

PAULSBORO BOARD OF EDUCATION

**Paulsboro, New Jersey
County of Gloucester**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

PAULSBORO BOARD OF EDUCATION

PAULSBORO, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Prepared by

**Paulsboro Board of Education
Business Office**

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INTRODUCTORY SECTION

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Paulsboro Public Schools

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Dr. Walter C. Quint, Interim Superintendent

December 04, 2015

Honorable President and
Members of the Board of Education
Paulsboro School District
County of Gloucester, New Jersey

Dear Members of the Board of Education:

I am pleased to submit The Comprehensive Annual Financial Report of the Paulsboro Board of Education (hereafter the “District”) for the fiscal year ending June 30, 2015. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of our knowledge, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

The comprehensive annual financial report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory section includes this transmittal letter, the District’s organizational chart and a list of principal officials. The Financial section includes the independent Auditor’s Report, Management Discussion and Analysis (MD&A) and the basic financial statements including the government-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 presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, “Audits of State and Local Governments and Non-Profit Organizations”, and the New Jersey OMB Circular 04-04 and/or 15-08, “Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments”. Information related to this single audit, including the auditor’s report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the Single Audit section of this report.

REPORTING ENTITY AND ITS SERVICES

The Paulsboro Public Schools, consisting of the Billingsport Early Childhood Center, Loudenslager Elementary School and Paulsboro Junior-Senior High School. The Billingsport Early Childhood Center

serves students in prekindergarten through grade two. Full day programs for all prekindergarten and kindergarten students are a matter of pride for the community.

Loudenslager Elementary School serves students in grades three through six. The program at this school is designed to meet the needs of upper elementary school age children.

Paulsboro Junior-Senior High School serves grades seven through twelve students. In addition to hometown students, this school receives pupils from Greenwich Township. Paulsboro Junior-Senior High School offers a comprehensive curriculum with courses ranging from special education to advanced placement. In addition to the excellent academic program, the community is particularly proud of the school’s legendary athletic program. The number of graduates who attend the United States Military and Naval Academies as well as those who play in the National Football League demonstrates both the range and effectiveness of the school program.

All of the schools have modern library/media centers, Bright Links/Smart Boards in classrooms, and a computer classroom. All of the classrooms have Internet access. The district network consists of nearly 900 computers and numerous printers. The Genesis student information program is used districtwide to provide accurate recordkeeping and curriculum monitoring.

Many districts have discontinued PreK-12 art and music programs. The Paulsboro Public Schools continue to offer these programs so that the interests of all students are addressed. Once again, going against the trend, Paulsboro High School has an excellent woodshop program.

Another point of pride is the fact that the district is organized based on the Princeton Plan where all students in a given grade are served in a single school. As a result, the schools are fully integrated. In fact, diversity is celebrated in the Paulsboro Public Schools. One example of the pride in diversity is the half-century old Brotherhood Program. Another example is the Student United for Respect and Equality (SURE). This program was founded at Paulsboro High School and now serves as the model for the Gloucester County SURE initiative.

The entire Paulsboro School Family is focused on improving student attendance, increasing instructional time and improving test scores. Implementation of the McREL teacher observation system as well as the New Jersey Department of Education initiative of Student Growth Objectives (SGO) and Student Growth Percentiles (SGP) will move the administration and faculty toward their goal of maintaining and improving the education for all of the district students.

School enrollment has steadily declined from approximately 1500 students (circa 2000-2001) to a current enrollment of 1,166. This is approximately a .69% decrease in enrollment. Unfortunately, the trend continues as follows:

District Enrollment		
<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2014-2015	1,151	-0.60%
2013-2014	1,158	-4.77%
2012-2013	1,216	-1.46%
2011-2012	1,234	N/A

The decrease in enrollment is partially due to the Gloucester County Institute of Technology (GCIT) becoming a full-time program. While we are all proud of the quality and scope of the programs offered by GCIT, the full-time program has placed an additional strain on the Paulsboro Public Schools. Specifically, it is very difficult to offer the full range of programs required in a comprehensive high school with fewer students.

The overall decrease in enrollment reduces the revenue available to the Paulsboro Public Schools. The decrease in funds is a result of less state school aid, fewer students (and therefore less tuition) from the Greenwich Township Public Schools. The cost of sending students to GCIT places a strain on the expenditure side of the budget.

FINANCIAL AND ORGANIZATIONAL

Paulsboro continues to look at ways to save money by combining efforts with other districts in joint purchases and the utilization of resources. Some of the cost saving methods are indicated below:

- The Board of Education is a member of a Joint Insurance Fund (SAIF) composed of school districts in southern New Jersey. The SAIF has the potential of leveling costs in the future.
- The Board of Education, during this audit, was a member of the Southern New Jersey Regional Employee Benefits Fund. Composed of several school districts and municipalities. This venture reduces the cost of health care for all of its members.
- The Board of Education has accepted status as a Choice School. Parents from other districts may send their child to the Paulsboro Public Schools at no cost. In fact, the district applied for and received approval to expand the Choice program. It now includes the Loudenslager Elementary School as well as Paulsboro High School.
- The district also offers professional courtesy to staff members so that their children can attend the Paulsboro Public Schools. Staff members recognize the quality of education at Paulsboro and therefore request that their children attend.
- The school district maintains a strong cooperative relationship with local businesses and industry. By illustration, the ExxonMobil grant funding program “Earn While You Learn” allows students to participate in a summer work-study program.

PUBLIC RELATIONS - RECOGNITION

The district website is currently being rebuilt in order to provide more information to the public as well as present the district in the most positive manner.

The district also worked with members of Borough Council to develop a Joint Use Agreement to enhance one of the school playgrounds. The two entities wrote a grant application seeking \$15,000 for a corporation plus \$7,500 from the Borough and \$7,500 from the school district for this project.

The municipality is also in the process of expanding and modernizing its library (Gill Memorial Library). The Superintendent of Schools was appointed by Mayor and Council to serve as the Volunteer Project Manager for this \$1,200,000 project. The Board of Education gave approval for the municipal library to use the Paulsboro High School Media Center during construction of the new municipal facility.

The students and teachers in the Paulsboro High School Journalism classes are working directly with reporters from the *South Jersey Times* in order to create news articles that both provide experience for the students and present the school district in a very positive manner.

The Paulsboro Public Schools builds community support by utilizing many strategies. Examples of these strategies include the Memorial Tree Fund, Alumni Park, Volunteers in Paulsboro Schools (VIPS), Grandparents' Day, Key Communicators, community use of the schools, alumni tours, Senior Citizen Gold Card Passes. A Heroes Hall to recognize graduates of Paulsboro High School who served in the armed forces is being created. The district is also creating a Hall of Diplomas in the Administration Building in order to display diplomas, varsity letters and other memorabilia donated by alumni.

2. ECONOMIC CONDITION AND OUTLOOK

The Borough of Paulsboro had been fully developed with little potential for an increase in the number of residential units. There is, however, a considerable amount of recycling of existing homes. Some large homes have been converted into multi-unit apartments. Young families are purchasing other homes. As a result, the overall valuation of the Borough is relatively stable.

There is also a substantial amount of subsidized housing within the borough. A significant percentage of the dwellings are rental properties.

The most significant community factor impacting the students is poverty. Currently, 71.79% of the students are eligible for free and reduced price lunch. This is an indicator of poverty. The conditions surrounding poverty include high absence rates, high rates of mobility, elevated number of dropouts, and lower achievement. In addition, the rate of students identified with disabilities increases when poverty is a factor.

3. MAJOR INITIATIVES

During January 2013, the Board of Education approved the submission of a new Long Range Facility Plan to the New Jersey Department of Education. The district has began work on five new projects during the 2014-2015 year. The projects include repairs, improvements, and renovations at all schools within the district.

Possibly, the most important initiative is the Board of Education's appointment of a new Superintendent of Schools. The district has hired Dr. Laurie Bandlow as Superintendent of Schools.

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 generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimate and judgments by management.

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line items basis. Open encumbrances at year-end either are canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2015.

6. ACCOUNTING SYSTEM AND REPORTS: The District’s accounting records reflect generally accepted accounting principles as promulgated by the Government Accounting Standards Board (GASB). The accounting system of the District is organized based on funds and account groups. These funds and account groups are explained in “Notes to the Financial Statements”, Note 1.

7. CASH MANAGEMENT: The investment policy of the District is by state statute as detailed in “Notes to the Financial Statements”, Note 1. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

9. OTHER INFORMATION:

Independent Audit – State statutes require an annual audit by independent certified public accounts or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C. was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 and/or 15-08 OMB. The auditor’s report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor’s reports, related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGEMENTS:

We would like to express our appreciation to the members of the Paulsboro Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,

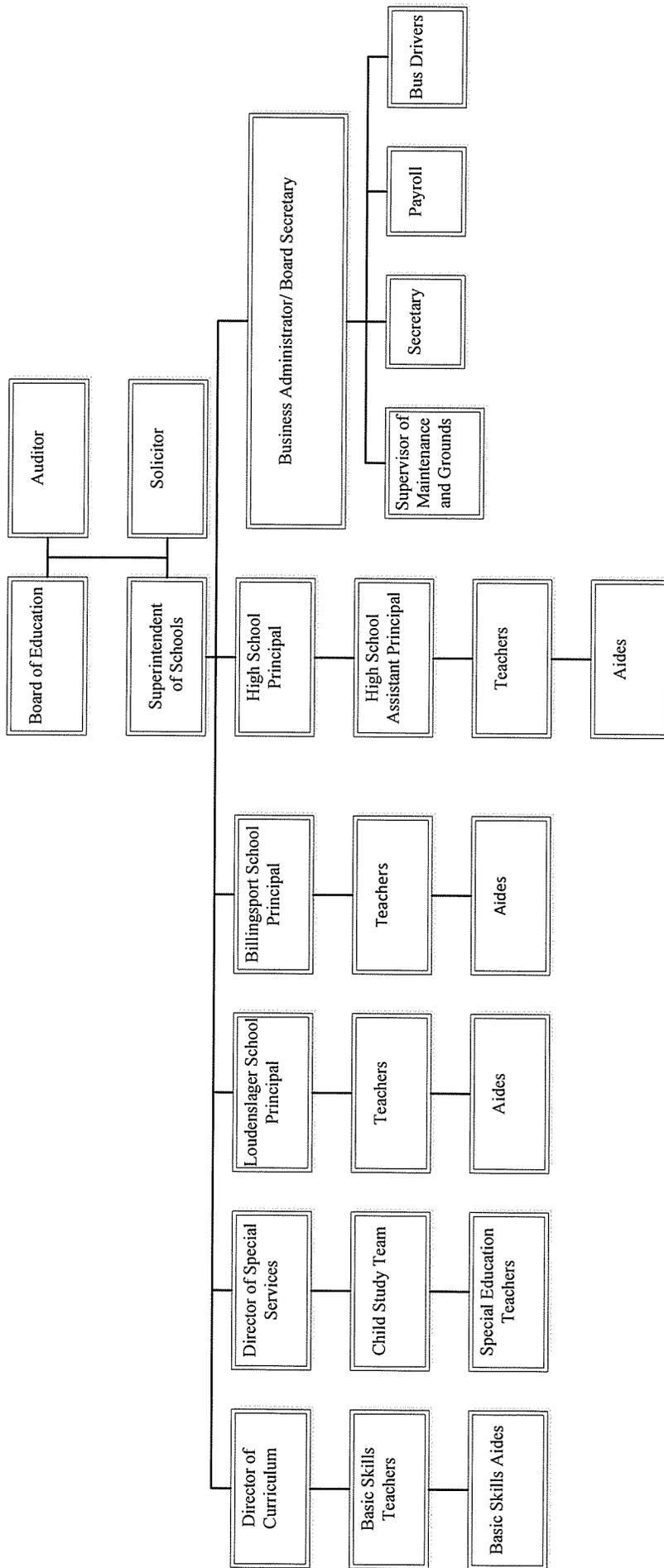


Dr. Laurie Bandlow
Superintendent of Schools

Paulsboro Public Schools

Organizational Chart

Chain of Command



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PAULSBORO BOARD OF EDUCATION
Paulsboro, New Jersey

ROSTER OF OFFICIALS

JUNE 30, 2015

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Thomas Ridinger, President	2015
Bonnie Eastlack, Vice President	2016
John Hughes (1)	
Barbara Dunn	2017
Paula Giampola	2017
Joseph Lisa	2017
Lisa Lozada-Shaw	2016
Marvin E. Hamilton, Sr.	2,016
Irma Stevenson	2015
Jim Walter	2015

OTHER OFFICIALS

Dr. Laurie Bandlow, Superintendent of Schools

Jennifer Johnson, CPA, Business Administrator/Board Secretary

Deborah Kappra, Treasurer

Philipp Duvilla, Solicitor

(1) Representative from Greenwich Township Public Schools

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PAULSBORO BOARD OF EDUCATION
Paulsboro, New Jersey

CONSULTANTS AND ADVISORS

AUDIT FIRM

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Holman Frenia Allison, P. C.
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ATTORNEY

Philipp Duvilla
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OFFICIAL DEPOSITORY

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FINANCIAL SECTION

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ALLISON, P.C.
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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Paulsboro Board of Education
County of Gloucester
Paulsboro, New Jersey 08066

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 Paulsboro Board of Education, County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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 Paulsboro Board of Education, County of Gloucester, State of New Jersey, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principal

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2015 the District adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No.27*. 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 other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Paulsboro Board of Education's basic financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and Schedule of State Financial Assistance as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular(s) 04-04 and/or 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and the Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of

management and were derived from and relates directly to the underlying accounting is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and Schedule of Expenditures of Federal Awards and State Financial Assistance are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical information 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 04, 2015 on our consideration of the Paulsboro 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 Paulsboro Board of Education's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Public School Accountant, No. 1011

Medford, New Jersey
December 04, 2015

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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PAULSBORO BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Fiscal Year Ended June 30, 2015

The Management Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – Management's Discussion and Analysis for State and Local Governments (commonly referred to as GASB 34) issued in June 1999, and is required to be incorporated by the New Jersey Department of Education.

Objectives:

In the Concepts Statement No. 1, Objective of Financial Reporting, the GASB established a number of objectives of financial reporting by state and local governments and GASB further believes that the MD&A will help users to:

Evaluate the operating results of the government for the year (GASB Concepts Statement No. 1, paragraph 78) by providing an easily readable summary of operating results and the reasons for changes in the components of operating results.

Assess the financial position and condition of the government and determine whether the government's financial position improved or deteriorated as a result of the year's operations (paragraph 78c and 79a) by providing financial management's analysis directed specifically to this point, including the reasons for changes.

Determine whether current-year revenues were sufficient to pay for current-year services (paragraph 77a) by discussing operating results, including decisions already made that will affect future operations.

Understand the sources and uses of financial resources (paragraph 78a) by providing an analysis of the balances and transaction of individual funds, particularly for *governmental* funds.

Understand how the government financed its activities and met its cash requirements (paragraph 78b) by describing (a) important economic factors, such as changes in tax or employment bases, that significantly affected operating results for the year; and (b) debt limitations that may affect the financing of planned facilities or services and any changes in credit ratings.

Determine whether resources were obtained and used in accordance with the entity's legally adopted budget (paragraph 77b) by providing management's analysis of significant variations between original and final budget amounts and between final budget and actual amounts for the government's general fund.

Assess the service efforts, costs and accomplishments (SEA) of the governmental entity (paragraph 77c) by discussing currently known facts that are expected to affect the services a government provides and the cost of those services.

Assess the level of services that can be provided by the government and its ability to meet obligations as they become due (paragraph 79) by describing debt limitations, changes in credit ratings, reasons for significant changes in individual fund balances and the effect of any limitations on their use, as well as important economic factors that significantly affected operating results for the year.

Gain information about a government's physical and other nonfinancial resources having useful lives that extend beyond current year (paragraph 79b) by describing significant capital assets activity during the

year, commitments made to acquire new capital assets, and in some cases, the condition level of infrastructure assets.

Assess legal or contractual restrictions on resources and risks of potential loss of resources (paragraph 79c) by describing debt limitations and any changes in credit ratings, limitations on individual fund balances, as well as currently known facts, decisions, or conditions that are expected to have a significant effect on financial position or results of operations.

Thus, it is the objective of this statement to assess for the readers the financial position of the Paulsboro School District and to explain the major sources of revenues.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to the reporting for the private sector. For governmental entities these statements tell new services were financed and what remains for future spending.

The combined statement of net position (A-1) presents information on all of the assets and liabilities of the District, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The combined statement of activities (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because of the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund and debt service fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary Funds - The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the government-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs.

The District uses trust and agency funds to account for resources held for payroll transactions, Student activities and scholarship funds. The basic fiduciary fund financial statements can be found as Exhibits H-1 and H-4 in this report.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

Other information. The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

Overview of the District as a Whole

The Paulsboro School District is a Pre K-12 School District, serving approximately 1,166 students from the Borough of Paulsboro and tuition students from Greenwich Township. There are three (3) school buildings, Billingsport Elementary (Grades Pre K-2), Loudenslager Elementary (Grades 3-6) and Paulsboro High School (Grades 7-12), the Administration Building (Ireland House), and various other structures for vehicles and/or storage capabilities.

