

**BOARD OF EDUCATION
OF THE
TOWNSHIP OF WASHINGTON
SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2013**

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INTRODUCTORY SECTION

**Washington
Township
Public
Schools**



Central Administrative Offices

206 East Holly Avenue • Sewell, New Jersey 08080

(856) 589-6644 • FAX (856) 256-8931

November 13, 2013

Honorable President Snyder and
Members of the Board of Education
Washington Township School District
County of Gloucester, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Washington Township School District (District) for the fiscal year ended June 30, 2013, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report and the required supplementary information in compliance with Governmental Accounting Standards Board Statement 34 "*Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments.*" The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Governments and Non-Profit Organizations", and the state Treasury Circular Letter 98-07 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: Washington Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Washington Township Board of Education and all its schools constitute the District's reporting entity.

The mission of the Washington Township Public Schools is to provide a safe educational environment for all students to attain the skills and knowledge specified in the New Jersey Core Curriculum Content Standards at all grade levels so as to ensure their full participation in our global society as responsible, self-directed, and civic-minded citizens.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These services include regular and vocational, as well as special education for gifted and handicapped youngsters. The following details the changes in the student enrollment within the District over the last five years.

AVERAGE DAILY ENROLLMENT

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2012-2013	7,797	(3.64%)
2011-2012	8,081	(2.20%)
2010-2011	8,293	(2.81%)
2009-2010	8,502	(1.49%)
2008-2009	8,631	(2.52%)

2) ECONOMIC CONDITION AND OUTLOOK:

Washington Township, Gloucester County, New Jersey, is a community comprised of predominately single-family residences (80% of the tax base). Our community, like most communities across the nation, is feeling the effects of the current economic recession. The community is extremely supportive of the educational system as evident in its active participation in the educational process. The District has been fiscally responsible in light of the economic hardships endured by the community and continues to bring their budget in under the mandated tax levy cap. Although the State of New Jersey and all the governmental entities received a downgrade in their bonding rating in 2011; Washington Township Board of Education received an AA rating from Standard and Poor when they went out to refinance sections of their bonds in 2012, evidencing the financial stability of the school district.

Enrollments for regular education students for the Washington Township School District have been declining since the 2001-2002 school year; however, enrollments for special needs students have been increasing. This has resulted in a reduction in staff along with a change in the classification of staff from regular education to special education. The District is in the process of studying the possibility of redistricting (reassigning home schools for students) for the 2014-15 school year.

Although the economic times have been challenging, the Washington Township School District has maintained its high standards and rigorous curriculum, continuing its tradition of being an award-winning school district which is the foremost reason why most residents have chosen to reside here. As a matter of fact, in 2012, Philly Magazine ranked Washington Township High School as one of the top 100 schools in the Philadelphia region.

3) MAJOR INITIATIVES

A. Accomplishments during the 2012-2013 school year were as follows:

- Continued refinement of the K-8 *Language Arts Literacy* curriculum. At the elementary school level, this included ongoing professional development in all aspects of balanced literacy with a special emphasis on comprehension strategies, guided reading, writers' workshop, and ongoing alignment of curriculum with the Common Core State Standards to include instructional shifts in the text analysis using complex text.
- Implementation of a new Language Arts/English curriculum/courses of study for Grades 9-12 including purchase of new texts, instructional materials, and technology-related equipment.
- Development of a new K-5 mathematics curriculum to ensure alignment with the Common Core State Standards for Mathematics.
- Implementation and refinement of computer education instructional programming for Grades 1 and 2.
- Implementation of a new K-12 Health Education curriculum and development of a K-12 Physical Education curriculum aligned with 2009 NJCCCS, the Common Core State Standards, and designed to address other health-related mandates specified in Code.
- Implementation of a new 6-8 Social Studies curriculum aligned with the 2009 NJCCCS and Common Core State Standards including the acquisition/purchase of new related instructional materials, as well as the development of a new Grades 9-12 Social Studies curriculum including all required core courses and elective courses.
- Continued implementation of the STAR Computerized Testing System in Grades K-5 and expanded implementation into Grade 6 and for at-risk students in Grades 7 and 8, so as to determine and support student needs, recommend specific targeted interventions, and assess and monitor student progress in reading and mathematics.
- Continued implementation of our K-12 continuum of instructional activities and/or courses of study designed to ensure student acquisition of the knowledge and skills specified in Standards 9.1 and 9.2 as they relate to personal financial literacy including the second year implementation of a high school 2.5 credit online high school course option for *Financial Literacy and Personal Finance*.
- Ongoing development, refinement, and implementation of benchmark assessments in all content areas.

- Ongoing alignment of all courses of study with the 2009 NJCCCS, the Common Core State Standards for Math and ELA, Spring 2012 State testing results, new increasingly-rigorous State testing specifications, and Biology Competency test results and requirements.
- Ongoing implementation and compliance with the provisions of *No Child Left Behind* Legislation, as well as implementation of initial aspects of professional development relating to the ESEA Waiver, EE4NJ, and Race to the Top Grant initiatives with special focus on annual measurable objectives (progress targets) for state testing results as well as student attainment of the state established benchmarks relating to student progress, SATs, Advanced Placement Testing, graduation statistics, etc.
- *Evening programs* including: *Family Literacy, Family Math, Parenting Young Children Course* and *ESL Parent Workshops*, as well as Literacy and Mathematics Workshops at the Early Childhood Center for parents.
- Implementation of additional time programs including: *Get SET, Good Morning Math, Working Writers, Page Turners, Friends Helping Friends, Summer Intervention/ Extended School Year Program, Summer Early Intervention Program, Teaching WELL (for ESL students), Summer Transition Programs (5th to 6th Grade), Supplemental Instructional Services (Grades 6, 7, 8), NJASK Academy, NJASK Summer Academy, NJASK Saturday Sessions, 10th Grade and 11th Grade HSPA Academies, 10th and 11th Grade Summer HSPA Academy, Summer 11th to 12th Grade HSPA Academy, Freshman Transition Programs*, as well as lunchtime intervention programs in preparation for the Biology Competency Test.
- Ongoing investigation, development, and implementation of a continuum of in-district instructional programs and student support initiatives to meet the unique needs of our special population students so as to reduce the number of students and costs associated with out-of-district placements. This included the implementation of a preschool and an elementary-level intermediate autism program.
- Adoption and preparation for implementation of a new teacher and principal evaluation framework and evaluation system pursuant to EE4NJ/ACHIEVE NJ mandates, which included extensive multi-day training sessions for administrative staff, teaching staff and non-classroom certificated educational support personnel.
- Ongoing implementation of the Anti-Bullying Bill of Rights legislation in all schools.
- Ongoing implementation and integration of instructional software and/or web-based programs designed to enhance instructional activities, improve student skill levels, and provide a means for student self-tutoring and/or ancillary instruction including, for example, Scholastic READ 180, Destiny library

automation and integration management software, and the Study Island program, along with professional development for 30-member cohort teacher teams at the elementary, middle and high school level by Dell technology professionals to support the implementation of Web 2.0 tools and other applications to further student acquisition of 21st Century skills.

- Purchase of a limited number of additional notebook carts and notebook computers to provide increased kindergarten, elementary, middle, and high school student access to computers for use in the classroom.
- Ongoing refinement and implementation of professional development opportunities for staff with a focus on implementation of *Professional Learning Communities (PLCs)* “in accordance with state mandates”, student needs, and the ongoing implementation of a mentoring plan for novice teachers.
- Professional development relating to the Wilson Reading System to ensure a broader knowledge base among elementary staff members of this specific literacy methodology to assist struggling readers.
- Ongoing professional development opportunities to meet state standards, fulfill the 100-hour mandate, enhance the quality of pedagogy, and increase student achievement (K-12).

B. Ongoing and Future Projects:

The district is committed to the implementation of the Core Curriculum Content Standards that have been mandated by the State of New Jersey for all public schools. As such, the district is engaged in the following:

- Implementation of a new Grades K-5 Mathematics curriculum and the development of a new comprehensive, articulated 6-8 Mathematics curriculum aligned with the 2010 Common Core Standards and PARCC specifications including all planning necessary for the purchase and implementation of new essential instructional mathematics materials.
- Ongoing refinement and alignment of the high school mathematics curriculum to optimize student achievement and promote alignment with HSPA test specifications for the current year and with PARCC specifications as they relate to the new Common Core Standards for Mathematics.
- Implementation of a new K-12 comprehensive Physical Education curriculum aligned with the 2009 NJCCCS and relevant Common Core State Standards including plans for the acquisition/purchase of new related instructional materials.
- Implementation of Advanced Placement (AP) courses for AP Physics B and Environmental Science.
- Ongoing refinement and alignment of recently implemented Grades K-12 Language Arts Literacy curriculum/courses of study with the Common Core ELA Standards and additional guidelines and specifications relating to future

PARCC assessments, so as to ensure students' optimal skill acquisition and achievement.

- Implementation of a new English as a Second Language (ESL) curriculum/courses of study for Grades K-12 including content, materials, and resources aligned with CCSS and standards for English Language learners.
- Implementation of a new Social Studies curriculum/courses of study for Grades 9-12 including new textbooks and instructional materials.
- Development of a new Computer Education (Grades K-8) and Business Education curriculum (Grades 9-12) including plans for the acquisition/purchase of new related instructional materials.
- Development of new Visual and Performing Arts curriculum/courses of study for Grades K-12 including plans for the purchase of new related instructional materials and technology resources.
- Development of new curriculum and courses of study for our K-12 Gifted and Talented Program including focus on ELA CCSS and enhanced technology integration.
- Ongoing implementation and refinement of benchmark assessments in all content areas.
- Expanded implementation of the online STAR Computerized Testing System/Accelerated Reader program in all middle schools for students in Grades 7 and 8 with consideration of possible future expansion into the high school.
- Ongoing alignment of curriculum/courses of study with 2009 NJCCCS and Common Core Standards for Mathematics and English Language Arts, new PARCC testing specifications, and instructional/ programmatic needs as indicated through analysis of assessment results.
- Development of new Guidance/Guidance Services curriculum for Grades K-12 including purchase of new support materials and resources, as necessary.
- Refinement of our district's specialized self-contained programs for students diagnosed on the autism spectrum including our Pre-K and Kindergarten Autism Program, Primary Level Autism Program, Intermediate Level Autism Program, and Middle School Autism Program.
- Ongoing development and implementation of a continuum of instructional programs and student support initiatives to meet the unique needs of our special population students and to support the implementation of in-district specialized programs for certain students currently placed in out-of-district settings.

- Investigation into and adoption of K-12 anti-bullying instructional and support programs as well as ongoing refinement of anti-bullying intervention and prevention protocols.
- Continued focus on ensuring optimal student growth for all students while giving special attention to the needs of at-risk learners along with investigation into instructional methodologies and programmatic enhancements to meet their needs. This will include ongoing emphasis and refinement of our K-12 *Response to Intervention* (RTI) programming.
- Ongoing investigation into effective technology hardware and software tools and resources to differentiate instruction to support student achievement and to ensure that all students can demonstrate the skills, comfort levels, and adaptability essential for the successful use of technology in the classroom, on state and local assessments, and in preparation for college and careers.
- Refinement of curriculum and instruction to optimize student preparation for, and achievement on, the high school Biology Competency Test.
- Ongoing focus and, where necessary, professional development to increase staff and student use of, and familiarity with, open-ended questions and various essay types in English/Language Arts.
- Ongoing professional development to ensure optimal use and integration of available and emerging technology resources. Professional development to support the implementation of Web 2.0 tools and other applications to further student acquisition of 21st century skills.
- Professional development to enhance and support the integration of professional learning communities (PLCs) throughout all district schools as an essential aspect of professional growth and as integral foundations for optimizing student achievement and quality instruction.
- Professional development to ensure the successful adoption and implementation of our new teacher and principal evaluation systems (ACHIEVE NJ) with acquisition of and training related to any software and/or hardware essential to meet state guidelines and requirements as part of this initiative.

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally-accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognized that:

(1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality.

Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either cancelled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations 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 Account Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

7) FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. Please see Management's Discussion and analysis for summary schedules.

8) DEBT ADMINISTRATION: At June 30, 2013, the District's outstanding debt issues included \$30,884,654.38 of general obligation bonds.

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

10) RISK MANAGEMENT: The Board carried 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.

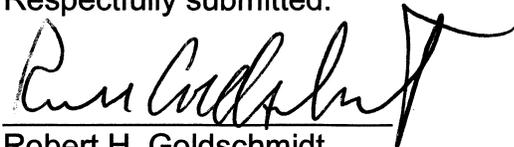
11) OTHER INFORMATION:

Independent Audit – State statutes require an annual audit by independent certified public accountants. The accounting firm of Bowman and Company LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 98-07 OMB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

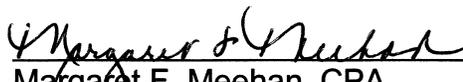
12) ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Washington Township School Board 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:



Robert H. Goldschmidt
Superintendent

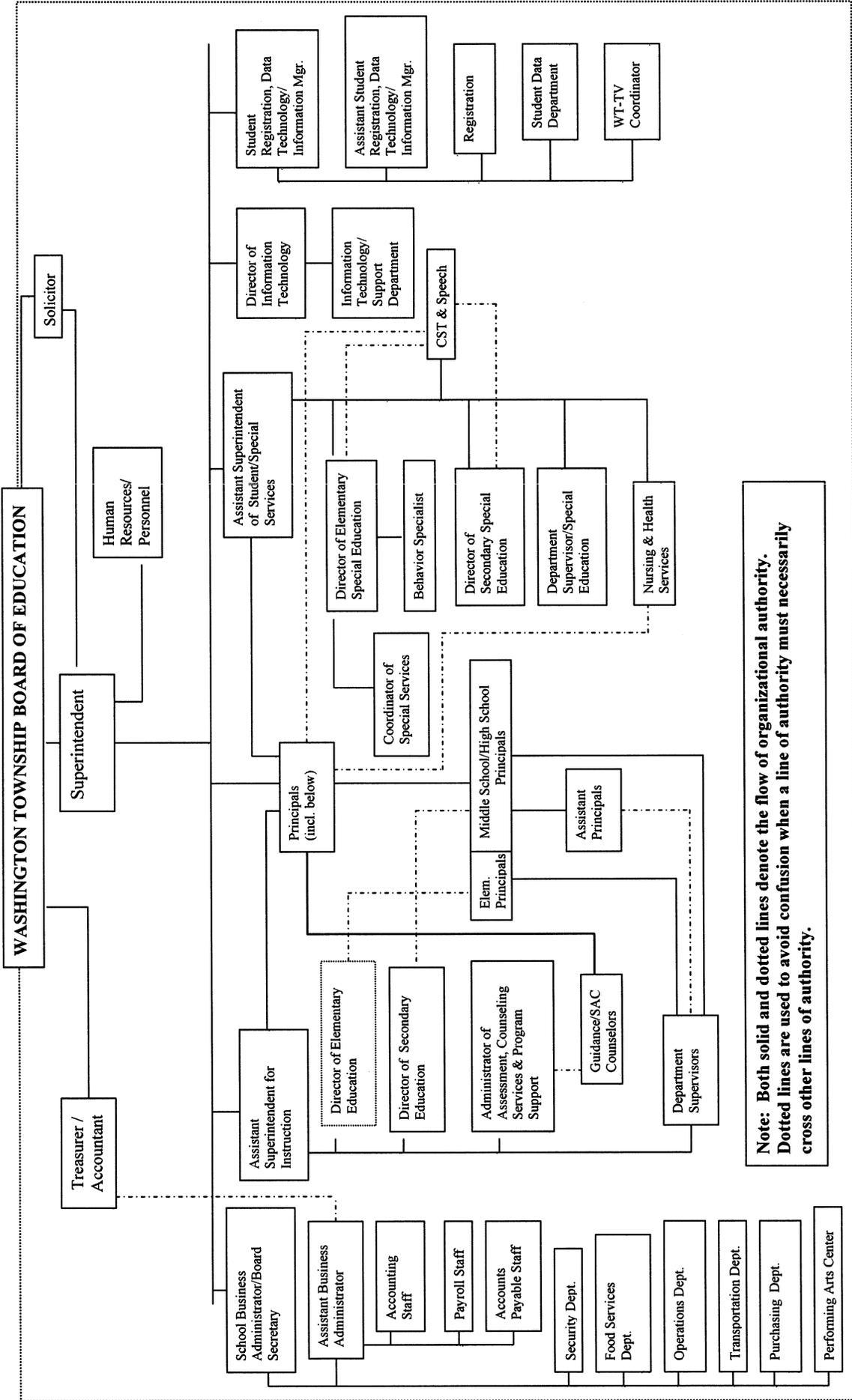


Margaret F. Meehan, CPA
School Business Administrator/
Board Secretary



Harold J. Finkle, CPA
Assistant School Business Administrator

ORGANIZATIONAL CHART



Note: Both solid and dotted lines denote the flow of organizational authority. Dotted lines are used to avoid confusion when a line of authority must necessarily cross other lines of authority.

**BOARD OF EDUCATION
OF THE
TOWNSHIP OF WASHINGTON
SEWELL, NEW JERSEY**

**ROSTER OF OFFICIALS
June 30, 2013**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Kurt Snyder, President	2016
Joshua Aronovitch, Vice President	2015
Robert Abbott	2016
Carol Chila	2014
James F. Murphy	2014
Virginia Murphy	2015
Chester Nawoyski	2015
Megan Watson	2014
Candice Zachowski	2016

Other Officials

Robert H. Goldschmidt, Superintendent

Margaret F. Meehan, CPA, School Business
Administrator/Board Secretary

John B. Comegno II, Esq., Solicitor

**BOARD OF EDUCATION
OF THE
TOWNSHIP OF WASHINGTON**

Consultants and Advisors

Engineer

Remington and Vernick
232 Kings Highway East
Haddonfield, NJ 08033

Audit Firm

Bowman & Company LLP
601 White Horse Road
Voorhees, NJ 08043-2492

Attorney

Capehart & Scatchard
Laurel Corporate Center
8000 Midlantic Drive, Suite 300 South
Mount Laurel, NJ 08054

Comegno Law Group
521 Pleasant Valley Avenue
Moorestown, NJ 08057

Official Depository

Colonial Bank FSB
2745 S. Delsea Drive
Vineland, NJ 08360

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Washington School District
County of Gloucester, 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 Township of Washington School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School 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.

Auditor's 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 in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 School 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 School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles 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.

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 Township of Washington School District in the County of Gloucester, State of New Jersey, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2013, the School District adopted the following new accounting standards issued by the Governmental Accounting Standards Board (GASB): *Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and *Statement No. 65, Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Washington School District's basic financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relates 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 accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section listed in the table of contents have 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 them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 13, 2013 on our consideration of the Township of Washington School 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 Township of Washington School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Todd R. Saler
Certified Public Accountant
Public School Accountant No. CS 02195

Voorhees, New Jersey
November 13, 2013

**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 AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Washington School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2012, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 13, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township of Washington School 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Washington School 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance that we consider to be significant deficiencies in internal control over financial reporting as finding nos.: 2013-1 & 2013-2.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Washington School District's financial statements are free from 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey and which are described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance as findings nos.: 2013-1 & 2013-2.

The Township of Washington School District's Response to Findings

The Township of Washington School District's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Bowman: Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Todd R. Saler

Todd R. Saler
Certified Public Accountant
Public School Accountant No. CS 02195

Voorhees, New Jersey
November 13, 2013

REQUIRED SUPPLEMENTARY INFORMATION
PART I

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Unaudited)

The discussion and analysis of WASHINGTON TOWNSHIP School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2013 are as follows:

- In total, Net Position increased \$5,742,060 primarily due to accumulation of fund balance to be included in the subsequent years' budget.
- General revenues accounted for \$131,578,273 in revenue or 88% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$18,548,856 or 12% of total revenues of \$150,127,129.
- Total assets of governmental activities increased by \$5,650,814 primarily due to the accumulation of cash from the nonpayment of accruals and payables; principally resulting from unsettled contracts.
- The School District had \$144,385,069 in expenses; \$18,548,856 of these expenses were offset by program-specific charges for services, grants or contributions.
- Among major funds, the General Fund had \$138,901,305 in revenues, \$136,061,318 in expenditures, and \$569,874 in other financing uses. The General Fund's balance increased \$2.3 million from 2012. This increase was anticipated by the Board of Education. The School District appropriated \$8.1 million into the original General Fund budget as tax relief for 2013-2014.

Overview of the Financial Statements

The financial section of this annual report consists of two parts: Part I, management's discussion and analysis (this section), the basic financial statements with the accompanying note disclosures; and Part II, budgetary comparison schedules, notes to the required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the School District:

- The first two statements, Exhibits A-1 and A-2, are government-wide financial statements that provide both long-term and short-term information about the School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the School District's operations in more detail than the government-wide statements.

The governmental fund statements tell how general government services were financed in the short-term as well as what remains for future spending.

Proprietary fund statements offer short-term and long-term financial information about those types of activities that operate like a business.

Fiduciary fund statements provide information about the financial relationships in which the School District acts as a trustee or agent for the benefit of others to whom the resources belong.

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Unaudited-Cont'd)

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The statements are followed by another section, Part II, which contains required supplementary information that further explains and supports the information in the financial statements including budget schedules, reconciliations, and individual fund statements.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities include all assets, deferred outflows of resources and liabilities of the School District using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors--some financial and some not. Non-financial factors include the School District's facility condition, required educational programs, and other factors.

In the Statement of Net Position and the Statement of Activities, the School District reports governmental and business-type activities. Governmental activities are the activities where most of the School District's programs and services are reported, including but not limited to instruction, support services, operation and maintenance of plant, pupil transportation, and special schools.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The Fund financial reports provide detailed information about the School District's major funds. The School District uses several funds to account for a variety of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, the Special Revenue Fund, Debt Service, and the Capital Projects Fund; the School District has no Permanent Fund.

Governmental Funds

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

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Unaudited-Cont'd)

The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's Net Position for 2013 and 2012.

	TABLE 1	
	Net Position	
	<u>2012-2013</u>	<u>2011-2012</u>
Assets		
Current and Other Assets	\$ 33,380,084	\$ 26,010,458
Capital Assets	<u>87,741,309</u>	<u>89,472,416</u>
Total Assets	<u>\$121,121,393</u>	<u>\$115,482,874</u>
Deferred Outflow of Resources		
Deferred Loss on Defeasance of Debt	<u>\$ 1,189,357</u>	<u>\$ 1,039,635</u>
Liabilities		
Current Liabilities	\$ 14,971,553	\$ 9,872,590
Non- Current Liabilities	<u>34,522,890</u>	<u>39,575,672</u>
Total Liabilities	<u>\$ 49,494,443</u>	<u>\$ 49,448,262</u>
Net Position		
Net Investment in Capital Assets	\$ 62,457,077	\$ 60,611,545
Restricted for:		
Capital Projects	2,523,245	2,543,852
Other Purposes	8,003,783	5,478,907
Unrestricted	<u>(167,798)</u>	<u>(1,560,057)</u>
Total Net Position	<u>\$ 72,816,307</u>	<u>\$ 67,074,247</u>

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Unaudited-Cont'd)

Table 2 shows a summary of changes in net position for Fiscal Year 2013.

TABLE 2

Changes in Net Position

	<u>2012-2013</u>	<u>2011-2012</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 2,709,220	\$ 2,665,239
Operating Grants and Contributions	15,839,636	14,200,617
General Revenues:		
Property Taxes, Levied for General Purpose, Net	74,973,363	70,578,295
Property Taxes Levied for Debt Service	3,314,529	3,408,971
Federal and State Aid, Restricted	52,220,072	54,633,003
Other	<u>1,070,309</u>	<u>911,948</u>
Total Revenues	<u>\$150,127,129</u>	<u>\$146,398,073</u>
 Program Expenses		
Governmental Activities:		
Instruction	\$ 56,783,522	\$ 56,225,767
Support Services:		
Tuition	7,238,859	7,004,602
Student Administrative Services	14,698,726	13,962,117
School Administrative Services	6,227,860	6,040,439
General and Business Administrative Services	4,821,197	4,582,912
Plant Operation and Maintenance	10,541,146	10,561,821
Pupil Transportation	5,447,768	5,567,100
Unallocated Benefits	33,208,489	33,431,966
Transfer to Charter School	162,550	74,113
Interest on Long-term Debt	959,295	1,377,368
Other Administrative Services	<u>320,612</u>	<u>40,871</u>
Total Expenses, Governmental Activities	<u>\$140,410,024</u>	<u>\$138,869,076</u>
 Business-Type Activities Expenses:		
Food Service	\$ 3,184,210	\$ 3,371,602
Child Care Program	128,463	96,330
Telecommunications	14,357	13,426
Drivers' Education	59,383	58,205
Center for the Performing Arts	<u>588,632</u>	<u>437,447</u>
Total Expenses, Business-Type Activities	<u>3,975,045</u>	<u>3,977,010</u>
Total Expenses	<u>\$144,385,069</u>	<u>\$142,846,086</u>
Increase (Decrease) in Net Position	<u>\$ 5,742,060</u>	<u>\$ 3,551,987</u>

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Unaudited-Cont'd)

Governmental Activities

Municipal appropriations and state aid made up 99% of revenues for governmental activities for the School District for Fiscal Year 2013.

Instruction comprises 40% of District governmental expenses. Support services expenses make up 59% of the governmental expenses. Interest on Long-Term Debt Service is 1% of the governmental expenses.

The Statement of Activities shows the cost of the governmental activities' program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for Fiscal Year 2013. That is, it identifies the cost of these services supported by general revenues.

TABLE 3

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
<u>Instruction</u>	\$ 56,783,522	\$ 55,073,900
Support Services :		
Tuition	7,238,859	7,238,859
Student and Instruction-Related Services	14,698,726	13,496,651
School Administrative Services	6,227,860	6,227,860
General and Business Administrative Services	4,821,197	4,629,146
Plant Operation and Maintenance	10,541,146	10,541,146
Pupil Transportation	5,447,768	5,447,768
Unallocated Benefits	33,208,489	21,369,028
Transfer to Charter Schools	162,550	162,550
Interest on Long-Term Debt	959,295	671,398
Other Administrative Costs	320,612	320,612
 Total Expenses	 <u>\$140,410,024</u>	 <u>\$125,178,918</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Student and instruction-related services include the activities designed to assess and improve the well being of students and to supplement the teaching process.

Administrative services include expenses associated with establishing and administering policy for the School District and include board of education services and executive administration services.

Operation and maintenance of plant activities involve keeping the school grounds, buildings, and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school activities.

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Unaudited-Cont'd)

Governmental Activities (Cont'd)

Business and other support services include activities for support not classified elsewhere, including support services for business activities and support services for central activities.

Employee benefits includes the cost of benefits for the School District staff for social security, retirement contributions, workers' compensation, health benefits and other employee benefits.

The dependence upon municipal appropriations and state aid is apparent. The local communities and the state are the primary support for the Washington Township School District.

The School District's Funds

The School District's major funds are accounted for using the modified accrual basis of accounting. All Governmental funds had total revenues of \$146,651,897 expenditures of \$144,413,370 and other financing sources of \$81,378. The net change in fund balance for the year in the General Fund had an increase of \$2,319,905.

General Fund Budgeting Highlights

The School District's budget is prepared in accordance with New Jersey law. The most significant budgeted fund is the General Fund.

During the course of the 2013 fiscal year, the School District modified its General Fund budget numerous times.

For the General Fund, the final budget basis revenue estimate was \$133,839,489 compared to the original estimate of \$133,343,218.

During Fiscal Year 2013, the School District budgeted \$74,973,363 and \$50,246,592 for municipal appropriations and state aid revenues, respectively. The School District also received \$3,901,865 in reimbursed TPAF Social Security aid, \$7,937,597 in reimbursed TPAF and post retirement health benefits. This has resulted in favorable revenue variance.

The final budget basis expenditure appropriation estimate was \$133,839,489 compared to the original estimate of \$133,343,218.

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Unaudited-Cont'd)

Capital Assets

At the end of Fiscal Year 2013, the School District had \$89,741,309 invested in land, buildings, furniture and equipment.

Table 4 shows a summary of the fiscal 2013 balances.

TABLE 4

Capital Assets (Net of Depreciation)

	<u>2012-2013</u>	<u>2011-2012</u>
Land	\$ 5,590,700	\$ 5,590,700
Land Improvements	2,218,031	1,852,385
Construction in Progress	1,117,769	391,769
Buildings and Improvements	75,759,285	78,962,497
Furniture and Equipment	<u>3,055,524</u>	<u>2,675,065</u>
Totals	<u>\$87,741,309</u>	<u>\$89,472,416</u>

Overall capital assets decreased \$1,731,107 from Fiscal Year 2012 to Fiscal Year 2013.

Debt Administration

The School District receives state aid and municipal tax levy funds for the payment of debt.

Current Financial Issues and Concerns

The School District has a long record of financial stability. Despite unpredictable funding from the State of New Jersey, the district manages to provide an excellent educational opportunity for all the School District students. This has been accomplished through increases in the local tax levy. The School District's General Fund budget has grown steadily over the past five years. This has resulted primarily from the increase in fixed costs such as labor, employee benefits, utilities, diesel fuel, and out-of-district tuition.

