

BERGENFIELD BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Bergenfield, New Jersey

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Bergenfield Board of Education

Bergenfield, New Jersey

For The Fiscal Year Ended June 30, 2015

Prepared by

Business Office

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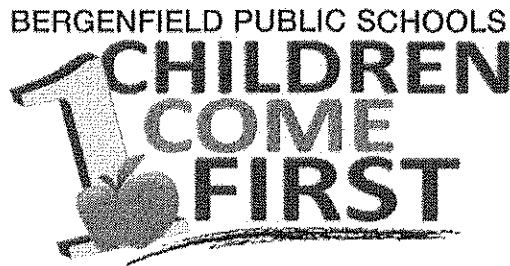
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INTRODUCTORY SECTION



Michael D. Kuchar, Ph.D
Superintendent of Schools

100 South Prospect Avenue
Bergenfield, New Jersey 07621
Tel: (201) 385-8202 Fax: (201) 384-2914
www.bergenfield.org

Joseph G. Amara, Ed.D
President, Board of Education

December 18, 2015

Honorable President and
Members of the Board of Education
Bergenfield Public Schools
Bergenfield, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Bergenfield Public Schools (District) for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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 Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Bergenfield Public School'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 auditors' report, management's 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 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the State Treasury Circular OMB 15-08. Information related to this single audit, including the auditors' 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: Bergenfield Public Schools is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds of the District are included in this report. The Bergenfield Board of Education and all its 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 and vocational as well as special education for handicapped youngsters. The District completed the 2014-2015 fiscal year with an enrollment of 3,496 students, which is 37 students less than the previous year's enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: Bergenfield has continued to experience a period of economic difficulty which reflects the national trend of recent years. The availability of "affordable" housing is the major cause of an upturn in real estate sales. This trend is expected to continue. This suggests that school enrollments will increase and that the Bergenfield area will experience an economic recovery. The September 2014 opening day K-12 enrollment was 3,456. This represents an increase of 6 pupils as compared to the opening enrollment in September of 2013. By adopting programs and services to meet the needs of its newest residents and working those changes into the fabric of currently existing programs, all residents can be served in a manner which is fair, equitable and affordable.

3. MAJOR INITIATIVES: The Bergenfield School District continued to make noteworthy advances in the delivery of educational programs, facility upgrades, and academic achievement through sound fiscal management and innovative financial planning. Significant accomplishments for 2014-2015 School Year include Uni-vent replacements at Bergenfield High School, Roy Brown Middle School, and Hoover School; HVAC Replacement in the cafeterias at Bergenfield High School; Roof and Gutter Repairs at Roy Brown Middle School; Emergency Generator Installation at Roy Brown Middle School; Tri Valley Academy for Autism continues to grow thus reducing out of district tuition cost and increasing revenue.

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

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

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

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the General and Special Revenue Funds. Project length budgets are approved for the capital improvements accounted for in the Capital Projects Fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

5. BUDGETARY CONTROLS: (Continued)

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

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

7. FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

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

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

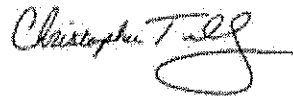
10. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Higgins, LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related OMB Circular A-133 and State Treasury Circular OMB 15-08. The auditors' report on the basic financial statements are included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

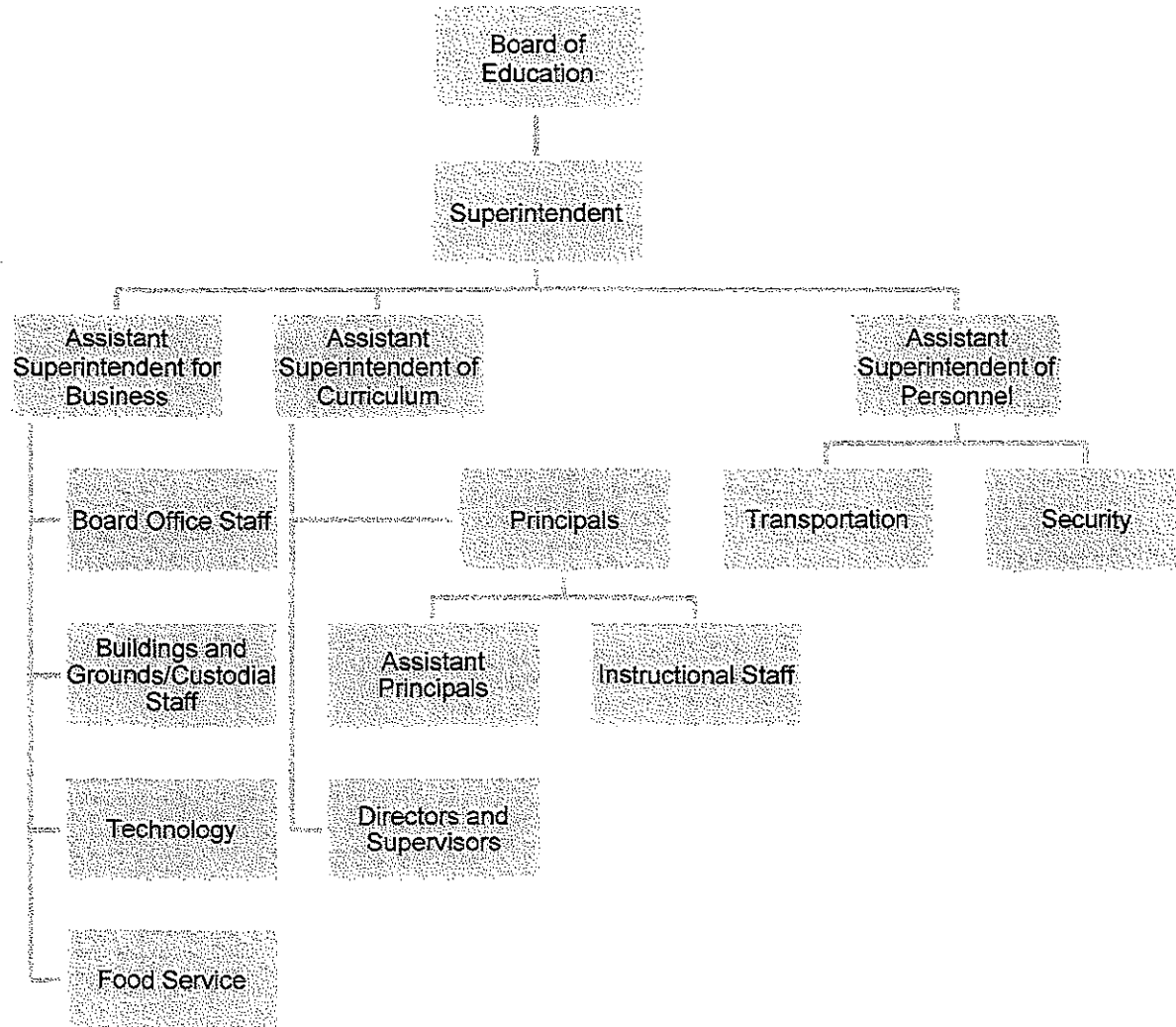


Michael D. Kuchar, Ph.D. Superintendent



Christopher M. Tully
Business Administrator/Board Secretary

BERGENFIELD BOARD OF EDUCATION Organization Chart



BERGENFIELD BOARD OF EDUCATION
ROSTER OF OFFICIALS
JUNE 30, 2015

Members of the Board of Education

Term
Expires

Joseph Amara, President

2016

Eileen Ryder, Vice President

2017

Ralph Messina

2015

Charles Ferrer

2015

Mark D'Esposito

2016

Other Officials

Michael D. Kuchar, Ph.D., Superintendent

Christopher Tully, Business Administrator/Board Secretary

Sean Gately, Treasurer of School Monies

BERGENFIELD BOARD OF EDUCATION
CONSULTANTS AND ADVISORS

Architect

Solutions Architecture
81 Clay Street
2nd Floor, Suite 2
Newark, NJ 07104

Audit Firm

Lerch, Vinci, & Higgins, LLP
17-17 Route 208
Fair Lawn, NJ 08876

Attorneys

Fogarty & Hara
16-00 Route 208 South
Fair Lawn, NJ 07410

Official Depository

TD Bank
126 North Washington Avenue
Bergenfield, NJ 07621

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA

DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. NICOLosi, CPA
KATHLEEN WANG, CPA
ROBERT AMPONSAH, CPA

ELIZABETH A. SHICK, CPA, RMA, PSA
ANDREW PARENTE, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Bergenfield Board of Education
Bergenfield, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergenfield Board of Education, as of and for the fiscal year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Bergenfield Board of Education as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Adoption of New Accounting Pronouncement

As discussed in Note 1 to the financial statements, in the fiscal year ended June 30, 2015, the Bergenfield Board of Education adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension information 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 Bergenfield Board of Education's basic financial statements. The introductory section, combining fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards as required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Bergenfield Board of Education.

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

The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated December 18, 2015 on our consideration of the Bergenfield 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 the Bergenfield Board of Education's internal control over financial reporting and compliance.

LERCH, VINCI & HIGGINS, LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 18, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

This section of the Bergenfield Board of Education's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2015. We encourage readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2014-2015 fiscal year include the following:

- The assets and deferred outflow of resources of the Bergenfield Board of Education exceeded its liabilities and deferred inflow of resources at the close of the fiscal year by \$18,881,217 (net position).
- The District's overall net position increased \$2,540,600 or 16%.
- Overall district revenues were \$75,499,591. General revenues accounted for \$55,935,617 or 74% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$19,563,974 or 26% of total revenues.
- The school district had \$71,638,458 in expenses for governmental activities; only \$18,342,364 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$55,935,617 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 \$12,401,983 a decrease of \$1,290,596 from the previous year.
- The General Fund unassigned fund balance at June 30, 2015 was \$312,471 compared to the ending unassigned fund balance at June 30, 2014 of \$227,376.
- The General Fund unassigned budgetary fund balance at June 30, 2015 was \$1,927,526 which represents a decrease of \$239,203 when compared to the ending unassigned budgetary fund balance at June 30, 2014 of \$2,166,729.
- The District's governmental activities investment in capital assets increased \$3,937,281 during the current fiscal year.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

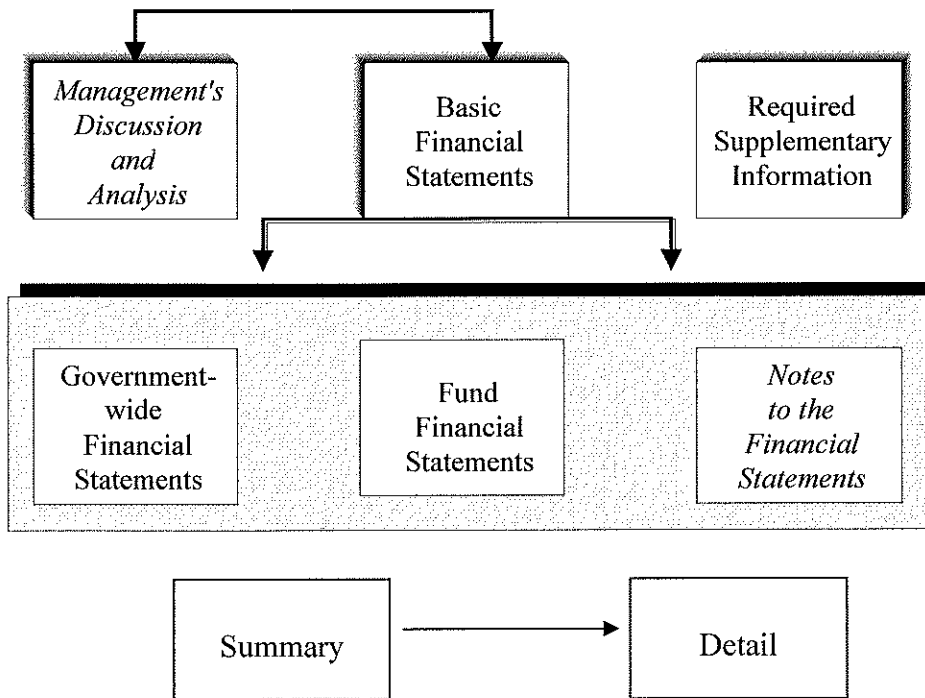
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditors' 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.
 - *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 basic financial statements also include *notes* that explain the information in the statements and provide more detailed data. The following illustrates how the various parts of this annual report are arranged and related to one another.



**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

The following table 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.

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 and Special Education Instruction and Building maintenance	Activities the district operates similar to private businesses: Enterprise Fund	Instances in which the district administers resources held in trust, 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, liability, and deferred resources information	All assets, liabilities, and deferred outflows/inflows of resources both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, liabilities, and deferred outflows/inflows of resources both financial and capital, and short-term and long-term	All assets 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 assets, liabilities and deferred outflows/inflows of resources. 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/deferred outflows and liabilities/deferred inflows – is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial condition 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.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

District-Wide Financial Statements (continued)

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, state and federal aid 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 and summer enrichment programs 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 devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and 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 differences) 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.

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)
- Summer Enrichment Program

- *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 district-wide and fund financial statements. The notes to the financial statements can be found following the financial statements.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

Other Information

In addition to the 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 and special revenue funds. A budgetary comparison statement has been provided for these funds as required supplementary information. Information regarding the District's employee retirement systems and pension plans has also been provided 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 and pension information.

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 outflow of resources exceeded liabilities and deferred inflow of resources by \$18,881,217 and \$16,340,617 as of June 30, 2015 and 2014, respectively.

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 is 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 needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Net Position
As of June 30, 2015 and 2014**

	Governmental		Business-Type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
Assets						
Current Assets	\$ 15,007,024	\$ 17,568,448	\$ 282,026	\$ 367,979	\$ 15,289,050	\$ 17,936,427
Capital Assets	<u>21,986,090</u>	<u>18,048,809</u>	<u>11,550</u>	<u>13,200</u>	<u>21,997,640</u>	<u>18,062,009</u>
Total Assets	<u>36,993,114</u>	<u>35,617,257</u>	<u>293,576</u>	<u>381,179</u>	<u>37,286,690</u>	<u>35,998,436</u>
Deferred Outflows of Resources	<u>422,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>422,075</u>	<u>-</u>
Total Assets and Deferred Outflow of Resources	<u>37,415,189</u>	<u>35,617,257</u>	<u>293,576</u>	<u>381,179</u>	<u>37,708,765</u>	<u>35,998,436</u>
Liabilities						
Long-Term Liabilities	15,017,913	15,719,922			15,017,913	15,719,922
Other Liabilities	<u>2,605,041</u>	<u>3,875,869</u>	<u>73,338</u>	<u>61,897</u>	<u>2,678,379</u>	<u>3,937,766</u>
Total Liabilities	<u>17,622,954</u>	<u>19,595,791</u>	<u>73,338</u>	<u>61,897</u>	<u>17,696,292</u>	<u>19,657,688</u>
Deferred Inflow of Resources	<u>1,131,246</u>	<u>-</u>	<u>10</u>	<u>131</u>	<u>1,131,256</u>	<u>131</u>
Total Liabilities and Deferred Inflow of Resources	<u>18,754,200</u>	<u>19,595,791</u>	<u>73,348</u>	<u>62,028</u>	<u>18,827,548</u>	<u>19,657,819</u>
Net Position						
Investment in Capital Assets	21,986,090	18,048,809	11,550	13,200	21,997,640	18,062,009
Restricted	7,730,315	8,450,750			7,730,315	8,450,750
Unrestricted	<u>(11,055,416)</u>	<u>(10,478,093)</u>	<u>208,678</u>	<u>305,951</u>	<u>(10,846,738)</u>	<u>(10,172,142)</u>
Total Net Position	<u>\$ 18,660,989</u>	<u>\$ 16,021,466</u>	<u>\$ 220,228</u>	<u>\$ 319,151</u>	<u>\$ 18,881,217</u>	<u>\$ 16,340,617</u>

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

The District's total net position of \$18,881,217 at June 30, 2015 represents a \$2,540,600 or 16% increase from the prior year. The following presents the changes in net position for the fiscal years ended June 30, 2015 and 2014.

**Changes in Net Position
For the Fiscal Years Ended June 30, 2015 and 2014**

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues						
Program Revenues						
Charges for Services	\$ 1,543,179	\$ 1,744,593	\$ 595,692	\$ 646,085	\$ 2,138,871	\$ 2,390,678
Operating Grants and Contributions	16,368,958	9,555,009	625,918	612,669	16,994,876	10,167,678
Capital Grants and Contributions	430,227	-			430,227	-
General Revenues						
Property Taxes	46,194,008	46,194,008			46,194,008	46,194,008
State Aid - Unrestricted	8,396,653	8,302,723			8,396,653	8,302,723
Other	1,344,956	304,709	-	-	1,344,956	304,709
Total Revenues	<u>74,277,981</u>	<u>66,101,042</u>	<u>1,221,610</u>	<u>1,258,754</u>	<u>75,499,591</u>	<u>67,359,796</u>
Expenses						
Instruction						
Regular	31,564,646	26,071,825			31,564,646	26,071,825
Special Education	12,474,570	10,638,090			12,474,570	10,638,090
Other Instruction	1,811,716	1,833,891			1,811,716	1,833,891
School Sponsored Activities and Athletics	1,099,250	1,043,178			1,099,250	1,043,178
Other Services	112,627	28,980			112,627	28,980
Support Services						
Student and Instruction Related Services	8,864,355	7,362,058			8,864,355	7,362,058
General Administrative Services	1,412,876	1,394,165			1,412,876	1,394,165
School Administrative Services	4,549,105	3,741,186			4,549,105	3,741,186
Central Administrative Services	787,507	731,002			787,507	731,002
Plant Operations and Maintenance	6,854,874	6,421,972			6,854,874	6,421,972
Pupil Transportation	2,106,932	2,012,627			2,106,932	2,012,627
Food Services			1,273,741	1,095,065	1,273,741	1,095,065
Summer Enrichment Program	-	-	46,792	40,709	46,792	40,709
Total Expenses	<u>71,638,458</u>	<u>61,278,974</u>	<u>1,320,533</u>	<u>1,135,774</u>	<u>72,958,991</u>	<u>62,414,748</u>
Change in Net Position	2,639,523	4,822,068	(98,923)	122,980	2,540,600	4,945,048
Net Position, Beginning of Year	16,021,466	26,949,390	319,151	196,171	16,340,617	27,145,561
Prior Period Adjustment	-	(15,749,992)	-	-	-	(15,749,992)
Net Position, End of Year	<u>\$ 18,660,989</u>	<u>\$ 16,021,466</u>	<u>\$ 220,228</u>	<u>\$ 319,151</u>	<u>\$ 18,881,217</u>	<u>\$ 16,340,617</u>

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

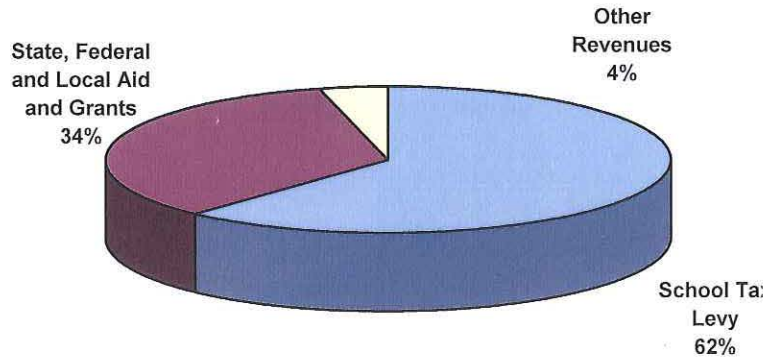
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$74,277,981 and \$66,101,042 for the fiscal years ended June 30, 2015 and 2014. Property taxes of \$46,194,008 and \$46,194,008 represented 62% and 70% of revenues for the fiscal years ended June 30, 2015 and 2014. Another significant portion of revenues came from State and Federal aid; total State, Federal and Local aid and grants of \$25,195,838 and \$17,857,732 represented 34% and 27% of revenues for the fiscal years ended June 30, 2015 and 2014. In addition, tuition, transportation fees and other miscellaneous income is earned which includes items such as interest, prior year refunds and other miscellaneous items of revenues.

