

**SCHOOL DISTRICT OF
TEANECK TOWNSHIP**

TEANECK BOARD OF EDUCATION
Teaneck, New Jersey
County of Bergen

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

TEANECK BOARD OF EDUCATION

TEANECK, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Prepared by

**Teaneck Board of Education
Business Administrator's Office**

OUTLINE OF CAFR - GASB #34

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INTRODUCTORY SECTION

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TEANECK PUBLIC SCHOOLS

One Merrison Street
Teaneck, New Jersey 07666

November 15, 2014

Honorable President and
Members of the Board of Education
Teaneck Public School District
County of Bergen, New Jersey

Dear Members of the Board of Education:

I am pleased to submit The Comprehensive Annual Financial Report of the Teaneck School District (hereafter the "District") for the fiscal year ending June 30, 2014. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of our knowledge, 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 the results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the "Independent Auditors' Report".

The comprehensive annual financial report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The Financial section includes the independent Auditor's Report, Management Discussion and Analysis (MD&A) and the basic financial statements including the district-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the financial statements and required supplemental information (RSI). 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 Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations", and the New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the Single Audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES

The District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB No. 14. All funds of the District are included in this report. The Teaneck Public Schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, as well as special education for handicapped students through the age of 21.

In the 2013-2014 fiscal year the District's official enrollment was 4,098 resident students, which is 35 students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years:

Official Enrollment (Based on the October 15th Application for State School Aid)

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2013-2014	4,098	- 0.8%
2012-2013	4,133	-1.5%
2011-2012	4,196	-2.6%
2010-2011	4,308	+2.8%
2009-2010	4,192	-2.1%
2008-2009	4,284	-1.5%
2007-2008	4,350	-2.9%
2006-2007	4,482	-1.0%
2005-2006	4,526	-0.1%
2004-2005	4,531	-2.0%
2003-2004	4,626	-1.3%

The counts exclude enrollments for in-district preschool students and nonpublic school students residing in the township. The counts include enrollment for charter school students residing in the township.

2) ECONOMIC CONDITION AND OUTLOOK

The economic environment for the past fiscal year has been characterized by many as the worst economic downturn since the Great Depression of the 1930's. While the economy today is showing some signs of positive economic growth, there are still many uncertainties for the future. The unemployment rate in Teaneck increased from 4.2% to 6.5% from 2008 to 2013, according to the Bureau of Labor Statistics. Per capita income for Bergen County increased to \$69,919 for 2012, the latest available year, compared to the revised New Jersey Department of Labor and Workforce Development income data of \$67,375 for 2008.

In accordance with mandates by the state, the District's budget continues to include line items for charter school expenditures. In fiscal year 2013-2014, there were three charter schools serving students' kindergarten through 8th grade to which Teaneck students attended, Teaneck Community Charter School, Englewood on the Palisades and Bergen Arts & Science. The 2013-2014 budget included \$5,142,657 expended for tuition and transportation to these charter schools.

The major funding source for the operating budget continues to be the local tax levy. The local tax levy funded 85.1% of the 2013-2014 budget. The reliance on the local taxpayers to fund the majority of the District's budget will likely continue under the provisions of the School Funding Reform Act of 2008. According to the NJ Department of Education, Office of School Funding, the District's tax levy

exceeds the Local Fair Share and the district's total budget exceeds the "adequacy model" used to calculate state aid.

3) MAJOR INITIATIVES

As the stewards of our children's educational future, the District has high expectations of each teacher, administrator and all support personnel; an expectation that only excellence will be acceptable in the provision of the educational program in the coming years. We have high expectations for our community partners and parents that they will engage with us in this educational effort providing much needed support to our system and children. We have high expectations and high demands for our students that they will come to school each day with a willingness and desire to learn and to work hard to obtain the knowledge and experiences offered to them.

Instructional Initiatives

GOAL 1: Students attending the Teaneck Public Schools will acquire the skills, knowledge and understanding in order to be successful in the twenty first century.

GOAL 2: Teachers and administrators in the Teaneck Public Schools will acquire the skills, knowledge and understanding necessary to support student achievement.

GOAL 3: The environment in the Teaneck Public Schools will be safe and respectful, with students and adults appreciative of the unique contributions of members of the community.

GOAL 4: The Teaneck Public Schools will seek alternative funding sources, efficiencies and policies that preserve and develop effective programs while respecting community resources.

GOAL 5: The Teaneck Public Schools will continue to improve/enhance communication between schools and between schools and parents in order to support student achievement and social success.

Facilities Initiatives

During the past few years the District began the implementation a five year plan for roof replacements for all of its eight (8) buildings. To date the roofs have been replaced at Lowell School, Whittier School, Thomas Jefferson Middle School, Eugene Field School Administration Building, Benjamin Franklin Middle School and Teaneck High School. Funding from the NJ Schools Development Authority has been approved to cover 40% of the cost of new roofs at the Bryant and Hawthorne Elementary Schools. The balance of the cost will be paid through a five-year lease/purchase agreement. The projects are scheduled to begin during the summer of 2015.

The District also completed an asbestos abatement project at Hawthorne Elementary School, resurfaced the parking lots at Benjamin Franklin Middle School and the Eugene Field Administration Building, completed upgrades to wireless internet service at all schools and installed new scoreboards at Teaneck High School and Thomas Jefferson Middle School. The scoreboards were donated and the district paid only the installation costs.

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

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

As a 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 the 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 Board. Annual appropriated budgets are adopted by the Board for the general fund, the special revenue fund, and the debt service fund. Project length budgets are approved for capital improvements and accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the Financial section of this report.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2014. These are re-appropriated automatically into the following fiscal year, and as a result, increase the approved budget.

6) ACCOUNTING SYSTEM AND REPORTS

The district's accounting records reflect New Jersey Statutes (N.J.S.A. 18:4-14) that requires a uniform system of double-entry bookkeeping consistent with the generally accepted accounting principles, (GAAP) established by GASB for use in all school districts.

The accounting system of the District is organized on the basis of funds in accordance with the Uniform Minimum Chart of Accounts (Handbook 2R2) for New Jersey Public Schools. These funds are explained in the Notes to the Financial Statements.

The District continues to maintain a budgetary/finance software package which provides decentralized access to requisitions, purchase order status, account records and program reporting. Appropriate internal controls are established for both purchasing and line item expenditures.

7) DEBT ADMINISTRATION

As of June 30, 2014, the district has four (4) outstanding general obligation bond issues, one (1) outstanding Lease/Purchase obligation and one (1) ESIP obligation bond issue.

The first general obligation issuance was in April 2001 to finance construction projects at Teaneck High School, Benjamin Franklin Middle School and Thomas Jefferson Middle School. The debt maturity is January 2015 and the outstanding principal is \$550,000.

The second general obligation issuance was in February 2002 and also matures in January 2015. This was a refinancing of a previous bond issuance and the outstanding principal balance is \$390,000.

The third general obligation issue, financed in February 2003 and refinanced in August 2013, relates to the district's Early Retirement Pension Obligation. Previously, this obligation had been funded through the general current expense budget; however, funding the obligation through debt service was made possible in fiscal year 2003 by an act of the New Jersey Legislature. This issue has an 18-year repayment schedule that matures in January 2021. The outstanding principal balance is \$3,325,000. The refinancing at a lower interest rate did not change the maturity date of the bonds but did result in reduced interest expense in the amount of \$67,973.

Finally, the fourth general obligation issuance is the refinancing of callable bonds issued in April 2001. The bonds were issued in July 2006 and mature in January 2031. The principal balance outstanding is \$9,145,000.

The Lease/Purchase obligation was issued in March 2011 to finance the first phase of roof replacement at Teaneck High School. The debt matures in June 2016 and the outstanding principal balance is \$537,327.

The Energy Savings Improvement Program (ESIP) obligation bonds were issued in March 2012 with a maturity date of June 2027 and the outstanding principal balance is \$7,400,000. The bonds will finance the energy conservation measures throughout the district's schools. The reduction to utility costs accruing from these conservation measures will be used to repay the bonds, resulting in no cost to the taxpayers.

8) CASH MANAGEMENT

The investment policy of the District is guided in large part by state statute as detailed in the Notes to the Financial Statements. 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 by the New Jersey State Legislature to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9) RISK MANAGEMENT

The District is a member of the Northeast Bergen County School Boards Insurance Group (NESBIG), a joint insurance pool comprised of forty-five (45) school districts, for its entire insurance coverage, including but not limited to workers' compensation, general liability, fidelity bonds, automobile liability and comprehensive/collision, hazard and theft insurance for property and contents.

10) INDEPENDENT AUDIT

New Jersey State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, PC was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133 and State Treasury Circular Letter 04-04 OMB. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the Financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.

11) ACKNOWLEDGEMENTS

The administration wishes to express its appreciation to the entire business office staff, whose continued efforts and tenacity to ensure the implementation of GAAP, board policies and regulations make the efficient operation of the District possible. The Business Office staff wishes to thank the school district auditors for their technical expertise and for providing accounting guidance in general, and for this report in particular.

Respectfully Submitted,

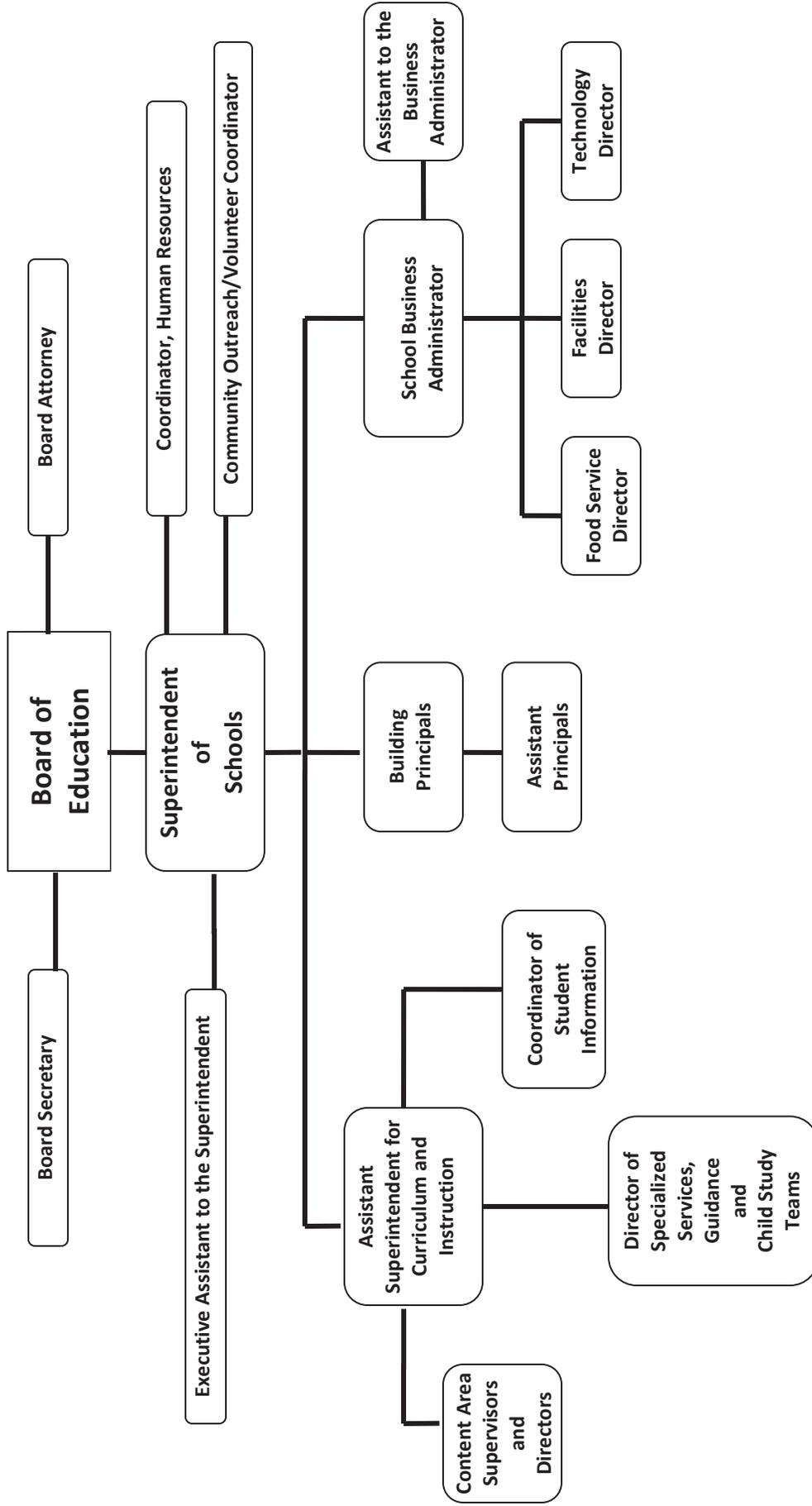
Barbara Pinsak

Barbara Pinsak
Superintendent of Schools

Robert S. Finger

Robert S. Finger, CFE, CGFM, QPA
Business Administrator/Board Secretary

Teaneck Public Schools Administrative Organizational Chart 2013-2014



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TEANECK BOARD OF EDUCATION
TEANECK, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2014

MEMBERS OF THE BOARD

TERM EXPIRES

Dr. Ardie Walser - President	2014
Mrs. Gervonn Rice - Vice President	2015
Dr. David Diuguid	2016
Dr. David Gruber	2015
Mrs. Sarah Rappoport	2015
Mr. Sebastian Rodriguez	2016
Mr. Howard Rose	2014
Mrs. Clara Williams	2014
Ms. Shelley Worrell	2016

OTHER OFFICIALS

Barbara Pinsak - Superintendent of Schools

Robert S. Finger - Business Administrator/Board Secretary

Karla Starks - Assistant to the Business Administrator/Assistant Board Secretary

Anthony Bianchi - Treasurer of School Moneys

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**TEANECK PUBLIC SCHOOLS
TEANECK, NEW JERSEY**

Consultants and Advisors

Attorney

Machado Law Group
136 Central Avenue
Clark, NJ 07066

Auditor

Holman, Frenia & Allison
912 Highway 33
Freehold, NJ 07728

Architect

DiCara/Rubino
30 Galesi Drive
Wayne, NJ 07470

Insurance Broker

Northeast Bergen School Boards Insurance Group
Burton/Kanwisher Agency
44 Bergen Street
Westwood, NJ 07675

Health Insurance Broker

Brown & Brown Benefit Advisors
24 Arnett Avenue
Lambertville, NJ 08530

Official Depository

Capital One Bank
44 Nathaniel Place
Englewood, NJ 07631

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Teaneck Board of Education
County of Bergen
Teaneck, New Jersey 07666

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Teaneck Board of Education, County of Bergen, State of New Jersey, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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; and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Teaneck Board of Education, County of Bergen, State of New Jersey, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as presented 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 Teaneck Board of Education's basic financial statements. The accompanying introductory section, comparative totals for June 30, 2013, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and is also not a required part of the financial statements.

The combining and individual fund financial statements, long-term debt schedules and the accompanying schedules of expenditures of federal awards and state financial assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 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 combining and individual fund financial statements, long-term debt schedules and the accompanying schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section, comparative totals for June 30, 2013, and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no 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 15, 2014 on our consideration of the Board of Education of the Teaneck Board of Education'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 Board of Education of the Teaneck Board of Education's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'R. Allison', written in a cursive style.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

November 15, 2014
Freehold, New Jersey

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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TEANECK BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014

(UNAUDITED)

The Management's Discussion and Analysis (MD&A) of the Teaneck Board of Education provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2014. It should be read in conjunction with the Comprehensive Annual Financial Report's (CAFR) Letter of Transmittal, which is found in the Introductory Section, and the School Board's financial statements found in the Financial Section and the notes thereto.

The MD&A is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – "*Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments*" issued in June 1999 that is now being required by the New Jersey State Department of Education. Comparative information between the current fiscal year (2013–2014) and the prior fiscal year (2012–2013) is required and is presented in the MD&A.

FINANCIAL HIGHLIGHTS

- Key financial highlights for the 2013-2014 fiscal year include the following:
- The assets and deferred outflows of resources of the Teaneck Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$30,346,315 (net position).
- Overall revenues were \$99,246,463. General revenues accounted for \$83,678,847 or 84% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$15,567,616 or 16% of total revenues.
- The school district had \$99,188,669 in expenses; only \$15,567,616 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) and available net position were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$7,926,613.
- The General Fund fund balance at June 30, 2014 was \$6,701,812 a decrease of \$3,279,304 when compared with the fund balance at July 1, 2013.

TEANECK BOARD OF EDUCATION

**MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

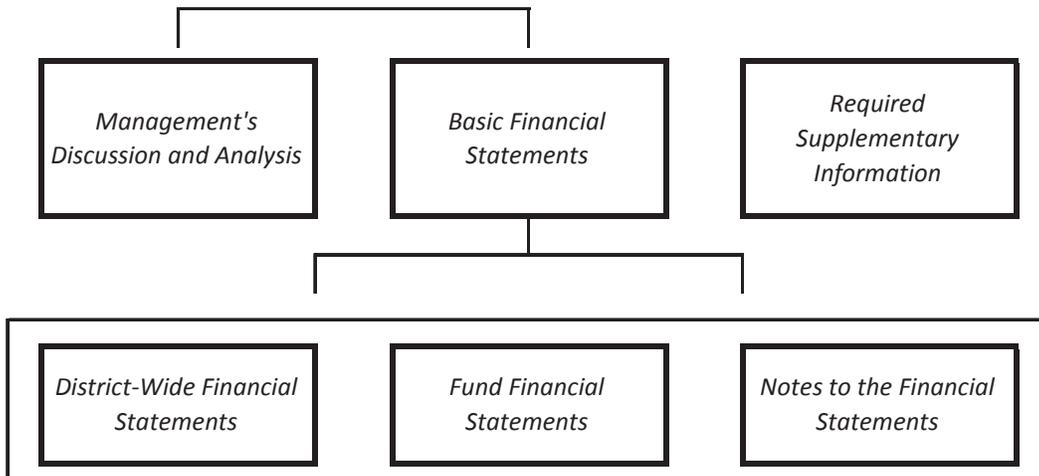
OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor’s Report, required supplementary information which includes the management’s discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District;

- The first two statements are district wide financial statements that provide both short-term and long-term information about the District’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District’s operations in more detail than the district-wide statements.
 - The governmental funds statements tell how basic services were financed in the short term as well as what remains for future spending.
 - Proprietary funds statements offer short-term and long-term financial information about the activities the district operated like businesses.
 - Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1



TEANECK BOARD OF EDUCATION

**MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

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

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular instruction, special Education and building maintenance	Activities the district operates similar to private businesses: Enterprise Funds	Instances in which the district administers resources on behalf of someone else, such as Unemployment, Payroll Agency, and Student Activities
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenue, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements of Fiduciary Net Position Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources Focus
Type of asset/ deferred inflows/ outflows of resources/ liability information	All assets, deferred inflows/ outflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets and deferred outflows of resources are expected to be used up and liabilities and deferred inflows of resources that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred inflows/ outflows of resources and liabilities, both financial and capital, and short-term and long-term	All assets, deferred inflows/ outflows of resources and liabilities, both short-term and long-term funds do not currently contain capital assets
Type of inflow/ outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and dedications during the year, regardless of when cash is received or paid.

District-wide financial statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District’s asset, deferred inflows/ outflows of resources and liabilities. All of the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District’s net position and how they have changed. Net position – the difference between the District’s assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District’s financial health or position.

TEANECK BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2014

District-wide financial statements (continued)

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

In the district-wide financial statements the District's activities are shown in two categories:

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration and plant operations and maintenance. Property taxes and state aids finance most of these activities.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund and Community School Fund are included under this category.

Fund financial statements

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

- Some funds are required by State law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has three kinds of funds:

Governmental funds – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or difference) between them.

Proprietary funds – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements.

TEANECK BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2014

Fund financial statements (continued)

Enterprise Funds – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has two enterprise funds:

- Food Service (Cafeteria)
- Community School

Fiduciary funds – The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The district adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for these funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons.

DISTRICT –WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$30,346,315 as of June 30, 2014. See Table A-1.

TEANECK BOARD OF EDUCATION

**MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources as needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Table A-1
Statement of Net Position
As of June 30, 2014 and 2013**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets						
Current Assets	\$ 8,945,989	\$ 12,220,618	\$ 497,280	\$ 428,838	\$ 9,443,269	\$ 12,649,456
Capital Assets	48,082,883	46,093,807	55,021	67,630	48,137,904	46,161,437
Total Assets	57,028,872	58,314,425	552,301	496,468	57,581,173	58,810,893
Deferred Outflows of Resources						
Deferred Charges on Refunding of Debt	284,323	256,554	-	-	284,323	256,554
Total Deferred Outflows	284,323	256,554	-	-	284,323	256,554
Total Assets and Deferred Outflows	57,313,195	58,570,979	552,301	496,468	57,865,496	59,067,447
Other Liabilities	1,360,348	713,493	356,473	344,399	1,716,821	1,057,892
Long-Term Liabilities	25,802,360	27,721,023	-	-	25,802,360	27,721,023
Total Liabilities	27,162,708	28,434,516	356,473	344,399	27,519,181	28,778,915
Deferred Inflows of Resources						
Deferred Commodities Revenue	-	-	-	11	-	11
Total Deferred Inflows	-	-	-	11	-	11
Total Liabilities and Deferred Inflows	27,162,708	28,434,516	356,473	344,410	27,519,181	28,778,926
Net Position						
Net investment in Capital Assets	26,053,504	27,689,490	55,021	67,630	26,108,525	27,757,120
Restricted	1,224,801	3,236,970	-	-	1,224,801	3,236,970
Unrestricted	2,872,182	(1,892,086)	140,807	84,428	3,012,989	(1,807,658)
Total Net Position	\$ 30,150,487	\$ 29,034,374	\$ 195,828	\$ 152,058	\$ 30,346,315	\$ 29,186,432

TEANECK BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014

Table A-2
Changes in Net Position
For the Fiscal Years Ended June 30, 2014 and 2013

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues						
Program Revenues						
Charges for Services	\$ 115,781	\$ 166,653	\$ 1,381,694	\$ 1,350,680	\$ 1,497,475	\$ 1,517,333
Operating Grants and Contributions	13,364,250	17,291,743	705,891	664,831	14,070,141	17,956,574
General Revenues						
Property Taxes	80,716,841	79,546,326	-	-	80,716,841	79,546,326
Other	2,962,006	364,942	-	-	2,962,006	364,942
Total Revenues	<u>97,158,878</u>	<u>97,369,664</u>	<u>2,087,585</u>	<u>2,015,511</u>	<u>99,246,463</u>	<u>99,385,175</u>
Expenses						
Instruction						
Regular	28,838,932	33,576,131	-	-	28,838,932	33,576,131
Special Education	9,680,177	17,934,087	-	-	9,680,177	17,934,087
Other Instruction	3,273,279	4,049,272	-	-	3,273,279	4,049,272
Support Services						
Student and Instruction Related Serv.	17,404,977	14,780,095	-	-	17,404,977	14,780,095
School Administrative Services	3,040,882	4,257,991	-	-	3,040,882	4,257,991
General Administrative Services	945,329	1,494,069	-	-	945,329	1,494,069
Plant Operations and Maintenance	7,699,005	8,314,322	-	-	7,699,005	8,314,322
Pupil Transportation	4,403,688	4,567,081	-	-	4,403,688	4,567,081
Business and Other Support Services	1,481,017	2,125,032	-	-	1,481,017	2,125,032
Charter Schools	5,017,359	4,815,127	-	-	5,017,359	4,815,127
Unallocated Employee Benefits	12,735,510	-	-	-	12,735,510	-
Unallocated Depreciation Expension	1,734,667	-	-	-	1,734,667	-
Interest on Long-Term Debt	820,419	1,129,319	-	-	820,419	1,129,319
Cancellation of PY Receivables	69,613	-	-	-	69,613	-
Food Services	-	-	1,479,468	1,202,883	1,479,468	1,202,883
Community School	-	-	564,347	708,373	564,347	708,373
Total Expenses	<u>97,144,854</u>	<u>97,042,526</u>	<u>2,043,815</u>	<u>1,911,256</u>	<u>99,188,669</u>	<u>98,953,782</u>
Change in Net Position	14,024	327,138	43,770	104,255	57,794	431,393
Net Postion, Beginning (Unadjusted)	29,034,374	28,707,236	152,058	47,803	29,186,432	28,755,039
Prior Period Adjustment (See Note 14)	1,102,089	-	-	-	1,102,089	-
Net Position, Beginning (Adjusted)	<u>30,136,463</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,288,521</u>	<u>-</u>
Net Position, End of Year	<u>\$ 30,150,487</u>	<u>\$ 29,034,374</u>	<u>\$ 195,828</u>	<u>\$ 152,058</u>	<u>\$ 30,346,315</u>	<u>\$ 29,186,432</u>

TEANECK BOARD OF EDUCATION

**MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

Governmental Activities - The District’s total governmental activities’ revenues, which includes State and Federal grants, were \$97,158,878 for the year ended June 30, 2014. Property taxes of \$80,716,841 represented 82% of revenues. Another significant portion of revenues is intergovernmental aid; total State, Federal and formula aid was \$13,364,250. Another source of revenues is miscellaneous income which includes items such as prior year refunds, etc. and charges for services which includes tuition from other LEAs and transportation fees. The balance of the revenues is comprised of charges for tuition and rentals of facilities.

