of Homeland Security - Passed-through State Department of Law and Public Safety:															
Hurricane Irene Damage - 2011	97.036	N/A	7/1/12	6/30/13	59,019			59,019	(59,019) **						
Total General Fund								59,019	(59,019)						
Total U.S. Department of Homeland Security								59,019	(59,019)						
U.S. Department of Agriculture - Passed-through State Department of Agriculture:															
Child Nutrition Cluster:															
School Breakfast Program	10.553	N/A	7/1/12	6/30/13	62,669			58,185	(62,669)				\$ (4,484)		
School Breakfast Program	10.553	N/A	7/1/11	6/30/12	58,102	(4,818)		4,818							
National School Lunch Program	10.555	N/A	7/1/12	6/30/13	935,864			870,965	(935,864)				(64,899)		
National School Lunch Program	10.555	N/A	7/1/11	6/30/12	966,215	(59,199)		59,199							
Federal Food Distribution Program	10.555	N/A	7/1/12	6/30/13	96,916			96,916	(96,916)						
Subtotal Child Nutrition Cluster						(64,017)		1,090,083	(1,095,449)				(69,383)		
Total U.S. Department of Agriculture						(64,017)		1,090,083	(1,095,449)				(69,383)		
TOTAL FEDERAL AWARDS						\$ (89,125)	\$ 17,308	\$ 3,529,801	\$ (3,908,358)	\$ 10,492	\$ (17,308)	\$ 21,359 *	\$ (662,279)	\$ 108,642	\$ 117,806

** - Expended in Prior Year
* - Funded by General Fund
N/A - Not Available/Applicable

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

**BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2012			Repayment of Prior Years' Balances	Balance at June 30, 2013			MEMO		
		From	To		Budgetary Unearned Revenue/ (Accounts Receivable)	Due to Grantor	Cash Received		Budgetary Expenditures	GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:														
General Fund:														
Equalization Aid	13-495-034-5120-078	7/1/12	6/30/13	\$ 15,037,142				\$ 13,587,263	\$(15,037,142)				\$ 1,449,879	\$ 15,037,142
Equalization Aid	12-495-034-5120-078	7/1/11	6/30/12	14,509,608	\$(1,408,486)			1,408,486						
Special Education Categorical Aid	13-495-034-5120-089	7/1/12	6/30/13	3,654,865				3,302,463	(3,654,865)				352,402	3,654,865
Special Education Categorical Aid	12-495-034-5120-089	7/1/11	6/30/12	3,399,238	(329,973)			329,973						
Categorical Security Aid	13-495-034-5120-084	7/1/12	6/30/13	994,291				898,422	(994,291)				95,869	994,291
Categorical Security Aid	12-495-034-5120-084	7/1/11	6/30/12	967,157	(93,884)			93,884						
Transportation Aid	13-495-034-5120-014	7/1/12	6/30/13	512,716				463,280	(512,716)				49,436	512,716
Extraordinary Special Education Costs Aid	13-100-034-5120-473	7/1/12	6/30/13	648,814					(648,814)	\$ (648,814)			648,814	648,814
Extraordinary Special Education Costs Aid	12-100-034-5120-473	7/1/11	6/30/12	905,096	(905,096)			905,096						
Nonpublic School Transportation Costs	13-495-034-5120-014	7/1/12	6/30/13	101,094					(101,094)	(101,094)			101,094	101,094
Nonpublic School Transportation Costs	12-495-034-5120-014	7/1/11	6/30/12	162,168	(162,168)			162,168						
Anti-Bullying Reimbursement	N/A	7/1/11	6/30/12	4,027	(4,027)			4,027						
TPAF Social Security Aid	13-495-034-5095-002	7/1/12	6/30/13	2,858,750				2,716,914	(2,858,750)	(141,836)			141,836	2,858,750
TPAF Social Security Aid	12-495-034-5095-002	7/1/11	6/30/12	2,876,088	(136,991)			136,991						
Total General Fund State Aid					(3,040,625)			24,008,967	(23,807,672)	(891,744)			2,839,330	23,807,672
Special Revenue Fund:														
NJ Nonpublic Aid:														
Textbook Aid (Chapter 194)	13-100-034-5120-064	7/1/12	6/30/13	11,942				11,942	(11,862)				\$ 80	11,862
Textbook Aid (Chapter 194)	12-100-034-5120-064	7/1/11	6/30/12	11,927		\$ 343				\$ (343)				
Nursing Services (Chapter 226)	13-100-034-5120-070	7/1/12	6/30/13	16,574				16,574	(16,574)					16,574
Auxiliary Services (Chapter 192):														
Compensatory Education	13-100-034-5120-067	7/1/12	6/30/13	44,312				44,312	(32,691)				11,621	32,691
Compensatory Education	12-100-034-5120-067	7/1/11	6/30/12	49,874		30,093				(30,093)				
Transportation	12-100-034-5120-068	7/1/11	6/30/12	21,332		21,332				(21,332)				
Handicapped Services (Chapter 193):														
Supplementary Instruction	13-100-034-5120-066	7/1/12	6/30/13	15,264				15,264	(14,432)				832	14,432
Supplementary Instruction	12-100-034-5120-066	7/1/11	6/30/12	18,240		4,420				(4,420)				
Examination and Classification	13-100-034-5120-066	7/1/12	6/30/13	30,886				30,886	(21,022)				9,864	21,022
Examination and Classification	12-100-034-5120-066	7/1/11	6/30/12	28,817		7,081				(7,081)				
Corrective Speech	13-100-034-5120-066	7/1/12	6/30/13	21,874				21,874	(17,030)				4,844	17,030
Corrective Speech	12-100-034-5120-066	7/1/11	6/30/12	21,168		3,476				(3,476)				
Technology Initiative	13-100-034-5120-373	7/1/12	6/30/13	4,408				4,408	(4,408)					4,408
Personalized Student Learning Plan	N/A	7/1/11	6/30/12	7,500	(280)			280						
Total Special Revenue Fund					(280)	66,745		145,540	(118,019)	(66,745)			27,241	118,019
Debt Service Fund:														
Debt Service Aid Type II	13-100-034-5120-125	7/1/12	6/30/13	216,430				216,430	(216,430)					216,430
Total Debt Service Fund								216,430	(216,430)					216,430