General revenues received by the District are predominantly made up of state aid (62%), local tax levy (24%) and tuition for students attending from Greenwich Township (6%).

Financial Highlights

The district has closely monitored spending during the FY 2014-2015 school year which is evident by the budget transfers made throughout the year. Expenditures were closely monitored to ensure adequate surplus was available as budgeted for the next fiscal year. As in past budgets the districts is continuing to monitor overtime and substitutes closely. In-house maintenance staff continues to reduce costs from not outsourcing projects. Cooperative bidding is used to purchase instructional supplies, copier paper, electrical power, custodial supplies, and maintenance projects not done in-house.

The following table, also shown as Exhibit A-1, is a worksheet indicator of the District's financial position:

**Paulsboro Board of Education
Statement of Net Position**

ASSETS	JUNE 30, 2015	JUNE 30, 2014
Cash & Cash Equivalents	\$ 5,062,156.04	\$ 934,765.00
Receivables, Net	771,395.74	1,139,972.00
Internal Balances	-	34,390.00
Inventory	10,096.41	11,383.00
Prepaid Expenses	-	57,260.00
Capital Assets, Net (Note 5)	<u>5,439,474.63</u>	<u>5,533,428.00</u>
Total Assets	<u>11,283,122.82</u>	<u>7,711,198.00</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pensions	<u>378,557.00</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>378,557.00</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>11,661,679.82</u>	<u>7,711,198.00</u>
 LIABILITIES		
Accounts Payable	793,126.49	515,240.00
Pension Payable	212,986.00	-
Internal Balances	-	34,390.00
Unearned Revenue	95,522.84	81,205.00
Accrued Interest Payable	18,696.13	3,133.00
Noncurrent Liabilities (Note 6):		
Due Within One Year	110,000.00	235,000.00
Due Beyond One Year	<u>9,234,249.00</u>	<u>925,813.00</u>
Total Liabilities	<u>10,464,580.46</u>	<u>1,794,781.00</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pensions	<u>450,501.00</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>450,501.00</u>	<u>-</u>
Total Liabilities and Deferred Outflows of Resources	<u>10,915,081.46</u>	<u>1,794,781.00</u>
 NET POSITION		
Net Investment in Capital Assets	2,307,474.63	5,298,428.00
Restricted For:		
Debt Services	(16,961.34)	(3,131.00)
Other Purposes	3,230,676.97	205,086.00
Unrestricted	<u>(4,774,591.90)</u>	<u>416,034.00</u>
Total Net Position	<u>\$ 746,598.36</u>	<u>\$ 5,916,417.00</u>

Financial Analysis of the District's Funds

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

Governmental Funds. The focus of the District's governmental fund is to provide information on near term inflows, outflows, as balance, of spendable resources. Such information is useful in assessing the District financing requirements. The unreserved fund balance is divided between designated balance and undesignated balances.

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. The following schedule presents a summary of the governmental funds revenues for the fiscal year ended June 30, 2015 and the amount and percentage of increase/(decrease) relative to FY'2014 amounts.

Revenue Source	Amount	Percent of Total	Increase/ Decrease from 2014	Percent of Increase/ (Decrease)
Local Sources	\$ 7,600,471.32	32.31%	\$ 142,364.32	1.87%
State Sources	14,544,748.84	61.83%	329,612.84	2.27%
Federal Sources	<u>1,378,426.34</u>	5.86%	<u>43,631.34</u>	<u>3.17%</u>
Total	<u>\$ 23,523,646.50</u>		<u>\$ 515,608.50</u>	2.19%

The following schedule presents a summary of the governmental funds expenditures for the fiscal year ended June 30, 2015 and the percentage of increase/(decrease) relative to FY'2014 amounts.

Expenditure Source	Amount	Percent of Total	Increase / Decrease from 2014	Percent of Increase/ (Decrease)
Instruction	\$ 9,530,061.13	40.87%	\$ (26,557.00)	-0.28%
Support Services	13,300,831.63	57.04%	346,773.63	2.68%
Capital Outlay	249,544.50	1.07%	37,694.50	18.44%
Debt Service	<u>239,700.00</u>	1.03%	<u>(50,198.00)</u>	<u>-17.32%</u>
Total	<u>\$ 23,320,137.26</u>		<u>\$ 307,713.13</u>	1.34%

Spending during FY'2015 was monitored closely and only essential spending was approved to ensure surplus was available at year end.

Proprietary Funds. The District's proprietary fund provides the same type of information found in the district wide financial statements.

CAPITAL ASSESTS, NET OF DEPRECIATION

**PAULSBORO BOARD OF EDUCATION
RECAP-CAPITAL ASSETS – GOVERNMENTAL ACTIVITIES
June 30, 2015**

	June 30, 2014	Additions	Adjustments/ Deletions	June 30, 2015
Land	\$ 2,030,446.00	\$ 15,400.00	\$ -	\$ 2,045,846.00
Buildings	2,519,734.46	27,200.00	(204,771.43)	2,342,163.03
Machinery & Equipment	975,784.00	67,080.00	(157,666.35)	885,197.65
Construction In Progress	-	161,033.99	-	161,033.99
Total	\$ 5,525,964.46	\$ 270,713.99	\$ (362,437.78)	\$ 5,434,240.67

Economic Factors and the Forecast on the 2015/2016 (FY'16) Budget

The District anticipates the approved 2015-2016 budget will be adequate to satisfy all 2015-2016 financial needs. With local and state tax revenues depleting it is anticipated that the district will continue to face difficult tasks when preparing subsequent years budgets.

GASB 68

As described in Note 18 to the financial statements, "Prior Period Adjustment/Restatement of Net Position", the District has adopted the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, for the year ended June 30, 2015. The adoption of this principle resulted in a restatement of the District's opening net position as of July 1, 2014 in the amount of \$5,536,666.00, as indicated in Note 18 to the financial statements.

Requests for Information

This financial report is designed to provide a general overview of the Paulsboro Board of Education's finances. Questions concerning any of the information contained in this report or any requests for additional information should be addressed to Jennifer Johnson, School Business Administrator/Board Secretary at the Paulsboro Board of Education, Administration Building, 662 N. Delaware Street, Paulsboro, NJ 08066.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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PAULSBORO BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2015

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$ 5,033,705.48	\$ 28,450.56	\$ 5,062,156.04
Receivables, Net	709,177.72	62,218.02	771,395.74
Inventory	-	10,096.41	10,096.41
Capital Assets, Net (Note 5)	5,434,240.67	5,233.96	5,439,474.63
Total Assets	11,177,123.87	105,998.95	11,283,122.82
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	378,557.00	-	378,557.00
Total Deferred Outflows of Resources	378,557.00	-	378,557.00
Total Assets and Deferred Outflows of Resources	11,555,680.87	105,998.95	11,661,679.82
LIABILITIES			
Accounts Payable	783,225.54	9,900.95	793,126.49
Pensions Payable	212,986.00	-	212,986.00
Unearned Revenue	95,522.84	-	95,522.84
Accrued Interest Payable	18,696.13	-	18,696.13
Noncurrent Liabilities (Note 6)			
Due Within One Year	110,000.00	-	110,000.00
Due Beyond One Year	9,221,724.00	12,525.00	9,234,249.00
Total Liabilities	10,442,154.51	22,425.95	10,464,580.46
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	450,501.00	-	450,501.00
Total Deferred Inflows of Resources	450,501.00	-	450,501.00
Total Liabilities and Deferred Inflows of Resources	10,892,655.51	22,425.95	10,915,081.46
NET POSITION			
Net Investment in Capital Assets	2,302,240.67	5,233.96	2,307,474.63
Restricted For:			
Debt Service	(16,961.34)	-	(16,961.34)
Other Purposes	3,230,676.97	-	3,230,676.97
Unrestricted	(4,852,930.94)	78,339.04	(4,774,591.90)
Total Net Position	\$ 663,025.36	\$ 83,573.00	\$ 746,598.36

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

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

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular	\$ 5,864,909.58	\$ -	\$ -	\$ (5,864,909.58)	\$ -	\$ (5,864,909.58)
Special Education	3,049,687.09	-	1,407,297.04	(1,642,390.05)	-	(1,642,390.05)
Other Special Instruction	83,466.65	-	-	(83,466.65)	-	(83,466.65)
Other Instruction	531,997.81	-	-	(531,997.81)	-	(531,997.81)
Support Services & Undistributed Costs:						
Instruction	1,525,655.70	-	262,647.02	(1,263,008.68)	-	(1,263,008.68)
Attendance & Social Work Services	69,197.91	-	-	(69,197.91)	-	(69,197.91)
Health Services	200,158.57	-	-	(200,158.57)	-	(200,158.57)
Other Support Services	1,070,025.62	-	-	(1,070,025.62)	-	(1,070,025.62)
Improvement of Instructional Services	314,271.49	-	-	(314,271.49)	-	(314,271.49)
Educational Media Services	299,783.61	-	-	(299,783.61)	-	(299,783.61)
Instructional Staff Training Services	25,524.26	-	-	(25,524.26)	-	(25,524.26)
General Administration	437,672.81	-	-	(437,672.81)	-	(437,672.81)
School Administration	912,215.03	-	-	(912,215.03)	-	(912,215.03)
Central Services	236,180.59	-	-	(236,180.59)	-	(236,180.59)
Administrative Information Technology	102,134.91	-	-	(102,134.91)	-	(102,134.91)
Plant Operations & Maintenance	1,545,376.21	-	-	(1,545,376.21)	-	(1,545,376.21)
Pupil Transportation	743,130.94	-	25,418.00	(717,712.94)	-	(717,712.94)
Unallocated Benefits	8,058,015.98	-	4,139,704.05	(3,918,311.93)	-	(3,918,311.93)
Interest & Other Changes on Long Term Debt	27,734.13	-	-	(27,734.13)	-	(27,734.13)
Unallocated Adjustment to Compensated Absences	29,261.00	-	-	(29,261.00)	-	(29,261.00)
Unallocated Depreciation	362,437.78	-	-	(362,437.78)	-	(362,437.78)
Adjustment to Capital Assets	(28,640.49)	-	-	28,640.49	-	28,640.49
Total Governmental Activities	25,460,197.18	-	5,835,066.11	(19,625,131.07)	-	(19,625,131.07)
Business-Type Activities:						
Food Service	714,814.16	24,623.82	768,689.58	-	78,499.24	78,499.24
Total Business - Type Activities	714,814.16	24,623.82	768,689.58	-	78,499.24	78,499.24
Total Primary Government	\$ 26,175,011.34	\$ 24,623.82	\$ 6,603,755.69	(19,625,131.07)	78,499.24	(19,546,631.83)

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

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

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				5,484,300.00	-	5,484,300.00
Taxes Levied for Debt Service				118,292.00	-	118,292.00
Federal & State Aid				12,313,914.37	-	12,313,914.37
Tuition Received				1,496,167.23	-	1,496,167.23
Miscellaneous Income				500,804.79	-	500,804.79
Total General Revenues, Special Items, Extraordinary Items & Transfers:				19,913,478.39	-	19,913,478.39
Change In Net Position				288,347.32	78,499.24	366,846.56
Net Position - Beginning, as restated, see Note 18				374,678.04	5,073.76	379,751.80
Net Position - Ending				\$ 663,025.36	\$ 83,573.00	\$ 746,598.36

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B. Fund Financial Statements

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Governmental Funds

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

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
Cash & Cash Equivalents	\$ 946,941.91	\$ 640,991.83	\$ 3,445,770.34	\$ 1.40	\$ 5,033,705.48
Accounts Receivable:					
Intergovernmental - State	41,855.24	18,621.48	105,925.35	-	166,402.07
Intergovernmental - Federal	-	428,932.53	-	-	428,932.53
Other	91,084.05	4,345.05	-	-	95,429.10
Interfund Receivables	1,322,520.60	-	-	1,733.39	1,324,253.99
Total Assets	\$ 2,402,401.80	\$ 1,092,890.89	\$ 3,551,695.69	\$ 1,734.79	\$ 7,048,723.17
LIABILITIES & FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 620,803.65	\$ 159,340.47	\$ -	\$ -	\$ 780,144.12
Intergovernmental Payable - State	-	3,081.42	-	-	3,081.42
Interfund Payables	-	862,997.82	442,842.15	-	1,305,839.97
Unearned Revenue	10,134.66	85,388.18	-	-	95,522.84
Total Liabilities	630,938.31	1,110,807.89	442,842.15	-	2,184,588.35
Fund Balances:					
Restricted for:					
Excess Surplus	18,380.43	-	-	-	18,380.43
Excess Surplus - Designated for Subsequent Year's Expenditures	103,443.00	-	-	-	103,443.00
Capital Projects Fund	-	-	3,108,853.54	-	3,108,853.54
Debt Service Fund	-	-	-	1,734.79	1,734.79
Assigned to:					
Other Purposes	4,438.10	-	-	-	4,438.10
Designated for Subsequent Year's Expenditures	1,645,201.96	-	-	-	1,645,201.96
Unassigned	(0.00)	(17,917.00)	-	-	(17,917.00)
Total Fund Balances	1,771,463.49	(17,917.00)	3,108,853.54	1,734.79	4,864,134.82
Total Liabilities & Fund Balances	\$ 2,402,401.80	\$ 1,092,890.89	\$ 3,551,695.69	\$ 1,734.79	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$14,942,276.09 and the accumulated depreciation is \$9,508,035.42.	5,434,240.67
Deferred outflows and inflows of resources related to pensions and deferred charges and/or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.	(71,944.00)
Accrued interest payable and PERS pension payable is not recorded in the fund financial statements due to the fact that payable is not due in the period.	(231,682.13)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:	
Net Pension Liability	(5,265,350.00)
Bonds Payable	(3,132,000.00)
Compensated Absences Payable	(934,374.00)
Net position of Governmental Activities	\$ 663,025.36

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

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

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 5,484,300.00	\$ -	\$ -	\$ 118,292.00	\$ 5,602,592.00
Tuition Charges	1,496,167.23	-	-	-	1,496,167.23
Miscellaneous	147,336.53	352,642.17	-	1,733.39	501,712.09
Total Local Sources	7,127,803.76	352,642.17	-	120,025.39	7,600,471.32
State Sources	14,035,281.05	278,750.51	109,310.28	121,407.00	14,544,748.84
Federal Sources	109,547.09	1,268,879.25	-	-	1,378,426.34
Total Revenues	21,272,631.90	1,900,271.93	109,310.28	241,432.39	23,523,646.50
Expenditures:					
Current:					
Regular Instruction	5,864,909.58	-	-	-	5,864,909.58
Special Education Instruction	1,636,158.05	1,413,529.04	-	-	3,049,687.09
Other Special Instruction	83,466.65	-	-	-	83,466.65
Other Instruction	531,997.81	-	-	-	531,997.81
Support Services & Undistributed Costs:					
Instruction	1,263,008.68	262,647.02	-	-	1,525,655.70
Attendance & Social Work Services	69,197.91	-	-	-	69,197.91
Health Services	200,158.57	-	-	-	200,158.57
Other Support Services	1,070,025.62	-	-	-	1,070,025.62
Improvement of Instructional Services	314,271.49	-	-	-	314,271.49
Educational Media Services	299,783.61	-	-	-	299,783.61
Instructional Staff Training Services	25,524.26	-	-	-	25,524.26
General Administration	437,672.81	-	-	-	437,672.81
School Administration	912,215.03	-	-	-	912,215.03
Central Services	236,180.59	-	-	-	236,180.59
Administrative Information Technology	102,134.91	-	-	-	102,134.91
Plant Operations & Maintenance	1,545,376.21	-	-	-	1,545,376.21
Pupil Transportation	743,130.94	-	-	-	743,130.94
Unallocated Benefits	5,589,176.11	230,327.87	-	-	5,819,503.98
Capital Outlay	88,510.51	-	161,033.99	-	249,544.50
Debt Service:					
Principal	-	-	-	235,000.00	235,000.00
Interest	-	-	-	4,700.00	4,700.00
Total Expenditures	21,012,899.34	1,906,503.93	161,033.99	239,700.00	23,320,137.26
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	259,732.56	(6,232.00)	(51,723.71)	1,732.39	203,509.24
Other Financing Sources/(Uses):					
Bond Proceeds	-	-	3,132,000.00	-	3,132,000.00
Total Other Financing Sources & Uses	-	-	3,132,000.00	-	3,132,000.00
Net Change in Fund Balances	259,732.56	(6,232.00)	3,080,276.29	1,732.39	3,335,509.24
Fund Balance - July 1	1,511,730.93	(11,685.00)	28,577.25	2.40	1,528,625.58
Fund Balance - June 30	\$ 1,771,463.49	\$ (17,917.00)	\$ 3,108,853.54	\$ 1,734.79	\$ 4,864,134.82

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

**PAULSBORO 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 YEAR ENDED JUNE 30, 2015**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ 3,335,509.24

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

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. The amount that exceeded capital outlays is as follows:

Depreciation Expense	(362,437.78)	
Adjustment to Capital Assets	28,640.49	
Capital Outlays	249,544.50	
Less: SDA Debt Service Assessment	(7,471.00)	(91,723.79)

District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

Pension Expense - PERS Contribution - 2015	231,840.00	
Unfunded TPAF Pension Expense	2,224,898.00	
State Share of Unfunded TPAF Pension Expense	(2,224,898.00)	
Pension Expense	(245,454.00)	(13,614.00)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statements of Net Position and is not reported in the Statement of Activities. 235,000.00

Proceeds from issuance of bonds are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position. (3,132,000.00)

Interest on long-term debt in the Statement of Activities is accrued, regardless when it is due. It is reported in the Governmental Funds when it is due. The difference in the accrued interest is an addition in the reconciliation.