The total cost of all governmental activities programs and services was \$97,144,854. The District’s expenses are predominantly related to educating and caring for students. Instruction totaled \$41,792,388 or 43% of total expenditures. Student support services, exclusive of administration, total \$17,404,977 or 18% of total expenditures (See Table A-4).

Total governmental activities revenues surpassed expenses, increasing net position \$1,116,113 from the previous year. This increase is predominantly due to an increase in revenues from state and federal grants obtained by the District.

Table A-3 Revenues by Source- Governmental Activities
For Fiscal Year 2014

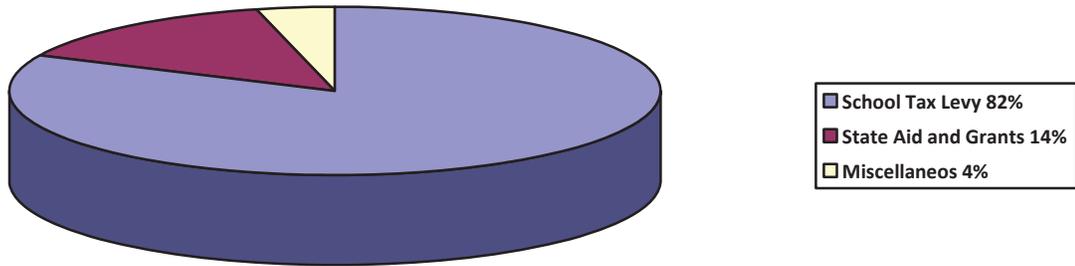
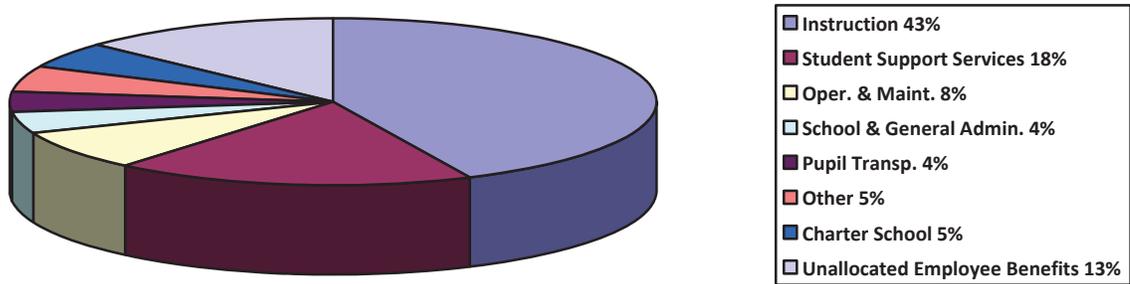


Table A-4 Expenditures by Type- Governmental Activities
For Fiscal Year 2014



Net Cost of Governmental Activities. The District’s total cost of services was \$97,144,854 for the fiscal year ended June 30, 2014. After applying program revenues derived from charges for services of \$115,781 and operating grants and contributions of \$13,364,250, the net cost of services of the District was \$83,664,823 for the fiscal year ended June 30, 2014. See Table A-5.

TEANECK BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014

Table A-5
Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2014 and 2013

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Instruction				
Regular	\$ 28,838,932.00	\$ 33,576,131	\$ 27,394,751	\$ 27,998,409
Special Education	9,680,177	17,934,087	7,044,787	11,429,575
Other Instruction	3,273,279	4,049,272	3,273,279	3,355,761
Support Services				
Student and Instruction Related Svcs.	17,404,977	14,780,095	17,404,977	13,447,228
School Administrative Services	3,040,882	4,257,991	3,040,882	3,856,495
General Administrative Services	945,329	1,494,069	945,329	1,494,069
Plant Operations and Maintenance	7,699,005	8,314,322	6,685,630	7,515,016
Pupil Transportation	4,403,688	4,567,081	2,500,325	2,543,764
Business and Other Support Services	1,481,017	2,125,032	1,481,017	2,125,032
Charter Schools	5,017,359	4,815,127	5,017,359	4,815,127
Unallocated Employee Benefits	12,735,510	-	6,251,788	-
Unallocated Depreciation Expension	1,734,667	-	1,734,667	-
Interest on Long-Term Debt	820,419	1,129,319	820,419	1,003,654
Cancellation of PY Receivables	69,613	-	69,613	-
	<u>\$ 97,144,854</u>	<u>\$ 97,042,526</u>	<u>\$ 83,664,823</u>	<u>\$ 79,584,130</u>
Total				

Business-Type Activities – The District’s total business-type activities revenues were \$2,087,585 for the fiscal year ended June 30, 2014. Charges for services accounted for \$1,381,694, or 66% of total revenues. Operating grants and contributions accounted for \$705,891, or 34% of total revenue for the year.

The total cost of all business-type activities programs and services was \$2,043,815 for the fiscal year ended June 30, 2014. The District’s expenses are related to Food Service programs provided to all students, teachers and administrators within the District and the operation of the after school child care and adult education programs.

Total business-type activities revenues surpassed expenses by \$43,770 increasing net position from \$152,058 at June 30, 2013 to \$195,828 at June 30, 2014.

TEANECK BOARD OF EDUCATION

**MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

The following schedule presents a comparison of General Fund Expenditures (GAAP basis) for the fiscal years ended June 30, 2014 and 2013.

	Fiscal Year Ended June 30, 2014	Fiscal Year Ended June 30, 2013	Amount of Increase (Decrease)	Percent Increase (Decrease)
Instruction	\$ 40,459,517	\$ 53,930,927	\$ (13,471,410)	-25%
Support Services	33,993,419	32,484,347	1,509,072	5%
Capital Outlay	1,229,137	227,056	1,002,081	441%
Debt Service	799,170	880,636	(81,466)	-9%
Unallocated Employee Benefits	12,735,510	-	12,735,510	0%
Charter School	5,017,359	4,815,127	202,232	4%
Total Expenditures	<u>\$ 94,234,112</u>	<u>\$ 92,338,093</u>	<u>\$ 1,896,019</u>	<u>2%</u>

Total General Fund expenditures increased \$1,896,019 or 2% from the previous year. The District experienced increase in expenditures for support services, capital outlay, and charter school. The increase in capital outlay reflects the acquisition of equipment for support services.

In 2013-2014 General Fund expenditures and other financing uses exceeded revenues and other financing sources by \$2,177,215. As a result, total fund balance decreased to \$6,701,812 at June 30, 2014. After deducting statutory transfers and reserves, the unassigned fund balance on a budgetary basis increased from \$1,704,160 at June 30, 2013 to \$1,084,890 at June 30, 2014.

Special Revenue Fund – The Special Revenue Fund includes all restricted Federal, State and Local sources utilized in the operations of the district in providing educational services to students with special needs.

Revenues of the Special Revenue Fund were \$2,440,826, for the year ended June 30, 2014. Federal sources accounted for 67% of the total Special Revenue Fund revenue for the year. Total Special Revenue Fund revenues decreased \$324,329 from the previous year. State sources decreased \$151,901, while Federal sources decreased \$83,658 and local sources decreased \$88,770.

Expenditures of the Special Revenue Fund were \$2,440,826. Instructional expenditures were \$1,444,181 and expenditures for the support services were \$981,479 for the year ended June 30, 2014. Capital outlay expenditures totaled \$15,166.

Capital Projects – The capital projects expenditures and other financing uses exceeded revenues and other financing sources by \$360,051 resulting in a fund balance of \$1,156,828 at June 30, 2014. This decrease is a result of the expenditures related to the District’s energy savings program, wireless internet upgrades and roofing projects at various schools.

TEANECK BOARD OF EDUCATION

**MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2014**

Proprietary Funds

The District maintains an Enterprise Fund to account for activities which are supported in part through user fees.

Enterprise Fund – The District uses Enterprise Funds to report activities related to the Food Services program as well the community school program activities. The District’s Enterprise Fund provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District’s business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District’s budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The most significant budgetary fund is the General Fund.

- Implementing budgets for specially funded projects, which include both federal and state grants, reinstating prior year purchase orders being carried over, and budgeting for clearing, resale, and gifts.

CAPITAL ASSETS

The District’s investments in capital assets for its governmental and business type activities as of June 30, 2014, amounts to \$48,137,904 (net of accumulated depreciation). The capital assets consist of land, land improvements, buildings, building improvements, construction in progress, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2013-14 amounted to \$1,734,667 for governmental activities and \$22,507 for business-type activities.

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land	\$ 1,601,471	\$ 1,601,471	\$ -	\$ -	\$ 1,601,471	\$ 1,601,471
Construction in Progress	1,525,050	356,793	-	-	1,525,050	356,793
Building and Building Improvements	60,561,489	58,681,687	-	-	60,561,489	58,681,687
Vehicles	3,762,280	3,762,280	-	-	3,762,280	3,762,280
Machinery and Equipment	4,414,381	3,751,826	408,712	398,814	4,823,093	4,150,640
Less: Accumulated Depreciation	<u>(23,781,788)</u>	<u>(22,060,250)</u>	<u>(353,691)</u>	<u>(331,184)</u>	<u>(24,135,479)</u>	<u>(22,391,434)</u>
Total Capital Assets, Net	<u>\$ 48,082,883</u>	<u>\$ 46,093,807</u>	<u>\$ 55,021</u>	<u>\$ 67,630</u>	<u>\$ 48,137,904</u>	<u>\$ 46,161,437</u>

Additional information on the District’s capital assets is presented in the “Notes to the Financial Statements”.

TEANECK BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2014

LONG TERM LIABILITIES

At year end, the District's long-term liabilities consisted of compensated absences payable of \$3,236,036, bonds payable of \$20,810,000, obligations under lease purchases/capital leases payable of \$1,219,379 and unamortized bond premium of \$536,945.

Additional information of the District's long-term liabilities is presented in the "Notes to the Financial Statements".

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2013-2014 budget. The primary factors included the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2014-2015. Budgeted expenditures in the General Fund increased \$1,091,026 or 1.21% for fiscal year 2014-2015.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator/ Board Secretary, Teaneck Board of Education, One Merrison Street, Teaneck, NJ 07666.

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BASIC FINANCIAL STATEMENTS

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A. District-Wide Financial Statements

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TEANECK BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2014

			<u>TOTALS</u>
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	JUNE 30, 2014
ASSETS			
Cash & Cash Equivalents	\$ 6,894,394	\$ 295,960	\$ 7,190,354
Receivables, net	2,051,595	189,781	2,241,376
Inventory	-	11,539	11,539
Capital Assets (See Note 4):			
Not Being Depreciated	3,126,521	-	3,126,521
Being Depreciated, Net	44,956,362	55,021	45,011,383
	<hr/>	<hr/>	<hr/>
Total Assets	57,028,872	552,301	57,581,173
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on Defeasement of Debt	284,323	-	284,323
	<hr/>	<hr/>	<hr/>
Total Deferred Outflows of Resources	284,323	-	284,323
	<hr/>	<hr/>	<hr/>
Total Assets and Deferred Outflows of Resources	57,313,195	552,301	57,865,496
LIABILITIES			
Accounts Payable	874,483	134,763	1,009,246
Accrued Interest	340,972	-	340,972
Intergovernmental Payables	98,512	-	98,512
Unearned Revenue	46,381	221,710	268,091
Long-Term Obligations (Note 5):			
Due Within One Year	2,226,080	-	2,226,080
Due Beyond One Year	23,576,280	-	23,576,280
	<hr/>	<hr/>	<hr/>
Total Liabilities	27,162,708	356,473	27,519,181
NET POSITION			
Net Investment in Capital Assets	26,053,504	55,021	26,108,525
Restricted For:			
Capital Projects	1,156,828	-	1,156,828
Debt Service	67,973	-	67,973
Unrestricted	2,872,182	140,807	3,012,989
	<hr/>	<hr/>	<hr/>
Total Net Position	30,150,487	195,828	30,346,315

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

**TEANECK BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE)/REVENUE AND CHANGES IN NET POSITION			TOTALS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	JUNE 30, 2014	
Governmental Activities:							
Instruction:							
Regular	\$ 28,838,932	\$ -	\$ 1,444,181	\$ (27,394,751)	\$ -	\$ (27,394,751)	
Special Education	9,680,177	67,734	2,567,656	(7,044,787)	-	(7,044,787)	
Other Special Instruction	3,273,279	-	-	(3,273,279)	-	(3,273,279)	
Support Services:							
Student and Instruction Related Services	17,404,977	-	-	(17,404,977)	-	(17,404,977)	
School Administrative Services	3,040,882	-	-	(3,040,882)	-	(3,040,882)	
General Administrative Services	945,329	-	-	(945,329)	-	(945,329)	
Plant Operations and Maintenance	7,707,536	40,427	981,479	(6,685,630)	-	(6,685,630)	
Pupil Transportation	4,395,157	7,620	1,887,212	(2,500,325)	-	(2,500,325)	
Business and Other Support Services	1,481,017	-	-	(1,481,017)	-	(1,481,017)	
Charter Schools	5,017,359	-	-	(5,017,359)	-	(5,017,359)	
Unallocated Employee Benefits	12,735,510	-	6,483,722	(6,251,788)	-	(6,251,788)	
Unallocated Depreciation Expense	1,734,667	-	-	(1,734,667)	-	(1,734,667)	
Interest and Other Charges on Long-Term Debt	820,419	-	-	(820,419)	-	(820,419)	
Cancellation of Prior Year Receivables	69,613	-	-	(69,613)	-	(69,613)	
Total Governmental Activities:	97,144,854	115,781	13,364,250	(83,664,823)	-	(83,664,823)	
Business-Type Activities:							
Food Service	1,479,468	744,639	705,891	-	(28,938)	(28,938)	
Community Education	564,347	637,055	-	-	72,708	72,708	
Total Business-Type Activities:	2,043,815	1,381,694	705,891	-	43,770	43,770	
Total Primary Government	\$ 99,188,669	\$ 1,497,475	\$ 14,070,141	\$ (83,664,823)	\$ 43,770	\$ (83,621,053)	
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				78,926,950	-	78,926,950	
Taxes Levied for Debt Service				1,789,891	-	1,789,891	
Federal & State Aid Not Restricted				1,684,983	-	1,684,983	
Investment Earnings				61,893	-	61,893	
Miscellaneous Income				694,931	-	694,931	
Unallocated Adjustment to Capital Assets				520,199	-	520,199	
Total General Revenues, Special Items, Extraordinary Items & Transfer:				83,678,847	-	83,678,847	
Change In Net Position				14,024	43,770	57,794	
Net Position - Beginning (Unadjusted)				29,034,374	152,058	29,186,432	
Prior Period Adjustment (See Note 14)				1,102,089	-	1,102,089	
Net Position - Beginning (Adjusted)				30,136,463	152,058	30,288,521	
Net Position - Ending				\$ 30,150,487	\$ 195,828	\$ 30,346,315	

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

B. Fund Financial Statements

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Governmental Funds

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**TEANECK BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL (MEMORANDUM ONLY)	
					JUNE 30, 2014	JUNE 30, 2013
Assets:						
Cash & Cash Equivalents	\$ 6,160,843	\$ -	\$ 1,156,828	\$ 67,973	\$ 7,385,644	\$ 10,088,645
Intergovernmental Receivables:						
State	1,331,421	83,649	-	-	1,415,070	465,612
Federal	1,192	509,278	-	-	510,470	389,833
Other	3,660	122,395	-	-	126,055	167,096
Due from Other Funds	8,531	-	-	-	8,531	469,481
Prepaid Items	-	-	-	-	-	7,343
Total Assets	\$ 7,505,647	\$ 715,322	\$ 1,156,828	\$ 67,973	\$ 9,445,770	\$ 11,588,010
Liabilities & Fund Balances:						
Liabilities:						
Cash Overdraft	\$ -	\$ 491,250	\$ -	\$ -	\$ 491,250	\$ -
Accounts Payable	803,835	70,648	-	-	874,483	584,155
Due to Other Funds	-	8,531	-	-	8,531	469,481
Intergovernmental Payables:						
State	-	92,945	-	-	92,945	55,324
Federal	-	-	-	-	-	1,881
Other	-	5,567	-	-	5,567	5,566
Unearned Revenue	-	46,381	-	-	46,381	75,695
Total Liabilities	803,835	715,322	-	-	1,519,157	1,192,102
Fund Balances:						
Restricted for:						
Capital Reserve	503,365	-	-	-	503,365	877,933
Capital Reserve - Designated for Subsequent Year's Expenditures	-	-	-	-	-	2,359,035
Excess Surplus - Designated for for Subsequent Year's Expenditures	1,465,415	-	-	-	1,465,415	2,472,823
Excess Surplus	-	-	-	-	-	1,465,415
Capital Projects	-	-	702,071	-	702,071	1,516,879
Debt Service	-	-	-	67,973	67,973	2
Committed for:						
Other Purposes	-	-	454,757	-	454,757	82,118
Assigned for:						
Designated for Subsequent Year's Expenditures	2,131,452	-	-	-	2,131,452	1,062,588
Other Purposes	1,833,805	-	-	-	1,833,805	238,445
Unassigned	767,775	-	-	-	767,775	320,670
Total Fund Balances	6,701,812	-	1,156,828	67,973	7,926,613	10,395,908
Total Liabilities & Fund Balances	\$ 7,505,647	\$ 715,322	\$ 1,156,828	\$ 67,973		
Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:						
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$71,864,671 and the accumulated depreciation is \$23,781,788.					48,082,883	46,093,807
Accrued interest is not due and payable in the current period and therefore are not reported as liabilities in the funds.					(340,972)	(392,371)
Loss on the early extinguishment of debt is recorded when incurred in the governmental funds but are deferred and recognized in the statement of activities, net of accumulated amortization.					284,323	256,554
Long-term obligations, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (Note 5).					(25,802,360)	(27,319,524)
Net position of Governmental Activities					\$30,150,487	\$ 29,034,374

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

**TEANECK BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL (MEMORANDUM ONLY)	
					JUNE 30, 2014	JUNE 30, 2013
Revenues:						
Local Tax Levy	\$ 78,926,950	\$ -	\$ -	\$ 1,789,891	\$ 80,716,841	\$ 79,546,326
Tuition Charges	67,734	-	-	-	67,734	139,183
Transportation Fees	7,620	-	-	-	7,620	-
Interest on Investments	61,893	-	-	-	61,893	82,082
Rentals	40,427	-	-	-	40,427	27,470
Miscellaneous	195,976	320,539	178,416	-	694,931	692,169
Total Local Sources	79,300,600	320,539	178,416	1,789,891	81,589,446	80,487,230
State Sources	12,864,768	472,072	-	-	13,336,840	14,908,247
Federal Sources	64,178	1,648,215	-	-	1,712,393	1,848,522
Total Revenues	92,229,546	2,440,826	178,416	1,789,891	96,638,679	97,243,999
Expenditures:						
Current:						
Regular Instruction	27,506,061	1,444,181	-	-	28,950,242	33,564,746
Special Education Instruction	9,680,177	-	-	-	9,680,177	17,934,087
Other Special Instruction	3,273,279	-	-	-	3,273,279	4,049,272
Support Services						
Student and Instruction Related Services	17,404,977	-	-	-	17,404,977	14,645,500
General Administrative Services	945,329	-	-	-	945,329	1,552,943
School Administrative Services	3,040,882	-	-	-	3,040,882	4,275,614
Business and Other Support Services	1,481,017	-	-	-	1,481,017	2,125,032
Plant Operations and Maintenance	6,726,057	981,479	-	-	7,707,536	7,047,981
Pupil Transportation	4,395,157	-	-	-	4,395,157	4,567,081
Transfer to Charter Schools	5,017,359	-	-	-	5,017,359	4,815,127
Unallocated Employee Benefits	12,735,510	-	-	-	12,735,510	-
Debt Service:						
Principal	485,000	-	-	1,140,000	1,625,000	1,580,573
Interest and Other Charges	314,170	-	-	645,790	959,960	1,250,502
Capital Outlay	1,229,137	15,166	2,428,541	-	3,672,844	6,190,573
Total Expenditures	94,234,112	2,440,826	2,428,541	1,785,790	100,889,269	103,599,031
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(2,004,566)	-	(2,250,125)	4,101	(4,250,590)	(6,355,032)
Other Financing Sources/(Uses):						
Cancellation of Prior Year Receivables	(69,613)	-	-	-	(69,613)	-
Transfer From Capital Projects Fund to General Fund	741,975	-	(741,975)	-	-	-
Transfer From Capital Projects Fund to Capital Reserve	18,491	-	(18,491)	-	-	-
Transfer from Capital Reserve To Capital Projects Fund	(2,650,540)	-	2,650,540	-	-	-
Capital Lease Proceeds (Nonbudgeted)	684,949	-	-	-	684,949	-
Proceeds from Refunding Bonds	-	-	-	3,325,000	3,325,000	-
Deposit to Refunding Escrow	-	-	-	(3,261,130)	(3,261,130)	-
Total Other Financing Sources/(Uses)	(1,274,738)	-	1,890,074	63,870	679,206	-
Net Change in Fund Balances	(3,279,304)	-	(360,051)	67,971	(3,571,384)	(6,355,032)
Fund Balance - July 1 (Unadjusted)	8,879,027	-	1,516,879	2	10,395,908	16,750,940
Prior Period Adjustment (See Note 14)	1,102,089	-	-	-	1,102,089	-
Fund Balance - July 1 (Adjusted)	9,981,116	-	1,516,879	2	11,497,997	16,750,940
Fund Balance - June 30	\$ 6,701,812	\$ -	\$ 1,156,828	\$ 67,973	\$ 7,926,613	\$ 10,395,908

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

**TEANECK BOARD OF EDUCATION
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, 2014**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (2,469,295)

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

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

Depreciation Expense	(1,734,667)	
Adjustment to Capital Assets	520,199	
Capital Outlays	3,203,544	1,989,076

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. 4,845,000

Repayment of capital lease 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. 469,300

Loss on the early extinguishments of debt and original issue premiums are recorded when incurred in the governmental funds but are deferred and recognized in the statement of activities over the life of the refunding:

Amortization of Loss on Refunding	(13,361)	
Recognized Deferred Loss on Defeasement of Debt	41,130	
Amortization of Original Issue Premiums	101,503	129,272

Proceeds from debt 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 assets:

Bond Proceeds	(3,325,000)	
Capital Lease Proceeds	(684,949)	(4,009,949)

Accrual of interest of capital leases and bonds is not an expenditure in the governmental funds, but the adjustment is charged to expense and is reported in the statement of activities.