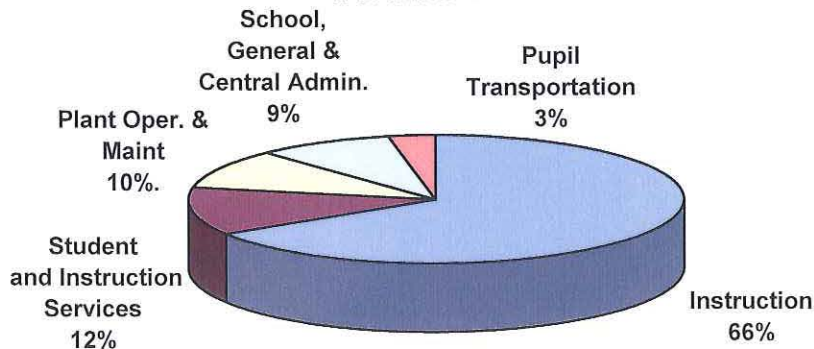
The total cost of all governmental activities programs and services were \$71,638,458 and \$61,278,974 for the fiscal years ended June 30, 2015 and 2014. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$47,062,809 (66%) and \$39,615,964 (65%) of total expenses for the fiscal years ended June 30, 2015 and 2014. Support services, totaled \$24,575,649 (34%) and \$21,663,010 (35%) of total expenses for the fiscal years ended June 30, 2015 and 2014.

Total governmental activities revenues exceeded expenses increasing net position at June 30, 2015 and 2014 by \$2,639,523 and \$4,822,068 from the previous year.

**Revenues by Source- Governmental Activities
For Fiscal Year 2015**



**Expenses by Type- Governmental Activities
For Fiscal Year 2015**



**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

Total and Net Cost of Governmental Activities. The District's total cost of services were \$71,638,458 and \$61,278,974 for fiscal years 2015 and 2014. After applying program revenues, derived from charges for services of \$1,543,179 and \$1,744,593, operating grants and contributions of \$16,368,958 and \$9,555,009 and capital grants and contributions of \$430,227 and \$0, the net cost of services of the District is \$53,296,094 and \$49,979,372 for fiscal years 2015 and 2014.

Total and Net Cost of Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Instruction				
Regular	\$ 31,564,646	\$ 26,071,825	\$ 23,804,229	\$ 22,827,472
Special Education	12,474,570	10,638,090	5,823,535	4,634,961
Other Instruction	1,811,716	1,833,891	982,755	1,135,227
School Sponsored Activities and Athletics	1,099,250	1,043,178	1,099,250	1,043,178
Other Services	112,627	28,980	112,627	28,980
Support Services				
Student and Instruction Related Services	8,864,355	7,362,058	7,471,888	6,762,653
General Administrative Services	1,412,876	1,394,165	1,412,876	1,394,165
School Administrative Services	4,549,105	3,741,186	3,580,685	3,367,711
Central Administrative Services	787,507	731,002	787,507	731,002
Plant Operations and Maintenance	6,854,874	6,421,972	6,268,537	6,269,190
Pupil Transportation	2,106,932	2,012,627	1,952,205	1,784,833
Total	<u>\$ 71,638,458</u>	<u>\$ 61,278,974</u>	<u>\$ 53,296,094</u>	<u>\$ 49,979,372</u>

For the fiscal year ended June 30, 2015, the total cost of governmental activities reflects the implementation of the new accounting standard GASB Statement No. 68, Accounting and Financial Reporting for Pensions. The effect of implementing GASB 68 was to recognize additional pension expenses of \$5,955,298 for the PERS and on-behalf TPAF pension systems and additional state aid revenues for on-behalf TPAF pension contributions of \$5,917,432 for fiscal year 2015.

Business-Type Activities – The District's total business-type activities revenues were \$1,221,610 and \$1,258,754 for the years ended June 30, 2015 and 2014. Charges for services accounted for \$595,692 (49%) and \$646,085 (51%) of total revenues for fiscal years 2015 and 2014. Operating grants and contributions accounted for \$625,918 (51%) and \$612,669 (49%) of total revenue for fiscal years 2015 and 2014.

The total cost of all business-type activities programs and services were \$1,320,533 and \$1,135,774 for the fiscal years ended June 30, 2015 and 2014. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District of \$1,273,741 (96%) and \$1,095,065 (96%) and the Summer Enrichment Programs offered to all students of \$46,792, (4%) and \$40,709 (4%) for fiscal years 2015 and 2014, respectively.

For the current year total business-type activities expenses exceeded revenues, decreasing net position by \$98,923 at June 30, 2015 from the previous year. For fiscal year 2014 revenues exceeded expenses increasing net position by \$122,980 at June 30, 2014 from the previous year.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$12,401,983, a decrease of \$1,290,596 when compared to the previous years combined fund balance of \$13,692,579.

Revenues for the District's governmental funds for fiscal years 2015 and 2014 were \$68,360,549 and \$66,101,042, while total expenses were \$69,651,145 and \$66,137,681, respectively.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students from pre-kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

The following schedule presents a summary of General Fund Revenues for the fiscal years ended June 30, 2015 and 2014.

	<u>Fiscal Year Ended June 30, 2015</u>	<u>Fiscal Year Ended June 30, 2014</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Change</u>
Local Sources:				
Property Tax Levy	\$ 46,194,008	\$ 46,194,008	\$ -	0%
Tuition and Fees	1,543,179	1,744,593	(201,414)	-12%
Miscellaneous	1,344,956	304,709	1,040,247	341%
State Sources	16,870,983	16,087,666	783,317	5%
Federal Sources	85,196	35,563	49,633	140%
Total General Fund Revenues	<u>\$ 66,038,322</u>	<u>\$ 64,366,539</u>	<u>\$ 1,671,783</u>	3%

Total General Fund Revenues increased by \$1,671,783 or 3% from the previous year. Property tax levy remained unchanged from the previous year. Miscellaneous revenue from local sources increased \$1,040,247 or 341% primarily due to the cancellation of prior year payables related to salary accruals. State aid revenues increased \$783,317 or 5% as a result of increases in on-behalf teachers' pension and post retirement medical benefit contributions paid by the State for the District. Federal revenues increased \$49,633 predominantly attributable to increased Medicaid reimbursements for special education related costs.

The following schedule presents a summary of General Fund expenditures for the fiscal years ended June 30, 2015 and 2014.

	<u>Fiscal Year Ended June 30, 2015</u>	<u>Fiscal Year Ended June 30, 2014</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Change</u>
Instruction	\$ 39,891,029	\$ 37,682,788	\$ 2,208,241	6%
Support Services	22,886,793	21,308,346	1,578,447	7%
Capital Outlay	2,443,386	4,428,418	(1,985,032)	-45%
Total Expenditures	<u>\$ 65,221,208</u>	<u>\$ 63,419,552</u>	<u>\$ 1,801,656</u>	3%

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

General Fund (Continued)

Total General Fund expenditures increased \$1,801,656 or 3% from the previous year. This increase can be attributable to an increase in regular education instructional costs, as well as, student and instruction related services and plant operation and maintenance costs.

During the current fiscal year the General Fund transferred \$3,716,778 to the Capital Projects Fund to provide the required local share of funding towards the District's regular operating district (ROD) grant projects.

For fiscal year 2015 General Fund revenues and other financing sources were less than expenditures and other financing uses by \$2,868,946. As a result, total fund balance decreased to \$9,222,552 at June 30, 2015 compared to \$12,091,498 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.

Revenues of the Special Revenue Fund were \$1,892,000, for the year ended June 30, 2015. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented \$1,533,919 or 81% of the total revenue for the year. State sources accounted for \$237,623 or 13% and local sources accounted for \$120,458 or 6%, of the total revenue for the year.

Total Special Revenue Fund revenues increased \$157,497 or 9% from the previous year. State sources increased \$60,698 or 34%, local sources increased \$56,618 or 89%, and Federal sources increased \$40,181 or 3%.

Expenditures of the Special Revenue Fund were \$1,892,000. Instructional expenditures were \$1,513,861 or 80% and expenditures for the support services were \$378,139 or 20% of total expenditures for the fiscal year ended June 30, 2015.

Capital Projects Fund - The Capital Projects Fund revenues and other financing sources exceeded expenditures by \$1,609,068 resulting in a fund balance of \$3,179,431 at June 30, 2015. This increase is a result of the District transferring \$3,716,778 from the General Fund to provide the local share of funding for the state ROD grant awards. The district was awarded \$2,477,852 in ROD grants during the 2015 fiscal year.

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 an Enterprise Fund to report activities related to the Food Services and Summer Enrichment Programs. 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 budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant budgetary fund is the General Fund.

For the fiscal year ended June 30, 2015 General Fund budgetary basis expenditures and other financing uses were greater than revenues and other financing sources by \$3,193,244. Therefore, total fund balance decreased to \$10,837,607 at June 30, 2015 from \$14,030,851 at June 30, 2014. After deducting restricted, committed and assigned fund balances, the unassigned budgetary fund balance decreased from \$2,166,729 at June 30, 2014 to \$1,927,526 at June 30, 2015. The District's reserved excess surplus resulting from the current year budgetary operations was \$1,115,100 compared to \$1,115,080 from the previous year.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2015 amounts to \$21,997,640 (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 2014-2015 amounted to \$1,044,042 for governmental activities and \$1,650 for business-type activities. During fiscal year 2014-2015 the District increased its governmental activities capital assets by \$3,937,281 and decreased its business-type activities capital assets by \$1,650.

**Capital Assets at June 30, 2015 and 2014
(Net of Accumulated Depreciation)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land	\$ 1,780,323	\$ 1,780,323			\$ 1,780,323	\$ 1,780,323
Construction in Progress	4,166,570	2,915,462			4,166,570	2,915,462
Buildings	12,282,711	11,369,526			12,282,711	11,369,526
Land Improvements	2,267,467	678,064			2,267,467	678,064
Machinery and Equipment	<u>1,489,019</u>	<u>1,305,434</u>	<u>\$ 11,550</u>	<u>\$ 13,200</u>	<u>1,500,569</u>	<u>1,318,634</u>
Total Capital Assets, Net	<u>\$ 21,986,090</u>	<u>\$ 18,048,809</u>	<u>\$ 11,550</u>	<u>\$ 13,200</u>	<u>\$ 21,997,640</u>	<u>\$ 18,062,009</u>

Additional information on the District's capital assets are presented in the Notes to the Financial Statements.

LONG TERM LIABILITIES

At year end, the District's long-term liabilities amounted to \$15,017,913 and consisted of \$1,595,426 of compensated absences payable compared to \$1,626,130 at the end of the previous year as well as net pension liability of \$13,422,487 compared to \$14,093,792 at the end of the previous year.

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 2015-2016 budget. The primary factors were the District's projected student population, anticipated state and federal aid, special education costs, facility improvements, as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2015-2016. Budgeted expenditures in the General Fund decreased less than 1 percent to \$63,336,945 in fiscal year 2015-2016.

**BERGENFIELD BOARD OF EDUCATION
BERGENFIELD, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 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, Bergenfield Board of Education, 10 Prospect Avenue, Bergenfield, NJ 07621.

FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

BERGENFIELD BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2015

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 11,885,478	\$ 168,161	\$ 12,053,639
Receivables, Net			
Receivables From Other Governments	3,108,341	110,038	3,218,379
Other Accounts Receivable	13,205		13,205
Inventory		3,827	3,827
Capital Assets, Not Being Depreciated	5,946,893		5,946,893
Capital Assets, Being Depreciated, Net	<u>16,039,197</u>	<u>11,550</u>	<u>16,050,747</u>
Total Assets	<u>36,993,114</u>	<u>293,576</u>	<u>37,286,690</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>422,075</u>	<u>-</u>	<u>422,075</u>
Total Assets and Deferred Outflow of Resources	<u>37,415,189</u>	<u>293,576</u>	<u>37,708,765</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	297,268		297,268
Payable to Other Governments	54,149		54,149
Unearned Revenue	2,253,624	73,338	2,326,962
Noncurrent Liabilities			
Due within one year	680,796		680,796
Due beyond one year	<u>14,337,117</u>	<u>-</u>	<u>14,337,117</u>
Total Liabilities	<u>17,622,954</u>	<u>73,338</u>	<u>17,696,292</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Net Pension Liability	1,131,246		1,131,246
Deferred Commodities Revenue	<u>-</u>	<u>10</u>	<u>10</u>
Total Deferred Inflows of Resources	<u>1,131,246</u>	<u>10</u>	<u>1,131,256</u>
Total Liabilities and Deferred Inflows of Resources	<u>18,754,200</u>	<u>73,348</u>	<u>18,827,548</u>
NET POSITION			
Investment in Capital Assets	21,986,090	11,550	21,997,640
Restricted for:			
Capital Projects	5,356,469		5,356,469
Plant Maintenance	1,743,768		1,743,768
Tuition Adjustments	526,000		526,000
Other Purposes	104,078		104,078
Unrestricted	<u>(11,055,416)</u>	<u>208,678</u>	<u>(10,846,738)</u>
Total Net Position	<u>\$ 18,660,989</u>	<u>\$ 220,228</u>	<u>\$ 18,881,217</u>

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

**BERGENFIELD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Net (Expense) Revenue and
Changes in Net Position

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental Activities:							
Instruction:							
Regular	\$ 31,564,646		\$ 7,760,417		\$ (23,804,229)		\$ (23,804,229)
Special Education	12,474,570	\$ 1,468,802	5,182,233		(5,823,535)		(5,823,535)
Other Instruction	1,811,716		828,961		(982,755)		(982,755)
School Sponsored Activities and Athletics	1,099,250				(1,099,250)		(1,099,250)
Other	112,627				(112,627)		(112,627)
Support Services:							
Student & Instruction Related Services	8,864,355		1,392,467		(7,471,888)		(7,471,888)
General Administrative Services	1,412,876				(1,412,876)		(1,412,876)
School Administrative Services	4,549,105		968,420		(3,580,685)		(3,580,685)
Central Administrative Services	787,507				(787,507)		(787,507)
Plant Operations and Maintenance	6,854,874		156,110	\$ 430,227	(6,268,537)		(6,268,537)
Pupil Transportation	2,106,932	74,377	80,350	-	(1,952,205)	-	(1,952,205)
Total Governmental Activities	71,638,458	1,543,179	16,368,958	430,227	(53,296,094)	-	(53,296,094)
Business-Type Activities:							
Food Service	1,273,741	544,341	625,918			\$ (103,482)	(103,482)
Summer Enrichment Program	46,792	51,351	-	-	-	4,559	4,559
Total Business-Type Activities	1,320,533	595,692	625,918	-	-	(98,923)	(98,923)
Total Primary Government	\$ 72,958,991	\$ 2,138,871	\$ 16,994,876	\$ 430,227	(53,296,094)	(98,923)	(53,395,017)

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

(Continued)

**BERGENFIELD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenues:			
Taxes:			
Property Taxes, levied for general purposes	\$ 46,194,008		\$ 46,194,008
State Aid - Unrestricted	8,396,653		8,396,653
Miscellaneous Income	1,344,956	-	1,344,956
Total General Revenues	55,935,617	-	55,935,617
Change in Net Position	2,639,523	\$ (98,923)	2,540,600
Net Position, Beginning of Year (Restated)	16,021,466	319,151	16,340,617
Net Position, End of Year	\$ 18,660,989	\$ 220,228	\$ 18,881,217

FUND FINANCIAL STATEMENTS

**BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2015**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 9,136,274		\$ 2,749,204		\$ 11,885,478
Receivables From Other Governments	190,170	\$ 440,319	2,477,852	-	3,108,341
Due from Other Funds	67,389		-	-	67,389
Accounts Receivable	<u>13,205</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,205</u>
Total Assets	<u>\$ 9,407,038</u>	<u>\$ 440,319</u>	<u>\$ 5,227,056</u>	<u>\$ -</u>	<u>\$ 15,074,413</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 74,459	\$ 37,296			\$ 111,755
Due to Other Funds	108,987	67,389			176,376
Payable to State Government		54,149			54,149
Other Liabilities		76,526			76,526
Unearned Revenue	<u>1,040</u>	<u>204,959</u>	<u>2,047,625</u>	<u>-</u>	<u>2,253,624</u>
Total Liabilities	<u>184,486</u>	<u>440,319</u>	<u>2,047,625</u>	<u>-</u>	<u>2,672,430</u>
Fund Balances:					
Restricted					
Capital Reserve	1,075,704				1,075,704
Capital Reserve - Designated for Subsequent Year's Expenditures	1,101,334				1,101,334
Maintenance Reserve	690,953				690,953
Maintenance Reserve - Designated for Subsequent Year's Expenditures	1,052,815				1,052,815
Emergency Reserve	594,000				594,000
Adult Education Programs	104,078				104,078
Tuition Adjustments	283,000				283,000
Tuition Adjustments - Designated for Subsequent Year's Expenditures	243,000				243,000
Reserved Excess Surplus	1,115,100				1,115,100
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	1,115,080				1,115,080
Capital Projects			\$ 3,179,431		3,179,431
Committed					
Year End Encumbrances	689,234				689,234
Assigned					
Year End Encumbrances	415,773				415,773
Designated for Subsequent Year's Expenditures	423,910				423,910
ARRA-SEMI	6,100				6,100
Unassigned	<u>312,471</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>312,471</u>
Total Fund Balances	<u>9,222,552</u>	<u>-</u>	<u>3,179,431</u>	<u>-</u>	<u>12,401,983</u>
Total Liabilities and Fund Balances	<u>\$ 9,407,038</u>	<u>\$ 440,319</u>	<u>\$ 5,227,056</u>	<u>\$ -</u>	<u>\$ 15,074,413</u>

**BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2015**

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

Total Fund Balances - Governmental Funds (B-1)		\$ 12,401,983
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$39,450,820 and the accumulated depreciation is \$ 17,464,730.		21,986,090
Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.		
	Deferred Outflows of Resources	\$ 422,075
	Deferred Inflows of Resources	<u>(1,131,246)</u>
		(709,171)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
	Net Pension Liability	(13,422,487)
	Compensated Absences	<u>(1,595,426)</u>
		<u>(15,017,913)</u>
Net position of governmental activities (Exhibit A-1)		\$ <u>18,660,989</u>

BERGENFIELD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local sources:					
Property Tax Levy	\$ 46,194,008				\$ 46,194,008
Tuition	1,468,802				1,468,802
Transportation Fees	74,377				74,377
Miscellaneous	1,344,956	\$ 120,458	-	-	1,465,414
Total - Local Sources	49,082,143	120,458	-	-	49,202,601
State Sources	16,870,983	237,623	430,227		17,538,833
Federal Sources	85,196	1,533,919	-	-	1,619,115
Total Revenues	66,038,322	1,892,000	430,227	-	68,360,549
EXPENDITURES					
Current					
Instruction					
Regular	26,863,737	196,364			27,060,101
Special Education	10,667,373	843,921			11,511,294
Other Instruction	1,149,881	473,576			1,623,457
School Sponsored Activities and Athletics	1,097,656				1,097,656
Other	112,382				112,382
Support Services					
Student and Instruction Related Services	7,892,000	378,139			8,270,139
General Administrative Services	1,400,528				1,400,528
School Administrative Services	3,957,485				3,957,485
Central Administrative Services	786,066				786,066
Plant Operations and Maintenance	6,810,941				6,810,941
Pupil Transportation	2,039,773				2,039,773
Capital Outlay	2,443,386	-	2,537,937	-	4,981,323
Total Expenditures	65,221,208	1,892,000	2,537,937	-	69,651,145
Excess (Deficiency) of Revenues Over (Under) Expenditures	817,114	-	(2,107,710)	-	(1,290,596)
OTHER FINANCING SOURCES (USES)					
Transfers In	30,718		3,716,778		3,747,496
Transfers Out	(3,716,778)	-	-	(30,718)	(3,747,496)
Total Other Financing Sources (Uses)	(3,686,060)	-	3,716,778	(30,718)	-
Net Change in Fund Balance	(2,868,946)	-	1,609,068	(30,718)	(1,290,596)
Fund Balance, Beginning of Year	12,091,498	-	\$ 1,570,363	\$ 30,718	13,692,579
Fund Balance, End of Year	\$ 9,222,552	\$ -	\$ 3,179,431	\$ -	\$ 12,401,983

**BERGENFIELD 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, 2015**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ (1,290,596)

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.