Contacting the School District's Financial Management

These financial reports are designed to provide our citizens, taxpayers, and creditors with a general overview of the School District's finances and to show the accountability for money received from the state and local government. If you have questions about this report or need additional information, contact Margaret F. Meehan, Secretary to the Board of Education and School Business Administrator at: WASHINGTON TOWNSHIP BOARD OF EDUCATION, 206 East Holly Avenue, Sewell, New Jersey 08080.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Statement of Net Position
June 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 22,539,352.55	\$ 1,645,663.38	\$ 24,185,015.93
Receivables, net (Note 4)	4,587,733.24	178,477.70	4,766,210.94
Interfund Accounts Receivable	75,328.00		75,328.00
Inventory (Note 5)		53,130.81	53,130.81
Restricted Assets:			
Restricted Cash and Cash Equivalents	2,354,994.73		2,354,994.73
Capital Reserve Account - Cash	1,945,403.17		1,945,403.17
Capital Assets, net (Note 8)	87,607,669.55	133,639.63	87,741,309.18
Total Assets	119,110,481.24	2,010,911.52	121,121,392.76
DEFERRED OUTFLOW OF RESOURCES:			
Deferred Loss on Defeasance of Debt	1,189,357.01	-	1,189,357.01
LIABILITIES:			
Accounts Payable	4,358,476.30	5,768.85	4,364,245.15
Interfund Accounts Payable	(838,887.70)	838,887.70	
Accrued Salaries and Benefits	8,349,227.77	30,388.35	8,379,616.12
Deposits Payable		8,299.34	8,299.34
Payable to Federal Government	1,742,908.26	2,989.24	1,745,897.50
Payable to State Government	44,443.46		44,443.46
Unearned Revenue	72,937.73	64,284.61	137,222.34
Accrued Interest on Bonds	291,829.32		291,829.32
Noncurrent Liabilities (Note 6):			
Due within One Year	4,380,873.78	891.31	4,381,765.09
Due beyond One Year	29,967,858.57	173,265.80	30,141,124.37
Total Liabilities	48,369,667.50	1,124,775.20	49,494,442.70
NET POSITION:			
Net Investment in Capital Assets	62,323,437.51	133,639.63	62,457,077.14
Restricted for:			
Capital Projects	2,523,244.91		2,523,244.91
Other Purposes	8,003,783.37		8,003,783.37
Unrestricted	(920,295.05)	752,496.69	(167,798.36)
Total Net Position	\$ 71,930,170.75	\$ 886,136.32	\$ 72,816,307.07

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2013

Functions / Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 42,050,376.89		\$ 1,709,622.26		\$ (40,340,754.63)		\$ (40,340,754.63)
Special Education	10,493,192.58				(10,493,192.58)		(10,493,192.58)
Other Special Instruction	2,547,793.39				(2,547,793.39)		(2,547,793.39)
Other Instruction	1,692,158.85				(1,692,158.85)		(1,692,158.85)
Support Services:							
Tuition	7,238,858.59				(7,238,858.59)		(7,238,858.59)
Student and Instruction Related Services	14,698,725.64		1,202,074.89		(13,496,650.75)		(13,496,650.75)
School Administrative Services	6,227,860.46				(6,227,860.46)		(6,227,860.46)
General and Business Administrative Services	4,821,196.56	\$ 192,050.20			(4,629,146.36)		(4,629,146.36)
Plant Operations and Maintenance	10,541,146.01				(10,541,146.01)		(10,541,146.01)
Pupil Transportation	5,447,768.18				(5,447,768.18)		(5,447,768.18)
Unallocated Benefits	33,208,489.44		11,839,461.57		(21,369,027.87)		(21,369,027.87)
Transfer to Charter School	162,550.00				(162,550.00)		(162,550.00)
Interest on Long-Term Debt	959,295.12		287,897.15		(671,397.98)		(671,397.98)
Other Administrative Services	320,612.43				(320,612.43)		(320,612.43)
Total Governmental Activities	140,410,024.14	192,050.20	15,039,055.87	-	(125,178,918.08)	-	(125,178,918.08)
Business-Type Activities:							
Food Service	3,184,209.69	1,625,864.21	800,580.21			\$ (757,765.27)	(757,765.27)
Child Care Program	128,462.66	163,562.08				35,099.42	35,099.42
Telecommunications	14,357.32	16,950.00				2,592.68	2,592.68
Center for the Performing Arts	588,632.41	641,805.17				53,172.76	53,172.76
Drivers Education	59,382.63	68,988.00				9,605.37	9,605.37
Total Business-Type Activities	3,975,044.71	2,517,169.46	800,580.21	-	-	(657,295.04)	(657,295.04)
Total Primary Government	\$ 144,385,068.85	\$ 2,709,219.66	\$ 15,839,636.08	\$ -	(125,178,918.08)	(657,295.04)	(125,836,213.12)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					74,973,363.00		74,973,363.00
Taxes Levied for Debt Service					3,314,529.00		3,314,529.00
Federal and State Aid not Restricted					52,220,072.16		52,220,072.16
Investment Earnings					254,184.63	10,391.35	264,575.98
Miscellaneous Income					850,693.63		850,693.63
Refund of Prior Year Revenue					(971.69)		(971.69)
Accounts Receivable Canceled					(26,790.69)		(26,790.69)
Accounts Payable Canceled					29,840.26		29,840.26
Special Items:					(47,038.39)		(47,038.39)
Disposal of Assets					(738,149.39)	738,149.39	-
Transfers							
Total General Revenues, Special Items, Extraordinary Items and Transfers					130,829,732.52	748,540.74	131,578,273.26
Change in Net Position					5,650,814.45	91,245.70	5,742,060.15
Net Position -- July 1					66,279,356.30	794,890.62	67,074,246.92
Net Position -- June 30					\$ 71,930,170.75	\$ 886,136.32	\$ 72,816,307.07

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

FUND FINANCIAL STATEMENTS

TOWNSHIP OF WASHINGTON 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	\$ 22,473,663.97	\$ 736,051.57	\$ 1,517,719.25	\$ 101,223.91	\$ 24,828,658.70
Interfund Accounts Receivable	4,983,399.07				4,983,399.07
Receivables from Other Governments	1,783,452.24	803,901.00	1,867,630.74		4,454,983.98
Other Accounts Receivable	129,074.08	3,675.18			132,749.26
Restricted Cash and Cash Equivalents	1,945,403.17				1,945,403.17
Total Assets	\$ 31,314,992.53	\$ 1,543,627.75	\$ 3,385,349.99	\$ 101,223.91	\$ 36,345,194.18
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 4,133,145.95	\$ 177,630.35	\$ 47,700.00		\$ 4,358,476.30
Accrued Salaries and Benefits	8,312,410.68	34,933.40			8,347,344.08
Interfund Accounts Payable		1,264,513.69	2,740,864.79		4,005,378.48
Other Current Liabilities	1,742,908.26				1,742,908.26
Payable to State Government		25,500.00	18,943.46		44,443.46
Unearned Revenue	31,887.42	41,050.31			72,937.73
Total Liabilities	14,220,352.31	1,543,627.75	2,807,508.25	-	18,571,488.31
Fund Balances:					
Restricted:					
Capital Projects			577,841.74		577,841.74
Debt Service				101,223.91	101,223.91
Capital Reserve Account	1,945,403.17				1,945,403.17
Excess Surplus--Current Year	2,141,858.37				2,141,858.37
Excess Surplus--Designated for Subsequent Year's Expenditures	5,860,575.00				5,860,575.00
Legal Reserve--50% School Bus Advertising Revenue; Offset to Fuel Costs	1,350.00				1,350.00

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2013

LIABILITIES AND FUND BALANCES (CONT'D):

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Fund Balances (Continued):					
Assigned:					
Other Purposes	\$ 1,989,913.78				\$ 1,989,913.78
Designated for Subsequent Year's Expenditures	2,276,202.00				2,276,202.00
Unassigned	2,879,337.90				2,879,337.90
Total Fund Balances	17,094,640.22	-	577,841.74	101,223.91	17,773,705.87
Total Liabilities and Fund Balances	\$ 31,314,992.53	\$ 1,543,627.75	\$ 3,385,349.99	\$ 101,223.91	(291,829.32)
<p>Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:</p>					
<p>Interest on long-term debt in the statement of activities is accrued, regardless of when due.</p>					
<p>Deferred loss on defeasance of debt is a consumption of net position that is applicable to a future reporting period and therefore is not reported in the funds.</p>					
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$152,590,868.38 and the accumulated depreciation is \$64,983,198.83.</p>					
<p>Long-term liabilities, including bonds and compensated absences payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.</p>					
<p>Net position of governmental activities</p>					
					\$ 71,930,170.75

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Statement of Revenues, 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 Tax Levy	\$ 74,973,363.00			\$ 3,314,529.00	\$ 78,287,892.00
Tuition	467,357.94				467,357.94
Miscellaneous	589,044.60	\$ 30,102.43	\$ 11,977.16	6,394.68	637,518.87
State Sources	62,637,596.19	99,143.14		1,429,984.00	64,166,723.33
Federal Sources	233,943.31	2,858,461.39			3,092,404.70
Total Revenues	138,901,305.04	2,987,706.96	11,977.16	4,750,907.68	146,651,896.84
EXPENDITURES:					
Current:					
Regular Instruction	39,320,210.52	1,709,622.26			41,029,832.78
Special Education Instruction	10,265,063.86				10,265,063.86
Other Special Instruction	2,547,793.39				2,547,793.39
Other Instruction	1,692,158.85				1,692,158.85
Support Services and Undistributed Costs:					
Tuition	7,238,858.59				7,238,858.59
Student and Instruction Related Services	13,445,194.34	1,202,074.89			14,647,269.23
School Administrative Services	6,227,860.46				6,227,860.46
Other Administrative Services	3,754,890.66				3,754,890.66
Plant Operations and Maintenance	9,251,479.89				9,251,479.89
Pupil Transportation	5,171,664.45				5,171,664.45
Unallocated Benefits	34,824,514.02				34,824,514.02
Transfer to Charter Schools	162,550.00				162,550.00
Debt Service:					
Principal				3,720,000.00	3,720,000.00
Interest and Other Charges				937,737.25	937,737.25
Capital Outlay	2,159,079.30	76,009.81	706,607.74		2,941,696.85
Total Expenditures	136,061,318.33	2,987,706.96	706,607.74	4,657,737.25	144,413,370.28
Excess (Deficiency) of Revenues over Expenditures	2,839,986.71	-	(694,630.58)	93,170.43	2,238,526.56

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Statement of Revenues, 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
OTHER FINANCING SOURCES (USES):					
Capital Leases (Non-Budgeted)	\$ 817,450.00				\$ 817,450.00
Accounts Receivable Canceled			(26,790.69)		(26,790.69)
Accounts Payable Canceled	29,840.26				29,840.26
Refund of Prior Year Revenue	(971.69)				(971.69)
Proceeds of Refunding Bonds				9,095,000.00	9,095,000.00
Premium on Refunding Bonds				435,264.50	435,264.50
Payment to Refunded Bond Escrow Account	34,957.30			(9,438,031.42)	(9,438,031.42)
Costs of Issuance--Refunding Bonds	(1,451,149.39)			(92,233.08)	(92,233.08)
Operating Transfers In			713,000.00		713,000.00
Operating Transfers Out			(34,957.30)		(34,957.30)
	(569,873.52)	-	651,252.01	-	81,378.49
Total Other Financing Sources and Uses					
Net Change in Fund Balances	2,270,113.19	-	(43,378.57)	93,170.43	2,319,905.05
Fund Balance -- July 1	14,824,527.03	-	621,220.31	8,053.48	15,453,800.82
Fund Balance -- June 30	\$ 17,094,640.22	\$ -	\$ 577,841.74	\$ 101,223.91	\$ 17,773,705.87

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

TOWNSHIP OF WASHINGTON 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		\$ 2,319,905.05
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation Expense	\$ (4,477,348.53)	
Capital Outlays (Exclusive of SDA Assessment)	2,835,938.30	
		(1,641,410.23)
Repayment of bond 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.		3,720,000.00
Repayment of capital leases 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.		737,193.74
Proceeds from capital lease issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.		(817,450.00)
The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, 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. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(357,000.34)
The net effect of various miscellaneous transactions involving capital assets (i.e., disposals, donations and capital grants) is to decrease net position.		(47,038.39)
Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.		120,590.04
In the statement of activities, certain operating expenses, (e.g., compensated absences) 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). This amount is the net effect of the difference in treatment of compensated absences.		1,616,024.58
Change in Net Position of Governmental Activities		\$ 5,650,814.45

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Statement of Net Position
 Proprietary Funds
 June 30, 2013

	Business-Type Activities - Enterprise Funds					Governmental Activities	
	Food Service	Child Care Program	Tele-Comm	Center for the Performing Arts	Drivers Education		Total Enterprise
ASSETS:							
Current Assets:							
Cash and Cash Equivalents	\$ 1,067,922.24	\$ 189,227.73	\$ 16,599.85	\$ 215,544.55	\$ 156,369.01	\$ 1,645,663.38	\$ 65,688.58
Intergovernmental/Accounts Receivable:							
State	5,061.94					5,061.94	
Federal	128,523.64					128,523.64	
Other Accounts Receivable	6,616.82		2,555.00	35,720.30		44,892.12	432.25
Interfund Accounts Receivable				617.19		617.19	
Inventories	53,130.81					53,130.81	
Total Current Assets	1,261,255.45	189,227.73	19,154.85	251,882.04	156,369.01	1,877,889.08	66,120.83
Noncurrent Assets:							
Furniture, Machinery and Equipment	1,175,520.74	5,993.91		78,437.17	43,752.00	1,303,703.82	
Less Accumulated Depreciation	(1,099,491.03)	(3,096.85)		(46,694.11)	(20,782.20)	(1,170,064.19)	
Total Noncurrent Assets	76,029.71	2,897.06	-	31,743.06	22,969.80	133,639.63	-
Total Assets	1,337,285.16	192,124.79	19,154.85	283,625.10	179,338.81	2,011,528.71	66,120.83
LIABILITIES:							
Current Liabilities:							
Compensated Absences Payable	891.31					891.31	
Accounts Payable	3,394.36	2,262.65		111.84		5,768.85	
Interfund Accounts Payable	538,334.14	41,615.26	6,831.56	252,723.93		839,504.89	64,237.14
Accrued Salaries and Benefits	8,611.85	3,949.27	1,696.63	7,392.66	8,737.94	30,388.35	1,883.69
Deposits Payable	2,989.24			8,074.34	225.00	8,299.34	
Payable to Federal Government	64,284.61					2,989.24	
Unearned Revenue						64,284.61	
Total Current Liabilities	618,505.51	47,827.18	8,528.19	268,302.77	8,962.94	952,126.59	66,120.83
Noncurrent Liabilities:							
Compensated Absences Payable	168,774.47			4,491.33		173,265.80	
Total Liabilities	787,279.98	47,827.18	8,528.19	272,794.10	8,962.94	1,125,392.39	66,120.83
NET POSITION:							
Net Investment in Capital Assets Unrestricted	76,029.71	2,897.06		31,743.06	22,969.80	133,639.63	
	473,975.47	141,400.55	10,626.66	(20,912.06)	147,406.07	752,496.69	
Total Net Position	\$ 550,005.18	\$ 144,297.61	\$ 10,626.66	\$ 10,831.00	\$ 170,375.87	\$ 886,136.32	\$ -

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Statement of Revenues, Expenses and Changes in Fund Net Position
 Proprietary Funds
 For the Fiscal Year Ended June 30, 2013

	Business-Type Activities - Enterprise Funds					Governmental Activities	
	Food Service	Child Care Program	Tele-Comm	Center for the Performing Arts	Drivers Education		Total Enterprise
OPERATING REVENUES:							
Charges for Services:							
Daily Sales - Reimbursable Programs	\$ 981,284.73					\$ 981,284.73	
Daily Sales - Non-Reimbursable Programs	589,646.75		\$ 16,950.00			589,646.75	
Other Activity Income				\$ 419,529.96		16,950.00	
Admissions						419,529.96	
Special Functions	46,155.33	\$ 163,562.08				46,155.33	
Tuition				199,310.00		199,310.00	
Rentals				22,965.21		22,965.21	
Registration					\$ 68,988.00		
Miscellaneous	8,777.40					8,777.40	
Services Provided to Other Funds							\$ 192,050.20
Total Operating Revenues	1,625,864.21	163,562.08	16,950.00	641,805.17	68,988.00	2,517,169.46	192,050.20
OPERATING EXPENSES:							
Salaries	1,303,110.68	84,561.65	14,357.32	99,670.93	49,887.00	1,551,587.58	10,148.01
Employee Benefits	859,796.78			3,511.38		863,308.16	
Repairs and Maintenance	43,399.82			3,671.52	4,380.81	51,452.15	840.00
Other Purchased Services	1,029.50	38.05		380,431.20	350.00	381,848.75	
Communications/Telephone				20,472.79		20,472.79	
Rental of Buildings		30,042.38		26,601.52		56,643.90	
Travel	610.77					610.77	
General Supplies	36,751.48	12,061.27		2,275.36	10.00	51,098.11	181,062.19
Depreciation	18,364.87	1,098.85		18,474.49	4,719.82	42,658.03	
Cost of Sales	903,872.80					903,872.80	
Miscellaneous	17,272.99	660.46		13,377.24	35.00	31,345.69	
Total Operating Expenses	3,184,209.69	128,462.66	14,357.32	588,632.41	59,382.63	3,975,044.71	192,050.20
Operating Income (Loss)	(1,558,345.48)	35,099.42	2,592.68	53,172.76	9,605.37	(1,457,875.25)	-

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Statement of Revenues, Expenses and Changes in Fund Net Position
 Proprietary Funds
 For the Fiscal Year Ended June 30, 2013

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Food Service	Child Care Program	Tele-Comm	Center for the Performing Arts	Drivers Education	Total Enterprise	
NONOPERATING REVENUES (EXPENSES):							
State Sources:							
State School Lunch Program	\$ 20,688.23					\$ 20,688.23	
Federal Sources:							
National School Lunch Program	584,524.02					584,524.02	
National School Breakfast Program	60,107.71					60,107.71	
Special Milk Program	8,368.36					8,368.36	
Food Distribution Program	126,891.89					126,891.89	
Accounts Receivable Canceled							
Interest and Investment Revenue	8,981.80			\$ 1,409.55		10,391.35	
Total Nonoperating Revenues (Expenses)	<u>809,562.01</u>	<u>-</u>	<u>-</u>	<u>1,409.55</u>	<u>-</u>	<u>810,971.56</u>	<u>-</u>
Income (Loss) before Contributions and Transfers	(748,783.47)	\$ 35,099.42	\$ 2,592.68	54,582.31	\$ 9,605.37	(646,903.69)	-
Transfer In - General Fund	738,149.39	-	-	-	-	738,149.39	-
Total Contributions and Transfers	<u>738,149.39</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>738,149.39</u>	<u>-</u>
Change in Net Position	<u>(10,634.08)</u>	<u>35,099.42</u>	<u>2,592.68</u>	<u>54,582.31</u>	<u>9,605.37</u>	<u>91,245.70</u>	<u>-</u>
Net Position -- July 1	560,639.26	109,198.19	8,033.98	(43,751.31)	160,770.50	794,890.62	-
Net Position -- June 30	<u>\$ 550,005.18</u>	<u>\$ 144,297.61</u>	<u>\$ 10,626.66</u>	<u>\$ 10,831.00</u>	<u>\$ 170,375.87</u>	<u>\$ 886,136.32</u>	<u>\$ -</u>

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Statement of Cash Flows
 Proprietary Funds
 For the Fiscal Year Ended June 30, 2013

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Food Service	Child Care Program	Tele-Comm	Center for the Performing Arts	Drivers Education	Total Enterprise	
CASH FLOWS FROM OPERATING ACTIVITIES:							
Receipts from Customers	\$ 1,621,790.61	\$ 163,562.08	\$ 17,025.00	\$ 642,080.12	\$ 69,213.00	\$ 2,513,670.81	\$ 190,926.74
Payments to Employees	(1,295,068.55)	(84,192.34)	(14,764.32)	(101,454.84)	(47,817.00)	(1,543,297.05)	(10,983.00)
Payments for Employee Benefits	(873,149.39)					(873,149.39)	
Payments to Suppliers	(1,020,926.68)	(40,642.01)		(466,975.61)	(4,775.81)	(1,533,320.11)	(185,802.19)
Net Cash Provided by (used for) Operating Activities	(1,567,354.01)	38,727.73	2,260.68	73,649.67	16,620.19	(1,436,095.74)	(5,858.45)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:							
State Sources	16,183.78					16,183.78	
Federal Sources	681,572.58					681,572.58	
Transfers from Other Funds	364,085.70	30,042.38		76,927.63		471,055.71	
Operating Subsidies and Transfers to other Funds	738,149.39					738,149.39	
Net Cash Provided by (used for) Non-Capital Financing Activities	1,799,991.45	30,042.38		76,927.63		1,906,961.46	
CASH FLOWS FROM INVESTING ACTIVITIES:							
Interest and Dividends	8,981.80			1,409.55		10,391.35	
Net Cash Provided by (used for) Investing Activities	8,981.80			1,409.55		10,391.35	
Net Increase (Decrease) in Cash and Cash Equivalents	241,619.24	68,770.11	2,260.68	151,986.85	16,620.19	481,257.07	(5,858.45)
Balances -- July 1	826,303.00	120,457.62	14,339.17	63,557.70	139,748.82	1,164,406.31	71,547.03
Balances -- June 30	\$ 1,067,922.24	\$ 189,227.73	\$ 16,599.85	\$ 215,544.55	\$ 156,369.01	\$ 1,645,663.38	\$ 65,688.58

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Statement of Cash Flows
 Proprietary Funds
 For the Fiscal Year Ended June 30, 2013

	Business-Type Activities - Enterprise Funds					Governmental Activities	
	Food Service	Child Care Program	Tele- Comm	Center for the Performing Arts	Drivers Education	Total Enterprise	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							-
Operating Income (Loss)	\$ (1,558,345.48)	\$ 35,099.42	\$ 2,592.68	\$ 53,172.76	\$ 9,605.37	\$ (1,457,875.25)	
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:							
Depreciation and Net Amortization	18,364.87	1,098.85		18,474.49	4,719.82	42,658.03	
(Increase) Decrease in Inventories	(20,357.24)					(20,357.24)	
(Increase) Decrease in Accounts Receivable	(625.24)		75.00	1,779.70		1,229.46	
Increase (Decrease) in Accounts Payable	2,367.92	2,160.15				4,528.07	\$ (3,900.00)
Increase (Decrease) in Accrued Salaries and Benefits	8,042.13	369.31	(407.00)	(1,783.91)	2,070.00	8,290.53	(834.99)
Increase (Decrease) in Interfund Accounts Payable				(1,504.75)	225.00	(1,279.75)	(1,123.46)
Increase (Decrease) in Deposits Payable	(3,448.36)					(3,448.36)	
Increase (Decrease) in Unearned Revenue	(13,352.61)			3,511.38		(9,841.23)	
Increase (Decrease) in Compensated Absences Payable							
Total Adjustments	<u>(9,008.53)</u>	<u>3,628.31</u>	<u>(332.00)</u>	<u>20,476.91</u>	<u>7,014.82</u>	<u>21,779.51</u>	<u>(5,858.45)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (1,567,354.01)</u>	<u>\$ 38,727.73</u>	<u>\$ 2,260.68</u>	<u>\$ 73,649.67</u>	<u>\$ 16,620.19</u>	<u>\$ (1,436,095.74)</u>	<u>\$ (5,858.45)</u>

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Statement of Fiduciary Net Position
 Fiduciary Funds
 June 30, 2013

	Private-Purpose Trust Funds		Agency Funds		
	Unemployment Compensation	Private-Purpose Scholarship Fund	Student Activity	Vendors/ Bidders	Payroll
ASSETS:					
Cash and Cash Equivalents	\$ 742,684.60	\$ 23,728.96	\$ 346,259.70	\$ 20,450.00	\$ 853,919.33
Accounts Receivable	111,794.88				
Total Assets	854,479.48	23,728.96	346,259.70	20,450.00	853,919.33
LIABILITIES:					
Accounts Payable	8,701.44				
Deposits Payable				20,450.00	
Interfund Accounts Payable					75,328.00
Payable to Student Groups			346,259.70		778,591.33
Payroll Deductions and Withholdings					
Total Liabilities	8,701.44	-	\$ 346,259.70	\$ 20,450.00	\$ 853,919.33
NET POSITION:					
Held in Trust for Unemployment Claims and Other Purposes Reserved for Scholarships	845,778.04	23,728.96			
Total Net Position	\$ 845,778.04	\$ 23,728.96			

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2013

	<u>Private-Purpose Trust Funds</u>	
	<u>Unemployment Compensation Trust</u>	<u>Private-Purpose Scholarship Fund</u>
ADDITIONS:		
Contributions:		
Employee Salary Deductions	\$ 119,192.27	
Investment Earnings:		
Interest	<u>6,171.94</u>	<u>\$ 388.48</u>
Total Additions	<u>125,364.21</u>	<u>388.48</u>
DEDUCTIONS:		
Scholarships		500.00
Unemployment Claims	<u>80,000.52</u>	
Total Deductions	<u>80,000.52</u>	<u>500.00</u>
Change in Net Position	45,363.69	(111.52)
Net Position -- July 1	<u>800,414.35</u>	<u>23,840.48</u>
Net Position -- June 30	<u><u>\$ 845,778.04</u></u>	<u><u>\$ 23,728.96</u></u>

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township of Washington School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Description of the Reporting Entity

The Township of Washington School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to educate students in grades K-12 at the School District's eleven schools. The School District has an approximate enrollment at June 30, 2013 of 8,045.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, 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 School District over which the Board exercises operating control. 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 School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, provide guidance that all entities associated with a primary government are potential component units, and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government's management determines that it would be misleading to exclude them. In addition, GASB Statement No. 61 clarifies the manner in which component units are presented (discretely presented, blended, or included in the fiduciary fund financial statements).

Based on the aforementioned, the School District has determined that no component units exist for the fiscal year ended June 30, 2013.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses.

The government-wide financial statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - The School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Internal service funds are aggregated and presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The governmental funds are accounted for on the "flow of current financial resources" measurement focus. This measurement focus is based on the concept of accountability, which includes measuring interperiod equity whether current year revenues were sufficient to pay for current year services. The proprietary fund is accounted for on an "economic resources" measurement focus. Accordingly, statement of revenues, expenses and changes in fund net position for the proprietary fund reports increases and decreases in total economic worth. The private-purpose trust fund is reported using the economic resources measurement focus.

Governmental Funds - Governmental funds are those through which most School District functions are financed. The acquisition, use, and balances of the School District's expendable financial resources and the related liabilities, except those accounted for in the proprietary fund and fiduciary funds, are accounted for through the governmental funds. The measurement focus is upon determination of changes in financial resources rather than upon determination of net income. The following are the School District's major governmental funds:

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)****Fund Financial Statements (Cont'd) –****Governmental Funds (Cont'd) –**

General Fund - The general fund is the primary operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment classified in the capital outlay sub-fund.

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

In addition to the capital outlay sub-fund, the School District is accountable for an additional sub-fund, the Education Jobs Fund ("Ed Jobs"), resulting from federal legislation signed into law on August 10, 2010. The Ed Jobs program was created to provide funding assistance to states in order to save or create education jobs for the 2010-2011 school year, through September 30, 2012. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education. Ed Jobs revenues and expenditures are recorded in the general fund (fund 18) on a reimbursement basis. As such, revenue is not included in the fiscal year surplus, and no portion of general fund balance at June 30, 2013 is considered to be attributable to Ed Jobs. Ed Jobs expenditures during the fiscal year ended June 30, 2013 are included as a component of overall general fund expenditures, and also are included in total general fund expenditures for purposes of the excess surplus calculation.

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.

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 New Jersey Economic Development Authority grants, temporary notes, or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)****Fund Financial Statements (Cont'd)****Proprietary Funds**

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for internal service funds include salaries, repairs and maintenance, and supplies. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District maintains the following enterprise funds:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Center for Performing Arts Fund - This fund accounts for the financial activity related to performances at the School District's Center for the Performing Arts.

Child Care Program Fund - This fund accounts for financial activity related to providing day care services for School District employee's children during school.

Driver's Education - This fund accounts for financial activities related to providing driver's education for students.

Telecommunications Fund - This fund accounts for a student run enterprise.

Internal service funds are used to account for the financing of goods and services provided by one department to another on a cost reimbursement basis. The School District maintains two internal service funds, one for paper, and another for printing.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the School District on behalf of outside related organizations or on behalf of other funds within the School District. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The School District maintains the following fiduciary funds:

Agency Funds - Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). The School District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District maintains the following agency funds: student activity fund, vendor bid account and payroll fund.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)****Fiduciary Funds (Cont'd)**

Private-Purpose Trust Funds - Private-purpose trust funds are used to account for the principal and income for all other trust arrangements that benefit individuals, private organizations, or other governments. The School District maintains the following private-purpose trust funds:

Scholarship Fund - Revenues consist of donations and interest income. Expenditures represent scholarships to students.