Prior Year	392,371	
Current Year	(340,972)	51,399

Repayment of compensated absences 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.

Prior Year	3,347,346	
Current Year	(3,236,036)	111,310

Change in Net Position of Governmental Activities \$ 1,116,113

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

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Proprietary Funds

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**TEANECK BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	BUSINESS-TYPE ACTIVITIES -		TOTALS	
	ENTERPRISE FUNDS		(MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY SCHOOL	JUNE 30, 2014	JUNE 30, 2013
ASSETS				
Current Assets:				
Cash & Cash Equivalents	\$ 19,909	\$ 276,051	\$ 295,960	\$ 369,812
Due from Other Funds	-	-	-	-
Accounts Receivable:				
State	3,742	-	3,742	1,994
Federal	124,251	-	124,251	43,454
Other	61,788	-	61,788	6,553
Inventories	11,539	-	11,539	5,965
Prepaid Items	-	-	-	1,060
Total Current Assets	221,229	276,051	497,280	428,838
Noncurrent Assets:				
Machinery and Equipment	399,105	9,607	408,712	398,814
Less: Accumulated Depreciation	(344,084)	(9,607)	(353,691)	(331,184)
Total Noncurrent Assets	55,021	-	55,021	67,630
Total Assets	276,250	276,051	552,301	496,468
LIABILITIES				
Accounts Payable	130,642	4,121	134,763	108,537
Unearned Revenue	-	221,710	221,710	235,862
Total Liabilities	130,642	225,831	356,473	344,399
DEFERRED INFLOWS OF RESOURCES				
Deferred Commodities Revenue	-	-	-	11
Total Deferred Inflows of Resources	-	-	-	11
NET POSITION				
Investment in Capital Assets, Net	55,021	-	55,021	67,630
Unrestricted Net Position	90,587	50,220	140,807	84,428
Total Net Position	\$ 145,608	\$ 50,220	\$ 195,828	\$ 152,058

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

**TEANECK BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	BUSINESS-TYPE ACTIVITIES -		TOTALS	
	ENTERPRISE FUNDS		(MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY SCHOOL	JUNE 30, 2014	JUNE 30, 2013
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 682,545	\$ -	\$ 682,545	\$ 635,810
Special Functions	53,034	-	53,034	18,855
Vending Sales	9,060	-	9,060	10,013
Program Fees	-	637,055	637,055	686,002
Total Operating Revenues	744,639	637,055	1,381,694	1,350,680
Operating Expenses:				
Salaries and Employee Benefits	618,178	439,786	1,057,964	1,116,435
Purchased Professional and Technical Services	-	66,012	66,012	77,974
Contracted Services - Transportation	-	14,650	14,650	15,713
Communications/Telephone	1,040	1,531	2,571	3,557
Postage	-	-	-	1,500
Travel	350	-	350	350
Other Purchased Services	155,648	-	155,648	110,639
Insurance	28,461	-	28,461	-
Supplies and Materials	65,550	11,656	77,206	86,073
Depreciation	22,506	-	22,506	13,724
Cost of Sales	551,869	-	551,869	460,819
Miscellaneous	35,866	30,712	66,578	24,472
Total Operating Expenses	1,479,468	564,347	2,043,815	1,911,256
Operating Income/(Loss)	(734,829)	72,708	(662,121)	(560,576)
Nonoperating Revenues/(Expenses):				
State Sources:				
State School Lunch Program	14,762	-	14,762	14,639
Federal Sources:				
National School Lunch Program	503,908	-	503,908	529,284
School Breakfast Program	96,222	-	96,222	74,868
Food Distribution Program	50,976	-	50,976	-
Interest Income	1,378	-	1,378	-
FSMC Profit Guarantee	38,645	-	38,645	-
Local Sources	-	-	-	46,040
Total Nonoperating Revenues/(Expenses)	705,891	-	705,891	664,831
Change in Net Position	(28,938)	72,708	43,770	104,255
Total Net Position - Beginning	174,546	(22,488)	152,058	47,803
Total Net Position - Ending	\$ 145,608	\$ 50,220	\$ 195,828	\$ 152,058

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

**TEANECK BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	BUSINESS-TYPE ACTIVITIES -		TOTALS	
	ENTERPRISE FUNDS		(MEMORANDUM ONLY)	
	FOOD SERVICE	COMMUNITY SCHOOL	JUNE 30, 2014	JUNE 30, 2013
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 689,393	\$ 637,055	\$ 1,326,448	\$ 1,299,746
Payments to Employees	(618,178)	(439,786)	(1,057,964)	(1,116,435)
Payments to Suppliers	(730,179)	(135,985)	(866,164)	(797,629)
Net Cash Flows From Operating Activities	(658,964)	61,284	(597,680)	(614,318)
Cash Flows From Noncapital Financing Activities:				
Interest Income	1,378	-	1,378	-
Cash Received from Federal Reimbursements	519,334	-	519,334	598,684
Cash Received from State Reimbursements	13,013	-	13,013	14,639
Net Cash Flows From Noncapital Financing Activities	533,725	-	533,725	613,323
Cash Flows From Capital Activities:				
Purchase of Fixed Assets	(9,897)	-	(9,897)	-
Net Cash Flows From Capital Activities	(9,897)	-	(9,897)	-
Net Change in Cash & Cash Equivalents	(135,136)	61,284	(73,852)	(995)
Balances - Beginning of Year	155,045	214,767	369,812	370,807
Balances - End of Year	\$ 19,909	\$ 276,051	\$ 295,960	\$ 369,812

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

Operating Income/(Loss)	\$ (734,829)	\$ 72,708	\$ (662,121)	\$ (560,576)
Adjustments to Reconcile Operating Income/ (Loss) to Net Cash Provided/(Used) by Operating Activities:				
Depreciation Expense	50,976	-	50,976	13,724
FSMC Profit Guarantee	38,645	-	38,645	-
USDA Commodities	22,506	-	22,506	44,246
Change in Assets, Liabilities, and Deferred Inflows of Resources:				
Decrease/(Increase) in Accounts Receivables	(55,235)	-	(55,235)	3,301
Decrease/(Increase) in Prepaid Items	-	1,060	1,060	11,969
(Decrease)/Increase in Accounts Payable	(5,574)	-	(5,574)	(5,537)
(Decrease)/Increase in Unearned Revenue	-	-	-	(54,235)
(Decrease)/Increase in Deferred Inflows of Resources	-	(14,152)	(14,152)	(5,018)
(Decrease)/Increase in Interfund Payable	(11)	-	(11)	(71,298)
Decrease/(Increase) in Inventories	24,558	1,668	26,226	9,106
Total Adjustments	75,865	(11,424)	64,441	(53,742)
Net Cash Provided/(Used) by Operating Activities	\$ (658,964)	\$ 61,284	\$ (597,680)	\$ (614,318)

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

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Fiduciary Fund

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**TEANECK BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	PRIVATE PURPOSE		AGENCY		TOTALS	
	SCHOLARSHIP FUND	STUDENT ACTIVITY FUND	PAYROLL FUND	JUNE 30, 2014	(MEMORANDUM ONLY) JUNE 30, 2013	
ASSETS						
Cash & Cash Equivalents	\$ -	\$ 125,977	\$ 415,332	\$ 541,309	\$	580,837
Restricted Cash	126,032	-	-	126,032		130,972
Total Assets	126,032	125,977	415,332	667,341		711,809
LIABILITIES						
Payroll Deductions & Withholdings	-	-	407,872	407,872		412,670
Payable to Student Groups	-	125,977	-	125,977		152,492
Flexible Spending Program	-	-	6,010	6,010		15,675
Accrued Salaries & Wages	-	-	1,450	1,450		-
Total Liabilities	-	125,977	415,332	541,309		580,837
NET POSITION						
Reserve For:						
Held in Trust for:						
Scholarships	126,032	-	-	126,032		130,972
Total Net Position	\$ 126,032	\$ -	\$ -	\$ 126,032	\$	130,972

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

**TEANECK BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	PRIVATE PURPOSE		TOTALS	
	SCHOLARSHIP FUND	JUNE 30, 2014	(MEMORANDUM ONLY) JUNE 30, 2013	
ADDITIONS				
Contributions:				
Scholarship Contributions	\$ 2,693	\$ 2,693	\$ 2,285	
Total Contributions	<u>2,693</u>	<u>2,693</u>	<u>2,285</u>	
Investment Earnings:				
Interest	<u>497</u>	<u>497</u>	<u>523</u>	
Net Investment Earnings	<u>497</u>	<u>497</u>	<u>523</u>	
Total Additions	<u>3,190</u>	<u>3,190</u>	<u>2,808</u>	
DEDUCTIONS				
Scholarship Awards	8,100	8,100	7,836	
Miscellaneous Fee	<u>30</u>	<u>30</u>	<u>25</u>	
Total Deductions	<u>8,130</u>	<u>8,130</u>	<u>7,861</u>	
Change in Net Position	(4,940)	(4,940)	(5,053)	
Net Position - Beginning of the Year	<u>130,972</u>	<u>130,972</u>	<u>136,025</u>	
Net Position - End of the Year	<u>\$ 126,032</u>	<u>\$ 126,032</u>	<u>\$ 130,972</u>	

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

**SCHOOL DISTRICT OF
TEANECK BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014**

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**TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014**

Note 1: Summary of Significant Accounting Policies

The financial statements of the Teaneck Board of Education (the “District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

A. Reporting Entity

The Teaneck Board of Education is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of 9 members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels preschool through 12. These include regular, vocational, as well as special education for handicapped youngsters. The operation of the District includes one high school, two middle schools and four elementary schools, located in Teaneck. The Teaneck School District has an approximate enrollment at June 30, 2014 of 4,098 students.

B. Component Units

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

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

Based on the aforementioned criteria, the District has no component units.

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

District-Wide Financial Statements – The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements – The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (continued)

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

are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

D. District-Wide and Fund Financial Statements

The district-wide financial statements (the statement of net position and the statement of activities) report information of all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these district-wide statements. District activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or component unit are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, segment, or component unit. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function, segment or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment, or component unit. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District does not allocate general government (indirect) expenses to other functions.

Net position is restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. However, the fiduciary funds are not included in the district-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

E. Fund Accounting

The accounts of the Teaneck Board of Education are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (continued)

E. Fund Accounting (continued)

resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

Governmental Funds

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

As required by the New Jersey Department of Education, the Teaneck Board of Education includes budgeted Capital Outlay in this fund. Generally accepted accounting principles (GAAP) 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, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (continued)

E. Fund Accounting (continued)

Proprietary Funds

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The District's Enterprise Fund is comprised of the Food Service Fund and Community Education Fund.

All Proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net total position) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line-method. The estimated useful lives are as follows:

Food Service and Community Education Fund:	
Equipment	15 Years

The District's enterprise fund is comprised of a food service fund and a community education fund.

Fiduciary Fund

Fiduciary funds are used to account for assets held by a governmental entity for other parties (either as trustee or as an agent) and that cannot be used to finance the governmental entity's own operating programs which includes private purpose trust funds and agency funds.

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains a Scholarship Trust Fund as a private purpose trust.

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (continued)

E. Fund Accounting (continued)

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity's own operating programs. The District currently maintains Payroll funds and Student Activity Funds as Agency Funds

F. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total position) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "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. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and private purpose trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

G. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on or around the third Tuesday in April. Effective January 17, 2012, P.L.2011 c.202 eliminated the annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. 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

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (continued)

G. Budgets/Budgetary Control (continued)

detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6A:23-1.2*. All budget amendments must be approved by School Board resolution.

Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6A:23-1.2*. All budget amendments must be approved by School Board resolution.

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

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

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

Exhibit C-3 presents a reconciliation of the Special Revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types.

H. Encumbrances

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

Open encumbrances in the special revenue fund for which the Teaneck Board of Education has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end. The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year-end.

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (continued)

I. Cash and Cash Equivalents

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

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

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

J. Tuition Receivable/Payable

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

These adjustments are recorded upon certification by the State Board of Education, which is normally two years following the contract year. The cumulative adjustments through June 30, 2014, which have not been recorded, are not determinable.

The tuition rate adjustment for the year 2012-2013 has been established and the District has billed/paid the school boards that have adjustments.

K. 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 governmental fund types is recorded as expenditures when purchased rather than when consumed.

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (continued)

L. Short-Term Interfund Receivables/Payables

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

M. Capital Assets

General capital assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of one year or more. Donated capital assets are valued at their estimated fair market value on the date received. The general capital assets acquired or constructed were valued by an independent appraisal company. General capital assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General capital assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

Building & Building Improvements	20 - 50 Years
Furniture & Fixtures	7 - 20 Years
Machinery & Equipment	5 - 12 Years
Vehicles	5 - 20 Years

N. Deferred Outflow of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has only one item that qualifies for reporting in this category which is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunded debt results from the difference in the carrying value of the refunded debt and its acquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

O. Accrued Salaries and Wages

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2014 for such salaries.

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (continued)

P. Compensated Absences

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

In the District-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

Q. Unearned Revenue

Unearned revenue in the general and special revenue funds represents cash, which has been received but not yet earned.

R. Long-Term Obligations

In district-wide financial statements, under governmental activities, long-term debt is recognized as a liability in the general fund as debt is incurred.

S. Fund Equity

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Teaneck Board of Education classifies governmental fund balances as follows:

- Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.
- Unassigned – includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds

The Teaneck Board of Education uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available, unless prohibited by law or regulation. Additionally,

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (continued)

S. Fund Equity (continued)

the Teaneck Board of Education would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

T. Net Position

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified in 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 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 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.

U. Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

In March 2012, the GASB issued Statement 66, *Technical Corrections—2012*—an amendment of GASB Statements No. 10 and No. 62. GASB 66 improves accounting and financial reporting for a governmental financial reporting entity 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*. This Statement is effective for periods beginning after December 15, 2012 although the District elected to early implement Statement 62 in fiscal year 2012. The adoption of GASB 66 does not have any impact on the District's financial statements.

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB 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. This Statement is effective for periods beginning after December 15, 2012. Management has implemented this Statement in the District's financial statements for the year ended June 30, 2014 with a prior period restatement to beginning net position. The District elected to early implement Statement 62 in fiscal year 2013 resulting in a restatement of net position in that period.

Recently Issued Accounting Pronouncements

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement 27*. GASB 68 improves 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

**TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014**

Note 1: Summary of Significant Accounting Policies (continued)

U. Impact of Recently Issued Accounting Principles (continued)

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 inter-period equity, and creating additional transparency. This Statement is effective for fiscal years beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this statement on the District’s financial statements.

V. Management’s Estimates

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

W. Subsequent Events

The District has evaluated subsequent events occurring after June 30, 2014 through November 15, 2014, which is the date the financial statements were available to be issued.

Note 2: Cash and Cash Equivalents

The District is governed by the deposit and investment limitations of New Jersey state law. The deposits and investments held at June 30, 2014 and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$ 7,857,695</u>
Total Deposits	<u>\$ 7,857,695</u>
The District’s Cash and Cash Equivalents are Reported as Follows:	
Governmental Funds	\$ 6,894,394
Proprietary Funds	295,960
Fiduciary Funds	<u>667,341</u>
Total Cash and Cash Equivalents	<u>\$ 7,857,695</u>

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 2: Cash and Cash Equivalents (continued)

Custodial Credit Risk (continued)

protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA.

However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity funds or funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2014, the District's bank balance of \$11,513,782 was exposed to custodial credit risk as follows:

Insured	\$ 500,000
Uninsured	1,025,918
Collateralized in the District's Name Under GUDPA	<u>9,987,864</u>
Total	<u>\$ 11,513,782</u>

Note 3: Accounts Receivable

Accounts receivable at June 30, 2014 consisted of accounts 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>General Fund</u>	<u>Special Revenue Fund</u>	<u>Proprietary Funds</u>	<u>Total</u>
State Aid	\$ 1,331,421	\$ 83,649	\$ 3,742	\$ 1,418,812
Federal Aid	1,192	509,278	124,251	634,721
Other	<u>3,660</u>	<u>122,395</u>	<u>61,788</u>	<u>187,843</u>
Total	<u>\$ 1,336,273</u>	<u>\$ 715,322</u>	<u>\$ 189,781</u>	<u>\$ 2,241,376</u>

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 4: Capital Assets

The following schedule is a summarization of the capital assets by source for the fiscal year ended June 30, 2014:

	June 30, 2013	Additions	Transfers/ Adjustments	June 30, 2014
Governmental Activities:				
Land	\$ 1,601,471	\$ -	\$ -	\$ 1,601,471
Construction in Progress	356,793	1,525,050	(356,793)	1,525,050
Buildings and Improvements	58,681,687	1,523,009	356,793	60,561,489
Vehicles	3,762,280	-	-	3,762,280
Machinery and equipment	3,751,826	623,555	39,000	4,414,381
Subtotal	68,154,057	3,671,614	39,000	71,864,671
Less: accumulated depreciation:	(22,060,250)	(1,734,667)	13,129	(23,781,788)
Governmental activities capital assets, net	<u>\$ 46,093,807</u>	<u>\$ 1,936,947</u>	<u>\$ 52,129</u>	<u>\$ 48,082,883</u>

	June 30, 2013	Additions	Deletions	June 30, 2014
Business-Type Activities				
Machinery and equipment	\$ 398,814	\$ 9,898	\$ -	\$ 408,712
Less: accumulated depreciation:	(331,184)	(22,507)	-	(353,691)
Governmental activities capital assets, net	<u>\$ 67,630</u>	<u>\$ (12,609)</u>	<u>\$ -</u>	<u>\$ 55,021</u>

Note 5: Long-Term Obligations

During the fiscal year ended June 30, 2014 the following changes occurred in liabilities reported in the long-term debt:

Governmental Activities:	Balance 6/30/13	Accrued/ Issued	Retired/ Decreases	Balance 6/30/14	Due Within One Year
Compensated Absences Payable	\$ 3,347,346	\$ -	\$ 111,310	\$ 3,236,036	\$ -
Capital Leases	209,428	684,949	212,325	682,052	226,390
Lease Purchase Obligations	794,302	-	256,975	537,327	264,690
Bonds Payable	22,330,000	3,325,000	4,845,000	20,810,000	1,735,000
Bond Premium	638,448	-	101,503	536,945	-
Total	<u>\$27,319,524</u>	<u>\$4,009,949</u>	<u>\$ 5,527,113</u>	<u>\$25,802,360</u>	<u>\$ 2,226,080</u>

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 5: Long-Term Obligations (continued)

A. Bonds Payable:

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

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

Year-ending				
<u>June 30,</u>	<u>Principal</u>		<u>Interest</u>	<u>Total</u>
2015	\$ 1,735,000		\$ 781,615	\$ 2,516,615
2016	1,430,000		732,384	1,162,384
2017	1,475,000		687,309	2,162,309
2018	1,510,000		639,231	2,149,231
2019	1,555,000		588,998	2,143,998
2020-2024	6,895,000		2,071,044	8,966,044
2025-2029	5,095,000		753,400	5,848,400
2030-2032	<u>1,115,000</u>		<u>50,063</u>	<u>1,165,063</u>
 Total	 <u>\$20,810,000</u>		 <u>\$6,304,043</u>	 <u>\$27,114,043</u>

B. Obligations Under Capital Leases

The District is leasing equipment totaling \$2,365,339 under a capital lease. The following is a schedule of the future minimum lease payments under this capital lease and the present value of the net minimum lease payments at June 30, 2014:

Year-ending		
<u>June 30,</u>		<u>Amount</u>
2015		\$ 256,930
2016		212,296
2017		170,371
2018		88,845
2019		<u>22,211</u>
 Total Minimum Lease Payments		 750,653
Less: Amount Representing Interest		<u>(68,601)</u>
 Present Value of Lease Payments		 <u>\$ 682,052</u>

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 5: Long-Term Obligations (continued)

C. Lease Purchase Agreement

The District has entered into a facility lease for capital improvements to the Teaneck High School roof. The lease purchase totals \$1,286,000 with an interest rate of 2.98% over a five year lease term. The following is a schedule of the future minimum lease payments under this capital lease and the present value of the net minimum lease payments at June 30, 2014:

Year-ending	<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$	264,690	\$	278,745
2016		<u>272,637</u>	<u>6,108</u>	<u>278,745</u>
Total	\$	<u>537,327</u>	\$	<u>557,490</u>

Note 6: Pension Plans

Plan Descriptions - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625.

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

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

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 6: Pension Plans (continued)

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by *N.J.S.A.43:15A* and *43.3B* and *N.J.S.A.18A:66* for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may

seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

Significant Legislation – During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced. New Legislation signed by the Acting

Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the TPAF and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Effective June 28, 2011, Chapter 78, P.L. 2011 reformed various pension and health benefits provisions. Employees hired after June 28, 2011 and enrolled in PERS will be enrolled in a new tier, Tier 5. Full retirement for Tier 5 PERS members will be age 65 and 30 years of service.

All cost of living adjustments are frozen until the pension fund reaches a "target funded ratio".

Chapter 78 also requires all covered employees to contribute a prescribed percentage towards their health costs.

**TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014**

Note 6: Pension Plans (continued)

Contribution Requirements – The contribution policy is set by *N.J.S.A.43:15A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5%, effective October 1, 2011, of employees’ annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a noncontributing employer of the TPAF.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/14	\$1,075,875	100%	\$ -0-
6/30/13	1,079,708	100%	-0-
6/30/12	1,101,298	100%	-0-

Three-Year Trend Information for TPAF (Paid on behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/14	\$4,030,975	100%	\$ -0-
6/30/13	4,988,845	100%	-0-
6/30/12	3,568,413	100%	-0-

During the year ended June 30, 2014 the State of New Jersey contributed \$4,030,975 to the TPAF for normal pension and post-retirement medical benefits on behalf of the District. Also in accordance with *N.J.S.A.18A:66-66* the State of New Jersey reimbursed the District \$2,452,747 for the year ended June 30, 2014 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

Note 7: Post-Retirement Benefits

P.L. 1987, c. 384 and 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 post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 100,134 retirees receiving post-retirement

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 7: Post-Retirement Benefits (continued)

medical benefits, and the state contributed \$1.07 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$173.8 million toward Chapter 126 benefits for 17,356 eligible retired members in Fiscal Year 2014.