Prior Year	3,133.00	
Current Year	(18,696.13)	(15,563.13)

Certain operating expenses, e.g. compensated absences (vacations, sick pay, etc.) are accrued in the Statement of Activities. In the governmental funds these amounts are recorded when due and paid. The amount accrued that exceeded the amount paid is deducted in the reconciliation.

Prior Year	905,113.00	
Current Year	(934,374.00)	(29,261.00)

Change in Net Position of Governmental Activities \$ 288,347.32

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Proprietary Funds

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**PAULSBORO BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2015**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS <hr/> FOOD SERVICE
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 28,450.56
Accounts Receivable:	
State	990.20
Federal	60,922.32
Interfund Accounts Receivable	305.50
Inventories	10,096.41
	<hr/>
Total Current Assets	100,764.99
	<hr/>
Noncurrent assets:	
Furniture, Machinery & Equipment	96,682.00
Less: Accumulated Depreciation	(91,448.04)
	<hr/>
Total Noncurrent Assets	5,233.96
	<hr/>
Total Assets	105,998.95
	<hr/>
LIABILITIES	
Accounts Payable	9,900.95
Compensated Absences Payable	12,525.00
	<hr/>
Total Liabilities	22,425.95
	<hr/>
NET POSITION	
Net Investment in Capital Assets	5,233.96
Unrestricted	78,339.04
	<hr/>
Total Net Position	\$ 83,573.00
	<hr/> <hr/>

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

**PAULSBORO BOARD OF EDUCATION
 PROPRIETARY FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 AS OF JUNE 30, 2015**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS <hr/> FOOD SERVICE
Operating Revenues:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 3,050.76
Daily Sales - Nonreimbursable Programs	21,573.06
	<hr/>
Total Operating Revenues	24,623.82
	<hr/>
Operating Expenses:	
Cost of Sales	370,034.11
Salaries	207,834.04
Employee Benefits	48,718.58
Supplies & Materials	35,285.17
Management Fee	38,402.28
Other Miscellaneous	12,310.21
Depreciation	2,229.77
	<hr/>
Total Operating Expenses	714,814.16
	<hr/>
Operating Income/(loss)	(690,190.34)
	<hr/>
Nonoperating Revenues/(Expenses):	
State Sources:	
State School Lunch Program	8,756.96
Federal Sources:	
National School Lunch Program	453,691.50
National Summer Lunch Program	23,521.81
Healthy Hunger-Free Kids Act	9,368.94
School Breakfast Program	226,531.23
After School Snacks	5,547.30
Food Distribution Program	41,271.84
	<hr/>
Total Nonoperating Revenues/(Expenses)	768,689.58
	<hr/>
Change in Net Position	78,499.24
Total Net Position - Beginning	5,073.76
	<hr/>
Total Net Position - Ending	\$ 83,573.00
	<hr/> <hr/>

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

**PAULSBORO BOARD OF EDUCATION
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
AS OF JUNE 30, 2015**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u> FOOD SERVICE
Cash Flows From Operating Activities:	
Receipts from Customers	\$ 24,318.32
Payments to Employees	(264,727.62)
Payments to Suppliers	(410,752.12)
	(651,161.42)
Net Cash Provided/(Used) by Operating Activities	(651,161.42)
Cash Flows From Noncapital Financing Activities:	
Cash Received from Federal & State Reimbursements	714,001.76
	714,001.76
Net Cash Provided/(Used) by Noncapital Financing Activities	679,611.76
Net Increase/(Decrease) in Cash & Cash Equivalents	28,450.34
Balances - Beginning of Year	0.22
Balances - End of Year	\$ 28,450.56

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

Operating Income/(Loss)	\$ (690,190.34)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Depreciation	2,229.77
Food Distribution Program	41,271.84
Changes in Assets & Liabilities:	
(Increase)/Decrease in Inventory	1,286.86
Increase/(Decrease) in Accounts Payable	2,720.95
(Increase)/Decrease in Interfund Receivable	(305.50)
Increase/(Decrease) in Compensated Absences Payable	(8,175.00)
	39,028.92
Total Adjustments	39,028.92
Net Cash Provided/(Used) by Operating Activities	\$ (651,161.42)

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

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Fiduciary Fund

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**PAULSBORO BOARD OF EDUCATION
FIDUCIARY FUNDS
COMPARATIVE COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015**

ASSETS	PRIVATE PURPOSE	AGENCY		TOTAL
	SCHOLARSHIP	STUDENT ACTIVITY	PAYROLL	
Cash & Cash Equivalents	\$ 147,827.63	\$ 74,048.56	\$ 168,593.89	\$ 390,470.08
Interfund Receivable	250.00	-	-	250.00
Total Assets	148,077.63	74,048.56	168,593.89	390,720.08
LIABILITIES				
Payroll Deductions & Withholdings	-	-	159,897.89	159,897.89
Due to Student Groups	-	63,775.04	-	63,775.04
Interfund Payable	-	10,273.52	8,696.00	18,969.52
Total Liabilities	-	74,048.56	168,593.89	242,642.45
NET POSITION				
Reserved for Scholarships	148,077.63	-	-	148,077.63
Total Net Position	\$ 148,077.63	\$ -	\$ -	\$ 148,077.63

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

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

ADDITIONS	<u>PRIVATE PURPOSE SCHOLARSHIP</u>
Contributions:	
Other	\$ 48,604.07
Total Contributions	<u>48,604.07</u>
Investment Earnings:	
Interest	<u>520.75</u>
Net Investment Earnings	<u>520.75</u>
Total Additions	<u>49,124.82</u>
DEDUCTIONS	
Scholarship Payments	<u>38,898.90</u>
Total Deductions	<u>38,898.90</u>
Change in Net Position	10,225.92
Net Position - Beginning of the Year	<u>137,851.71</u>
Net Position - End of the Year	<u><u>\$ 148,077.63</u></u>

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

PAULSBORO BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2015

Note 1. Summary of Significant Accounting Policies

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

Reporting Entity

The Paulsboro Board of Education (hereafter referred to as the “District”) is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the District is to educate students in grades kindergarten through twelfth at its five schools. The District has an approximate enrollment at June 30, 2015 of 1,160 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14. *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The District had no component units as of for the year ended June 30, 2015.

Government-Wide Financial Statements

The District’s Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column. Fiduciary activities of the District are not included in these statements.

These statements are presented on an “economic resources” measurement focus and the accrual basis of

PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): YEAR ENDED JUNE 30, 2015

Note 1. Summary of Significant Accounting Policies (continued):

accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District's deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized

PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): YEAR ENDED JUNE 30, 2015

Note 1. Summary of Significant Accounting Policies (continued):

in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The District's fiduciary funds are Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in 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.

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

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): YEAR ENDED JUNE 30, 2015

Note 1. Summary of Significant Accounting Policies (continued):

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements 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 (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

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 Fund are charges to customers for sales. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

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

As required by the New Jersey Department of Education the District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued):

Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

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

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

The District reports the following major proprietary funds:

Food Service Fund – This fund accounts for the revenues and expenses pertaining to the District’s cafeteria operations.

Additionally, the District reports the following major fiduciary funds:

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

Scholarship Fund – Revenues consist of interest income and donations. Expenditures consist of scholarships provided to students.

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

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): YEAR ENDED JUNE 30, 2015

Note 1. Summary of Significant Accounting Policies (continued):

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): YEAR ENDED JUNE 30, 2015

Note 1. Summary of Significant Accounting Policies (continued):

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

Cash and Cash Equivalents

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

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

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

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

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2015 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued):

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated or amortized using the straight-line method over the following estimated lives:

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

Compensated Absences

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

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

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): YEAR ENDED JUNE 30, 2015

Note 1. Summary of Significant Accounting Policies (continued):

that they are normally expected to be paid with expendable available financial resources.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Balance

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

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2015.
- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the District's policy to consider amounts to have been spent first out of committed funds, then assigned

PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): YEAR ENDED JUNE 30, 2015

Note 1. Summary of Significant Accounting Policies (continued):

funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

- Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Impact of Recently Issued and Adopted Accounting Pronouncements

Adopted Accounting Pronouncements

For the year ended June 30, 2015, the District implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* – (Amendment to GASB Statement No. 27) and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of the Statements requires the District to report as an asset and/or a liability its portion of the collective net pension's asset and liability of the New Jersey Public Employees' Retirement System (PERS). The implementation of the Statements also requires the District to report a deferred outflow and/or inflow for the effect of the net change in the District's proportion of the collective net pension asset and/or liability and difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. Also included as a deferred outflow is the District contributions to the pension system subsequent to the measurement date.

Recently Issued Accounting Pronouncements

The District has adopted and implemented all current standards of the Governmental Accounting Standards Board (GASB) that are applicable as of June 30, 2015.

GASB has issued Statement No. 72, *Fair Value Measurement and Application*, effective for the year ending June 30, 2016

GASB has issued Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions*, effective for the year ending June 30, 2018. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Post-*

PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): YEAR ENDED JUNE 30, 2015

Note 1. Summary of Significant Accounting Policies (continued):

employment Benefits Other Than Pensions, as amended, and No. 57, *OPEB Measurements by Agency Employers and Agent Multi-Employer Plans*, for OPEB Statement No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB Plans.

GASB has issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, effective for the year ending June 30, 2016.

The District will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Deferred Loss on Refunding Debt

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

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net 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 a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Pensions Section

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 pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued):

same basis as they are reported by the plan. 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.

Subsequent Events

The District has evaluated subsequent events occurring after June 30, 2015 through the date of December 04, 2015, which is the date the financial statements were available to be issued.

Note 2. Cash Deposits and Investments

Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2015, the District’s bank balance of \$6,462,347.79 was exposed to custodial credit risk as follows:

Insured Under FDIC	\$ 250,000.00
Collateralized by securities held by	
Pledging financial institution	5,719,756.32
Uninsured and uncollateralized	<u>492,591.47</u>
Total	<u>\$ 6,462,347.79</u>

Investments

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

1. Bonds and other obligations of the United State or obligations guaranteed by the United States.
2. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank , which have a maturity date not greater than twelve months from the date of purchase.
3. New Jersey Cash Management Fund, New Jersey Asset and Rebate Management Fund and MBIA CLASS.

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 2. Cash Deposits and Investments (continued):

Custodial credit risk - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District does not have custodial credit risk policies for investments.

Interest rate risk - This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District 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 - Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure..

Concentrations - The District places no limit in the amount the District may invest in any one issuer

The District did not hold any investments at June 30, 2015.

Note 3. Accounts Receivable

Accounts receivable at June 30, 2015 consisted of accounts and intergovernmental grants. All state and federal receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General <u>Fund</u>	Special Revenue <u>Fund</u>	Capital Projects <u>Fund</u>	Proprietary <u>Funds</u>	<u>Total</u>
Intergovernmental	\$ 41,855.24	\$ 447,554.01	\$ 105,925.35	\$ 61,912.52	\$ 657,247.12
Other	91,084.05	4,345.05	-	-	95,429.10
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>\$ 132,939.29</u>	<u>\$ 451,899.06</u>	<u>\$ 105,925.35</u>	<u>\$ 61,912.52</u>	<u>\$ 752,676.22</u>

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 4. Capital Assets

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

	Balance June 30, 2014	Increases	Decreases	Balance June 30, 2015
Governmental Activities:				
Capital assets not being depreciated:				
Land & Land Improvements	\$ 2,030,446.00	\$ 15,400.00	\$ -	\$ 2,045,846.00
Construction in Progress	-	161,033.99	-	161,033.99
	<hr/>			<hr/>
Total capital assets not being depreciated	2,030,446.00	176,433.99	-	2,206,879.99
	<hr/>			<hr/>
Capital Assets being depreciated:				
Buildings	9,919,521.65	27,200.00	-	9,946,721.65
Machinery & Equipment	2,721,594.45	67,080.00	-	2,788,674.45
	<hr/>			<hr/>
Total capital assets being depreciated	12,641,116.10	94,280.00	-	12,735,396.10
	<hr/>			<hr/>
Less: accumulated depreciation:				
Buildings	(7,518,284.87)	(204,771.43)	-	(7,723,056.30)
Machinery & Equipment	(1,627,312.77)	(157,666.35)	-	(1,784,979.12)
	<hr/>			<hr/>
Total accumulated depreciation	(9,145,597.64)	(362,437.78)	-	(9,508,035.42)
	<hr/>			<hr/>
Total capital assets being depreciated, net	3,495,518.46	(268,157.78)	-	3,227,360.68
	<hr/>			<hr/>
Total Governmental Activities capital assets, net	\$ 5,525,964.46	\$ (91,723.79)	\$ -	\$ 5,434,240.67
	<hr/>			<hr/>

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 4. Capital Assets (continued):

	Balance June 30, 2014	Increases	Decreases	Balance June 30, 2015
Business-Type Activities:				
Capital assets being depreciated:				
Machinery & Equipment	\$ 96,682.00	\$ -	\$ -	\$ 96,682.00
Total capital assets being depreciated	<u>96,682.00</u>	<u>-</u>	<u>-</u>	<u>96,682.00</u>
Less: accumulated depreciation:				
Machinery & Equipment	(89,218.27)	(2,229.77)	-	(91,448.04)
Total accumulated depreciation	<u>(89,218.27)</u>	<u>(2,229.77)</u>	<u>-</u>	<u>(91,448.04)</u>
Total capital assets being depreciated, net	<u>7,463.73</u>	<u>(2,229.77)</u>	<u>-</u>	<u>5,233.96</u>
Total Business-type activities capital assets, net	<u>\$ 7,463.73</u>	<u>\$ (2,229.77)</u>	<u>\$ -</u>	<u>\$ 5,233.96</u>

Depreciation expense was charged to governmental functions/programs as follows:

Governmental Activities:	
Unallocated	<u>\$ 362,437.78</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 362,437.78</u>

Note 5. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2015 are as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 1,322,520.60	\$ -
Special Revenue Fund	-	862,997.82
Capital Projects Fund	-	442,842.15
Debt Service Fund	1,733.39	-
Food Service Fund	305.50	-
Scholarship Fund	250.00	-
Student Activities Trust	-	10,273.52
Payroll Trust Fund	-	8,696.00
	<u>\$ 1,324,809.49</u>	<u>\$ 1,324,809.49</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 6. Long-Term Obligations

During the fiscal year-ended June 30, 2015 the following changes occurred in long-term obligations:

	June 30, 2014	Additions	Reductions	June 30, 2015	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 905,113.00	\$ 29,261.00	\$ -	\$ 934,374.00	\$ -
Net Pension Liability	5,536,666.00	-	(271,316.00)	5,265,350.00	-
General Obligation Bonds	235,000.00	3,132,000.00	(235,000.00)	3,132,000.00	110,000.00
Total	<u>\$6,676,779.00</u>	<u>\$3,161,261.00</u>	<u>\$(506,316.00)</u>	<u>\$9,331,724.00</u>	<u>\$110,000.00</u>
Business-Type Activities:					
Compensated Absences	\$ 20,700.00	\$ -	\$ (8,175.00)	\$ 12,525.00	\$ -
Total	<u>\$ 20,700.00</u>	<u>\$ -</u>	<u>\$ (8,175.00)</u>	<u>\$ 12,525.00</u>	<u>\$ -</u>

For governmental activities, the bonds payable are liquidated from the District's debt service fund. Compensated absences are liquidated by the general fund.

A. Bonds Payable:

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds. At June 30, 2015, bonds payable consisted of the following individual issues:

Purpose	Interest Rate	Maturity Date	Amount Issued	Amount Outstanding
Refunding Bonds	3.00%	10/1/15 & 4/1/16	\$ 3,132,000.00	<u>\$ 3,132,000.00</u>
Total				<u><u>\$ 3,132,000.00</u></u>

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

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 6. Long-Term Obligations (continued):

Year-ending June 30,	Principal	Interest	Total
2016	\$ 110,000.00	\$ 86,164.75	\$ 196,164.75
2017	110,000.00	94,245.00	204,245.00
2018	115,000.00	90,945.00	205,945.00
2019	115,000.00	87,495.00	202,495.00
2020	125,000.00	84,045.00	209,045.00
2021-2025	695,000.00	361,575.00	1,056,575.00
2026-2030	850,000.00	248,175.00	1,098,175.00
2031-2035	1,012,000.00	105,337.50	1,117,337.50
Total	\$ 3,132,000.00	\$ 1,157,982.25	\$ 4,289,982.25

B. Bonds Authorized But Not Issued:

As of June 30, 2015, the District had no authorized but not issued bonds.