New Jersey Unemployment Compensation Insurance Trust Fund - Revenues consist of contributions that have been included in the annual budget of the School District, employee payroll withholdings, and interest income. Expenditures represent claims incurred for unemployment.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

Modified Accrual

Under the modified accrual basis, revenues are recognized in the accounting period in which they become susceptible to accrual, i.e. both available and measurable. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Significant revenues susceptible to accrual include ad valorem taxes, reimbursable-type grants, and interest on investments. The School District considers all revenues, with the exception of the expenditure-driven grants, as available if they are collected within sixty (60) days after fiscal year-end. The expenditure driven grants are considered available if received within one fiscal year from the balance sheet date. Property tax revenue is recognized when taxes are received, except at fiscal year end when revenue is recognized for taxes received by the School District within sixty (60) days subsequent to fiscal year end. Expenditures are recognized in the accounting period in which the liability is incurred. However, exceptions include the amount of unmatured principal and interest on general long-term debt, compensated absences, claims and judgments and certain prepaids which are recognized when due / paid.

In applying the susceptible to accrual concept to revenues from federal and state sources, the legal contractual requirements of the numerous individual programs are used as guidance. Revenue from grants and entitlements is recognized when all eligibility requirements have been satisfied. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before the School District will receive any amounts; therefore, revenues are recognized based on the occurrence of expenditures. In the other type, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed legal and contractual requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met. In cases where monies are received and all eligibility requirements, including timing, have been satisfied, but the occurrence of expenditure has yet to happen, amounts are reported as unearned revenue. Conversely, where monies are received but eligibility requirements, including timing, have yet to be satisfied, such amounts are reported as deferred inflows of resources.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)****Basis of Accounting (Cont'd)****Accrual**

Under the accrual basis of accounting, revenues are recognized in the period earned and expenses are recognized in the period incurred.

Revenue Recognition

Property Taxes - Ad valorem (property) taxes are susceptible to accrual. As under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Budgets / Budgetary Control

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school 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. 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 budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Budgets / Budgetary Control (Cont'd)**

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting, as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule, to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances - governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

Cash, Cash Equivalents and Investments

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

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Inventories**

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

Tuition Receivable

Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2013.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered to be internal balances; therefore, such balances appear on the statement of net position.

Capital Assets

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at fair market value at the time received.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Capital Assets (Cont'd)**

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	10-20 Years	N/A
Buildings and Improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	12 Years
Vehicles	5-10 Years	4-6 Years

The School District does not possess any infrastructure assets.

Deferred Loss on Refunding of Debt

Deferred loss on refunding arising from the issuance of the refunding bonds is recorded as a deferred outflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense.

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2013 and 2012 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measurable and the School District is eligible to realize the revenue.

Accrued Salaries and Wages

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2013, the amounts earned by these employees were disbursed to the employees' own individual credit union accounts.

Compensated Absences

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Compensated Absences (Cont'd)**

The School District uses the termination method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. An expenditure is recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner, and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the governmental fund financial statements when due.

Bond Discounts / Premiums

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

Net Position

Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

Net Investment in Capital Assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance**

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education.

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. 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 proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Impact of Recently Issued Accounting Principles**Recently Issued and Adopted Accounting Pronouncements**

In November 2010, the GASB issued Statement 60, *Accounting and Financial Reporting for Service Concession Arrangements*. GASBS 60 provides financial reporting guidance for service concession arrangements (SCAs). SCAs are defined as an arrangement between a transferor (a government) and an operator (governmental or nongovernmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure or another public asset (a "facility") in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. This Statement is effective for periods beginning after December 15, 2011. The School District does not have any SCAs and therefore the adoption of GASBS 60 does not have any impact on the School District's financial statements.

In November 2010, the GASB issued Statement 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. GASBS 61 provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. This Statement is effective for periods beginning after June 15, 2012. The School District elected to early implement GASBS 61 effective for fiscal year 2013. The adoption of GASBS 61, however, does not have any impact on the School District's financial statements.

In December 2010, the GASB issued Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASBS 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement is effective for periods beginning after December 15, 2011. The adoption of GASBS 62 does not have any impact on the School District's financial statements.

In June 2011, the GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASBS 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components: assets, deferred outflows of resources, liabilities, and deferred inflows of resources. This Statement is effective for financial statements for periods beginning after December 15, 2011. The adoption of GASBS 63, however, does not have a material impact on the School District's financial statements.

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASBS 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement is effective for periods beginning after December 15, 2012. The School District elected to early implement GASBS 65 effective for fiscal year 2013. The adoption of GASBS 65, however, does not have a material impact on the School District's financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Principles (Cont'd)****Recently Issued Accounting Pronouncements**

In March 2012, the GASB issued Statement 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*. GASBS 66 is to improve accounting and financial reporting by state and local governmental entities by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Since the release of these Statements, questions have arisen concerning differences between the provisions in Statement 54 and Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, regarding the reporting of risk financing activities. Questions also have arisen about differences between Statement 62 and Statements No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, regarding the reporting of certain operating lease transactions, and No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, concerning the reporting of the acquisition of a loan or a group of loans and the recognition of servicing fees related to mortgage loans that are sold. This Statement is effective for periods beginning after December 15, 2012. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements although no impact is expected.

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*. GASBS 67 is to improve the usefulness of pension information included in the general purpose external financial reports (financial reports) of state and local governmental pension plans for making decisions and assessing accountability. This Statement is effective for periods beginning after June 15, 2013. The School District does not administer any state or local pension plans; therefore, the adoption of GASBS 67 will not have any impact on the School District's financial statements.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASBS 68 is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. In addition, this Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement. This Statement is effective for periods beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements and expects the impact to be material.

In January 2013, the GASB issued Statement 69, *Government Combinations and Disposals of Government Operations*. GASBS 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement is effective for periods beginning after December 15, 2013. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements although no impact is expected.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Principles (Cont'd)****Recently Issued Accounting Pronouncements (Cont'd)**

In April 2013, the GASB issued Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. GASBS 70 is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. When there is no best estimate but a range of the estimated future outflows can be established, the amount of the liability to be recognized should be the discounted present value of the minimum amount within the range. This Statement requires a government that has issued an obligation guaranteed in a nonexchange transaction to report the obligation until legally released as an obligor. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When a government is released as an obligor, the government should recognize revenue as a result of being relieved of the obligation. This Statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units. This Statement is effective for periods beginning after June 15, 2013. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements although no impact is expected.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule below.

As of June 30, 2013, the School District's bank balances of \$34,217,071.51 were exposed to custodial credit risk as follows:

Insured by Federal Deposit Insurance Corporation (FDIC)	\$ 759,087.72
Uninsured and uncollateralized	4,418,667.16
Collateralized by securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name	<u>29,039,316.63</u>
Total	<u>\$ 34,217,071.51</u>

Note 2: CASH AND CASH EQUIVALENTS (CONT'D)

New Jersey Cash Management Fund - During the fiscal year, the School District participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2013, the School District's deposits with the New Jersey Cash Management Fund were \$116.45.

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$1.00 on November 20, 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 School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school 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 (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Balance July 1, 2012		\$ 1,628,735.79
Increased by:		
Deposits:		
Board Resolution (June 25, 2013)	\$ 1,000,000.00	
Unexpended Balance of Capital Projects	22,980.14	
Interest Earnings	<u>6,687.24</u>	
		<u>1,029,667.38</u>
		2,658,403.17
Decreased by:		
Withdrawals:		
Budgeted Transfer to Capital Projects Fund		<u>713,000.00</u>
Balance June 30, 2013		<u><u>\$ 1,945,403.17</u></u>

The June 30, 2013 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2013 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds.

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Fund</u>	<u>Inter-Governmental</u>	<u>Other</u>	<u>Total</u>
General	\$ 1,783,452.24	\$ 129,074.08	\$ 1,912,526.32
Special Revenue	803,901.00	3,675.18	807,576.18
Capital Projects	1,867,630.74		1,867,630.74
Proprietary	133,585.58	44,892.12	178,477.70
	<u>\$ 4,588,569.56</u>	<u>\$ 177,641.38</u>	<u>\$ 4,766,210.94</u>

Note 5: INVENTORY

Inventory recorded at June 30, 2013 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 42,625.42
Supplies	10,505.39
	<u>\$ 53,130.81</u>

Note 6: LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2013, the following changes occurred in long-term obligations:

	<u>Principal Outstanding July 1, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2013</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 28,225,000.00	\$ 9,095,000.00	\$ (12,930,000.00)	\$ 24,390,000.00	\$ 3,545,000.00
Obligations under Capital Lease	1,433,947.55	817,450.00	(737,193.74)	1,514,203.81	564,345.95
Compensated Absences	9,491,167.89		(1,616,024.58)	7,875,143.31	271,527.83
Premium on Bonds	241,558.64	435,264.50	(107,437.91)	569,385.23	
	<u>\$ 39,391,674.08</u>	<u>\$ 10,347,714.50</u>	<u>\$ (15,390,656.23)</u>	<u>\$ 34,348,732.35</u>	<u>\$ 4,380,873.78</u>
Business-Type Activities:					
Compensated Absences	\$ 183,998.34	\$ -	\$ (9,841.23)	\$ 174,157.11	\$ 891.31

The bonds payable are generally liquidated by the debt service fund, while obligations under capital lease are liquidated by the general fund.

Note 6: LONG-TERM LIABILITIES (CONT'D)

Bonds Payable - Bonds and loans 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 School District are general obligation bonds.

On March 1, 2005, the School District issued \$16,271,000 of School Bonds, Series 2005 to do certain facilities upgrades. The bonds originally carried a rate of 4.25% with a final maturity in 2030, but on April 3, 2012, the School District issued \$7,205,000 of School Refunding Bonds, Series 2012 to advance refund and redeem all of the School District's outstanding callable School Bonds, Series 2005, maturing in the years 2015 through and including 2023.

On March 13, 2007, the School District issued \$8,040,000 of School Refunding Bonds, Series 2007 to advance refund a portion of the School District's outstanding callable School Bonds, Series 2005 maturing in the years 2024 through and including 2030. The bonds originally carried a rate of 4.00% with a final maturity in 2030.

On April 3, 2012, the School District issued \$7,205,000 of School Refunding Bonds, Series 2012 to advance refund and redeem all of the School District's outstanding callable School Bonds, Series 2005, maturing in the years 2015 through and including 2023. The bonds originally carried rates ranging between 2.00% to 4.00% with a final maturity in 2023.

On November 15, 2012, the School District issued \$9,095,000.00 in general obligation refunding bonds with a variable interest rate of 1.5% to 3.0% to currently refund \$9,210,000.00 of outstanding callable School Refunding Bonds, Series 2004 with an interest rate of 5.0%. The net proceeds of \$9,438,031.42 (after payment of issuance costs) were used to purchase U.S. Treasury Bills. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2004 series refunding bonds. The School District currently refunded the 2004 series refunding bonds to reduce its total debt service payments over the next four years by \$673,610.00 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$663,811.11.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 3,545,000.00	\$ 793,650.00	\$ 4,338,650.00
2015	3,525,000.00	683,050.00	4,208,050.00
2016	3,450,000.00	577,100.00	4,027,100.00
2017	820,000.00	473,400.00	1,293,400.00
2018	840,000.00	456,500.00	1,296,500.00
2019-2023	4,530,000.00	1,909,975.00	6,439,975.00
2024-2028	5,480,000.00	1,105,400.00	6,585,400.00
2029-2030	2,200,000.00	131,800.00	2,331,800.00
	<u>\$ 24,390,000.00</u>	<u>\$ 6,130,875.00</u>	<u>\$ 30,520,875.00</u>

Defeased Bonds - On March 13, 2007 and April 3, 2012, respectively, the School District defeased general bond obligations related to School Bonds, Series 2005 by placing securities in irrevocable trust accounts with an escrow agent to provide for all future debt service payments on the refunded bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the financial statements. On June 30, 2013, \$14,351,000 of outstanding bonds are considered defeased.

Note 6: LONG-TERM LIABILITIES (CONT'D)

Bonds Authorized but not Issued - As of June 30, 2013, the School District had no authorizations to issue additional bonded debt.

Compensated Absences - Compensated absences will be paid from the fund from which the employees' salaries are paid.

Obligations under Capital Lease - The School District is leasing copier, computer, and telephone equipment totaling \$1,514,203.80 under capital leases. All capital leases are for terms of three to five years. The following is a schedule of the future minimum lease payments under these capital leases at June 30, 2013:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 564,345.95	\$ 23,213.83	\$ 587,559.78
2015	403,634.37	13,210.40	416,844.77
2016	302,870.76	5,792.87	308,663.63
2017	201,421.32	1,906.51	203,327.83
2018	41,931.40	126.23	42,057.64
	<u>\$ 1,514,203.80</u>	<u>\$ 44,249.84</u>	<u>\$ 1,558,453.64</u>

Note 7: OPERATING LEASES

At June 30, 2013, the School District had operating lease agreements in effect for a postage machine and textbooks. The present value of the future minimum rental payments under the operating lease agreements are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Amount</u>
2014	\$ 1,571,025.13
2015	965,063.94
2016	481,086.13
2017	295,828.95
2018	67,267.90
	<u>\$ 3,380,272.05</u>

Rental payments under operating leases for the fiscal year ended June 30, 2013 were \$1,743,855.18.

Note 8: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2013 is as follows:

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
Governmental Activities:				
Land	\$ 5,590,700.00			\$ 5,590,700.00
Construction in Progress	391,768.85	\$ 1,773,860.42	\$ (1,047,860.34)	1,117,768.93
Total Capital Assets not being Depreciated	5,982,468.85	1,773,860.42	(1,047,860.34)	6,708,468.93
Land Improvements	3,088,489.70	11,950.00	515,679.08	3,616,118.78
Buildings and Improvements	132,259,136.61	46,338.87	474,621.03	132,780,096.51
Equipment	8,597,751.90	1,003,789.01	(115,356.75)	9,486,184.16
Totals at Historical Cost	<u>149,927,847.06</u>	<u>2,835,938.30</u>	<u>(172,916.98)</u>	<u>152,590,868.38</u>
Less Accumulated Depreciation:				
Land Improvements	(1,236,105.10)	(173,265.21)	11,282.40	(1,398,087.91)
Buildings and Improvements	(53,296,639.26)	(3,739,855.65)	15,683.31	(57,020,811.60)
Equipment	(6,098,984.53)	(564,227.67)	98,912.88	(6,564,299.32)
Total Accumulated Depreciation	<u>(60,631,728.89)</u>	<u>(4,477,348.53) *</u>	<u>125,878.59</u>	<u>(64,983,198.83)</u>
Governmental Activities Capital Assets, Net	<u>\$ 89,296,118.17</u>	<u>\$ (1,641,410.23)</u>	<u>\$ (47,038.39)</u>	<u>\$ 87,607,669.55</u>
Business-Type Activities:				
Equipment	\$ 1,304,783.82		\$ (1,080.00)	\$ 1,303,703.82
Less Accumulated Depreciation	(1,128,486.16)	\$ (42,658.03)	1,080.00	(1,170,064.19)
Business-Type Activities Capital Assets, Net	<u>\$ 176,297.66</u>	<u>\$ (42,658.03)</u>	<u>\$ -</u>	<u>\$ 133,639.63</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction Regular Programs	\$1,020,544.11
Instruction Special Programs	228,128.72
Support Services Students	51,456.41
Support Services General Administration	1,611,449.44
Support Services Plant Operations and Maintenance	1,289,666.12
Support Services Pupil Transportation	276,103.73
Total Depreciation Expense	<u>\$ 4,477,348.53</u>

Note 9: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund ("TPAF") is a cost-sharing contributory defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years, which began July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the district has been required over several preceding fiscal years.

Public Employees' Retirement System - The Public Employees' Retirement System ("PERS") is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Note 9: PENSION PLANS (CONT'D)

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2013	\$ 576,986.00	\$ 1,147,913.00	\$ 1,724,899.00	\$ 1,724,899.00
2012	696,366.00	1,169,246.00	1,865,612.00	1,865,612.00
2011	781,785.00	1,040,730.00	1,822,515.00	1,822,515.00

Defined Contribution Retirement Program - The Defined Contribution Retirement Program ("DCRP") is a cost-sharing multiple-employer defined contribution pension fund which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Division of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2013	\$ 44,435.41	-	\$ 44,435.41	\$ 44,435.41
2012	28,626.35	-	28,626.35	28,626.35
2011	14,398.73	-	14,398.73	14,398.73

Note 10: STATE POST-RETIREMENT MEDICAL BENEFITS

P.L. 1987, c.384 of P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2012, there were 97,661 retirees receiving postemployment medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retire 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 in fiscal year 2012.

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2013, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement medical costs were \$3,725,264 and \$4,212,333, respectively.

Note 12: RISK MANAGEMENT

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

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

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School 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 School District is billed quarterly for amounts due to the State.

The following is a summary of the activity of the School District's private-purpose trust fund for the unemployment claims for the current and previous two fiscal years:

Fiscal Year Ended June 30,	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2013	-	\$ 119,192.27	\$ 80,000.52	\$ 845,778.05
2012	-	117,448.90	252,450.61	800,414.35
2011	\$ 400,000.00	118,912.38	393,424.71	941,853.13

Note 12: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool - The School District is a member of the Gloucester Cumberland Salem School Districts Joint Insurance Fund.

The Fund provides the School District with the following coverage:

Property (Including earthquake and flood coverage)
 General Liability
 Commercial Crime
 Automobile Liability
 Workers' Compensation
 Boiler and Machinery
 Commercial Umbrella
 Educator's Legal Liability

Annual contributions to the Fund are determined by the Fund's Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund's Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

Additional information regarding the Fund can be found obtained at http://spelljif.com/about_gc SSD.asp.

Note 13: DEFERRED COMPENSATION

The School District offers its employees a choice of eleven deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

Ameriprise
 AXA Equitable
 Hartford
 Lincoln Investment Planning, Inc.
 ASPIre Financial Services, LLC
 MetLife Resources
 The Faller Company, LLC
 Symetra Life Insurance Company
 Syracuse Benefits program
 AIG Variable Annuity Life Insurance (VALIC)
 ING

Note 14: COMPENSATED ABSENCES

The School 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.

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days which may not be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2013, the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$7,875,143.31 and \$174,157.11, respectively.

Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2013 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 4,983,399.07	
Special Revenue		\$ 1,264,513.69
Capital Projects		2,740,864.79
Proprietary	1,049.44	903,742.03
Fiduciary		75,328.00
	<u>\$ 4,984,448.51</u>	<u>\$ 4,984,448.51</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2014, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 17: FUND BALANCES (CONT'D)**RESTRICTED (CONT'D)**

Capital Projects Fund - As of June 30, 2013, \$577,841.74 of capital projects fund balance is restricted for future capital expenditures.

Debt Service Fund - As of June 30, 2013, \$101,223.91 of debt service fund balance is restricted for future debt service expenditures.

ASSIGNED

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund -

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2014 \$2,276,202.00 of general fund balance at June 30, 2013.

Other Purposes - As of June 30, 2013, the School District had \$1,989,913.78 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund - As of June 30, 2013, \$2,879,337.90 of general fund balance was unassigned.

Note 18: LITIGATION

The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 GENERAL FUND
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 74,973,363.00		\$ 74,973,363.00	\$ 74,973,363.00	\$ 467,357.94
Tuition	270,000.00		270,000.00	589,044.60	319,044.60
Unrestricted Miscellaneous Revenue					
Total - Local Sources	<u>75,243,363.00</u>	<u>-</u>	<u>75,243,363.00</u>	<u>76,029,765.54</u>	<u>786,402.54</u>
State Sources:					
Categorical Special Education Aid	4,461,654.00		4,461,654.00	4,461,654.00	
Equalization Aid	37,613,090.00		37,613,090.00	37,613,090.00	
Adjustment Aid	3,697,140.00		3,697,140.00	3,697,140.00	
Categorical Security Aid	731,028.00		731,028.00	731,028.00	
Categorical Transportation Aid	2,843,680.00		2,843,680.00	2,843,680.00	
Nonpublic School Transportation Aid				102,562.44	102,562.44
Tuition Reimbursements for Homeless Students				123,223.18	123,223.18
Extraordinary Special Education Costs Aid	900,000.00		900,000.00	1,192,826.00	292,826.00
Reimbursed TPAF Social Security Contributions (non-budgeted)				3,901,864.57	3,901,864.57
On-behalf TPAF Pension Contributions (non-budgeted)				7,937,597.00	7,937,597.00
Total - State Sources	<u>50,246,592.00</u>	<u>-</u>	<u>50,246,592.00</u>	<u>62,604,665.19</u>	<u>12,358,073.19</u>
Federal Sources:					
Education Jobs Fund		\$ 4,584.00	4,584.00	4,584.00	
Other Restricted Miscellaneous Revenues	94,999.00		94,999.00	108,840.94	13,841.94
Special Education Medicaid Initiative	108,036.00		108,036.00	120,518.37	12,482.37
Total - Federal Sources	<u>203,035.00</u>	<u>4,584.00</u>	<u>207,619.00</u>	<u>233,943.31</u>	<u>26,324.31</u>
Total Revenues	<u>125,692,990.00</u>	<u>4,584.00</u>	<u>125,697,574.00</u>	<u>138,868,374.04</u>	<u>13,170,800.04</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 GENERAL FUND
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES:					
GENERAL CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	\$ 902,976.00	0.37	\$ 902,976.37	\$ 892,070.30	\$ 10,906.07
Grades 1 - 5	11,805,552.00	(0.03)	11,805,551.97	11,381,728.41	423,823.56
Grades 6 - 8	9,728,081.00	0.17	9,728,081.17	9,503,133.92	224,947.25
Grades 9 - 12	11,419,708.00	(30,000.79)	11,389,707.21	10,931,180.33	458,526.88
Regular Programs - Home Instruction:					
Salaries of Teachers	110,000.00	23,627.75	133,627.75	131,100.25	2,527.50
Purchased Professional - Educational Services	105,000.00	56,372.25	161,372.25	148,214.06	13,158.19
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	589,545.00	35,000.00	624,545.00	608,006.39	16,538.61
Purchased Professional - Educational Services	2,307,187.00	(10,591.84)	2,296,595.16	2,266,998.70	29,596.46
Purchased Technical Services	251,025.00	(4,800.00)	246,225.00	184,074.31	62,150.69
Other Purchased Services (400-500 Series)	2,044,975.50	(480.52)	2,044,494.98	1,963,885.26	80,609.72
General Supplies	1,370,226.74	(24,263.54)	1,345,963.20	1,287,115.63	58,847.57
Textbooks	37,979.67	526.10	38,505.77	22,702.96	15,802.81
Other Objects	3,750.00		3,750.00		3,750.00
Total Regular Programs	40,676,005.91	45,389.92	40,721,395.83	39,320,210.52	1,401,185.31
Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	1,209,386.00		1,209,386.00	1,200,855.17	8,530.83
Other Salaries for Instruction	7,045.00		7,045.00	3,617.60	3,427.40
General Supplies	12,690.00		12,690.00	12,208.45	481.55
Textbooks	2,608.00	(190.85)	2,417.15	1,713.76	703.39
Total - Learning and/or Language Disabilities	1,231,729.00	(190.85)	1,231,538.15	1,218,394.98	13,143.17
Visual Impairments:					
Salaries of Teachers	51,166.00	362.00	51,528.00	51,528.00	-
Total - Visual Impairments	51,166.00	362.00	51,528.00	51,528.00	-

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 GENERAL FUND
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONTD):					
GENERAL CURRENT EXPENSE (CONTD):					
Special Education (Cont'd):					
Behavioral Disabilities:					
Salaries of Teachers	\$ 305,128.00		\$ 305,128.00	\$ 302,361.20	\$ 2,766.80
Other Salaries for Instruction	34,909.00		34,909.00	21,060.00	13,849.00
General Supplies	5,357.15	\$ 88.16	5,445.31	5,346.44	98.87
Textbooks	826.00		826.00	822.75	3.25
Total - Behavioral Disabilities	<u>346,220.15</u>	<u>88.16</u>	<u>346,308.31</u>	<u>329,590.39</u>	<u>16,717.92</u>
Multiple Disabilities:					
Salaries of Teachers	201,011.00	17,446.00	218,457.00	218,456.20	0.80
Other Salaries for Instruction	30,333.00		30,333.00	9,416.20	20,916.80
Other Purchased Services (400-500 Series)		100.00	100.00	20.00	80.00
General Supplies	7,020.00		7,020.00	6,748.10	271.90
Total - Multiple Disabilities	<u>238,364.00</u>	<u>17,546.00</u>	<u>255,910.00</u>	<u>234,640.50</u>	<u>21,269.50</u>
Resource Room/Center:					
Salaries of Teachers	7,751,824.00	(80,454.72)	7,671,369.28	7,303,856.09	367,513.19
Other Salaries for Instruction	371,734.00	5,902.00	377,636.00	348,647.99	28,988.01
Purchased Professional - Educational Services	122,000.00	56,500.00	178,500.00	178,216.99	283.01
Other Purchased Services (400-500 Series)	79,269.00	(0.35)	79,268.65	79,268.65	
General Supplies	19,398.00	19,347.18	38,745.18	34,175.81	4,569.37
Textbooks	4,446.00	(335.75)	4,110.25	2,934.65	1,175.60
Total - Resource Room/Center	<u>8,348,671.00</u>	<u>958.36</u>	<u>8,349,629.36</u>	<u>7,947,100.18</u>	<u>402,529.18</u>
Autism:					
Salaries of Teachers		156,147.00	156,147.00	156,147.00	
General Supplies	10,000.00		10,000.00	8,655.73	1,344.27
Total - Autism	<u>10,000.00</u>	<u>156,147.00</u>	<u>166,147.00</u>	<u>164,802.73</u>	<u>1,344.27</u>
Preschool Disabilities - Part-time:					
Salaries of Teachers	239,492.00		239,492.00	227,397.80	12,094.20
Other Salaries for Instruction	90,480.00	3,808.00	94,288.00	90,802.72	3,485.28
General Supplies	810.00		810.00	806.56	3.44
Total - Preschool Disabilities - Part-Time	<u>330,782.00</u>	<u>3,808.00</u>	<u>334,590.00</u>	<u>319,007.08</u>	<u>15,582.92</u>
Total - Special Education	<u>10,556,932.15</u>	<u>178,718.67</u>	<u>10,735,650.82</u>	<u>10,265,063.86</u>	<u>470,586.96</u>

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 GENERAL FUND
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Basic Skills/Remedial:					
Salaries of Teachers	\$ 2,166,207.00	\$ 0.13	\$ 2,166,207.13	\$ 2,104,587.06	\$ 61,620.07
Other Salaries for Instruction	357,375.00		357,375.00	264,438.57	92,936.43
General Supplies	37,200.00	(480.00)	36,720.00	31,742.76	4,977.24
Other Objects	300.00		300.00	300.00	
Total - Basic Skills/Remedial	2,561,082.00	(479.87)	2,560,602.13	2,401,068.39	159,533.74
Bilingual Education:					
Salaries of Teachers	163,137.00		163,137.00	141,545.00	21,592.00
Purchased Professional - Educational Services	3,500.00		3,500.00		3,500.00
General Supplies	4,700.00	480.00	5,180.00	5,180.00	
Total - Bilingual Education	171,337.00	480.00	171,817.00	146,725.00	25,092.00
School Sponsored Curricular Activities - Instruction:					
Salaries	618,054.00	0.08	618,054.08	475,036.61	143,017.47
Purchased Services (300-500 Series)	3,300.00	110.00	3,410.00	1,140.35	2,269.65
Supplies and Materials	52,044.84	(430.00)	51,614.84	38,129.44	13,485.40
Other Objects	34,025.00	320.00	34,345.00	21,768.00	12,577.00
Total - School-Sponsored Activities - Instruction	707,423.84	0.08	707,423.92	536,074.40	171,349.52
School Sponsored Athletics - Instruction:					
Salaries	805,227.00	(0.30)	805,226.70	783,460.80	21,765.90
Purchased Services (300-500 Series)	142,464.00	(375.10)	142,088.90	103,388.25	38,700.65
Supplies and Materials	103,224.36	(42.01)	103,182.35	88,780.99	14,401.36
Other Objects	32,310.00		32,310.00	30,424.00	1,886.00
Total - School-Sponsored Athletics - Instruction	1,083,225.36	(417.41)	1,082,807.95	1,006,054.04	76,753.91
Other Instructional Programs - Instruction:					
Salaries	32,030.00	-	32,030.00	31,362.07	667.93
Total - Other Instructional Programs - Instruction	32,030.00	-	32,030.00	31,362.07	667.93

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule
GENERAL FUND

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Summer School - Instruction:					
Salaries	\$ 77,114.00		\$ 77,114.00	\$ 75,328.50	\$ 1,785.50
Other Salaries of Instruction	46,000.00		46,000.00	43,339.84	2,660.16
Total - Summer School - Instruction	123,114.00	-	123,114.00	118,668.34	4,445.66
Total - Instruction	55,911,150.26	\$ 223,691.39	56,134,841.65	53,825,226.62	2,309,615.03
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular	356,088.00	137,000.00	493,088.00	434,658.35	58,429.65
Tuition to Other LEAs Within the State-Special	315,721.00	(21,803.00)	293,918.00	264,503.47	29,414.53
Tuition to County Voc. School District - Regular	274,560.00	(17,000.00)	257,560.00	252,096.00	5,464.00
Tuition to CSSD & Regional Day Schools	2,682,906.00	34,303.00	2,717,209.00	2,484,627.25	232,581.75
Tuition to Private School for the Disabled - WI State	4,641,295.00	(722,228.90)	3,919,066.10	3,738,126.52	180,939.58
Tuition - State Facilities	64,847.00		64,847.00	64,847.00	
Total Undistributed Expenditures - Instruction	8,335,417.00	(589,728.90)	7,745,688.10	7,238,858.59	506,829.51
Undistributed Expenditures - Attendance and Social Work Services:					
Salaries	363,803.00		363,803.00	354,321.84	9,481.16
Purchased Professional - Technical Services	67,000.00		67,000.00	51,375.00	15,625.00
Other Purchased Services (400-500 Series)	2,700.00		2,700.00	2,458.32	241.68
Supplies and Materials	5,902.30	0.05	5,902.35	2,317.17	3,585.18
Other Objects	500.00		500.00		500.00
Total Undistributed Expenditures - Attendance and Social Work	439,905.30	0.05	439,905.35	410,472.33	29,433.02
Total Undistributed Expenditures - Health Services:					
Salaries	1,060,555.00	(1,499.75)	1,059,055.25	989,688.01	69,367.24
Purchased Professional - Technical Services	15,225.00	3,250.00	18,475.00	18,189.07	285.93
Other Purchased Services (400-500 Series)	753.00	(0.66)	752.34	710.55	41.79
Supplies and Materials	15,122.00	10,750.00	25,872.00	25,554.31	317.69
Other Objects	1,200.00		1,200.00	1,020.00	180.00
Total Undistributed Expenditures - Health Services	1,092,855.00	12,499.59	1,105,354.59	1,035,161.94	70,192.65