Note 8: Risk Management

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

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

Note 9: Fund Balance

General Fund – Of the \$6,701,812 General Fund fund balance at June 30, 2014, \$503,365 has been restricted for the capital reserve account; \$1,465,415 has been restricted for excess surplus designated for subsequent year's expenditures; \$2,131,452 has been assigned to be designated for subsequent year expenditures; \$1,833,805 has been assigned for other purposes and \$767,775 is unassigned.

Capital Projects Fund – Of the \$1,156,828 Capital Projects Fund fund balance at June 30, 2014, \$454,757 has been committed for other purposes and \$702,071 has been restricted for Capital Projects.

Debt Service Fund – All of the \$67,973 Debt Service Fund fund balance at June 30, 2014 is restricted for Debt Service.

Note 10: Deferred Compensation

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

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 10: Deferred Compensation (continued)

Met Life	Equitable Life Assurance Company
Discovery Financial	Lincoln Investment Planning, Inc.
PFS Shareholder Services	USAA Life Insurance
The Vanguard Group	

Note 11: Compensated Absences

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for specified dollar amount per sick day accumulated and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2014 is \$3,236,036.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2014 no liability existed for compensated absences in the proprietary fund types.

Note 12: Capital Reserve Account

Teaneck Board of Education established a Capital Reserve Account 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. There is a balance of \$503,365 at June 30, 2014.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-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.

TEANECK BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2014

Note 12: Capital Reserve Account (continued)

The activity of the capital reserve for the July 1, 2013 to June 30, 2014 fiscal year is as follows:

Beginning Balance, July 1, 2013	\$ 3,236,968
Additions:	
Increase per Resolution Dated June 11, 2014	500,000
Capital Projects Fund Balances Cancelled	18,491
Interest Earned	1,994
Withdraws:	
Transfers to Capital Projects Fund	<u>(3,350,540)</u>
Ending Balance, June 30, 2014	<u>\$ 503,365</u>

Note 13: Calculation of Excess Surplus

In accordance with *N.J.S.A.18A:7F-7*, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years’ budget. The District had no excess fund balance at June 30, 2014.

Note 14: Prior Period Adjustment

For the year ended June 30, 2013, the District had understated revenues and receivables in the district-wide and fund financial statements for extraordinary aid. The District has corrected this in these financial statements with an increase in beginning net position of \$1,102,089.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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TEANECK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013

ACCOUNT NUMBER	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS		FINAL BUDGET
Local Tax Levy	\$ 78,926,950	\$ -	\$ 78,926,950	\$ 78,926,950	\$ 77,760,542	\$ -	\$ 77,760,542	\$ 7,715
Tuition - Intergovernmental	116,224	-	116,224	67,734	120,000	-	120,000	127,715
Tuition - Individuals	-	-	-	7,620	-	-	-	11,468
Transportation Fees	1,000	-	1,000	994	1,000	-	1,000	4,939
Interest on Capital Reserve	10,000	-	10,000	59,899	10,000	-	10,000	77,143
Interest Income	-	-	-	40,427	-	-	-	27,470
Rentals	-	-	-	195,976	190,000	-	190,000	92,860
Miscellaneous Revenues	189,000	-	189,000	69,766	-	-	-	282,860
Total Local Sources	79,243,174	-	79,243,174	79,300,600	78,081,542	-	78,081,542	78,292,137
State Sources:								
Categorical Transportation Aid	1,887,212	-	1,887,212	1,887,212	1,811,890	-	1,811,890	1,811,890
Categorical Special Education Aid	2,567,656	-	2,567,656	2,567,656	2,571,970	-	2,571,970	2,571,970
Categorical Security Aid	730,527	-	730,527	730,527	701,690	-	701,690	701,690
Emergency Aid	1,450,000	-	1,450,000	1,068,165	1,695,053	-	1,695,053	(592,964)
Non-Public Transportation	157,000	-	157,000	85,017	170,000	-	170,000	139,923
Anti-Bullying	-	-	-	78,183	-	-	-	36,024
Homeless Tuition	-	-	-	-	-	-	-	-
TPAF Pension - Normal Costs and Accrued Liability (Non-Budget)	-	-	-	1,403,243	-	-	-	2,224,329
TPAF Pension - NCGI Premium (Non-Budget)	-	-	-	123,859	-	-	-	117,030
TPAF Post Retirement Contributions (Non-Budget)	-	-	-	2,503,873	-	-	-	2,647,486
TPAF Social Security Reimbursements (Non-Budget)	-	-	-	2,452,747	-	-	-	2,572,870
Total State Sources	6,792,395	-	6,792,395	12,900,482	6,950,603	-	6,950,603	6,974,698
Federal Sources:								
Education Jobs Fund	-	-	-	64,178	-	-	-	650
Medicaid Reimbursement Program	63,776	-	63,776	64,178	63,776	-	63,776	80,118
Federal Emergency Management Agency	-	-	-	-	-	-	-	35,881
Total Federal Sources	63,776	-	63,776	64,178	63,776	-	63,776	116,649
Total Revenues	86,099,345	-	86,099,345	92,265,260	85,095,921	-	85,095,921	92,334,087
Total Expenditures:								
Instruction - Regular Programs:								
Salaries of Teachers:								
Kindergarten	1,250,900	(253,313)	997,587	975,673	1,479,312	(276,669)	1,202,643	1,189,683
Grades 1 - 5	6,560,490	624,225	7,184,715	6,357,185	6,669,670	(243,592)	6,426,078	6,253,020
Grades 6 - 8	5,978,218	5,762,662	11,740,880	138,394	5,890,090	(122,349)	5,890,090	5,143,109
Grades 9 - 12	7,762,180	114,101	7,876,281	7,706,886	7,748,719	-	7,626,410	7,589,619
Regular Programs - Home Instruction:								
Salaries of Teachers:	1,500	-	1,500	-	5,000	-	5,000	5,000
Regular Programs - Undistributed Instruction:								
Other Salaries for Instruction	36,058	45,983	82,041	81,394	35,525	84,719	120,244	120,244
Purchased Professional - Educational Services	6,500	(6,500)	-	-	4,825	1,475	6,300	5,300
Purchased Professional - Educational Services	19,000	(10,642)	8,358	8,358	20,000	405	20,405	9,073
Other Purchased Services	221,700	(25,462)	196,238	196,232	217,300	6,550	223,850	208,275
General Supplies	1,486,117	(283,466)	1,198,390	1,198,390	1,126,697	21,697	1,148,394	900,730
Textbooks	462,400	6,897	469,297	44,447	292,746	(2,979)	289,767	230,965
Other Objects	1,779	(1,439)	340	340	9,939	(6,000)	3,929	2,810
Total Regular Programs	23,786,842	(5,172)	23,781,670	22,573,576	23,499,813	(656,703)	22,965,110	22,085,700
Special Education:								
Learning and/or Language Disabilities:								
Salaries of Teachers	858,618	264,466	1,123,084	1,103,112	995,632	238,234	1,163,866	1,141,029
Other Salaries for Instruction	44,827	86,901	131,728	515,041	433,163	36,511	469,674	469,674
Purchased Professional - Educational Services	-	120,056	120,056	1,10,056	-	-	-	-
General Supplies	-	6,452	6,452	6,452	3,000	-	3,000	-
Total Learning and/or Language Disabilities	1,306,445	477,885	1,784,330	1,754,691	1,361,795	274,745	1,636,540	1,610,703
Total Expenditures	107,879,187	(4,697)	107,874,490	114,328,267	96,457,716	(1,382,968)	95,074,748	99,944,783
Final Balance	79,243,174	-	79,243,174	79,300,600	78,081,542	-	78,081,542	78,292,137

TEANECK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013

ACCOUNT NUMBER	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Behavioral Disabilities:							
Salaries of Teachers	57,033	100,246	157,279	56,100	-	56,100	55,360
Other Salaries for Instruction	37,293	60,729	98,012	37,343	-	37,343	36,792
Other Salaries for Instruction			153,743				830
Other Salaries for Instruction			96,935				551
Total Behavioral Disabilities	94,936	160,955	255,891	93,533	-	93,533	92,152
			2,501,138				1,381
Multiple Disabilities:							
Salaries of Teachers	165,448	282,579	448,027	163,003	201,161	364,164	348,029
Other Salaries for Instruction	140,813	270,274	411,087	138,732	313,006	451,738	432,031
Other Salaries for Instruction		135,349	135,349		(41)	28,459	27,840
Purchased Professional - Educational Services		6,332	34,832				619
General Supplies	28,500	-	-	28,500	-	-	-
Total Multiple Disabilities	334,761	694,534	1,029,295	330,235	514,126	844,361	807,900
			1,009,979				36,461
Resource Room:							
Salaries of Teachers	3,816,152	58,128	3,874,280	3,653,802	(81,011)	3,572,791	3,569,301
Other Salaries for Instruction	75,808	158,330	234,138	74,688	214,849	289,537	289,536
Purchased Professional - Educational Services	23,600	67,845	91,445	24,600	(500)	24,100	14,972
General Supplies	-	15,580	15,580	-	-	-	-
Total Resource Room	3,915,560	299,883	4,215,443	3,753,090	133,338	3,886,428	3,873,809
			4,123,075				12,619
Special Education - Autism:							
Salaries of Teachers	441,812	(441,812)	-	435,283	(281,203)	154,080	149,391
Other Salaries for Instruction	226,467	(226,467)	-	223,120	(195,318)	27,802	27,802
Other Salaries for Instruction		(1,489)	4,511	6,000	41	6,041	5,792
General Supplies	6,000	-	-	-	-	-	249
Total Autism	674,279	(669,768)	4,511	664,403	(476,480)	187,923	182,985
			4,511				4,938
Special Education - Preschool Disabilities - Part-Time:							
Salaries of Teachers	120,721	172,482	293,203	118,937	40,990	159,927	153,575
Other Salaries for Instruction	228,270	(16,471)	211,799	224,897	(43,726)	181,171	181,171
Purchased Professional - Educational Services	-	51,755	51,755	-	-	-	-
Total Preschool Disabilities - Full-Time	348,991	207,766	556,757	343,834	(2,766)	341,098	334,746
			545,403				6,352
Special Education - Preschool Disabilities - Full-Time:							
Salaries of Teachers	546,007	(582,245)	163,762	537,938	(331,965)	205,973	104,720
Other Salaries for Instruction	75,808	143,463	219,271	74,688	179,816	254,504	254,504
Purchased Professional - Educational Services	-	63,933	63,933	-	-	-	-
General Supplies	3,000	(425)	2,575	3,000	-	3,000	3,000
Total Preschool Disabilities - Full-Time	624,815	(175,274)	449,541	615,626	(152,149)	463,477	362,224
			440,929				101,253
Home Instruction:							
Salaries of Teachers	175,078	(83,807)	87,560	170,520	-	170,520	145,238
Purchased Professional - Educational Services	50,000	(11,615)	38,385	50,000	26,000	76,000	58,650
Total Home Instruction	225,078	(95,422)	127,656	220,520	26,000	246,520	203,868
			82,519,977				42,652
Total Special Education	7,522,865	900,559	8,423,424	7,383,056	316,844	7,699,880	7,468,387
			171,427				231,493
Basic Skills Remedial:							
Salaries of Teachers	1,877,750	(163,704)	1,714,046	1,871,112	(124,570)	1,746,542	1,722,408
Total Basic Skills Remedial	1,877,750	(163,704)	1,714,046	1,871,112	(124,570)	1,746,542	1,722,408
			1,675,509				24,134
Bilingual Educational - Instruction:							
Salaries of Teachers	403,226	(2,828)	400,398	397,267	-	397,267	391,396
Purchased Professional - Educational Services	-	54,555	54,555	-	59,000	59,000	48,307
Total Bilingual Educational - Instruction	403,226	51,727	454,953	397,267	59,000	456,267	439,703
			445,951				16,564

TEANECK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013

ACCOUNT NUMBER	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
School Sponsored Cocurricular Activities:							
Salaries	182,700	43,441	226,141	180,000	55,170	235,170	234,624
Purchased Services	6,000	-	1,170	6,000	(802)	5,198	879
Supplies and Materials	13,000	2,229	15,101	13,000	(50)	12,950	11,683
Other Objects	7,500	1,000	8,500	7,500	3,000	10,500	9,717
Total School Sponsored Cocurricular Activities	209,200	46,670	255,870	206,500	57,318	263,818	256,903
6,915							
School Sponsored Athletics - Instruction:							
Salaries	620,348	(156,890)	463,458	608,889	1,140	610,029	586,612
Salaries of Other Professional Staff	-	122,054	122,054	-	-	-	-
Salaries of Secretarial & Clerical Assistants	-	41,941	40,999	-	-	-	-
Purchased Services	75,575	(75,000)	575	76,075	(23,011)	53,064	35,144
Other Purchased Services	-	40,637	40,061	-	-	-	-
Supplies and Materials	125,500	(6,600)	118,900	125,400	16,936	142,336	136,659
Other Objects	25,000	20,000	45,000	25,000	(2,336)	22,664	21,764
Transfer to Cover Deficit	70,000	-	70,000	70,000	-	70,000	69,999
Total School Sponsored Athletics Instruction	916,423	(13,858)	902,565	890,447	(7,271)	898,093	850,178
47,915							
Before and After School Programs - Instruction							
Salaries	84,800	(24,197)	60,603	54,000	6,000	60,000	8,928
Total Before and After School Program - Instruction	84,800	(24,197)	60,603	54,000	6,000	60,000	8,928
51,072							
Total Instruction	34,801,106	792,025	35,593,131	34,098,852	1,494,279	34,317,092	32,832,207
1,255,503							
Undistributed Expenditures:							
Instruction :							
Tuition to Other LEAs Within the State - Regular	-	-	-	-	7,229	7,229	7,229
Tuition to Other LEAs Within the State - Special	1,741,288	(508,335)	1,232,953	1,799,524	(667,000)	1,132,524	833,890
Tuition to County Voc. School District - Regular	611,479	(41,759)	569,720	564,900	6,360	571,260	5,259
Tuition to County Voc. School District - Special	294,556	(44,256)	250,300	280,530	(13,589)	266,941	205,380
Tuition to CSSD & Regional Day School	2,183,637	(26,074)	2,157,563	2,228,780	122,495	2,351,275	2,325,785
Tuition to Private School for the Handicapped - State	2,130,090	125,815	2,255,905	2,503,769	194,694	2,698,463	2,627,239
Tuition to Private School for the Handicapped - Outside State	381,867	72,421	454,288	454,288	-	376,868	375,915
Tuition - State Facilities	38,630	(2,765)	35,865	17,699	-	17,699	17,699
Tuition - Other	47,190	(47,190)	-	47,190	(47,190)	-	-
Total Undistributed Expenditures - Instruction	7,428,737	(472,143)	6,956,594	7,689,258	(266,999)	7,422,259	6,959,138
463,121							
Attendance & Social Work Services:							
Salaries	153,132	(7,930)	145,202	150,429	25,034	175,463	175,347
Other Salaries	-	131,667	131,667	-	-	-	-
Other Purchased Professional and Technical Services	52,500	-	52,500	50,000	(2,304)	47,696	39,250
Other Purchased Services	-	750	750	1,625	250	1,875	1,290
Miscellaneous Purchased Services	1,625	(450)	1,175	-	-	-	-
Total Attendance & Social Work Services	207,257	54,037	261,294	202,054	22,980	225,034	215,887
9,147							
Health Services:							
Salaries	712,142	(40,219)	671,923	701,616	-	701,616	690,887
Salaries of Secretarial & Clerical Assistants	-	38,530	37,664	-	-	-	-
Purchased Professional & Technical Services	187,000	8,346	195,346	189,000	12,000	201,000	173,726
Other Purchased Services	2,000	9	2,009	2,000	-	2,000	2,000
Supplies and Materials	17,500	(6,542)	10,958	13,680	951	14,631	10,282
Total Health Services	918,642	124	918,766	888,938	29,828	919,247	874,895
44,352							

TEANECK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013

ACCOUNT NUMBER	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Support Services Instructional Staff Training Services:							
Salaries of Supervisors & Instructors	494,788	(64,663)	430,125	395,421	34,704	425,952	481,231
Salaries of Other Professional Staff	167,489	62,150	229,639	142,492	87,147	149,012	163,252
Salaries of Secretarial and Clerical Assistants	132,924	388	133,312	130,315	2,997	130,960	130,315
Other Salaries	5,197	(5,197)	-	-	-	8,120	5,120
Purchased Professional - Educational Services	122,500	(8,616)	113,884	116,632	102,252	23,700	7,166
Travel	46,000	(15,146)	30,854	6,587	24,267	50,400	32,350
Other Purchased Services	11,000	13,865	24,865	12,154	1,711	13,700	17,700
Supplies and Materials	12,700	470	13,170	3,807	9,363	17,700	5,923
Other Objects	3,250	4,000	7,250	5,071	2,179	5,250	1,411
Total Support Services Instructional Staff Training Services	984,848	(12,749)	972,099	707,479	264,620	811,094	734,813
Support Services General Administration:							
Salaries	336,048	(65,043)	271,005	255,457	15,548	288,618	335,811
Salaries of Secretarial and Clerical Assistants	-	85,043	85,043	85,043	-	-	161,994
Legal Services	252,000	(5,000)	247,000	239,258	7,742	300,000	49,526
Audit Fees	50,000	-	50,000	45,500	4,500	60,000	8,577
Architectural/Engineering Services	18,000	(9,403)	8,597	8,592	5	25,000	9,000
Purchased Technical Services	15,000	-	15,000	15,000	-	15,000	-
Other Purchased Services	-	5,000	5,000	-	5,000	-	-
Insurance	213,700	(25,000)	188,700	199,3	23,007	161,170	108,146
Communications/Telephone	-	(125,350)	88,350	45,009	43,341	-	-
Postage	-	49,400	49,400	48,704	696	-	-
Travel	-	3,429	3,429	4,976	2,933	-	-
BOE Travel	12,000	(5,508)	6,492	5,479	1,013	5,000	5,877
Miscellaneous Purchased Services	86,750	63,796	150,546	139,986	10,560	158,400	78,007
General Supplies	10,500	-	10,500	7,249	3,251	7,500	6,145
BOE In-House Training/Meeting Supplies	5,000	-	5,000	3,438	1,562	5,000	2,716
Judgments Against the School District	110,000	-	110,000	22,429	87,571	28,000	20,000
Miscellaneous Expenditures	14,950	(2,944)	12,006	7,783	4,223	12,000	9,201
BOE Membership Dues & Fees	35,000	-	35,000	28,913	6,087	35,000	33,138
Total Support Services General Administration	1,158,948	18,420	1,177,368	945,329	232,039	1,100,688	822,709
Support Services School Administration:							
Salaries of Principals & Assistant Principals	1,638,568	129,384	1,767,952	1,767,952	-	1,719,078	1,704,361
Salaries of Other Professional Staff	308	(308)	-	-	-	78,349	78,349
Salaries of Secretarial & Clerical Assistants	1,165,847	19,682	1,185,529	1,160,678	24,851	1,150,689	1,155,851
Other Purchased Services	41,500	730	42,230	42,230	-	40,000	43,181
Supplies and Materials	83,500	(7,920)	75,580	66,373	8,207	78,868	80,678
Other Objects	3,600	49	3,649	3,649	-	3,600	2,911
Total Support Services School Administration	2,932,323	141,617	3,073,940	3,040,882	33,058	3,070,584	3,048,448
Central Services:							
Salaries	785,648	5,000	790,648	713,217	77,431	774,037	719,052
Purchased Professional Services	2,000	1,800	3,800	2,180	1,620	2,180	2,180
Purchased Technical Services	69,587	5,820	75,407	57,045	18,362	48,825	48,824
Travel	1,585	1,585	3,170	3,170	-	3,170	1,892
Misc. Purchased Services	62,457	(10,257)	52,200	33,396	18,804	55,200	30,831
Supplies and Materials	11,500	11,500	23,000	23,000	-	23,000	23,000
Interim Lease Purchase Agreements	21,770	(1,965)	19,805	21,770	19,024	29,260	15,552
Other Objects	1,500	390	1,890	1,885	5	1,500	1,916
Total Central Services	975,962	753	976,715	841,880	134,835	933,619	834,917
Admin. Info. Tech							
Salaries	518,731	8,569	527,300	509,082	18,218	507,898	501,808
Purchased Technical Services	212,600	(69,687)	142,913	115,926	26,987	187,250	154,552
Travel	-	4,925	4,925	150	4,775	192,476	37,924
Other Purchased Services	40,100	(4,925)	35,175	35,175	-	35,175	35,175
Supplies and Materials	-	(5,031)	-	32,510	2,559	57,300	49,970
Total Admin. Info. Tech	779,631	(66,149)	713,482	660,907	52,575	760,438	709,680

TEANECK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013

ACCOUNT NUMBER	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Required Maintenance for School Facilities:							
Salaries	595,038	(21,595)	573,443	580,062	18,914	598,976	598,976
Salaries of Secretarial & Clerical Assistants	11-000-261-100	61,972	60,101	60,101	-	60,101	-
Cleaning, Repair & Maintenance Services	217,000	219,252	436,252	342,170	196,327	538,497	376,033
General Supplies	180,000	47,915	227,915	180,000	75,486	255,486	162,464
Total Required Maintenance for School Facilities	992,038	307,544	1,299,582	1,102,232	290,727	1,392,959	1,227,693
Operation & Maintenance of Plant Services:							
Salaries	2,413,410	5,932	2,419,342	2,383,925	67,277	2,451,202	2,451,202
Salaries of Non-Instructional Aides	420,000	(88,672)	331,328	357,333	317,255	419,664	419,664
Purchased Professional & Technical Services	11-000-262-390	33,918	33,918	68,150	(26,620)	68,150	24,302
Cleaning, Repair & Maintenance Services	191,500	25,294	216,794	230,898	1,641	232,539	202,186
Contracted Services (Reg. Students) - ESCs & CTSA's	11-000-262-420	1,500	1,500	1,500	(4,977)	1,500	30,353
Contracted Services (Spl. Ed. Students) - ESCs & CTSA's	11-000-262-520	360,000	371,255	360,000	-	360,000	23,582
Insurance	-	786	786	-	-	-	-
Travel	11-000-262-580	79,333	93,216	12,700	1,956	14,656	13,132
Miscellaneous Purchased Services	14,500	79,333	93,833	221,570	(17,625)	203,945	203,366
General Supplies	23,400	(11,833)	11,567	310,000	(65,559)	244,441	244,441
Energy (Natural Gas)	11-000-262-610	(229,784)	360,216	310,000	(459,360)	360,000	61,296
Energy (Electricity)	600,000	147,166	747,166	466,900	294,986	761,886	612,964
Energy (Oil)	52,161	-	52,161	-	-	-	-
Interest	11-000-262-624	292,400	292,400	292,400	294,986	294,986	294,986
Principal - Energy Savings Impr. Prog. Bonds	485,000	-	485,000	485,000	295,000	295,000	295,000
Other Objects	4,900	6,264	11,164	4,900	5,521	10,421	10,421
Total Operation & Maintenance of Plant Services	5,647,540	(38,292)	5,609,248	5,384,076	(130,431)	5,253,645	5,170,442
Care & Upkeep of Grounds:							
Salaries	363,765	(57,683)	306,082	358,389	-	358,389	327,803
Total Care & Upkeep of Grounds	363,765	(57,683)	306,082	358,389	-	358,389	327,803
Security:							
Salaries	21,119	8,241	29,360	20,807	5,482	26,289	26,289
Purchased Professional & Technical Services	49,000	-	49,000	105,000	(9,390)	95,610	69,218
Miscellaneous Purchased Services	1,171	1,171	2,342	-	-	-	26,392
Total Security	70,119	9,412	79,531	125,807	(3,908)	121,899	95,507
Student Transportation Services:							
Salaries of Non-Instructional Aides	1,019	-	1,019	1,005	-	1,005	880
Salaries for Pupil Transportation (Between Home & School) - Regular	28,951	-	28,951	28,524	(4,732)	23,792	23,473
Salaries for Pupil Transportation (Other Than Between Home & School) - Special	23,376	-	23,376	23,031	5,883	28,914	28,854
Salaries for Pupil Transportation (Other Than Between Home & School) - Non-Public	40,765	-	40,765	40,163	(551)	39,612	39,570
Other Purchased Professional and Technical Services	21,046	867	21,913	12,546	7,900	20,446	18,459
Aid In Lieu of Payments - Non Public Schools	330,000	40,400	370,400	323,500	-	323,500	306,065
Contracted Services (Between Home and School) - Vendors	1,816,187	(402,572)	1,413,615	1,971,752	(200,000)	1,771,752	1,311,482
Contracted Services (Other than Between Home and School) - Vendors	340,234	(16,927)	323,307	317,110	70,905	388,015	194,471
Contracted Services (Spec. Ed.) - Vendors	594,368	(61,643)	532,725	760,898	(138,844)	622,054	525,884
Contracted Services (Reg. Students) - ESCs & CTSA's	978,601	(17,434)	961,167	959,412	100,000	1,059,412	943,630
Contracted Services (Spl. Ed. Students) - ESCs & CTSA's	1,366,676	161,204	1,527,880	1,094,878	243,000	1,339,878	1,105,827
General Supplies	1,500	-	1,500	1,500	-	1,500	960
Total Student Transportation Services	5,542,723	(306,105)	5,236,618	5,534,319	85,561	5,619,880	4,499,125
Allocated Benefits:							
Regular Programs - Instruction - Employee Benefits:	4,800,000	132,485	4,932,485	4,800,000	(91,866)	4,708,134	4,692,649
Health Benefits	4,800,000	132,485	4,932,485	4,800,000	(91,866)	4,708,134	4,692,649
Total Regular Programs - Instruction - Employee Benefits	4,800,000	132,485	4,932,485	4,800,000	(91,866)	4,708,134	4,692,649