Capital outlays	\$ 4,981,323	
Depreciation expense	<u>(1,044,042)</u>	3,937,281

In the statement of activities, certain operating expenses - compensated absences and pension expense are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Increase in Pension Expenses	(37,866)	
Decrease in Compensated Absences	<u>30,704</u>	<u>(7,162)</u>

Change in Net Position of Governmental Activities (Exhibit A-2) \$ 2,639,523

**BERGENFIELD BOARD OF EDUCATION
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2015**

	Business-Type Activities		
	Enterprise Funds		
	<u>Food Service</u>	<u>Summer Enrichment Program</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 7,158	\$ 161,003	\$ 168,161
Intergovernmental Receivable	110,038		110,038
Inventories	3,827	-	3,827
	<u>121,023</u>	<u>161,003</u>	<u>282,026</u>
Total Current Assets			
Capital Assets			
Equipment	146,846		146,846
Accumulated Depreciation	(135,296)	-	(135,296)
	<u>11,550</u>	<u>-</u>	<u>11,550</u>
Total Capital Assets, Net			
Total Assets	<u>\$ 132,573</u>	<u>\$ 161,003</u>	<u>\$ 293,576</u>
LIABILITIES			
Current Liabilities			
Unearned Revenue	\$ -	\$ 73,338	\$ 73,338
	<u>-</u>	<u>73,338</u>	<u>73,338</u>
Total Current Liabilities			
DEFERRED INFLOWS OF RESOURCES			
Deferred Commodities Revenue	\$ 10	-	10
	<u>10</u>	<u>73,338</u>	<u>73,348</u>
Total Liabilities and Deferred Inflows of Resources			
NET POSITION			
Investment in Capital Assets	11,550		11,550
Unrestricted	121,013	87,665	208,678
	<u>132,563</u>	<u>87,665</u>	<u>220,228</u>
Total Net Position			

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

**BERGENFIELD BOARD OF EDUCATION
 PROPRIETARY FUND
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Business-Type Activities		
	Enterprise Funds		
	<u>Food Service</u>	<u>Summer Enrichment Program</u>	<u>Total</u>
OPERATING REVENUES			
Local Sources			
Daily Sales-Reimbursable Programs			
School Lunch Program	\$ 274,283		\$ 274,283
School Breakfast Program	9,509		9,509
Daily Sales Non-Reimbursable Programs	260,549		260,549
Program Fees	-	\$ 51,351	51,351
	<u>544,341</u>	<u>51,351</u>	<u>595,692</u>
Total Operating Revenues			
OPERATING EXPENSES			
Salaries and Benefits	477,993	45,125	523,118
Cost of Sales	417,187		417,187
Repairs & Maintenance	18,111		18,111
Supplies and Materials	214,791	1,218	216,009
Other Purchased Services	55,398	449	55,847
Purchased Management Services	80,466		80,466
Miscellaneous Expense	8,145		8,145
Depreciation	1,650	-	1,650
	<u>1,273,741</u>	<u>46,792</u>	<u>1,320,533</u>
Total Operating Expenses			
Operating Income (Loss)	<u>(729,400)</u>	<u>4,559</u>	<u>(724,841)</u>
NONOPERATING REVENUES			
State Sources			
State School Lunch Program	12,593		12,593
Federal Sources			
School Breakfast Program	59,834		59,834
National School Lunch Program	553,491	-	553,491
	<u>625,918</u>	<u>-</u>	<u>625,918</u>
Total Nonoperating Revenues			
Changes in Net Position	(103,482)	4,559	(98,923)
Total Net Position, Beginning of Year	<u>236,045</u>	<u>83,106</u>	<u>319,151</u>
Total Net Position, End of Year	<u>\$ 132,563</u>	<u>\$ 87,665</u>	<u>\$ 220,228</u>

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

**BERGENFIELD BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Business-Type Activities		
	Enterprise Funds		
	Food	Summer	
	Service	Enrichment	Total
		Program	
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 544,341	\$ 74,529	\$ 618,870
Cash Payments for Employees			
Salaries & Benefits	(477,993)	(45,125)	(523,118)
Cash Payments to Suppliers for Goods and Services	(750,690)	(1,874)	(752,564)
Net Cash Provided by (Used for) Operating Activities	(684,342)	27,530	(656,812)
Cash Flows from Noncapital Financing Activities			
Cash Received from State and Federal Subsidy Reimbursements	496,971	-	496,971
Net Cash Provided by Noncapital Financing Activities	496,971	-	496,971
Net Increase (Decrease) in Cash and Cash Equivalents	(187,371)	27,530	(159,841)
Cash and Cash Equivalents, Beginning of Year	194,529	133,473	328,002
Cash and Cash Equivalents, End of Year	\$ 7,158	\$ 161,003	\$ 168,161
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	\$ (729,400)	\$ 4,559	\$ (724,841)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Depreciation	1,650		1,650
Non-Cash Federal Assistance-Food Distribution Program	53,108		53,108
Change in Assets, Liabilities and Deferred Inflows			
(Increase)/Decrease in Inventory	1,951		1,951
Increase/(Decrease) in Accounts Payable	(11,530)	(207)	(11,737)
Increase/(Decrease) in Unearned Revenue		23,178	23,178
Increase/(Decrease) in Deferred Commodities Revenue	(121)	-	(121)
Total Adjustments	45,058	22,971	68,029
Net Cash Provided by (Used for) Operating Activities	\$ (684,342)	\$ 27,530	\$ (656,812)
Non-Cash Investing, Capital and Financing Activities:			
Value Received - Food Distribution Program	\$ 52,986		

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

**BERGENFIELD BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2015**

	Unemployment Compensation <u>Trust Fund</u>	<u>Agency Fund</u>
ASSETS		
Cash and Cash Equivalents	\$ 70,216	\$ 119,051
Due from Other Funds	10,987	26,442
	<hr/>	<hr/>
Total Assets	81,203	\$ 145,493
	<hr/>	<hr/>
LIABILITIES		
Intergovernmental Accounts Payable	\$ 3,972	
Payroll Deductions and Withholdings		\$ 54,120
Accrued Salaries and Wages		38,811
Due to Student Groups		52,562
Due to Other Funds	26,442	-
	<hr/>	<hr/>
Total Liabilities	30,414	\$ 145,493
	<hr/>	<hr/>
NET POSITION		
Held in Trust for Unemployment Claims	\$ 50,789	
	<hr/>	

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

**BERGENFIELD BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Unemployment Compensation <u>Trust Fund</u>
ADDITIONS	
Contributions Employees	\$ <u>54,875</u>
Total Contributions	<u>54,875</u>
DEDUCTIONS	
Unemployment Claims	<u>56,075</u>
Total Deductions	<u>56,075</u>
Change in Net Position	(1,200)
Net Position, Beginning of year	<u>149,989</u>
Net Position, End of Year	<u><u>\$ 148,789</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Bergenfield Board of Education (the "Board" or the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of five elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Bergenfield Board of Education this includes general operations, food service, summer enrichment and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

During fiscal year 2015, the District adopted the following GASB statements as required:

- GASB 68, *Accounting and Financial Reporting for Pensions*. The objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria.
- GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, should be applied simultaneously with the provisions of Statement No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB 72, *Fair Value Measurement and Application*, will be effective beginning with the fiscal year ending June 30, 2016. This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.
- GASB 73, *Accounting and Financial Reporting for Pensions and Related Assets that Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability.
- GASB 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.
- GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective beginning with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.
- GASB 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, will be effective beginning with the fiscal year ending June 30, 2016. The objective of this Statement is to identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the District’s enterprise funds. Fiduciary funds are excluded from the district-wide financial statements.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

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

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs.

The *capital projects fund* accounts for the proceeds from the sale of bonds, lease purchases and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for teachers and special events.

The *summer enrichment fund* accounts for the activities of the District's summer program which provides additional courses and activities for students during the summer recess.

Additionally, the government reports the following fund types:

The *fiduciary trust fund* is used to account for resources legally held in trust for the state unemployment insurance claims, payroll related activities and student related activities which are supported and controlled by student organizations and clubs. All resources of the fund, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the agency fund which does not have a measurement focus. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when 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 Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, tuition, transportation fees, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

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

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. Receivables

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities at year-end is reported as deferred inflows of resources.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

4. *Capital Assets*

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	15-30
Buildings	40
Building Improvements	5-40
Machinery and Equipment	5-10
Computer Equipment	5

5. *Deferred Outflows/Inflows 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 future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has one item which arise only under the accrual basis of accounting that qualify for reporting in this category. The item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

5. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amounts on net pension liability reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item that qualifies for reporting in this category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

6. Compensated Absences

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

7. Pensions

In the district-wide financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

8. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

9. *Net Position/Fund Balance*

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2.)

Capital Reserve - Designated for Subsequent Year's Budget – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2015/2016 District budget certified for taxes.

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education.

Maintenance Reserve - Designated for Subsequent Year's Budget – This designation was created to dedicate the portion of maintenance reserve fund balance appropriated in the adopted 2015/2016 District budget certified for taxes.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

9. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education.

Adult Education Programs – This restriction was created in accordance with NJSA 18A:50-6 to represent the accumulated surplus from excess program fees and sources other than property taxes over the operating costs of the District's Adult Education Program.

Tuition Adjustments – This restriction was created in accordance with NJAC 6A:23A-17.1(F)8 to represent foreseeable future tuition adjustments for the 2014/2015 contract year and is required to be liquidated in the second year following the contract year with any remaining balance related to that contract year to be reserved and budgeted for property tax relief.

Tuition Adjustment – Designated for Subsequent Year's Expenditures – This restriction was created in accordance with NJAC 6A:23A-17.1(F)8 to represent foreseeable future tuition adjustments for the 2013/2014 contract year that is appropriated in the 2015/2016 original budget certified for taxes.

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2015 audited excess surplus that is required to be appropriated in the 2016/2017 original budget certified for taxes.

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2014 audited excess surplus that was appropriated in the 2015/2016 original budget certified for taxes.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee's for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

9. *Net Position/Fund Balance (Continued)*

Governmental Fund Statements (Continued)

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2015/2016 District budget certified for taxes.

ARRA/SEMI – Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of the ARRA/SEMI revenue that is unexpended at June 30, 2015 that will be appropriated either by Board resolution into the 2015/2016 budget or in the adopted 2016/2017 budget certified for taxes.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. *Property Taxes*

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual “in rem” tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

3. *Tuition Revenues and Expenditures*

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2013-2014 and 2014-2015 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

4. *Proprietary Funds, Operating and Non-Operating Revenues and Expenses*

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund and of the summer enrichment enterprise fund, are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education ("the Department"), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them.

The annual budget is adopted in the spring of the preceding year for the general and special revenue funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On January 30, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2014/2015. Also, during 2014/2015 the Board increased the original budget by \$4,047,302. The increase was funded by additional surplus appropriated, withdrawals from capital reserve, grant awards and the reappropriation of prior year general fund encumbrances.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 committed and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services which are reappropriated and honored during the subsequent fiscal year.

B. Excess Expenditures Over Appropriations

The following is a summary of expenditures in excess of available appropriations. The overexpended appropriations resulted in unfavorable variances.

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Central Services			
Miscellaneous Expenditures	\$10,274	\$12,437	\$2,163

The above variances were offset with other available resources.

C. Capital Reserve

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

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

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Capital Reserve (Continued)

The activity of the capital reserve for the fiscal year ended June 30, 2015 is as follows:

Balance, July 1, 2014		\$ 2,902,956
Increased by:		
Unexpended Withdrawals Returned	\$ 41,998	
Deposits Approved by Board Resolution	<u>1,033,706</u>	
		<u>1,075,704</u>
		3,978,660
Withdrawals		
Approved in District Budget	\$ 1,502,956	
Approved by Board Resolution	<u>298,666</u>	
		<u>1,801,622</u>
Balance, June 30, 2015		<u>\$ 2,177,038</u>

At June 30, 2015 \$1,101,334 of the capital reserve balance was designated and appropriated in the 2015/2016 original budget certified for taxes. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan.

D. Maintenance Reserve

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve

The activity of the maintenance reserve for the fiscal year ended June 30, 2015 is as follows:

Balance, July 1, 2014	\$ 3,308,635
Increased by	
Deposits Approved by Board Resolution	<u>690,953</u>
	\$ 3,999,588
Withdrawals	
Approved in District Budget	<u>\$ 2,255,820</u>
Balance, June 30, 2015	<u>\$ 1,743,768</u>

At June 30, 2015 \$1,052,815 of the maintenance reserve was designated and appropriated in the 2015/2016 original budget certified for taxes. The June 30, 2015 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,983,079. The withdrawals from the maintenance reserve were for use in required maintenance activities for school facilities.

E. Emergency Reserve

An emergency reserve account was established by the District. The accumulation of funds will be used to finance unanticipated General Fund current expenditures required for a thorough and efficient education in subsequent fiscal years.

Funds placed in the emergency reserve are restricted to finance reasonably unforeseeable costs and shall not include additional costs due to poor planning. A District may appropriate funds into the emergency reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent. Pursuant to NJAC 6A:23A-14.4(A), the balance in the reserve cannot at any time exceed the greater of \$250,000 or one percent of the school district's General Fund budget as certified for taxes up to a maximum of \$1,000,000.

The activity of the emergency reserve for the fiscal year ended June 30, 2015 is as follows:

Balance, July 1, 2014	<u>\$ 594,000</u>
Balance, June 30, 2015	<u><u>\$ 594,000</u></u>

F. Transfers to Capital Outlay

During the 2014/2015 school year, the district transferred \$298,666 to the non-equipment capital outlay accounts. The transfer was made from the capital reserve account to supplement a capital project previously approved in the 2014/2015 budget certified for taxes.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

G. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Reserved 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 in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2015 is \$2,230,180. Of this amount, \$1,115,080 was designated and appropriated in the 2015/2016 original budget certified for taxes and the remaining amount of \$1,115,100 will be appropriated in the 2016/2017 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2015, the book value of the Board's deposits were \$12,242,906 and bank and brokerage firm balances of the Board's deposits amounted to \$15,598,380. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ <u>15,598,380</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2015 none of the Board's bank balances were exposed to custodial credit risk.

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2015, the Board had no outstanding investments.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

Interest Rate Risk – The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

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

B. Receivables

Receivables as of June 30, 2015 for the district’s individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Intergovernmental					
Local	\$ 90,112				\$ 90,112
State	92,481	\$ 52,901	\$ 2,477,852	\$ 2,627	2,625,861
Federal	7,577	387,418		107,411	502,406
Accounts	<u>13,205</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,205</u>
Gross Receivables	203,375	440,319	2,477,852	110,038	3,231,584
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 203,375</u>	<u>\$ 440,319</u>	<u>\$ 2,477,852</u>	<u>\$ 110,038</u>	<u>\$ 3,231,584</u>

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	<u>Total</u>
General Fund	
Prepaid Tuition Charges	\$ 1,040
Special Revenue Fund	
Unencumbered Grant Draw Downs	203,655
Grant Draw Downs Reserved for Encumbrances	1,304
Capital Projects Fund	
Unrealized School Facilities Grants	<u>2,047,625</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 2,253,624</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2015 was as follows:

	Balance, July 1, 2014 (Restated)	Increases	Decreases	Balance, June 30, 2015
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,780,323			\$ 1,780,323
Construction in Progress	2,915,462	\$ 2,988,013	\$ (1,736,905)	4,166,570
Total Capital Assets, Not Being Depreciated	<u>4,695,785</u>	<u>2,988,013</u>	<u>(1,736,905)</u>	<u>5,946,893</u>
Capital Assets, Being Depreciated:				
Buildings	22,088,475	1,379,441		23,467,916
Land Improvements	2,232,526	1,736,705		3,969,231
Machinery and Equipment	5,751,877	614,069	\$ (299,166)	6,066,780
Total Capital Assets Being Depreciated	<u>30,072,878</u>	<u>3,730,215</u>	<u>(299,166)</u>	<u>33,503,927</u>
Less Accumulated Depreciation for:				
Buildings	(10,718,949)	(466,256)		(11,185,205)
Land Improvements	(1,554,462)	(147,302)		(1,701,764)
Machinery and Equipment	(4,446,443)	(430,484)	299,166	(4,577,761)
Total Accumulated Depreciation	<u>(16,719,854)</u>	<u>(1,044,042)</u>	<u>299,166</u>	<u>(17,464,730)</u>
Total Capital Assets, Being Depreciated, Net	<u>13,353,024</u>	<u>2,686,173</u>	<u>-</u>	<u>16,039,197</u>
Governmental Activities Capital Assets, Net	<u>\$ 18,048,809</u>	<u>\$ 5,674,186</u>	<u>\$ (1,736,905)</u>	<u>\$ 21,986,090</u>

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance <u>July 1, 2014</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>June 30, 2015</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 146,846	\$ -	-	\$ 146,846
Total Capital Assets Being Depreciated	<u>146,846</u>	<u>-</u>	<u>-</u>	<u>146,846</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	<u>(133,646)</u>	<u>(1,650)</u>	<u>-</u>	<u>(135,296)</u>
Total Accumulated Depreciation	<u>(133,646)</u>	<u>(1,650)</u>	<u>-</u>	<u>(135,296)</u>
Total Capital Assets, Being Depreciated, Net	<u>13,200</u>	<u>(1,650)</u>	<u>-</u>	<u>11,550</u>
Business-Type Activities Capital Assets, Net	<u>\$ 13,200</u>	<u>\$ (1,650)</u>	<u>\$ -</u>	<u>\$ 11,550</u>

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:	
Instruction	
Regular	\$ 497,612
Special	311,469
Total Instruction	<u>809,081</u>
Support Services	
Student and Instruction Related	48,714
General Administration	10,609
School Administration	76,830
Operations and Maintenance of Plant	35,148
Student Transportation	63,660
Total Support Services	<u>234,961</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,044,042</u>
Business-Type Activities:	
Food Service Fund	\$ 1,650
Total Depreciation Expense-Business Type Activities	<u>\$ 1,650</u>

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2015:

<u>Project</u>	<u>Remaining Commitment</u>
Multi-Purpose Room and Classroom Addition at Hoover School	\$ 79,004
Kitchen Updgraes at Middle School and High School	72,000
Unit Ventilator, Controls and HVAC Upgrades	2,442,634
Energy Generator and Electrical Upgrades at Hoover and Middle Schools	186,600
Roof Gutter, Leader amd Exterior Trim Upgrades at Middle School	168,450
Window and Door Replacement at Middle School	456,075
Purchase of Land	<u>617,234</u>
	<u>\$ 4,021,997</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2015, is as follows:

Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 67,389
Unemployment Compensation Trust Fund	General Fund	108,987
Payroll Agency Fund	Unemployment Compensation Trust Fund	<u>26,442</u>
Total		<u>\$ 202,818</u>

The above balances are the result of receipts deposited in one fund which are due to another fund or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers (Continued)

Interfund transfers

	<u>Transfer In:</u>		
	<u>Capital Projects Fund</u>	<u>General Fund</u>	<u>Total</u>
Transfer Out:			
General Fund	\$ 3,716,778		\$ 3,716,778
Debt Service Fund	-	\$ 30,718	30,718
	<u>\$ 3,716,778</u>	<u>\$ 30,718</u>	<u>\$ 3,747,496</u>

The above transfers are the result of restricted fund balances in one fund to finance expenditures in another fund or to transfer residual balances of governmental funds.

F. Long-Term Debt

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2015 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 105,325,851
Less: Net Debt	-
Remaining Borrowing Power	<u>\$ 105,325,851</u>

G. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2015, was as follows:

	<u>Balance, July 1, 2014 (Restated)</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, June 30, 2015</u>	<u>Due Within One Year</u>
Governmental activities:					
Compensated absences	\$ 1,626,130	\$ -	\$ 30,704	\$ 1,595,426	\$ 50,000
Net Pension Liability	<u>14,093,792</u>	<u>-</u>	<u>671,305</u>	<u>13,422,487</u>	<u>630,796</u>
Governmental activity					
Long-term liabilities	<u>\$ 15,719,922</u>	<u>\$ -</u>	<u>\$ 702,009</u>	<u>\$ 15,017,913</u>	<u>\$ 680,796</u>

For the governmental activities, the liabilities for compensated absences and net pension liability are generally liquidated by the general fund.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the fund, to report claims on a timely basis, cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which they were a member.

NESBIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the insurance fund is on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

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

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2015	None	\$ 54,875	\$ 56,074	\$ 148,789
2014	\$ 72,760	70,753	124,431	149,989
2013	85,309	101,633	124,567	130,907

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2015, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Employee Retirement Systems and Pension Plans

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all eligible Board employees:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage. PERS is a cost sharing multi-employer defined benefit pension plan.

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage. TPAF is a cost sharing plan with special funding situations.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected, certain appointed officials, and certain Board employees not eligible for enrollment in PERS or TPAF. Effective July 1, 2007 membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Basis of Accounting

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj/treasury/doinvest.

Funding Status and Funding Progress

As of July 1, 2013, the most recent actuarial valuation date, the aggregate funded ratio for all the State administered retirement systems including TPAF and PERS, is 62.8 percent with an unfunded actuarial accrued liability of \$51.0 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 54.2 percent and \$37.3 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and Police and Firemen's Retirement System ("PFRS") is 75.4 percent and \$13.7 billion, respectively.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

Funding Status and Funding Progress (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

The funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financing reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2013 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (a) an investment rate of return for the retirement systems of 7.90 percent and (b) projected salary increases of 4.24 percent for the PERS and 3.33 percent for TPAF.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 6.9% for PERS, 6.9% for TPAF and 5.50% for DCRP of the employee's annual compensation.