Note 7: Pension Obligations

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/5 5th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 7: Pension Obligations (continued):

retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2014 and 2013, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Three-Year Trend Information for PERS

<u>Year</u>	<u>Pension</u>	<u>Percentage</u>	<u>Net</u>
<u>Funding</u>	<u>Cost (APC)</u>	<u>of APC</u>	<u>Pension</u>
		<u>Contributed</u>	<u>Obligation</u>
6/30/2015	\$ 231,840.00	100%	\$ 5,265,350.00
6/30/2014	230,110.00	100%	5,536,666.00
6/30/2013	210,333.00	100%	-

Components of Net Pension Liability - At June 30, 2015, the District reported a liability of \$5,265,350.00 for its proportionate share of the PERS net pension liability. The net pension liability was

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 7: Pension Obligations (continued):

measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2013, to the measurement date of June 30, 2014. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2014. The District's proportion measured as of June 30, 2014, was .02812%, which was a decrease of .02897% from its proportion measured as of June 30, 2013.

Collective Balances at June 30, 2015 and June 30, 2014

	<u>6/30/2015</u>	<u>6/30/2014</u>
	July 1, 2014	July 1, 2013
Actuarial valuation date		
Deferred Outflows of Resources	\$ 378,557.00	\$ 231,840.00
Deferred Inflows of Resources	450,501.00	N/A
Net Pension Liability	5,265,350.00	5,536,666.00
District's portion of the Plan's total net pension Liability	0.02812%	0.02897%

Pension Expense and Deferred Outflows/Inflows of Resources - For the year ended June 30, 2015, the District recognized pension expense of \$245,454.00. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	165,571.00	-
Net difference between projected and actual earnings on pension plan investments	-	313,786.00
Changes in proportion and differences between District contributions and proportionate share of contributions	-	136,715.00
District contributions subsequent to the measurement date	212,986.00	-
Total	<u>\$ 378,557.00</u>	<u>\$ 450,501.00</u>

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 7: Pension Obligations (continued):

\$212,986.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net pension liability in the year ended June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	
<u>June 30:</u>	<u>PERS</u>
2016	\$ (58,276.45)
2017	(58,276.45)
2018	(58,276.45)
2019	(58,276.45)
2020	(58,276.45)
Thereafter	6,452.27

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

	<u>PERS</u>
Measurement date	June 30, 2014
Actuarial valuation date	July 1, 2013
Interest rate	7.90%
Salary scale	2012-2021 - 2.15-4.40% Based on Age Thereafter - 3.15-5.40% Based on Age
Inflation rate	3.01%

Mortality rates were based on the RP-2000 Combined Healthy Male or Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from base year of 2012 based on Projection Scale AA.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 7: Pension Obligations (continued):

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS's 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%
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 5.39% as of June 30, 2014. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% as of June 30, 2014, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rates and that contributions from employers will be made on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.39%) or 1-percentage-point higher (6.39%) than the current rate:

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 7: Pension Obligations (continued):

	Decrease (4.39%)	Discount Rate (5.39%)	Increase (6.39%)
District's Proportante Share of the Net Pension Liability	\$ 6,623,989.59	\$ 5,265,350.00	\$ 4,124,438.52

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State. The amounts presented in the Schedules were prepared in

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 7: Pension Obligations (continued):

accordance with U.S. generally accepted accounting principles. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2014 and 2013, the State's pension contribution was less than the actuarial determined amount.

Special Funding Situation - The employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

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

<u>Year</u> <u>Funding</u>	<u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
6/30/2015	\$ 1,266,168.00	100%	\$ -
6/30/2014	1,053,501.00	100%	-
6/30/2013	1,320,501.00	100%	-

Teachers Pensions and Annuity Fund (TPAF) - 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 Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. 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.

PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015

Note 7: Pension Obligations (continued):

	<u>TPAF</u>
Measurement date	June 30, 2014
Actuarial valuation date	July 1, 2013
Interest rate	7.90%
Salary scale	Varies Based On Experience
Inflation rate	2.50%

Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2014 are summarized in the following table:

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 7: Pension Obligations (continued):

<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%
Total	100%	

Discount Rate - The discount rate used to measure the total pension liability was 4.68% as of June 30, 2014. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% as of June 30, 2014, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rates and that contributions from employers will be made on the average of the last five years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS & TPAF financial report.

PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): YEAR ENDED JUNE 30, 2015

Note 8: Post-Retirement Benefits

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2015, there were 100,134 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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

Note 9. Risk Management

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

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

Joint Insurance Pool – The Paulsboro School District participates in the School Alliance Insurance Fund and, public entity risk pool. The Fund provides its members with the following coverage's:

Property – Blanket Building & Grounds	Excess Liability
General and Automobile Liability	Worker' Compensation
School Board Legal Liability	Comprehensive Crime Coverage

Note 10. Contingencies

State and Federal Grantor Agencies - The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2015 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Pending Litigation – The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Districts' attorney that resolution of these matters will not have a material adverse effect on the financial condition of the District.

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 11. Economic Dependency

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

Note 12. Commitments

The District entered into several construction contracts during the fiscal year, which include building and site improvements to the various schools within the district. As of June 30, 2015, the District had outstanding construction contracts totaling \$7,994,398.20 that will be financed from capital projects fund. These amounts are recorded as follows:

Purpose	Commitment Date	Amount Outstanding
Renovation of High School Gym Paulsboro High School HVAC	2010	24,934.19
Replacement Loudenslager Elementary School - Unbundled	2011	7,028.00
Project, Exterior Closure, Plumbing Billingsport Elementary School - Unbundled	2015	2,381,021.85
Project, Exterior Closure, Plumbing Paulsboro High School - Unbundled	2015	717,174.03
Project, Exterior Closure, Plumbing Paulsboro High School	2015	3,753,449.01
Track Improvements Loudenslager Elementary School	2015	792,566.84
Basketball Courts	2015	<u>318,224.28</u>
		<u>\$ 7,994,398.20</u>

Note 13. Deferred Compensation

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

AXA Equitable
Thomas Seely Agency, Inc.
Lincoln Investment Planning
Syracusa

PAULSBORO BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued): YEAR ENDED JUNE 30, 2015

Note 14. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2015 is \$934,374.00.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. The amount at June 30, 2015 is 12,525.00.

Note 15. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to *N.J.S.A.18A:7F-7*, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2015 is \$18,380.43.

Note 16. Fund Balance

General Fund – Of the \$1,771,463.49 General Fund fund balance at June 30, 2015, \$103,443.00 is restricted for excess surplus designated for subsequent years expenditures; \$18,380.43 is restricted current year excess surplus; \$1,645,201.96 is assigned to designated by the Board of Education for subsequent year's expenditures and \$4,438.10 is assigned to other purposes.

Capital Projects Fund – Of the \$3,108,853.54 Capital Projects Fund fund balance at June 30, 2015, \$3,108,853.54 is restricted for future capital projects approved by the District and the Department of Education.

Debt Service Fund – Of the \$1,734.79 Debt Service Fund fund balance at June 30, 2015, \$1,734.79 is restricted for future debt service payments.

PAULSBORO BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (continued):
YEAR ENDED JUNE 30, 2015**

Note 17. Deficit in Net Position

Restricted Net Position – The School District had a deficit in restricted net position for Debt Service in the amount of \$16,961.34 at June 30, 2015. The deficit is caused by the accrual of bond interest in the government-wide financial statements.

Unrestricted Net Position – The School District had a deficit in unrestricted net position in the amount of \$4,852,930.94 at June 30, 2015. The deficit is caused by the implementation of GASB 68 which requires the district to report their proportionate share of the net pension liability for the Public Employee’s Retirement System (PERS) at June 30, 2015.

Note 18. Prior Period Adjustment/Restatement of Net Position

Net Position as of July 1, 2014, has been restated as follows for the implementation of GASB State No. 68, Accounting and Financial Reporting for Pensions, as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date.

	Governmental Activities
Net Position as previously reported at June 30, 2014	\$ 5,911,344.04
Prior Period Adjustment -	
Implementation of GASB 68:	
Net Pension Liability (measurement date as of June 30, 2013)	(5,536,666.00)
Deferred Outflows - District Contributions made during fiscal year 2014	231,840.00
PERS Pension Payable	<u>(231,840.00)</u>
Total Prior Period Adjustment	<u>(5,536,666.00)</u>
Net Position as restated, July 1, 2014	<u><u>\$ 374,678.04</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Revenues:						
Local Sources:						
Local Tax Levy	10-1210-000-000	\$ 5,484,300.00	\$ -	\$ 5,484,300.00	\$ 5,484,300.00	\$ -
Tuition	10-1300-000-000	1,430,667.00	-	1,430,667.00	1,496,167.23	65,500.23
Miscellaneous	10-1000-000-000	51,059.00	-	51,059.00	147,336.53	96,277.53
Total Local Sources		6,966,026.00	-	6,966,026.00	7,127,803.76	161,777.76
State Sources:						
Extraordinary Aid	10-3000-000-000	50,000.00	-	50,000.00	10,020.00	(39,980.00)
Extraordinary Aid - Prior Year	10-3000-000-000	-	-	-	415.00	415.00
School Choice Aid	10-3116-000-000	36,680.00	-	36,680.00	36,680.00	-
Categorical Special Education Aid	10-3132-000-000	615,970.00	-	615,970.00	615,970.00	-
Equalization Aid	10-3176-000-000	11,357,502.00	-	11,357,502.00	11,357,502.00	-
Transportation Aid	10-3176-000-000	25,418.00	-	25,418.00	25,418.00	-
Security Aid	10-3176-000-000	74,739.00	-	74,739.00	74,739.00	-
PARCC Readiness Aid	10-3190-000-000	10,345.00	-	10,345.00	10,345.00	-
Per Pupil Growth Aid	10-3190-000-000	10,345.00	-	10,345.00	10,345.00	-
Nonbudgeted:						
On-Behalf TPAF:						
Post-Retirement Medical Contributions		-	-	-	776,828.00	776,828.00
Normal Pension Contributions		-	-	-	489,340.00	489,340.00
Reimbursed TPAF Social Contributions		-	-	-	648,638.05	648,638.05
Total State Sources		12,180,999.00	-	12,180,999.00	14,056,240.05	1,875,241.05
Federal Sources:						
SEMI	10-4200-000-000	80,000.00	-	80,000.00	57,283.13	(22,716.87)
SEMI - ARRA	10-4200-000-000	-	-	-	52,263.96	52,263.96
Total Federal Sources		80,000.00	-	80,000.00	109,547.09	29,547.09
Total Revenues		19,227,025.00	-	19,227,025.00	21,293,590.90	2,066,565.90

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Local Contribution -						
Transfer to Special Revenue	11-105-100-935	583,377.00	(229,731.00)	353,646.00	315,443.15	38,202.85
Kindergarten	11-110-100-101	238,371.00	72,698.00	311,069.00	310,568.21	500.79
Grades 1 - 5	11-120-100-101	1,799,072.00	(95,899.00)	1,703,173.00	1,514,061.82	189,111.18
Grades 6 - 8	11-130-100-101	1,114,232.00	16,230.00	1,130,462.00	1,121,428.76	9,033.24
Grades 9 - 12	11-140-100-101	1,800,350.00	267,825.00	2,068,175.00	1,938,481.03	129,693.97
Home Instruction:						
Salaries of Teachers	11-150-100-101	35,200.00	-	35,200.00	22,373.28	12,826.72
Purchased Professional -						
Educational Services	11-150-100-320	35,000.00	-	35,000.00	30,427.25	4,572.75
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	80,891.00	(2.58)	80,888.42	7,242.75	73,645.67
Purchased Professional - Educational Services	11-190-100-320	160,541.00	59,780.00	220,321.00	190,234.76	30,086.24
Other Purchased Services	11-190-100-500	126,713.00	18,391.00	145,104.00	113,558.84	31,545.16
General Supplies	11-190-100-610	467,433.00	(81,299.85)	386,133.15	265,369.72	120,763.43
Textbooks	11-190-100-640	55,440.00	(18,573.00)	36,867.00	35,295.01	1,571.99
Other Objects	11-190-100-800	500.00	425.00	925.00	425.00	500.00
Total Regular Programs - Instruction		6,497,120.00	9,843.57	6,506,963.57	5,864,909.58	642,053.99
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	624,485.00	(80,576.00)	543,909.00	539,172.43	4,736.57
Other Salaries for Instruction	11-204-100-106	93,473.00	31,595.00	125,068.00	123,195.68	1,872.32
General Supplies	11-204-100-610	10,500.00	4,910.00	15,410.00	9,417.96	5,992.04
Total Learning and/or Language Disabilities		728,458.00	(44,071.00)	684,387.00	671,786.07	12,600.93

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	177,234.00	2,053.00	179,287.00	179,287.00	-
Other Salaries for Instruction	11-209-100-106	89,735.00	(38,104.00)	51,631.00	28,179.50	23,451.50
General Supplies	11-209-100-610	12,250.00	1,910.00	14,160.00	3,873.18	10,286.82
Total Behavioral Disabilities		279,219.00	(34,141.00)	245,078.00	211,339.68	33,738.32
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	224,121.00	-	224,121.00	224,121.00	-
Other Salaries for Instruction	11-212-100-106	39,248.00	76,505.00	115,753.00	58,073.21	57,679.79
General Supplies	11-212-100-610	2,495.00	4,693.00	7,188.00	4,752.18	2,435.82
Total Multiple Disabilities		265,864.00	81,198.00	347,062.00	286,946.39	60,115.61
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	184,445.00	30,307.00	214,752.00	186,495.53	28,256.47
Other Salaries for Instruction	11-213-100-106	117,463.00	(27,639.00)	89,824.00	89,822.19	1.81
General Supplies	11-213-100-610	15,060.00	(2,315.00)	12,745.00	707.94	12,037.06
Textbooks	11-213-100-640	5,292.00	-	5,292.00	-	5,292.00
Other Objects	11-213-100-800	100.00	-	100.00	-	100.00
Total Resource Room/Resource Center		322,360.00	353.00	322,713.00	277,025.66	45,687.34
Autism:						
Other Salaries for Instruction	11-214-100-106	-	21,900.00	21,900.00	19,116.95	2,783.05
Total Autism		-	21,900.00	21,900.00	19,116.95	2,783.05

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Preschool Disabilities - Part-Time:						
Salaries of Teachers	11-215-100-101	-	126,526.00	126,526.00	126,525.30	0.70
Other Salaries for Instruction	11-215-100-106	-	43,418.00	43,418.00	43,418.00	-
Total Preschool Disabilities - Part-Time		-	169,944.00	169,944.00	169,943.30	0.70
Total Special Education		1,595,901.00	195,183.00	1,791,084.00	1,636,158.05	154,925.95
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	433,136.00	(276,888.00)	156,248.00	77,374.00	78,874.00
Purchased Educational Services	11-230-100-320	12,753.00	(7.00)	12,746.00	-	12,746.00
General Supplies	11-230-100-610	2,198.00	1,713.83	3,911.83	1,910.65	2,001.18
Total Basic Skills/Remedial		448,087.00	(275,181.17)	172,905.83	79,284.65	93,621.18
Bilingual Education - Instruction:						
Salaries of Teachers	11-240-100-101	17,280.00	-	17,280.00	3,904.00	13,376.00
General Supplies	11-240-100-610	368.00	-	368.00	278.00	90.00
Total Bilingual Education - Instruction		17,648.00	-	17,648.00	4,182.00	13,466.00
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	60,754.00	-	60,754.00	58,224.00	2,530.00
Purchased Services	11-401-100-500	700.00	5,737.00	6,437.00	6,435.89	1.11
Supplies and Materials	11-401-100-600	5,822.00	(5,737.00)	85.00	-	85.00
Total School Sponsored Cocurricular Activities		67,276.00	-	67,276.00	64,659.89	2,616.11

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
School Sponsored Athletics - Instruction:						
Salaries of Teachers	11-402-100-100	281,300.00	2,192.00	283,492.00	283,492.00	-
Purchased Services	11-402-100-500	80,000.00	(2,656.00)	77,344.00	65,714.53	11,629.47
Supplies and Materials	11-402-100-600	50,000.00	464.00	50,464.00	43,783.88	6,680.12
Other Objects	11-402-100-800	20,000.00	-	20,000.00	18,715.01	1,284.99
Total School Sponsored Athletics - Instruction		431,300.00	-	431,300.00	411,705.42	19,594.58
Before/After School Programs - Instruction:						
Salaries of Teachers	11-421-100-101	21,760.00	-	21,760.00	15,348.50	6,411.50
Total Before/After School Programs - Instruction		21,760.00	-	21,760.00	15,348.50	6,411.50
Summer School - Instruction:						
Salaries of Teachers	11-422-100-101	-	39,640.00	39,640.00	37,944.00	1,696.00
Other Salaries of Instruction	11-422-100-106	-	2,340.00	2,340.00	2,340.00	-
Total Summer School - Instruction		-	41,980.00	41,980.00	40,284.00	1,696.00
Total Instruction		9,079,092.00	(28,174.60)	9,050,917.40	8,116,532.09	934,385.31
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEA's -State Regular	11-000-100-561	103,127.00	(19,413.00)	83,714.00	28,296.13	55,417.87
Tuition to Other LEA's -State Special	11-000-100-562	131,152.00	(50,000.00)	81,152.00	73,888.71	7,263.29
Tuition to County Voc. School District Regular	11-000-100-563	76,765.00	-	76,765.00	66,096.00	10,669.00
Tuition to CSSD & Regular Day Schools	11-000-100-565	973,251.00	(50,808.00)	922,443.00	753,891.00	168,552.00
Tuition to Private Schools for the Handicapped - State	11-000-100-566	281,315.00	120,221.00	401,536.00	307,061.84	94,474.16
Tuition - State Facilities	11-000-100-568	33,775.00	-	33,775.00	33,775.00	-