TEANECK BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013

ACCOUNT NUMBER	JUNE 30, 2014		JUNE 30, 2013		ORIGINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL								
Special Programs - Instruction - Employee Benefits	1,430,000	(1,792)	1,428,208	1,428,180	28	1,765,185	(270,990)	1,492,195	1,373,290	1,492,195	1,373,290	118,905
Health Benefits	1,430,000	(1,792)	1,428,208	1,428,180	28	1,765,185	(270,990)	1,492,195	1,373,290	1,492,195	1,373,290	118,905
Total Special Programs - Instruction - Employee Benefits	1,430,000	(1,792)	1,428,208	1,428,180	28	1,765,185	(270,990)	1,492,195	1,373,290	1,492,195	1,373,290	118,905
Operation and Maintenance of Plant Services - Employee Benefits	375,000	-	375,000	375,000	-	350,000	-	350,000	350,000	350,000	350,000	-
Health Benefits	375,000	-	375,000	375,000	-	350,000	-	350,000	350,000	350,000	350,000	-
Total Operation and Maintenance of Plant Services - Employee Benefits	375,000	-	375,000	375,000	-	350,000	-	350,000	350,000	350,000	350,000	-
Total Allocated Benefits - Employee Benefits	6,605,000	130,693	6,735,693	6,735,665	28	6,913,185	(362,850)	6,550,339	6,415,939	6,550,339	6,415,939	134,399
Unallocated Benefits - Employee Benefits:												
Group Insurance	355,000	(10,795)	344,205	344,205	-	350,000	-	350,000	334,265	350,000	334,265	15,735
Social Security	1,200,000	(145,991)	1,054,009	1,053,839	170	1,155,000	(145,000)	1,010,000	990,747	1,010,000	990,747	19,253
Other Retirement Contributions	1,305,000	(234,785)	1,070,215	1,070,215	-	1,205,000	(141,106)	1,063,894	1,051,708	1,063,894	1,051,708	12,186
Unemployment Compensation	160,000	(3,699)	156,301	147,087	9,214	150,000	-	150,000	143,992	150,000	143,992	6,008
Worker's Compensation	457,000	(119,071)	337,929	337,929	-	475,000	(202,000)	273,000	266,132	273,000	266,132	6,868
Health Benefits	2,570,000	227,648	2,797,648	2,797,648	-	2,000,000	536,106	2,536,106	2,515,240	2,536,106	2,515,240	20,866
Tuition Reimbursement	250,000	(28,960)	221,040	221,040	-	285,000	(19,090)	265,910	246,546	265,910	246,546	19,364
Other Employee Benefits	258,800	32,977	291,777	279,825	11,952	257,200	218,466	475,666	473,273	475,666	473,273	2,393
Total Unallocated Benefits - Employee Benefits	6,555,800	(282,676)	6,273,124	6,251,788	21,336	5,877,200	247,376	6,124,576	6,021,903	6,124,576	6,021,903	102,673
Nonbudgeted:												
On-Behalf TPAF Pension Contribution	-	-	1,403,243	1,403,243	-	-	-	-	2,224,329	-	2,224,329	(2,224,329)
On-Behalf TPAF Pension System Contribution - NCGI Premium	-	-	123,859	123,859	-	-	-	-	117,030	-	117,030	(17,030)
On-Behalf TPAF Post-Retirement Medical	-	-	2,403,573	2,403,573	-	-	-	-	2,497,416	-	2,497,416	(2,497,416)
Reimbursed TPAF Social Security Contribution	-	-	2,482,741	2,482,741	-	-	-	-	2,472,830	-	2,472,830	(2,472,830)
Total Unbudgeted Expenditures	50,126,447	(627,377)	49,499,070	53,888,764	(4,389,694)	49,441,839	410,584	49,852,423	54,291,581	49,852,423	54,291,581	(4,439,158)
Total Expenditures - Current Expense	84,927,553	164,648	85,092,201	87,987,616	(2,895,415)	83,758,931	181,202	83,940,133	87,123,788	83,940,133	87,123,788	(3,183,655)
Capital Outlay:												
Equipment:												
Regular Programs - Instruction:												
Grades 1 - 5	-	-	-	-	-	1,000	-	1,000	-	1,000	-	1,000
Grades 9 - 12	-	-	-	-	-	-	-	-	8,871	-	8,871	-
School Sponsored Athletics	-	8,744	8,744	8,744	-	-	-	-	-	-	-	-
Unbudgeted Expenditures:												
Support Services - Child Study Teams	15,000	-	15,000	2,534	12,466	9,000	6,295	15,295	12,590	15,295	12,590	2,705
School Administration	169,100	3,700	172,800	172,555	245	15,000	6,825	66,500	50,719	66,500	50,719	15,781
Admin Info Tech	-	4,553	4,553	4,553	-	66,500	-	42,000	34,960	42,000	34,960	7,040
Required Maintenance for School Facilities	184,100	16,997	201,097	183,833	17,264	133,500	21,991	155,491	119,436	155,491	119,436	36,055
Total Equipment	356,975	25,697	382,672	382,672	17,264	201,097	21,991	222,788	174,436	222,788	174,436	48,352
Facilities Acquisition & Construction Services:												
Other Purchased Professional and Technical Services	256,975	-	256,975	256,975	25,282	11,000	107,620	118,620	107,620	118,620	107,620	11,000
Lease Purchase Agreements - Principal	128,692	1,000	129,692	128,662	1,000	48,302	-	249,486	123,820	249,486	123,820	125,666
Assessment for Debt Service on SIDA Funding	385,637	1,000	386,637	360,355	26,282	308,788	107,620	416,408	279,742	416,408	279,742	136,666
Total Facilities Acquisition & Construction Services	771,294	2,000	772,294	772,294	27,284	168,788	117,640	784,514	511,182	784,514	511,182	263,332
Assets Acquired Under Capital Leases (Nonbudgeted)	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Outlay	569,737	17,997	587,734	587,734	(641,403)	412,288	129,611	571,899	399,178	571,899	399,178	172,721
Transfer of Funds to Charter Schools	4,878,441	138,918	5,017,359	5,017,359	-	6,038,551	23,240	6,061,791	4,815,127	6,061,791	4,815,127	1,246,664
Total Expenditures	90,375,731	371,563	90,697,294	94,234,112	(3,536,818)	90,239,770	334,053	90,573,823	92,338,093	90,573,823	92,338,093	(1,764,270)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(4,276,386)	(321,563)	(4,597,949)	(1,968,852)	2,629,097	(5,143,849)	(334,053)	(5,477,902)	(4,006)	(5,477,902)	(4,006)	5,473,896

**TEANECK BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013**

	JUNE 30, 2014			JUNE 30, 2013			VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES							
Local Sources	\$ -	\$ 440,300	\$ 320,539	\$ -	\$ 488,012	\$ 415,468	\$ (72,544)
State Sources	253,174	312,119	472,072	244,792	439,466	623,973	(60,285)
Federal Sources	1,684,013	662,653	1,654,096	1,750,042	646,876	1,686,149	(710,769)
Total - Revenues	1,937,187	1,415,072	2,446,707	1,994,834	1,574,354	2,725,590	(843,598)
EXPENDITURES							
Instruction:							
Salaries of Teachers	665,728	(157,430)	250,403	704,158	(212,790)	259,635	231,733
Purchased Professional Services	-	90,747	73,890	-	77,815	59,012	18,803
Purchased Technical Services	-	-	-	-	92,366	92,286	80
Tuition	1,018,285	(138,422)	879,861	2	(165,205)	875,513	5,166
General Supplies	13,788	416,634	219,533	210,889	445,378	249,110	196,268
Textbooks	36,775	(9,515)	24,510	2,750	1,728	35,327	1,448
Miscellaneous Expenses	-	3,880	1,865	35,047	4,580	2,660	1,920
Total Instruction	1,734,576	205,894	1,450,062	1,785,089	243,872	1,573,543	455,418
Support Services:							
Salaries of Secretarial & Clerical Assistants	98,861	480,051	498,427	-	540,186	476,479	63,707
Personal Services - Employee Benefits	-	95,205	59,707	-	93,748	61,934	31,814
Purchased Professional - Educational Services	103,750	245,831	214,010	209,745	114,083	247,889	75,939
Purchased Professional and Technical Services	-	-	-	-	37,092	29,052	8,040
Contracted Services - Transportation	94,009	94,009	50,824	-	75,022	33,603	41,419
Purchased Property Services	-	20,604	14,544	-	6,930	6,930	-
Rentals	-	-	-	-	15,018	6,930	8,088
Travel	-	73,155	16,867	-	66,628	12,030	54,598
Other Purchased Services	-	118,066	108,868	-	254,073	224,828	29,245
Supplies & Materials	-	58,684	12,439	-	100,359	26,049	74,310
Miscellaneous Expenditures	-	7,918	5,793	-	1,207	677	530
Total Support Services	202,611	1,193,523	981,479	209,745	1,304,346	1,126,401	387,690
Capital Outlay							
Instructional Equipment	-	15,655	15,166	-	26,136	25,646	490
Total Capital Outlay	-	15,655	15,166	-	26,136	25,646	490
Total Expenditures	1,937,187	1,415,072	2,446,707	1,994,834	1,574,354	2,725,590	843,598
Total Outflows	1,937,187	1,415,072	2,446,707	1,994,834	1,574,354	2,725,590	843,598
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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**TEANECK BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule	\$ 92,265,260	\$ 2,446,707
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year	-	9,217
Current Year	-	(15,098)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	281,401	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(317,115)	-
	\$ 92,229,546	\$ 2,440,826
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)		
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 94,234,112	\$ 2,446,707
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year	-	9,217
Current Year	-	(15,098)
	\$ 94,234,112	\$ 2,440,826
Total Expenditures as Reported on the Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds (B-2)		

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**TEANECK BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	I.D.E.A. - PART B BASIC REGULAR PROGRAM	IDEA - PART B PRESCHOOL PROGRAM	NO CHILD LEFT BEHIND			TITLE III CARRYOVER
			TITLE I CARRYOVER	TITLE IIA CARRYOVER	TITLE III CARRYOVER	
Revenues:						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-
Federal Sources	1,002,288	24,848	236,203	275,960	21,978	33,916
Total Revenues	\$ 1,002,288	\$ 24,848	\$ 236,203	\$ 275,960	\$ 21,978	\$ 33,916
Expenditures:						
Instruction:						
Salaries of Teachers	\$ -	\$ -	\$ 104,346	\$ 68,230	\$ 4,898	\$ 9,964
Purchased Professional Services	-	-	41,086	29,754	-	-
Tuition	879,861	-	-	-	-	-
General Supplies	20,127	-	31,036	115,480	-	20,481
Total Instruction	899,988	-	176,468	213,464	4,898	30,445
Support Services:						
Salaries	-	-	31,515	13,216	-	442
Personal Services - Employee Benefits	-	-	10,393	6,231	375	768
Purchased Professional Services	-	24,848	-	5,099	45,228	-
Contracted Services - Transportation	-	-	17,827	24,450	-	1,700
Travel	-	-	-	876	8,122	561
Other Purchased Services	99,500	-	-	-	-	-
Supplies and Materials	-	-	-	258	1,017	606
Total Support Services	99,500	24,848	59,735	50,130	17,080	3,471
Total Expenditures	\$ 1,002,288	\$ 24,848	\$ 236,203	\$ 275,960	\$ 21,978	\$ 33,916
Capital Outlay	2,800	-	-	12,366	-	-
Instructional Equipment	-	-	-	-	-	-
Total Capital Outlay	2,800	-	-	12,366	-	-
Total Expenditures	\$ 1,002,288	\$ 24,848	\$ 236,203	\$ 275,960	\$ 21,978	\$ 33,916
Total Expenditures	\$ 1,002,288	\$ 24,848	\$ 236,203	\$ 275,960	\$ 21,978	\$ 33,916

**TEANECK BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	NONPUBLIC CHAPTER 192				NONPUBLIC CHAPTER 193			
	EDUCATION SERVICES	NONPUBLIC ESL	NONPUBLIC TECHNOLOGY	NONPUBLIC NURSING	NONPUBLIC TEXTBOOKS	SUPPLEMENTAL INSTRUCTION	CORRECTIVE SPEECH	EXAM & CLASS
Revenues:								
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	3,339	5,660	9,563	48,559	24,510	15,264	1,953	56,083
Federal Sources	-	-	-	-	-	-	-	-
Total Revenues	\$ 3,339	\$ 5,660	\$ 9,563	\$ 48,559	\$ 24,510	\$ 15,264	\$ 1,953	\$ 56,083
Expenditures:								
Instruction:								
General Supplies	\$ -	\$ -	\$ 9,488	\$ -	\$ -	\$ -	\$ -	\$ -
Textbooks	-	-	-	-	24,510	-	-	-
Total Instruction	-	-	9,488	-	24,510	-	-	-
Support Services:								
Salaries	-	-	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-	-	-
Purchased Professional Services	3,339	5,660	-	48,559	-	15,264	1,953	56,083
Travel	-	-	75	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-
Total Support Services	\$ 3,339	\$ 5,660	\$ 75	\$ 48,559	\$ -	\$ 15,264	\$ 1,953	\$ 56,083
Total Expenditures	\$ 3,339	\$ 5,660	\$ 9,563	\$ 48,559	\$ 24,510	\$ 15,264	\$ 1,953	\$ 56,083

**TEANECK BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	SCHOOL BASED YOUTH SERVICES	FORUM JUVENILE JUSTICE	FORUM TOWNSHIP FUNDS	TWT WORK SUCCESS	TWT INCENTIVE FUNDS	VARIOUS LOCAL GRANTS	2014	2013
Revenues:								
Local Sources	\$ -	\$ 51,370	\$ 49,880	\$ 159,109	\$ 51,997	\$ 8,183	\$ 320,539	\$ 415,468
State Sources	307,141	-	-	-	-	-	472,072	623,973
Federal Sources	-	-	-	-	-	-	1,654,096	1,686,149
Total Revenues	\$ 307,141	\$ 51,370	\$ 49,880	\$ 159,109	\$ 51,997	\$ 8,183	\$ 2,446,707	\$ 2,725,590
Expenditures:								
Instruction:								
Salaries of Teachers	\$ -	\$ 33,626	\$ 26,681	\$ -	\$ -	\$ -	\$ 250,403	\$ 259,635
Purchased Professional Services	-	2,550	500	-	-	-	73,890	59,012
Purchased Technical Services	-	-	-	-	-	-	-	92,286
Tuition	-	-	-	-	-	-	879,861	875,513
General Supplies	-	6,494	10,709	-	-	4,644	219,533	249,110
Textbooks	-	-	-	-	-	-	24,510	35,327
Other Objects	-	-	1,865	-	-	-	1,865	2,660
Total Instruction	-	42,670	39,755	-	-	4,644	1,450,062	1,573,543
Support Services:								
Other Support Services - Students - Special:								
Salaries	302,819	-	8,303	103,796	36,835	-	498,427	476,479
Personal Services - Employee Benefits	-	2,909	-	28,498	10,215	-	59,707	61,934
Purchased Professional Services	-	-	-	-	-	-	214,010	247,889
Purchased Technical Services	-	-	-	-	-	-	-	29,052
Rentals	-	-	-	14,544	-	-	14,544	6,930
Contracted Services - Transportation	-	5,791	822	-	234	-	50,824	33,603
Purchased Property Services	-	-	-	-	-	-	-	6,930
Travel	-	-	-	-	126	-	16,867	12,030
Other Purchased Services	4,322	-	1,000	1,462	2,584	-	108,868	224,828
Supplies and Materials	-	-	-	8,555	2,003	-	12,439	26,049
Other Objects	-	-	-	2,254	-	3,539	5,793	677
Total Support Services	307,141	8,700	10,125	159,109	51,997	3,539	981,479	1,126,401
Capital Outlay								
Instructional Equipment	-	-	-	-	-	-	15,166	25,646
Total Capital Outlay	-	-	-	-	-	-	15,166	25,646
Total Expenditures	\$ 307,141	\$ 51,370	\$ 49,880	\$ 159,109	\$ 51,997	\$ 8,183	\$ 2,446,707	\$ 2,725,590

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F. Capital Projects Fund

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**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

PROJECT TITLE/ISSUE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		CANCELLATIONS		UNEXPENDED BALANCE JUNE 30, 2014
			PRIOR YEARS	CURRENT YEAR	PRIOR YEARS	CURRENT YEAR	
Teaneck High School Roof (Lease Purchase)	09/01/10	\$ 1,266,302	\$ 844,737	\$ -	\$ 164,590	\$ 256,975	\$ -
Teaneck High School Culinary Lab	09/01/12	168,969	134,642	-	33,551	-	776
Energy Savings Improvement Program	09/01/12	8,878,088	6,925,033	620,242	-	-	1,332,813
Benjamin Franklin & Eugene Field Asphalt Milling & Paving	09/01/12	150,000	-	149,400	-	600	-
Thomas Jefferson Media Center HVAC	09/01/12	68,000	-	66,691	-	1,309	-
District Wide Wireless Internet (Except Teaneck High School)	09/01/13	430,000	-	413,497	-	16,503	-
Benjamin Franklin Roof	09/01/12	1,092,000	6,400	969,325	-	-	116,275
Teaneck High School Roof	09/01/12	807,970	242,773	555,725	-	-	9,472
Hawthorne Asbestos Removal	09/01/12	138,740	-	138,661	-	79	-
Teaneck High School & Thomas Jefferson Scoreboards	09/01/13	75,000	-	-	-	-	75,000
Total		\$ 13,000,069	\$ 8,153,585	\$ 2,913,541	\$ 198,141	\$ 275,466	\$ 1,459,336
Reconciliation of Fund Balance, June 30, 2014							
Project Balances Available						\$ 1,459,336	
Unfunded Projects						(384,658)	
Reserve for Payment of Lease Purchase (High School Roof)						82,150	
							\$ 1,156,828
Fund Balance, June 30, 2014 - GAAP Basis							\$ 1,156,828

**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Revenues & Other Financing Sources:	
Energy Pay for Performance	\$ 178,416
Other Financing Sources:	
Transfer from Capital Reserve	<u>2,650,540</u>
 Total Revenues and Other Financing Sources	 <u>2,828,956</u>
 Expenditures & Other Financing Uses:	
Capital Outlay:	
Purchased Professional and Technical Services	323,272
Construction Services	2,105,269
Other Financing Uses:	
Transfer to General Fund	485,000
Transfer to Capital Reserve	18,491
Lease Purchase Proceeds Utilized by Fiscal Agent to Pay Debt	<u>256,975</u>
 Total Expenditures	 <u>3,189,007</u>
 Excess/(Deficiency) of Revenues Over/(Under) Expenditures	 (360,051)
Fund Balance - Beginning	<u>1,516,879</u>
 Fund Balance - Ending	 <u><u>\$ 1,156,828</u></u>

**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
TEANECK HIGH SCHOOL ROOF
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SDA Grant	\$ 440,685	\$ -	\$ 440,685	\$ 440,685
Lease Purchase	1,101,712	(256,975)	844,737	825,617
Total Revenues	1,542,397	(256,975)	1,285,422	1,266,302
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	169,124	-	169,124	169,124
Construction Services	932,588	-	932,588	1,097,178
Project Balances Cancelled: General Fund	101,560	-	101,560	-
Total Expenditures	1,203,272	-	1,203,272	1,266,302
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 339,125	\$ (256,975)	\$ 82,150	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	5150-050-10-2001
Grant Date	9/1/2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,266,302
Additional Authorized Cost	-
Revised Authorized Cost	1,266,302
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	2011
Revised Target Completion Date	2012

**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
TEANECK HIGH SCHOOL CULINARY LAB
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Donation	\$ 48,969	\$ -	\$ 48,969	\$ 48,969
Transfer from Capital Reserve	86,449	-	86,449	86,449
Total Revenues	135,418	-	135,418	135,418
Expenditures & Other Financing Uses:				
Supplies and Materials	460	-	460	-
Construction Services	134,182	-	134,182	135,418
Total Expenditures	134,642	-	134,642	135,418
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 776	\$ -	\$ 776	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	5150-050-10-2001
Grant Date	9/1/2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,266,302
Additional Authorized Cost	-
Revised Authorized Cost	1,266,302
Percentage Increase Over Original Authorized Cost	-20%
Percentage Completion	100%
Original Target Completion Date	2012
Revised Target Completion Date	2012

**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
ENERGY SAVINGS IMPROVEMENT PROGRAM
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Othe Sources - Premium on Bonds	\$ 698,088	\$ -	\$ 698,088	\$ 698,088
Bond Proceeds	8,180,000	-	8,180,000	8,180,000
Total Revenues	8,878,088	-	8,878,088	8,878,088
Expenditures & Other Financing Uses:				
Salaries	5,000	-	5,000	5,000
Purchased Professional & Technical Services	903,050	135,242	1,038,292	2,684,136
Supplies and Materials				
Construction Services	6,016,983	-	6,016,983	6,188,952
Project Balances Cancelled: General Fund	-	485,000	485,000	485,000
Total Expenditures	6,925,033	620,242	7,545,275	9,363,088
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 1,953,055	\$ (620,242)	\$ 1,332,813	\$ (485,000)