Annual Pension Costs (APC)

Per the requirements of GASB Statement No. 27 *Accounting for Pensions by State and Local Government Employees*, for the fiscal year ended June 30, 2015 for TPAF, which is a cost sharing plan with special funding situations, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

During the fiscal years ended June 30, 2015, 2014 and 2013 the Board was required to contribute for PERS and DCRP and the State of New Jersey was required to contribute for TPAF for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2015	\$ 591,009	\$ 1,269,108	\$ 20,149
2014	555,640	1,057,116	14,239
2013	601,611	1,606,062	None

For fiscal years 2014/2015 and 2012/2013, the state contributed \$1,269,108 and \$1,606,062, respectively for normal cost pension, accrued liability and the NCGI premium. For fiscal year 2013/2014 the State did not contribute to the TPAF for accrued liability but did contribute \$1,057,116 for normal cost pension and NCGI premium.

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 24. The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,927,961 during the fiscal year ended June 30, 2015 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 24.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employees Retirement System (PERS)

At June 30, 2015, the District reported in the statement of net position (accrual basis) a liability of \$13,422,487 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportionate share of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2014, the District’s proportionate share was .07169 percent, which was decrease of .00205 percent from its proportionate share measured as of June 30, 2013.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2015, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$628,875 for PERS. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions	\$ 422,075	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		\$ 799,907
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>-</u>	<u>331,339</u>
Total	<u>\$ 422,075</u>	<u>\$ 1,131,246</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2016	\$ (183,297)
2017	(183,297)
2018	(183,297)
2019	(183,297)
2020	16,679
Thereafter	<u>7,338</u>
	<u>\$ (709,171)</u>

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>PERS</u>
Inflation Rate	3.01%
Salary Increases:	
2012-2021	2.15-4.40%
Thereafter	Based on Age 3.15-5.40%
Investment Rate of Return	Based on Age 7.90%
Mortality Rate Table	RP-2000
Period of Actuarial Experience	July 1, 2008 -
Study Upon Which Actuarial Assumptions were Based	June 30, 2011

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.80%
Core Bonds	1.00%	2.49%
Intermediate-Term Bonds	11.20%	2.26%
Mortgages	2.50%	2.17%
High Yield Bonds	5.50%	4.82%
Inflation-Indexed Bonds	2.50%	3.51%
Broad US Equities	25.90%	8.22%
Developed Foreign Equities	12.70%	8.12%
Emerging Market Equities	6.50%	9.91%
Private Equity	8.25%	13.02%
Hedge Funds/Absolute Return	12.25%	4.92%
Real Estate (Property)	3.20%	5.80%
Commodities	2.50%	5.35%

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Plan</u>	<u>Discount Rate</u>
PERS	5.39%

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

PERS

Period of Projected Benefit

Payments for which the Following
Rates were Applied:

Long-Term Expected Rate of Return Through June 30, 2033

Municipal Bond Rate * From July 1, 2033
and Thereafter

* The municipal bond return rate used is 4.29%. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the District's proportionate share of the PERS net pension liability calculated using the discount rate of 5.39%, as well as what the District's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.39 percent) or 1-percentage-point higher (6.39 percent) than the current rate:

	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39%)
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 16,885,891</u>	<u>\$ 13,422,487</u>	<u>\$ 10,514,103</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability at June 30, 2014. A sensitivity analysis specific to the District's net pension liability was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**BERGENFIELD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF)

In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2015, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$7,186,540 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 24.

At June 30, 2015 the State's proportionate share of the net pension liability attributable to the District is \$133,555,508. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer towards the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the year ended June 30, 2014.

Actuarial Assumptions

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.90%
Mortality Rate Table	RP-2000
Period of Actuarial Experience	July 1, 2009 - June 30, 2012
Study Upon Which Actuarial Assumptions were Based	

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.50%
Core Fixed Income	0.00%	2.19%
Core Bonds	1.00%	1.38%
Short-Term Bonds	0.00%	1.00%
Intermediate-Term Bonds	11.20%	2.60%
Long-Term Bonds	0.00%	3.23%
Mortgages	2.50%	2.84%
High Yield Bonds	5.50%	4.15%
Non-US Fixed Income	0.00%	1.41%
Inflation-Indexed Bonds	2.50%	1.30%
Broad US Equities	25.90%	5.88%
Large Cap US Equities	0.00%	5.62%
Mid Cap US Equities	0.00%	6.39%
Small Cap US Equities	0.00%	7.39%
Developed Foreign Equities	12.70%	6.05%
Emerging Market Equities	6.50%	8.90%
Private Equity	8.25%	9.15%
Hedge Funds/Absolute Return	12.25%	3.85%
Real Estate (Property)	3.20%	4.43%
Real Estate (REITS)	0.00%	5.58%
Commodities	2.50%	3.60%
Long Credit Bonds	0.00%	3.74%

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

<u>Plan</u>	<u>Discount Rate</u>
TPAF	4.68%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

TPAF

Period of Projected Benefit

Payments for which the Following
Rates were Applied:

Long-Term Expected Rate of Return	Through June 30, 2027
Municipal Bond Rate *	From July 1, 2027 and Thereafter

* The municipal bond return rate used is 4.29%. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 4.68%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (3.68 percent) or 1-percentage-point higher (5.68 percent) than the current rate:

	1% Decrease (3.68%)	Current Discount Rate (4.68%)	1% Increase (5.68%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$160,632,193</u>	<u>\$ 133,555,508</u>	<u>\$ 111,034,789</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2014. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2014 was not provided by the pension system.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the TPAF pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

D. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plans for school districts. The Plans are classified as either single employer plans or cost sharing multiple employer defined benefit plans depending on the plan the eligible employee is covered under.

As a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), and the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other employee Benefit Trust Funds in the State's Comprehensive Annual Financial Report (CAFR). Specifically, SHBP-State, and the PRM of the PERS are combined and reported as a Health Benefits Program Fund – State classified as a single employer plan. The SHBP-Local, PDP-Local, and the PRM of the TPAF-Local are combined and reported as Health Benefits Program Fund –Local Government classified as a cost-sharing multiple-employer plan in the State's CAFR. The post-retirement benefit programs had a total of 590 state and local participating employers and contributing entities for Fiscal Year 2014.

The State of New Jersey sponsors and administers the following health benefit programs covering certain state and local government employees, including those Board employees and retirees eligible for coverage.

Health Benefits Program Fund (HBPF) – Local Education (including Prescription Drug Program Fund) – The State of New Jersey provides paid coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides paid coverage to members of the Public Employees' Retirement System and Alternate Benefits Program who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for state paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the PDP coverage after 60 days of employment.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

Basis of Accounting

The financial statements of the health benefit programs are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the health benefit programs. Benefits or refunds are recognized when due and payable in accordance with the terms of the health benefit programs.

Significant Legislation

P.L. 2011, c.78, effective October 2011, sets new employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to this new legislation's effective date with a minimum contribution required to be at least 1.5% of salary.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

Funded Status and Funding Progress

As of July 1, 2013, the most recent actuarial valuation date, the State had a \$53.0 billion unfunded actuarial accrued liability for other post-employment benefits (OPEB) which is made up to \$19.7 billion for state active and retired members and \$33.3 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

The funded status and funding progress of the OPEB includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2013, OPEB actuarial valuation, the projected unit credit was used as the actuarial cost method. The actuarial assumptions included an assumed investment rate of return of 4.50 percent.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

Post-Retirement Medical Benefits Contributions

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2014, there were 103,432, retirees receiving post-retirement medical benefits and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State and 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 \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

The State sets the contribution rate based on a pay as you go basis and not on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2015, 2014 and 2013 were \$2,014,709, \$1,733,273 and \$1,816,051 respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

NOTE 5 RESTATEMENT

On July 1, 2014, the Bergenfield Board of Education implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions. The Bergenfield Board of Education has determined that the effect of implementing this accounting change on the financial statements previously reported as of and for the fiscal year ended June 30, 2014 was to recognize the District's proportionate share of the Public Employees' Retirement System's (PERS) net pension liability, deferred outflows of resources and deferred inflows of resources with a corresponding reduction in the unrestricted component of net position in the amount of \$14,093,792.

The financial statements for June 30, 2014 have also been restated to reflect an updated inventory of the District's capital assets as provided by an independent consultant. The effect of this restatement results in a net decrease of \$1,656,200 in governmental activities capital assets with a corresponding decrease in the net investment in capital assets component of net position at June 30, 2014 from the amounts as originally reported for the effects of the adjustments to capital assets.

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 5 RESTATEMENT (Continued)

The results of these restatements is to reduce total net position of Governmental Activities as of June 30, 2014 from \$31,771,458, as originally reported to \$16,021,466. The effects of these restatements are as follows:

	<u>Beginning Balance Prior to Restatement</u>	<u>Restatement</u>	<u>Beginning Balance Restated</u>
<u>Governmental Activities:</u>			
ASSETS			
Capital Assets, Not being Depreciated	\$ 4,584,833	\$ 110,952	\$ 4,695,785
Capital Assets, Being Depreciated, Net	15,120,176	(1,767,152)	13,353,024
Total Capital Assets, Net	19,705,009	(1,656,200)	18,048,809
Total Assets	37,273,457	(1,656,200)	35,617,257
Total Assets and Deferred Outflows of Resources	37,273,457	(1,656,200)	35,617,257
LIABILITIES			
Noncurrent Liabilities	1,626,130	14,093,792	15,719,922
Total Liabilities	5,501,999	14,093,792	19,595,791
Total Liabilities and Deferred Inflows of Resources	5,501,999	14,093,792	19,595,791
NET POSITION			
Net Investment in Capital Assets	19,705,009	(1,656,200)	18,048,809
Unrestricted	3,615,699	(14,093,792)	(10,478,093)
Total Net Position	\$ 31,771,458	\$ (15,749,992)	\$ 16,021,466

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 46,194,008		\$ 46,194,008	\$ 46,194,008	
Tuition	1,335,618		1,335,618	1,468,802	\$ 133,184
Transportation Fees				74,377	74,377
Miscellaneous	78,030	-	78,030	1,344,956	1,266,926
Total Local Revenues	47,607,656	-	47,607,656	49,082,143	1,474,487
State Sources					
Equalization Aid	8,165,600		8,165,600	8,165,600	-
School Choice Aid	175,686		175,686	138,039	(37,647)
Special Education Aid	2,072,512		2,072,512	2,072,512	-
Security Aid	155,605		155,605	155,605	-
Transportation Aid	80,089		80,089	80,089	-
Extraordinary Aid				653,002	653,002
PARCC Readiness Aid	35,030		35,030	35,030	-
Per Pupil Growth Aid	35,030		35,030	35,030	-
On Behalf TPAF Contributions (Non Budgeted)					
Pension - NCGI Premium				85,178	85,178
Pension Benefit Contribution				1,183,930	1,183,930
Post Retirement Medical Benefit Contribution				2,014,709	2,014,709
Reimbursed TPAF Social Security Contribution (Non Budgeted)	-	-	-	1,927,961	1,927,961
Total State Revenues	10,719,552	-	10,719,552	16,546,685	5,827,133
Federal Sources					
SEMI-ARRA				6,100	6,100
Medicaid Reimbursement	20,381	-	20,381	79,096	58,715
Total Federal Sources	20,381	-	20,381	85,196	64,815
Total Revenues	58,347,589	-	58,347,589	65,714,024	7,366,435
CURRENT EXPENDITURES					
Regular Programs - Instruction					
Salaries of Teachers					
Kindergarten	911,512	\$ (155,797)	755,715	755,656	59
Grades 1-5	5,397,346	116,624	5,513,970	5,512,129	1,841
Grades 6-8	4,275,868	(151,912)	4,123,956	4,123,775	181
Grades 9-12	6,140,777	176,918	6,317,695	6,317,304	391
Regular Programs - Home Instruction					
Salaries of Teachers	115,825	(77,455)	38,370	38,370	-
Other Salaries for Instruction	6,650	(6,650)			-
Regular Programs - Undistributed Instruction					
Purchased Professional/Educational Services		229,516	229,516	229,469	47
Purchased Technical Services		29,839	29,839	29,839	-
Other Purchased Services		111,091	111,091	110,725	366
General Supplies	1,344,585	524,993	1,869,578	1,861,223	8,355
Textbooks	415,681	(193,257)	222,424	222,271	153
Other Objects	295,596	(278,240)	17,356	16,479	877
Total Regular Programs	18,903,840	325,670	19,229,510	19,217,240	12,270

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Special Education					
Learning / Language Disabilities					
Salaries of Teachers	\$ 277,309	\$ (29,000)	\$ 248,309	\$ 247,153	\$ 1,156
Other Salaries for Instruction	220,183	(145,000)	75,183	71,888	3,295
Purchased Professional/Educational Services	42,500	(41,405)	1,095	1,095	-
General Supplies	3,650	(435)	3,215	3,215	-
Textbooks	4,020	(2,079)	1,941	1,941	-
Total Learning / Language Disabilities	547,662	(217,919)	329,743	325,292	4,451
Behavioral Disabilities					
Salaries of Teachers	123,336	42,203	165,539	165,538	1
Total Behavioral Disabilities	123,336	42,203	165,539	165,538	1
Multiple Disabilities					
Salaries of Teachers	414,006	(83,761)	330,245	330,245	-
Other Salaries for Instruction	81,904	5,354	87,258	86,494	764
Purchased Professional/Educational Services	13,856	(10,856)	3,000	3,000	-
General Supplies	26,494	(8,579)	17,915	17,914	1
Textbooks	4,500	(2,421)	2,079	2,079	-
Other Objects	3,500	(2,919)	581	581	-
Total Multiple Disabilities	544,260	(103,182)	441,078	440,313	765
Resource Room / Resource Center					
Salaries of Teachers	1,656,721	100,229	1,756,950	1,756,950	-
Other Salaries for Instruction	403,265	(74,835)	328,430	328,429	1
Purchased Professional/Educational Services	98,336	(86,219)	12,117	12,117	-
General Supplies	15,163	447	15,610	15,610	-
Textbooks	19,949	(8,205)	11,744	11,452	292
Other Objects	553	(553)	-	-	-
Total Resource Room / Resource Center	2,193,987	(69,136)	2,124,851	2,124,558	293
Autism					
Salaries of Teachers		1,410	1,410	1,410	-
Purchased Professional-Educational Services	3,311,633	397,983	3,709,616	3,709,615	1
Other Purchased Services		5,045	5,045	4,490	555
General Supplies	23,980	4,324	28,304	27,921	383
Other Objects	10,590	(10,446)	144	144	-
Total Autism	3,346,203	398,316	3,744,519	3,743,580	939
Preschool Disabilities - Part - Time					
Salaries of Teachers	216,360	-	216,360	215,405	955
Other Salaries for Instruction	100,092	28,417	128,509	128,508	1
General Supplies	1,200	(139)	1,061	1,061	-
Other Objects	500	(305)	195	194	1
Total Preschool Disabilities - Part - Time	318,152	27,973	346,125	345,168	957
Total Special Education	7,073,600	78,255	7,151,855	7,144,449	7,406

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CURRENT EXPENDITURES (Continued)					
Basic Skills/Remedial					
Salaries of Teachers	\$ 575,804	\$ (284,243)	\$ 291,561	\$ 291,560	\$ 1
General Supplies	6,800	(1,390)	5,410	4,452	958
Textbooks	6,440	(4,585)	1,855	1,855	-
Total Basic Skills/Remedial	<u>589,044</u>	<u>(290,218)</u>	<u>298,826</u>	<u>297,867</u>	<u>959</u>
Bilingual Education					
Salaries of Teachers	501,511	(1,791)	499,720	495,281	4,439
Other Salaries for Instruction	542	-	542	542	542
General Supplies	19,500	(7,526)	11,974	10,177	1,797
Textbooks	20,500	-	20,500	19,117	1,383
Total Bilingual Education	<u>542,053</u>	<u>(9,317)</u>	<u>532,736</u>	<u>524,575</u>	<u>8,161</u>
School Sponsored Co-Curricular Activities					
Salaries of Teachers	192,024	(8,500)	183,524	182,922	602
Purchased Services	-	10,800	10,800	10,713	87
Supplies and Materials	45,562	14,322	59,884	57,286	2,598
Other Objects	350	7,453	7,803	6,555	1,248
Total School Sponsored Co-Curricular Activities	<u>237,936</u>	<u>24,075</u>	<u>262,011</u>	<u>257,476</u>	<u>4,535</u>
School Sponsored Athletics - Instruction					
Salaries	313,573	73,012	386,585	358,935	27,650
Purchased Services	208,501	(135,349)	73,152	68,685	4,467
Supplies and Materials	-	218,672	218,672	213,310	5,362
Other Objects	-	9,700	9,700	9,602	98
Total School Sponsored Athletics - Instruction	<u>522,074</u>	<u>166,035</u>	<u>688,109</u>	<u>650,532</u>	<u>37,577</u>
Summer School - Instruction					
Salaries of Teachers	-	83,246	83,246	83,246	-
Total Summer School - Instruction	<u>-</u>	<u>83,246</u>	<u>83,246</u>	<u>83,246</u>	<u>-</u>
Community Services Program					
Salaries	27,583	-	27,583	-	27,583
Supplies and Materials	13,125	(4,000)	9,125	-	9,125
Total Community Services Program	<u>40,708</u>	<u>(4,000)</u>	<u>36,708</u>	<u>-</u>	<u>36,708</u>
Total - Instruction	<u>27,909,255</u>	<u>373,746</u>	<u>28,283,001</u>	<u>28,175,385</u>	<u>107,616</u>
Undistributed Expenditures					
Instruction					
Tuition - Other LEA's Within State - Special	333,613	(195,251)	138,362	138,361	1
Tuition to County Vocational School District-Reg.	618,912	52,222	671,134	653,117	18,017
Tuition to County Vocational School/Dist.-Spec.	217,800	13,950	231,750	231,718	32
Tuition to County Special Services - School Districts & Regional Day Schools	1,051,650	103,887	1,155,537	1,155,537	-
Tuition to Private Schools - Disabled Within State	199,598	300,809	500,407	426,787	73,620
Tuition - Other	-	224,623	224,623	224,623	-
Total Undistributed Expenditures - Instruction	<u>2,421,573</u>	<u>500,240</u>	<u>2,921,813</u>	<u>2,830,143</u>	<u>91,670</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Health Services					
Salaries	\$ 644,638	\$ (50,842)	\$ 593,796	\$ 593,625	\$ 171
Purchased Professional and Technical Services		92,342	92,342	92,340	2
Other Purchased Services	1,000	(528)	472	330	142
Supplies and Materials	4,159	13,536	17,695	16,756	939
Total Health Services	649,797	54,508	704,305	703,051	1,254
Speech, OT, PT and Related Services					
Salaries	465,086	-	465,086	464,001	1,085
Purchased Professional-Educational Services		88,484	88,484	88,483	1
Supplies and Materials	1,200	745	1,945	1,944	1
Other Objects	-	388	388	388	-
Total Speech, OT, PT and Related Services	466,286	89,617	555,903	554,816	1,087
Other Support Services-Students-Extra Services					
Salaries	417,255	479,872	897,127	856,596	40,531
Purchased Professional-Educational Services	642,400	(34,858)	607,542	607,541	1
Total Other Support Services-Extra	1,059,655	445,014	1,504,669	1,464,137	40,532
Guidance					
Salaries of Other Professional Staff	916,235	(18,106)	898,129	897,855	274
Salaries of Secretarial and Clerical Assistants	135,811	(44,796)	91,015	91,015	-
Purchased Professional-Educational Services		4,449	4,449	4,449	-
Other Purchased Services	5,500	(2,836)	2,664	2,637	27
Supplies and Materials		7,694	7,694	7,523	171
Other Objects	155,871	(154,960)	911	764	147
Total Guidance	1,213,417	(208,555)	1,004,862	1,004,243	619
Child Study Team					
Salaries of Other Professional Staff	1,190,865	157,059	1,347,924	1,347,924	-
Salaries of Secretarial and Clerical Assistants	92,861	54,430	147,291	147,290	1
Other Purchased Professional/Technical Services	11,000	(4,500)	6,500	5,840	660
Miscellaneous Purchased Services		200	200	199	1
Supplies and Materials	-	6,179	6,179	5,603	576
Total Child Study Team	1,294,726	213,368	1,508,094	1,506,856	1,238
Improvement of Instruction Services					
Other Salaries	332,151	228,633	560,784	560,783	1
Purchased Professional-Educational Services		1,825	1,825	1,825	-
Other Purchased Services		219	219	219	-
Supplies and Materials	500	1,439	1,939	1,115	824
Other Objects	-	15	15	15	-
Total Improvement of Instruction Services	332,651	232,131	564,782	563,957	825
Educational Media Services/School Library					
Salaries	122,952	(56,091)	66,861	65,970	891
Purchased Professional and Technical Services	100,000	(5,600)	94,400	83,809	10,591
Other Purchased Services		99	99	99	-
Supplies and Materials	154,544	(132,210)	22,334	20,443	1,891
Other Objects	-	130	130	130	-
Total Educational Media Services/School Library	377,496	(193,672)	183,824	170,451	13,373