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 GENERAL FUND
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures - Speech, OT, PT & Related Services:					
Salaries	\$ 1,565,101.00	\$ 25,994.00	\$ 1,591,095.00	\$ 1,591,089.19	\$ 5.81
Purchased Professional - Educational Services		40,989.00	40,989.00	40,989.00	
Supplies and Materials	18,400.00	(2,800.00)	15,600.00	14,703.55	896.45
Total Undistributed Expenditures - Speech, OT, PT & Related Services	1,583,501.00	64,183.00	1,647,684.00	1,646,781.74	902.26
Undistributed Expenditures - Other Support Students - Extra Services					
Salaries	1,482,031.00	251,091.00	1,733,122.00	1,398,338.55	334,783.45
Supplies and Materials					
Total Undistributed Expenditures - Other Support Students - Extra Services	1,482,031.00	251,091.00	1,733,122.00	1,398,338.55	334,783.45
Undistributed Expenses - Guidance:					
Salaries of Other Professional Staff	2,517,526.00	(3,083.59)	2,514,442.41	2,481,117.31	33,325.10
Salaries of Secretarial and Clerical Assistants	113,383.00	2,299.00	115,682.00	115,680.92	1.08
Other Salaries	27,657.00	785.00	28,442.00	28,441.38	0.62
Purchased Professional - Educational Services	61,650.00		61,650.00	53,851.51	7,798.49
Other Purchased Professional and Technical Services	35,000.00	5,531.96	40,531.96	38,161.96	2,370.00
Other Purchased Services (400-500 Series)	28,228.00	(926.14)	27,301.86	21,939.48	5,362.38
Supplies and Materials	60,765.00	(731.96)	60,033.04	52,495.79	7,537.25
Other Objects	140.00		140.00	100.00	40.00
Total Undistributed Expenditures - Guidance	2,844,349.00	3,874.27	2,848,223.27	2,791,788.35	56,434.92
Undistributed Expenses - Child Study Teams:					
Salaries of Other Professional Staff	2,462,887.00	60,000.00	2,522,887.00	2,470,045.67	52,841.33
Salaries of Secretarial and Clerical Assistants	386,145.00		386,145.00	377,441.89	8,703.11
Other Salaries	59,470.00		59,470.00	59,381.04	88.96
Purchased Professional - Educational Services	681,714.00	(135,780.59)	545,933.41	512,009.45	33,923.96
Other Purchased Professional and Technical Services	24,069.50	76.50	24,146.00	24,146.00	
Miscellaneous Purchased Services	35,695.00	(2,600.00)	33,095.00	24,880.21	8,214.79
Supplies and Materials	17,899.00	(7,950.00)	9,949.00	7,964.18	1,984.82
Other Objects	7,850.00	(3,375.07)	4,474.93	3,391.00	1,083.93
Total Undistributed Expenditures - Child Study Teams	3,675,729.50	(89,629.16)	3,586,100.34	3,479,259.44	106,840.90

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 GENERAL FUND
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	\$ 571,057.00		\$ 571,057.00	\$ 541,553.21	\$ 29,503.79
Salaries of Other Professional Staff	184,649.00		184,649.00	122,957.86	61,691.14
Salaries of Secretarial and Clerical Assistants	250,330.00		250,330.00	241,206.45	9,123.55
Purchased Professional - Educational Services	850.00	\$ (76.50)	773.50		773.50
Other Purchased Professional and Technical Services	250.00		250.00		250.00
Other Purchased Services	26,159.00		26,159.00	19,983.64	6,175.36
Supplies and Materials	74,946.89		74,946.89	22,065.60	52,881.29
Other Objects	27,735.00		27,735.00	16,346.00	11,389.00
Total Undistributed Expenditures - Improvement Instructional Services	1,135,976.89	(76.50)	1,135,900.39	964,112.76	171,787.63
Undistributed Expenditures - Educational Media/Library:					
Salaries	1,192,116.00	(15,366.04)	1,176,749.96	1,168,157.01	8,592.95
Salaries of Technology Coordinators	63,799.00	1,866.00	65,665.00	64,422.93	1,242.07
Purchased Professional - Technical Services	92,049.96	1,239.78	93,289.74	90,383.50	2,906.24
Other Purchased Services (400-500 Series)	87,527.00		87,527.00	86,327.95	1,199.05
Supplies and Materials	153,826.32	(0.30)	153,826.02	147,183.31	6,642.71
Other Objects	790.00		790.00	690.00	100.00
Total Undistributed Expenditures - Educational Media/Library	1,590,108.28	(12,260.56)	1,577,847.72	1,557,164.70	20,683.02
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	23,056.00		23,056.00		23,056.00
Purchased Professional - Educational Services	148,420.00	133,349.00	281,769.00	134,791.70	146,977.30
Other Purchased Services (400-500 Series)	40,351.00	256.42	40,607.42	20,617.25	19,990.17
Supplies and Materials	10,906.00	137.02	11,043.02	6,705.58	4,337.44
Total Undistributed Expenditures - Instructional Staff Training Services	222,733.00	133,742.44	356,475.44	162,114.53	194,360.91

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 GENERAL FUND
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures - Support Services General Administration:					
Salaries	\$ 330,928.00	\$ 2,794.49	\$ 333,722.49	\$ 333,352.95	\$ 369.54
Legal Services	250,000.00	(77,794.49)	172,205.51	169,013.45	3,192.06
Audit Fees	78,000.00		78,000.00	70,000.00	8,000.00
Other Purchased Professional Services	25,000.00		25,000.00	23,211.11	1,788.89
Purchased Technical Services	3,038.00		3,038.00	98.00	2,940.00
Communications/Telephone	307,254.00		307,254.00	174,796.95	132,457.05
Miscellaneous Purchased Services	151,900.00	(3,371.00)	148,529.00	119,459.94	29,069.06
General Supplies	24,088.70	15,364.84	39,453.54	14,936.67	24,516.87
BOE In-House Training/Meeting Supplies	2,300.00	1,836.16	4,136.16	4,119.82	16.34
Miscellaneous Expenditures	7,610.00	(1,500.00)	6,110.00	2,361.00	3,749.00
BOE Membership Dues and Fees	29,000.00		29,000.00	26,662.70	2,337.30
Total Undistributed Expenditures - Support Services General Administration	1,209,118.70	(62,670.00)	1,146,448.70	938,012.59	208,436.11
Undistributed Expenditures - Support Services School Administration:					
Salaries of Principals/Assist. Principals/Program Directors	2,726,235.00	311,810.00	3,038,045.00	2,763,195.68	254,849.32
Salaries of Other Professional Staff	1,178,033.00	69,487.08	1,247,520.08	1,221,366.87	26,153.21
Salaries of Secretarial and Clerical Assistants	2,011,049.00	11,806.92	2,022,855.92	2,022,851.87	4.05
Purchased Professional - Technical Services	112,975.00	8,200.00	121,175.00	120,255.30	919.70
Other Purchased Services (400-500 Series)	40,327.00		40,327.00	37,770.40	2,556.60
Supplies and Materials	23,900.21	441.45	24,341.66	18,076.34	6,265.32
Other Objects	31,800.00	1,100.00	32,900.00	24,344.00	8,556.00
Total Undistributed Expenditures - Support Services School Administration	6,124,319.21	402,845.45	6,527,164.66	6,227,860.46	299,304.20
Undistributed Expenditures - Central Services:					
Salaries	1,417,748.00		1,417,748.00	1,380,242.96	37,505.04
Purchased Professional Services	92,000.00		92,000.00	69,173.90	22,826.10
Purchased Technical Services	163,775.00		166,581.00	113,010.60	73,570.40
Miscellaneous Purchased Services	178,600.00	22,806.00	201,386.00	171,767.56	52,814.17
Supplies and Materials	58,549.81	(6,832.44)	51,717.37	33,499.36	173,844.05
Miscellaneous Expenditures	16,470.00	(900.00)	15,570.00	12,984.77	2,585.23
Total Undistributed Expenditures - Central Services	1,927,142.81	163,867.16	2,091,009.97	1,727,864.98	363,144.99

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule
GENERAL FUND

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures - Admin. Info. Technology:					
Salaries	\$ 642,462.00	\$ (10,000.00)	\$ 632,462.00	\$ 608,552.94	\$ 23,909.06
Purchased Technical Services	315,164.37		315,164.37	314,503.10	661.27
Other Purchased Services (400-500 Series)	10,500.00		10,500.00	1,004.72	9,495.28
Supplies and Materials	169,104.82	110,400.00	279,504.82	164,702.33	114,802.49
Other Objects	725.00		725.00	250.00	475.00
Total Undistributed Expenditures - Admin. Info. Technology	1,137,956.19	100,400.00	1,238,356.19	1,089,013.09	149,343.10
Undistributed Expenditures - Required Maint. for School Facilities:					
Salaries	722,840.00	(2,476.00)	722,840.00	643,819.83	79,020.17
Cleaning, Repair & Maintenance Services	651,926.00	(756.00)	649,450.00	295,013.99	354,436.01
General Supplies	252,397.26		251,641.26	120,845.87	130,795.39
Total Undistributed Expenditures - Required Maint. for School Facilities	1,627,163.26	(3,232.00)	1,623,931.26	1,059,679.69	564,251.57
Undistributed Expenditures - Custodial Services:					
Salaries	3,189,680.00	(27,241.76)	3,162,438.24	3,047,371.13	115,067.11
Salaries of Non-Instructional Aides	276,666.00		276,666.00	255,692.85	20,973.15
Purchased Professional - Technical Services	244,223.73	298,591.85	542,815.58	534,953.68	7,861.90
Cleaning, Repair & Maintenance Services	418,512.85	(30,108.70)	388,404.15	214,415.05	173,989.10
Other Purchased Property Services	189,620.00	(0.36)	189,619.64	169,936.40	19,683.24
Insurance	356,691.00	2,931.00	359,622.00	359,622.00	
Miscellaneous Purchased Services	1,000.00		1,000.00	4.90	995.10
General Supplies	576,482.54	13,807.67	590,290.21	517,267.21	73,023.00
Energy (Electricity)	2,636,105.00	0.48	2,636,105.48	1,998,182.80	637,922.68
Other Objects	21,577.03	(0.00)	21,577.03	9,877.03	11,700.00
Energy (Natural Gas)	579,840.00		579,840.00	413,304.87	166,535.13
Total - Custodial Services	8,490,398.15	257,980.18	8,748,378.33	7,520,627.92	1,227,750.41
Undistributed Expenditures - Care and Upkeep of Grounds:					
Salaries	276,518.00		276,518.00	261,120.06	15,397.94
Cleaning, Repair & Maintenance Services	147,112.50		147,112.50	129,153.21	17,959.29
General Supplies	87,152.43	848.00	88,000.43	56,602.58	31,397.85
Other Objects	500.00		500.00	80.00	420.00
Total Undistributed Expenditures - Care and Upkeep of Grounds	511,282.93	848.00	512,130.93	446,955.85	65,175.08

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule

GENERAL FUND

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures - Security:					
Salaries	\$ 224,813.00	\$ (6,000.00)	\$ 218,813.00	\$ 215,143.59	\$ 3,669.41
Purchased Professional - Technical Services	800.00		800.00		800.00
Cleaning, Repair & Maintenance Services	4,500.00	11,000.00	15,500.00	5,210.00	10,290.00
General Supplies	9,785.74		9,785.74	3,862.84	5,922.90
Total Undistributed Expenditures - Security	239,898.74	5,000.00	244,898.74	224,216.43	20,682.31
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transportation (Between Home & School) - Regular	1,844,997.00		1,844,997.00	1,733,667.32	111,329.68
Salaries for Pupil Transportation (Between Home & School) - Special	85,949.00		85,949.00	79,251.77	6,697.23
Salaries for Pupil Transportation (Other Than Between Home & School)		82,165.41	82,165.41	37,693.56	44,471.85
Management Fee - ESC Transportation Program	176,775.00	(47,000.00)	129,775.00	103,971.00	25,804.00
Other Purchased Professional and Technical Services	14,361.00		14,361.00	12,320.96	2,040.04
Cleaning, Repair & Maintenance Services	37,212.00	3,000.00	40,212.00	38,181.36	2,030.64
Lease Purchase Payments - School Buses	210,269.17	0.08	210,269.25	205,202.08	5,067.17
Contracted Services (Between Home & School) - Vendor	319,813.00	(43,000.00)	276,813.00	197,224.44	79,588.56
Contracted Services (Other than Between Home & School)	272,690.00	(105,986.33)	166,703.67	133,337.35	33,366.32
Contracted Services (Special Ed Students) - Vendors	1,661,234.00	87,000.00	1,748,234.00	1,711,097.74	37,136.26
Contracted Services - Aid in Lieu of Payments - Non Public Schools	210,000.00	(1,500.00)	208,500.00	200,215.01	8,284.99
Miscellaneous Purchased Services - Transportation	53,606.00	440.00	54,046.00	54,046.00	
General Supplies	7,050.00	231.00	7,281.00	2,787.96	4,493.04
Transportation Supplies	548,123.35	125,331.13	673,454.48	657,141.40	16,313.08
Fuel Expenses Offset by Advertising		250.00	250.00	250.00	
Other Objects	4,520.00	2,185.10	6,705.10	5,276.50	1,428.60
Total Undistributed Expenditures - Student Transportation Services	5,446,599.52	103,116.39	5,549,715.91	5,171,664.45	378,051.46
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	1,592,772.00	24,317.57	1,617,089.57	1,569,960.28	47,129.29
Other Retirement Contributions - PERS	1,775,229.00	(31,524.82)	1,743,704.18	1,737,446.33	6,257.85
Workmen's Compensation	898,033.00	7,056.00	905,089.00	905,089.00	
Health Benefits	21,208,556.00	(2,754,156.93)	18,454,399.07	16,261,753.45	2,192,645.62
Tuition Reimbursement	400,000.00	(50,000.00)	350,000.00	232,149.24	117,850.76
Other Employee Benefits	457,200.00	1,850,000.00	2,307,200.00	2,278,654.15	28,545.85
Total Unallocated Benefits - Employee Benefits	26,331,790.00	(954,308.18)	25,377,481.82	22,985,052.45	2,392,429.37

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 GENERAL FUND
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures - Transfer to Charter Schools	\$ 82,213.00	\$ 94,500.00	\$ 176,713.00	\$ 162,550.00	\$ 14,163.00
Undistributed Expenditures- Non-budgeted: On-behalf TPAF Pension Contributions	-	-	-	7,937,597.00	(7,937,597.00)
Undistributed Expenditures - Non-budgeted Reimbursed TPAF Social Security Contributions	75,530,488.48	(117,957.77)	75,412,530.71	3,901,864.57	(3,901,864.57)
Total Undistributed Expenses	131,441,638.74	105,733.62	131,547,372.36	80,077,012.41	(4,664,481.70)
Total Current Expense	1,032,990.18	-	1,032,990.18	1,032,990.18	-
CAPITAL OUTLAY:					
Equipment: Undistributed Expenditures: Instruction	1,032,990.18	-	1,032,990.18	1,032,990.18	-
Total - Equipment	1,032,990.18	-	1,032,990.18	1,032,990.18	-
Facilities Acquisition and Construction Services: Construction Services Assessment for Debt Service on SDA Funding	1,397,826.00	390,536.62	1,788,362.62	202,879.12	1,585,483.50
Total - Facilities Acquisition and Construction Services	1,503,586.00	390,536.62	1,894,122.62	308,639.12	1,585,483.50
Assets Acquired Under Capital Leases (Non-Budgeted): Undistributed Expenditures: Lease Purchase Agreement - Principal	-	-	-	817,450.00	(817,450.00)
Total Capital Outlay	2,536,576.18	390,536.62	2,927,112.80	2,159,079.30	768,033.50
Total Expenditures	133,978,214.92	496,270.24	134,474,485.16	136,061,318.33	(1,586,833.17)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,285,224.92)	(491,686.24)	(8,776,911.16)	2,807,055.71	11,583,966.87

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule
GENERAL FUND

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Other Financing Sources (Uses):					
Transfer Out--Enterprise Funds	\$ (745,250.00)	\$ (0.38)	\$ (745,250.38)	\$ (738,149.39)	\$ 7,100.99
Transfer Out--Capital Reserve to Capital Projects Fund	(713,000.00)		(713,000.00)	(713,000.00)	
Transfer In--Capital Projects Fund (Interest Earned on Capital Projects Fund)				11,977.16	11,977.16
Transfer In--Capital Projects Fund (Unexpended Capital Projects Balance)				22,980.14	22,980.14
Accounts Payable Canceled				29,840.26	29,840.26
Refund of Prior Year Revenue				(971.69)	(971.69)
Capital Leases (Non-Budgeted)				817,450.00	817,450.00
Total - Other Financing Sources (Uses)	(1,458,250.00)	(0.38)	(1,458,250.38)	(569,873.52)	888,376.86
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(9,743,474.92)	(491,686.62)	(10,235,161.54)	2,237,182.19	12,472,343.73
Fund Balances, July 1	19,568,347.03	-	19,568,347.03	19,568,347.03	-
Fund Balances, June 30	\$ 9,824,872.11	\$ (491,686.62)	\$ 9,333,185.49	\$ 21,805,529.22	\$ 12,472,343.73

Recapitulation:

Restricted:	
Capital Reserve	\$ 1,945,403.17
Excess Surplus--Current Year	6,852,747.37
Excess Surplus--Prior Year--Designated for Subsequent Year's Expenditures	5,860,575.00
Legal Reserve--50% School Bus Advertising Revenue; Offset to Fuel Costs	1,350.00
Assigned:	
Year-End Encumbrances	1,989,913.78
Designated for Subsequent Year's Expenditures	2,276,202.00
Unassigned	2,879,337.90
	21,805,529.22
	(4,710,889.00)
	<u>\$ 17,094,640.22</u>

Reconciliation to Governmental Funds Statements (GAAP):

Last State Aid Payment Not Recognized on GAAP Basis	
Fund Balance per Governmental Funds (GAAP):	

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule - Education Jobs Fund
 GENERAL FUND
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Federal Sources:					
Education Jobs Fund	-	\$ 4,584.00	\$ 4,584.00	\$ 4,584.00	-
Total - Federal Sources	-	4,584.00	4,584.00	4,584.00	-
Total Revenues	-	4,584.00	4,584.00	4,584.00	-
EXPENDITURES:					
GENERAL CURRENT EXPENSE:					
Undistributed Expenditures - Custodial Services:					
Salaries	-	4,258.24	4,258.24	4,258.24	-
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	-	325.76	325.76	325.76	-
Total Current Expense	-	4,584.00	4,584.00	4,584.00	-
Total Expenditures	-	4,584.00	4,584.00	4,584.00	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Required Supplementary Information
 Budgetary Comparison Schedule
 SPECIAL REVENUE FUND

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Revenue from Local Sources	-	\$ 61,024.52	\$ 61,024.52	\$ 29,529.45	\$ (31,495.07)
State Sources:					
Nonpublic Aid	\$ 117,794.00	7,587.00	125,381.00	99,882.14	(25,498.86)
Total - State Sources	117,794.00	7,587.00	125,381.00	99,882.14	(25,498.86)
Federal Sources:					
N.C.L.B.:					
Title I	319,399.00	94,308.88	413,707.88	386,173.50	(27,534.38)
Title II - Part A	162,019.00	21,826.89	183,845.89	170,834.06	(13,011.83)
Title III	13,735.00	12,761.46	26,496.46	25,170.18	(1,326.28)
Title III - Immigrant		13,782.95	13,782.95	5,100.95	(8,682.00)
I.D.E.I.A. Part B:					
Basic	1,736,342.00	549,645.57	2,285,987.57	1,946,180.69	(339,806.88)
Preschool	85,690.00	30,074.00	115,764.00	98,602.40	(17,161.60)
Carl D. Perkins Vocational and Technical					
Education Act of 1998 - Secondary		39,168.00	39,168.00	39,168.00	
Race to the Top Phase 3		49,912.00	49,912.00	49,912.00	
Teaching American History		67,823.78	67,823.78	46,102.37	(21,721.41)
Total - Federal Sources	2,317,185.00	879,303.53	3,196,488.53	2,767,244.15	(429,244.38)
Total Revenues	2,434,979.00	947,915.05	3,382,894.05	2,896,655.74	(486,238.31)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Required Supplementary Information
Budgetary Comparison Schedule
SPECIAL REVENUE FUND

For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 316,579.00	\$ 24,126.26	\$ 340,705.26	\$ 307,612.81	\$ 33,092.45
Other Salaries for Instruction	141,809.00	108,748.45	250,557.45	211,080.76	39,476.69
Purchased Professional Technical Services	86,000.00	(23,654.60)	62,345.40	60,600.40	1,745.00
Purchased Professional Educational Services	76,427.00	10,834.20	87,261.20	71,935.50	15,325.70
Other Purchased Services		5,000.00	5,000.00	5,000.00	
Tuition	651,100.00	156,037.25	807,137.25	691,542.90	115,594.35
General Supplies	245,642.00	126,922.61	372,564.61	327,847.50	44,717.11
Textbooks	11,733.00	(160.00)	11,573.00	4,120.00	7,453.00
Other Objects	1,000.00	10,738.00	11,738.00	11,738.00	
Total Instruction	1,530,290.00	418,592.17	1,948,882.17	1,691,477.87	257,404.30
Support Services:					
Salaries	144,954.00	45,010.75	189,964.75	133,274.23	56,690.52
Personal Services--Employee Benefits	42,668.00	41,423.55	84,091.55	72,106.37	11,985.18
Purchased Professional Technical Services	446,812.00	250,402.67	697,214.67	579,950.36	117,264.31
Purchased Professional Educational Services	177,028.00	(21,691.00)	155,337.00	146,768.25	8,568.75
Miscellaneous Purchased Services	22,877.00	19,284.81	42,161.81	34,771.00	7,390.81
Travel		500.11	500.11	418.63	81.48
General Supplies	63,350.00	143,613.02	206,963.02	180,577.22	26,385.80
Total Support Services	897,689.00	478,543.91	1,376,232.91	1,147,866.06	228,366.85
Facilities Acquisition and Construction Services:					
Instructional Equipment	7,000.00	50,778.97	57,778.97	57,311.81	467.16
Non-Instructional Equipment					
Total Facilities Acquisition and Construction Services	7,000.00	50,778.97	57,778.97	57,311.81	467.16
Total Expenditures	2,434,979.00	947,915.05	3,382,894.05	2,896,655.74	486,238.31
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to Required Supplementary Information
 For the Fiscal Year Ended June 30, 2013

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 138,868,374.04	\$ 2,896,655.74
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		91,051.22
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	4,743,820.00	
State aid payments recognized as revenue for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(4,710,889.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 138,901,305.04</u>	<u>\$ 2,987,706.96</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 136,061,318.33	\$ 2,896,655.74
Differences - Budget to GAAP:		
Encumbrances for goods or services ordered but not received are reported in the year the orders are placed for budgetary purposes, but in the year the goods or services are received for financial reporting purposes.		<u>91,051.22</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 136,061,318.33</u>	<u>\$ 2,987,706.96</u>

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
SPECIAL REVENUE FUND
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2013

N.C.L.B.

	Total	Title I	Title II Part A	Title III	Title III Immigrant	NJ Non-Public Textbook Aid	NJ Non-Public Nursing Services Aid	Total Brought Forward
REVENUES:								
Federal Sources	\$ 2,767,244.15							
State Sources	99,882.14		\$ 170,834.06	\$ 25,170.18	\$ 5,100.95		\$ 16,062.00	\$ 2,179,965.46
Local Sources	29,529.45							79,700.14
Total Revenues	2,896,655.74	386,173.50	170,834.06	25,170.18	5,100.95	4,120.00	16,062.00	2,289,195.05
EXPENDITURES:								
Instruction:								
Salaries of Teachers	307,612.81							79,255.12
Other Salaries for Instruction	211,080.76		61,096.00	8,646.44	2,183.00			148,215.06
Purchased Professional Technical Services	60,600.40							60,600.40
Purchased Professional Educational Services	71,935.50				845.00			70,190.50
Other Purchased Services	5,000.00							5,000.00
Tuition	691,542.90							691,542.90
General Supplies	327,847.50		6,621.87	12,896.12				201,615.79
Textbooks	4,120.00					4,120.00		4,120.00
Other Objects	11,738.00							11,738.00
Total Instruction	1,691,477.87	325,805.72	67,717.87	21,542.56	4,133.95	4,120.00	-	1,268,157.77
Support Services:								
Salaries	133,274.23							128,612.24
Personal Services--Employee Benefits	72,106.37		4,328.99	333.00				26,926.12
Purchased Professional Technical Services	579,950.36	30,626.54	13,705.08	681.63	167.00			532,295.36
Purchased Professional Educational Services	146,768.25	6,800.00	47,655.00				16,062.00	123,906.25
Miscellaneous Purchased Services	34,771.00	3,482.96	12,877.00		800.00			17,611.44
Travel	418.63		418.63					418.63
General Supplies	180,577.22	11,619.71	24,131.49					144,826.02
Total Support Services	1,147,866.06	52,528.81	103,116.19	1,014.63	967.00	-	16,062.00	974,177.43
Facilities Acquisition and Construction Services:								
Instructional Equipment	57,311.81			2,612.99				46,859.85
Non-Instructional Equipment								
Total Facilities Acquisition and Construction Services	57,311.81	7,838.97	-	2,612.99	-	-	-	46,859.85
Total Expenditures	\$ 2,896,655.74	\$ 386,173.50	\$ 170,834.06	\$ 25,170.18	\$ 5,100.95	\$ 4,120.00	\$ 16,062.00	\$ 2,289,195.05

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
SPECIAL REVENUE FUND
 Combining Schedule of Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2013

	I. D. E. I. A. Part B				Total Carried Forward	Race to the Top Phase 3	Teaching American History	Total Brought Forward
	Basic	Preschool	Carl D. Perkins Vocational and Technical Education Act of 1988-Secondary					
REVENUES:								
Federal Sources	\$ 2,179,965.46	\$ 98,602.40	\$ 39,168.00	\$ 49,912.00	\$ 46,102.37	\$ 79,700.14		
State Sources	79,700.14					29,529.45		
Local Sources	29,529.45							
Total Revenues	2,289,195.05	98,602.40	39,168.00	49,912.00	46,102.37	109,229.59		
EXPENDITURES:								
Instruction:								
Salaries of Teachers	79,255.12							
Other Salaries for Instruction	144,215.06					1,625.00	4,107.00	
Purchased Professional Technical Services	60,600.40		10,800.40			7,500.00		
Purchased Professional Educational Services	70,190.50						70,190.50	
Other Purchased Services	5,000.00	5,000.00						
Tuition	691,542.90	43,891.00	3,754.98			1,475.30	27,288.86	
General Supplies	201,615.79	4,461.90						
Textbooks								
Other Objects	11,738.00		8,300.00					
Total Instruction	1,268,157.77	53,352.90	22,855.38	-	10,600.30	101,586.36		
Support Services:								
Salaries	128,612.24							
Personal Services--Employee Benefits	26,926.12					124.31		
Purchased Professional Technical Services	532,295.36	45,249.50		5,497.69				
Purchased Professional Educational Services	123,906.25							
Miscellaneous Purchased Services	17,611.44		4,992.62			2,129.16	7,643.23	
Travel								
General Supplies	144,826.02			44,414.31		33,248.60		
Total Support Services	974,177.43	45,249.50	4,992.62	49,912.00	35,502.07	7,643.23		
Facilities Acquisition and Construction Services:								
Instructional Equipment	46,859.85		11,320.00					
Non-Instructional Equipment								
Total Facilities Acquisition and Construction Services	46,859.85	-	11,320.00	-	-	-		
Total Expenditures	2,289,195.05	98,602.40	39,168.00	49,912.00	46,102.37	109,229.59		