ADDITIONAL PROJECT INFORMATION

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	8,180,000
Original Authorized Cost	698,088
Additional Authorized Cost	-
Revised Authorized Cost	8,878,088
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	85%
Original Target Completion Date	2012/2013
Revised Target Completion Date	2012/2013

**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
BEN FRANKLIN MIDDLE SCHOOL & EUGENE FIELD SCHOOL PAVING
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 150,000	\$ 150,000	\$ 150,000
Total Revenues	-	150,000	150,000	150,000
Expenditures & Other Financing Uses:				
Construction Services	-	149,400	149,400	150,000
Project Balances Cancelled:				
Capital Reserve	-	600	600	-
Total Expenditures	-	150,000	150,000	150,000
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ -	\$ -	\$ -	\$ -

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	150,000
Additional Authorized Cost	-
Revised Authorized Cost	150,000
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	6/30/2014
Revised Target Completion Date	6/30/2014

**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
THOMAS JEFFERSON MEDIA CENTER HVAC
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfer from Capital Reserve	\$ 68,000	\$ -	\$ 68,000	\$ 68,000
Total Revenues	68,000	-	68,000	68,000
Expenditures & Other Financing Uses:				
Construction Services	-	66,691	66,691	68,000
Project Balances Cancelled:				
Capital Reserve	-	1,309	1,309	-
Total Expenditures	-	68,000	68,000	68,000
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 68,000	\$ (68,000)	\$ -	\$ -

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	68,000
Additional Authorized Cost	-
Revised Authorized Cost	68,000
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	6/30/2014
Revised Target Completion Date	6/30/2014

**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
DISTRICT WIDE WIRELESS INTERNET (EXCEPT TEANECK HIGH SCHOOL)
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 430,000	\$ 430,000	\$ 430,000
Total Revenues	-	430,000	430,000	430,000
Expenditures & Other Financing Uses:				
Construction Services	-	413,497	413,497	430,000
Project Balances Cancelled:				
Capital Reserve	-	16,503	16,503	-
Total Expenditures	-	430,000	430,000	430,000
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ -	\$ -	\$ -	\$ -

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	430,000
Additional Authorized Cost	(16,503)
Revised Authorized Cost	413,497
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	6/30/2014
Revised Target Completion Date	6/30/2014

**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
BENJAMIN FRANKLIN ROOF
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 1,092,000	\$ 1,092,000	\$ 1,092,000
Total Revenues	-	1,092,000	1,092,000	1,092,000
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	6,400	78,289	84,689	50,000
Construction Services	-	891,036	891,036	1,042,000
Total Expenditures	6,400	969,325	975,725	1,092,000
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ (6,400)	\$ 122,675	\$ 116,275	\$ -

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	1,092,000
Additional Authorized Cost	-
Revised Authorized Cost	1,092,000
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	89%
Original Target Completion Date	6/30/2014
Revised Target Completion Date	6/30/2014

**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
TEANECK HIGH SCHOOL ROOF
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 764,800	\$ 764,800	\$ 807,970
Total Revenues	-	764,800	764,800	807,970
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	-	47,720	47,720	50,000
Construction Services	242,773	508,005	750,778	757,970
Total Expenditures	242,773	555,725	798,498	807,970
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ (242,773)	\$ 209,075	\$ (33,698)	\$ -

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	807,970
Additional Authorized Cost	-
Revised Authorized Cost	807,970
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	99%
Original Target Completion Date	6/30/2014
Revised Target Completion Date	6/30/2014

**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
HAWTHORNE SCHOOL ASBESTOS REMOVAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 138,740	\$ 138,740	\$ 138,740
Total Revenues	-	138,740	138,740	138,740
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	-	62,021	62,021	62,100
Construction Services	-	76,640	76,640	76,640
Project Balances Cancelled: Capital Reserve		79	79	-
Total Expenditures	-	138,740	138,740	138,740
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ -	\$ -	\$ -	\$ -

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	138,740
Additional Authorized Cost	-
Revised Authorized Cost	138,740
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	6/30/2014
Revised Target Completion Date	6/30/2014

**TEANECK BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
TEANECK HIGH SCHOOL & THOMAS JEFFERSON MIDDLE SCHOOL SCOREBOARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 75,000	\$ 75,000	\$ 75,000
Total Revenues	-	75,000	75,000	75,000
Expenditures & Other Financing Uses:				
Construction Services	-	-	-	75,000
Total Expenditures	-	-	-	75,000
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ -	\$ 75,000	\$ 75,000	\$ -

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
Additional Authorized Cost	-
Revised Authorized Cost	75,000
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	0%
Original Target Completion Date	6/30/2015
Revised Target Completion Date	6/30/2015

G. Proprietary Funds

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Enterprise Funds

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**TEANECK BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2014	2013
	FOOD SERVICE	COMMUNITY SCHOOL		
ASSETS				
Current Assets:				
Cash & Cash Equivalents	\$ 19,909	\$ 276,051	\$ 295,960	\$ 369,812
Accounts Receivable:				
State	3,742	-	3,742	1,994
Federal	124,251	-	124,251	43,454
Other	61,788	-	61,788	6,553
Inventories	11,539	-	11,539	5,965
Prepaid Items	-	-	-	1,060
Total Current Assets	<u>221,229</u>	<u>276,051</u>	<u>497,280</u>	<u>428,838</u>
Noncurrent Assets:				
Machinery and Equipment	399,105	9,607	408,712	398,814
Less: Accumulated Depreciation	(344,084)	(9,607)	(353,691)	(331,184)
Total Noncurrent Assets	<u>55,021</u>	<u>-</u>	<u>55,021</u>	<u>67,630</u>
Total Assets	<u>276,250</u>	<u>276,051</u>	<u>552,301</u>	<u>496,468</u>
LIABILITIES				
Accounts Payable	130,642	4,121	134,763	108,537
Unearned Revenue	-	221,710	221,710	235,862
Total Liabilities	<u>130,642</u>	<u>225,831</u>	<u>356,473</u>	<u>344,399</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Commodities Revenue	-	-	-	11
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>11</u>
NET POSITION				
Investment in Capital Assets, Net	55,021	-	55,021	67,630
Unrestricted Net Position	90,587	50,220	140,807	84,428
Total Net Position	<u>\$ 145,608</u>	<u>\$ 50,220</u>	<u>\$ 195,828</u>	<u>\$ 152,058</u>

**TEANECK BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2014	2013
	FOOD	COMMUNITY		
	SERVICE	SCHOOL		
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 682,545	\$ -	\$ 682,545	\$ 635,810
Special Functions	53,034	-	53,034	18,855
Vending Sales	9,060	-	9,060	10,013
Program Fees	-	637,055	637,055	686,002
	<hr/>			
Total Operating Revenues	744,639	637,055	1,381,694	1,350,680
	<hr/>			
Operating Expenses:				
Salaries and Employee Benefits	618,178	439,786	1,057,964	1,116,435
Purchased Professional and Technical Services	-	66,012	66,012	77,974
Contracted Services - Transportation	-	14,650	14,650	15,713
Communications/Telephone	1,040	1,531	2,571	3,557
Postage	-	-	-	1,500
Travel	350	-	350	350
Other Purchased Services	155,648	-	155,648	110,639
Insurance	28,461	-	28,461	-
Supplies and Materials	65,550	11,656	77,206	86,073
Depreciation	22,506	-	22,506	13,724
Cost of Sales	551,869	-	551,869	460,819
Miscellaneous	35,866	30,712	66,578	24,472
	<hr/>			
Total Operating Expenses	1,479,468	564,347	2,043,815	1,911,256
	<hr/>			
Operating Income/(Loss)	(734,829)	72,708	(662,121)	(560,576)
	<hr/>			
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	14,762	-	14,762	14,639
Federal Sources:				
National School Lunch Program	503,908	-	503,908	529,284
School Breakfast Program	96,222	-	96,222	74,868
Food Distribution Program	50,976	-	50,976	-
Interest Income	1,378	-	1,378	-
FSMC Profit Guarantee	38,645	-	38,645	-
Local Sources	-	-	-	46,040
	<hr/>			
Total Nonoperating Revenues/(Expenses)	705,891	-	705,891	664,831
	<hr/>			
Change in Net Position	(28,938)	72,708	43,770	104,255
Total Net Position - Beginning	174,546	(22,488)	152,058	47,803
	<hr/>			
Total Net Position - Ending	\$ 145,608	\$ 50,220	\$ 195,828	\$ 152,058
	<hr/>			

**TEANECK BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		2014	2013
	FOOD	COMMUNITY		
	SERVICE	SCHOOL		
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 689,393	\$ 637,055	\$ 1,326,448	\$ 1,299,746
Payments to Employees	(618,178)	(439,786)	(1,057,964)	(1,116,435)
Payments to Suppliers	(730,179)	(135,985)	(866,164)	(797,629)
Net Cash Flows From Operating Activities	(658,964)	61,284	(597,680)	(614,318)
Cash Flows From Noncapital Financing Activities:				
Interest Income	1,378	-	1,378	-
Cash Received from Federal Reimbursements	519,334	-	519,334	598,684
Cash Received from State Reimbursements	13,013	-	13,013	14,639
Net Cash Flows From Noncapital Financing Activities	533,725	-	533,725	613,323
Cash Flows From Capital Activities:				
Purchase of Fixed Assets	(9,897)	-	(9,897)	-
Net Cash Flows From Capital Activities	(9,897)	-	(9,897)	-
Net Change in Cash & Cash Equivalents	(135,136)	61,284	(73,852)	(995)
Balances - Beginning of Year	155,045	214,767	369,812	370,807
Balances - End of Year	\$ 19,909	\$ 276,051	\$ 295,960	\$ 369,812

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

Operating Income/(Loss)	\$ (734,829)	\$ 72,708	\$ (662,121)	\$ (560,576)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:				
Food Distribution Program	50,976	-	50,976	13,724
FSMC Profit Guarantee	38,645	-	38,645	-
Depreciation Expense	22,506	-	22,506	44,246
Decrease/(Increase) in Other Receivables	(55,235)	-	(55,235)	3,301
Decrease/(Increase) in Prepaid Items	-	1,060	1,060	11,969
Decrease/(Increase) in Inventory	(5,574)	-	(5,574)	9,106
(Decrease)/Increase in Interfund Payable	-	-	-	(71,298)
(Decrease)/Increase in Unearned Revenue	-	(14,152)	(14,152)	(54,235)
(Decrease)/Increase in Deferred Inflows of Resources	(11)	-	(11)	(5,018)
(Decrease)/Increase in Accounts Payable	24,558	1,668	26,226	(5,537)
Total Adjustments	75,865	(11,424)	64,441	(53,742)
Net Cash Provided/(Used) by Operating Activities	\$ (658,964)	\$ 61,284	\$ (597,680)	\$ (614,318)

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

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**TEANECK BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	<u>PRIVATE PURPOSE</u>		<u>AGENCY FUND</u>		2014	2013
	<u>SCHOLARSHIP FUND</u>	<u>STUDENT ACTIVITY</u>	<u>PAYROLL FUND</u>			
ASSETS						
Cash & Cash Equivalents	\$ -	\$ 125,977	\$ 415,332	\$ 541,309	\$ 580,837	
Restricted Cash	126,032	-	-	126,032	130,972	
Total Assets	126,032	125,977	415,332	667,341	711,809	
LIABILITIES						
Payroll Deductions & Withholdings	-	-	407,872	407,872	412,670	
Due to Student Groups	-	125,977	-	125,977	152,492	
Flexible Spending Program	-	-	6,010	6,010	15,675	
Accrued Salaries & Wages	-	-	1,450	1,450	-	
Total Liabilities	-	125,977	415,332	541,309	580,837	
NET POSITION						
Reserve For:						
Held in Trust for:						
Scholarships	126,032	-	-	126,032	130,972	
Total Net Position	\$ 126,032	\$ -	\$ -	\$ 126,032	\$ 130,972	

**TEANECK BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	<u>PRIVATE PURPOSE</u>		
	SCHOLARSHIP FUND	2014	2013
ADDITIONS			
Contributions:			
Scholarship Contributions	\$ 2,693	\$ 2,693	\$ 2,285
Total Contributions	2,693	2,693	2,285
Investment Earnings:			
Interest	497	497	522
Net Investment Earnings	497	497	522
Total Additions	3,190	3,190	2,807
DEDUCTIONS			
Scholarship	8,100	8,100	7,835
Miscellaneous	30	30	25
Total Deductions	8,130	8,130	7,860
Change in Net Position	(4,940)	(4,940)	(5,053)
Net Position - Beginning of the Year	130,972	130,972	136,025
Net Position - End of the Year	\$ 126,032	\$ 126,032	\$ 130,972

**TEANECK BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	BALANCE JULY 1, 2013	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2014
ELEMENTARY SCHOOL				
Hawthorne	\$ 3,477	\$ 11,858	\$ 11,006	\$ 4,329
Bryant	3,388	5,988	7,838	1,538
Lowell	3,708	2,867	3,168	3,407
Total Elementary Schools	10,573	20,713	22,012	9,274
MIDDLE SCHOOLS				
Thomas Jefferson	17,714	29,958	30,710	16,962
Benjamin Franklin	22,397	24,379	18,996	27,780
Total Middle Schools	40,111	54,337	49,706	44,742
HIGH SCHOOL				
Teaneck High School	90,161	283,455	307,495	66,121
Total High School	90,161	283,455	307,495	66,121
OTHER				
Athletic	6,383	101,632	106,788	1,227
Music	5,264	2,625	3,276	4,613
Total Other	11,647	104,257	110,064	5,840
Total All Schools	\$ 152,492	\$ 462,762	\$ 489,277	\$ 125,977

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

	BALANCE JULY 1, 2013	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2014
ASSETS				
Cash & Cash Equivalents	\$ 428,345	\$ 58,457,063	\$ 58,470,076	\$ 415,332
Total Assets	\$ 428,345	\$ 58,457,063	\$ 58,470,076	\$ 415,332
LIABILITIES				
Payroll Deductions & Withholdings	\$ 412,670	\$ 26,615,098	\$ 26,619,896	\$ 407,872
Flexible Spending Program	15,675	39,646	49,311	6,010
Accrued Salaries and Wages	-	31,802,319	31,800,869	1,450
Total Liabilities	\$ 428,345	\$ 58,457,063	\$ 58,470,076	\$ 415,332

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I. Long-Term Debt

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**TEANECK BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2014**

PURPOSE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	AMOUNT	INTEREST RATE	BALANCE	ISSUED	REFINANCED	RETIRED	BALANCE
						JUNE 30, 2013				JUNE 30, 2014
Various Capital Improvement - District Wide	4/1/2001	\$ 11,816,000	7/15/2014	\$ 550,000	4.875%	\$ 895,000	\$ -	\$ -	\$ 345,000	\$ 550,000
	2/15/2003	4,270,000	7/1/2014	390,000	4.000%	795,000	-	-	405,000	390,000
School Refunding Bonds	2/15/2003	6,450,000	N/A	N/A	N/A	3,585,000	-	3,220,000	365,000	-
School Refunding Bonds (Pension Series 2003)	7/27/2006	9,305,000	7/15/2014	30,000	4.000%					
			7/15/2015	580,000	Variable					
			7/15/2016	575,000	Variable					
			7/15/2017	575,000	Variable					
			7/15/2018	570,000	4.250%					
			7/15/2019	580,000	4.250%					
			7/15/2020	575,000	4.200%					
			7/15/2021	570,000	4.200%					
			7/15/2022	570,000	4.500%					
			7/15/2023	565,000	4.500%					
			7/15/2024	575,000	4.500%					
			7/15/2025	570,000	4.500%					
			7/15/2026	570,000	4.500%					
			7/15/2027	565,000	4.500%					
			7/15/2028	560,000	4.500%					
		7/15/2029	560,000	4.500%						
		7/15/1930	555,000	4.500%		9,170,000	-	25,000	9,145,000	

**TEANECK BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2014**

PURPOSE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	ISSUED	REFINANCED	RETIRED	BALANCE	
			DATE	AMOUNT					JUNE 30, 2013	JUNE 30, 2014
School Energy Savings Obligation Refunding Bonds	4/15/2012	8,180,000	4/1/2015	320,000	3.000%					
			4/1/2016	400,000	3.000%					
			4/1/2017	440,000	3.000%					
			4/1/2018	465,000	3.000%					
			4/1/2019	500,000	3.000%					
			4/1/2020	545,000	4.000%					
			4/1/2021	600,000	4.000%					
			4/1/2022	645,000	4.000%					
			4/1/2023	590,000	4.500%					
			4/1/2024	640,000	4.000%					
			4/1/2025	700,000	4.000%					
			4/1/2026	750,000	4.000%					
			4/1/2027	805,000	4.000%					
						7,885,000		485,000	7,400,000	
School Refunding Bonds	8/7/2013	3,325,000	7/1/2014	445,000	0.900%					
			7/1/2015	450,000	1.200%					
			7/1/2016	460,000	1.700%					
			7/1/2017	470,000	2.300%					
			7/1/2018	485,000	2.700%					
			7/1/2019	500,000	3.200%					
		7/1/2020	515,000	3.500%						
							3,325,000	-	3,325,000	
Total						\$ 22,330,000	\$ 3,325,000	\$ 3,220,000	\$ 1,625,000	\$ 20,810,000

**TEANECK BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES/LEASE PURCHASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

SERIES	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	INTERST RATE	AMOUNT OUTSTANDING JUNE 30, 2013	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2014
Savin Copiers	11/29/2010	\$ 394,390	0.41%	\$ 209,428	\$ -	\$ 80,663	\$ 128,765
Teaneck High School Roof Improvements	3/1/2011	1,286,000	2.98%	794,302	-	256,975	537,327
Savin Copiers	8/14/2013	391,622	5.08%	-	391,622	52,845	338,777
Computers	7/1/2013	293,327	3.50%	-	293,327	78,817	214,510
Total				\$ 1,003,730	\$ 684,949	\$ 469,300	\$ 1,219,379

**TEANECK BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013**

	JUNE 30, 2014			JUNE 30, 2013			VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:							
Local Sources:							
Local Tax Levy	\$ 1,789,891	\$ 1,789,891	\$ 1,789,891	\$ 1,785,784	\$ -	\$ 1,785,784	\$ 1,785,784
Total Revenues	1,789,891	1,789,891	1,789,891	1,785,784	-	1,785,784	1,785,784
Expenditures:							
Regular Debt Service:							
Interest	649,891	649,891	581,920	700,785	-	700,785	1,085,000
Redemption of Principal	1,140,000	1,140,000	1,140,000	1,085,000	-	1,085,000	700,783
Expense of Refunding Bonds	-	-	63,870	(63,870)	-	-	384,217
Total Expenditures	1,789,891	1,789,891	1,785,790	1,785,785	-	1,785,785	1,785,783
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	4,101	(4,101)	(1)	(1)	1
Other Financing Sources:							
Proceeds of Refunding Bonds	-	-	3,325,000	(3,325,000)	-	-	-
Deposit to Refunding Escrow	-	-	(3,261,130)	3,261,130	-	-	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources Fund Balance, July 1	2	-	67,971	(67,971)	(1)	(1)	1
Fund Balance, June 30	2	2	67,973	(67,971)	-	-	2

STATISTICAL SECTION (Unaudited)

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TEANECK BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental Activities										
Net Investment in Capital Assets	\$ 26,053,504	\$ 27,689,490	\$ 29,832,741	\$ 27,808,537	\$ 27,900,242	\$ 26,966,982	\$ 25,514,557	\$ 25,187,935	\$ 24,173,348	\$ 22,868,603
Restricted	1,224,801	3,236,970	1,191,255	643,243	899,886	1,975,666	229,174	324,375	536,883	2,142,023
Unrestricted	2,872,182	(1,892,086)	(2,316,760)	(1,782,172)	(3,820,722)	(1,778,289)	1,007,645	1,297,242	(953,246)	(11,933,350)
Total Governmental Activities	\$ 30,150,487	\$ 29,034,374	\$ 28,707,236	\$ 26,669,608	\$ 24,979,406	\$ 27,164,359	\$ 26,751,376	\$ 26,809,552	\$ 23,756,985	\$ 13,077,276
Business-Type Activities										
Net Investment in Capital Assets	\$ 55,021	\$ 67,630	\$ 81,353	\$ 101,233	\$ 132,953	\$ 136,574	\$ 161,028	\$ 118,735	\$ 121,884	\$ 136,606
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	140,807	84,428	(33,550)	76,294	123,100	275,705	312,806	343,334	317,915	250,417
Total Business-Type Activities	\$ 195,828	\$ 152,058	\$ 47,803	\$ 177,527	\$ 256,053	\$ 412,279	\$ 473,834	\$ 462,069	\$ 439,799	\$ 387,023
District-Wide										
Net Investment in Capital Assets	\$ 26,108,525	\$ 27,757,120	\$ 29,914,094	\$ 27,909,770	\$ 28,033,195	\$ 27,103,556	\$ 25,675,585	\$ 25,306,670	\$ 24,295,232	\$ 23,005,209
Restricted	1,224,801	3,236,970	1,191,255	643,243	899,886	1,975,666	229,174	324,375	536,883	2,142,023
Unrestricted	3,012,989	(1,807,658)	(2,350,310)	(1,705,878)	(3,697,622)	(1,502,584)	1,320,451	1,640,576	(635,331)	(11,682,933)
Total District Net Position	\$ 30,346,315	\$ 29,186,432	\$ 28,755,039	\$ 26,847,135	\$ 25,235,459	\$ 27,576,638	\$ 27,225,210	\$ 27,271,621	\$ 24,196,784	\$ 13,464,299

**TEANECK BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 28,838,932	\$ 33,576,131	\$ 32,671,988	\$ 30,421,657	\$ 34,139,305	\$ 32,850,320	\$ 35,644,622	\$ 33,233,572	\$ 30,526,336	\$ 31,160,121
Special Education	9,680,177	17,934,087	16,711,830	17,263,704	16,598,057	15,424,664	14,932,504	13,872,251	13,615,374	12,373,083
Other Special Education	3,273,279	4,049,272	4,061,728	3,382,495	4,861,567	4,490,700	4,040,837	4,131,219	4,010,844	3,826,374
Support Services:										
Student & Instruction Related										
Services	17,404,977	14,780,095	14,361,913	13,183,619	14,235,446	13,209,300	12,406,377	11,120,386	11,242,305	9,577,878
School Administrative Services	3,040,882	4,257,991	4,189,822	4,416,827	4,200,508	4,088,235	4,208,866	3,834,824	3,528,222	3,386,010
General Administrative Services	945,329	1,494,069	1,080,471	1,122,333	1,410,162	1,789,267	1,481,314	1,465,891	1,300,385	1,665,867
Plant Operations & Maintenance	7,707,536	8,314,322	9,025,685	10,012,275	9,631,766	10,340,866	10,801,577	9,540,485	9,376,412	8,698,453
Pupil Transportation	4,395,157	4,567,081	4,696,541	4,853,999	5,134,633	5,101,656	5,174,060	4,967,222	4,718,265	4,778,426
Business & Other Support Services	1,481,017	2,125,032	1,993,106	1,982,452	1,790,946	1,376,200	1,368,503	1,494,306	1,425,850	1,366,593
Charter Schools	5,017,359	4,815,127	4,363,312	4,322,115	4,274,546	3,913,381	2,388,987	2,040,585	1,882,124	1,702,891
Employee Benefits	12,735,510	-	-	-	-	-	-	-	-	-
Depreciation Expense	1,734,667	-	-	-	-	-	-	-	-	-
Interest and Other Charges on Long - Term Debt	820,419	1,129,319	920,530	833,217	847,564	887,725	921,055	969,897	1,032,267	1,014,275
Cancellation of PY Receivables	69,613	-	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	97,144,854	97,042,526	94,076,926	91,794,693	97,124,300	93,472,314	93,368,702	86,670,638	82,658,384	79,549,971
Business-Type Activities:										
Food Service	1,479,468	1,202,883	1,397,117	1,325,864	1,350,203	1,316,617	1,282,444	1,156,163	1,109,797	1,075,534
Community Education	564,347	708,373	858,905	859,294	884,402	747,254	855,417	799,129	777,445	718,397
Total Business-Type Activities Expense	2,043,815	1,911,256	2,256,022	2,185,158	2,234,605	2,063,871	2,137,861	1,955,292	1,887,242	1,801,571
Total District Expenses	\$ 99,188,669	\$ 98,953,782	\$ 96,332,948	\$ 93,979,851	\$ 99,358,905	\$ 95,536,185	\$ 95,506,563	\$ 88,625,930	\$ 84,545,626	\$ 81,351,542