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Total Undistributed Expenditures - Instruction		1,599,385.00	-	1,599,385.00	1,263,008.68	336,376.32
Attendance & Social Work Services:						
Salaries of Teachers	11-000-211-100	50,897.00	2,112.00	53,009.00	46,525.91	6,483.09
Purchased Professional & Technical Services	11-000-211-300	24,401.00	(1,729.00)	22,672.00	22,672.00	-
Other Purchased Services	11-000-211-500	500.00	(383.00)	117.00	-	117.00
Total Attendance & Social Work Services		75,798.00	-	75,798.00	69,197.91	6,600.09
Health Services:						
Salaries	11-000-213-100	166,691.00	3,020.00	169,711.00	167,087.05	2,623.95
Purchased Professional & Technical Services	11-000-213-300	26,081.00	209.00	26,290.00	26,288.50	1.50
Supplies and Materials	11-000-213-600	10,150.00	(1,721.00)	8,429.00	6,783.02	1,645.98
Other Objects	11-000-213-800	30.00	-	30.00	-	30.00
Total Health Services		202,952.00	1,508.00	204,460.00	200,158.57	4,301.43
Other Support Services - Students - Related Services:						
Salaries of Other Professional Staff	11-000-216-100	144,036.00	-	144,036.00	143,861.00	175.00
Purchased Educational Services	11-000-216-320	200,000.00	-	200,000.00	174,303.25	25,696.75
Supplies and Materials	11-000-216-600	2,650.00	-	2,650.00	567.61	2,082.39
Total Other Support Services - Students - Related Services		346,686.00	-	346,686.00	318,731.86	27,954.14

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	275,282.00	-	275,282.00	246,362.00	28,920.00
Salaries of Secretarial & Clerical Assistants	11-000-218-105	45,100.00	1.00	45,101.00	45,100.08	0.92
Purchased Professional & Educational Services	11-000-218-320	19,568.00	(1.00)	19,567.00	1,047.81	18,519.19
Other Purchased Services	11-000-218-500	350.00	-	350.00	216.00	134.00
Supplies and Materials	11-000-218-600	15,850.00	70.60	15,920.60	10,475.84	5,444.76
Other Objects	11-000-218-800	350.00	-	350.00	345.00	5.00
Total Other Support Services - Students- Regular		356,500.00	70.60	356,570.60	303,546.73	53,023.87
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	385,985.00	-	385,985.00	376,967.49	9,017.51
Salaries of Secretarial & Clerical Assistants	11-000-219-105	68,599.00	(583.00)	68,016.00	60,008.82	8,007.18
Purchased Professional - Educational Services	11-000-219-320	25,000.00	-	25,000.00	1,300.00	23,700.00
Other Purchased Professional & Technical Services	11-000-219-390	2,500.00	-	2,500.00	400.00	2,100.00
Other Purchased Services	11-000-219-592	6,300.00	-	6,300.00	1,089.88	5,210.12
Supplies and Materials	11-000-219-600	10,000.00	-	10,000.00	7,160.84	2,839.16
Other Objects	11-000-219-800	1,050.00	-	1,050.00	820.00	230.00
Total Other Support Services - Students Special Services		499,434.00	(583.00)	498,851.00	447,747.03	51,103.97

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Improvement of Instruction Services/Other Support						
Salaries of Other Professional Staff	11-000-221-104	233,538.00	-	233,538.00	189,078.22	44,459.78
Salaries of Secretarial & Clerical Assistants	11-000-221-105	22,550.00	1.00	22,551.00	22,550.16	0.84
Salaries of Facilitators, Math & Literary Coaches	11-000-221-176	127,939.00	(414.00)	127,525.00	99,098.00	28,427.00
Other Purchased Services	11-000-221-500	2,000.00	-	2,000.00	414.96	1,585.04
Supplies and Materials	11-000-221-600	8,419.00	(512.00)	7,907.00	2,310.15	5,596.85
Other Objects	11-000-221-800	2,019.00	-	2,019.00	820.00	1,199.00
Total Improvement of Instruction Services/Other Support		396,465.00	(925.00)	395,540.00	314,271.49	81,268.51
Other Support Services Instructional Staff						
Educational Media Services/School Library:						
Salaries	11-000-222-100	160,268.00	58,380.00	218,648.00	217,943.07	704.93
Salaries of Technology Coordinators	11-000-222-177	130,950.00	(58,380.00)	72,570.00	60,397.42	12,172.58
Purchased Professional & Technical Services	11-000-222-300	90,584.00	-	90,584.00	6,694.70	83,889.30
Other Purchased Services	11-000-222-500	2,000.00	-	2,000.00	-	2,000.00
Supplies and Materials	11-000-222-600	42,300.00	(5,719.00)	36,581.00	14,748.42	21,832.58
Total Educational Media Services/Library		426,102.00	(5,719.00)	420,383.00	299,783.61	120,599.39
Instructional Staff Training Services:						
Salaries of Secretarial & Clerical Assistants	11-000-223-105	22,550.00	1.00	22,551.00	22,549.92	1.08
Purchased Professional Educational Services	11-000-223-320	18,452.00	(1.00)	18,451.00	-	18,451.00
Other Purchased Services	11-000-223-500	9,500.00	-	9,500.00	2,523.10	6,976.90
Supplies & Materials	11-000-223-600	2,200.00	-	2,200.00	451.24	1,748.76
Total Instructional Staff Training Services		52,702.00	-	52,702.00	25,524.26	27,177.74

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Support Services General Administration:						
Salaries	11-000-230-100	200,049.00	(14,750.00)	185,299.00	185,298.96	0.04
Legal Services	11-000-230-331	30,000.00	-	30,000.00	15,474.80	14,525.20
Audit Fees	11-000-230-332	19,950.00	-	19,950.00	19,600.00	350.00
Other Purchased						
Professional Services	11-000-230-339	25,000.00	6,503.00	31,503.00	31,502.31	0.69
Purchased Technical Services	11-000-230-340	500.00	-	500.00	-	500.00
Communications/Telephone	11-000-230-530	101,256.00	-	101,256.00	85,173.68	16,082.32
BOE Other Purchased Services	11-000-230-585	3,780.00	4,701.00	8,481.00	8,480.65	0.35
Other Purchased Services	11-000-230-590	96,051.00	(12,078.00)	83,973.00	71,009.06	12,963.94
Supplies and Materials	11-000-230-610	9,125.00	2,474.00	11,599.00	11,526.15	72.85
BOE In-House Training/Meeting						
Supplies	11-000-230-630	1,600.00	(1,600.00)	-	-	-
BOE Membership Dues & Fees	11-000-230-895	10,257.00	-	10,257.00	9,607.20	649.80
Total Support Services General Administration		497,568.00	(14,750.00)	482,818.00	437,672.81	45,145.19
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	610,524.00	59,211.00	669,735.00	669,734.73	0.27
Salaries of Other Professional Staff	11-000-240-104	23,040.00	(4,109.00)	18,931.00	11,728.00	7,203.00
Salaries of Secretarial & Clerical Assistants	11-000-240-105	197,908.00	-	197,908.00	196,868.11	1,039.89
Other Purchased Services	11-000-240-500	12,307.00	-	12,307.00	6,174.71	6,132.29
Supplies and Materials	11-000-240-600	23,300.00	46.00	23,346.00	20,636.98	2,709.02
Other Objects	11-000-240-800	9,875.00	(46.00)	9,829.00	7,072.50	2,756.50
Total Support Services School Administration		876,954.00	55,102.00	932,056.00	912,215.03	19,840.97

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Central Services:						
Salaries	11-000-251-100	220,056.00	2.00	220,058.00	215,830.08	4,227.92
Purchased Professional & Technical Services	11-000-251-340	30,434.00	-	30,434.00	15,010.00	15,424.00
Miscellaneous Purchased Services	11-000-251-592	3,660.00	-	3,660.00	693.50	2,966.50
Supplies and Materials	11-000-251-600	6,375.00	(122.00)	6,253.00	3,037.01	3,215.99
Other Objects	11-000-251-890	1,490.00	120.00	1,610.00	1,610.00	-
Total Central Services		262,015.00	-	262,015.00	236,180.59	25,834.41
Administrative Information Technology:						
Purchased Technical Services	11-000-252-330	98,449.00	(49,929.00)	48,520.00	45,902.87	2,617.13
Other Purchased Services	11-000-252-500	13,490.00	34,577.00	48,067.00	47,963.42	103.58
Supplies and Materials	11-000-252-600	45,600.00	(25,000.00)	20,600.00	8,268.62	12,331.38
Other Objects	11-000-252-800	500.00	-	500.00	-	500.00
Total Administrative Information Technology		158,039.00	(40,352.00)	117,687.00	102,134.91	15,552.09
Allowable Maintenance for School Facilities:						
Salaries	11-000-261-100	107,731.00	(10,999.00)	96,732.00	95,143.63	1,588.37
Cleaning, Repair & Maintenance Services	11-000-261-420	232,293.00	(28,300.00)	203,993.00	153,936.68	50,056.32
General Supplies	11-000-261-610	106,289.00	(12,639.63)	93,649.37	34,501.28	59,148.09
Total Allowable Maintenance for School Facilities		446,313.00	(51,938.63)	394,374.37	283,581.59	110,792.78

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Operation & Maintenance of Plant Services & School Facilities:						
Salaries	11-000-262-100	443,015.00	20,276.00	463,291.00	440,260.40	23,030.60
Salaries of Non-Instructional Aides	11-000-262-107	51,840.00	(3,331.00)	48,509.00	38,221.93	10,287.07
Purchased Professional & Technical Services	11-000-262-300	9,000.00	-	9,000.00	6,332.00	2,668.00
Cleaning, Repair & Maintenance Services	11-000-262-420	45,000.00	(14,626.00)	30,374.00	15,021.26	15,352.74
Insurance	11-000-262-520	230,424.00	(9,796.00)	220,628.00	220,627.50	0.50
Miscellaneous Purchased Services	11-000-262-590	-	4,981.00	4,981.00	4,980.89	0.11
General Supplies	11-000-262-610	62,000.00	14,765.63	76,765.63	75,520.88	1,244.75
Energy (Natural Gas)	11-000-262-621	125,000.00	3,383.00	128,383.00	98,181.82	30,201.18
Energy (Electricity)	11-000-262-622	275,000.00	(2,419.00)	272,581.00	245,618.22	26,962.78
Other Objects	11-000-262-800	1,839.00	-	1,839.00	735.00	1,104.00
Total Operation & Maintenance of Plant Services & School Facilities		1,243,118.00	13,233.63	1,256,351.63	1,145,499.90	110,851.73
Care & Upkeep of Grounds:						
Salaries	11-000-263-100	66,183.00	-	66,183.00	56,299.08	9,883.92
Cleaning, Repair & Maintenance Services	11-000-263-420	30,000.00	10,854.70	40,854.70	37,307.04	3,547.66
Supplies and Materials	11-000-263-610	32,700.00	(10,714.70)	21,985.30	21,864.49	120.81
Total Care & Upkeep of Grounds		128,883.00	140.00	129,023.00	115,470.61	13,552.39
Security:						
Salaries	11-000-266-100	5,000.00	-	5,000.00	824.11	4,175.89
Total Security		5,000.00	-	5,000.00	824.11	4,175.89

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Student Transportation Services:						
Salaries of Non-Instructional Aides	11-000-270-107	26,721.00	(4,477.00)	22,244.00	22,242.56	1.44
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	66,116.00	3,140.00	69,256.00	69,254.82	1.18
Salaries for Pupil Transportation (Between Home & School) - Special	11-000-270-161	47,670.00	(26,041.00)	21,629.00	21,628.40	0.60
Salaries for Pupil Transportation (Other Than Between Home & School)	11-000-270-162	44,168.00	(18,093.00)	26,075.00	20,754.27	5,320.73
Other Purchased Technical Services	11-000-270-390	37,600.00	(37,600.00)	-	-	-
Cleaning, Repair & Maintenance Services	11-000-270-420	-	19,679.43	19,679.43	19,678.34	1.09
Contracted Services (Between Home & School) - Vendors	11-000-270-511	35,326.00	(29,261.00)	6,065.00	1,500.00	4,565.00
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512	6,000.00	20,693.00	26,693.00	26,693.00	-
Contracted Services (Between Home & School) - Joint Agreement	11-000-270-513	29,948.00	(6,632.00)	23,316.00	23,315.40	0.60
Contracted Services (Special Education Students)	11-000-270-515	316,883.00	158,413.00	475,296.00	475,295.66	0.34
Contracted Services (Aid in Lieu of Payments) - (Choice Schools)	11-000-270-505	18,040.00	4,148.57	22,188.57	22,100.00	88.57
Miscellaneous Purchased Services - Transportation	11-000-270-593	40,686.00	(896.00)	39,790.00	39,790.00	-
General Supplies	11-000-270-610	1,000.00	-	1,000.00	406.81	593.19
Transportation Supplies	11-000-270-615	5,000.00	-	5,000.00	276.38	4,723.62
Miscellaneous Expenditures	11-000-270-800	400.00	-	400.00	195.30	204.70
Total Student Transportation Services		675,558.00	83,074.00	758,632.00	743,130.94	15,501.06

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Unallocated Benefits - Employee Benefits:						
Social Security Contributions -						
Other	11-000-291-220	237,467.00	-	237,467.00	208,870.68	28,596.32
Other Retirement Contributions	11-000-291-241	315,020.00	-	315,020.00	231,840.00	83,180.00
Unemployment Compensation	11-000-291-250	60,000.00	2,696.00	62,696.00	53,545.18	9,150.82
Workmen's Compensation	11-000-291-260	212,261.00	1,525.00	213,786.00	213,786.00	-
Health Benefits	11-000-291-270	3,052,760.00	(86,656.00)	2,966,104.00	2,875,743.40	90,360.60
Tuition Reimbursements	11-000-291-280	37,800.00	-	37,800.00	11,578.00	26,222.00
Other Employee Benefits	11-000-291-290	105,363.00	-	105,363.00	79,006.80	26,356.20
Total Unallocated Benefits - Employee Benefits		4,020,671.00	(82,435.00)	3,938,236.00	3,674,370.06	263,865.94
Nonbudgeted:						
Post-Retirement Medical Contributions		-	-	-	776,828.00	(776,828.00)
Normal Pension Contributions		-	-	-	489,340.00	(489,340.00)
Reimbursed TPAF Social Security Contributions		-	-	-	648,638.05	(648,638.05)
Total Undistributed Expenditures		12,270,143.00	(43,574.40)	12,226,568.60	12,807,856.74	(581,288.14)
Total Expenditures - Current Expense		21,349,235.00	(71,749.00)	21,277,486.00	20,924,388.83	353,097.17
Capital Outlay:						
Equipment:						
Grades 1-5	12-120-100-730	-	8,100.00	8,100.00	8,100.00	-
Grades 9-12	12-140-100-730	5,000.00	25,723.00	30,723.00	28,403.52	2,319.48
Required Maintenance for School Facilities	12-000-261-730	-	42,600.00	42,600.00	42,600.00	-
Custodial Services	12-000-262-730	6,867.00	(2,900.00)	3,967.00	-	3,967.00
Care & Upkeep of Grounds	12-000-263-730	3,711.00	(1,774.00)	1,937.00	1,935.99	1.01
Total Equipment		15,578.00	71,749.00	87,327.00	81,039.51	6,287.49

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
Facilities Acquisition & Construction Services Assessment for Debt Service on SDA Funding	12-000-400-800	7,471.00	-	7,471.00	7,471.00	-
Total Facilities Acquisition & Construction Services		7,471.00	-	7,471.00	7,471.00	-
Total Capital Outlay		23,049.00	71,749.00	94,798.00	88,510.51	6,287.49
Total Expenditures		21,372,284.00	-	21,372,284.00	21,012,899.34	359,384.66
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)		(2,145,259.00)	-	(2,145,259.00)	280,691.56	2,425,950.56
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses) Fund Balances, July 1		(2,145,259.00)	-	(2,145,259.00)	280,691.56	2,425,950.56
Fund Balances, June 30		\$ 488,653.93	\$ -	\$ 488,653.93	\$ 2,914,604.49	\$ 2,425,950.56

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
RECAPITULATION OF FUND BALANCE						
Restricted Fund Balance:						
Excess Surplus					\$ 18,380.43	
Excess Surplus - Designated for Subsequent Year's Expenditures					103,443.00	
Assigned Fund Balance:						
Year-End Encumbrances					4,438.10	
Designated for Subsequent Year's Expenditures					2,354,117.00	
Designated for Subsequent Year's Expenditures - ARRA/SEMI					52,263.96	
Unassigned Fund Balance					<u>381,962.00</u>	
Subtotal					<u>2,914,604.49</u>	
Reconciliation to Governmental Fund Statements (GAAP):						
Last State Aid Payments Not Recognized on GAAP Basis					<u>(1,143,141.00)</u>	
Fund Balance per Governmental Funds (GAAP)					<u>\$ 1,771,463.49</u>	