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

SPECIAL REVENUE FUND

Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2013

	Total Carried Forward	N.J. Nonpublic Auxiliary Services, Ch. 192, L. 1977		N.J. Nonpublic Handicapped Services, Ch. 193, L. 1977			NJ Non-Public Technology Aid	Miscellaneous Local Grants
		Compensatory Education	Transportation and Maintenance	Examination and Classification	Corrective Speech	Supplementary Instruction		
REVENUES:								
Federal Sources	\$ 79,700.14	\$ 25,414.40	\$ 7,266.24	\$ 15,764.98	\$ 21,561.12	\$ 6,175.00	\$ 3,518.40	\$ 29,529.45
State Sources	29,529.45							
Local Sources								
Total Revenues	109,229.59	25,414.40	7,266.24	15,764.98	21,561.12	6,175.00	3,518.40	29,529.45
EXPENDITURES:								
Instruction:								
Salaries of Teachers	4,107.00							4,107.00
Other Salaries for Instruction								
Purchased Professional Technical Services	70,190.50	25,414.40		15,764.98	21,561.12	6,175.00		1,275.00
Purchased Professional Educational Services								
Other Purchased Services								
Tuition	27,288.86							23,770.46
General Supplies								
Textbooks								
Other Objects								
Total Instruction	101,586.36	25,414.40	-	15,764.98	21,561.12	6,175.00	3,518.40	29,152.46
Support Services:								
Salaries								
Personal Services--Employee Benefits								
Purchased Professional Technical Services								
Purchased Professional Educational Services			7,266.24					376.99
Miscellaneous Purchased Services	7,643.23							
Travel								
General Supplies								
Total Support Services	7,643.23	-	7,266.24	-	-	-	-	376.99
Facilities Acquisition and Construction Services:								
Instructional Equipment								
Non-Instructional Equipment								
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-
Total Expenditures	109,229.59	25,414.40	7,266.24	15,764.98	21,561.12	6,175.00	3,518.40	29,529.45

CAPITAL PROJECTS FUND

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2013

Project Title/Issue	Expenditures to Date			Canceled	Unexpended Balance June 30, 2013
	Appropriations	Prior Years	Current Year		
(a) Washington Township High School - Air Conditioning / Security / Athletics / Storage	\$ 9,615,076.00	\$ 9,495,442.82			\$ 119,633.18
(b) Washington Township High School - Science Labs	828,853.00	750,099.69			78,753.31
(c) Washington Township High School - Security Cameras	173,310.00	132,752.82			40,557.18
(d) Washington Township High School - Roof	549,831.00	542,401.26			7,429.74
(e) Washington Township High School - High Jump	98,875.00	92,887.60			5,987.40
(f) Asbestos Abatement	141,586.00	123,758.72			17,827.28
(g) Washington Township High School - Classroom Renovations	135,167.00	71,477.18			63,689.82
(h) Washington Township High School - Overhangs	41,377.00	33,700.00			7,677.00
(i) Whitman Elementary School - Asphalt Repair and Replacement	62,388.50	55,037.30			7,351.20
(j) Washington Township High School - Roof	585,754.00	554,529.24	\$ (19,911.88)		51,136.64
(k) Birches Elementary School - Parking Lot Paving	203,629.00	171,383.79			32,245.21
(l) Washington Township High School - Roof	505,890.00	346,816.60	144,500.75		14,572.65
(m) Washington Township High School - Parking Lot Resurfacing	561,165.00		531,502.62		29,662.38
(n) Operations - Replace Blacktop	79,135.00		2,816.25		76,318.75
(o) Thomas Jefferson Elementary School - Replace Gym Foyer Doors	25,000.00		47,700.00		25,000.00
(p) Whitman Elementary School - Parking Lot Resurfacing	47,700.00			\$ 1,275.00	
(q) Wedgewood Elementary School - Roof Reconstruction	242,189.00	240,914.00			
(r) Washington Township High School - Roof	203,789.00	155,293.17		48,495.83	
	<u>\$ 14,100,714.50</u>	<u>\$ 12,766,494.19</u>	<u>\$ 706,607.74</u>	<u>\$ 49,770.83</u>	<u>\$ 577,841.74</u>

Recapitulation:

Restricted for Capital Projects:	
Year-End Encumbrances	\$ 99,135.00
Designated for Subsequent Year's Expenditures	478,706.74
	<u>\$ 577,841.74</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2013

Revenues:

Transfer from Capital Reserve	\$ 713,000.00
Interest Earned on Deposits	<u>11,977.16</u>
 Total Revenues	 <u>724,977.16</u>

Expenditures:

Other Purchased Professional and Technical Services	37,946.77
Construction Services	<u>668,660.97</u>
 Total Expenditures	 <u>706,607.74</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>18,369.42</u>
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Other Financing Sources and (Uses):

Unexpended Balances Canceled:	
Accounts Receivable	(26,790.69)
Transfer to General Fund	(22,980.14)
Transfer from Capital Reserve	
Transfers to General Fund:	
Interest Earned on Deposits	<u>(11,977.16)</u>
 Total Other Financing Sources and Uses	 <u>(61,747.99)</u>

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(43,378.57)</u>
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Fund Balance -- July 1	<u>621,220.31</u>
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Fund Balance -- June 30	<u><u>\$ 577,841.74</u></u>
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Recapitulation:

Restricted for Capital Projects:	
Year-End Encumbrances	\$ 99,135.00
Designated for Subsequent Year's Expenditures	<u>478,706.74</u>
	<u><u>\$ 577,841.74</u></u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Washington Township High School - Air Conditioning / Security / Athletics / Storage
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 3,345,967.00		\$ 3,345,967.00	\$ 3,345,967.00
Bond Proceeds and Transfers	<u>6,269,109.00</u>		<u>6,269,109.00</u>	<u>6,269,109.00</u>
Total Revenues	<u>9,615,076.00</u>	<u>-</u>	<u>9,615,076.00</u>	<u>9,615,076.00</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	590,637.64		590,637.64	699,822.60
Construction Services	<u>8,904,805.18</u>		<u>8,904,805.18</u>	<u>8,915,253.40</u>
Total Expenditures	<u>9,495,442.82</u>	<u>-</u>	<u>9,495,442.82</u>	<u>9,615,076.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 119,633.18</u>	<u>\$ -</u>	<u>\$ 119,633.18</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-010-05-0AIE			
Grant Date	10-26-2004			
Bond Authorization Date	3-16-2005			
Bonds Authorized	\$ 16,271,000.00			
Bonds Issued	\$ 16,271,000.00			
Original Authorized Cost	\$ 9,615,076.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 9,615,076.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	98.76%			
Original Target Completion Date	8-31-2006			
Revised Target Completion Date	12-31-2013			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Washington Township High School - Science Labs
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 430,963.00		\$ 430,963.00	\$ 430,963.00
Transfer from Capital Reserve	<u>397,890.00</u>		<u>397,890.00</u>	<u>397,890.00</u>
Total Revenues	<u>828,853.00</u>	<u>-</u>	<u>828,853.00</u>	<u>828,853.00</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	83,053.26		83,053.26	83,053.26
Construction Services	<u>667,046.43</u>		<u>667,046.43</u>	<u>745,799.74</u>
Total Expenditures	<u>750,099.69</u>	<u>-</u>	<u>750,099.69</u>	<u>828,853.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 78,753.31</u>	<u>\$ -</u>	<u>\$ 78,753.31</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5500-010-05-0ARU
Grant Date	12-22-2005
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,002,706.00
Additional Authorized Cost	(173,853.00)
Revised Authorized Cost	\$ 828,853.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	90.50%
Original Target Completion Date	08-25-2006
Revised Target Completion Date	12-31-2013

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Washington Township High School - Security Cameras
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ 173,310.00	_____	\$ 173,310.00	\$ 173,310.00
Total Revenues	<u>173,310.00</u>	<u>-</u>	<u>173,310.00</u>	<u>173,310.00</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	16,539.82	_____	16,539.82	16,539.82
Construction Services	<u>116,213.00</u>	_____	<u>116,213.00</u>	<u>156,770.18</u>
Total Expenditures	<u>132,752.82</u>	<u>-</u>	<u>132,752.82</u>	<u>173,310.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 40,557.18</u>	<u>\$ -</u>	<u>\$ 40,557.18</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 173,310.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 173,310.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	76.60%
Original Target Completion Date	08-31-2006
Revised Target Completion Date	12-31-2013

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Washington Township High School - Roof
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 229,824.00		\$ 229,824.00	\$ 229,824.00
Transfer from Capital Reserve	<u>320,007.00</u>		<u>320,007.00</u>	<u>320,007.00</u>
Total Revenues	<u>549,831.00</u>	<u>-</u>	<u>549,831.00</u>	<u>549,831.00</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	17,976.75		17,976.75	22,406.00
Construction Services	<u>524,424.51</u>		<u>524,424.51</u>	<u>527,425.00</u>
Total Expenditures	<u>542,401.26</u>	<u>-</u>	<u>542,401.26</u>	<u>549,831.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 7,429.74</u>	<u>\$ -</u>	<u>\$ 7,429.74</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-010-09-1001			
Grant Date	7-31-2009			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 549,831.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 549,831.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	98.65%			
Original Target Completion Date	12-31-2010			
Revised Target Completion Date	12-31-2011			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Washington Township High School - High Jump
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds and Transfers	\$ 38,875.00		\$ 38,875.00	\$ 38,875.00
Transfer from Capital Reserve	<u>60,000.00</u>		<u>60,000.00</u>	<u>60,000.00</u>
Total Revenues	<u>98,875.00</u>	<u>-</u>	<u>98,875.00</u>	<u>98,875.00</u>
Expenditures and Other Financing Uses				
Construction Services	<u>92,887.60</u>		<u>92,887.60</u>	<u>98,875.00</u>
Total Expenditures	<u>92,887.60</u>	<u>-</u>	<u>92,887.60</u>	<u>98,875.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 5,987.40</u>	<u>\$ -</u>	<u>\$ 5,987.40</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	Unavailable			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 60,000.00			
Additional Authorized Cost	38,875.00			
Revised Authorized Cost	\$ 98,875.00			
Percentage Increase over Original Authorized Cost	64.79%			
Percentage Completion	93.94%			
Original Target Completion Date	12-31-2010			
Revised Target Completion Date	N/A			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Asbestos Abatement
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 60,640.00		\$ 60,640.00	\$ 60,640.00
Bond Proceeds and Transfers	(9,054.00)		(9,054.00)	(9,054.00)
Transfer from Capital Reserve	90,000.00		90,000.00	90,000.00
	<u>141,586.00</u>	<u>-</u>	<u>141,586.00</u>	<u>141,586.00</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	8,554.81		8,554.81	11,200.00
Construction Services	115,203.91		115,203.91	130,386.00
	<u>123,758.72</u>	<u>-</u>	<u>123,758.72</u>	<u>141,586.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 17,827.28</u>	<u>\$ -</u>	<u>\$ 17,827.28</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	Various			
Grant Date	12-23-2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 150,640.00			
Additional Authorized Cost	(9,054.00)			
Revised Authorized Cost	\$ 141,586.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	87.41%			
Original Target Completion Date	12-31-2010			
Revised Target Completion Date	6-30-2013			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
Washington Township High School - Classroom Renovations
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 54,412.00		\$ 54,412.00	\$ 54,412.00
Transfer from Capital Reserve	<u>80,755.00</u>		<u>80,755.00</u>	<u>80,755.00</u>
Total Revenues	<u>135,167.00</u>	<u>-</u>	<u>135,167.00</u>	<u>135,167.00</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	10,716.18		10,716.18	71,106.00
Construction Services	<u>60,761.00</u>		<u>60,761.00</u>	<u>64,061.00</u>
Total Expenditures	<u>71,477.18</u>	<u>-</u>	<u>71,477.18</u>	<u>135,167.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 63,689.82</u>	<u>\$ -</u>	<u>\$ 63,689.82</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5500-010-10-G1AB
Grant Date	12-23-2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 135,167.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 135,167.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	52.88%
Original Target Completion Date	12-31-2010
Revised Target Completion Date	6-30-2013

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Washington Township High School - Overhangs
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 14,877.00		\$ 14,877.00	\$ 14,877.00
Bond Proceeds and Transfers	4,420.00		4,420.00	4,420.00
Transfer from Capital Reserve	22,080.00		22,080.00	22,080.00
	<u>41,377.00</u>	<u>-</u>	<u>41,377.00</u>	<u>41,377.00</u>
Total Revenues	41,377.00	-	41,377.00	41,377.00
Expenditures and Other Financing Uses				
Construction Services	33,700.00		33,700.00	41,377.00
	<u>33,700.00</u>	<u>-</u>	<u>33,700.00</u>	<u>41,377.00</u>
Total Expenditures	33,700.00	-	33,700.00	41,377.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 7,677.00</u>	<u>\$ -</u>	<u>\$ 7,677.00</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5500-010-10-G1AD
Grant Date	12-23-2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 36,957.00
Additional Authorized Cost	4,420.00
Revised Authorized Cost	\$ 41,377.00
Percentage Increase over Original Authorized Cost	11.96%
Percentage Completion	81.45%
Original Target Completion Date	12-31-2010
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
Whitman Elementary School - Asphalt Repair and Replacement
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds and Transfers	\$ (22,847.50)		\$ (22,847.50)	\$ (22,847.50)
Transfer from Capital Reserve	85,236.00		85,236.00	85,236.00
Total Revenues	<u>62,388.50</u>	<u>-</u>	<u>62,388.50</u>	<u>62,388.50</u>
Expenditures and Other Financing Uses				
Construction Services	<u>55,037.30</u>		<u>55,037.30</u>	<u>62,388.50</u>
Total Expenditures	<u>55,037.30</u>	<u>-</u>	<u>55,037.30</u>	<u>62,388.50</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 7,351.20</u>	<u>\$ -</u>	<u>\$ 7,351.20</u>	<u>\$ -</u>
Additional Project Information:				
Project Number				N/A
Grant Date				N/A
Bond Authorization Date				N/A
Bonds Authorized				N/A
Bonds Issued				N/A
Original Authorized Cost	\$ 85,236.00			
Additional Authorized Cost	(22,847.50)			
Revised Authorized Cost	\$ 62,388.50			
Percentage Increase over Original Authorized Cost		-		
Percentage Completion		88.22%		
Original Target Completion Date		12-31-2010		
Revised Target Completion Date		N/A		

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Washington Township High School - Roof
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 235,754.00		\$ 235,754.00	\$ 235,754.00
Transfer from Capital Outlay	<u>350,000.00</u>		<u>350,000.00</u>	<u>350,000.00</u>
Total Revenues	<u>585,754.00</u>	<u>-</u>	<u>585,754.00</u>	<u>585,754.00</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	41,878.24		41,878.24	72,864.00
Construction Services	<u>512,651.00</u>	<u>\$ (19,911.88)</u>	<u>492,739.12</u>	<u>512,890.00</u>
Total Expenditures	<u>554,529.24</u>	<u>(19,911.88)</u>	<u>534,617.36</u>	<u>585,754.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 31,224.76</u>	<u>\$ 19,911.88</u>	<u>\$ 51,136.64</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-010-10-G1AF			
Grant Date	12-23-2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 585,754.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 585,754.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	91.27%			
Original Target Completion Date	12-31-2011			
Revised Target Completion Date	N/A			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Birches Elementary School - Parking Lot Paving
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds and Transfers	\$ (6,938.00)		\$ (6,938.00)	\$ (6,938.00)
Transfer from Capital Outlay	<u>210,567.00</u>		<u>210,567.00</u>	<u>210,567.00</u>
Total Revenues	<u>203,629.00</u>	<u>-</u>	<u>203,629.00</u>	<u>203,629.00</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services				2,000.00
Construction Services	<u>171,383.79</u>		<u>171,383.79</u>	<u>201,629.00</u>
Total Expenditures	<u>171,383.79</u>	<u>-</u>	<u>171,383.79</u>	<u>203,629.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 32,245.21</u>	<u>\$ -</u>	<u>\$ 32,245.21</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 210,567.00
Additional Authorized Cost	(6,938.00)
Revised Authorized Cost	\$ 203,629.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	84.16%
Original Target Completion Date	12-31-2012
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Washington Township High School - Roof
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 204,519.00		\$ 204,519.00	\$ 204,519.00
Bond Proceeds and Transfers	6,938.00		6,938.00	6,938.00
Transfer from Capital Outlay	294,433.00		294,433.00	294,433.00
Total Revenues	<u>505,890.00</u>	<u>-</u>	<u>505,890.00</u>	<u>505,890.00</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	23,433.90	\$ 1,904.50	25,338.40	27,100.00
Construction Services	323,382.70	142,596.25	465,978.95	478,790.00
Total Expenditures	<u>346,816.60</u>	<u>144,500.75</u>	<u>491,317.35</u>	<u>505,890.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 159,073.40</u>	<u>\$ (144,500.75)</u>	<u>\$ 14,572.65</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-010-10-G1AE			
Grant Date	12-23-2010			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 498,952.00			
Additional Authorized Cost	6,938.00			
Revised Authorized Cost	\$ 505,890.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	97.12%			
Original Target Completion Date	12-31-2012			
Revised Target Completion Date	N/A			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
Washington Township High School - Parking Lot Resurfacing
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds and Transfers		\$ (51,835.00)	\$ (51,835.00)	\$ (51,835.00)
Transfer from Capital Reserve		613,000.00	613,000.00	613,000.00
Total Revenues	-	561,165.00	561,165.00	561,165.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services		33,226.02	33,226.02	35,000.00
Construction Services		498,276.60	498,276.60	526,165.00
Total Expenditures	-	531,502.62	531,502.62	561,165.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 29,662.38	\$ 29,662.38	\$ -

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	\$ 613,000.00
Additional Authorized Cost	(51,835.00)
Revised Authorized Cost	\$ 561,165.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	94.71%
Original Target Completion Date	6-30-2013
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Operations - Replace Blacktop
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds and Transfers		\$ 4,135.00	\$ 4,135.00	\$ 4,135.00
Transfer from Capital Reserve		75,000.00	75,000.00	75,000.00
Total Revenues	-	79,135.00	79,135.00	79,135.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services		2,816.25	2,816.25	5,000.00
Construction Services				74,135.00
Total Expenditures	-	2,816.25	2,816.25	79,135.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 76,318.75	\$ 76,318.75	\$ -

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	\$ 75,000.00
Additional Authorized Cost	4,135.00
Revised Authorized Cost	\$ 79,135.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	3.56%
Original Target Completion Date	12-31-2013
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Thomas Jefferson Elementary School - Replace Gym Foyer Doors
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	<u> </u>	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
Total Revenues	<u> -</u>	<u>25,000.00</u>	<u>25,000.00</u>	<u>25,000.00</u>
Expenditures and Other Financing Uses				
Construction Services	<u> </u>	<u> </u>	<u> </u>	25,000.00
Total Expenditures	<u> -</u>	<u> -</u>	<u> </u>	<u>25,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 25,000.00</u>	<u>\$ 25,000.00</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 25,000.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 25,000.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	
Original Target Completion Date	12-31-2013
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Whitman Elementary School - Parking Lot Resurfacing
 From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds and Transfers	<u> </u>	\$ 47,700.00	\$ 47,700.00	\$ 47,700.00
Total Revenues	<u> </u>	<u>47,700.00</u>	<u>47,700.00</u>	<u>47,700.00</u>
Expenditures and Other Financing Uses				
Construction Services	<u> </u>	47,700.00	47,700.00	47,700.00
Total Expenditures	<u> </u>	<u>47,700.00</u>	<u>47,700.00</u>	<u>47,700.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 47,700.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 47,700.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	100.00%
Original Target Completion Date	12-31-2013
Revised Target Completion Date	N/A

PROPRIETARY FUNDS

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
ENTERPRISE FUNDS
 Combining Statement of Net Position
 June 30, 2013

		<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele-Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
ASSETS:							
Current Assets:							
Cash and Cash Equivalents	\$	1,067,922.24	\$ 189,227.73	\$ 16,599.85	\$ 215,544.55	\$ 156,369.01	\$ 1,645,663.38
Intergovernmental Accounts Receivable:							
State		5,061.94					5,061.94
Federal		128,523.64					128,523.64
Other Accounts Receivable		6,616.82	2,555.00		35,720.30		44,892.12
Interfund Accounts Receivable					617.19		617.19
Inventories		53,130.81					53,130.81
Total Current Assets		<u>1,261,255.45</u>	<u>189,227.73</u>	<u>19,154.85</u>	<u>251,882.04</u>	<u>156,369.01</u>	<u>1,877,889.08</u>
Noncurrent Assets:							
Furniture, Machinery and Equipment		1,175,520.74	5,993.91		78,437.17	43,752.00	1,303,703.82
Less Accumulated Depreciation		<u>(1,099,491.03)</u>	<u>(3,096.85)</u>		<u>(46,694.11)</u>	<u>(20,782.20)</u>	<u>(1,170,064.19)</u>
Total Noncurrent Assets		<u>76,029.71</u>	<u>2,897.06</u>	<u>-</u>	<u>31,743.06</u>	<u>22,969.80</u>	<u>133,639.63</u>
Total Assets		<u>1,337,285.16</u>	<u>192,124.79</u>	<u>19,154.85</u>	<u>283,625.10</u>	<u>179,338.81</u>	<u>2,011,528.71</u>

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
ENTERPRISE FUNDS
 Combining Statement of Net Position
 June 30, 2013

	Food Service	Child Care Program	Tele- Comm	Center for the Performing Arts	Drivers Education	Total
LIABILITIES:						
Current Liabilities:						
Compensated Absences Payable	\$ 891.31					\$ 891.31
Accounts Payable	3,394.36	\$ 2,262.65		\$ 111.84		5,768.85
Interfund Accounts Payable	538,334.14	41,615.26	\$ 6,831.56	252,723.93		839,504.89
Accrued Salaries and Benefits	8,611.85	3,949.27	1,696.63	7,392.66	\$ 8,737.94	30,388.35
Deposits Payable				8,074.34	225.00	8,299.34
Payable to Federal Government	2,989.24					2,989.24
Unearned Revenue	64,284.61					64,284.61
Total Current Liabilities	618,505.51	47,827.18	8,528.19	268,302.77	8,962.94	952,126.59
Noncurrent Liabilities:						
Compensated Absences Payable	168,774.47			4,491.33		173,265.80
Total Liabilities	787,279.98	47,827.18	8,528.19	272,794.10	8,962.94	1,125,392.39
NET POSITION:						
Net Investment in Capital Assets Unrestricted	76,029.71	2,897.06		31,743.06	22,969.80	133,639.63
	473,975.47	141,400.55	10,626.66	(20,912.06)	147,406.07	752,496.69
Total Net Position	\$ 550,005.18	\$ 144,297.61	\$ 10,626.66	\$ 10,831.00	\$ 170,375.87	\$ 886,136.32

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
ENTERPRISE FUNDS
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2013

	Food Service	Child Care Program	Tele- Comm	Center for the Performing Arts	Drivers Education	Total
OPERATING REVENUES:						
Charges for Services:						
Daily Sales - Reimbursable Programs	\$ 981,284.73					\$ 981,284.73
Daily Sales - Non-Reimbursable Programs	589,646.75					589,646.75
Other Activity Income			\$ 16,950.00			16,950.00
Admissions	46,155.33			\$ 419,529.96		419,529.96
Special Functions		\$ 163,562.08				163,562.08
Tuition						
Rentals				199,310.00		199,310.00
Registration					\$ 68,988.00	68,988.00
Miscellaneous	8,777.40			22,965.21		31,742.61
Total Operating Revenues	1,625,864.21	163,562.08	16,950.00	641,805.17	68,988.00	2,517,169.46
OPERATING EXPENSES:						
Salaries	1,303,110.68					1,551,587.58
Employee Benefits	859,796.78			99,670.93	49,887.00	863,308.16
Purchased Professional and Technical Services		84,561.65	14,357.32	3,511.38		20,145.98
Repairs and Maintenance	43,399.82			20,145.98		4,380.81
Other Purchased Services	1,029.50	38.05		3,671.52		51,452.15
Communications/Telephone/Electric				380,431.20	350.00	381,848.75
Rental of Buildings		30,042.38		20,472.79		20,472.79
Travel	610.77			26,601.52		56,643.90
General Supplies	36,751.48			2,275.36	10.00	610.77
Depreciation	18,364.87			18,474.49	4,719.82	51,098.11
Cost of Sales	903,872.80					42,658.03
Miscellaneous	17,272.99			13,377.24	35.00	903,872.80
Total Operating Expenses	3,184,209.69	128,462.66	14,357.32	588,632.41	59,382.63	3,975,044.71
Operating Income (Loss)	(1,558,345.48)	35,099.42	2,592.68	53,172.76	9,605.37	(1,457,875.25)

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2013

	Food Service	Child Care Program	Tele-Comm	Center for the Performing Arts	Drivers Education	Total
NONOPERATING REVENUES (EXPENSES):						
State Sources:						
State School Lunch Program	\$ 20,688.23					\$ 20,688.23
Federal Sources:						
National School Lunch Program	584,524.02					584,524.02
National School Breakfast Program	60,107.71					60,107.71
Special Milk Program	8,368.36					8,368.36
Food Distribution Program	126,891.89					126,891.89
Interest and Investment Revenue	8,981.80			\$ 1,409.55		10,391.35
	<u>809,562.01</u>	<u>-</u>	<u>-</u>	<u>1,409.55</u>	<u>-</u>	<u>810,971.56</u>
Total Nonoperating Revenues (Expenses)						
Income (Loss) before Contributions and Transfers	(748,783.47)	\$ 35,099.42	\$ 2,592.68	54,582.31	\$ 9,605.37	(646,903.69)
Transfer In - General Fund	<u>738,149.39</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>738,149.39</u>
Total Contributions and Transfers	<u>738,149.39</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>738,149.39</u>
Change in Net Position	(10,634.08)	35,099.42	2,592.68	54,582.31	9,605.37	91,245.70
Net Position -- July 1	<u>560,639.26</u>	<u>109,198.19</u>	<u>8,033.98</u>	<u>(43,751.31)</u>	<u>160,770.50</u>	<u>794,890.62</u>
Net Position -- June 30	<u>\$ 550,005.18</u>	<u>\$ 144,297.61</u>	<u>\$ 10,626.66</u>	<u>\$ 10,831.00</u>	<u>\$ 170,375.87</u>	<u>\$ 886,136.32</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
ENTERPRISE FUNDS
 Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2013

	Food Service	Child Care Program	Tele-Comm	Center for the Performing Arts	Drivers Education	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from Customers	\$ 1,621,790.61	\$ 163,562.08	\$ 17,025.00	\$ 642,080.12	\$ 69,213.00	\$ 2,513,670.81
Payments to Employees	(1,295,068.55)	(84,192.34)	(14,764.32)	(101,454.84)	(47,817.00)	(1,543,297.05)
Payments for Employee Benefits	(873,149.39)					(873,149.39)
Payments to Suppliers	(1,020,926.68)	(40,642.01)		(466,975.61)	(4,775.81)	(1,533,320.11)
Net Cash Provided by (used for) Operating Activities	<u>(1,567,354.01)</u>	<u>38,727.73</u>	<u>2,260.68</u>	<u>73,649.67</u>	<u>16,620.19</u>	<u>(1,436,095.74)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:						
State Sources	16,183.78					16,183.78
Federal Sources	681,572.58					681,572.58
Transfers from Other Funds	364,085.70	30,042.38		76,927.63		471,055.71
Operating Subsidies and Transfers to Other Funds	738,149.39					738,149.39
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>1,799,991.45</u>	<u>30,042.38</u>	<u>-</u>	<u>76,927.63</u>	<u>-</u>	<u>1,906,961.46</u>
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest and Dividends	8,981.80			1,409.55		10,391.35
Net Cash Provided by (used for) Investing Activities	<u>8,981.80</u>	<u>-</u>	<u>-</u>	<u>1,409.55</u>	<u>-</u>	<u>10,391.35</u>
Net Increase (Decrease) in Cash and Cash Equivalents	241,619.24	68,770.11	2,260.68	151,986.85	16,620.19	481,257.07
Cash and Cash Equivalents -- July 1	826,303.00	120,457.62	14,339.17	63,557.70	139,748.82	1,164,406.31
Cash and Equivalents -- June 30	<u>\$ 1,067,922.24</u>	<u>\$ 189,227.73</u>	<u>\$ 16,599.85</u>	<u>\$ 215,544.55</u>	<u>\$ 156,369.01</u>	<u>\$ 1,645,663.38</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
ENTERPRISE FUNDS
 Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2013

Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)
 by Operating Activities:

- Operating Income (Loss)
- Adjustments to Reconcile Operating Income (Loss) to Net Cash
 Provided by (used for) Operating Activities:
 - Depreciation and Net Amortization
 - (Increase) Decrease in Inventories
 - (Increase) Decrease in Accounts Receivable
 - Increase (Decrease) in Accounts Payable
 - Increase (Decrease) in Accrued Salaries and Benefits
 - Increase (Decrease) in Deposits Payable
 - Increase (Decrease) in Unearned Revenue
 - Increase (Decrease) in Compensated Absences Payable

Total Adjustments

Net Cash Provided by (used for) Operating Activities

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele-Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Totals</u>
	\$ (1,558,345.48)	\$ 35,099.42	\$ 2,592.68	\$ 53,172.76	\$ 9,605.37	\$ (1,457,875.25)
	18,364.87	1,098.85		18,474.49	4,719.82	42,658.03
	(20,357.24)					(20,357.24)
	(625.24)		75.00	1,779.70		1,229.46
	2,367.92	2,160.15				4,528.07
	8,042.13	369.31	(407.00)	(1,783.91)	2,070.00	8,290.53
	(3,448.36)			(1,504.75)	225.00	(1,279.75)
	(13,352.61)			3,511.38		(9,841.23)
	<u>(9,008.53)</u>	<u>3,628.31</u>	<u>(332.00)</u>	<u>20,476.91</u>	<u>7,014.82</u>	<u>21,779.51</u>
	<u>\$ (1,567,354.01)</u>	<u>\$ 38,727.73</u>	<u>\$ 2,260.68</u>	<u>\$ 73,649.67</u>	<u>\$ 16,620.19</u>	<u>\$ (1,436,095.74)</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
 Combining Statement of Net Position
 June 30, 2013