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Instructional Staff Training Services					
Salaries of Other Professional Staff	\$ 10,000	\$ (7,282)	\$ 2,718		\$ 2,718
Other Purchased Professional/Technical Services	5,000	10,500	15,500	\$ 15,500	-
Other Purchased Services		189	189	189	-
Supplies and Materials	-	1,493	1,493	1,493	-
Total Instructional Staff Training Services	15,000	4,900	19,900	17,182	2,718
Support Services General Administration					
Salaries	722,544	(5,458)	717,086	591,036	\$ 126,050
Legal Services	125,000	(41,815)	83,185	73,208	9,977
Other Purchased Professional Services	60,000	43,708	103,708	91,758	11,950
Purchased Technical Services	750	99,113	99,863	99,862	1
Other Purchased Services		-			-
Communications/Telephone	193,704	(51,296)	142,408	126,420	15,988
BOE Other Purchased Services	500	6,340	6,840	6,839	1
Miscellaneous Purchased Services	170,600	(50,132)	120,468	115,603	4,865
General Supplies	18,650	(12,821)	5,829	5,813	16
Judgments Against the School District		30,000	30,000	30,000	-
Miscellaneous Expenditures	1,500	181	1,681	1,681	-
BOE Membership Dues & Fees	-	40,969	40,969	40,961	8
Total Support Services General Administration	1,293,248	58,789	1,352,037	1,183,181	168,856
Support Services School Administration					
Salaries of Principals/Asst. Principals/Prog. Dir.	1,139,106	(11,345)	1,127,761	1,060,023	67,738
Salaries of Other Professional Staff	1,343,043	-	1,343,043	1,084,113	258,930
Salaries of Secretarial and Clerical Assistants	382,034	11,345	393,379	393,082	297
Other Salaries	228,217	-	228,217	213,458	14,759
Purchased Professional and Technical Services	200	30,686	30,886	7,530	23,356
Other Purchased Services	181,912	(115,640)	66,272	51,709	14,563
Supplies and Materials	1,497	22,843	24,340	22,431	1,909
Other Objects	325	30,584	30,909	20,583	10,326
Total Support Services School Administration	3,276,334	(31,527)	3,244,807	2,852,929	391,878
Central Services					
Salaries	537,211	(44,637)	492,574	489,935	2,639
Purchased Professional Services		7,978	7,978	7,978	-
Purchased Technical Services		24,191	24,191	21,207	2,984
Misc. Purchased Services		36,342	36,342	34,537	1,805
Supplies and Materials	10,000	1,164	11,164	11,151	13
Miscellaneous Expenditures	43,578	(33,304)	10,274	12,437	(2,163)
Total Central Services	590,789	(8,266)	582,523	577,245	5,278
Administrative Info Technology					
Purchased Professional Services		48	48	48	-
Purchased Technical Services		33,914	33,914	27,201	6,713
Other Purchased Services		1,518	1,518	1,482	36
Supplies and Materials	-	9,108	9,108	8,614	494
Total Administrative Info Technology	-	44,588	44,588	37,345	7,243

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
CURRENT EXPENDITURES (Continued)					
Required Maintenance for School Facilities					
Salaries	\$ 2,134,544	\$ 111,900	\$ 2,246,444	\$ 2,246,367	\$ 77
Cleaning, Repair & Maintenance Services	928,720	32,930	961,650	940,391	21,259
General Supplies	59,523	64,895	124,418	112,790	11,628
Other Objects	-	6,697	6,697	6,696	1
Total Required Maintenance for School Facilities	3,122,787	216,422	3,339,209	3,306,244	32,965
Custodial Services					
Salaries	280,000	80,202	360,202	358,146	2,056
Purchased Professional & Technical Services	52,614	(51,123)	1,491		1,491
Cleaning, Repair and Maintenance Services	53,289	(12,851)	40,438	29,138	11,300
Rental of Land & Building		428,170	428,170	393,069	35,101
Other Purchased Property Services	370,000	(221,925)	148,075	148,075	-
Insurance	276,800	-	276,800	274,981	1,819
Miscellaneous Purchased Services	31,629	(30,000)	1,629	60	1,569
General Supplies	233,100	(119,786)	113,314	111,072	2,242
Energy (Natural Gas)		306,375	306,375	263,731	42,644
Energy (Electricity)	902,282	(340,302)	561,980	416,566	145,414
Total Custodial Services	2,199,714	38,760	2,238,474	1,994,838	243,636
Security					
Salaries	352,400	28,400	380,800	380,799	
General Supplies	164,450	(83,470)	80,980	80,892	88
Other Objects	-	3,359	3,359	3,317	42
Total Security Services	516,850	(51,711)	465,139	465,008	130
Undistributed Expenditures					
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Special Ed	1,060,640	128,890	1,189,530	1,189,125	405
Salaries for Pupil Transportation (Other Than Between Home & School)	15,139	(3,890)	11,249		11,249
Management Fee-ESC & CTSA Trans. Prog.	67,128	(66,500)	628		628
Other Purchased Professional and Technical Svcs	500	7,911	8,411	5,661	2,750
Cleaning, Repair and Maintenance Services	75,000	45,500	120,500	119,720	780
Lease Purchase Payments-School Buses	120,000	(117,430)	2,570		2,570
Contracted Services (Other Than Between Home and School) - Vendors	108,405	(58,500)	49,905	17,892	32,013
Contracted Services (Spec Ed) - ESC's & CTSA's	367,408	(107,494)	259,914	203,301	56,613
Miscellaneous Purchased Services - Transportation	30,000	-	30,000	360	29,640
General Supplies	135,500	(123,500)	12,000	8,994	3,006
Transportation Supplies		100,000	100,000	77,607	22,393
Other Objects	-	1,120	1,120	922	198
Total Student Transportation Services	1,979,720	(193,893)	1,785,827	1,623,582	162,245

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CURRENT EXPENDITURES (Continued)					
Unallocated Benefits					
Social Security Contributions	\$ 770,000	\$ 31,064	\$ 801,064	\$ 801,063	\$ 1
Other Retirement Contributions - Regular	700,000	(88,689)	611,311	611,158	153
Other Retirement Contributions - Other		2,910	2,910	2,909	1
Unemployment Compensation	75,000	(73,130)	1,870	-	1,870
Workmen's Compensation	315,000	(74,740)	240,260	205,880	34,380
Health Benefits	7,652,000	(736,107)	6,915,893	6,854,446	61,447
Tuition Reimbursement		24,123	24,123	24,123	-
Other Employee Benefits	68,000	(42,614)	25,386	25,386	-
Total Unallocated Benefits	<u>9,580,000</u>	<u>(957,183)</u>	<u>8,622,817</u>	<u>8,524,965</u>	<u>97,852</u>
On Behalf TPAF Contributions (Non Budgeted)					
Pension -NCGI Premium				85,178	(85,178)
Pension Benefit Contribution				1,183,930	(1,183,930)
Post Retirement Medical Benefit Contribution				2,014,709	(2,014,709)
Reimbursed TPAF Social Security Contribution (Non Budgeted)	-	-	-	1,927,961	(1,927,961)
Total On-Behalf Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,211,778</u>	<u>(5,211,778)</u>
Total Undistributed Expenditures	<u>30,390,043</u>	<u>253,530</u>	<u>30,643,573</u>	<u>34,591,951</u>	<u>(3,948,379)</u>
Total Expenditures - Current Expenditures	<u>58,299,298</u>	<u>627,276</u>	<u>58,926,574</u>	<u>62,767,336</u>	<u>(3,840,763)</u>
CAPITAL OUTLAY					
Equipment					
Instruction					
Grades 1-5	15,216	221,785	237,001	143,528	93,473
Grades 6-8	104,671	(40,243)	64,428	64,428	-
Grades 9-12		193,606	193,606	190,606	3,000
Autism		10,050	10,050	10,050	10,050
School Sponsored & Other Instr. Programs		128,799	128,799	125,699	3,100
Support Services					
Instruction	100,000	88,500	188,500	185,548	2,952
General Administration	10,000	(5,051)	4,949	4,949	-
School Administration	5,000	123,000	128,000	126,682	1,318
Central Services		33,507	33,507	24,222	9,285
Admin Info Tech		59,001	59,001	50,193	8,808
Required School Maintenance	72,733	90,464	163,197	97,651	65,546
Security		203,295	203,295	203,295	-
Non-Instructional Equipment		21,381	21,381	21,381	-
School Buses - Special	95,278	68,430	163,708	158,251	5,457
Total Equipment	<u>402,898</u>	<u>1,196,524</u>	<u>1,599,422</u>	<u>1,396,433</u>	<u>202,989</u>
Facilities Acquisition and Construction Services					
Other Purchased Professional/Technical Svcs.	91,000	459,631	550,631	55,746	494,885
Construction Services	638,277	1,055,708	1,693,985	991,207	702,778
SDA - Debt Service Assessment	10,486	-	10,486	10,486	-
Total Facilities Acquis. and Const. Services	<u>739,763</u>	<u>1,515,339</u>	<u>2,255,102</u>	<u>1,057,439</u>	<u>1,197,663</u>
Total Capital Outlay	<u>1,142,661</u>	<u>2,711,863</u>	<u>3,854,524</u>	<u>2,453,872</u>	<u>1,400,652</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	\$ 10,000	-	\$ 10,000		\$ 10,000
General Supplies	900	-	900	-	900
Total Summer School - Instruction	<u>10,900</u>	<u>-</u>	<u>10,900</u>	<u>-</u>	<u>10,900</u>
Total Summer School	<u>10,900</u>	<u>-</u>	<u>10,900</u>	<u>-</u>	<u>10,900</u>
Other Special Schools - Instruction					
Salaries of Teachers	26,650	-	26,650		26,650
Other Salaries for Instruction	40,313	-	40,313		40,313
General Supplies	900	-	900	-	900
Total Other Special Schools - Instruction	<u>67,863</u>	<u>-</u>	<u>67,863</u>	<u>-</u>	<u>67,863</u>
Total Other Special Schools	<u>67,863</u>	<u>-</u>	<u>67,863</u>	<u>-</u>	<u>67,863</u>
Total Special Schools	<u>78,763</u>	<u>-</u>	<u>78,763</u>	<u>-</u>	<u>78,763</u>
Charter Schools					
Transfer To Charter Schools	232,962	\$ (232,962)	-	-	-
Total Transfer to Charter Schools	<u>232,962</u>	<u>(232,962)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>59,753,684</u>	<u>3,106,177</u>	<u>62,859,861</u>	<u>\$ 65,221,208</u>	<u>(2,361,348)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,406,095)</u>	<u>(3,106,177)</u>	<u>(4,512,272)</u>	<u>492,816</u>	<u>5,005,088</u>
Other Financing Sources (Uses)					
Transfers In - Debt Service Fund		-		30,718	(30,718)
Transfers Out - Capital Projects Fund	(3,758,776)	-	(3,758,776)	(3,716,778)	(41,998)
Total Other Financing Sources (Uses)	<u>(3,758,776)</u>	<u>-</u>	<u>(3,758,776)</u>	<u>(3,686,060)</u>	<u>(72,716)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(5,164,871)</u>	<u>(3,106,177)</u>	<u>(8,271,048)</u>	<u>(3,193,244)</u>	<u>4,932,372</u>
Fund Balances, Beginning of Year	<u>14,030,851</u>	<u>-</u>	<u>14,030,851</u>	<u>14,030,851</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 8,865,980</u>	<u>\$ (3,106,177)</u>	<u>\$ 5,759,803</u>	<u>\$ 10,837,607</u>	<u>\$ 4,932,372</u>

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
Recapitulation					
Restricted					
Capital Reserve				\$ 1,075,704	
Capital Reserve - Designated for Subsequent Year's Expenditures				1,101,334	
Maintenance Reserve				690,953	
Maintenance Reserve - Designated for Subsequent Year's Expenditures				1,052,815	
Emergency Reserve				594,000	
Adult Education Programs				104,078	
Tuition Adjustments - 2014/2015				283,000	
Tuition Adjustments - 2013/2014 - Designated for Subsequent Year's Expenditures				243,000	
Reserved Excess Surplus				1,115,100	
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures				1,115,080	
Committed					
Year End Encumbrances				689,234	
Assigned					
Year End Encumbrances				415,773	
Designated for Subsequent Year's Expenditures				423,910	
ARRA-SEMI				6,100	
Unassigned				<u>1,927,526</u>	
Fund Balance - Budgetary Basis				10,837,607	
Reconciliation to Governmental Funds Statements (GAAP)					
Less State Aid Revenue Not Recognized on GAAP Basis				<u>(1,615,055)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 9,222,552</u>	

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 119,790	\$ 179,311	\$ 299,101	\$ 237,623	\$ (61,478)
Federal	1,203,546	323,950	1,527,496	1,516,468	(11,028)
Local Sources					
Miscellaneous	-	437,864	437,864	110,702	(327,162)
Total Revenues	<u>1,323,336</u>	<u>941,125</u>	<u>2,264,461</u>	<u>1,864,793</u>	<u>(399,668)</u>
EXPENDITURES					
Instruction					
Salaries	322,088	(57,768)	264,320	261,603	2,717
Purchased Professional / Technical Services		21,388	21,388	16,545	4,843
Other Purchased Services	27,734	39,259	66,993	858,159	(791,166)
General Supplies	852,020	371,697	1,223,717	295,686	928,031
Textbooks	16,819	4,559	21,378	-	21,378
Other Objects		-		1,475	(1,475)
Miscellaneous Expenditures	-	64,839	64,839	19,522	45,317
Total Instruction	<u>1,218,661</u>	<u>443,974</u>	<u>1,662,635</u>	<u>1,452,990</u>	<u>209,645</u>
Support Services - Instruction					
Salaries		84,300	84,300	42,676	41,624
Personnel Services - Employee Benefits		38,674	38,674	34,776	3,898
Purchased Professional / Technical Services	17,379	178,669	196,048	74,551	121,497
Other Purchased Services		90,014	90,014	244,923	(154,909)
Tuition	79,101	95,543	174,644	-	174,644
Travel		1,356	1,356	-	1,356
Supplies and Materials	8,195	8,595	16,790	14,877	1,913
Total Support Services	<u>104,675</u>	<u>497,151</u>	<u>601,826</u>	<u>411,803</u>	<u>190,023</u>
Total Expenditures	<u>1,323,336</u>	<u>941,125</u>	<u>2,264,461</u>	<u>1,864,793</u>	<u>399,668</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of 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 following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 65,714,024	\$ 1,864,793
Difference - Budget to GAAP:		
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements.(2014-2015)	(1,615,055)	
State Aid payments recognized for GAAP statements, not recognized for budgetary purposes (2013-2014)	1,939,353	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2015		(1,304)
Encumbrances, June 30, 2014	-	<u>28,511</u>
 Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	 <u>\$ 66,038,322</u>	 <u>\$ 1,892,000</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 65,221,208	\$ 1,864,793
Differences - Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances , June 30, 2015		(1,304)
Encumbrances , June 30, 2014	-	<u>28,511</u>
 Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	 <u>\$ 65,221,208</u>	 <u>\$ 1,892,000</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Two Fiscal Years*

	<u>2015</u>		<u>2014</u>	
District's Proportion of the Net Position Liability (Asset)	0.07169	%	0.07374	%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 13,422,487		\$ 14,093,792	
District's Covered-Employee Payroll	\$ 4,816,801		\$ 4,760,180	
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	278.66	%	296.08	%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08	%	48.72	%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Two Fiscal Years

	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 591,009	\$ 555,640
Contributions in Relation to the Contractually Required Contribution	<u>591,009</u>	<u>555,640</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$4,816,801	\$4,760,180
Contributions as a Percentage of Covered-Employee Payroll	12.27%	11.67%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Two Fiscal Years*

	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>133,555,508</u>	<u>125,618,626</u>
Total	<u>\$ 133,555,508</u>	<u>\$ 125,618,626</u>
District's Covered-Employee Payroll	\$ 23,020,150	\$ 23,147,876
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	33.64%	33.76%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**BERGENFIELD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Change of Benefit Terms: None.

Change of Assumptions: The discount rate changed from the District's rate as of June 30, 2014 to the District's rate as of June 30, 2015, in accordance with GASB Statement No. 67.

SCHOOL LEVELS SCHEDULES

GENERAL FUND

NOT APPLICABLE

SPECIAL REVENUE FUND

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Nonpublic Textbook Aid	Nonpublic Nursing Services	IIS Competitive	New Jersey Achievement Coaches	Perkins	Other Local Programs	Other (Exhibit E-1a)	Other (Exhibit E-1b)	Total 2015
REVENUES									
Intergovernmental									
State	\$ 20,343	\$ 32,723	\$ 28,604	\$ 24,297			\$ 131,656	-	\$ 237,623
Federal					\$ 24,839		-	\$ 1,491,629	1,516,468
Other Sources	-	-	-	-	-	\$ 110,702	-	-	110,702
Total Revenues	\$ 20,343	\$ 32,723	\$ 28,604	\$ 24,297	\$ 24,839	\$ 110,702	\$ 131,656	\$ 1,491,629	\$ 1,864,793
EXPENDITURES									
Instruction									
Salaries				\$ 945			\$ -	\$ 260,658	\$ 261,603
Purchased Professional / Technical Services						\$ 16,545	-	-	16,545
Other Purchased Services	20,343					868	-	836,948	858,159
General Supplies					19,397	70,628	10,181	195,480	295,686
Textbooks							-	-	-
Other Objects						1,475	-	-	1,475
Miscellaneous Expenditures	-	-	-	-	-	19,522	-	-	19,522
Total Instruction	20,343	-	-	945	19,397	109,038	10,181	1,293,086	1,452,990
Support Services									
Salaries				21,625			551	20,500	42,676
Personal Services Employee-Benefits				1,727			-	33,049	34,776
Purchased Professional / Technical Services			\$ 28,604		3,800	330	-	41,817	74,551
Other Purchased Services		32,723				1,334	120,924	89,942	244,923
Travel							-	-	-
Tuition							-	-	-
Supplies and Materials	-	-	-	\$ -	1,642	-	-	13,235	14,877
Total Support Services	-	32,723	28,604	23,352	5,442	1,664	121,475	198,543	411,803
Total Expenditures	\$ 20,343	\$ 32,723	\$ 28,604	\$ 24,297	\$ 24,839	\$ 110,702	\$ 131,656	\$ 1,491,629	\$ 1,864,793

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Chapter 192/193 Services					Nonpublic Home Instruction	Nonpublic Technology Aid	Total Exhibit E-1a
	Nonpublic Exam & Classification	Nonpublic Corrective Speech	Nonpublic Supplemental Instruction	Nonpublic Compensatory Aid	Nonpublic ESL			
REVENUES								
Intergovernmental								
State	\$ 21,433	\$ 39,493	\$ 10,986	\$ 43,805	\$ 5,207		\$ 10,732	\$ 131,656
Federal	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 21,433</u>	<u>\$ 39,493</u>	<u>\$ 10,986</u>	<u>\$ 43,805</u>	<u>\$ 5,207</u>	<u>\$ -</u>	<u>\$ 10,732</u>	<u>\$ 131,656</u>
EXPENDITURES								
Instruction								
Salaries								\$ -
Purchased Professional / Technical Services								-
Other Purchased Services								-
General Supplies							\$ 10,181	10,181
Textbooks								-
Other Objects								-
Miscellaneous Expenditures	-	-	-	-	-	-	-	-
Total Instruction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,181</u>	<u>10,181</u>
Support Services								
Salaries							551	551
Personal Services Employee-Benefits								-
Purchased Professional / Technical Services								-
Other Purchased Services	\$ 21,433	\$ 39,493	\$ 10,986	\$ 43,805	\$ 5,207			120,924
Travel								-
Tuition								-
Supplies and Materials	-	-	-	-	-	-	-	-
Total Support Services	<u>21,433</u>	<u>39,493</u>	<u>10,986</u>	<u>43,805</u>	<u>5,207</u>	<u>-</u>	<u>551</u>	<u>121,475</u>
Total Expenditures	<u>\$ 21,433</u>	<u>\$ 39,493</u>	<u>\$ 10,986</u>	<u>\$ 43,805</u>	<u>\$ 5,207</u>	<u>\$ -</u>	<u>\$ 10,732</u>	<u>\$ 131,656</u>