N/A - Not Available/Applicable

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2012			Repayment of Prior Years' Balances	Balance at June 30, 2013			MEMO		
		From	To		Budgetary Unearned Revenue/ (Accounts Receivable)	Due to Grantor	Cash Received		Budgetary Expenditures	GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:														
Enterprise Fund:														
State School Lunch Program	13-100-010-3350-023	7/1/12	6/30/13	\$ 22,341			\$ 21,123	\$ (22,341)		\$ (1,218)		\$ 1,218	\$ 22,341	
State School Lunch Program - Supplemental	13-100-010-3350-023	7/1/12	6/30/13	1,475				(1,475)		(1,475)		1,475	1,475	
State School Lunch Program	12-100-010-3350-023	7/1/11	6/30/12	25,990	\$ (1,521)		1,521							
Total Enterprise Fund					(1,521)		22,644	(23,816)		(2,693)		2,693	23,816	
Schools Development Authority:														
Capital Projects Fund:														
Educational Facilities Construction & Financing Act	SP-201299	7/1/01	6/30/09	18,117,276	(815,369)					(815,369)		815,369	18,117,276	
Total Capital Projects Fund					(815,369)					(815,369)		815,369	18,117,276	
TOTAL STATE AWARDS					\$ (3,857,795)	\$ 66,745	\$ 24,393,581	\$ (24,165,937)	\$ (66,745)	\$ (1,709,806)	\$ -0-	\$ 27,241	\$ 3,657,392	\$ 42,283,213