	<u>Paper Supplies</u>	<u>District Printing</u>	<u>Total</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 60,834.47	\$ 4,854.11	\$ 65,688.58
Interfund Accounts Receivable		432.25	432.25
Total Current Assets	<u>60,834.47</u>	<u>5,286.36</u>	<u>66,120.83</u>
Total Assets	<u>60,834.47</u>	<u>5,286.36</u>	<u>66,120.83</u>
LIABILITIES:			
Current Liabilities:			
Interfund Accounts Payable	60,834.47	3,402.67	64,237.14
Accrued Salaries and Benefits		1,883.69	1,883.69
Total Liabilities	<u>60,834.47</u>	<u>5,286.36</u>	<u>66,120.83</u>
NET POSITION:			
Net Investment in Capital Assets Unrestricted			
Total Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2013

	<u>Paper Supplies</u>	<u>District Printing</u>	<u>Total</u>
OPERATING REVENUES:			
Charges for Services:			
Services Provided to Other Funds	<u>\$ 174,036.24</u>	<u>\$ 18,013.96</u>	<u>\$ 192,050.20</u>
Total Operating Revenues	<u>174,036.24</u>	<u>18,013.96</u>	<u>192,050.20</u>
OPERATING EXPENSES:			
Salaries		10,148.01	10,148.01
Repairs and Maintenance		840.00	840.00
General Supplies	<u>174,036.24</u>	<u>7,025.95</u>	<u>181,062.19</u>
Total Operating Expenses	<u>174,036.24</u>	<u>18,013.96</u>	<u>192,050.20</u>
Change in Net Position			
Net Position -- July 1	<u>-</u>	<u>-</u>	<u>-</u>
Net Position -- June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
 Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2013

	<u>Paper Supplies</u>	<u>District Printing</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	\$ 174,036.24	\$ 16,890.50	\$ 190,926.74
Payments to Employees		(10,983.00)	(10,983.00)
Payments to Suppliers	<u>(177,936.24)</u>	<u>(7,865.95)</u>	<u>(185,802.19)</u>
Net Cash Provided by (used for) Operating Activities	<u>(3,900.00)</u>	<u>(1,958.45)</u>	<u>(5,858.45)</u>
Net Increase in Cash and Cash Equivalents	(3,900.00)	(1,958.45)	(5,858.45)
Cash and Cash Equivalents -- July 1	<u>64,734.47</u>	<u>6,812.56</u>	<u>71,547.03</u>
Cash and Equivalents -- June 30	<u>\$ 60,834.47</u>	<u>\$ 4,854.11</u>	<u>\$ 65,688.58</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	-	-	-
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Increase (Decrease) in Accounts Payable	\$ (3,900.00)		\$ (3,900.00)
Increase (Decrease) in Interfund Accounts Payable		\$ (1,123.46)	(1,123.46)
Increase (Decrease) in Accrued Salaries and Benefits		<u>(834.99)</u>	<u>(834.99)</u>
Total Adjustments	<u>(3,900.00)</u>	<u>(1,958.45)</u>	<u>(5,858.45)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (3,900.00)</u>	<u>\$ (1,958.45)</u>	<u>\$ (5,858.45)</u>

FIDUCIARY FUNDS

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
FIDUCIARY FUNDS
 Combining Statement of Fiduciary Net Position
 June 30, 2013

	Private-Purpose Trust Funds		Agency Funds			
	Unemployment Compensation Trust	Scholarship Fund	Student Activity	Vendors/Bidders	Payroll	Total
ASSETS:						
Cash and Cash Equivalents	\$ 742,684.60	\$ 23,728.96	\$ 346,259.70	\$ 20,450.00	\$ 853,919.33	\$ 1,987,042.59
Accounts Receivable	111,794.88					111,794.88
Total Assets	854,479.48	23,728.96	346,259.70	20,450.00	853,919.33	2,098,837.47
LIABILITIES:						
Accounts Payable	8,701.44					8,701.44
Deposits Payable				20,450.00		20,450.00
Interfund Accounts Payable					75,328.00	75,328.00
Payable to Student Groups			346,259.70			346,259.70
Payroll Deductions and Withholdings					778,591.33	778,591.33
Total Liabilities	8,701.44	-	346,259.70	20,450.00	853,919.33	1,229,330.47
NET POSITION:						
Held in Trust for Unemployment Claims and Other Purposes Reserved for Scholarships	845,778.04	23,728.96				845,778.04
Total Net Position	\$ 845,778.04	\$ 23,728.96				\$ 869,507.00

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
FIDUCIARY FUNDS
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2013

	<u>Private-Purpose Trust Funds</u>		<u>Total</u>
	<u>Unemployment Compensation Trust</u>	<u>Scholarship Fund</u>	
ADDITIONS:			
Contributions:			
Employee Salary Deductions	\$ 119,192.27		\$ 119,192.27
Investment Earnings:			
Interest	<u>6,171.94</u>	<u>\$ 388.48</u>	<u>6,560.42</u>
Total Additions	<u>125,364.21</u>	<u>388.48</u>	<u>125,752.69</u>
DEDUCTIONS:			
Scholarships		500.00	500.00
Unemployment Claims	<u>80,000.52</u>		<u>80,000.52</u>
Total Deductions	<u>80,000.52</u>	<u>500.00</u>	<u>80,500.52</u>
Income (Loss) before Contributions and Transfers	<u>45,363.69</u>	<u>(111.52)</u>	<u>45,252.17</u>
Change in Net Position	45,363.69	(111.52)	45,252.17
Net Position -- July 1	<u>800,414.35</u>	<u>23,840.48</u>	<u>824,254.83</u>
Net Position -- June 30	<u>\$ 845,778.04</u>	<u>\$ 23,728.96</u>	<u>\$ 869,507.00</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
FIDUCIARY FUNDS
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2013

	<u>Balance</u> <u>June 30, 2012</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2013</u>
ELEMENTARY SCHOOLS:				
Bells Elementary School	\$ 1,731.58	\$ 10,830.17	\$ 11,190.80	\$ 1,370.95
Birches Elementary School	662.35	10,151.55	10,506.20	307.70
Grenloch Elementary School	0.39		0.39	
Hurffville Elementary School	489.74	10,973.70	10,805.62	657.82
Thomas Jefferson Elementary School	742.56	8,354.09	8,127.35	969.30
Wedgwood Elementary School	551.38	11,761.71	11,889.44	423.65
Whitman Elementary School	922.41	12,281.62	11,719.23	1,484.80
Total Elementary Schools	<u>5,100.41</u>	<u>64,352.84</u>	<u>64,239.03</u>	<u>5,214.22</u>
MIDDLE SCHOOLS:				
Bunker Hill School	40,314.67	56,401.69	63,780.06	32,936.30
Chestnut Ridge School	31,647.79	76,113.71	82,293.57	25,467.93
Orchard Valley School	42,730.47	87,349.65	85,716.03	44,364.09
Total Middle Schools	<u>114,692.93</u>	<u>219,865.05</u>	<u>231,789.66</u>	<u>102,768.32</u>
HIGH SCHOOLS:				
Washington Township High School	249,250.44	1,180,056.60	1,191,029.88	238,277.16
Total All Schools	<u>\$ 369,043.78</u>	<u>\$ 1,464,274.49</u>	<u>\$ 1,487,058.57</u>	<u>\$ 346,259.70</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
FIDUCIARY FUNDS
 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>
ASSETS:				
Cash and Cash Equivalents	\$ 820,997.34	\$ 82,149,373.35	\$ 82,116,451.36	\$ 853,919.33
Total Assets	<u>\$ 820,997.34</u>	<u>\$ 82,149,373.35</u>	<u>\$ 82,116,451.36</u>	<u>\$ 853,919.33</u>
LIABILITIES:				
Net Payroll, Payroll Deductions and Withholdings	\$ 781,912.86	\$ 82,074,440.26	\$ 82,077,761.79	\$ 778,591.33
Intrafund Accounts Payable	38,689.57		38,689.57	
Interfund Accounts Payable: Due to General Fund	<u>394.91</u>	<u>74,933.09</u>	<u></u>	<u>75,328.00</u>
Total Liabilities	<u>\$ 820,997.34</u>	<u>\$ 82,149,373.35</u>	<u>\$ 82,116,451.36</u>	<u>\$ 853,919.33</u>

LONG-TERM DEBT

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2013

	Date of Issue	Amount of Issue	Date	Annual Maturities Amount	Interest Rate	Balance June 30, 2012	Issued	Retired	Balance June 30, 2013
School Refunding Bonds, Series 2004	1/29/2004	\$ 28,525,000.00	-	\$ -	4.25%	\$ 12,345,000.00		\$ 12,345,000.00	\$ 380,000.00
School Bonds, Series 2005	3/1/2005	16,271,000.00	3/1/2014	\$ 380,000.00	4.25%	730,000.00		350,000.00	\$ 380,000.00
Refunding Bonds, Series 2007	3/13/2007	8,040,000.00	3/1/2014	20,000.00	4.00%				
			3/1/2015	20,000.00	4.00%				
			3/1/2016	20,000.00	4.00%				
			3/1/2017	25,000.00	4.00%				
			3/1/2018	25,000.00	4.00%				
			3/1/2019	25,000.00	4.00%				
			3/1/2020	25,000.00	4.00%				
			3/1/2021	25,000.00	4.00%				
			3/1/2022	30,000.00	4.00%				
			3/1/2023	30,000.00	4.00%				
			3/1/2024	1,030,000.00	4.00%				
			3/1/2025	1,085,000.00	4.00%				
			3/1/2026	1,120,000.00	4.00%				
			3/1/2027	1,120,000.00	4.00%				
			3/1/2028	1,115,000.00	4.00%				
			3/1/2029	1,105,000.00	4.00%				
			3/1/2030	1,085,000.00	4.00%	7,945,000.00		20,000.00	7,925,000.00
Refunding Bonds, Series 2012	4/3/2012	7,205,000.00	3/1/2014	70,000.00	2.00%				
			3/1/2015	500,000.00	3.00%				
			3/1/2016	545,000.00	3.00%				
			3/1/2017	795,000.00	2.00%				
			3/1/2018	815,000.00	4.00%				
			3/1/2019	845,000.00	2.00%				
			3/1/2020	865,000.00	2.25%				
			3/1/2021	880,000.00	2.50%				
			3/1/2022	885,000.00	2.75%				
			3/1/2023	920,000.00	3.00%	7,205,000.00		85,000.00	7,120,000.00
Refunding Bonds, Series 2012	11/15/2012	9,095,000.00	2/1/2014	3,075,000.00	3.00%				
			2/1/2015	3,005,000.00	3.00%				
			2/1/2016	2,885,000.00	3.00%				
						\$ 28,225,000.00	\$ 9,095,000.00	130,000.00	8,965,000.00
						\$ 9,095,000.00	\$ 12,930,000.00	\$ 24,390,000.00	\$ 24,390,000.00
								\$ 3,720,000.00	
								9,210,000.00	
								\$ 12,930,000.00	
									\$ 12,930,000.00

Paid by Budget Appropriation
 Refunded

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Obligations Under Capital Leases
 For the Fiscal Year Ended June 30, 2013

Series	Date of Lease	Term of Lease	Principal	Interest	Interest Rate Payable	Amount Outstanding June 30, 2012	Issued	Retired	Amount Outstanding June 30, 2013
Buses, Instructional Equipment	9/01/08	3 years	\$ 286,200.00	\$ 18,072.00	4.25%	\$ 553,080.00		\$ 385,104.43	\$ 167,975.57
Xerox Copiers	11/01/08	5 years	1,745,003.65	303,576.35	6.50%	306,002.43		99,001.08	207,001.35
Buses, Instructional Equipment	7/30/10	5 years	495,438.00	45,467.78	2.55%	574,865.12		131,603.10	443,262.02
Buses, Instructional Equipment	8/31/11	5 years	673,341.00	28,823.30	1.68%		\$ 817,450.00	121,485.13	695,964.87
Buses, Instructional Equipment	10/1/12	5 years	817,450.00	23,694.55	1.203%		\$ 817,450.00	\$ 737,193.74	\$ 1,514,203.81
						\$ 1,433,947.55	\$ 817,450.00	\$ 737,193.74	\$ 1,514,203.81

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Budgetary Comparison Schedule
 DEBT SERVICE FUND
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 3,314,529.00		\$ 3,314,529.00	\$ 3,314,529.00	
Debt Service Aid Type II	1,429,984.00		1,429,984.00	1,429,984.00	
Miscellaneous				6,394.68	\$ 6,394.68
Total Revenues	<u>4,744,513.00</u>	-	<u>4,744,513.00</u>	<u>4,750,907.68</u>	<u>6,394.68</u>
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds	1,239,513.00	\$ (215,000.00)	1,024,513.00	937,737.25	86,775.75
Redemption of Principal	<u>3,505,000.00</u>	<u>215,000.00</u>	<u>3,720,000.00</u>	<u>3,720,000.00</u>	
Total Regular Debt Service	<u>4,744,513.00</u>	-	<u>4,744,513.00</u>	<u>4,657,737.25</u>	<u>86,775.75</u>
Total Expenditures	<u>4,744,513.00</u>	-	<u>4,744,513.00</u>	<u>4,657,737.25</u>	<u>86,775.75</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	93,170.43	93,170.43
Other Financing Sources (Uses):					
Operating Transfers In:					
Proceeds of Refunding Bonds				9,095,000.00	9,095,000.00
Premium on Refunding Bonds				435,264.50	435,264.50
Payment to Refunded Bond Escrow Account				(9,438,031.42)	(9,438,031.42)
Costs of Issuance--Refunding Bonds				<u>(92,233.08)</u>	<u>(92,233.08)</u>
Total Other Financing Sources (Uses)	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	-	-	-	93,170.43	93,170.43
Fund Balance, July 1	8,053.48	-	8,053.48	8,053.48	-
Fund Balance, June 30	<u>\$ 8,053.48</u>	<u>\$ -</u>	<u>\$ 8,053.48</u>	<u>\$ 101,223.91</u>	<u>\$ 93,170.43</u>
Restricted for:					
Debt Service				\$ 93,170.91	
Debt Service--Designated for Subsequent Year's Expenditures				<u>8,053.00</u>	
				<u>\$ 101,223.91</u>	

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Net Position by Component
 Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities:										
Net Investment in Capital Assets	\$62,323,437.51	\$60,435,247.21	\$60,453,733.87	\$60,552,158.75	\$60,507,772.60	\$60,880,373.73	\$60,618,272.02	\$51,301,812.72	\$29,492,088.00	\$46,844,707.23
Restricted	10,527,028.29	8,022,759.07	4,538,516.56	5,410,889.68	6,744,753.75	5,041,089.74	5,927,598.88	5,912,639.37	11,685,937.00	1,348,758.35
Unrestricted	(920,295.05)	(2,178,649.98)	(858,737.91)	(7,074,050.38)	(8,404,148.63)	(8,119,096.17)	(7,849,549.39)	(6,592,704.91)	5,457,346.00	(682,037.92)
Total Governmental Activities Net Position	\$71,930,170.75	\$66,279,356.30	\$64,133,512.52	\$58,888,998.05	\$58,848,377.72	\$57,802,367.30	\$58,696,321.51	\$50,621,747.18	\$46,635,371.00	\$47,511,427.66
Business-type Activities:										
Net Investment in Capital Assets	\$133,639.63	\$176,297.66	\$393,503.49	\$446,394.05	\$511,764.69	\$515,057.35	\$578,259.79	\$527,378.02	\$590,943.00	\$512,457.32
Unrestricted	752,496.69	618,592.96	961,098.68	321,412.22	190,133.23	355,938.37	489,637.57	428,084.07	690,599.00	433,816.16
Total Business-type Activities Net Position	\$886,136.32	\$794,890.62	\$954,602.17	\$767,806.27	\$701,897.92	\$870,995.72	\$1,068,097.36	\$955,462.09	\$1,281,542.00	\$946,273.48
District-wide:										
Net Investment in Capital Assets	\$62,457,077.14	\$60,611,544.87	\$60,847,237.36	\$60,988,552.80	\$61,019,537.29	\$61,395,431.08	\$61,196,531.81	\$51,829,190.74	\$30,083,031.00	\$47,357,164.55
Restricted	10,527,028.29	8,022,759.07	4,538,516.56	5,410,889.68	6,744,753.75	5,041,089.74	5,927,598.88	5,912,639.37	11,685,937.00	1,348,758.35
Unrestricted	(167,798.36)	(1,560,057.02)	(297,639.23)	(6,752,638.16)	(8,214,015.40)	(7,763,157.80)	(7,359,711.82)	(6,164,620.84)	6,147,945.00	(248,221.76)
Total District-wide Net Position	\$72,816,307.07	\$67,074,246.92	\$65,088,114.69	\$59,656,804.32	\$59,550,275.64	\$58,673,363.02	\$59,764,418.87	\$51,577,209.27	\$47,916,913.00	\$48,457,701.14

Source: CAFR Exhibit A-1

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 42,050,376.89	\$ 42,162,714.72	\$ 43,695,768.41	\$ 44,919,944.73	\$ 44,488,426.05	\$ 43,433,114.39	\$ 42,551,906.73	\$ 41,527,015.48	\$ 38,863,810.00	\$ 37,288,886.12
Special Education	10,493,192.58	10,060,166.77	9,724,995.77	9,787,644.22	9,329,619.75	9,199,871.40	9,178,162.35	8,567,904.89	10,135,378.00	9,572,925.94
Other Special Instruction	2,547,793.39	2,365,553.51	2,789,408.78	2,813,260.84	2,502,741.39	2,268,416.29	2,180,218.12	2,005,286.47	1,761,450.00	1,491,459.04
Other Instruction	1,692,158.85	1,637,331.97	1,485,034.34	1,665,929.36	1,544,359.78	1,510,131.99	1,471,769.51	1,422,234.73	1,190,628.00	1,328,762.52
Nonpublic School Programs									114,172.00	187,899.94
Support Services:										
Tuition	7,238,858.59	7,004,602.42	7,025,817.29	7,036,003.77	6,023,732.04	5,066,776.45	4,474,338.74	4,227,893.61	3,502,814.00	3,173,455.54
Student and Instruction Related Services	14,698,725.64	13,962,117.38	13,486,236.14	14,639,979.36	13,186,655.14	13,327,449.12	12,900,988.56	12,544,597.24	11,805,544.00	10,698,944.73
Other Administrative Services	4,821,196.56	4,582,911.55	4,156,721.95	4,039,994.29	2,835,734.67	3,404,823.13	3,455,713.51	2,648,965.12	4,616,132.00	4,452,714.12
School Administrative Services	6,227,860.46	6,040,439.21	5,764,203.91	6,240,889.02	8,001,997.69	7,652,388.42	7,081,357.13	7,097,391.88	5,689,668.00	5,450,267.48
Plant Operations and Maintenance	10,541,146.01	10,561,820.62	9,862,421.94	9,814,795.92	9,907,778.47	10,323,803.31	10,246,349.56	10,400,840.64	11,220,772.00	8,409,789.12
Pupil Transportation	5,447,768.18	5,567,099.85	6,587,498.66	6,549,564.49	6,295,368.90	6,714,924.51	7,224,223.99	7,103,369.90	6,722,908.00	6,768,892.16
Unallocated Benefits	33,208,489.44	33,431,965.86	31,288,247.93	31,689,757.82	29,629,953.84	32,395,466.03	29,848,914.87	23,782,337.70	21,131,575.00	20,826,605.47
Transfer to Charter Schools	162,550.00	74,113.00	69,307.81	34,044.00	64,844.70	78,519.96	69,392.57	61,569.52	58,473.00	58,334.57
Special Schools						15,405.23				
Capital Outlay Items	959,295.12	1,377,367.54	1,590,547.50	1,629,558.52	1,753,383.03	1,890,304.69	2,047,103.64	2,241,985.21	1,786,467.00	1,980,804.16
Interest on Long-term Debt	320,612.43									
Other Administrative Services			37,681.06		55,032.23	67,048.49	41,166.84	330,338.86	32,162.00	
Amortization of Bond Issuance Costs		40,871.32								
Total Governmental Activities Expenses	<u>140,410,024.14</u>	<u>138,869,075.72</u>	<u>137,663,893.49</u>	<u>140,940,047.40</u>	<u>135,619,627.68</u>	<u>137,348,443.41</u>	<u>132,771,606.12</u>	<u>123,961,730.65</u>	<u>118,631,953.00</u>	<u>111,721,893.17</u>
Business-Type Activities:										
Food Service	3,184,209.69	3,371,602.00	3,461,415.69	3,973,127.99	3,894,990.21	4,075,430.79	3,863,391.66	3,645,245.90	3,596,669.00	3,546,530.48
Child Care Program	128,462.66	96,330.50	81,667.59	89,063.15	95,543.03	83,810.22	86,561.60	70,574.11	76,190.00	88,907.63
Telecommunications	14,357.32	13,426.27	11,026.46	14,626.93	16,023.98	15,122.90	13,877.77	17,963.20	18,822.00	14,572.45
Music Technology							5,676.61	3,973.72	671.00	686.75
Center for the Performing Arts	588,632.41	437,446.61	371,797.71	137,882.85	175,282.98	191,613.65	190,074.03	225,486.36	173,057.00	148,968.00
Drivers Education	59,382.63	58,205.04	64,368.40	79,195.30	88,900.90	87,412.74	92,864.25	99,151.96	81,403.00	75,298.47
Tech Crew					4,192.54	6,382.05	2,584.77	3,477.65	3,575.00	2,336.40
Total Business-Type Activities Expense	<u>3,975,044.71</u>	<u>3,977,010.42</u>	<u>3,990,275.85</u>	<u>4,293,896.22</u>	<u>4,274,933.64</u>	<u>4,459,772.35</u>	<u>4,255,030.69</u>	<u>4,065,872.80</u>	<u>3,950,387.00</u>	<u>3,877,300.18</u>
Total District Expenses	<u>\$ 144,385,068.85</u>	<u>\$ 142,846,086.14</u>	<u>\$ 141,654,169.34</u>	<u>\$ 145,233,943.62</u>	<u>\$ 139,894,561.32</u>	<u>\$ 141,808,215.76</u>	<u>\$ 137,026,636.81</u>	<u>\$ 128,027,603.45</u>	<u>\$ 122,582,340.00</u>	<u>\$ 115,599,193.35</u>
Component Unit Expenses:										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ 9,528.00	\$ 170,607.03	\$ 50,394.54	\$ 566,881.48	\$ 1,083,367.00	\$ 107,202.00	\$ 719,266.44

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Program Revenues:										
Governmental Activities:										
Charges for Services	\$ 192,050.20	\$ 191,032.91	\$ 232,720.14	\$ 227,647.85	\$ 212,974.59	\$ 140,387.11	\$ 82,105.00	\$ 168,261.46	\$ 117,504.00	\$ 63,135.36
Operating Grants and Contributions	15,039,055.87	13,385,439.79	12,886,398.30	13,112,739.47	11,964,334.46	15,021,684.20	15,269,522.34	8,505,618.52	3,289,765.00	10,432,192.30
Capital Grants and Contributions					10,560.00	35,650.69		2,910.00		4,030.00
Total Governmental Activities Program Revenues	<u>15,231,106.07</u>	<u>13,576,472.70</u>	<u>13,119,118.44</u>	<u>13,340,387.32</u>	<u>12,187,869.05</u>	<u>15,197,702.00</u>	<u>15,351,627.34</u>	<u>8,676,789.98</u>	<u>3,407,269.00</u>	<u>10,499,357.66</u>
Business-Type Activities:										
Charges for services:										
Food Service	1,625,864.21	1,848,745.20	2,026,790.51	2,147,889.92	2,329,771.26	2,396,407.24	2,466,472.06	2,283,203.21	2,422,800.00	2,449,052.20
Child Care Program	163,562.08	153,650.18	148,200.16	170,549.28	111,772.96	94,938.87	107,078.59	99,009.27	78,982.00	90,789.75
TeleCommunications	16,950.00	16,993.00	14,270.00	13,560.00	16,040.00	15,596.00	15,679.00	17,294.71	16,790.00	16,135.00
Music Technology							1,872.50	3,203.45	2,117.00	357.25
Center for the Performing Arts	641,805.17	387,992.23	379,908.65	138,993.50	104,223.88	175,024.38	175,484.48	184,987.94	178,620.00	185,412.56
Drivers Education	68,988.00	66,825.00	69,985.00	86,850.00	94,950.00	120,150.00	113,175.00	123,773.00	111,580.00	90,036.00
Tech Crew				2,966.34	4,192.54	5,521.87	2,649.85	2,906.62	2,964.00	2,180.71
Operating Grants and Contributions	800,580.21	815,177.50	755,096.48	790,312.21	669,190.37	665,092.36	596,982.71	558,230.52	577,935.00	517,512.58
Total Business-Type Activities Program Revenues	<u>3,317,749.67</u>	<u>3,289,383.11</u>	<u>3,394,251.80</u>	<u>3,351,121.25</u>	<u>3,330,141.01</u>	<u>3,472,730.72</u>	<u>3,479,394.19</u>	<u>3,272,608.72</u>	<u>3,391,788.00</u>	<u>3,351,476.05</u>
Total District Program Revenues	<u>\$ 18,548,855.74</u>	<u>\$ 16,865,855.81</u>	<u>\$ 16,513,370.24</u>	<u>\$ 16,691,508.57</u>	<u>\$ 15,518,010.06</u>	<u>\$ 18,670,432.72</u>	<u>\$ 18,831,021.53</u>	<u>\$ 11,949,398.70</u>	<u>\$ 6,799,057.00</u>	<u>\$ 13,850,833.71</u>
Component Unit Program Revenues:										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ 48,291.49	\$ 63,029.00	\$ 77,917.97	\$ 526,470.09	\$ 1,047,787.77	\$ 116,322.00	\$ 743,705.44
Net (Expense) / Revenue:	<u>\$ (125,178,918.08)</u>	<u>\$ (125,292,603.02)</u>	<u>\$ (124,544,775.04)</u>	<u>\$ (127,599,660.08)</u>	<u>\$ (123,431,758.63)</u>	<u>\$ (122,150,741.41)</u>	<u>\$ (117,419,978.78)</u>	<u>\$ (115,284,940.67)</u>	<u>\$ (115,224,684.00)</u>	<u>\$ (101,222,535.51)</u>
Governmental Activities	<u>(657,295.04)</u>	<u>(687,627.31)</u>	<u>(596,024.05)</u>	<u>(942,774.97)</u>	<u>(944,792.63)</u>	<u>(987,041.63)</u>	<u>(775,636.50)</u>	<u>(793,264.08)</u>	<u>(558,599.00)</u>	<u>(525,824.13)</u>
Business-Type Activities	<u>\$ (125,836,213.12)</u>	<u>\$ (125,960,230.33)</u>	<u>\$ (125,140,799.09)</u>	<u>\$ (128,542,435.05)</u>	<u>\$ (124,376,551.26)</u>	<u>\$ (123,137,783.04)</u>	<u>\$ (118,195,615.28)</u>	<u>\$ (116,078,204.75)</u>	<u>\$ (115,783,283.00)</u>	<u>\$ (101,748,359.64)</u>
Total District-wide Net Expense	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,763.49</u>	<u>\$ (107,578.03)</u>	<u>\$ 27,523.43</u>	<u>\$ (40,411.39)</u>	<u>\$ (35,579.23)</u>	<u>\$ 9,120.00</u>	<u>\$ 24,439.00</u>
Component Unit Net Expense										
Washington Township Live Arts (1)										

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 74,973,363.00	\$ 70,578,295.00	\$ 74,938,763.00	\$ 68,819,137.00	\$ 68,532,821.00	\$ 62,809,163.00	\$ 59,324,899.00	\$ 53,703,975.00	\$ 51,878,656.00	49,982,737.00
Taxes Levied for Debt Service	3,314,529.00	3,408,971.00	3,304,520.00	3,244,078.00	3,354,805.00	3,311,010.00	3,302,043.00	3,498,848.00	2,215,646.00	2,955,855.00
Federal and State Aid	52,220,072.16	54,633,003.06	51,292,616.88	55,869,670.95	53,065,224.16	54,559,925.54	62,336,000.25	61,206,420.51	59,680,428.00	50,731,360.08
Unrestricted Interest Earnings	254,184.63	108,823.74	42,214.27	97,811.12	287,728.58	380,139.53	579,344.25	801,644.86	384,795.00	166,451.53
Miscellaneous Income	850,693.63	763,811.54	767,829.90	595,508.71	328,671.64	626,750.05	625,803.69	481,185.80	632,250.00	285,143.87
Refund of Prior Year Revenue	(971.69)		150,733.39		9,467.05	342,738.24			88,519.00	156,876.24
Cancellation of Prior Year Accounts Payable	29,840.26	76,683.33	150,733.39							
Cancellation of Prior Year Accounts Receivable	(26,790.69)	(34,751.00)	(98,051.63)							
Gain on Sale of Capital Assets		(2,695.00)	(8,205.28)	(1,196.76)	(289,977.22)	(13,759.83)	(4,773.86)		420.00	(26,240.90)
Loss on Disposal of Capital Assets										
Premium and Accrued Interest	(47,038.39)									
Change in Accounting Principal										
Litigation Settlement										
Transfers	(738,149.39)	(723,851.14)	(801,131.01)	(984,728.61)	(810,971.16)	(759,179.33)	(797,711.55)	(420,757.32)	(669,717.00)	(777,438.45)
Total Governmental Activities	130,829,732.52	128,808,290.53	129,789,288.52	127,640,280.41	124,477,769.05	121,256,787.20	125,838,996.63	119,271,316.85	114,348,627.00	103,474,744.37
Business-Type Activities:										
Unrestricted Interest Earnings	10,391.35	3,547.63	1,916.43	5,488.65	8,981.67	30,760.66	46,230.22	46,426.61	24,151.00	12,347.73
Miscellaneous Income		(758.06)		(1,761.43)						
Gain on Sale of Capital Assets		(2,713.93)	(20,227.49)	1,004,956.10	766,713.16	759,179.33	797,711.55	420,757.32	869,717.00	777,438.45
Accounts Receivable Canceled	738,149.39	723,851.14	801,131.01	1,004,956.10	766,713.16	759,179.33	797,711.55	420,757.32	869,717.00	777,438.45
Transfers										
Total Business-Type Activities	748,540.74	723,926.78	782,819.95	1,008,683.32	775,694.83	789,939.99	843,941.77	467,183.93	893,868.00	789,786.18
Total District-wide	\$ 131,578,273.26	\$ 129,532,217.31	\$ 130,572,109.47	\$ 128,648,963.73	\$ 125,253,463.88	\$ 122,046,727.19	\$ 126,682,938	\$ 119,738,501	\$ 115,242,495	\$ 104,264,531
Component Unit:										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ 84,892.51	\$ -	\$ -	\$ -	\$ -	\$ 12.00	\$ 3.00
Change in Net Position:										
Governmental Activities	\$ 5,650,814.45	\$ 3,515,687.51	\$ 5,244,514.47	\$ 40,620.33	\$ 1,046,010.42	\$ (893,954.21)	\$ 8,419,017.85	\$ 3,986,376.18	\$ (876,057.00)	\$ 2,252,208.86
Business-Type Activities	91,245.70	36,299.47	186,795.90	65,908.35	(169,097.80)	(197,101.64)	68,305.27	(326,080.15)	335,268.00	283,962.05
Total District	\$ 5,742,060.15	\$ 3,551,986.98	\$ 5,431,310.37	\$ 106,528.68	\$ 876,912.62	\$ (1,091,055.85)	\$ 8,487,323.12	\$ 3,660,296.03	\$ (540,788.00)	\$ 2,516,170.91
Component Unit:										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ 123,656.00	\$ (107,578.03)	\$ 27,523.43	\$ (40,411.39)	\$ (35,579.23)	\$ 9,132.00	\$ 24,442.00

(1) On June 28, 2010, the component unit was dissolved and absorbed by the School District as part of the District's Center for Performing Arts Enterprise Fund.