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**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>IDEA Basic</u>		<u>IDEA Preschool</u>		<u>NCLB Title I</u>		<u>NCLB Title IIA</u>		<u>NCLB Title III</u>		<u>Title III Supplemental Immigrant</u>		<u>Total Exhibit E-1b</u>
	<u>2014/2015</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2013/2014</u>	
REVENUES													
Intergovernmental													
State													
Federal	\$ 888,196		\$ 32,720		\$ 448,095		\$ 85,739		\$ 36,879				\$ 1,491,629
Other Sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 888,196</u>	<u>\$ -</u>	<u>\$ 32,720</u>	<u>\$ -</u>	<u>\$ 448,095</u>	<u>\$ -</u>	<u>\$ 85,739</u>	<u>\$ -</u>	<u>\$ 36,879</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,491,629</u>
EXPENDITURES													
Instruction													
Salaries					\$ 214,559		\$ 21,603		\$ 24,496				\$ 260,658
Purchased Professional / Technical Services													-
Other Purchased Services	\$ 805,981		\$ 30,967										836,948
General Supplies	4,806				180,111				10,563				195,480
Textbooks													-
Other Objects													-
Miscellaneous Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Instruction	<u>810,787</u>	<u>-</u>	<u>30,967</u>	<u>-</u>	<u>394,670</u>	<u>-</u>	<u>21,603</u>	<u>-</u>	<u>35,059</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,293,086</u>
Support Services													
Salaries					17,200		3,300						20,500
Personal Services Employee-Benefits					32,989		60						33,049
Purchased Professional / Technical Services							41,317		500				41,817
Other Purchased Services	77,387		1,753		125		10,258		419				89,942
Travel													-
Tuition													-
Supplies and Materials	22	-	-	-	3,111	-	9,201	-	901	-	-	-	13,235
Total Support Services	<u>77,409</u>	<u>-</u>	<u>1,753</u>	<u>-</u>	<u>53,425</u>	<u>-</u>	<u>64,136</u>	<u>-</u>	<u>1,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,543</u>
Total Expenditures	<u>\$ 888,196</u>	<u>\$ -</u>	<u>\$ 32,720</u>	<u>\$ -</u>	<u>\$ 448,095</u>	<u>\$ -</u>	<u>\$ 85,739</u>	<u>\$ -</u>	<u>\$ 36,879</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,491,629</u>

**BERGENFIELD BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL AID EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOT APPLICABLE

CAPITAL PROJECTS FUND

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

<u>Issue/ Project Title</u>	<u>Modified Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance June 30, 2015</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Computer Network Cabling and Related Equipment (Capital Lease)	\$ 963,619	\$ 934,630		\$ 28,989
Hoover School Gym Addition	2,525,000	983,626	\$ 1,462,370	79,004
Bergenfield High School - Unbundled Project - HVAC, Vertical Movement	2,141,330		601,881	1,539,449
Roy W. Brown Middle School - HVAC Upgrades, Electrical System Upgrades, Window Replacement, Emergency Generator, and Roof Replacement	3,240,600		384,574	2,856,026
Hoover Elementary School - HVAC Upgrades, Electrical System Upgrades, and Asbestos Abatement	812,700	-	89,112	723,588
	<u>\$ 9,683,249</u>	<u>\$ 1,918,256</u>	<u>\$ 2,537,937</u>	<u>\$ 5,227,056</u>
 <u>Reconciliation to Fund Balance - GAAP</u>				
Project Balance, June 30, 2015				\$ 5,227,056
Less: SDA Grant Revenue Not Realized Under GAAP				<u>\$ (2,047,625)</u>
Fund Balance, June 30, 2015 - GAAP				<u>\$ 3,179,431</u>
 <u>Recapitulation of Fund Balance - GAAP</u>				
Restricted for Capital Projects Year End Encumbrances				\$ 3,813,816
Available for Capital Projects				<u>(634,385)</u>
Total Restricted for Capital Projects				<u>\$ 3,179,431</u>

**BERGENFIELD 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, 2015**

Revenues and Other Financing Sources	
State Sources - SDA Grant	\$ 2,477,852
Transfer from General Fund - Capital Reserve	<u>3,716,778</u>
Total Revenues and Other Financing Sources	<u>6,194,630</u>
Expenditures and Other Financing Uses	
Purchased Professional and Technical Services	\$ 417,578
Construction Services	<u>2,120,359</u>
Total Expenditures and Other Financing Uses	<u>2,537,937</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	3,656,693
Fund Balance- Beginning of Year	<u>1,570,363</u>
Fund Balance- Ending of Year - Budgetary Basis	<u>\$ 5,227,056</u>
Reconciliation to GAAP:	
Project Fund Balance	\$ 5,227,056
Less: SDA Grant Revenue not Realized Under GAAP	<u>(2,047,625)</u>
Fund Balance- End of Year - GAAP Basis	<u>\$ 3,179,431</u>

BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
COMPUTER NETWORK CABLING AND RELATED EQUIPMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Lease Proceeds	\$ 975,262		\$ 975,262	\$ 975,262
Interest	47		47	47
Transfer to Other Projects	<u>(11,690)</u>	<u>-</u>	<u>(11,690)</u>	<u>(11,690)</u>
 Total Revenues and Other Financing Sources	 <u>963,619</u>	 <u>-</u>	 <u>963,619</u>	 <u>963,619</u>
Expenditures and Other Financing Uses				
Equipment	<u>934,630</u>	<u>-</u>	<u>934,630</u>	<u>963,619</u>
 Total Expenditures and Other Financing Uses	 <u>934,630</u>	 <u>-</u>	 <u>934,630</u>	 <u>963,619</u>
 Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	 <u>\$ 28,989</u>	 <u>\$ -</u>	 <u>\$ 28,989</u>	 <u>\$ -</u>
 Additional Project Information:				
Original Authorized Cost	\$ 975,262			
Additional (Reduced) Costs	(11,643)			
Revised Authorized Cost	963,619			
 Percentage Decrease Over Original Authorized Cost	 -1.19%			
Percentage Complete	100.00%			
Original Target Date	N/A			
Revised Target Date	N/A			

BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
HOOVER SCHOOL GYM ADDITION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 2,007,044		\$ 2,007,044	\$ 2,007,044
Transfers from Capital Outlay	517,956	-	517,956	517,956
Total Revenues and Other Financing Sources	<u>2,525,000</u>	<u>-</u>	<u>2,525,000</u>	<u>2,525,000</u>
Expenditures and Other Financing Uses				
Construction Services	983,626	1,462,370	2,445,996	2,525,000
Total Expenditures and Other Financing Uses	<u>983,626</u>	<u>1,462,370</u>	<u>2,445,996</u>	<u>2,525,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 1,541,374</u>	<u>\$ (1,462,370)</u>	<u>\$ 79,004</u>	<u>\$ -</u>
Additional Project Information:				
Original Authorized Cost	\$ 2,525,000			
Additional (Reduced) Costs	-			
Revised Authorized Cost	2,525,000			
Percentage Increase Over Original Authorized Cost		0.00%		
Percentage Completed		100.00%		
Original Target Date		June 30, 2015		
Revised Target Date		August 31, 2016		

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BERGENFIELD HIGH SCHOOL - UNBUNDLED PROJECT - HVAC, VERTICAL MOVEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ -	\$ 856,532	\$ 856,532	\$ 856,532
Transfer from Capital Reserve	-	1,284,798	1,284,798	1,284,798
Total Revenues	-	2,141,330	2,141,330	2,141,330
Expenditures and Other Financing Uses				
Architectural/Engineering Services	-	153,325	153,325	318,330
Construction Services	-	448,556	448,556	1,823,000
Total Expenditures	-	601,881	601,881	2,141,330
Excess of Revenues Over Expenditures	\$ -	\$ 1,539,449	\$ 1,539,449	\$ -

Additional Project Information:

DOE Project Number	0300-020-14-1001
SDA Project Number	0300-020-14-G3CK
Grant Number	G5-6160
Grant Date	10/23/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,141,330
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 2,141,330

Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	28%
Original Target Completion Date	June 30, 2016
Revised Target Completion Date	June 30, 2016

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ROY W. BROWN MIDDLE SCHOOL - HVAC UPGRADES, ELECTRICAL SYSTEM UPGRADES,
WINDOW REPLACEMENT, EMERGENCY GENERATOR, AND ROOF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ -	\$ 1,296,240	\$ 1,296,240	\$ 1,296,240
Transfer from Capital Reserve	-	1,944,360	1,944,360	1,944,360
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	-	3,240,600	3,240,600	3,240,600
Expenditures and Other Financing Uses				
Architectural/Engineering Services	-	205,955	205,955	454,600
Construction Services	-	178,620	178,619	2,786,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	-	384,575	384,574	3,240,600
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ 2,856,025</u>	<u>\$ 2,856,026</u>	<u>\$ -</u>

Additional Project Information:

DOE Project Number	0300-075-14-1006
SDA Project Number	0300-075-14-G1CT
Grant Number	G5-4825
Grant Date	12/11/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 3,240,600
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 3,240,600

Percentage Increase Over Original

Authorized Cost	0.00%
Percentage Completion	12%
Original Target Completion Date	June 30, 2016
Revised Target Completion Date	June 30, 2016

**BERGENFIELD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
HOOVER ELEMENTARY SCHOOL - HVAC UPGRADES, ELECTRICAL SYSTEM UPGRADES,
AND ASBESTOS ABATEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SDA Grant	\$ -	\$ 325,080	\$ 325,080	\$ 325,080
Transfer from Capital Reserve	-	487,620	487,620	487,620
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	-	812,700	812,700	812,700
Expenditures and Other Financing Uses				
Architectural/Engineering Services	-	58,298	58,298	125,700
Construction Services	-	30,814	30,814	687,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	-	89,112	89,112	812,700
Excess of Revenues Over Expenditures	<hr/>	<hr/>	<hr/>	<hr/>
	\$ -	\$ 723,588	\$ 723,588	\$ -

Additional Project Information:

DOE Project Number	0300-050-14-1003
SDA Project Number	0300-050-14-G1CR
Grant Number	G5-4823
Grant Date	12/11/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 812,700
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 812,700

Percentage Increase Over Original

Authorized Cost	0.00%
Percentage Completion	11%
Original Target Completion Date	June 30, 2016
Revised Target Completion Date	June 30, 2016

PROPRIETARY FUNDS

EXHIBIT G-1

**BERGENFIELD BOARD OF EDUCATION
PROPRIETARY FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2015**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

EXHIBIT G-2

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

EXHIBIT G-3

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

THIS STATEMENT IS NOT APPLICABLE
FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

FIDUCIARY FUNDS

AGENCY FUNDS

**BERGENFIELD BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2015**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
ASSETS			
Cash	\$ 52,562	\$ 66,489	\$ 119,051
Due from Other Funds	-	26,442	26,442
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 52,562</u>	<u>\$ 92,931</u>	<u>\$ 145,493</u>
LIABILITIES			
Payroll Deductions and Withholdings		\$ 54,120	\$ 54,120
Accrued Salaries and Wages		38,811	38,811
Due to Student Groups	\$ 52,562	-	52,562
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>\$ 52,562</u>	<u>\$ 92,931</u>	<u>\$ 145,493</u>

**BERGENFIELD BOARD OF EDUCATION
FIDUCIARY FUNDS
NONEXPENDABLE TRUST FUND
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOT APPLICABLE

**STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Balance, July 1, <u>2014</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2015</u>
ROY W. BROWN MIDDLE SCHOOL	\$ 15,148	\$ 33,989	\$ 36,066	\$ 13,071
BERGENFIELD HIGH SCHOOL	<u>41,329</u>	<u>85,325</u>	<u>87,163</u>	<u>39,491</u>
	<u>\$ 56,477</u>	<u>\$ 119,314</u>	<u>\$ 123,229</u>	<u>\$ 52,562</u>

**BERGENFIELD BOARD OF EDUCATION
AGENCY FUNDS
PAYROLL AGENCY FUND
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Balance, July 1, <u>2014</u>	<u>Increases</u>	<u>Decreases</u>	Balance, June 30, <u>2015</u>
ASSETS				
Cash	\$ 44,492	\$ 42,659,436	\$ 42,637,439	\$ 66,489
Due from Other Funds	<u>31,029</u>	<u>-</u>	<u>4,587</u>	<u>26,442</u>
Total Assets	<u>\$ 75,521</u>	<u>\$ 42,659,436</u>	<u>\$ 42,642,026</u>	<u>\$ 92,931</u>
LIABILITIES				
Payroll Deductions and Withholdings	\$ 70,588	\$ 19,302,632	\$ 19,319,100	\$ 54,120
Accrued Salaries and Wages	<u>4,933</u>	<u>23,356,804</u>	<u>23,322,926</u>	<u>38,811</u>
Total Liabilities	<u>\$ 75,521</u>	<u>\$ 42,659,436</u>	<u>\$ 42,642,026</u>	<u>\$ 92,931</u>

LONG-TERM DEBT

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOT APPLICABLE

**SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOT APPLICABLE

**BERGENFIELD BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy					
Miscellaneous					
Intergovernmental State	-	-	-	-	-
 Total Revenues	-	-	-	-	-
EXPENDITURES					
Regular Debt Service					
Principal					
Interest	-	-	-	-	-
 Total Expenditures	-	-	-	-	-
Excess (Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-
Other Financing Sources (Uses)					
Transfers Out - General Fund	-	-	-	(30,718)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	-	(30,718)	-
Fund Balance, Beginning of Year	\$ -	-	\$ -	\$ 30,718	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

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

BERGENFIELD BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014 (1)	2015
Governmental activities										
Net investment in capital assets	\$ 6,013,417	\$ 6,118,441	\$ 6,973,047	\$ 8,521,212	\$ 11,528,576	\$ 8,991,316	\$ 11,615,142	\$ 14,809,943	\$ 18,048,809	\$ 21,986,090
Restricted	365,848	394,315	398,791	271,816	766,995	3,326,995	5,072,995	6,702,305	8,450,750	7,730,315
Unrestricted	437,051	1,430,359	1,959,104	2,404,713	2,918,167	4,594,377	5,634,835	5,437,142	(10,478,093)	(11,055,416)
Total governmental activities net position	<u>\$ 6,816,316</u>	<u>\$ 7,943,115</u>	<u>\$ 9,330,942</u>	<u>\$ 11,197,741</u>	<u>\$ 15,213,738</u>	<u>\$ 16,912,688</u>	<u>\$ 22,322,972</u>	<u>\$ 26,949,390</u>	<u>\$ 16,021,466</u>	<u>\$ 18,660,989</u>
Business-type activities										
Net investment in capital assets	\$ 35,402	\$ 27,184	\$ 56,009	\$ 42,664	\$ 38,679	\$ 22,986		\$ 4,823	\$ 13,200	\$ 11,550
Restricted										
Unrestricted	(14,348)	(12,532)	4,138	69,650	82,917	110,167	85,493	191,348	305,951	208,678
Total business-type activities net position	<u>\$ 21,054</u>	<u>\$ 14,652</u>	<u>\$ 60,147</u>	<u>\$ 112,314</u>	<u>\$ 121,596</u>	<u>\$ 133,153</u>	<u>\$ 85,493</u>	<u>\$ 196,171</u>	<u>\$ 319,151</u>	<u>\$ 220,228</u>
District-wide										
Net investment in capital assets	\$ 6,048,819	\$ 6,145,625	\$ 7,029,056	\$ 8,563,876	\$ 11,567,255	\$ 9,014,302	\$ 11,615,142	\$ 14,814,766	\$ 18,062,009	\$ 21,997,640
Restricted	365,848	394,315	398,791	271,816	766,995	3,326,995	5,072,995	6,702,305	8,450,750	7,730,315
Unrestricted	422,703	1,417,827	1,963,242	2,474,363	3,001,084	4,704,544	5,720,328	5,628,490	(10,172,142)	(10,846,738)
Total district net position	<u>\$ 6,837,370</u>	<u>\$ 7,957,767</u>	<u>\$ 9,391,089</u>	<u>\$ 11,310,055</u>	<u>\$ 15,335,334</u>	<u>\$ 17,045,841</u>	<u>\$ 22,408,465</u>	<u>\$ 27,145,561</u>	<u>\$ 16,340,617</u>	<u>\$ 18,881,217</u>

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions"

BERGENFIELD BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30.									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities										
Instruction										
Regular	\$ 22,498,274	\$ 23,354,155	\$ 24,072,216	\$ 23,681,898	\$ 22,727,317	\$ 23,530,605	\$ 24,256,926	\$ 25,822,685	\$ 26,071,825	\$ 31,564,646
Special Education	10,283,102	11,538,688	11,289,120	11,093,225	10,788,076	10,356,168	10,478,106	10,937,704	10,638,090	12,474,570
Other Instruction	1,912,054	1,950,926	2,107,336	1,754,020	1,931,633	2,058,207	1,967,919	1,929,241	1,833,891	1,811,716
School Sponsored Activities and Athletics	523,539	616,932	616,322	717,885	816,236	805,495	735,888	856,417	1,043,178	1,099,250
Other Services	25,940	27,673	17,439	20,171	15,335	1,911	3,917	32,215	28,980	112,627
Support Services:										
Student & Instruction Related Services	6,996,586	8,133,793	8,594,671	7,863,005	7,683,983	7,561,603	7,721,787	7,856,535	7,362,038	8,864,355
General Administration	1,492,102	1,264,877	1,220,689	1,253,860	1,796,415	1,613,183	1,356,817	1,565,370	1,394,165	1,412,876
School Administrative Services	2,579,276	2,867,058	3,217,613	4,032,511	4,180,216	5,598,663	3,688,898	3,807,670	3,741,186	4,549,105
Central Services and Other Support Services	574,647	607,680	597,252	569,981	594,199	688,315	611,371	660,550	731,002	787,507
Plant Operations and Maintenance	5,325,316	5,075,218	6,076,847	5,625,817	5,806,560	6,023,494	5,382,925	5,697,345	6,421,972	6,854,874
Pupil Transportation	1,974,637	2,125,103	2,216,789	1,930,408	1,981,300	2,098,341	2,040,505	2,062,756	2,012,627	2,106,932
Interest on long-term debt	27,597	4,560	3,072	15,859	63,706					
Total governmental activities expenses	\$ 54,213,070	\$ 57,566,663	\$ 60,029,366	\$ 58,558,640	\$ 58,384,976	\$ 58,335,985	\$ 58,245,059	\$ 61,228,488	\$ 61,278,974	\$ 71,638,458
Business-type activities:										
Food service	1,149,264	1,181,825	1,213,350	1,211,583	1,272,669	1,210,256	1,316,498	1,085,100	1,095,065	1,273,741
Summer Enrichment Program	54,838	55,960	55,161	55,093	59,834	57,125	69,311	69,739	40,709	46,792
Total business-type activities expense	1,204,102	1,237,785	1,268,511	1,266,676	1,332,503	1,267,381	1,385,809	1,154,839	1,135,774	1,320,533
Total district expenses	\$ 55,417,172	\$ 58,804,448	\$ 61,297,877	\$ 59,825,316	\$ 59,717,479	\$ 59,603,366	\$ 59,630,868	\$ 62,383,347	\$ 62,414,748	\$ 72,958,991
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction	\$ 92,184	\$ 572,701	\$ 1,041,194	\$ 1,503,365	\$ 1,598,324	\$ 1,284,685	\$ 1,311,100	\$ 1,526,439	\$ 1,597,066	\$ 1,468,802
Support Services		37,909				45,002	50,755	113,956	147,527	74,377
Operating grants and contributions	11,599,096	13,122,360	13,360,020	8,665,339	11,506,298	9,273,979	10,091,784	10,580,633	9,555,009	16,368,958
Capital grants and contributions	72,854	8,462		18,036	320,379	42,973	42,551	27,860		430,227
Total governmental activities program revenues	11,764,134	13,741,432	14,401,214	10,186,740	13,425,001	10,646,639	11,496,190	12,248,888	11,299,602	18,342,364
Business-type activities:										
Charges for services:										
Food service	\$ 843,400	\$ 840,695	\$ 832,779	\$ 857,993	\$ 769,012	\$ 724,441	\$ 697,285	\$ 577,217	\$ 591,610	\$ 544,341
Summer Enrichment Program	59,713	58,625	38,793	50,237	64,318	61,157	59,386	59,545	54,475	51,351
Operating grants and contributions	317,322	332,063	362,434	410,613	508,455	506,849	594,464	628,775	612,669	625,918
Total business type activities program revenues	1,220,435	1,231,383	1,234,006	1,318,843	1,341,785	1,292,447	1,361,135	1,265,537	1,258,754	1,221,610
Total district program revenues	\$ 12,984,569	\$ 14,972,815	\$ 15,635,220	\$ 11,505,583	\$ 14,766,786	\$ 11,939,086	\$ 12,857,325	\$ 13,514,425	\$ 12,558,356	\$ 19,563,974
Net (Expense)/Revenue										
Governmental activities	\$ (42,448,936)	\$ (43,825,231)	\$ (45,628,152)	\$ (48,371,900)	\$ (44,959,975)	\$ (47,689,346)	\$ (46,748,869)	\$ (48,979,600)	\$ (49,979,372)	\$ (52,296,094)
Business-type activities	16,333	(6,402)	(34,505)	52,167	9,282	25,066	110,678	122,980	122,980	(98,923)
Total district-wide net expense	\$ (42,432,603)	\$ (43,831,633)	\$ (45,662,657)	\$ (48,319,733)	\$ (44,950,693)	\$ (47,664,280)	\$ (46,773,543)	\$ (48,856,922)	\$ (49,856,392)	\$ (53,395,017)