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

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
REVENUES:					
State Sources	\$ 179,170.00	\$ 109,024.85	\$ 288,194.85	\$ 284,982.51	\$ (3,212.34)
Federal Sources	815,654.00	594,186.00	1,409,840.00	1,268,879.25	(140,960.75)
Local Sources	583,377.00	(228,564.85)	354,812.15	352,642.17	(2,169.98)
Total Revenues	1,578,201.00	474,646.00	2,052,847.00	1,906,503.93	(146,343.07)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	717,138.00	(54,755.00)	662,383.00	662,380.84	2.16
Other Salaries for Instruction	158,769.00	11,904.00	170,673.00	169,959.00	714.00
Purchased Professional - Educational Services	25,851.00	162,055.00	187,906.00	167,673.49	20,232.51
Tuition	223,413.00	165,379.00	388,792.00	371,439.72	17,352.28
Supplies	6,000.00	35,207.00	41,207.00	40,605.99	601.01
Other Purchased Services	4,251.00	(4,251.00)	-	-	-
Miscellaneous	-	1,470.00	1,470.00	1,470.00	-
Total Instruction	1,135,422.00	317,009.00	1,452,431.00	1,413,529.04	38,901.96
Support Services:					
Salaries of Teachers	119,477.00	69.00	119,546.00	119,545.46	0.54
Salaries of Other Professional Staff	41,503.00	100,392.00	141,895.00	128,993.61	12,901.39
Personal Services - Employee Benefits	281,799.00	(44,476.00)	237,323.00	230,327.87	6,995.13
Purchased Professional - Educational Services	-	19,425.00	19,425.00	4,977.00	14,448.00
Supplies	-	82,227.00	82,227.00	9,130.95	73,096.05
Total Support Services	442,779.00	157,637.00	600,416.00	492,974.89	107,441.11
Total Expenditures	1,578,201.00	474,646.00	2,052,847.00	1,906,503.93	146,343.07
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**PAULSBORO BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2015**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 21,293,590.90	\$ 1,906,503.93
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	1,122,182.00	11,685.00
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(1,143,141.00)</u>	<u>(17,917.00)</u>
 Total Revenue as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	 <u>\$ 21,272,631.90</u>	 <u>\$ 1,900,271.93</u>
 Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	 <u>\$ 21,012,899.34</u>	 <u>\$ 1,906,503.93</u>
 Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	 <u>\$ 21,012,899.34</u>	 <u>\$ 1,906,503.93</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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L. SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)

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PAULSBORO BOARD OF EDUCATION
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
District's proportion of the net pension liability (asset)	0.02812%	0.02897%	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
District's proportionate share of the net pension liability (asset)	\$ 5,265,350.00	\$ 5,536,666.00	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
District's covered-employee payroll	1,977,710.73	2,083,604.20	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	266.23%	265.73%	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
Plan fiduciary net position as a percentage of the total pension liability	52.08%	48.72%	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

PAULSBORO BOARD OF EDUCATION
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	\$ 212,986.00	\$ 231,840.00	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
Contributions in relation to the contractually required contribution	212,986.00	231,840.00	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
Contribution deficiency (excess)	\$ -	\$ -	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
District's covered-employee payroll	\$ 1,977,710.73	\$ 2,083,604.20	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
Contributions as a percentage of covered-employee payroll	10.77%	11.13%	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

PAULSBORO BOARD OF EDUCATION
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS' PENSION AND ANNUITY FUND
 LAST TEN FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
District's proportion of the net pension liability (asset)	0.094378%	0.095911%	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
State's proportionate share of the net pension liability (asset) associated with the District	\$ 50,441,713.00	\$ 48,472,777.00	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
District's covered-employee payroll	\$ 9,451,683.14	\$ 9,575,426.49	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	33.76%	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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Paulsboro Board of Education
ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68) –
CHANGE OF BENEFIT TERMS AND ASSUMPTIONS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2015

Teachers' Pension and Annuity Fund (TPAF)

Changes of benefit terms. The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Changes of assumptions. Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

Public Employees' Retirement System (PERS)

Changes of benefit terms. The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

Changes of assumptions. Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 Based on Projection Scale AA.

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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

	TITLE I	TITLE II	I.D.E.A. PART B REGULAR	I.D.E.A. PART B PRESCHOOL	TO THE TOP	BRIDGE THE GAP
Revenues:						
Federal Sources	\$ 685,727.87	\$ 98,257.90	\$ 461,614.35	\$ 12,809.13	\$ 2,470.00	\$ 8,000.00
Total Revenues	<u>\$ 685,727.87</u>	<u>\$ 98,257.90</u>	<u>\$ 461,614.35</u>	<u>\$ 12,809.13</u>	<u>\$ 2,470.00</u>	<u>\$ 8,000.00</u>
Expenditures:						
Instruction:						
Salaries of Teachers	\$ 318,399.40	\$ 79,934.00	\$ 10,976.00	\$ 2,560.00	\$ -	\$ -
Other Salaries for Instruction	164,799.00	-	4,207.50	952.50	-	-
Purchased Professional - Educational Services	56,225.00	-	19,500.00	-	-	-
Tuition	-	-	365,617.72	5,822.00	-	-
Supplies	2,699.22	717.17	-	1,503.37	-	8,000.00
Total Instruction	<u>542,122.62</u>	<u>80,651.17</u>	<u>400,301.22</u>	<u>10,837.87</u>	<u>-</u>	<u>8,000.00</u>
Support Services:						
Salaries of Teachers	46,321.00	-	49,753.00	-	-	-
Salaries of Other Professional Staff	45,354.04	16,712.78	-	-	-	-
Personal Services-Employee Benefits	46,032.76	-	11,560.13	268.71	-	-
Purchased Professional - Educational Services	2,507.00	-	-	-	2,470.00	-
Supplies	3,390.45	893.95	-	1,702.55	-	-
Total Support Services	<u>143,605.25</u>	<u>17,606.73</u>	<u>61,313.13</u>	<u>1,971.26</u>	<u>2,470.00</u>	<u>-</u>
Total Expenditures	<u>\$ 685,727.87</u>	<u>\$ 98,257.90</u>	<u>\$ 461,614.35</u>	<u>\$ 12,809.13</u>	<u>\$ 2,470.00</u>	<u>\$ 8,000.00</u>

**SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

NONPUBLIC											
	IMPROVING	SUPPLEMENTAL	HOME	EXAM	NONPUBLIC COMPENSATORY	EDUCATION	TEXTBOOK	TRANSPORT	TECHNOLOGY	NURSING	
	LITERACY	INSTRUCTION	INSTRUCTION	CLASSIFICATION	SPEECH	EDUCATION	TEXTBOOK	TRANSPORT	TECHNOLOGY	NURSING	
	ACHIEVEMENT	INSTRUCTION	INSTRUCTION	CLASSIFICATION	SPEECH	EDUCATION	TEXTBOOK	TRANSPORT	TECHNOLOGY	NURSING	
Revenues:											
State Sources	\$ 5,255.02	\$ 8,003.94	\$ 4,160.91	\$ 15,670.74	\$ 14,312.70	\$ 35,294.52	\$ 5,601.00	\$ 5,589.68	\$ 3,008.00	\$ 8,916.00	
Total Revenues	\$ 5,255.02	\$ 8,003.94	\$ 4,160.91	\$ 15,670.74	\$ 14,312.70	\$ 35,294.52	\$ 5,601.00	\$ 5,589.68	\$ 3,008.00	\$ 8,916.00	
Expenditures:											
Instruction:											
Purchased Professional -	\$ -	\$ 8,003.94	\$ 4,160.91	\$ 15,670.74	\$ 14,312.70	\$ 35,294.52	\$ -	\$ 5,589.68	\$ -	\$ 8,916.00	
Educational Services											
Supplies	5,255.02	-	-	-	-	-	5,601.00	-	3,008.00	-	
Total Instruction	5,255.02	8,003.94	4,160.91	15,670.74	14,312.70	35,294.52	5,601.00	5,589.68	3,008.00	8,916.00	
Total Expenditures	\$ 5,255.02	\$ 8,003.94	\$ 4,160.91	\$ 15,670.74	\$ 14,312.70	\$ 35,294.52	\$ 5,601.00	\$ 5,589.68	\$ 3,008.00	\$ 8,916.00	

**SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	PRESCHOOL EDUCATION PROGRAM AID	UNIFORM DONATIONS	EARN TO LEARN	TEACHER OF THE YEAR	WALL OF HEROES	SCIENCE DONATION	ROWAN - STEERING	MISCELLANEOUS LOCAL PROGRAMS	TOTAL
Revenues:									
State Sources	\$ 179,170.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 179,170.00
Federal Sources	-	-	-	-	-	-	-	-	-
Local Sources	315,443.15	429.00	14,230.89	85.21	2,215.00	10,080.00	698.92	9,460.00	352,642.17
Total Revenues	\$ 494,613.15	\$ 429.00	\$ 14,230.89	\$ 85.21	\$ 2,215.00	\$ 10,080.00	\$ 698.92	\$ 9,460.00	\$ 1,906,503.93
Expenditures:									
Instruction:									
Salaries of Teachers	\$ 230,783.44	\$ -	\$ 10,096.00	\$ -	\$ -	\$ -	\$ 672.00	\$ 8,960.00	\$ 662,380.84
Other Salaries for Instruction	-	-	-	-	-	-	-	-	169,959.00
Purchase Professional - Educational Services	-	-	-	-	-	-	-	-	167,673.49
Tuition	-	-	-	-	-	-	-	-	371,439.72
Supplies	3,145.24	-	511.76	85.21	-	10,080.00	-	-	40,605.99
Miscellaneous	-	-	1,470.00	-	-	-	-	-	1,470.00
Total Instruction	233,928.68	-	12,077.76	85.21	-	10,080.00	672.00	8,960.00	1,413,529.04
Support Services:									
Salaries of Teachers	23,471.46	-	-	-	-	-	-	-	119,545.46
Salaries of Other Professional Staff	65,614.57	-	1,312.22	-	-	-	-	-	128,993.61
Personal Services - Employee Benefits	171,598.44	-	840.91	-	-	-	26.92	-	230,327.87
Purchased Professional - Educational Services	-	-	-	-	-	-	-	-	4,977.00
Supplies	-	429.00	-	-	2,215.00	-	-	500.00	9,130.95
Total Support Services	260,684.47	429.00	2,153.13	-	2,215.00	-	26.92	500.00	492,974.89
Total Expenditures	\$ 494,613.15	\$ 429.00	\$ 14,230.89	\$ 85.21	\$ 2,215.00	\$ 10,080.00	\$ 698.92	\$ 9,460.00	\$ 1,906,503.93

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

	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 230,784.00	\$ 230,783.44	\$ 0.56
Supplies	3,146.00	3,145.24	0.76
Total Instruction	<u>233,930.00</u>	<u>233,928.68</u>	<u>1.32</u>
Support Services:			
Salaries of Teachers	89,087.00	89,086.03	0.97
Personal Services - Employee Benefits	171,600.00	171,598.44	1.56
Total Support Services	<u>260,687.00</u>	<u>260,684.47</u>	<u>2.53</u>
Total Expenditures	<u>\$ 494,617.00</u>	<u>\$ 494,613.15</u>	<u>\$ 3.85</u>

CALCULATION OF BUDGET & CARRYOVER

Total 2014-2015 Preschool Education Aid Allocation	\$ 179,170.00
Add: Local Contribution - General Fund	315,447.00
Add: Actual ECPA Carryover (June 30, 2014)	<u>-</u>
Total Preschool Education Aid Funds Available for 2013-2014 Budget	494,617.00
Less: 2013-2014 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>(494,617.00)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2015	-
Add: June 30, 2015 Unexpended Preschool Education Aid Funds	<u>3.85</u>
2014-2015 Actual Carryover - Preschool Education Aid Funds	<u>\$ 3.85</u>
2014-2015 Preschool Education Aid Funds Carryover Budgeted in 2015-2016	<u>\$ -</u>

F. Capital Projects Fund

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**PAULSBORO BOARD OF EDUCATION
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2015**

APPROVAL DATE	PROJECT TITLE	APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED APPROPRIATIONS 6/30/2015
			PRIOR YEAR	CURRENT YEAR	
2010	Renovation of High School Gym	\$ 341,927.19	\$ 316,993.00	\$ -	\$ 24,934.19
2011	Paulsboro High School HVAC Replacement	314,643.00	307,615.00	-	7,028.00
2015	Loudenslager Elementary School - Unbundled Project, Exterior Closure, Plumbing	2,498,969.00	-	117,947.15	2,381,021.85
2015	Billingsport Elementary School - Unbundled Project, Exterior Closure, Plumbing	729,479.00	-	12,304.97	717,174.03
2015	Paulsboro High School - Unbundled Project, Exterior Closure, Plumbing	3,771,750.00	-	18,300.99	3,753,449.01
2015	Paulsboro High School Track Improvements	798,272.00	-	5,705.16	792,566.84
2015	Loudenslager Elementary School Basketball Courts	325,000.00	-	6,775.72	318,224.28
Total		\$ 8,780,040.19	\$ 624,608.00	\$ 161,033.99	\$ 7,994,398.20

**PAULSBORO BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

Revenues & Other Financing Sources:	
Bond Proceeds	\$ 3,132,000.00
State Sources - SDA Grant	<u>4,994,854.94</u>
Total Revenues	<u>8,126,854.94</u>
Expenditures & Other Financing Uses:	
Purchased Professional Services	<u>161,033.99</u>
Total Expenditures	<u>161,033.99</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	7,965,820.95
Fund Balance - Beginning	<u>28,577.25</u>
Fund Balance - Ending	<u><u>\$ 7,994,398.20</u></u>

**PAULSBORO BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS TO HIGH SCHOOL GYMNASIUM
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SDA Grant	\$ 241,686.00	\$ 1,741.94	\$ 243,427.94	\$ 243,427.94
Transfers	98,499.00	-	98,499.00	98,499.25
Total Revenues	340,185.00	1,741.94	341,926.94	341,927.19
Expenditures & Other Financing Uses:				
Construction Services	316,993.00	-	316,993.00	341,927.19
Total Expenditures	316,993.00	-	316,993.00	341,927.19
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 23,192.00	\$ 1,741.94	\$ 24,933.94	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	4020-050-09-1001
Grant Date	6/30/2011
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	420,000.00
Additional Authorized Cost	(78,072.81)
Revised Authorized Cost	341,927.19
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	92.71%
Original Target Completion Date	12/31/2011
Revised Target Completion Date	6/30/2012

**PAULSBORO BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
PAULSBORO HIGH SCHOOL HVAC
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SDA Grant	\$ 228,000.00	\$ 1,643.00	\$ 229,643.00	\$ 229,643.00
Transfers	85,000.00	-	85,000.00	85,000.00
Total Revenues	313,000.00	1,643.00	314,643.00	314,643.00
Expenditures & Other Financing Uses:				
Construction Services	307,615.00	-	307,615.00	314,643.00
Total Expenditures	307,615.00	-	307,615.00	314,643.00
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 5,385.00	\$ 1,643.00	\$ 7,028.00	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	4020-050-10-1001
Grant Date	6/30/2012
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	385,000.00
Additional Authorized Cost	(70,357.00)
Revised Authorized Cost	314,643.00
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	97.77%
Original Target Completion Date	12/31/2012
Revised Target Completion Date	-

**PAULSBORO BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
LOUDENSLAGER ELEMENTARY SCHOOL - UNBUNDLED PROJECT, EXTERIOR CLOSURE, PLUMBING
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Bond Proceeds	\$ -	\$ 717,087.00	\$ 717,087.00	\$ 717,087.00
State Sources - SDA Grant	-	1,781,882.00	1,781,882.00	1,781,882.00
Total Revenues	-	2,498,969.00	2,498,969.00	2,498,969.00
Expenditures & Other Financing Uses:				
Purchased Professional Services	-	117,947.15	117,947.15	226,830.00
Construction Services	-	-	-	2,267,307.00
Miscellaneous	-	-	-	4,832.00
Total Expenditures	-	117,947.15	117,947.15	2,498,969.00
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ 2,381,021.85	\$ 2,381,021.85	\$ -

ADDITIONAL PROJECT INFORMATION

DOE Project #	4020-070-14-G3GQ
SDA Project #	4020-070-14-1004
Grant Date	6/2/2015
Bond Authorization Date	4/1/2015
Bonds Authorized	3,132,000.00
Bonds Issued	3,132,000.00
Original Authorized Cost	2,498,969.00
Additional Authorized Cost	-
Revised Authorized Cost	2,498,969.00
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	4.72%
Original Target Completion Date	12/31/2016
Revised Target Completion Date	-

**PAULSBORO BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
BILLINGSPORT ELEMENTARY SCHOOL - UNBUNDLED PROJECT, EXTERIOR CLOSURE, PLUMBING
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Bond Proceeds	\$ -	\$ 209,326.00	\$ 209,326.00	\$ 209,326.00
State Sources - SDA Grant	-	520,153.00	520,153.00	520,153.00
Total Revenues	-	729,479.00	729,479.00	729,479.00
Expenditures & Other Financing Uses:				
Purchased Professional Services	-	12,304.97	12,304.97	38,921.00
Construction Services	-	-	-	689,216.00
Miscellaneous	-	-	-	1,342.00
Total Expenditures	-	12,304.97	12,304.97	729,479.00
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ 717,174.03	\$ 717,174.03	\$ -