Source: CAFR Exhibit A-2

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

	Fiscal Year Ended, June 30,									
	2013	2012	2011 (1)	2010	2009	2008	2007	2006	2005	2004
General Fund:										
Reserved	\$ 9,949,186.54	\$ 7,107,643.24	\$ 3,191,428.69	\$ 5,392,092.95	\$ 3,725,229.60	\$ 828,148.53	\$ 1,309,850.67	\$ 1,481,696.70	\$ 1,606,222.00	\$ 3,151,671.22
Unreserved	4,266,115.78	4,668,322.92	4,587,078.88	354,621.92	2,078,606.92	3,836,880.82	3,401,422.67	3,316,970.05	4,513,940.00	4,297,415.13
Restricted	2,879,337.90	3,048,560.87	2,931,115.55							
Assigned										
Unassigned										
Total General Fund	\$17,094,640.22	\$14,824,527.03	\$10,709,623.12	\$5,746,714.87	\$ 5,803,836.52	\$ 4,665,029.35	\$ 4,711,273.34	\$ 4,798,666.75	\$ 6,120,162.00	\$ 7,449,086.35
All Other Governmental Funds:										
Reserved										
Unreserved, Reported in:										
Special Revenue Fund					\$ 87,096.00	\$ 43,280.67	\$ 470,265.71	\$ 9,462,032.27	\$ 11,122,158.00	\$ 395,549.24
Capital Projects Fund				\$ 347,629.76	21,200.29	30,782.73	33,287.35	(7,292.65)	3,197.00	(10,559.25)
Debt Service Fund				0.67	325,387.00	422,190.87	527,565.12	(7,334,174.70)		
Restricted, Reported in:					16,687.17	16,686.94	0.59	47,288.49		
Capital Projects Fund	\$ 577,841.74	\$ 621,220.31	\$ 1,023,965.82							
Debt Service Fund	101,223.91	8,053.48	1.17							
Total All Other Governmental Funds	\$ 679,065.65	\$ 629,273.79	\$ 1,023,966.99	\$ 347,630.43	\$ 450,370.46	\$ 512,941.21	\$ 1,031,118.77	\$ 2,167,853.41	\$ 11,125,355.00	\$ 384,989.99

(1) GASB Statement No. 54 effective for the fiscal year ending June 30, 2011. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. See the Notes to Financial Statements.

Source: CAFR Exhibit B-1

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues:										
Local Tax Levy	\$ 78,287,892.00	\$ 73,987,266.00	\$ 78,443,283.00	\$ 72,063,215.00	\$ 71,887,626.00	\$ 66,120,173.00	\$ 62,864,525.99	\$ 57,202,823.00	\$ 54,094,302.00	\$ 52,938,592.00
Tuition Charges	467,357.94	301,908.22	357,644.07	252,111.65	212,974.59	140,367.11	82,105.36	168,261.46	117,504.00	63,135.36
Miscellaneous Revenues	637,518.87	570,726.25	452,400.63	441,208.18	655,533.84	1,061,098.04	1,095,170.44	1,237,320.35	973,845.00	451,595.40
Federal Sources	3,092,404.70	5,083,007.86	4,304,305.60	10,679,835.87	2,869,571.91	2,518,873.36	3,023,579.37	2,825,199.49	2,811,891.00	2,254,762.16
State Sources	64,166,723.33	62,935,434.99	59,874,709.58	58,302,574.55	62,131,413.09	67,044,178.61	74,544,358.83	66,838,963.05	60,158,302.00	58,912,820.22
Total Revenue	146,651,896.84	142,878,343.32	143,432,342.88	141,738,945.25	137,757,119.43	136,884,690.12	141,409,739.99	128,270,567.35	118,155,844.00	114,820,905.14
Expenditures:										
Current:										
Instruction:										
Regular Instruction	41,029,832.78	41,128,268.03	41,269,223.25	42,609,720.45	42,563,393.53	41,367,386.63	40,684,061.35	39,394,134.90	37,438,607.00	35,867,902.11
Special Education Instruction	10,285,063.86	10,046,255.17	9,676,982.42	9,752,137.67	9,413,320.00	9,159,367.21	9,150,570.40	8,549,069.62	9,968,927.00	9,434,310.74
Other Special Instruction	2,547,793.39	2,365,563.51	2,789,408.78	2,813,260.84	2,557,792.66	2,268,416.29	2,180,218.12	2,005,286.47	1,720,537.00	1,491,499.04
Other Instruction	1,682,168.85	1,637,331.97	1,485,034.34	1,665,929.36	1,567,953.19	1,510,131.99	1,471,769.51	1,422,234.73	1,495,856.00	1,516,662.46
Support Services and Undistributed Costs:										
Tuition	7,238,666.59	7,004,602.42	7,025,817.29	7,036,003.77	6,023,732.04	5,066,776.45	4,474,338.74	4,227,893.61	3,502,814.00	3,175,465.54
Student and Instruction Related Services	14,647,269.23	13,921,963.19	13,427,204.87	14,617,753.71	13,474,646.69	13,242,625.40	12,811,507.15	12,472,291.42	11,805,544.00	10,648,459.78
Other Administrative Services	3,754,980.66	3,775,706.10	3,938,340.71	3,936,232.74	1,821,408.00	2,274,993.61	2,349,687.67	2,343,656.27	5,243,738.00	4,431,727.33
School Administrative Services	6,227,860.46	6,040,439.21	5,764,203.91	6,240,889.02	8,001,987.69	7,958,973.35	7,362,507.06	7,077,207.51	4,406,112.00	5,266,862.97
Plant Operations and Maintenance	9,251,479.89	9,011,523.94	9,480,172.89	9,410,527.43	9,551,466.26	9,926,259.45	9,904,213.99	9,884,420.20	10,834,477.00	8,517,455.77
Pupil Transportation	5,171,664.45	5,291,148.28	5,194,439.89	5,345,570.31	5,442,376.57	5,697,972.81	6,399,689.75	6,083,217.75	5,993,688.00	5,733,638.74
Unallocated Benefits	34,824,514.02	31,792,616.94	30,990,118.56	31,412,671.58	29,439,055.40	32,242,427.88	29,206,286.95	23,218,986.08	21,297,286.00	19,734,224.57
Capital Outlay	2,941,896.85	2,158,905.54	1,369,744.60	1,572,575.31	2,524,346.05	1,501,326.20	10,421,752.66	16,449,444.93	7,841,373.00	874,993.65
Special Schools										
Charter Schools										
Debt Service:										
Principal	162,560.00	74,113.00	69,307.81	34,044.00		78,519.96	69,392.57	61,569.52	58,473.00	58,334.57
Interest and Other Charges	3,720,000.00	3,520,000.00	3,560,000.00	3,455,000.00	3,538,281.17	3,462,263.18	3,380,522.30	3,363,946.57	2,482,900.00	3,336,332.45
Bond Issue Costs	937,737.25	1,381,137.50	1,500,087.50	1,662,587.50	1,824,968.60	1,913,396.47	2,123,032.60	2,287,435.65	1,659,427.00	2,058,851.84
Total Expenditures	144,413,370.28	139,149,554.80	137,540,086.82	141,564,903.69	137,910,582.55	137,670,836.88	141,998,770.82	138,845,795.23	126,087,389.00	112,421,179.37
Excess (Deficiency) of Revenues	2,238,526.56	3,728,788.52	5,892,256.06	174,041.56	(153,463.12)	(786,146.76)	(589,030.83)	(10,575,227.88)	(7,931,545.00)	2,199,725.77
Other Financing Sources (Uses):										
Capital Leases (Non-budgeted)	817,460.00	673,341.00	495,438.00	650,825.37	2,031,203.65	638,166.30	349,961.40	690,799.00	1,471,934.00	502,243.35
Cancellation of Accounts Receivable	(26,790.69)	(34,751.00)	(98,051.63)					(38,628.66)		
Cancellation of Accounts Payable	29,940.26	76,683.33	150,733.39					62,818.33		
Refund of Prior Year Revenue	(971.69)									
Proceeds from Sale of Bonds	9,095,000.00	7,205,000.00								
Premium on Bonds Issued and Accrued Interest	435,264.50	249,107.35								
Payment to Refunding Bond Escrow Agent	(9,438,031.42)	(7,348,828.64)								
Costs of Issuance-Refunding Bonds	(92,233.08)	(105,278.71)								
Sale of Capital Assets										
Reversal of Prior Year's Adjustments										
Litigation Settlement										
Operating Transfers										
Total Other Financing Sources (Uses)	(738,149.39)	(723,851.14)	(801,131.01)	(984,728.61)	(810,971.16)	(759,179.33)	(300,000.00)	(420,757.32)	(832,248.00)	(776,632.12)
Net Change in Fund Balances	81,378.49	(8,577.81)	(253,011.25)	(333,903.24)	1,229,699.54	221,725.21	(635,097.62)	296,231.33	17,342,986.00	172,882.13
Debt Service as a Percentage of Noncapital Expenditures	3.3%	3.6%	3.7%	3.7%	4.0%	3.9%	4.2%	4.6%	3.5%	4.8%

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 General Fund - Other Local/Miscellaneous Revenue by Source
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Gate Receipts	\$ 21,711.00	\$ 18,901.00	\$ 22,021.00	\$ 23,511.00	\$ 23,933.00	\$ 27,552.00	\$ 26,304.00	\$ 30,000.00	\$ 23,733.00	\$ 19,995.00
Interest on Investments	235,812.79	100,583.63	41,127.00	95,121.98	287,728.58	380,139.53	579,344.25	519,041.77	384,795.00	166,451.53
Legal Settlement			38,500.00	43,633.31	43,633.31	227,000.00				
Miscellaneous	11,854.16	89,315.56	153,390.42	30,455.85	159,004.03	221,380.51	124,300.89	106,580.94	55,198.64	47,507.18
Tuition	467,357.94	301,908.22	357,644.07	252,111.65	140,367.11	82,105.36	168,261.46	117,504.00	63,135.36	40,443.50
Summer Programs	15,838.42			47,566.46						
FEMA--Snow Removal										
Parking Fees										
Refund of Prior Year Expenditures	228,925.53	253,021.90	129,981.25	120,515.94	27,601.46	40,448.02	34,191.24	14,400.74	14,805.00	2,454.03
Rentals	67,241.38	47,263.43	26,151.00	29,142.85	33,984.60	29,333.00	29,531.00	25,865.50		
ROTC Reimbursements	108,840.94	78,328.57	67,526.74	65,218.86	98,159.83	94,980.43	87,521.43	88,056.33	84,291.00	80,409.97
Sale of Equipment	4,460.00	2,516.60	7,003.00	2,440.00	1,175.00	800.00				760.11
School Bus Advertising	3,201.32									
Telephone Commission								59.29	139.00	8.74
Use of Facilities								422.20	37,833.00	45,824.50
Workers Compensation Refund										
Total Miscellaneous Revenues	\$ 1,165,243.48	\$ 891,838.91	\$ 843,344.48	\$ 666,084.59	\$ 815,586.92	\$ 1,103,738.85	\$ 1,049,454.27	\$ 901,930.77	\$ 663,930.00	\$ 403,854.56

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years
Unaudited

Year Ended Dec. 31	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (1)	Net Valuation Taxable	Real Property Exempt from Taxation	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
2013 (3)	\$ 37,156,900.00	\$ 3,389,076,100.00	\$ 6,145,900.00	\$ 733,075,800.00	\$ 10,445,300.00	\$ 69,942,000.00	\$ 4,245,842,000.00	\$ 7,355,354.00	\$ 4,253,197,354.00	\$ 496,223,700.00	\$ 4,517,814,428.00	\$ 1,857
2012	27,303,200.00	2,074,323,500.00	4,242,700.00	407,604,400.00	6,167,100.00	38,745,500.00	2,559,396,400.00	4,108,807.00	2,562,495,207.00	210,317,700.00	4,839,013,428.00	2,972
2011	29,217,300.00	2,077,652,800.00	4,517,700.00	401,196,200.00	6,167,100.00	38,745,500.00	2,557,396,600.00	3,687,083.00	2,561,083,683.00	205,110,900.00	5,146,702,757.00	2,976
2010	29,861,400.00	2,078,668,200.00	4,517,700.00	409,036,800.00	6,167,100.00	39,304,000.00	2,567,455,200.00	5,182,362.00	2,572,647,562.00	206,521,900.00	5,261,176,688.00	2,925
2009	31,578,200.00	2,082,663,100.00	5,223,900.00	403,761,300.00	6,167,100.00	39,674,000.00	2,579,067,600.00	4,206,655.00	2,583,274,255.00	193,836,900.00	5,324,251,658.00	2,790
2008	33,660,800.00	2,083,518,500.00	5,214,800.00	392,870,100.00	6,167,100.00	38,105,200.00	2,569,536,500.00	4,017,465.00	2,573,553,965.00	192,940,900.00	5,137,731,975.00	2,680
2007	34,918,100.00	2,089,670,700.00	5,343,700.00	389,647,400.00	5,945,200.00	37,917,000.00	2,563,442,100.00	4,117,383.00	2,567,559,483.00	189,650,900.00	4,840,866,053.00	2,507
2006	30,326,000.00	2,079,233,300.00	5,633,700.00	380,243,000.00	5,945,200.00	37,917,000.00	2,539,298,200.00	4,488,686.00	2,543,786,786.00	189,262,000.00	4,270,248,088.00	2,356
2005	33,868,400.00	2,056,678,800.00	5,648,200.00	370,029,400.00	5,945,200.00	39,750,300.00	2,511,920,300.00	5,477,728.00	2,517,398,028.00	187,227,600.00	3,713,524,160.00	2,210
2004	34,480,300.00	2,037,628,100.00	6,007,700.00	359,094,500.00	5,945,200.00	38,959,200.00	2,482,115,000.00	6,589,452.00	2,488,704,452.00	188,919,400.00	3,688,066,071.00	2,151

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax Rates are per \$100.00 of Assessed Valuation

(3) Revaluation

Source: Camden County Board of Taxation

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(Rate per \$100 of Assessed Value)

Unaudited

Year Ended Dec. 31	District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Township of Washington	Township of Washington Fire District	Gloucester County		
2013 (1)	\$ 1.782	\$ 0.075	\$ 1.857	\$ 0.673	\$ 0.129	\$ 0.644	\$ 3.303	
2012	2.841	0.131	2.972	1.080	0.207	1.041	5.300	
2011	2.841	0.135	2.976	1.052	0.192	1.092	5.312	
2010	2.794	0.131	2.925	1.041	0.196	1.129	5.291	
2009	2.658	0.128	2.786	0.961	0.195	1.136	5.078	
2008	2.552	0.129	2.680	0.926	0.196	1.119	4.922	
2007	2.378	0.129	2.507	0.836	0.182	1.039	4.564	
2006	2.222	0.135	2.356	0.836	0.165	0.994	4.351	
2005	2.097	0.113	2.210	0.889	0.156	0.816	4.071	
2004	2.046	0.105	2.151	0.788	0.156	0.816	3.911	

(1) Revaluation

Source: Municipal Tax Collector

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Principal Property Tax Payers
 Current Year and Nine Years Ago
Unaudited

Taxpayer	2013 (1)			2004		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Turnersville Auto Mall	\$ 43,280,600.00	1	1.02%	\$ 7,196,000.00	10	0.29%
Society Hill Apt. Assoc., LP	28,469,200.00	2	0.67%	15,000,000.00	2	0.60%
CSC Cross Keys LP	23,801,500.00	3	0.56%			
Centro Bradley Crosskeys Commons	22,033,000.00	4	0.52%	25,280,900.00	1	1.02%
Wal-Mart	20,076,800.00	5	0.47%			
Turnersville Interstate, LLC	19,583,000.00	6	0.46%			
WP Plaza	17,995,900.00	7	0.42%	11,000,000.00	3	0.44%
Washington Center LLC	14,866,300.00	8	0.35%	9,000,000.00	6	0.36%
Birches Reality	13,821,700.00	9	0.32%	7,500,000.00	9	0.30%
Target	13,390,000.00	10	0.31%	7,900,000.00	7	0.32%
Lustgarten, Estate of						
Lowes				10,030,900.00	4	0.40%
Home Depot				9,288,200.00	5	0.37%
Ganttown Plaza				7,500,000.00	8	0.30%
Total	\$ 217,318,000.00		5.11%	\$ 109,696,000.00		4.41%

(1) Revaluation

Source: Municipal Tax Assessor

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 78,287,892.00	\$ 78,287,892.00	100.00%	-
2012	73,987,266.00	68,108,094.03	92.05%	\$ 5,879,171.97
2011	78,443,283.00	75,700,884.04	96.50%	2,742,398.96
2010	72,063,215.00	72,063,215.00	100.00%	-
2009	71,887,626.00	71,887,626.00	100.00%	-
2008	66,120,173.00	66,120,173.00	100.00%	-
2007	62,626,942.00	62,626,942.00	100.00%	-
2006	57,202,823.00	57,202,823.00	100.00%	-
2005	54,094,302.00	54,094,302.00	100.00%	-
2004	52,938,592.00	52,938,592.00	100.00%	-

(1) 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: District Records

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income (2)	Per Capita (3)
	General Obligation Bonds (1)	Capital Leases			
2013	\$ 24,390,000.00	\$1,514,203.81	\$ 25,904,203.81	Unavailable	\$ 537.90
2012	28,225,000.00	1,433,947.55	29,658,947.55	Unavailable	609.04
2011	31,325,000.00	1,605,970.25	32,930,970.25	1.60%	677.52
2010	34,885,000.00	1,909,166.23	36,794,166.23	1.83%	706.29
2009	38,340,000.00	2,088,309.60	40,428,309.60	1.94%	776.08
2008	41,879,281.17	1,220,293.17	43,099,574.34	2.05%	828.03
2007	44,867,544.36	1,238,932.51	46,106,476.87	2.33%	891.05
2006	48,248,066.66	1,490,212.77	49,738,279.43	2.63%	964.14
2005	51,617,013.23	1,481,946.86	53,098,960.09	2.98%	1,026.38
2004	37,853,991.02	783,397.69	38,637,388.71	2.27%	751.07

Sources:

- (1) District Records
- (2) Personal income has been estimated based upon the municipal population and per capita personal income data provided by the NJ Dept of Labor and Workforce Development
- (3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

TOWNSHIP OF WASHINGTON 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 Assessed Valuation Taxable (2)	Per Capita (4)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding (1)		
2013	\$ 24,390,000.00	-	\$ 24,390,000.00	0.57% (3)	\$ 506.46
2012	28,225,000.00	-	28,225,000.00	1.10%	579.59
2011	31,325,000.00	-	31,325,000.00	1.22%	644.48
2010	34,885,000.00	-	34,885,000.00	1.36%	669.64
2009	38,340,000.00	-	38,340,000.00	1.48%	735.99
2008	41,879,281.17	-	41,879,281.17	1.63%	804.58
2007	44,867,544.36	-	44,867,544.36	1.75%	867.11
2006	48,248,066.66	-	48,248,066.66	1.90%	935.26
2005	51,617,013.23	-	51,617,013.23	2.05%	997.74
2004	37,853,991.02	-	37,853,991.02	1.52%	735.84

Sources:

- (1) District Records
- (2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- (3) Revaluation
- (4) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2012
Unaudited

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Washington Township</u>	<u>Debt Authorized but not Issued</u>
Municipal Debt: (1)					
Washington Township School District	\$ 28,110,000.00	\$ 28,110,000.00			
Washington Township	<u>31,002,895.68</u>	<u>6,650,000.00</u>	<u>\$ 24,352,895.68</u>	<u>\$ 24,352,895.68</u>	
	<u>59,112,895.68</u>	<u>34,760,000.00</u>	<u>24,352,895.68</u>	<u>24,352,895.68</u>	<u>-</u>
Overlapping Debt Apportioned to the Municipality:					
County of Gloucester: (2)					
General:					
Bonds	263,467,594.00		255,980,194.00	45,125,420.56 (6)	\$ 3,331,207.00
Bonds Issued by Other Public Bodies Guaranteed by the County	146,350,895.00				
Washington Township Municipal Utilities Authority (3)	16,289,891.00	146,350,895.00 (5)	16,289,891.00	16,289,891.00	
Washington Township Fire District (3)	<u>3,335,000.00</u>		<u>3,335,000.00</u>	<u>3,335,000.00</u>	
	<u>429,443,380.00</u>	<u>153,838,295.00</u>	<u>275,605,085.00</u>	<u>64,750,311.56</u>	<u>3,331,207.00</u>
	<u>\$ 488,556,275.68</u>	<u>\$ 188,598,295.00</u>	<u>\$ 299,957,980.68</u>	<u>\$ 89,103,207.24</u>	<u>\$ 3,331,207.00</u>

Sources:

- (1) 2012 Annual Debt Statement
- (2) County's 2012 Annual Debt Statement
- (3) Entity's Audit Report
- (4) Includes County College Bonds
- (5) Deductible in accordance with N.J.S. 40:37A-80.
- (6) Such debt is allocated as a proportion of the Issuer's share of the total 2012 Net Valuation on which County taxes are apportioned, which is 17.63%.

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Demographic and Economic Statistics
 Last Ten Fiscal Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	County of Gloucester <u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2012	48,158	Unavailable	Unavailable	8.1%
2011	48,698	\$ 2,056,419,144.00	\$ 42,228.00	8.2%
2010	48,605	2,009,184,885.00	41,337.00	7.7%
2009	52,095	2,086,404,750.00	40,050.00	7.2%
2008	52,093	2,104,348,828.00	40,396.00	1.9%
2007	52,051	1,982,830,794.00	38,094.00	4.3%
2006	51,744	1,890,001,344.00	36,526.00	4.3%
2005	51,588	1,779,734,412.00	34,499.00	1.9%
2004	51,734	1,705,566,512.00	32,968.00	1.8%
2003	51,443	1,612,172,177.00	31,339.00	4.9%

Sources:

- (1) Population information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita Personal Income data provided by the NJ Dept of Labor and Workforce Development
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Principal Non-Governmental Employers
 Current Year and Nine Years Ago
Unaudited

<u>Employer</u>	2013			2004 (1)		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment (1)</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
Kennedy Memorial Hospital	700	1				
Walmart	385	2				
Virtua Health Care	300	3				
Home Depot	250	4				
Target	215	5				
Bottino's Shoprite	200	6				
Health Care at Washington Township	180	7				
Lowes	150	8				
Kohl's	140	9				
Acme Markets	132	10				
	<u>2,652</u>					
			-			-

(1) Information not available

Source: Individual Employers

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
Unaudited

Function/Program	Fiscal Year Ended June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Instruction	862.60	692.90	781.10	861.00	780.50	807.30	837.30	882.00	884.30	874.70
Support Services:										
Tuition										
Student and Instruction Related Services	269.70	243.80	239.90	248.00	243.60	243.90	225.50	236.70	244.70	227.30
Other Administrative Services	40.50	43.50	39.50	41.00	40.00	42.80	43.00	41.50	47.50	42.00
School Administrative Services	85.30	84.80	74.50	75.00	81.40	84.00	85.70	88.70	88.00	93.00
Plant Operations and Maintenance	116.10	117.50	116.90	114.00	115.50	116.50	113.20	115.20	112.80	116.40
Pupil Transportation	81.90	81.90	81.90	83.00	57.00	63.20	64.40	66.10	66.90	67.10
Special Schools	-	-	-	57.00	-	-	-	-	-	-
Food Service	55.00	55.00	57.00	57.00	62.00	62.00	62.00	58.00	58.00	58.00
Child Care Program	3.80	3.80	3.80	3.80	3.80	4.00	4.00	4.00	4.00	4.00
Center for the Performing Arts	2.50	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	1.50
Total	1,517.40	1,324.20	1,395.60	1,540.80	1,385.80	1,425.70	1,437.10	1,494.20	1,508.20	1,484.00

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle	High				
2013	8,045	\$136,813,936.18	\$ 17,006.08	10.87%	769	1:24	1:26	1:24	7,797	7,417	-3.51%	95.13%
2012	8,347	132,089,511.76	15,824.79	3.17%	794	1:24	1:26	1:24	8,081	7,696	-2.21%	95.20%
2011	8,548	131,110,254.72	15,338.12	-0.30%	825	1:24	1:26	1:24	8,263	7,886	-2.81%	95.40%
2010	8,767	134,874,740.88	15,384.37	3.20%	923	1:24	1:26	1:24	8,502	8,140	-1.49%	95.80%
2009	8,722	130,021,986.73	14,907.36	3.55%	924	1:20	1:22	1:20	8,631	8,251	-2.47%	95.60%
2008	9,085	130,793,851.03	14,396.68	6.15%	924	1:18	1:16	1:19	8,849	8,441	-1.93%	95.38%
2007	9,296	126,073,463.26	13,562.12	10.13%	933	1:21	1:18	1:20	9,024	8,623	-1.53%	95.56%
2006	9,480	116,739,968.08	12,314.34	3.97%	945	1:21	1:23	1:21	9,164	8,721	-1.96%	95.17%
2005	9,605	113,766,059.00	11,844.46	8.54%	930	1:22	1:24	1:21	9,347	8,953	-2.22%	95.78%
2004	9,702	105,874,533.62	10,912.65	5.89%	963	1:22	1:24	1:19	9,559	9,115	-3.36%	95.36%

Sources: District Records

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

School Building Information
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
School District Building:										
Elementary:										
Bells Elementary School (1967)										
Square Feet	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	557	563	573	567	566	603	603	603	633	647
Birches Elementary School (1968)										
Square Feet	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	497	497	512	528	514	551	569	569	580	584
Grenloch Terrace Early Childhood Center (1936)										
Square Feet	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	487	557	529	564	585	604	577	577	629	582
Hurffville Elementary School (1957)										
Square Feet	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	485	496	524	533	500	507	486	486	511	534
Thomas Jefferson Elementary School (1980)										
Square Feet	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	436	471	456	459	459	472	491	491	524	558
Wedgwood Elementary School (1970)										
Square Feet	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	443	447	460	509	523	517	573	573	565	611
Whitman Elementary School (1965)										
Square Feet	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	550	551	560	576	592	615	623	623	619	615

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

School Building Information
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
School District Building:										
Middle School:										
Bunker Hill Middle School (1997)										
Square Feet	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	723	734	759	775	750	767	837	837	791	815
Chestnut Ridge Middle School (1989)										
Square Feet	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	613	651	671	660	697	720	735	735	762	848
High School:										
Washington Township High School (1962)										
Square Feet	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011
Capacity (students)	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Enrollment	2,512	2,620	2,614	2,646	2,757	2,866	3,045	3,045	3,052	3,040
Number of Schools at June 30, 2013										
Elementary = 7										
Middle School = 3										
High School = 1										