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards include federal and state awards activity of the Board of Education, Bloomfield Township School District under programs of the federal and state governments for the fiscal year ended June 30, 2013. The information in these schedules are presented in accordance with the Federal Office of Management and Budget (OMB), *Audits of States and Local Governments and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the Food Service Fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements. Such expenditures are recognized following the cost principles contained in federal OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governmental Units*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont' d)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(115,243) for the general fund and \$(7,627) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Additionally, the schedule of expenditures of state awards does not include the on-behalf TPAF Post-Retirement Medical Benefits and Pension Contributions revenue of \$2,753,070 and \$2,434,734, respectively and the Federal schedule of awards includes Hurricane Irene reimbursements of \$59,019 for expenses incurred in the 2011-2012 fiscal year. Awards and financial assistance revenue are reported on the Board's financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 159,896	\$ 28,880,233	\$ 29,040,129
Special Revenue Fund	2,586,367	118,019	2,704,386
Debt Service Fund		216,430	216,430
Food Service Enterprise Fund	1,095,449	23,816	1,119,265
Total Financial Assistance	<u>\$ 3,841,712</u>	<u>\$ 29,238,498</u>	<u>\$ 33,080,210</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

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, 2013. Revenue and expenditures reported under the Federal Food Distribution Program represent current year value received and current year distributions, respectively.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified report on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *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*.
- No instances of noncompliance material to the financial statements of the District, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- Two significant deficiencies in internal control over the District's major federal and state programs disclosed during the audit are reported in the *Independent Auditors' Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance Required by OMB Circular A-133 and New Jersey OMB's Circular 04-04*. No material weaknesses are reported.
- The auditor's report on compliance for its major federal and state award programs for the District expresses a qualified opinion on the District's compliance for the Child Nutrition Cluster major federal program and expresses an unmodified opinion on each of the other major federal and state programs.
- Audit findings that are required to be reported in accordance with Section 510(a) of Federal OMB Circular A-133, *Audits of States, Local Governments and Non-profit Organizations*, or New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are reported in this schedule.
- The District's federal and state programs tested as major for the current fiscal year were the following:

	<u>C.F.D.A. Number/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
I.D.E.A. - Part B, Basic:				
Regular - 2012-13	84.027	9/1/12-8/31/13	\$ 1,434,109	\$ 1,339,762
Preschool - 2012-13	84.173	9/1/12-8/31/13	40,366	39,996
No Child Left Behind:				
Title I	84.010	9/1/12-8/31/13	893,875	682,227
Title I - Summer	84.010	9/1/11-8/31/12	933,852	161,066
Child Nutrition Cluster:				
School Breakfast	10.553	7/1/12-6/30/13	62,669	62,669
National School Lunch	10.555	7/1/12-6/30/13	935,864	935,864
Federal Food Distribution	10.555	7/1/12-6/30/13	96,916	96,916
<u>State:</u>				
Equalization Aid	13-495-034-5120-078	7/1/12-6/30/13	\$ 15,037,142	\$ 15,037,142
Special Education				
Categorical Aid	13-495-034-5120-089	7/1/12-6/30/13	3,654,865	3,654,865
Security Aid	13-495-034-5120-084	7/1/12-6/30/13	994,291	994,291
Extraordinary Special				
Education Costs Aid	13-100-034-5120-473	7/1/12-6/30/13	648,814	648,814

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

Summary of Auditors' Results: (Cont'd)

- The threshold used for distinguishing between Type A and Type B programs was \$300,000 for Federal Programs and \$724,978 for State programs.
- The single audit threshold identified in Federal OMB Circular A-133 and New Jersey OMB's Circular 04-04 was \$500,000.
- The District was not determined to be a "low-risk" auditee.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for State Awards:

Our audit disclosed the following significant deficiency and other matter as detailed below:

Finding 2013-1: State Public Aid

State:

Equalization Aid	13-495-034-5120-078	7/1/12-6/30/13	\$15,037,142	\$15,037,142
Special Education				
Categorical Aid	13-495-034-5120-089	7/1/12-6/30/13	3,654,865	3,654,865
Security Aid	13-495-034-5120-084	7/1/12-6/30/13	994,291	994,291

Criteria:

The District is required to maintain records supporting the counts reported in the annual Application for State School Aid as required by the New Jersey Department of Education Audit Program.