**TEANECK BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)	\$ 67,734	\$ 139,183	\$ 205,243	\$ 183,867	\$ 187,773	\$ 122,388	\$ 123,683	\$ 12,465	\$ 13,690	\$ 34,758
Rentals	40,427	-	-	-	-	-	-	192,172	146,930	103,044
Student and Instruction Related Services	-	27,470	-	-	-	-	-	-	93,170	102,272
Pupil Transportation	7,620	-	-	-	1,391	6,913	29,050	30,231	31,816	40,533
Operating Grants and Contributions	13,364,250	17,291,743	16,260,691	13,896,066	13,382,713	14,893,154	16,684,940	15,462,501	13,371,086	12,298,920
Capital Grants and Contributions	-	-	504,250	202,209	417,097	77,089	74,259	13,594	8,946,805	4,525
Total Governmental Activities Program Revenues	13,480,031	17,458,396	16,970,184	14,282,142	13,988,974	15,099,544	16,911,932	15,710,963	22,603,497	12,584,052
Business-Type Activities:										
Charges for Services:										
Food Service	744,639	664,678	685,717	714,849	751,458	794,154	809,596	760,083	729,821	685,543
Community Education	637,055	686,002	784,134	750,363	697,946	672,503	769,935	719,255	726,803	749,440
Operating Grants & Contributions	705,891	664,831	656,447	641,420	628,975	535,659	504,607	486,507	433,394	338,088
Total Business Type Activities Program Revenues	2,087,585	2,015,511	2,126,298	2,106,632	2,078,379	2,002,316	2,149,626	1,969,635	1,890,018	1,773,071
Total District Program Revenues	\$ 15,567,616	\$ 19,473,907	\$ 19,096,482	\$ 16,388,774	\$ 16,067,353	\$ 17,101,860	\$ 19,061,558	\$ 17,680,598	\$ 24,493,515	\$ 14,357,123
Net (Expense)/Revenue:										
Governmental Activities	\$ (83,664,823)	\$ (79,584,130)	\$ (77,106,742)	\$ (77,512,551)	\$ (83,135,326)	\$ (78,372,770)	\$ (76,456,770)	\$ (70,959,675)	\$ (60,054,887)	\$ (66,965,919)
Business-Type Activities	43,770	104,255	(129,724)	(78,526)	(156,226)	(61,555)	11,765	14,343	2,776	(28,500)
Total District-Wide Net Expense	\$(83,621,053)	\$(79,479,875)	\$(77,236,466)	\$(77,591,077)	\$(83,291,552)	\$(78,434,325)	\$(76,445,005)	\$(70,945,332)	\$(60,052,111)	\$(66,994,419)

**TEANECK BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 78,926,950	\$ 77,760,542	\$ 77,452,263	\$ 77,452,263	\$ 77,384,174	\$ 75,400,085	\$ 73,468,869	\$ 71,386,061	\$ 67,872,613	\$ 64,266,441
Taxes Levied for Debt Service	1,789,891	1,785,784	1,782,863	1,441,802	1,758,616	1,768,016	1,755,174	1,770,877	1,778,539	1,757,205
Federal and State Aid - Restricted	-	-	-	-	-	-	-	-	-	25,963
Federal and State Aid - Unrestricted	1,684,983	-	-	180,939	1,684,442	1,376,462	835,868	658,131	685,824	679,755
Investment Earnings	61,893	82,082	19,927	51,159	34,349	68,258	231,044	344,263	183,490	106,635
Miscellaneous Income	694,931	282,860	262,013	192,205	88,792	172,932	107,639	161,599	253,923	252,146
Adjustments to Capital Assets	520,199	-	-	-	-	-	-	-	1,207	-
Transfers	-	-	-	-	-	-	-	-	(50,000)	-
Total Governmental Activities	83,678,847	79,911,268	79,517,066	79,318,368	80,950,373	78,785,753	76,398,594	74,320,931	70,725,596	67,088,145
Business-Type Activities:										
Miscellaneous Income	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	50,000	-
Total Business-Type Activities	-	-	-	-	-	-	-	-	50,000	-
Total District-Wide	\$ 83,678,847	\$ 79,911,268	\$ 79,517,066	\$ 79,318,368	\$ 80,950,373	\$ 78,785,753	\$ 76,398,594	\$ 74,320,931	\$ 70,775,596	\$ 67,088,145
Change in Net Position:										
Governmental Activities	\$ 14,024	\$ 327,138	\$ 2,410,324	\$ 1,805,817	\$ (2,184,953)	\$ 412,983	\$ (58,176)	\$ 3,361,256	\$ 10,670,709	\$ 122,226
Business-Type Activities	43,770	104,255	(129,724)	(78,526)	(156,226)	(61,555)	11,765	14,343	52,776	(28,500)
Total District	\$ 57,794	\$ 431,393	\$ 2,280,600	\$ 1,727,291	\$ (2,341,179)	\$ 351,428	\$ (46,411)	\$ 3,375,599	\$ 10,723,485	\$ 93,726

**TEANECK BOARD OF EDUCATION
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 3,704,385	\$ 5,974,960	\$ 7,724,554	\$ 8,072,251	\$ 5,065,041	\$ 5,321,786
Unreserved	-	-	-	-	678,054	2,534,923	1,219,147	1,215,268	1,615,228	2,136,356
Restricted	1,968,780	7,175,206	5,565,249	2,721,849	-	-	-	-	-	-
Committed	-	82,118	79,970	120,305	-	-	-	-	-	-
Assigned	3,965,257	1,301,033	3,389,790	2,943,508	-	-	-	-	-	-
Unassigned	767,775	320,670	(79,344)	1,087,713	-	-	-	-	-	-
Total General Fund	\$ 6,701,812	\$ 8,879,027	\$ 8,955,665	\$ 6,873,375	\$ 4,382,439	\$ 8,509,883	\$ 8,943,701	\$ 9,287,519	\$ 6,680,269	\$ 7,458,142
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 290,768	\$ 1,214,258	\$ 37,798	\$ 646,918	\$ 1,593,018	\$ 130,518
Unreserved	-	-	-	-	539,451	(853,564)	959,688	647,524	587,825	(7,478,776)
Restricted	1,224,801	1,516,881	7,795,275	1,307,769	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 1,224,801	\$ 1,516,881	\$ 7,795,275	\$ 1,307,769	\$ 830,219	\$ 360,694	\$ 997,486	\$ 1,294,442	\$ 2,180,843	\$ (7,348,258)

TEANECK BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

FISCAL YEAR ENDING JUNE 30,

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenues:										
Tax Levy	\$ 80,716,841	\$ 79,546,326	\$ 79,235,123	\$ 78,894,065	\$ 79,142,790	\$ 77,168,101	\$ 75,224,043	\$ 73,156,938	\$ 69,651,152	\$ 66,023,646
Tuition Charges	67,734	139,183	205,243	183,867	187,773	122,388	123,683	204,637	160,620	137,802
Transportation	7,620	-	-	-	1,391	6,913	29,050	30,231	31,816	-
Rentals	40,427	27,470	-	-	-	-	-	-	-	-
Interest Earnings	61,893	82,082	19,927	51,159	34,349	68,258	231,044	344,263	183,490	106,635
Miscellaneous	694,931	27,470	638,879	456,835	329,281	402,246	331,950	386,422	448,061	633,559
State Sources	13,336,840	14,908,247	13,905,994	11,081,930	12,419,416	13,758,044	15,662,352	14,481,637	21,147,823	10,964,730
Federal Sources	1,712,393	1,848,522	2,482,081	2,932,654	2,824,347	2,359,347	1,708,404	1,427,766	1,661,754	1,702,792
Total Revenue	96,638,679	96,579,300	96,487,247	93,600,510	94,939,347	93,885,297	93,310,526	90,031,894	93,284,716	79,569,164
Expenditures:										
Instruction:										
Regular Instruction	28,950,242	33,564,746	32,515,309	30,353,393	34,144,175	32,639,028	35,346,984	32,813,841	30,639,436	31,039,378
Special Education Instruction	9,680,177	17,934,087	16,713,108	17,264,938	16,597,980	15,436,454	14,953,496	13,863,019	13,653,744	12,338,630
Other Special Instruction	3,273,279	4,049,272	4,062,282	3,383,004	4,859,251	4,494,747	4,050,555	4,125,038	3,975,103	4,193,269
Support Services:										
Student & Inst. Related Services	17,404,977	14,645,500	14,251,100	13,080,340	14,226,151	13,220,248	12,432,337	11,078,954	11,095,991	9,394,007
General Administrative Services	945,329	1,552,943	1,074,120	1,172,764	1,508,645	1,488,827	1,446,207	1,532,168	1,238,231	1,625,480
School Administrative Services	3,040,882	4,275,614	4,179,353	4,397,523	4,155,819	4,022,602	40,365,116	3,684,283	3,572,804	3,328,951
Plant Operation & Maintenance	7,707,536	7,047,981	7,849,296	8,937,828	8,520,674	9,309,473	9,658,327	8,611,592	8,369,649	7,644,984
Pupil Transportation	4,395,157	4,567,081	4,696,557	4,854,016	5,134,631	5,101,986	5,174,724	4,966,864	4,719,755	4,777,295
Business & Other Support Services	1,481,017	2,125,032	1,993,324	1,982,676	17,909,332	1,377,927	1,371,661	1,492,488	1,416,551	1,353,602
Charter Schools	5,017,359	4,815,127	4,363,312	4,322,115	4,274,546	3,913,381	2,388,987	2,040,585	1,882,124	1,702,891
Capital Outlay	3,672,844	6,190,573	2,820,781	728,345	1,608,203	2,183,219	1,323,022	1,881,282	1,666,023	2,169,774
Unallocated Employee Benefits	12,735,510									
Debt Service:										
Principal	1,625,000	1,580,573	1,350,245	1,015,177	945,000	900,000	870,000	1,275,891	1,238,499	760,000
Interest & Other Charges	959,960	1,250,502	833,259	800,597	831,259	868,016	899,884	945,040	1,015,578	1,013,403
Cost of Issuance	-	-	93,496	19,698	-	-	-	-	-	-

**TEANECK BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS**
(Modified Accrual Basis of Accounting)

FISCAL YEAR ENDING JUNE 30,

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Total Expenditures	100,889,269	103,599,031	96,795,542	92,312,414	114,715,666	94,955,908	130,281,300	88,311,045	84,483,488	81,341,664
	(4,250,590)	(7,019,731)	(308,295)	1,288,096	(19,776,319)	(1,070,611)	(36,970,774)	1,720,849	8,801,228	(1,772,500)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	\$ 684,949	\$ -	\$ -	\$ 1,680,390	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing Sources/(Uses):	(69,613)									
Capital Leases (non-budgeted)	-	-	8,180,000	-	-	-	-	-	-	-
Cancellation of Prior Year Receivables	63,870	-	698,088	-	-	-	-	-	-	-
Proceeds from Bond Issuance	-	431,605	339,572	556,255	1,640,502	2,426,254	339,713	450,000	2,007,362	250,316
Premium on Sale of Bonds	-	(431,605)	(339,572)	(556,255)	(1,640,502)	(2,426,254)	(339,713)	(450,000)	(2,057,362)	(250,316)
Transfers in										
Transfers Out										
Total Other Financing Sources/(Uses)	679,206	-	8,878,088	1,680,390	-	-	-	-	(50,000)	-
Net Change in Fund Balances	\$ (3,571,384)	\$ (7,019,731)	\$ 8,569,793	\$ 2,968,486	\$ (19,776,319)	\$ (1,070,611)	\$ (36,970,774)	\$ 1,720,849	\$ 8,751,228	\$ (1,772,500)
Debt Service as a Percentage of Noncapital Expenditures	2.67%	2.93%	2.36%	1.96%	1.87%	1.88%	1.90%	2.47%	2.42%	2.23%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay

**TEANECK BOARD OF EDUCATION
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,	TUITION	INTEREST EARNED	TRANSPORTATION	PRIOR YEAR REFUNDS	TOWNSHIP (FORUM)	RENTALS	MISCELLANEOUS	TOTAL
2014	\$ 67,734	\$ 61,893	\$ 7,620	\$ -	\$ -	\$ 40,427	\$ 195,976	\$ 373,650
2013	139,183	82,082	-	67,832	-	27,470	215,028	531,595
2012	205,243	19,927	-	26,325	-	36,496	199,192	487,183
2011	183,867	51,095	-	75,817	-	35,651	80,737	427,167
2010	187,773	34,349	1,391	-	-	23,166	65,626	312,305
2009	122,388	68,081	6,913	440	-	27,800	144,692	370,314
2008	123,683	229,648	29,050	-	-	24,274	83,365	490,020
2007	204,637	342,185	30,231	-	-	34,669	126,930	738,652
2006	160,620	181,952	31,816	-	50,000	41,841	212,082	678,311
2005	137,802	105,951	40,533	-	50,000	54,501	147,645	536,432

Source: District Records

**TEANECK BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	MEMO ONLY TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2014	\$ 26,244,900	\$ 4,980,162,600	\$ 550,175,000	\$ 40,204,300	\$ 219,780,400	\$ 5,816,567,200	\$ 567,515,209	\$ 5,516,191	\$ 5,821,210,873	\$ 1.415	\$ 5,133,113,007
2013	24,818,100	5,069,989,600	553,520,800	41,343,700	219,962,200	5,909,634,400	571,155,900	5,307,402	5,914,941,802	1.365	5,456,608,194
2012	23,156,300	5,202,928,400	557,720,900	41,484,700	186,093,300	6,011,383,600	570,785,800	5,549,185	6,016,932,785	1.322	5,786,499,545
2011	25,463,300	5,243,263,500	565,495,900	42,596,300	184,038,300	6,060,857,300	567,130,600	5,815,726	6,066,673,026	1.306	5,834,628,366
2010	28,599,600	5,250,478,800	572,256,800	42,596,300	191,725,400	6,085,656,900	565,901,000	7,236,257	6,092,893,157	1.297	6,130,053,183
2009	32,595,400	5,238,910,900	577,547,800	45,721,800	192,381,500	6,087,157,400	560,482,500	5,181,164	6,092,338,564	1.282	6,378,073,477
2008	29,911,100	5,239,172,100	575,765,100	45,394,000	198,441,100	6,088,683,400	558,851,200	5,118,294	6,093,801,694	1.250	6,176,343,931
2007	25,474,400	5,242,322,900	561,376,500	46,853,000	199,453,200	6,075,480,000	559,534,400	5,198,681	6,080,678,681	1.220	5,747,636,530
2006	12,228,400	2,252,561,700	273,763,900	23,682,500	89,433,700	2,651,670,200	339,526,100	2,723,194	2,654,393,394	2.690	5,083,024,439
2005	14,132,600	2,214,425,400	272,815,200	24,341,200	107,514,300	2,633,228,700	338,537,700	3,121,751	2,636,350,451	2.570	4,545,262,225

Revaluation in 2010

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

EXHIBIT J-7

**TEANECK BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	TOTAL DIRECT SCHOOL TAX RATE	OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
		TOWNSHIP OF TEANECK	BERGEN COUNTY	
2014	1.415	0.925	0.231	2.571
2013	1.365	0.912	0.209	2.486
2012	1.322	0.865	0.210	2.397
2011	1.306	0.858	0.199	2.363
2010	1.297	0.834	0.197	2.328
2009	1.282	0.797	0.202	2.281
2008	1.250	0.758	0.189	2.197
2007	1.220	0.758	0.172	2.150
2006	2.690	1.602	0.348	4.640
2005	2.570	1.473	0.337	4.380

Source: Abstract of Ratables/Municipal Tax Assessor

**TEANECK BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2014		2005	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE
Glenpointe Associates	\$ 56,210,100	0.95%	\$ 91,008,000	3.50%
Glenpointe Associates III	43,186,000	0.73%		
Glenpointe Associates II, LLC	40,714,500	0.69%		
SNH Teaneck Properties, LLC	38,000,000	0.64%		
Heritage Point of Teaneck	35,000,000	0.59%		
Glenpointe Assocaites	31,324,200	0.53%		
Teaneck Garden Owners Corp.	16,500,000	0.28%	7,600,000	0.29%
Glenpointe Associates II, LLC	13,469,200	0.23%		
Care One at Teaneck, LLC	12,000,000	0.20%		
411 Alfred LLC	10,750,000	0.18%		
Teaneck Limited PTNP			27,000,000	1.04%
Givaudan-Roure Fragrance Corp			9,664,900	0.37%
Holy Name Real Estate Corp			7,973,200	0.31%
Bell Atlantic			6,000,000	0.23%
Individual Taxpayer			5,350,000	0.21%
F.W. Teaneck			5,080,000	0.20%
Cedar Holding Assoc			4,043,200	0.16%
Carriage IV Office Center			3,926,000	0.15%
Total	\$ 297,154,000	5.02%	\$ 167,645,300	6.46%

Source: Municipal Tax Assessor

**TEANECK BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		PERCENTAGE OF LEVY	COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT			
2014	\$ 80,716,841	\$	80,716,841	100.00%	N/A
2013	79,546,326		79,546,326	100.00%	N/A
2012	79,235,126		79,235,126	100.00%	N/A
2011	78,894,065		78,894,065	100.00%	N/A
2010	79,142,790		79,142,790	100.00%	N/A
2009	77,168,101		77,168,101	100.00%	N/A
2008	75,224,043		75,224,043	100.00%	N/A
2007	73,156,938		73,156,938	100.00%	N/A
2006	69,651,152		69,651,152	100.00%	N/A
2005	66,023,646		66,023,646	100.00%	N/A

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

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 20,	<u>GOVERNMENTAL ACTIVITIES</u>			TOTAL DISTRICT	POPULATION	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES					
2014	\$ 20,810,000	\$ 1,219,379	\$	22,029,379	N/A	N/A	N/A
2013	22,330,000	1,003,730		23,333,730	40,093	N/A	582
2012	23,710,000	1,329,968		25,039,968	40,033	N/A	625
2011	16,565,000	1,645,213		18,210,213	40,033	N/A	455
2010	17,545,000	-		17,545,000	39,823	N/A	441
2009	18,490,000	-		18,490,000	38,633	N/A	479
2008	19,390,000	-		19,390,000	38,541	N/A	503
2007	19,946,000	-		19,946,000	38,652	N/A	516
2006	20,751,000	470,891		21,221,891	38,820	N/A	547
2005	21,541,000	919,390		22,460,390	39,018	N/A	576

**TEANECK BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS			
2014	\$ 20,810,000	\$ -	\$ 20,810,000		
2013	22,330,000	-	22,330,000	38.00%	557
2012	23,710,000	-	23,710,000	39.00%	592
2011	16,565,000	-	16,565,000	27.00%	414
2010	17,545,000	-	17,545,000	29.00%	441
2009	18,490,000	-	18,490,000	30.00%	479
2008	19,390,000	-	19,390,000	32.00%	503
2007	20,260,000	-	20,260,000	33.00%	524
2006	20,751,000	-	20,751,000	78.00%	535
2005	21,541,000	-	21,541,000	82.00%	552

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2013**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Teaneck Township	\$ 29,022,078	100.00%	\$ 29,022,078
County of Bergen General Obligation Debt	849,429,739	3.31%	<u>28,089,420</u>
Subtotal, Overlapping Debt			57,111,498
Teaneck Township School District Direct Debt			<u>20,810,000</u>
Total Direct & Overlapping Debt			<u><u>\$ 77,921,498</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Bergen County Board of Taxation.