Source: District Records

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Ten Fiscal Years
Unaudited

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

School Facilities	Project Number	Fiscal Year Ended June 30,									
		2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Bells Elementary School	N/A	\$ 54,523.00	\$ 48,008.00	\$ 56,072.46	\$ 55,744.00	\$ 51,350.79	\$ 73,114.68	\$ 81,647.00	\$ 86,538.75	\$ 102,302.00	\$ 67,525.81
Birches Elementary School	N/A	54,343.00	47,850.00	55,887.99	55,560.00	51,181.86	72,874.15	81,380.00	77,438.87	107,118.00	71,978.89
Bunker Hill Middle School	N/A	109,277.00	96,570.00	111,985.51	111,329.00	102,555.61	150,586.52	164,399.00	149,508.71	101,120.00	161,648.13
Chestnut Ridge Middle School	N/A	93,311.00	82,609.00	95,816.67	95,255.00	87,748.29	124,938.45	141,790.00	104,635.69	101,622.00	128,339.72
Grenloch Terrace Early Childhood Center	N/A	27,114.00	23,874.00	27,884.44	27,956.00	25,536.39	36,359.42	41,534.00	77,101.16	84,347.00	48,387.24
Hurffville Elementary School	N/A	56,669.00	49,897.00	58,279.82	57,938.00	53,372.28	75,992.94	88,864.00	96,125.49	93,753.00	100,939.52
Orchard Valley Middle School	N/A	98,168.00	82,035.00	95,816.67	95,255.00	87,748.29	124,938.45	140,007.00	204,716.21	50,505.00	124,566.01
Thomas Jefferson Elementary School	N/A	71,309.00	62,788.00	73,336.47	72,906.00	67,161.07	95,625.79	108,277.00	133,896.58	165,101.00	77,036.28
Washington Township High School	N/A	379,706.69	334,431.25	390,481.07	384,616.59	361,272.23	506,331.36	562,142.00	696,273.62	181,120.00	494,291.60
Wedgwood Elementary School	N/A	56,559.00	49,801.00	58,166.99	57,826.00	53,268.96	75,845.81	83,846.00	90,746.46	154,473.00	71,794.97
Whitman Elementary School	N/A	58,700.00	51,686.00	60,278.99	60,015.00	55,285.53	78,717.06	88,595.00	82,126.61	584,222.00	86,509.67
Total School Facilities		1,059,679.69	929,549.25	1,084,007.08	1,074,400.59	996,481.30	1,415,324.63	1,582,481.00	1,799,108.15	1,725,683.00	1,433,017.84
Other Facilities	N/A	-	-	-	-	-	-	-	33,439.87	41,421.70	36,867.29
Total		\$ 1,059,679.69	\$ 929,549.25	\$ 1,084,007.08	\$ 1,074,400.59	\$ 996,481.30	\$ 1,415,324.63	\$ 1,582,481.00	\$ 1,832,548.02	\$ 1,767,104.70	\$ 1,469,885.13

Source: District Records

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Insurance Schedule
June 30, 2013
Unaudited

<u>Type of Coverage</u>	<u>Insurance Company</u>	<u>Coverage</u>	<u>Deductible</u>
School Package Policy Property, Inland Marine, Automobile Physical Damage	SPELL JIF, Selective Insurance Company of America, Axis Surplus Insurance Company, United National Insurance Company, Max Specialty Insurance Company, Alliance Global Risk US Insurance Company, RSUI Indemnity Company	\$ 150,000,000.00	\$ 500.00
General Liability Automobile Liability, Educator's Legal Liability	SPELL JIF, Selective Insurance Company	10,000,000.00	500.00
Boiler And Machinery	Travelers Insurance Company	125,000,000.00	1,000.00
Crime	SPELL JIF, Selective Insurance Company of America, Axis Surplus Insurance Company, United National Insurance Company, Max Specialty Insurance Company, Alliance Global Risk US Insurance Company, RSUI Indemnity Company	500,000.00	500.00
Pollution Legal Liability	ACE American Insurance Company	3,000,000.00	25,000.00
Commercial Umbrella	Fireman's Fund Insurance Company'	50,000,000.00	None
Workers' Compensation	SPELL JIF, Selective Insurance Company	Statutory	None
Board Secretary's Bond	Western Surety Company	510,000.00	None
Driving School Bond	Western Surety Company	10,000.00	None
Student Accident Policy	Monumental Life Insurance Company	1,000,000.00	None

Source: School District Records

SINGLE AUDIT SECTION

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND
STATE OF NEW JERSEY CIRCULAR 04-04-OMB**

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

We have audited the Township of Washington School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2013. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School 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; audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and State of New Jersey Circular 04-04-OMB, 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 Township of Washington School 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 School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Township of Washington School 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 major federal and state programs for the fiscal year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and New Jersey Circular 04-04-OMB and which are described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance as findings nos.: 2013-1 & 2013-2. Our opinion on each major federal and state program is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

Management of the Township of Washington School 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 School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or 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 or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, 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 School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. *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 and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance as findings nos.: 2013-1 & 2013-2 that we consider to be significant deficiencies.

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

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 of that testing based on the requirements of OMB Circular A-133 and State of New Jersey Circular 04-04-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Todd R. Saler
Certified Public Accountant
Public School Accountant No. CS 02195

Voorhees, New Jersey
November 13, 2013

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2013

<u>Pass-through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>State Project Number</u>	<u>Award Amount</u>	<u>Grant Period</u>		<u>Balance June 30, 2012</u>
				<u>From</u>	<u>To</u>	
General Fund:						
United States Air Force:						
Air Force Junior ROTC	99.XXX	NJ080932	\$ 65,218.86	7-1-11	6-30-12	\$ (13,380.21)
Air Force Junior ROTC	99.XXX	NJ080932	108,840.94	7-1-12	6-30-13	
U.S. Department of Health and Human Services:						
Passed-through the State Department of Education:						
Education Jobs Fund	84.410	Unavailable	4,584.00	8-10-10	9-30-12	
Special Education--Medicaid Initiative	93.778	N/A	120,518.37	7-1-12	6-30-13	
Total General Fund						(13,380.21)
Special Revenue Fund:						
U.S. Department of Education:						
Passed-through State Department of Education:						
N.C.L.B.:						
Title I	84.010	NCLB552012	665,571.00	9-1-11	8-31-12	(198,567.00)
Title I	84.010	NCLB552013	292,732.00	9-1-12	8-31-13	
Title II - Part A	84.367	NCLB552012	223,035.00	9-1-11	8-31-12	(94,128.00)
Title II - Part A	84.367	NCLB552013	183,846.00	9-1-12	8-31-13	
Title III	84.365	NCLB552012	17,664.00	9-1-11	8-31-12	(4,778.00)
Title III	84.365	NCLB552013	18,323.00	9-1-12	8-31-13	
Title III Immigrant	84.365	NCLB552012	308.00	9-1-11	8-31-12	(110.00)
Title III Immigrant	84.365	NCLB552013	13,585.00	9-1-12	8-31-13	
I.D.E.I.A. Part B:						
Basic	84.027	IDEIA552012	2,321,812.00	9-1-11	8-31-12	(318,085.00)
Basic	84.027	IDEIA552013	2,285,988.00	9-1-12	8-31-13	
Pre-School	84.173	IDEIA552012	105,409.00	9-1-11	8-31-12	(32,340.00)
Pre-School	84.173	IDEIA552013	115,764.00	9-1-12	8-31-13	
Teaching American History	84.215X	N/A	166,665.00	7-1-11	2-28-13	(60,897.00)
Race to the Top Phase 3	84.413A	N/A	49,912.00	9-1-11	11-30-15	
Carl D. Perkins Vocational and Technical:						
Education Act of 1998 - Secondary	84.048A	PERK552012	46,872.00	7-1-11	6-30-12	(27,032.00)
Education Act of 1998 - Secondary	84.048A	PERK552013	39,168.00	7-1-12	6-30-13	
Total Special Revenue Fund						(735,937.00)
Enterprise Fund:						
U.S. Department of Agriculture:						
Passed-through State Department of Education:						
Child Nutrition Cluster:						
Non-Cash Assistance (Food Distribution):						
National School Lunch Program	10.555	N/A	139,824.55	7-1-12	6-30-13	
National School Lunch Program	10.555	N/A	112,232.04	7-1-11	6-30-12	11,425.01
Cash Assistance:						
National School Lunch Program	10.555	N/A	584,524.02	7-1-12	6-30-13	
National School Lunch Program	10.555	N/A	590,894.60	7-1-11	6-30-12	(14,572.86)
National School Breakfast Program	10.553	N/A	60,107.71	7-1-12	6-30-13	
National School Breakfast Program	10.553	N/A	63,389.94	7-1-11	6-30-12	1,887.41
Special Milk Program	10.556	N/A	8,368.36	7-1-12	6-30-13	
Special Milk Program	10.556	N/A	8,657.39	7-1-11	6-30-12	(1,596.89)
Total Enterprise Fund:						(2,857.33)
Total Federal Financial Assistance						\$ (752,174.54)

(A) See Note 5 to the Schedules of Expenditures of Federal Awards and State Financial Assistance

The accompanying Notes to Financial Statements and Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Carry-over <u>Amount</u>	Cash <u>Received</u>	<u>Adjustments (A)</u>	Budgetary <u>Expenditures</u>	Repayment of Prior Years' <u>Balances</u>	<u>Balance at June 30, 2013</u>		
					<u>Accounts Receivable</u>	<u>Unearned Revenue</u>	<u>Due to Grantor</u>
	\$ 13,380.21 98,854.50		\$ 108,840.94		\$ (9,986.44)		
	120,518.37		4,584.00 120,518.37		(4,584.00)		
-	232,753.08	-	233,943.31	-	(14,570.44)	-	-
	4,930.00						
\$ (48,680.00)	368,225.00	\$ (2.12)	120,975.88				
48,680.00	102,645.00	1.62	265,197.62		(113,871.00)		
(22,331.00)	115,386.00	4,931.00	3,858.00				
22,331.00	80,727.00	1.06	166,976.06		(63,917.00)		
(2,133.00)	15,136.00	(51.54)	8,173.46				
2,133.00	11,353.00	1.72	16,996.72		(3,509.00)		
	308.00	(0.05)	197.95				
	2,083.00		4,903.00		(2,820.00)		
(283,093.00)	609,550.00	3,800.00	12,172.00				
283,093.00	1,172,399.00	1.69	1,934,008.69		(478,515.00)		
(15,547.00)	47,887.00						
15,547.00	70,065.00	1.40	98,602.40		(12,989.00)		
	5,000.00	1,048.37	46,102.37		(100,951.00)		
	39,004.00		49,912.00		(10,908.00)		
	27,044.00	(12.00)					
	22,746.00	1.00	39,168.00		(16,421.00)		
-	2,689,558.00	9,722.15	2,767,244.15	-	(803,901.00)	-	-
	139,824.55		115,466.88 11,425.01			\$ 24,357.67	
	475,746.31		584,524.02		(108,777.71)		
	9,742.52				(4,830.34)		
	48,105.31		60,107.71		(12,002.40)		
	1,101.83						\$ 2,989.24
	6,785.66		8,368.36		(1,582.70)		
	266.40				(1,330.49)		
-	681,572.58	-	779,891.98	-	(128,523.64)	24,357.67	2,989.24
\$ -	\$ 3,603,883.66	\$ 9,722.15	\$ 3,781,079.44	\$ -	\$ (946,995.08)	\$ 24,357.67	\$ 2,989.24

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance
 For the Fiscal Year Ended June 30, 2013

State Grantor/ Program Title	State Project Number	Award Amount	Matching	Grant Period		Balance at June 30, 2012	
				From	To	Deferred Revenue/ Accounts Receivable	Due to Grantor
General Fund:							
State Department of Education:							
Transportation Aid	12-495-034-5120-014	\$ 2,851,674.00	N/A	7-1-11	6-30-12	\$ (271,343.00)	
Transportation Aid	13-495-034-5120-014	2,843,680.00	N/A	7-1-12	6-30-13		
Nonpublic School Transportation Aid	12-495-034-5120-014	88,530.52	N/A	7-1-11	6-30-12	(88,530.52)	
Nonpublic School Transportation Aid	13-495-034-5120-014	102,562.44	N/A	7-1-12	6-30-13		
Equalization Aid	12-495-034-5120-078	37,585,023.00	N/A	7-1-11	6-30-12	(3,576,302.00)	
Equalization Aid	13-495-034-5120-078	37,613,090.00	N/A	7-1-12	6-30-13		
Adjustment Aid	12-495-034-5120-085	4,449,301.00	N/A	7-1-11	6-30-12	(423,361.00)	
Adjustment Aid	13-495-034-5120-085	3,697,140.00	N/A	7-1-12	6-30-13		
Special Education Categorical Aid	12-495-034-5120-089	4,246,397.00	N/A	7-1-11	6-30-12	(404,054.00)	
Special Education Categorical Aid	13-495-034-5120-089	4,461,654.00	N/A	7-1-12	6-30-13		
Security Aid	12-495-034-5120-084	722,630.00	N/A	7-1-11	6-30-12	(68,760.00)	
Security Aid	13-495-034-5120-084	731,028.00	N/A	7-1-12	6-30-13		
Extraordinary Special Education Costs Aic	12-100-034-5120-473	1,461,184.00	N/A	7-1-11	6-30-12	(1,461,184.00)	
Extraordinary Special Education Costs Aic	13-100-034-5120-473	1,192,826.00	N/A	7-1-12	6-30-13		
Payment for Institutionalized Children - Unknown District of Residence	12-495-034-5120-005	250,104.00	N/A	7-1-11	6-30-12	(142,594.96)	
Payment for Institutionalized Children - Unknown District of Residence	13-495-034-5120-005	123,223.18	N/A	7-1-12	6-30-13		
Reimbursed TPAF Social Security Contributions	12-495-034-5095-002	4,035,410.17	N/A	7-1-11	6-30-12	(13,322.40)	
Reimbursed TPAF Social Security Contributions	13-495-034-5095-002	3,901,864.57	N/A	7-1-12	6-30-13		
Total General Fund						(6,449,451.88)	-
Special Revenue Fund:							
State Department of Education:							
Nonpublic Aid:							
Nursing Services	13-100-034-5120-070	16,062.00	N/A	7-1-12	6-30-13		
Textbook Aid (Ch. 194, L. 1977)	12-100-034-5120-064	11,733.00	N/A	7-1-11	6-30-12	\$ 6,948.65	
Textbook Aid (Ch. 194, L. 1977)	13-100-034-5120-064	11,573.00	N/A	7-1-12	6-30-13		
Technology Aid	13-100-034-5120-373	4,271.00	N/A	7-1-12	6-30-13		
Auxiliary Services (Ch. 192, L. 1977)	12-100-034-5120-067						
Compensatory Education		28,741.00	N/A	7-1-11	6-30-12		6,762.42
English as a Second Language		2,500.00	N/A	7-1-11	6-30-12		1,637.96
Transportation and Maintenance		12,877.00	N/A	7-1-11	6-30-12		
Auxiliary Services (Ch. 192, L. 1977)	13-100-034-5120-067						
Compensatory Education		30,935.00	N/A	7-1-12	6-30-13		
English as a Second Language		853.00	N/A	7-1-12	6-30-13		
Transportation and Maintenance		8,777.00	N/A	7-1-12	6-30-13		
Handicapped Services (Ch. 193, L. 1977)	12-100-034-5120-066						
Corrective Speech		32,384.00	N/A	7-1-11	6-30-12		6,318.95
Examination and Classification		13,522.00	N/A	7-1-11	6-30-12		322.62
Supplementary Instructor		4,911.00	N/A	7-1-11	6-30-12		2,104.92
Handicapped Services (Ch. 193, L. 1977)	13-100-034-5120-066						
Corrective Speech		29,686.00	N/A	7-1-12	6-30-13		
Examination and Classification		16,879.00	N/A	7-1-12	6-30-13		
Supplementary Instructor		6,245.00	N/A	7-1-12	6-30-13		
Total Special Revenue Fund						-	24,095.52
Capital Projects Fund:							
New Jersey Economic Development Authority							
Additional State School Building Aid--							
High School Air Conditioning/Security	5500-010-05-1000	3,345,967.00	\$ 6,269,109.00	10-26-04	Project End	119,633.18	
Bells Elementary Air Conditioning/Security	5500-025-05-1000	965,244.00	960,282.00	10-26-04	Project End		219.37
Birches Elementary Air Conditioning/Security	5500-027-05-1000	965,244.00	960,282.00	10-26-04	Project End		6,911.82
Wedgewood Elementary Air Conditioning/Security	5500-060-05-1000	859,321.00	866,280.00	10-26-04	Project End		3,564.68
Whitman Elementary Air Conditioning/Security	5500-070-05-1000	965,244.00	960,282.00	10-24-04	Project End		8,247.59
Wedgewood Elementary Reroofing	5500-060-05-2000	127,800.00	114,409.00	4-27-05	Project End	1,275.00	
High School Reroofing	5500-010-05-3000	104,999.00	98,790.00	4-27-05	Project End	48,495.83	
High School Science Labs	5500-010-05-3000	430,963.00	397,890.00	12-22-05	Project End	78,753.31	
High School Roof	5500-010-09-1001	229,824.00	320,007.00	1-15-09	Project End	7,429.74	
Asbestos Abatement	Various	60,640.00	80,946.00	12-23-10	Project End	17,827.28	
High School Classroom Renovations	5500-010-10-G1AB	54,412.00	80,755.00	12-23-10	Project End	63,689.82	
High School Overhangs	5500-010-10-G1AD	14,877.00	26,500.00	12-23-10	Project End	7,677.00	
High School Roof	5500-010-10-G1AF	235,754.00	350,000.00	12-23-10	Project End	31,224.76	
High School Roof	5500-010-10-G1AE	204,519.00	301,371.00	12-23-10	Project End	159,073.40	
Total Capital Projects Fund						535,079.32	18,943.46
Debt Service Fund:							
State Department of Education:							
State Support	13-495-034-5120-075	1,429,984.00	N/A	7-1-12	6-30-13	-	-
Enterprise Fund:							
State School Lunch Aid	12-100-010-3350-023	22,315.25	N/A	7-1-11	6-30-12	(557.49)	
State School Lunch Aid	13-100-010-3350-023	20,688.23	N/A	7-1-12	6-30-13		
Total Enterprise Fund						(557.49)	-
Total State Financial Assistance						\$ (5,914,930.05)	\$ 43,038.98

(A) See Note 5 to the Schedules of Expenditures of Federal Awards and State Financial Assistance

The accompanying Notes to Financial Statements and Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Carryover/ Walkover Amount	Cash Received	Adjustments (A)	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2013			Memo	
					Accounts Receivable	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2013	Cumulative Total Expenditures
	\$ 271,343.00								
	2,572,207.00		\$ 2,843,680.00		\$ (271,473.00)			\$ (271,473.00)	\$ 2,843,680.00
	88,530.52								
			102,562.44		(102,562.44)				102,562.44
	3,576,302.00								
	34,022,344.00		37,613,090.00		(3,590,746.00)			(3,590,746.00)	37,613,090.00
	423,361.00								
	3,344,191.00		3,697,140.00		(352,949.00)			(352,949.00)	3,697,140.00
	404,054.00								
	4,035,721.00		4,461,654.00		(425,933.00)			(425,933.00)	4,461,654.00
	68,760.00								
	661,240.00		731,028.00		(69,788.00)			(69,788.00)	731,028.00
	1,461,184.00								
			1,192,826.00		(1,192,826.00)				1,192,826.00
	142,594.96								
	91,238.90		123,223.18		(31,984.28)				123,223.18
	13,322.40								
	3,707,449.57		3,901,864.57		(194,415.00)				3,901,864.57
-	54,883,843.35	-	54,667,068.19	-	(6,232,676.72)	-	-	(4,710,889.00)	54,667,068.19
	16,062.00		16,062.00						16,062.00
		\$ 0.35		\$ 6,949.00					
	11,573.00		4,120.00				\$ 7,453.00		4,120.00
	4,271.00	0.40	3,518.40				753.00		3,518.40
		(0.42)		6,762.00					
		0.04		1,638.00					
	30,935.00	0.40	25,414.40				5,521.00		25,414.40
	853.00						853.00		
	8,877.00	0.24	7,266.24				1,611.00		7,266.24
		0.05		6,319.00					
		0.38		323.00					
		0.08		2,105.00					
	29,686.00	0.12	21,561.12				8,125.00		21,561.12
	16,879.00	(0.02)	15,764.98				1,114.00		15,764.98
	6,245.00		6,175.00				70.00		6,175.00
-	125,381.00	1.62	99,882.14	24,096.00	-	-	25,500.00	-	99,882.14
						\$ 119,633.18			
							219.37		9,495,442.82
							6,911.82		1,925,306.63
							3,564.68		1,918,614.18
							8,247.59		1,722,036.32
		(1,275.00)							1,917,278.41
		(48,495.83)							240,934.00
									155,293.17
									750,099.69
									542,401.26
									123,758.72
									71,477.18
									33,700.00
									534,617.36
									491,317.35
		19,911.88	144,500.75						
-	-	(29,858.95)	144,500.75	-	-	360,719.62	18,943.46	-	19,922,277.09
-	1,429,984.00	-	1,429,984.00	-	-	-	-	-	1,429,984.00
	359.58				(197.91)				
	15,824.20		20,688.23		(4,864.03)				20,688.23
-	16,183.78	-	20,688.23	-	(5,061.94)	-	-	-	20,688.23
\$ -	\$ 56,455,392.13	\$ (29,857.33)	\$ 56,362,123.31	\$ 24,096.00	\$ (6,237,738.66)	\$ 360,719.62	\$ 44,443.46	\$ (4,710,889.00)	\$ 76,139,899.65

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2013

Note 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Township of Washington School District (hereafter referred to as the "School District"). The School District is defined in note 1 to the School District's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

Note 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using 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 School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or 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 one or more deferred 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, payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more 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 revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile revenues from the budgetary basis to the GAAP basis is \$32,931.00 for the general fund and \$91,051.22 for the special revenue fund. The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$90,478.24 for the special revenue fund. See Exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Note 3: RELATIONSHIP TO FINANCIAL STATEMENTS (CONT'D)

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 233,943.31	\$ 54,667,068.19	\$ 54,901,011.50
Special Revenue	2,767,244.15	99,882.14	2,867,126.29
Capital Projects		144,500.75	144,500.75
Debt Service		1,429,984.00	1,429,984.00
Food Service	779,891.98	20,688.23	800,580.21
Total Awards and Financial Assistance	<u>\$ 3,781,079.44</u>	<u>\$ 56,362,123.31</u>	<u>\$ 60,143,202.75</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: ADJUSTMENTS

Amounts reported in the column entitled "Adjustments" represent the following:

<u>Adjustment</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
Rounding Adjustments	\$ (6.83)	\$ 1.62	\$ (5.21)
Prior Year Orders Canceled	9,778.98	19,911.88	29,690.86
Unexpended Balances Canceled		(49,770.83)	(49,770.83)
Prior Year Grants Receivable Canceled	(50.00)		(50.00)
Total Adjustments	<u>\$ 9,722.15</u>	<u>\$ (29,857.33)</u>	<u>\$ (20,135.18)</u>

Note 6: OTHER

Revenues and expenditures reported under the food distribution program represent current year value received and current year distribution, respectively. TPAF social security contributions represent the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2013.

The State of New Jersey also makes TPAF post-retirement medical and pension contribution expenditures on behalf of the School District. These expenditures are not subject to New Jersey OMB Circular 04-04 because the contributions are made by the State directly and do not have any compliance related requirements, and therefore have not been included on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

Note 7: MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013**

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? X yes none reported

Noncompliance material to financial statements noted? X yes no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? X yes none reported

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	<u>I.D.E.I.A. Part B Basic</u>
<u>84.173</u>	<u>I.D.E.I.A. Part B Preschool</u>
<u>84.010</u>	<u>NCLB - Title I</u>
<u>10.555</u>	<u>National School Lunch Program</u>
<u>10.555</u>	<u>National School Lunch Program - Food Distribution</u>
<u>10.553</u>	<u>National School Breakfast Program</u>
<u>10.556</u>	<u>Special Milk Program</u>

Dollar threshold used to determine Type A programs \$300,000

Auditee qualified as low-risk auditee? yes X no

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? ___ yes X no

Significant deficiency(ies) identified? ___ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 or New Jersey Circular 04-04-OMB? ___ yes X no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>13-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>13-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>13-495-034-5120-085</u>	<u>Adjustment Aid</u>
<u>13-495-034-5120-084</u>	<u>Security Aid</u>
<u>13-495-034-5120-014</u>	<u>Transportation Aid</u>
<u>13-495-034-5095-002</u>	<u>Reimbursed TPAF Social Security Contributions</u>

Dollar threshold used to determine Type A programs \$1,690,864

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

Finding No. 2013-1

Criteria or Specific Requirement

The Child Nutrition program provides reimbursement to school districts based upon meal and milk counts and the cost of milk as reported on the subsidy reimbursement requests. The reimbursement requests should include accurate meal and milk counts and the cost of milk for reimbursement.

Condition

One of the District's Child Nutrition Program subsidy reimbursement requests did not accurately account for the number of meals served.

Context

The number of meals served for breakfast and lunch in the month of September were incorrectly when reported on the monthly subsidy reimbursement request. The net result of these errors is an under claim of federal and state subsidy reimbursements in the amount of \$3,047.11 and \$134.38, respectively. The District has submitted a reimbursement request for the under claim to the State of New Jersey who indicated that reimbursement would be made to the District upon filing of the Comprehensive Annual Financial Report.

Effect

The District did not receive the correct amount of federal and state subsidy reimbursements from the Child Nutrition Program.

Cause

The District made reporting errors on subsidy reimbursement requests.

Recommendation

That all Child Nutrition Program subsidy reimbursement requests accurately account for the number of meals served.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section 2- Schedule of Financial Statement Findings (Cont'd)

Finding No. 2013-2

Criteria or Specific Requirement

District policy and procedures for the approval of invoices indicates that the School Business Administrator/Board Secretary or designee shall verify the vendor's invoice for the correct billing price and check the invoice for accurate extensions and omission of tax.

Condition

Evidence of the verification of invoices was lacking.

Context

Evidence of the verification of invoices was lacking for 26 of the 40 food service department purchase orders selected for testing of internal controls.

Effect

Invoices were not properly verified in accordance with Board policy.

Cause

The District's designee did not sign the invoices for verification.

Recommendation

That all invoices be properly signed for verification in accordance with Board policy.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

Finding No. 2013-1

Information on the Federal Program

National School Lunch Program, Federal CFDA No. 10.555
School Breakfast Program, Federal CFDA No. 10.553
Special Milk Program, Federal CFDA No. 10.556

Criteria or Specific Requirement

The Child Nutrition program provides reimbursement to school districts based upon meal and milk counts and the cost of milk as reported on the subsidy reimbursement requests. The reimbursement requests should include accurate meal and milk counts and the cost of milk for reimbursement.

Condition

One of the District's Child Nutrition Program subsidy reimbursement requests did not accurately account for the number of meals served.

Questioned Costs

N/A

Context

The number of meals served for breakfast and lunch in the month of September were incorrectly when reported on the monthly subsidy reimbursement request. The net result of these errors is an under claim of federal and state subsidy reimbursements in the amount of \$3,047.11 and \$134.38, respectively. The District has submitted a reimbursement request for the under claim to the State of New Jersey who indicated that reimbursement would be made to the District upon filing of the Comprehensive Annual Financial Report.

Effect

The District did not receive the correct amount of federal and state subsidy reimbursements from the Child Nutrition Program.

Cause

The District made reporting errors on subsidy reimbursement requests.

Recommendation

That all Child Nutrition Program subsidy reimbursement requests accurately account for the number of meals served.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section 3- Schedule of Federal Award Findings and Questioned Costs (Cont'd)

Finding No. 2013-2

Information on the Federal Program

National School Lunch Program, Federal CFDA No. 10.555
School Breakfast Program, Federal CFDA No. 10.553
Special Milk Program, Federal CFDA No. 10.556

Criteria or Specific Requirement

District policy and procedures for the approval of invoices indicates that the School Business Administrator/Board Secretary or designee shall verify the vendor's invoice for the correct billing price and check the invoice for accurate extensions and omission of tax.

Condition

Evidence of the verification of invoices was lacking.

Context

Evidence of the verification of invoices was lacking for 26 of the 40 food service department purchase orders selected for internal control testing.

Effect

Invoices were not properly verified in accordance with Board policy.

Cause

The District's designee did not sign the invoices for verification.

Recommendation

That all invoices be properly signed for verification in accordance with Board policy.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

None.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

Finding No. 2012-1

Condition

Some of the District's Child Nutrition Program subsidy reimbursement requests did not accurately account for the number of milks served, the cost of milk or the proper meal category.

Current Status

The condition was not completely resolved as reported in Finding 2013-1.

Planned Corrective Action

The School Business Administrator will ensure that corrections are made in a timely manner.

FEDERAL AWARDS

Finding No. 2012-1

Condition

Some of the District's Child Nutrition Program subsidy reimbursement requests did not accurately account for the number of milks served, the cost of milk or the proper meal category.

Current Status

The condition was not completely resolved as reported in Finding 2013-1.

Planned Corrective Action

The School Business Administrator will ensure that corrections are made in a timely manner.