Condition:

Our review of the District's 2013-2014 Application for State School Aid revealed that the District did not maintain the original supporting documentation of the low-income and LEP students who were reported.

Recommendation:

The District maintain the original supporting documentation for the low-income and LEP students reported in the filing of the Application for State School Aid.

Management's Response

The District will implement procedures to ensure that the original supporting documentation is maintained on file for the low-income and LEP students reported in the District's Application for State School Aid.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

Findings and Questioned Costs for Federal Awards: (Cont'd)

Our audit disclosed the following significant deficiency and material noncompliance as detailed below:

Finding 2013-2: U.S. Department of Agriculture – Passed through State Department of Education – Child Nutrition Cluster

<u>Federal:</u>	<u>C.F.D.A. Number/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
Child Nutrition Cluster:				
School Breakfast	10.553	7/1/12-6/30/13	\$ 62,669	\$ 62,669
National School Lunch	10.555	7/1/12-6/30/13	935,864	935,864

Criteria:

Child Nutrition Cluster School Breakfast and National School Lunch Program meal reimbursements are based on the number of free, reduced and paid meals served. Districts are responsible for determining the eligibility of free and reduced meal applications by comparing the data reported as a child's household income with published income eligibility guidelines.

Condition:

Based on our testing, we determined that certain students were incorrectly determined to be eligible for free or reduced meals. Formal procedures are not in place to ensure that income eligibility is correctly determined; that all required information is included on the free and reduced meal applications and that any unclear information noted on the applications is resolved in a timely manner.

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over)/ Underclaim</u>
National School Lunch (Severe Needs Rate)	Paid	132,537	132,537	132,537	0	\$ 0.29	0
	Reduced	46,717	46,717		(46,717)	2.48	\$ (115,858)
	Free - DC	197,820	197,820	197,820 ^	0	2.88	0
	Free - Other	65,265	65,265		(65,265)	2.88	(187,963)
	TOTAL		<u>442,339</u>	<u>442,339</u>	<u>330,357</u>	<u>(111,982)</u>	
National School Lunch	HHFKA:						
	PB Lunch	442,339	442,339	442,339	0	\$ 0.06	0
School Breakfast (Severe Needs Rate)	Paid	6,942	6,942	6,942	0	0.27	0
	Reduced	2,533	2,533		(2,533)	1.55	(3,926)
	Free - DC	23,055	23,055	23,055 ^	0	1.85	0
	Free - Other	7,685	7,685		(7,685)	1.85	(14,217)
	TOTAL		<u>40,215</u>	<u>40,215</u>	<u>29,997</u>	<u>(10,218)</u>	
NET (OVER)/UNDERCLAIM							<u><u>\$ (321,965)</u></u>

^ Free - Direct Certified are not required to complete the application process. The District has 1,099 direct certified students. Direct Certified meals were calculated as follows (1099 students x 180 days equals 197,820 or 75% of the free meals served. The same percentage was applied to calculate the direct certified breakfast served.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Findings and Questioned Costs for Federal Awards:

Finding 2013-2: U.S. Department of Agriculture – Passed through State Department of Education – Child Nutrition Cluster (Cont'd)

Recommendation:

It is recommended that the District develop and implement formal procedures to ensure that income eligibility is correctly determined, that all required information is included on the free and reduced meal applications and that any unclear information noted on the applications is resolved in a timely manner.

Management's Response:

The District will develop and implement formal procedures to ensure income eligibility is properly determined, that all required information is included on the free and reduced meal applications and that any unclear information on the applications is resolved in a timely manner.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Status of Prior Year Findings:

The prior year findings with regard to capital assets and the Education Jobs Fund grant were resolved during the current year. The prior year recommendation with regard to State Public Aid was partially resolved for supporting documentation for on-roll, private schools for the disabled and students reported as transported on the District Report of Transported Resident Students.

The unresolved portion of the prior year recommendation with regard to State Public Aid supporting documentation for low-income and LEP students and the unresolved prior year recommendation with regard to the Child Nutrition Cluster are included as current year findings 2013-1 and 2013-2, respectively.