BERGENFIELD BOARD OF EDUCATION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 38,346,404	\$ 39,876,425	\$ 41,351,852	\$ 42,178,609	\$ 43,182,460	\$ 44,883,849	\$ 44,883,849	\$ 45,332,687	\$ 46,194,008	\$ 46,194,008
Unrestricted Aid and contributions	5,635,658	5,316,845	5,623,017	7,973,166	5,719,958	6,730,799	7,598,261	8,184,570	8,302,723	8,396,653
Investment earnings	20,001	21,947	96,847	86,924						
Miscellaneous income	13,174	13,020	24,263		73,554	534,154	83,266	88,761	304,709	1,344,956
Transfers			(80,000)							
Loss on Disposal of Capital Assets	-	(276,207)								
Total governmental activities	44,015,237	44,952,030	47,015,979	50,238,699	48,975,972	52,148,802	52,565,376	53,606,018	54,801,440	55,935,617
Business-type activities:										
Investment earnings			80,000							
Transfers										
Total business-type activities			80,000							
Total district-wide	\$ 44,015,237	\$ 44,952,030	\$ 47,095,979	\$ 50,238,699	\$ 48,975,972	\$ 52,148,802	\$ 52,565,376	\$ 53,606,018	\$ 54,801,440	\$ 55,935,617
Change in Net Position										
Governmental activities	\$ 1,566,301	\$ 1,126,799	\$ 1,387,827	\$ 1,866,799	\$ 4,015,997	\$ 4,459,456	\$ 5,816,507	\$ 4,626,418	\$ 4,822,068	\$ 2,639,523
Business-type activities	16,333	(6,402)	45,495	52,167	9,282	25,066	(24,674)	110,678	122,980	(98,923)
Total district	\$ 1,582,634	\$ 1,120,397	\$ 1,433,322	\$ 1,918,966	\$ 4,025,279	\$ 4,484,522	\$ 5,791,833	\$ 4,737,096	\$ 4,945,048	\$ 2,540,600

**BERGENFIELD BOARD OF EDUCATION
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)**

	Fiscal Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 1,223,128	\$ 2,405,864	\$ 1,723,835	\$ 1,798,237	\$ 4,549,424					
Unreserved	611,019	426,449	1,657,197	1,982,156	54,263					
Restricted						\$ 4,014,771	\$ 6,481,434	\$ 9,237,329	\$ 9,673,844	\$ 7,375,064
Committed						2,577,784	3,571,574	3,661,427	1,226,800	689,234
Assigned						2,103,906	1,425,385	602,282	963,478	845,783
Unassigned	-	-	-	-	-	287,131	172,236	168,473	227,376	312,471
Total general fund	\$ 1,834,147	\$ 2,832,313	\$ 3,381,032	\$ 3,780,393	\$ 4,603,687	\$ 8,983,592	\$ 11,650,629	\$ 13,669,511	\$ 12,091,498	\$ 9,222,552
All Other Governmental Funds										
Reserved				\$ 40,632						
Unreserved	\$ 144,464	\$ 26,112	\$ 17,324	30,757	\$ 71,397					
Restricted	-	-	-	-	-	\$ 71,397	\$ 71,397	\$ 59,707	\$ 1,601,081	\$ 3,179,431
Total all other governmental funds	\$ 144,464	\$ 26,112	\$ 17,324	\$ 71,389	\$ 71,397	\$ 71,397	\$ 71,397	\$ 59,707	\$ 1,601,081	\$ 3,179,431

Beginning with Fiscal Year 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Type Definitions." The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This Statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. Reclassification of prior year fund balance amounts to comply with Statement No. 54 is not required

BERGENFIELD BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2006	2007	2008	2009	Fiscal Year Ended June 30,		2012	2013	2014	2015
					2010	2011				
Revenues										
Property Tax Levy	\$ 38,346,404	\$ 39,876,425	\$ 41,351,852	\$ 42,178,609	\$ 43,182,460	\$ 44,883,849	\$ 44,883,849	\$ 45,332,687	\$ 46,194,008	\$ 46,194,008
Tuition and Fees	92,184	610,610	1,041,294	1,503,365	1,598,324	1,329,687	1,361,855	1,640,395	1,744,593	1,543,179
Interest Earnings	20,001	21,947	96,847							
Miscellaneous	57,902	26,031	54,017	140,296	149,079	582,702	160,664	158,961	368,549	1,465,414
State Sources	15,536,814	16,850,613	17,548,564	14,942,257	13,611,126	13,940,760	15,326,616	17,115,383	16,264,591	17,538,833
Federal Sources	1,726,066	1,584,043	1,404,619	1,660,912	3,824,461	2,058,443	2,328,582	1,607,480	1,529,301	1,619,115
Total revenue	55,779,371	58,969,669	61,497,193	60,425,439	62,365,450	62,795,441	64,061,566	65,854,906	66,101,042	68,360,549
Expenditures										
Instruction										
Regular Instruction	22,417,382	23,396,016	24,041,453	23,585,408	22,739,145	23,310,868	24,042,309	25,105,398	25,805,127	27,060,101
Special Education Instruction	10,270,475	11,554,718	11,288,201	11,081,324	10,807,884	10,335,624	10,223,736	10,647,397	10,506,238	11,511,294
Other Instruction	1,907,709	1,956,756	2,106,992	1,750,670	1,937,235	2,053,118	1,971,962	1,910,763	1,832,881	1,623,457
School Sponsored Activities and Athletics	522,490	618,726	616,104	716,732	818,141	803,567	737,335	848,357	1,042,604	1,097,656
Other Services	25,940	27,673	17,439	20,171	15,335	1,911	3,917	32,215	28,980	112,382
Support Services:										
Student & Inst. Related Services	6,982,029	8,156,251	8,593,537	7,850,706	7,703,403	7,543,500	7,712,741	7,746,701	7,335,700	8,270,139
General Administration	1,416,188	1,212,483	1,171,183	1,206,490	1,753,109	1,565,958	1,358,450	1,543,786	1,388,322	1,400,528
School Administrative Services	2,573,386	2,875,530	3,217,104	4,025,431	4,192,192	3,587,875	3,666,953	3,706,542	3,712,382	3,957,485
Central Services and Other Support Services	573,427	609,401	597,157	568,867	595,830	686,324	607,240	647,316	730,460	786,066
Plant Operations and Maintenance	5,069,175	4,838,067	5,830,493	5,387,368	5,583,922	5,601,163	5,356,299	5,618,638	6,397,830	6,810,941
Pupil Transportation	1,866,746	2,004,216	2,089,739	1,791,058	1,848,666	1,998,369	1,952,091	1,951,812	1,945,113	2,039,773
Capital Outlay	553,875	777,878	1,274,596	2,801,834	2,589,078	927,259	3,761,496	4,088,789	5,412,044	4,981,323
Debt Service:										
Principal	607,649	55,521	29,082	147,486	1,234,998					
Interest and Other Charges	24,447	6,619	4,182	13,730	68,210					
Total expenditures	54,810,918	58,089,855	60,877,262	60,947,275	61,887,148	58,415,536	61,394,529	63,847,714	66,137,681	69,651,145
Excess (Deficiency) of revenues over (under) expenditures	968,453	879,814	619,931	(521,836)	478,302	4,379,905	2,667,037	2,007,192	(36,639)	(1,290,596)
Other Financing sources (uses)										
Capital leases (non-budgeted)	152,377			975,262	345,000					
Transfers in		116,389			435,360				2,525,000	3,747,496
Transfers out		(116,389)	(80,000)		(435,360)				(2,525,000)	(3,747,496)
Total other financing sources (uses)	152,377	-	(80,000)	975,262	345,000	-	-	-	-	-
Net change in fund balances	\$ 1,120,830	\$ 879,814	\$ 539,931	\$ 453,426	\$ 823,302	\$ 4,379,905	\$ 2,667,037	\$ 2,007,192	\$ (36,639)	\$ (1,290,596)
Debt service as a percentage of noncapital expenditures	1.17%	0.11%	0.06%	0.28%	2.20%	0.00%	0.00%	0.00%	0.00%	0.00%

* Noncapital expenditures are total expenditures less capital outlay.

BERGENFIELD BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)

<u>Fiscal Year Ended June 30,</u>	<u>Tuition</u>	<u>Transportation Fees</u>	<u>Adult Education Program Fees</u>	<u>Interest on Investments</u>	<u>Rents</u>	<u>Cancelled Prior Year Orders</u>	<u>Prior Year Refunds</u>	<u>Miscellaneous</u>	<u>Total</u>
2006	\$ 3,805		\$ 92,184	\$ 20,001	\$ 7,795			\$ 1,574	\$ 125,359
2007	446,821	\$ 37,909	125,880	21,947	9,300			3,720	645,577
2008	935,088		106,206	96,847	9,175			14,988	1,162,304
2009	1,407,282		96,083	20,983	9,759			56,143	1,590,250
2010	1,503,468		94,856	17,353	8,870			47,323	1,671,870
2011	1,284,605	45,002		14,486	9,980	\$ 410,000		99,688	1,863,761
2012	1,311,100	50,755		19,578	10,315			53,373	1,445,121
2013	1,526,439	113,956		24,651	9,970			54,140	1,729,156
2014	1,597,066	147,527		23,499	13,398		\$ 234,666	33,146	2,049,302
2015	1,468,802	74,377		18,256	9,625	\$ 1,070,232	\$ 103,992	142,851	2,888,135

**BERGENFIELD BOARD OF EDUCATION
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 (Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2006	\$ 11,148,900	\$ 2,075,725,055	\$ 200,518,500	\$ 33,575,000	\$ 77,246,300	\$ 2,398,213,755	\$ 1,173,080	\$ 2,399,386,835	\$ 2,689,649,985	\$ 1.630
2007	10,769,100	2,079,827,755	195,395,400	33,554,200	73,306,300	2,392,852,755	1,041,281	2,393,894,036	3,063,553,502	1.697
2008	11,884,900	2,104,378,855	194,740,800	33,388,800	74,608,400	2,419,001,755	2,127,384	2,421,129,139	3,323,039,315	1.725
2009	8,620,900	2,213,976,600	286,764,300	46,701,500	111,932,000	2,667,995,300	2,127,384	2,670,122,684	2,680,527,382	1.598
2010	8,817,500	2,212,145,700	287,632,800	46,701,500	111,281,200	2,666,578,700	4,978,482	2,671,557,182	3,025,908,774	1.649
2011	7,253,500	2,198,699,800	285,515,300	45,741,100	121,220,600	2,658,430,300	4,122,023	2,662,552,323	2,893,274,034	1.686
2012	7,253,500	2,196,794,100	282,927,700	45,212,400	120,013,700	2,652,201,400	869,130	2,653,070,530	2,755,673,769	1.700
2013	7,381,600	2,194,172,200	276,285,800	44,683,600	116,732,200	2,639,255,400	869,130	2,640,124,530	2,657,053,290	1.753
2014	7,228,800	2,195,867,700	270,292,300	44,003,400	116,438,800	2,633,831,000	900,000	2,634,731,000	2,563,061,673	1.753
2015	7,187,600	2,196,822,200	269,567,700	42,589,900	116,438,800	2,632,606,200	98,340	2,632,704,540	2,684,336,177	1.773

Source: County Abstract of Ratables

^a Tax rates are per \$100

**BERGENFIELD BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)**

Calendar Year	Total Direct School Tax Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Bergenfield Local School District	Municipality of Bergenfield	County of Bergen		
2006	\$ 1.630	\$ 0.918	\$ 0.202		\$ 2.750
2007	1.697	0.994	0.229		2.920
2008	1.725	1.012	0.253		2.990
2009	1.598	0.986	0.224		2.808
2010	1.649	0.996	0.222		2.867
2011	1.686	1.019	0.226		2.931
2012	1.700	1.042	0.228		2.970
2013	1.734	1.068	0.229		3.031
2014	1.753	1.087	0.225		3.065
2015	1.773	1.104	0.245		3.122

Source: County Abstract of Ratables

(A) The Borough undertook a revaluation of real property which became effective for the 2005 calendar year.

N/A - Not Available

**BERGENFIELD BOARD OF EDUCATION
PRINCIPAL PROPERTY TAXPAYERS,
LAST YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2015		2006	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Rabinowitz, Charles (Trustee)	\$ 19,277,200	0.73%		
Tower Ivy Lane, LLC	18,850,000	0.72%	\$ 12,271,000	0.51%
Knickerbocker Country Club	17,000,000	0.65%	19,244,400	0.80%
Olster Bergenfield Properties	16,500,000	0.63%		
Tower Management Financing Ptsp.	13,350,000	0.51%		
St. James Apts, VAP International	11,526,700	0.44%	9,548,900	0.40%
Pathmark Stores, LLC	10,215,000	0.39%	7,790,300	0.32%
Legion Manor Assoc., LLC	10,000,000	0.38%		
New Bridge Shopping Center LLC	7,100,000	0.27%		
Keepers Bergenfield LLC	5,496,700	0.21%	4,976,900	0.21%
Point Properties			11,657,700	0.49%
ABA Realty Corp.			10,192,000	0.42%
Tower Management Financing Partnership			8,481,200	0.35%
New Woodbine, LLC			5,668,900	0.24%
120 Woodbine Inc.			4,052,600	0.17%
	<u>\$ 129,315,600</u>	<u>4.91%</u>	<u>\$ 93,883,900</u>	<u>3.91%</u>

Source: Municipal Tax Assessor

**BERGENFIELD BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2006	\$ 38,346,404	\$ 38,346,404	100.00%	
2007	39,876,425	39,876,425	100.00%	
2008	41,351,852	41,351,852	100.00%	
2009	42,178,609	42,178,609	100.00%	
2010	43,182,460	43,182,460	100.00%	
2011	44,883,849	44,883,849	100.00%	
2012	44,883,849	44,883,849	100.00%	
2013	45,332,687	45,332,687	100.00%	
2014	46,194,008	41,773,143	90.43%	\$ 4,420,865
2015	46,194,008	46,194,008	100.00%	

**BERGENFIELD BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities			Total District	Population	Per Capita
	General Obligation Bonds	Project Loan Payable	Capital Leases			
2006			\$ 146,825	\$ 146,825	25,651	\$ 6
2007			91,304	91,304	25,565	4
2008			62,222	62,222	25,515	2
2009			889,998	889,998	25,582	35
2010			-	-	26,882	0
2011			-	-	27,060	0
2012			-	-	27,165	0
2013			-	-	27,300	0
2014			-	-	27,406	0
2015			-	-	27,406 (E)	0

(E) - Estimate

Source: District records

BERGENFIELD BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

<u>General Bonded Debt Outstanding</u>					
<u>Fiscal Year</u> <u>Ended June</u> <u>30,</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Deductions</u>	<u>Net General</u> <u>Bonded Debt</u> <u>Outstanding</u>	<u>Percentage of</u> <u>Actual Taxable</u> <u>Value ^a of</u> <u>Property</u>	<u>Per Capita</u>
2006	-	-	-	0.00%	0
2007	-	-	-	0.00%	0
2008	-	-	-	0.00%	0
2009	-	-	-	0.00%	0
2010	-	-	-	0.00%	0
2011	-	-	-	0.00%	0
2012	-	-	-	0.00%	0
2013	-	-	-	0.00%	0
2014	-	-	-	0.00%	0
2015	-	-	-	0.00%	0

Source: District records

**BERGENFIELD BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2014
(Unaudited)**

	<u>Total Debt</u>
Municipal Debt: (1)	
Bergenfield School District	-
Borough of Bergenfield	\$ 11,271,507
Total Direct Debt	<u>11,271,507</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen (A)	14,740,623
Bergen County Utilities Authority - Water Pollution (B)	<u>7,788,811</u>
Total Overlapping Debt	<u>22,529,434</u>
Total Direct and Overlapping Debt	<u>\$ 33,800,941</u>

Source:

(1) Borough's 2014 Annual Debt Statement

(A) The debt for this entity was apportioned to the municipality by dividing the municipality's 2014 equalized value by the total 2014 equalized value for Bergen County.

(B) The debt was computed based upon municipal flow to the Authority.

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

Legal Debt Margin Calculation for Fiscal Year 2015

	Equalized valuation basis	
	2014	\$ 2,678,290,624
	2013	2,559,898,545
	2012	<u>2,661,249,649</u>
		<u>\$ 7,899,438,818</u>
Average equalized valuation of taxable property		<u>\$ 2,633,146,273</u>
Debt limit (4 % of average equalization value)		105,325,851
Total Net Debt Applicable to Limit		-
Legal debt margin		<u>\$ 105,325,851</u>

Fiscal Year Ending June 30,

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt limit	\$ 95,442,291	\$ 108,154,671	\$ 120,540,327	\$ 128,257,542	\$ 129,941,673	\$ 122,448,615	\$ 115,366,524	\$ 110,708,495	\$ 106,320,018	\$ 105,325,851
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 95,442,291</u>	<u>\$ 108,154,671</u>	<u>\$ 120,540,327</u>	<u>\$ 128,257,542</u>	<u>\$ 129,941,673</u>	<u>\$ 122,448,615</u>	<u>\$ 115,366,524</u>	<u>\$ 110,708,495</u>	<u>\$ 106,320,018</u>	<u>\$ 105,325,851</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Annual Debt Statements

**BERGENFIELD BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2006	25,651	\$ 63,103	3.70%
2007	25,565	67,544	3.20%
2008	25,515	67,331	4.10%
2009	25,582	63,874	7.60%
2010	26,882	63,885	7.90%
2011	27,060	67,248	7.50%
2012	27,165	69,281	7.70%
2013	27,300	69,495	7.00%
2014	27,406	69,495 (E)	4.90%
2015	27,406 (E)	69,495 (E)	4.90% (E)

Source: New Jersey State Department of Education

(E) - Estimate

**BERGENFIELD BOARD OF EDUCATION
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

	<u>2015</u>		<u>2006</u>	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION IS NOT AVAILABLE

**BERGENFIELD BOARD OF EDUCATION
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (Unaudited)**

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instruction	333	333	333	324	327	328	318	329	329	330
Support Services:										
Student & instruction related services	65	60	61	71	65	65	72	66	65	66
General administration	7	7	7	6	6	5	7	5	4	5
School administrative services	23	21	23	25	24	24	34	24	23	24
Central services	8	7	7	7	7	7	6	7	7	6
Plant operations and maintenance	41	39	41	43	42	40	40	41	41	41
Pupil transportation	1	1	1	15	15	16	24	16	17	16
Other support services	17	15	9	-						
Total	495	483	481	491	486	485	501	488	486	488

Source: District Personnel Records

**BERGENFIELD BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teacher/Pupil Ratio				Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle School	Senior High School				
2006	3,790	\$ 53,624,947	\$ 14,149	6.30%	350	1:16	1:13	1:12	3,790	3,666	2.88%	96.73%
2007	3,619	57,249,837	15,819	11.80%	349	1:15	1:14	1:13	3,535	3,395	-6.73%	96.04%
2008	3,589	59,569,402	16,598	4.92%	334	1:12	1:10	1:09	3,544	3,412	0.25%	96.28%
2009	3,754	57,984,225	15,446	-6.94%	351	1:15	1:13	1:14	3,684	3,567	3.95%	96.82%
2010	3,474	57,994,862	16,694	8.08%	349	1:15	1:13	1:14	3,432	3,308	-6.84%	96.39%
2011	3,529	57,488,277	16,290	-2.42%	350	1:15	1:13	1:14	3,529	3,405	2.83%	96.49%
2012	3,643	57,633,033	15,820	-2.89%	349	1:15	1:13	1:14	3,530	3,409	0.03%	96.57%
2013	3,643	59,758,925	16,404	3.69%	347	1:15	1:13	1:14	3,575	3,460	1.27%	96.78%
2014	3,633	60,725,637	16,715	1.90%	351	1:15	1:13	1:14	3,532	3,358	-1.20%	95.07%
2015	3,518	64,669,822	18,383	9.98%	345	1:15	1:13	1:14	3,475	3,338	-1.61%	96.06%

Sources: District records

- Note:
- a Enrollment based on annual October district count.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.