ADDITIONAL PROJECT INFORMATION

DOE Project #	4020-060-14-1002
SDA Project #	4020-060-14-G3GP
Grant Date	6/2/2015
Bond Authorization Date	4/1/2015
Bonds Authorized	3,132,000.00
Bonds Issued	3,132,000.00
Original Authorized Cost	729,479.00
Additional Authorized Cost	-
Revised Authorized Cost	729,479.00
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	1.69%
Original Target Completion Date	12/31/2016
Revised Target Completion Date	-

**PAULSBORO BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
PAULSBORO HIGH SCHOOL - UNBUNDLED PROJECT, EXTERIOR CLOSURE, PLUMBING
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Bond Proceeds	\$ -	\$ 1,082,315.00	\$ 1,082,315.00	\$ 1,082,315.00
State Sources - SDA Grant	-	2,689,435.00	2,689,435.00	2,689,435.00
Total Revenues	-	3,771,750.00	3,771,750.00	3,771,750.00
Expenditures & Other Financing Uses:				
Purchased Professional Services	-	18,300.99	18,300.99	158,618.00
Construction Services	-	-	-	3,605,885.00
Miscellaneous	-	-	-	7,247.00
Total Expenditures	-	18,300.99	18,300.99	3,771,750.00
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ 3,753,449.01	\$ 3,753,449.01	\$ -

ADDITIONAL PROJECT INFORMATION

DOE Project #	4020-050-14-1001
SDA Project #	4020-050-14-G3GO
Grant Date	6/2/2015
Bond Authorization Date	4/1/2015
Bonds Authorized	3,132,000.00
Bonds Issued	3,132,000.00
Original Authorized Cost	3,771,750.00
Additional Authorized Cost	-
Revised Authorized Cost	3,771,750.00
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	0.49%
Original Target Completion Date	12/31/2016
Revised Target Completion Date	-

**PAULSBORO BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RESURFACING EXISTING TENNIS COURTS, RUNNING TRACK, JUMP AREAS, FENCING AND NETTING
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Bond Proceeds	\$ -	\$ 798,272.00	\$ 798,272.00	\$ 798,272.00
Total Revenues	-	798,272.00	798,272.00	798,272.00
Expenditures & Other Financing Uses:				
Purchased Professional Services	-	5,705.16	5,705.16	63,900.00
Construction Services	-	-	-	734,372.00
Total Expenditures	-	5,705.16	5,705.16	798,272.00
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ 792,566.84	\$ 792,566.84	\$ -

ADDITIONAL PROJECT INFORMATION

DOE Project #	4020-050-15-1000
SDA Project #	N/A
Grant Date	6/2/2015
Bond Authorization Date	4/1/2015
Bonds Authorized	3,132,000.00
Bonds Issued	3,132,000.00
Original Authorized Cost	798,750.00
Additional Authorized Cost	(478.00)
Revised Authorized Cost	798,272.00
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	0.71%
Original Target Completion Date	12/31/2016
Revised Target Completion Date	-

**PAULSBORO BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
REPAIR AND RESURFACE THE BASKETBALL COURTS, NETS, FENCING, REGARDING, DRAINAGE
DUGOUTS AND GRASSES
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Bond Proceeds	\$ -	\$ 325,000.00	\$ 325,000.00	\$ 325,000.00
Total Revenues	-	325,000.00	325,000.00	325,000.00
Expenditures & Other Financing Uses:				
Purchased Professional Services		6,775.72	6,775.72	26,000.00
Construction Services		-	-	299,000.00
Total Expenditures	-	6,775.72	6,775.72	325,000.00
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ 318,224.28	\$ 318,224.28	\$ -

ADDITIONAL PROJECT INFORMATION

DOE Project #	4020-070-15-1000
SDA Project #	N/A
Grant Date	6/2/2015
Bond Authorization Date	4/1/2015
Bonds Authorized	3,132,000.00
Bonds Issued	3,132,000.00
Original Authorized Cost	325,000.00
Additional Authorized Cost	-
Revised Authorized Cost	325,000.00
Percentage Increase/(Decrease) Over Original Authorized Cost	-
Percentage Completion	2.08%
Original Target Completion Date	12/31/2016
Revised Target Completion Date	-

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G. Proprietary Funds

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Enterprise Funds

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**PAULSBORO BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2015**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u> <u>FOOD SERVICE</u>
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 28,450.56
Accounts Receivable:	
State	990.20
Federal	60,922.32
Interfund Accounts Receivable	305.50
Inventories	<u>10,096.41</u>
Total Current Assets	<u>100,764.99</u>
Noncurrent assets:	
Furniture, Machinery & Equipment	96,682.00
Less: Accumulated Depreciation	<u>(91,448.04)</u>
Total Noncurrent Assets	<u>5,233.96</u>
Total Assets	<u>105,998.95</u>
 LIABILITIES	
Accounts Payable	9,900.95
Compensated Absences Payable	<u>12,525.00</u>
Total Liabilities	<u>22,425.95</u>
 NET POSITION	
Net Investment in Capital Assets	5,233.96
Unrestricted	<u>78,339.04</u>
Total Net Position	<u><u>\$ 83,573.00</u></u>

**PAULSBORO BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2015**

	<u>BUSINESS-TYPE ACTIVITIES - FOOD SERVICE</u>
Operating Revenues:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 3,050.76
Daily Sales - Nonreimbursable Programs	<u>21,573.06</u>
Total Operating Revenues	<u>24,623.82</u>
Operating Expenses:	
Cost of Sales	370,034.11
Salaries	207,834.04
Employee Benefits	48,718.58
Supplies & Materials	35,285.17
Management Fee	38,402.28
Other Miscellaneous	12,310.21
Depreciation	<u>2,229.77</u>
Total Operating Expenses	<u>714,814.16</u>
Operating Income/(loss)	<u>(690,190.34)</u>
Nonoperating Revenues/(Expenses):	
State Sources:	
State School Lunch Program	8,756.96
Federal Sources:	
National School Lunch Program	453,691.50
National Summer Lunch Program	23,521.81
Healthy Hunger-Free Kids Act	9,368.94
School Breakfast Program	226,531.23
After School Snacks	5,547.30
Food Distribution Program	<u>41,271.84</u>
Total Nonoperating Revenues/(Expenses)	<u>768,689.58</u>
Change in Net Position	78,499.24
Total Net Position - Beginning	<u>5,073.76</u>
Total Net Position - Ending	<u>\$ 83,573.00</u>

**PAULSBORO BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2015**

**BUSINESS-TYPE
ACTIVITIES -
FOOD
SERVICE**

Cash Flows From Operating Activities:	
Receipts from Customers	\$ 24,318.32
Payments to Employees	(264,727.62)
Payments to Suppliers	(410,752.12)
	<u>(651,161.42)</u>
Net Cash Provided/(Used) by Operating Activities	
Cash Flows From Noncapital Financing Activities:	
Cash Received from Federal & State Reimbursements	714,001.76
	<u>679,611.76</u>
Net Cash Provided/(Used) by Noncapital Financing Activities	
Net Increase/(Decrease) in Cash & Cash Equivalents	28,450.34
Balances - Beginning of Year	0.22
	<u>28,450.34</u>
Balances - End of Year	<u>\$ 28,450.56</u>

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

Operating Income/(Loss)	\$ (690,190.34)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Depreciation	2,229.77
Food Distribution Program	41,271.84
Changes in Assets & Liabilities:	
(Increase)/Decrease in Inventory	1,286.86
Increase/(Decrease) in Accounts Payable	2,720.95
(Increase)/Decrease in Interfund Receivable	(305.50)
Increase/(Decrease) in Compensated Absences Payable	(8,175.00)
	<u>39,028.92</u>
Total Adjustments	
Net Cash Provided/(Used) by Operating Activities	<u>\$ (651,161.42)</u>

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

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**PAULSBORO BOARD OF EDUCATION
FIDUCIARY FUNDS
COMPARATIVE COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015**

ASSETS	PRIVATE PURPOSE	AGENCY		TOTAL
	SCHOLARSHIP	STUDENT ACTIVITY	PAYROLL	
Cash & Cash Equivalents	\$ 147,827.63	\$ 74,048.56	\$ 168,593.89	\$ 390,470.08
Interfund Receivable	250.00	-	-	250.00
Total Assets	148,077.63	74,048.56	168,593.89	390,720.08
LIABILITIES				
Payroll Deductions & Withholdings	-	-	159,897.89	159,897.89
Due to Student Groups	-	63,775.04	-	63,775.04
Interfund Payable	-	10,273.52	8,696.00	18,969.52
Total Liabilities	-	74,048.56	168,593.89	242,642.45
NET POSITION				
Reserved for Scholarships	148,077.63	-	-	148,077.63
Total Net Position	\$ 148,077.63	\$ -	\$ -	\$ 148,077.63

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

	<u>PRIVATE PURPOSE SCHOLARSHIP FUND</u>
ADDITIONS	
Contributions:	
Other	\$ 48,604.07
Total Contributions	<u>48,604.07</u>
Investment Earnings:	
Interest	<u>520.75</u>
Net Investment Earnings	<u>520.75</u>
Total Additions	<u>49,124.82</u>
DEDUCTIONS	
Scholarship Payments	<u>38,898.90</u>
Total Deductions	<u>38,898.90</u>
Change in Net Position	10,225.92
Net Position - Beginning of the Year	<u>137,851.71</u>
Net Position - End of the Year	<u><u>\$ 148,077.63</u></u>

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

	BALANCE JULY 1, 2014	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2015
Elementary Schools:				
Billingsport	\$ 8,495.88	\$ 982.96	\$ 1,724.96	\$ 7,753.88
Loudenslager	1,046.64	1,066.00		2,112.64
Total Elementary Schools	9,542.52	2,048.96	1,724.96	9,866.52
High School:				
General	82,110.60	89,867.27	114,319.94	57,657.93
Athletics	-	87,641.16	81,117.05	6,524.11
Total High School	82,110.60	177,508.43	195,436.99	64,182.04
Total Student Activity	\$ 91,653.12	\$ 179,557.39	\$ 197,161.95	\$ 74,048.56

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

ASSETS	BALANCE JULY 1, 2014	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2015
Cash & Cash Equivalents	\$ 116,457.70	\$ 16,018,039.27	\$ 15,965,903.08	\$ 168,593.89
Total Assets	\$ 116,457.70	\$ 16,018,039.27	\$ 15,965,903.08	\$ 168,593.89
LIABILITIES				
Payroll Deductions & Withholding	\$ 107,761.70	\$ 16,018,039.27	\$ 15,965,903.08	\$ 159,897.89
Interfund Payable	8,696.00	-	-	8,696.00
Total Liabilities	\$ 116,457.70	\$ 16,018,039.27	\$ 15,965,903.08	\$ 168,593.89

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I. Long-Term Debt

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**PAULSBORO BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2015**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	AMOUNT	INTEREST RATE	BALANCE JULY 1, 2014	ISSUED	RETIRED	BALANCE JUNE 30, 2015
Refunding - Additions & Renovations to Buildings & Grounds	09/01/2002	\$2,560,000.00	4/1/2016	\$ 110,000.00	3.00%	\$ 235,000.00	\$ 3,132,000.00	\$ 235,000.00	\$ -
			4/1/2017	110,000.00	3.00%				
General Obligation Bonds	04/01/2015	3,132,000.00	4/1/2018	115,000.00	3.00%				
			4/1/2019	115,000.00	3.00%				
			4/1/2020	125,000.00	3.00%				
			4/1/2021	125,000.00	3.00%				
			4/1/2022	135,000.00	3.00%				
			4/1/2023	140,000.00	3.00%				
			4/1/2024	145,000.00	3.00%				
			4/1/2025	150,000.00	3.00%				
			4/1/2026	155,000.00	3.00%				
			4/1/2027	165,000.00	3.00%				
			4/1/2028	170,000.00	3.00%				
			4/1/2029	180,000.00	3.00%				
			4/1/2030	180,000.00	3.00%				
			4/1/2031	190,000.00	3.25%				
			4/1/2032	195,000.00	3.25%				
4/1/2033	205,000.00	3.25%							
4/1/2034	210,000.00	3.50%							
4/1/2035	212,000.00	3.50%							
						\$ 235,000.00	\$ 3,132,000.00	\$ 235,000.00	\$ 3,132,000.00

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:						
Local Sources:						
Local Tax Levy	40-1210	\$ 118,292.00	\$ -	\$ 118,292.00	\$ 118,292.00	\$ -
Miscellaneous		-	-	-	1,733.39	(1,733.39)
State Sources:						
Debt Service Aid - Type II	40-3160	121,407.00	-	121,407.00	121,407.00	-
Total Revenues		239,699.00	-	239,699.00	241,432.39	(1,733.39)
Expenditures:						
Regular Debt Service:						
Interest	40-701-510-834	4,700.00	-	4,700.00	4,700.00	-
Principal	40-701-510-910	235,000.00	-	235,000.00	235,000.00	-
Total Expenditures		239,700.00	-	239,700.00	239,700.00	-
Excess/(Deficiency) of Revenues						
Over/(Under) Expenditures		(1.00)	-	(1.00)	1,732.39	1,733.39
Fund Balance, July 1		2.40	-	2.40	2.40	-
Fund Balance, June 30		\$ 1.40	\$ -	\$ 1.40	\$ 1,734.79	\$ 1,733.39

STATISTICAL SECTION (Unaudited)

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Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. Note that the Exhibits are presented for the last ten fiscal years.

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

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities:										
Net Investment in Capital Assets	\$ 2,302,240.67	\$ 5,290,964.00	\$ 5,253,341.00	\$ 5,695,960.00	\$ 5,522,026.00	\$ 5,233,039.00	\$ 5,255,074.00	\$ 5,449,923.00	\$ 5,140,860.00	\$ 5,289,657.00
Restricted	3,213,715.63	639,243.00	195,093.00	89,965.00	32,235.00	2,329,313.00	1,409,742.32	1,557,504.00	3,877,201.00	5,953,775.00
Unrestricted	(4,852,930.94)	(18,864.00)	246,981.00	634,785.00	815,668.00	(1,698,969.00)	(1,629,233.32)	(1,079,068.00)	(985,433.00)	(879,733.00)
Total Governmental Activities	\$ 663,025.36	\$ 5,911,343.00	\$ 5,695,415.00	\$ 6,420,710.00	\$ 6,369,929.00	\$ 5,863,383.00	\$ 5,035,583.00	\$ 5,928,359.00	\$ 8,032,628.00	\$ 10,363,699.00
Business-Type Activities:										
Net Investment in Capital Assets	\$ 5,233.96	\$ 7,464.00	\$ 15,955.00	\$ 17,515.00	\$ 25,441.00	\$ 33,936.00	\$ 9,624.00	\$ 12,933.00	\$ 14,216.00	\$ 19,134.00
Unrestricted	78,339.04	(2,390.00)	96,785.00	96,583.00	143,129.00	72,562.00	(89,968.00)	(239,028.00)	(121,206.00)	18,798.00
Total Business-Type Activities	\$ 83,573.00	\$ 5,074.00	\$ 112,740.00	\$ 114,098.00	\$ 168,570.00	\$ 106,498.00	\$ (80,344.00)	\$ (226,095.00)	\$ (106,990.00)	\$ 37,932.00
Government-Wide:										
Net Investment in Capital Assets	\$ 2,307,474.63	\$ 5,298,428.00	\$ 5,269,296.00	\$ 5,713,475.00	\$ 5,547,467.00	\$ 5,266,975.00	\$ 5,264,698.00	\$ 5,462,856.00	\$ 5,155,076.00	\$ 5,308,791.00
Restricted	3,213,715.63	201,955.00	195,093.00	89,965.00	32,235.00	2,329,313.00	1,409,742.32	1,557,504.00	3,877,201.00	5,953,775.00
Unrestricted	(4,774,591.90)	(416,034.00)	343,766.00	731,368.00	958,797.00	(1,626,407.00)	(1,719,201.32)	(1,318,096.00)	(1,106,639.00)	(860,935.00)
Total District Net Position	\$ 746,598.36	\$ 5,916,417.00	\$ 5,808,155.00	\$ 6,534,808.00	\$ 6,538,499.00	\$ 5,969,881.00	\$ 4,955,239.00	\$ 5,702,264.00	\$ 7,925,638.00	\$ 10,401,631.00

PAULSBORO BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST NINE FISCAL YEARS