**TEANECK BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debt Limit	\$ 220,359,706	\$ 228,885,336	\$ 236,575,160	\$ 243,822,451	\$ 247,887,546	\$ 242,359,877	\$ 224,704,147	\$ 202,472,510	\$ 179,884,210	\$ 160,202,419
Total Net Debt Applicable to Limit	20,810,000	22,330,000	23,710,000	16,565,000	12,980,000	13,630,000	19,390,590	19,946,000	20,751,590	29,379,363
Legal Debt Margin	\$ 199,549,706	\$ 206,555,336	\$ 212,865,160	\$ 227,257,451	\$ 234,907,546	\$ 228,729,877	\$ 205,313,557	\$ 182,526,510	\$ 159,132,620	\$ 130,823,056
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.44%	9.76%	10.02%	6.79%	5.24%	5.62%	8.63%	9.85%	11.54%	18.34%

Legal Debt Margin Calculation for Fiscal Year 2014

	Equalized Valuation Basis
	2013 \$ 5,192,544,065
	2012 5,525,676,625
	2011 5,808,757,236
	<u>\$ 16,526,977,926</u>
Average Equalized Valuation of Taxable Property	\$ 5,508,992,642
Debt Limit (4 % of Average Equalization Value)	220,359,706
Net Bonded School Debt	<u>20,810,000</u>
Legal Debt Margin	<u>\$ 199,549,706</u>

Source: Equalized valuation bases were obtained from the Abstract of Ratables

**TEANECK BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PER CAPITA	
		PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2014	N/A	N/A	N/A
2013	40,329	N/A	6.50%
2012	40,093	69,919	7.60%
2011	40,033	67,240	7.00%
2010	* 39,823	63,950	7.40%
2009	38,633	63,862	7.50%
2008	38,541	67,375	4.10%
2007	38,652	67,606	3.20%
2006	38,820	63,166	3.70%
2005	39,018	57,745	3.50%

Source:

*2010 Census

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Per Capita provided by the NJ Dept of Labor and Workforce Development

^c Unemployment data provided by the NJ Dept of Labor and Workforce Development

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

NOT AVAILABLE

**TEANECK BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST SEVEN FISCAL YEARS**

Function/Program	2014	2013	2012	2011	2010	2009	2008	2007	2006
Instruction:									
Regular	241.0	239	246	236.6	296.9	296.5	283.0	292.5	286.9
Special Education	143.8	140.8	137.4	123.4	132.6	127.5	106.0	97.5	107.0
Other Instruction	3.0	3.0	3.0	1.0	1.0	1.0	1.0	1.0	1.0
Support Services:									
Student & Instruction Related Services	89.0	91.5	92.0	95.0	96.8	101.8	91.0	91.0	94.1
General Administrative	4.0	4.0	4.0	3.0	4.3	3.3	5.0	5.5	5.0
School Administrative Services	31.0	33.0	34.0	35.0	36.0	36.0	35.0	31.0	32.5
Plant Operations & Maintenance	83.5	95.5	98.0	96.5	108.5	110.5	115.0	112.5	116.5
Pupil Transportation	1.0	1.0	1.0	1.0	11.0	9.0	10.0	10.0	9.0
Business and Other Support Services	14.0	14.0	15.0	15.0	16.0	13.0	10.0	11.0	13.0
Community School`	1.0	2.0	3.7	6.0	6.0	4.5	5.0	5.0	5.0
Total	611.3	623.8	634.3	612.5	709.1	703.1	661.0	657.0	670.0

Source: District Personnel Records

TEANECK BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADA) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	MIDDLE SCHOOL	SENIOR HIGH SCHOOL				
2014	4,098	\$ 97,216,425	23,723	3.62%	387.80	14.1	8.0	8.0	3,745	3,656	-1.21%	97.62%
2013	4,131	94,577,383	22,895	4.76%	395.80	11.1	8.2	9.4	3,791	3,685	-2.17%	97.20%
2012	4,196	91,697,761	21,854	4.90%	391.00	11.0	8.9	9.8	3,875	3,706	-2.02%	95.64%
2011	4,308	89,748,597	20,833	-2.71%	385.00	11.4	9.1	10.4	3,955	3,769	-1.62%	95.30%
2010	4,192	89,768,295	21,414	0.81%	433.40	11.6	8.8	9.5	4,020	3,786	2.03%	94.18%
2009	4,284	91,004,673	21,243	1.70%	432.80	10.7	8.5	10.0	3,940	3,731	-2.01%	94.70%
2008	4,350	90,858,394	20,887	11.17%	428.30	9.7	8.5	10.0	4,021	3,839	-3.04%	95.47%
2007	4,482	84,212,622	18,789	5.56%	401.80	10.7	9.3	11.0	4,147	3,935	-2.58%	94.89%
2006	4,526	80,563,388	17,800	3.96%	400.30	11.3	9.8	10.9	4,257	4,047	0.02%	95.07%
2005	4,531	77,578,173	17,122	7.81%	436.00	13.7	11.1	11.50	4,256	4,065	-2.99%	95.51%

Sources: District records

**TEANECK BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST NINE FISCAL YEAR**

DISTRICT BUILDINGS	2014	2013	2012	2011	2010	2009	2008	2007	2006
Elementary Schools:									
Bryant - Kindergarten/Pre-K (1926)									
Square Feet	47,438	47,338	47,438	47,338	47,438	47,338	47,438	47,338	47,438
Capacity (students)	314	314	314	314	314	314	314	314	314
Enrollment	330	328	352	366	367	292	288	345	345
Whittier (1921)									
Square Feet	55,118	55,118	55,118	55,118	55,118	55,118	55,118	55,118	55,118
Capacity (students)	375	375	375	375	375	375	375	375	375
Enrollment	377	339	365	380	406	385	373	411	411
Hawthorne (1925)									
Square Feet	49,373	49,373	49,373	49,373	49,373	49,373	49,373	49,373	49,373
Capacity (students)	322	322	322	322	322	322	322	322	322
Enrollment	369	391	346	319	347	354	371	374	374
Lowell (1934)									
Square Feet	47,106	47,106	47,106	47,106	47,106	47,106	47,106	47,106	47,106
Capacity (students)	321	321	321	321	321	321	321	321	321
Enrollment	314	335	309	352	321	305	327	375	375
Middle School:									
Thomas Jefferson M.S. (1958)									
Square Feet	105,216	105,216	105,216	105,216	105,216	105,216	105,216	105,216	105,216
Capacity (students)	676	676	676	676	676	676	676	676	676
Enrollment	583	577	598	614	624	626	669	690	690
Ben Franklin M.S. (1957)									
Square Feet	100,202	100,202	100,202	100,202	100,202	100,202	100,202	100,202	100,202
Capacity (students)	641	641	641	641	641	641	641	641	641
Enrollment	527	525	570	560	576	555	558	611	611
Teaneck High School (1926)									
Square Feet	215,808	215,808	215,808	215,808	215,808	215,808	215,808	215,808	215,808
Capacity (students)	1,203	1,203	1,203	1,203	1,203	1,203	1,203	1,203	1,203
Enrollment	1,285	1,272	1,298	1,336	1,369	1,398	1,396	1,459	1,459
Eugene Field School (1955)									
Square Feet	24,877	24,877	24,877	24,877	24,877	24,877	24,877	24,877	24,877
Capacity (students)	25	25	25	25	25	25	25	25	25

Number of Schools at June 30, 2014:

 Elementary = 4
 Middle School = 2
 High School = 1
 Other = 1

Source: District Facilities Office

**TEANECK BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

**UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES
1-000-261-xxx**

	TEANECK SR. HIGH SCHOOL	BENJAMIN FRANKLIN MIDDLE SCHOOL	THOMAS JEFFERSON MIDDLE SCHOOL	BRYANT	HAWTHORNE	LOWELL	WHITTIER	EUGENE FIELD	TOTAL
2014	\$ 435,390	\$ 187,865	\$ 197,230	\$ 93,155	\$ 95,680	\$ 93,635	\$ 103,225	\$ 57,813	\$ 1,263,993
2013	414,218	172,698	196,548	81,183	95,253	110,949	102,111	54,733	1,227,693
2012	454,271	177,288	186,301	83,199	95,720	83,997	96,002	43,544	1,220,322
2011	392,018	161,360	179,666	73,689	92,565	73,332	85,635	40,248	1,098,513
2010	477,898	185,205	199,156	94,760	96,526	89,683	102,949	50,985	1,297,162
2009	526,983	238,789	267,972	108,934	115,099	124,384	120,333	65,148	1,567,642
2008	618,357	294,547	319,761	140,552	133,688	132,144	196,666	63,721	1,899,436
2007	490,756	226,142	251,812	119,133	116,255	95,672	146,222	48,802	1,494,794
2006	570,400	192,554	188,874	94,815	194,952	93,269	167,690	126,913	1,629,467
2005	535,018	210,450	257,414	103,093	168,560	51,205	188,417	141,906	1,656,063
Total School Facilities	\$ 4,915,309	\$ 2,046,898	\$ 2,244,734	\$ 992,513	\$ 1,204,298	\$ 948,270	\$ 1,309,250	\$ 693,813	\$ 14,355,085

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

Source: District records M-1 Report

**TEANECK BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2014**

	COVERAGE	DEDUCTIBLE
School Package Policy - Selective Insurance Co.		
Property - Blanket Buidling/Contents	\$ 179,631,020	\$ 5,000
Earthquake/Flood (Outside Zones A & V)	5,000,000	50,000
Flood Zones A & V	1,000,000	500,000
Comprehensive General Liability (each occurrence)	1,000,000	-
Comprehensive Crime Coverage	100,000/400,000 Excess	5,000
Automobile	1,000,000	1,000 Ded Comp/Coll
 Boiler and Machinery - Selective Insurance Company		
Blanket Property Damage	179,631,000	5,000
 Umbrella Liability - Selective Insurance Company	9,000,000	10,000 Retention
Excess Umbrella - (Fireman's Fund)	50,000,000 Group Agg	-
Educator's Professional Liability - Allied World	1,000,000	25,000 Ded for SBLL
School Board Legal/Employment Practices Liability	-	50,000 Ded for EPL
 Pollution Coverage - Ace American Insurance	1,000,000	15,000
	20,000,000 Group Agg	

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SINGLE AUDIT SECTION

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Teaneck Board of Education
County of Bergen
Teaneck, New Jersey 07666

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Teaneck Board of Education, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Teaneck Board of Education's basic financial statements, and have issued our report thereon dated November 15, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Teaneck Board of Education'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 Teaneck Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of Teaneck Board of Education's internal control.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Teaneck Board of Education'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'R. Allison', written over a horizontal line.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

November 15, 2014
Freehold, New Jersey

EXHIBIT K-2

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-
133 AND NEW JERSEY OMB CIRCULAR 04-04.**

Honorable President and Members
of the Board of Education
Teaneck Board of Education
County of Bergen
Teaneck, New Jersey 07666

Report on Compliance for Each Major Federal and State Program

We have audited Teaneck Board of Education's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2014. Teaneck Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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 Teaneck Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organization*; *the New Jersey State Aid/Grant Compliance Supplement*; the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Teaneck Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of Teaneck Board of Education's compliance with those requirements.

Opinion on Each Major Federal and State Program

In our opinion, Teaneck Board of Education 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 or state programs for the year ended June 30, 2014.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with New Jersey OMB's Circular 04-04 and which are described in the accompanying schedule of findings and questioned costs as item 2014-001. Our opinion on each major state program is not modified with respect to this matter.

Teaneck Board of Education's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Teaneck Board of Education's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on this response.

Report on Internal Control Over Compliance

Management of Teaneck Board of Education 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 Teaneck Board of Education'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 or New Jersey OMB's Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Teaneck Board of Education's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2014-001, that we consider to be a significant deficiency.

Teaneck Board of Education's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Teaneck Board of Education'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 New Jersey OMB's Circular 04-04. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'R. Allison', with a long horizontal line extending to the left.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

November 15, 2014
Freehold, New Jersey

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TEANECK BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2013	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2014	UNEARNED REVENUE AT JUNE 30, 2014	DUE TO GRANTOR JUNE 30, 2014
U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:										
Special Revenue Fund:										
NCLB Title I	84.01	NCLB515014	\$ 526,145	9/1/13 - 8/31/14	\$ -	\$ 153,951	(236,203)	\$ (82,252)	\$ -	\$ -
NCLB Title I	84.01	NCLB515013	543,140	9/1/12 - 8/31/13	(59,640)	258,961	(275,960)	(76,639)	-	-
NCLB Title III	84.01	NCLB515014	24,277	9/1/13 - 8/31/14	-	15,451	(21,381)	(5,930)	-	-
NCLB Title III	84.01	NCLB515013	24,239	9/1/12 - 8/31/13	-	2,948	(2,948)	-	-	-
NCLB Title III Immigrant	84.01	NCLB515013	22,300	9/1/13 - 8/31/14	-	12,535	(13,463)	(928)	-	-
IDEA Part B Basic	84.027	IDEA515014	1,018,285	9/1/13 - 8/31/14	-	703,926	(995,641)	(291,715)	-	-
IDEA Part B Basic	84.027	IDEA515013	1,045,884	9/1/12 - 8/31/13	-	-	(6,646)	(6,646)	-	-
IDEA Part B Preschool	84.173	IDEA515014	27,372	9/1/13 - 8/31/14	-	-	(24,848)	(24,848)	-	-
NCLB Title II - Part A	84.367	NCLB515014	115,306	9/1/13 - 8/31/14	-	49,478	(55,027)	(5,549)	-	-
NCLB Title II - Part A	84.367	NCLB515013	136,779	9/1/12 - 8/31/13	(31,358)	37,527	(21,977)	(15,808)	-	-
Race to the Top	84.243A	N/A	43,256	7/1/12 - 11/30/15	(43,256)	43,256	-	-	-	-
EE4 - NJ - Teacher Effectiveness	N/A	12-RT02-A01	15,270	7/15/12 - 9/30/13	(14,061)	-	-	(14,061)	-	-
Total Enterprise Fund					(148,315)	1,278,033	(1,654,094)	(524,376)	-	-

**U.S. DEPARTMENT OF AGRICULTURE
THROUGH STATE DEPARTMENT OF EDUCATION:**

Enterprise Fund:	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2013	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2014	UNEARNED REVENUE AT JUNE 30, 2014	DUE TO GRANTOR JUNE 30, 2014
NSLP - Non Cash Assistance	10.555	N/A	7/1/13 - 6/30/14	-	50,976	(50,976)	-	-	-
School Breakfast Program	10.553	N/A	7/1/13 - 6/30/14	-	73,919	(96,222)	(22,303)	-	-
School Breakfast Program	10.553	N/A	7/1/12 - 6/30/13	(4,605)	4,605	-	-	-	-
NSLP - Cash Assistance	10.555	N/A	7/1/13 - 6/30/14	-	401,960	(503,908)	(101,948)	-	-
NSLP - Cash Assistance	10.555	N/A	7/1/12 - 6/30/13	(38,850)	38,850	-	-	-	-
Total General Fund				(43,455)	570,310	(651,106)	(124,251)	-	-

**U.S. DEPARTMENT HEALTH AND HUMAN SERVICES
THROUGH STATE DEPARTMENT OF EDUCATION:**

General Fund:	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2013	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2014	UNEARNED REVENUE AT JUNE 30, 2014	DUE TO GRANTOR JUNE 30, 2014
Education Jobs Fund	84.410	N/A	7/1/11 - 6/30/12	(650)	650	-	-	-	-
Medicaid Reimbursement Program (SEMI)	93.778	N/A	7/1/13 - 6/30/14	-	64,178	(64,178)	-	-	-
Total General Fund				(650)	64,828	(64,178)	-	-	-
Total Federal Financial Assistance				\$ (192,420)	\$ 1,913,171	\$ (2,369,378)	\$ (648,627)	\$ -	\$ -

TEANECK BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2013	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2014	DUE TO STATE AT JUNE 30, 2014	MEMO	
										BUDGETARY RECEIVABLE EXPENDITURES	CUMULATIVE TOTAL
State Department of Education:											
General Fund:											
Transportation Aid	14-495-034-5120-014	\$ 1,887,212	7/1/13 - 6/30/14	\$ -	\$ 1,887,212	\$ (1,887,212)	-	\$ -	-	\$ 115,430	\$ 1,887,212
Special Education Aid	14-495-034-5120-089	2,567,656	7/1/13 - 6/30/14	-	2,567,656	(2,567,656)	-	-	-	156,972	2,567,656
Security Aid	14-495-034-5120-084	730,527	7/1/13 - 6/30/14	-	730,527	(730,527)	-	-	-	44,713	730,527
Extraordinary Aid	14-100-034-5120-473	1,068,165	7/1/13 - 6/30/14	(1,102,089)	1,102,089	(1,068,165)	-	(1,068,165)	-	-	1,068,165
Extraordinary Aid	14-103,190	85,017	7/1/13 - 6/30/14	-	-	(85,017)	-	(85,017)	-	-	85,017
Nonpublic Transportation Aid	13-103,190	139,923	7/1/12 - 6/30/13	(139,923)	-	-	-	-	-	-	-
Nonpublic Transportation Aid	N/A	78,183	7/1/13 - 6/30/14	-	-	(78,183)	-	-	-	-	78,183
Anti-Bullying	N/A	36,024	7/1/12 - 6/30/13	(36,024)	-	-	-	-	-	-	-
Homeless Tuition	14-495-034-5095-001	2,503,873	7/1/13 - 6/30/14	-	2,503,873	(2,503,873)	-	-	-	-	2,503,873
On Behalf TPAF Post Retirement Medical Contribution	14-495-034-5095-006	1,403,243	7/1/13 - 6/30/14	-	1,403,243	(1,403,243)	-	-	-	-	1,403,243
On Behalf TPAF Pension System Contribution	14-495-034-5095-007	123,859	7/1/13 - 6/30/14	-	123,859	(123,859)	-	-	-	-	123,859
Reimbursed TPAF Social Security Contributions	14-495-034-5095-002	2,452,747	7/1/13 - 6/30/14	-	2,331,553	(2,452,747)	-	(121,194)	-	-	2,452,747
Reimbursed TPAF Social Security Contributions	13-495-034-5095-002	2,572,870	7/1/12 - 6/30/13	(127,085)	127,085	-	-	-	-	-	-
Total General Fund				(1,405,121)	13,031,227	(12,900,482)	-	(1,274,376)	-	317,115	12,900,482
Special Revenue Fund:											
Nonpublic Aid:											
Textbook Aid	14-100-034-5120-064	27,260	7/1/13 - 6/30/14	-	27,260	(24,510)	-	-	2,750	-	24,510
Textbook Aid	13-100-034-5120-064	36,775	7/1/12 - 6/30/13	1,448	-	-	(1,448)	-	-	-	-
Nursing Services	14-100-034-5120-070	48,559	7/1/13 - 6/30/14	-	-	(48,559)	-	-	-	-	48,559
Technology	14-100-034-5120-373	9,940	7/1/13 - 6/30/14	-	9,940	(9,563)	-	-	377	-	9,563
Auxiliary Services:											
Compensation Education	14-100-034-5120-067	37,663	7/1/13 - 6/30/14	-	37,663	(3,339)	-	-	34,324	-	3,339
Compensation Education	13-100-034-5120-067	51,001	7/1/12 - 6/30/13	33,779	-	-	(33,779)	-	-	-	-
English as a Second Language	14-100-034-5120-067	7,856	7/1/13 - 6/30/14	-	7,856	(5,660)	-	-	2,196	-	5,660
English as a Second Language	13-100-034-5120-067	1,705	7/1/12 - 6/30/13	1,705	-	-	(1,705)	-	-	-	-
Home Instruction	13-100-034-5120-067	567	7/1/12 - 6/30/13	(567)	567	-	-	-	-	-	567
Handicapped Services:											
Examination and Classification	14-100-034-5120-066	95,723	7/1/12 - 6/30/13	-	95,723	(56,083)	-	-	39,640	-	56,083
Examination and Classification	13-100-034-5120-066	84,551	7/1/12 - 6/30/13	958	-	-	(958)	-	-	-	-
Corrective Speech	14-100-034-5120-066	1,953	7/1/13 - 6/30/14	-	1,953	(1,953)	-	-	-	-	1,953
Corrective Speech	13-100-034-5120-066	6,250	7/1/13 - 6/30/13	4,531	-	-	(4,531)	-	-	-	-
Supplementary Instruction	14-100-034-5120-066	28,447	7/1/13 - 6/30/14	-	28,447	(15,264)	-	-	13,183	-	15,264
Supplementary Instruction	13-100-034-5120-066	26,366	7/1/12 - 6/30/13	10,756	-	-	(10,756)	-	-	-	-
School Based Youth Services	14-100-034-7500-068	307,616	7/1/12 - 6/30/13	-	307,616	(307,141)	-	-	475	-	307,141
School Based Youth Services	11-100-034-7500-068	307,892	7/1/10 - 6/30/11	(2,585)	2,585	-	-	-	-	-	-
EE4 NJ - Teacher Effectiveness	12-RT02-A01	88,610	7/15/12 - 9/30/13	(83,649)	-	-	-	(83,649)	-	-	-
Total Special Revenue Fund				(33,624)	519,610	(472,072)	(53,177)	(83,649)	92,945	-	496,582
State Department of Agriculture											
National School Lunch Program	13-100-010-3360-067	14,539	7/1/12 - 6/30/13	(1,993)	1,993	-	-	-	-	-	-
National School Lunch Program	14-100-010-3360-023	15,663	7/1/13 - 6/30/14	-	11,020	(14,762)	-	(3,742)	-	-	14,762
Total Enterprise Fund				(1,993)	13,013	(14,762)	-	(3,742)	-	-	14,762
Total State Financial Assistance				\$(1,440,738)	\$ 13,563,850	\$(13,387,316)	\$(53,177)	\$(1,361,767)	\$ 92,945	\$ 317,115	\$ 13,411,826

Less: State Financial Assistance Not Subject to New Jersey OMB Circular 04-04:
 On-Behalf TPAF Post Retirement Medical Contribution (Nonbudgeted) 2,503,873
 On-Behalf TPAF Pension Contributions (Nonbudgeted) 1,403,243
 On-Behalf TPAF NCGI Premium (Nonbudgeted) 123,859
\$ (9,356,341)

**TEANECK BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2014**

Note 1: General

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

Note 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Board's 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 last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A.18A:22-44.2*. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A.18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$1,066,375 for the general fund and \$(5,881) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**TEANECK BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE (continued)
FOR THE YEAR ENDED JUNE 30, 2014**

Note 3: Relationship to Basic Financial Statements (continued):

	Federal	State	Total
General Fund	\$13,966,857	\$ 64,178	\$14,031,035
Special Revenue Fund	1,648,215	472,072	2,120,287
Food Service Fund	<u>651,106</u>	<u>14,762</u>	<u>665,868</u>
Total Financial Assistance	<u>\$ 16,266,178</u>	<u>\$ 551,012</u>	<u>\$16,817,190</u>

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represents current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2014. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2014.

Note 6: Federal and State Loans Outstanding

The Teaneck Board of Education had no loan balances outstanding at June 30, 2014.

**TEANECK BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2014**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditor’s report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	None Noted
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Noted
Noncompliance material to basic financial statements noted?	None Noted

Federal Awards

Internal control over major programs:	
1) Material weakness(es) identified?	None Noted
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Noted
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133	None Noted

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.565	Food Distribution Program
10.553	School Breakfast Program
10.555	National School Lunch Program
84.027	IDEA, Part B
84.173	IDEA Preschool

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	No

**TEANECK BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS (continued)
For the Fiscal Year Ended June 30, 2014**

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

State Awards

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	No
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Internal control over major programs:	
1) Material weakness(es) identified?	None Noted
2) Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04	Yes

Identification of major programs:

GMIS Number(s)	Name of State Program
14-495-034-5120-089	Categorical Special Education Aid
14-495-034-5120-084	Categorical Security Aid
14-495-034-5120-014	Transportation Aid
14-100-054-7500-068	School Based Youth Services

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements for which *Government Auditing Standards* requires reporting in a Circular A-133 audit.

No Current Year Findings

**TEANECK BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS (continued)
For the Fiscal Year Ended June 30, 2014**

Section III – Federal Awards & State Financial Assistance Finding & Questioned Costs

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB's Circular Letter 04-04.

STATE AWARDS:

Finding 2014-001:

Information on the State Program: GMIS #'s 14-495-034-5120-089 and 14-495-034-5120-084

Criteria:

The District must report on-roll, resident low income, resident LEP low income and resident LEP not-low income students as of October 15, 2013 in the Application for State School Aid. The workpapers detailing student enrollments should be reconciled to the A.S.S.A. report prior to submission.

Condition:

The Application for State School Aid had over-report and under-reported students as on-roll, resident low income, resident LEP low income and resident LEP not-low income that could not be verified by the District's workpapers.

Questioned Costs:

None noted.

Context:

The Application for State School Aid had over-reported seven (7) students as on-roll, ninety (90) students as resident low income and thirty-five (35) students as resident LEP low income. The Application for State School Aid had under-reported seven (7) students as resident LEP not-low income.

Cause:

The District did not maintain a proper audit trail to support the edits made from the original submission.

Effect:

We were unable to verify the number of students reported on the Application for State School Aid.

**TEANECK BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS (continued)
For the Fiscal Year Ended June 30, 2014**

Section III – Federal Awards & State Financial Assistance Finding & Questioned Costs

STATE AWARDS (continued):

Finding 2014-001 (continued):

Recommendation:

That the District maintain a proper audit trail to ensure that students reported on the Application for State School Aid agree to the District's workpapers.

Management's Response:

This will be corrected for the Application for State School Aid performed for the fiscal year ending June 30, 2015.

**TEANECK BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2014**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Circular A-133 (section .315 (a)(b)) and New Jersey OMB's Circular 04-04.

Finding 2013-01:

Condition:

Several purchase orders relating to tuition were issued only after receipt of the receiving district's invoice for payment. Purchase orders are not being issued until tuition contracts have been approved by the Board which may be several months after student started attending at other district.

Current Status:

Corrective action has been implemented.