**BERGENFIELD BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
(Unaudited)**

INFORMATION IS NOT AVAILABLE

**BERGENFIELD BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)**

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
School Facilities										
Bergenfield High School	\$ 1,202,659	\$ 1,134,378	\$ 1,511,168	\$ 1,341,001	\$ 1,267,962	\$ 1,206,434	\$ 1,213,577	\$ 1,278,931	\$ 1,348,560	\$ 1,400,192
Roy W. Brown Middle School	577,617	544,823	725,789	644,061	608,982	579,432	582,863	614,252	647,693	672,492
Franklin Elementary School	288,809	272,411	362,894	322,030	304,490	289,715	291,430	307,124	323,845	336,244
Hoover Elementary School	113,309	106,876	142,375	126,343	119,462	113,665	114,338	120,495	127,056	131,920
Jefferson Elementary School	158,745	149,732	199,467	177,006	167,365	159,244	160,187	168,814	178,004	184,820
Lincoln Elementary School	317,207	299,197	398,577	353,695	334,431	318,203	320,076	337,313	355,677	369,295
Washington Elementary Sch.	181,463	171,161	228,013	202,336	191,316	182,033	183,121	192,983	203,489	211,281
 Grand Total	 <u>\$ 2,839,809</u>	 <u>\$ 2,678,578</u>	 <u>\$ 3,568,283</u>	 <u>\$ 3,166,472</u>	 <u>\$ 2,994,008</u>	 <u>\$ 2,848,726</u>	 <u>\$ 2,865,592</u>	 <u>\$ 3,019,912</u>	 <u>\$ 3,184,324</u>	 <u>\$ 3,306,244</u>

Source: District Records

Note:

Beginning in fiscal year 2001, the New Jersey State Department of Education required Districts to report maintenance expenditures by location, therefore, ten years of data is not required or available.

**BERGENFIELD BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2015
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - NESBIG		
Property - Blanket Building & Contents	\$ 125,206,684	\$ 5,000
Comprehensive General Liability	2,000,000	
Commercial Umbrella	9,000,000	10,000
Accident Coverage	500,000	
Environmental Impairment	2,000,000	15,000
Commercial Umbrella Cap	50,000,000	
School Board Legal Liability	1,000,000	10,000
Workers Compensation Employers Liability	1,000,000	
Commercial Auto Liability	1,000,000	1,000
Crime Coverage		
Public Employee Dishonesty		
Per Employee (Primary)	100,000	5,000
Per Loss (Excess)	400,000	
Forgery or Alteration Coverage	50,000	1,000
Treasurer of School Monies - Surety Bond	325,000	
Business Administrator/Board Secretary - Surety Bond	325,000	

Source: School District's records

SINGLE AUDIT



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Bergenfield Board of Education
Bergenfield, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements 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 the Bergenfield Board of Education as of and for the fiscal year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Bergenfield Board of Education's basic financial statements and have issued our report thereon dated December 18, 2015.

Internal Control Over Financial Reporting

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Bergenfield Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated December 18, 2015.

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 Bergenfield Board of Education'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 Bergenfield Board of Education's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

LERCH, VINCI & HIGGINS, LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 18, 2015



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY U.S. OMB CIRCULAR A-133 AND
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY NEW JERSEY
OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR’S REPORT

Honorable President and Members
of the Board of Trustees
Bergenfield Board of Education
Bergenfield, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Bergenfield Board of Education’s compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/ Grant Compliance Supplement that could have a direct and material effect on each of Bergenfield Board of Education’s major federal and state programs for the fiscal year ended June 30, 2015. The Bergenfield 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 the Bergenfield 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; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; U.S. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and Circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Bergenfield 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 the Bergenfield Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Bergenfield 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 and state programs for the fiscal year ended June 30, 2015.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with U.S. OMB Circular A-133 and New Jersey OMB Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs as item 2015-001. Our opinion on each major federal and state program is not modified with respect to these matters.

The Bergenfield Board of Education's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Bergenfield 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.

Report on Internal Control Over Compliance

Management of the Bergenfield 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 the Bergenfield 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 and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with U.S. OMB Circular A-133 and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Bergenfield 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 a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-001 that we consider to be a significant deficiency.

The Bergenfield 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. The Bergenfield 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 U.S. OMB Circular A-133 and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedules of Expenditures of Federal Awards Required by U.S. OMB Circular A-133 and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergenfield Board of Education, as of and for the fiscal year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We issued our report thereon dated December 18, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by U.S. OMB Circular A-133 and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

Lerch, Vinci & Higgins, LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 18, 2015

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2014			Carryover/ (Walkover) Amount Def. Rev.	Carryover/ (Walkover) Amount A/R	Cash Received	Budgetary Expenditures	Refund of Prior Years Balances	Prior Year Payables Cancelled / Adjustments	Balance, June 30, 2015			Memo GAAP Receivable	
					(Account Receivable)	Unearned Revenue	Due to Grantor							(Account Receivable)	Unearned Revenue	Due to Grantor		
U.S. Department of Education																		
Passed-through State Department of Education																		
<u>Enterprise Fund</u>																		
School Breakfast Program	10.553	N/A	7/1/13-6/30/14	\$ 37,772	\$ (2,820)				\$ 2,820								\$ (14,445)	\$ (14,445)
School Breakfast Program	10.553	N/A	7/1/14-6/30/15	59,834					45,389	\$ 59,834								
National School Lunch Program	10.555	N/A																
Cash Assistance			7/1/13-6/30/14	\$21,327	(29,870)				29,870									
Cash Assistance			7/1/14-6/30/15	500,384					407,418	500,384				(92,966)				(92,966)
Non-Cash Assistance (Food Distribution)			7/1/13-6/30/14	36,708		\$ 131								131				
Non-Cash Assistance (Food Distribution)			7/1/14-6/30/15	52,986					52,986	52,976						\$ 10		
Total Enterprise Fund					(32,690)	131			538,483	613,325				(107,411)		10		(107,411)
U.S. Department of Health and Human Services																		
<u>General Fund</u>																		
Medicaid Assistance Program - ARRA	93.778	N/A	10/1/08-12/31/10	6,100					6,100	6,100								
Medical Assistance Program	93.778	N/A	7/1/14-6/30/15	71,519					71,519	79,096				(7,577)				(7,577)
Total General Fund									77,619	85,196				(7,577)				(7,577)
<u>Special Revenue Fund</u>																		
NCLB																		
Title I	84.010A	NCLBCV-090300	7/1/14-6/30/15	420,058			\$ 32,567	\$ (5,379)	171,248	448,095				(254,389)	4,530			(249,859)
Title I	84.010A	NCLBCV-090300	7/1/13-6/30/14	305,743	(5,579)	32,567	(32,567)	5,379										
Title I	84.010A	NCLBCV-090300	9/1/12-8/31/13	352,885		35,788							\$ (35,788)					
Title II, Part A	84.281A	NCLBCV-090300	7/1/14-6/30/15	80,212			8,306	(34,638)	56,917	85,739				(57,933)	2,779			(55,154)
Title II, Part A	84.281A	NCLBCV-090300	7/1/13-6/30/14	77,482	(50,573)	8,306	(8,306)	34,638	15,935									
Title III	84.365A	NCLBCV-090300	7/1/14-6/30/15	39,118			1,386	(6,707)	30,689	36,879				(15,136)	3,625			(11,511)
Title III	84.365A	NCLBCV-090300	7/1/13-6/30/14	45,835	(9,403)	\$ 1,386	(1,386)	6,707	2,696									
Title III, Supplemental Immigrant	84.365A	SISA090003	7/1/13-6/30/14		(576)	576												
I.D.E.A. Part B, Basic Regular	84.027	FT-090002	7/1/14-6/30/15	888,255			33	(33)	847,112	888,196			30	(41,176)	122			(41,054)
I.D.E.A. Part B, Basic Regular	84.027	FT-090002	7/1/13-6/30/14	847,718	(257,059)	33		(33)	257,026									
I.D.E.A. Part B, Preschool	84.173	PS-090000	7/1/14-6/30/15	32,720					27,719	32,720				(5,001)				(5,001)
I.D.E.A. Part B, Preschool	84.173	PS-090000	7/1/13-6/30/14	32,734	(38,930)	7			38,930				(7)					
Pilot Principal Grant	84.413A	N/A	8/1/12-10/31/13	22,000	(796)				796									
Race to the Top Grant	84.413A	N/A	7/1/12-11/30/13	31,927	(16,249)				16,249									
Perkins Grant	84.048A	N/A	7/1/14-6/30/15	24,841						24,839				(24,841)	2			(24,839)
Perkins Grant	84.048A	N/A	7/1/13-6/30/14	16,362	(16,362)	231			16,131									
Total Special Revenue Fund					(395,527)	78,894			1,481,448	1,516,468			(35,765)	(398,476)	11,058			(387,418)
Total Federal Awards				\$	(428,217)	\$ 79,025	\$ -	\$ -	\$ -	\$ 2,097,550	\$ 2,214,989	\$ -	\$ (35,765)	\$ (513,464)	\$ 11,068	\$ -	\$ -	\$ (502,406)

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, Jul 1, 2014	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Refund of Prior Years' Balances	Balance, June 30, 2015			Memo		
										(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures	
State Department of Education															
Current Expense:															
Equalization Aid	14-495-034-5120-078	7/1/13-6/30/14	\$ 8,165,600	\$ (769,419)		\$ 769,419									
Equalization Aid	15-495-034-5120-078	7/1/14-6/30/15	8,165,600			7,422,696	8,165,600			\$ (742,904)				\$ 8,165,600	
Special Education Aid	14-495-034-5120-089	7/1/13-6/30/14	2,072,512	(195,287)		195,287								-	
Special Education Aid	15-495-034-5120-089	7/1/14-6/30/15	2,072,512			1,883,955	2,072,512			(188,557)				2,072,512	
Security Aid	14-498-034-5120-084	7/1/13-6/30/14	155,605	(14,662)		14,662								-	
Security Aid	15-498-034-5120-084	7/1/14-6/30/15	155,605			141,448	155,605			(14,157)				155,605	
Transportation Aid	14-495-034-5120-014	7/1/13-6/30/14	80,089	(7,547)		7,547								-	
Transportation Aid	15-495-034-5120-014	7/1/14-6/30/15	80,089			72,803	80,089			(7,286)				80,089	
School Choice Aid	14-495-034-5120-068	7/1/13-6/30/14	163,137	(15,372)		15,372								-	
School Choice Aid	15-495-034-5120-068	7/1/14-6/30/15	138,039			125,480	138,039			(12,559)				138,039	
PARCC Readiness Aid	15-495-034-5120-098	7/1/14-6/30/15	35,030			31,843	35,030			(3,187)				35,030	
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14-6/30/15	35,030			31,843	35,030			(3,187)				35,030	
Extraordinary Aid	14-100-034-5120-473	7/1/13-6/30/14	937,066	(937,066)		946,850	9,784							9,784	
Extraordinary Aid	15-100-034-5120-473	7/1/14-6/30/15	643,218			643,218				(643,218)				643,218	
On Behalf Payments															
TPAF Social Security	14-495-034-5095-003	7/1/13-6/30/14	1,670,994	(81,928)		81,928								-	
TPAF Social Security	15-495-034-5094-002	7/1/14-6/30/15	1,927,961			1,838,107	1,927,961			(89,854)			\$ (89,854)	1,927,961	
TPAF Pension															
Pension-NCGI Premium	15-495-034-5094-007	7/1/14-6/30/15	85,178			85,178	85,178							85,178	
Pension Benefit Contribution	15-495-034-5094-006	7/1/14-6/30/15	1,183,930			1,183,930	1,183,930							1,183,930	
Post Retirement Medical Benefit Contribution	15-495-034-5094-001	7/1/14-6/30/15	2,014,709			2,014,709	2,014,709							2,014,709	
Total General Fund				(2,021,281)	-	16,863,037	16,546,685	-	-	(1,704,909)	-	-	(89,854)	16,546,685	
Special Revenue:															
New Jersey Nonpublic Aid:															
Textbook Aid	14-100-034-5120-064	7/1/13-6/30/14	\$ 16,125	\$ 696					\$ 696					\$ -	
Textbook Aid	15-100-034-5120-064	7/1/14-6/30/15	20,496			\$ 20,496	20,343				\$ 153			20,343	
Nursing Services	14-100-034-5120-070	7/1/13-6/30/14	22,928	926					926					-	
Nursing Services	15-100-034-5120-070	7/1/14-6/30/15	32,723			32,723	32,723							32,723	
Technology Aid	14-100-034-5120-373	7/1/13-6/30/14	5,880	1,317					1,317					-	
Technology Aid	15-100-034-5120-373	7/1/14-6/30/15	11,008			11,008	10,732							10,732	
Auxiliary Services:															
Compensatory Education	14-100-034-5120-067	7/1/13-6/30/14	80,462	23,625					23,625					-	
Compensatory Education	15-100-034-5120-067	7/1/14-6/30/15	76,143			76,143	43,805						32,338	43,805	
English as a Second Language	14-100-034-5120-067	7/1/13-6/30/14	14,839	6,634					6,634					-	
English as a Second Language	15-100-034-5120-067	7/1/14-6/30/15	11,876			11,876	5,207						6,669	5,207	
Home Instruction	14-100-034-5120-067	7/1/13-6/30/14	838	(838)		838								-	
Handicapped Services:															
Examination and Classification	14-100-034-5120-066	7/1/13-6/30/14	33,113	7,798					7,798					-	
Examination and Classification	15-100-034-5120-066	7/1/14-6/30/15	30,435			30,435	21,433						9,002	21,433	
Corrective Speech	14-100-034-5120-066	7/1/13-6/30/14	32,029	5,000					5,000					-	
Corrective Speech	15-100-034-5120-066	7/1/14-6/30/15	42,850			42,850	39,493						3,357	39,493	
Supplemental Instruction	14-100-034-5120-066	7/1/13-6/30/14	18,178	3,954					3,954					-	
Supplemental Instruction	15-100-034-5120-066	7/1/14-6/30/15	13,340			13,340	10,986						2,354	10,986	
NJ Achievement Coaches	N/A	2/1/15-12/31/15	70,000				24,297			(70,000)	\$ 45,703		(24,297)	24,297	
IIS Competitive	N/A	7/1/14-11/30/15	150,000				28,604			(150,000)	121,396		(28,604)	28,604	
IMPACT Grant	N/A	7/1/11-6/30/12	35,404	1,548							1,548			-	
Character Education, Carryover	05-495-034-5120-053	7/1/04-6/30/06	10,247	14					14					-	
Total Special Revenue Fund				50,674	-	239,709	237,623	-	49,964	(220,000)	168,647	54,149	(52,901)	237,623	

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2014	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Refund of Prior Years' Balances	Balance, June 30, 2015			Memo	
										(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Agriculture														
Food Service:														
National School Lunch Program (State Share)	14-100-010-3350-023 15-100-010-3350-023	7/1/13-6/30/14 7/1/14-6/30/15	\$ 14,276 12,593	\$ (1,509) -	-	\$ 1,509 9,966	\$ 12,593	-	-	\$ (2,627)	-	-	\$ (2,627)	\$ 12,593
Total Food Service Fund				(1,509)	-	11,475	12,593	-	-	(2,627)	-	-	(2,627)	12,593
School Development Authority														
Educational Facilities Construction and Financing Act of 2000														
Capital Projects Fund:														
Roy W. Brown Middle School - Various Improvements	0300-075-14-G1CT	N/A	1,296,240	-	-	-	153,830	-	-	(1,296,240)	1,142,410	-	(1,296,240)	(153,830)
Hoover Elementary School - Various Improvements	0500-050-14-G1CR	N/A	325,080	-	-	-	35,645	-	-	(325,080)	289,435	-	(325,080)	(35,645)
Bergenfield High School - HVAC, Vertical Movement	0300-020-14-G3CK	N/A	856,532	-	-	-	240,752	\$ -	-	(856,532)	615,780	-	(856,532)	(240,752)
Total Capital Projects Fund				-	-	-	430,227	-	-	(2,477,852)	2,047,625	-	(2,477,852)	(430,227)
Total State Financial Assistance				(1,972,116)	-	17,114,241	17,227,128	-	\$ 49,964	(4,405,388)	\$ 2,216,272	\$ 54,149	(2,623,234)	16,366,674
State Financial Assistance Not Subject to Single Audit Determination														
General Fund														
On-Behalf TPAF Pension System Contributions-NCGI	15-100-034-5094-007	7/1/14-6/30/15	85,178	-	-	(85,178)	(85,178)	-	-	-	-	-	-	(85,178)
On-Behalf TPAF Pension System Contributions- Normal	15-100-034-5094-006	7/1/14-6/30/15	1,183,930	-	-	(1,183,930)	(1,183,930)	-	-	-	-	-	-	(1,183,930)
On-Behalf TPAF Post-Retirement Medical Contribution	15-100-034-5094-001	7/1/14-6/30/15	2,014,709	-	-	(2,014,709)	(2,014,709)	-	-	-	-	-	-	(2,014,709)
Total State Financial Assistance Subject to Single Audit				\$ (1,972,116)	\$ -	\$ 13,830,424	\$ 13,943,311	\$ -	\$ 49,964	\$ (4,405,388)	\$ 2,216,272	\$ 54,149	\$ (2,623,234)	\$ 13,082,857

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Bergenfield Board of Education. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal 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 are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with requirements of U.S. OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$324,298 for the general fund and an increase of \$27,207 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 85,196	\$ 16,870,983	\$ 16,956,179
Special Revenue Fund	1,533,919	237,623	1,771,542
Capital Projects Fund		430,227	430,227
Food Service Fund	613,325	12,593	625,918
	<u> </u>	<u> </u>	<u> </u>
Total Financial Assistance	\$ 2,232,440	\$ 17,551,426	\$ 19,783,866

**BERGENFIELD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015****NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the National School Lunch Program as non-cash assistance represent current year value received and current year distributions, respectively of the Federal Food Distribution Program. TPAF Social Security contributions in the amount of \$1,927,961 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2015. The amount reported as TPAF Pension System Contributions in the amount of \$1,269,108 and TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,014,709 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2015.

NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over major programs:

(1) Material weakness(es) identified? yes X no

(2) Significant deficiencies identified that are not considered to be material weaknesses? X yes none reported

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

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

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>10.553</u>	<u>School Breakfast Program</u>
<u>10.555</u>	<u>National School Lunch Program</u>
<u>84.010A</u>	<u>Title I</u>
<u>84.027</u>	<u>IDEA Part B Basic</u>
<u>84.173</u>	<u>IDEA Part B Preschool</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? yes X no

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part I – Summary of Auditor's Results

State Awards Section

Internal Control over major programs:

(1) Material weakness(es) identified?

_____ yes X no

(2) Significant deficiencies identified that are not considered to be material weakness(es)?

_____ yes X none reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with N.J. Circular Letter 15-08?

_____ yes X no

Identification of major state programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>15-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>15-495-034-5120-089</u>	<u>Special Education Aid</u>
<u>15-495-034-5120-084</u>	<u>Security Aid</u>
<u>15-495-034-5120-068</u>	<u>School Choice Aid</u>
<u>15-495-034-5120-098</u>	<u>PARCC Reading Aid</u>
<u>15-495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>15-100-034-5120-473</u>	<u>Extraordinary Aid</u>
<u>15-495-034-5094-002</u>	<u>TPAF Social Security</u>
<u>0300-0XX-14-GXXX</u>	<u>School Development Authority-Educational</u>
	<u>Facilities Construction and Financing</u>

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

\$ 418,299

Auditee qualified as low-risk auditee?

_____ yes X no

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part 2 – Schedule of 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 in accordance with Government Auditing Standards.

There are none.

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

Finding 2015-001:

Our audit noted certain instances where salaries charged to the NCLB-Title I grant were not in agreement with the amounts approved by resolution and certified in the time and activity reports.

Federal Program Information:

Title I 84.010A

Criteria or Specific Requirement

Federal Grant Compliance Supplement – Employee Time and Effort

Condition:

Salaries of individuals charged to the Title I grant program were not in agreement with amounts approved by the Board and documented by time and effort reports.

Questioned Costs:

Undeterminable.

Context:

We noted certain individuals charged to Title I were not in agreement with amounts approved in the official minutes by salary percentage allocated.

Effect:

Personnel charged to Federal grants may not be allowable grant charges.

Cause:

Unknown.

Recommendation:

All salaries charged to the NCLB-Title I grant be in agreement with amounts approved by resolution and certified in the time and activity reports.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and indicated it will review and revise its procedures to ensure corrective action is taken.

**BERGENFIELD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS

There are none.

**BERGENFIELD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

This section identifies the status of prior-year findings related to the 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.

STATUS OF PRIOR YEAR FINDINGS

Finding 2014-001

Our audit noted that the final expenditure report for the NCLB Title 1 grant program was not in agreement with the District's accounting records.

Current Status

Corrective action was taken.

Finding 2014-002

Our audit of the Child Nutrition Program reimbursements for State and Federal subsidies revealed that there were several months where the meals served per the edit check worksheets and meal count records did not agree with the meals claimed.

Current Status

Corrective action was taken.

Finding 2014-003

A review of the application for State Extraordinary Aid revealed that certain tuition costs reported were not in agreement with the tuition contract of the respective student.

Current Status

Corrective action was taken.