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 5,864,909.58	\$ 5,348,121.00	\$ 5,034,386.00	\$ 5,205,071.00	\$ 4,763,317.00	\$ 5,268,425.00	\$ 7,217,984.00	\$ 6,718,833.00	\$ 6,942,947.00	\$ 6,381,987.00
Special Education	3,049,687.09	3,143,366.00	2,868,367.00	3,063,340.00	3,111,445.00	3,627,921.00	1,457,620.00	1,494,270.00	1,295,817.00	1,372,273.00
Other Special Instruction	83,466.65	579,314.00	574,828.00	583,035.00	575,042.00	243,456.00	249,942.00	352,029.00	240,703.00	255,430.00
Other Instruction	531,997.81	485,817.00	480,130.00	454,721.00	457,148.00	478,573.00	424,739.00	436,374.00	499,599.00	513,278.00
Support Services & Undistributed Costs:										
Instruction	1,525,655.70	1,669,618.00	1,834,598.00	1,727,154.00	1,664,571.00	1,427,257.00	1,732,517.00	2,036,724.00	1,646,116.00	1,382,874.00
Attendance & Social Work Services	69,197.91	71,426.00	67,723.00	71,426.00	71,426.00	71,426.00	6,804,807.00	6,648,721.00	6,307,383.00	5,261,132.00
Health Services	200,158.57	192,288.00	173,335.00	748,822.00	6,914,061.00	7,107,983.00	932,919.00	1,036,648.00	1,003,093.00	973,114.00
Other Support Services	1,070,025.62	1,034,322.00	1,130,267.00	888,305.00	901,402.00	867,692.00	-	-	-	-
Improvement of Instructional Services	314,271.49	384,487.00	252,906.00	721,692.00	722,951.00	662,666.00	694,277.00	790,377.00	767,210.00	679,420.00
Educational Media Services	299,783.61	349,939.00	368,466.00	1,506,238.00	1,443,238.00	1,467,734.00	1,570,277.00	1,755,357.00	1,658,804.00	1,524,302.00
Instructional Staff Training Services	25,524.26	32,050.00	36,780.00	568,229.00	514,984.00	541,498.00	524,958.00	653,828.00	589,733.00	512,692.00
General Administration	437,672.81	380,548.00	402,263.00	16,382.00	-	-	-	-	-	-
School Administration	912,215.03	868,322.00	864,657.00	-	-	-	-	-	-	-
Central Services	236,180.59	232,388.00	239,882.00	-	-	-	-	-	-	-
Administrative Information Technology	102,134.91	105,689.00	96,763.00	31,854.00	42,310.00	52,798.00	62,871.00	72,177.00	80,050.00	86,776.00
Plant Operations & Maintenance	1,545,376.21	1,447,747.00	1,519,474.00	430,263.00	410,167.00	395,963.00	694,070.00	350,000.00	562,085.00	480,805.00
Pupil Transportation	743,130.94	602,489.00	557,207.00	-	-	-	-	-	-	-
Transfer to Charter Schools	-	-	18,365.00	-	-	-	-	-	-	-
Unallocated Benefits	8,058,015.98	5,590,178.00	6,089,312.00	-	-	-	-	-	-	-
Interest on Long-Term Debt	27,734.13	18,580.00	21,399.00	-	-	-	-	-	-	-
Unallocated Adjustment to Compensated Absences	29,261.00	(86,990.00)	16,334.00	-	-	-	-	-	-	-
Unallocated Depreciation	362,437.78	342,411.00	974,617.00	-	-	-	-	-	-	-
Adjustment to Capital Assets	(28,640.49)	92,282.00	(6,383.00)	-	-	-	-	-	-	-
Total Governmental Activities Expenses	25,460,197.18	22,884,392.00	23,615,676.00	22,683,106.00	21,520,636.00	22,141,966.00	22,366,981.00	22,345,698.00	21,593,540.00	19,424,083.00
Business-Type Activities										
Food Service	714,814.16	754,692.00	678,722.00	653,091.00	626,024.00	609,213.00	685,131.00	805,196.00	767,184.00	680,989.00
Total Business-Type Activities Expense	714,814.16	754,692.00	678,722.00	653,091.00	626,024.00	609,213.00	685,131.00	805,196.00	767,184.00	680,989.00
Total District Expenses	\$ 26,175,011.34	\$ 23,639,084.00	\$ 24,294,398.00	\$ 23,336,197.00	\$ 22,146,660.00	\$ 22,751,179.00	\$ 23,052,112.00	\$ 23,150,894.00	\$ 22,360,724.00	\$ 20,105,072.00
Program Revenues:										
Governmental Activities										
Operating Grants & Contributions	\$ 5,835,066.11	\$ 3,490,926.00	\$ 3,637,019.00	\$ 1,817,188.00	\$ 1,958,327.00	\$ 2,528,338.00	\$ 2,452,753.00	\$ 3,923,997.00	\$ 3,749,370.00	\$ 3,416,857.00
Total Governmental Activities Program Revenues	5,835,066.11	3,490,926.00	3,637,019.00	1,817,188.00	1,958,327.00	2,528,338.00	2,452,753.00	3,923,997.00	3,749,370.00	3,416,857.00

PAULSBORO BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST NINE FISCAL YEARS

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Business-Type Activities										
Charges for Services:										
Food Service	24,623.82	62,328.00	71,973.00	71,266.00	83,878.00	86,321.00	115,495.00	123,064.00	138,633.00	124,993.00
Operating Grants & Contributions	768,689.58	584,698.00	535,391.00	527,353.00	454,218.00	507,734.00	513,387.00	482,966.00	473,629.00	449,652.00
Total Business Type Activities	793,313.40	647,026.00	607,364.00	598,619.00	538,096.00	594,055.00	628,882.00	606,030.00	612,262.00	574,645.00
Program Revenues										
Total District Program Revenues	\$ 6,628,379.51	\$ 4,137,952.00	\$ 4,244,383.00	\$ 2,415,807.00	\$ 2,496,423.00	\$ 3,122,293.00	\$ 3,081,635.00	\$ 4,530,027.00	\$ 4,361,632.00	\$ 3,991,502.00
Net (Expense)/Revenue:										
Governmental Activities	\$ (19,625,131.07)	\$ (19,393,466.00)	\$ (19,978,657.00)	\$ (20,865,918.00)	\$ (19,562,309.00)	\$ (19,613,628.00)	\$ (19,914,228.00)	\$ (18,421,701.00)	\$ (17,844,170.00)	\$ (16,007,226.00)
Business-Type Activities	78,499.24	(107,666.00)	(71,358.00)	(54,472.00)	(87,928.00)	(151,588.00)	(36,249.00)	(199,166.00)	(154,922.00)	(106,344.00)
Total Government-Wide Net Expense	\$ (19,546,631.83)	\$ (19,501,132.00)	\$ (20,050,015.00)	\$ (20,920,390.00)	\$ (19,650,237.00)	\$ (19,628,786.00)	\$ (19,970,477.00)	\$ (18,620,867.00)	\$ (17,999,092.00)	\$ (16,113,570.00)
General Revenues & Other Changes in Net Position:										
Governmental Activities										
Property Taxes Levied for General Purposes, Net	\$ 5,484,300.00	\$ 5,376,765.00	\$ 5,135,064.00	\$ 4,801,099.00	\$ 4,706,960.00	\$ 4,858,863.00	\$ 4,671,984.00	\$ 4,492,292.00	\$ 4,491,320.00	\$ 3,637,228.00
Taxes Levied for Debt Service	118,292.00	143,066.00	150,644.00	155,803.00	160,969.00	138,099.00	140,089.00	145,608.00	146,580.00	151,336.00
Unrestricted Grants & Contributions	12,313,914.37	12,059,005.00	12,165,061.00	14,186,496.00	13,524,139.00	14,342,786.00	13,062,177.00	10,338,984.00	9,586,254.00	9,023,052.00
Tuition	1,496,167.23	1,566,297.00	1,613,147.00	1,762,911.00	1,710,901.00	1,330,571.00	1,237,204.00	1,240,012.00	1,035,186.00	1,223,301.00
Miscellaneous Income	500,804.79	371,979.00	259,446.00	103,918.00	126,291.00	39,548.00	54,455.00	217,839.00	400,011.00	392,169.00
Transfers	-	-	(70,000.00)	-	(150,000.00)	(202,000.00)	(202,000.00)	(90,237.00)	(10,000.00)	(16,128.00)
Unallocated Adjustment to Compensated Absences	-	-	-	58,287.00	(10,401.00)	(66,439.00)	57,543.00	(27,066.00)	(135,652.00)	110,063.00
Loss on Revaluation of Assets	-	-	-	-	-	-	-	-	(100,600.00)	(237,113.00)
Cancellation of Account Receivable	-	-	-	(151,815.00)	-	-	-	-	-	-
Insurance Recovery Related to Impaired Capital Asset	-	92,282.00	-	-	-	-	-	-	-	-
Total Governmental Activities	19,913,478.39	19,609,394.00	19,253,362.00	20,916,699.00	20,068,855.00	20,441,428.00	19,021,452.00	16,317,432.00	15,413,099.00	14,283,908.00
Business-Type Activities:										
Transfers	-	-	70,000.00	-	150,000.00	202,000.00	202,000.00	80,061.00	10,000.00	16,128.00
Total Business-Type Activities	-	-	70,000.00	-	150,000.00	202,000.00	202,000.00	80,061.00	10,000.00	16,128.00
Total Government-Wide	\$ 19,913,478.39	\$ 19,609,394.00	\$ 19,323,362.00	\$ 20,916,699.00	\$ 20,218,855.00	\$ 20,643,428.00	\$ 19,223,452.00	\$ 16,397,493.00	\$ 15,423,099.00	\$ 14,300,036.00
Change in Net Position:										
Governmental Activities	\$ 288,347.32	\$ 215,928.00	\$ 215,928.00	\$ (725,295.00)	\$ 50,781.00	\$ 506,546.00	\$ 827,800.00	\$ (892,776.00)	\$ (2,104,269.00)	\$ (2,431,071.00)
Business-Type Activities	78,499.24	(107,666.00)	(146,812.00)	(10,103.00)	(114,995.00)	118,031.00	221,669.00	122,899.00	(112,873.00)	(182,539.00)
Total District	\$ 366,846.56	\$ 108,262.00	\$ 69,116.00	\$ (735,398.00)	\$ (64,214.00)	\$ 624,577.00	\$ 1,049,469.00	\$ (769,877.00)	\$ (2,217,142.00)	\$ (2,613,610.00)

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

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund:										
Restricted	\$ 121,823.43	\$ 176,509.00	\$ 173,066.00	\$ 100,000.00	\$ 45,754.00	\$ 2,346,318.00	\$ 1,430,301.32	\$ 1,581,473.00	\$ 3,903,929.00	\$ 5,989,578.00
Assigned/Committed	1,649,640.06	1,335,222.00	1,239,083.00	1,590,172.00	1,463,127.00	-	-	-	-	-
Unassigned	(0.00)	-	15,181.00	-	-	(1,033,970.00)	(672,017.32)	(4,957.00)	2,260.00	(27,693.34)
Total General Fund	\$ 1,771,463.49	\$ 1,511,731.00	\$ 1,427,330.00	\$ 1,690,172.00	\$ 1,508,881.00	\$ 1,312,348.00	\$ 758,284.00	\$ 1,576,516.00	\$ 3,906,189.00	\$ 5,961,884.66
All Other Governmental Funds:										
Committed	\$ -	\$ -	\$ -	\$ 2.00	\$ 206,205.00	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted, Reported in:										
Special Revenue Fund	(17,917.00)	(11,685.00)	(15,180.00)	(8,195.00)	-	-	-	(59,352.00)	-	-
Capital Projects Fund	3,108,853.54	28,577.00	28,577.00	28,575.00	180,392.00	358,656.00	-	-	-	-
Debt Service Fund	1,734.79	2.00	2.00	-	3.00	2.00	-	-	-	(6,782.00)
Total All Other Governmental Funds	\$ 3,092,671.33	\$ 16,894.00	\$ 13,399.00	\$ 20,382.00	\$ 386,600.00	\$ 358,658.00	\$ -	\$ (59,352.00)	\$ -	\$ (6,782.00)

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues:										
Tax Levy	\$ 5,602,592.00	\$ 5,519,831.00	\$ 5,285,708.00	\$ 4,956,902.00	\$ 4,867,925.00	\$ 4,996,962.00	\$ 4,812,073.00	\$ 4,637,900.00	\$ 4,637,900.00	\$ 3,788,564.00
Tuition Charges	1,496,167.23	1,566,297.00	1,613,147.00	1,762,911.00	1,710,901.00	1,330,571.00	1,237,204.00	1,240,012.00	1,035,186.00	1,223,301.00
Transportation Fees	-	-	3,330.00	-	-	-	-	-	-	-
Miscellaneous	501,712.09	371,979.00	256,116.00	349,509.00	141,419.00	64,764.00	291,839.00	453,537.00	441,837.21	410,255.00
State Sources	14,544,748.84	14,215,136.00	14,357,076.00	13,873,198.00	13,757,771.00	12,607,611.00	13,438,865.00	12,315,098.00	11,347,947.00	10,559,647.00
Federal Sources	1,378,426.34	1,334,795.00	1,445,004.00	1,884,895.00	1,709,567.00	4,238,297.00	1,838,681.00	1,712,185.00	1,945,851.00	1,862,176.00
Total Revenue	23,523,646.50	23,008,038.00	22,960,381.00	22,827,415.00	22,187,583.00	23,238,205.00	21,618,662.00	20,358,732.00	19,408,721.21	17,843,943.00
Expenditures:										
Instruction:										
Regular Instruction	5,864,909.58	5,348,121.00	5,034,386.00	5,205,071.00	4,763,317.00	5,268,425.00	7,217,984.00	6,718,833.00	6,942,947.21	6,381,987.00
Special Education Instruction	3,049,687.09	3,143,366.00	2,868,367.00	3,063,340.00	3,111,445.00	3,627,921.00	1,457,620.00	1,494,270.00	1,295,817.00	1,372,273.00
Other Special Instruction	83,466.65	579,314.00	574,828.00	583,035.00	575,042.00	243,456.00	249,942.00	352,029.00	240,703.00	255,430.00
Other Instruction	531,997.81	485,817.00	480,130.00	454,721.00	457,148.00	478,573.00	424,739.00	436,374.00	499,599.00	513,278.00
Support Services:										
Instruction	1,525,655.70	1,669,618.00	1,834,598.00	1,727,154.00	1,664,571.00	1,427,257.00	1,732,517.00	2,036,724.00	1,646,116.00	1,382,874.00
Attendance & Social Work Services	69,197.91	71,426.00	67,723.00	74,862.00	6,914,061.00	7,107,983.00	6,804,807.00	6,648,721.00	6,307,383.00	5,261,132.00
Health Services	200,158.57	192,288.00	173,335.00	888,305.00	901,402.00	867,692.00	932,919.00	1,036,648.00	1,003,093.00	973,114.00
Other Support Services	1,070,025.62	1,034,322.00	1,130,267.00	252,906.00	721,692.00	662,666.00	694,277.00	790,737.00	767,210.00	679,420.00
Improvement of Instructional Services	314,271.49	384,487.00	368,466.00	1,523,894.00	1,437,167.00	1,467,734.00	1,564,256.00	1,755,357.00	1,658,804.00	1,524,302.00
Educational Media Services	299,783.61	349,939.00	36,780.00	568,229.00	514,984.00	541,498.00	524,958.00	653,828.00	589,733.00	512,692.00
Instructional Staff Training Services:										
General Administration	437,672.81	380,548.00	402,263.00	-	-	-	-	-	-	-
School Administration	912,215.03	868,322.00	864,657.00	-	-	-	-	-	-	-
Central Services	236,180.59	232,388.00	239,882.00	-	-	-	-	-	-	-
Administrative Information Technology	102,134.91	105,689.00	96,763.00	-	-	-	-	-	-	-
Plant Operations & Maintenance	1,545,376.21	1,447,747.00	1,514,629.00	-	-	-	-	-	-	-
Pupil Transportation	743,130.94	602,489.00	557,207.00	-	-	-	-	-	-	-
Unallocated Benefits	5,819,503.98	5,590,178.00	6,089,312.00	-	-	-	-	-	-	-
Capital Outlay	249,544.50	204,417.00	250,090.00	306,171.00	424,855.00	88,558.00	224,872.00	373,693.00	133,518.00	309,843.00
Debt Service:										
Principal	235,000.00	275,370.00	280,370.00	280,370.00	280,370.00	285,370.00	280,370.00	285,370.00	280,370.00	285,370.00
Interest & Other Charges	4,700.00	14,528.00	24,884.00	35,339.00	45,795.00	56,350.00	66,281.00	74,936.00	82,342.00	89,110.00
Total Expenditures	23,320,137.26	23,012,424.00	23,141,843.00	22,844,143.00	21,813,108.00	22,123,483.00	22,175,542.00	22,657,520.00	21,447,635.21	19,540,825.00
Excess (Deficiency) of Revenues Over/(Under) Expenditures	203,509.24	(4,386.00)	(181,462.00)	(16,728.00)	374,475.00	1,114,722.00	(556,880.00)	(2,298,788.00)	(2,038,914.00)	(1,696,882.00)
Other Financing Sources/(Uses):										
Transfers to Charter Schools	-	-	(18,365.00)	(16,382.00)	-	-	-	-	-	-
Cancellation of Prior Year Receivable	-	-	-	(151,815.00)	-	-	-	-	-	-
Transfers Out	-	-	(70,000.00)	-	(150,000.00)	(202,000.00)	(202,000.00)	(90,237.00)	(10,000.00)	(16,128.00)
Insurance Recovery Related to Impaired Capital Asset	-	92,282.00	-	-	-	-	-	-	-	-
Bond Proceeds	3,132,000.00	-	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	3,132,000.00	92,282.00	(88,365.00)	(168,197.00)	(150,000.00)	(202,000.00)	(202,000.00)	(90,237.00)	(10,000.00)	(16,128.00)
Net Change in Fund Balances	\$ 3,335,509.24	\$ 87,896.00	\$ (269,827.00)	\$ (184,925.00)	\$ 224,475.00	\$ 912,722.00	\$ (758,880.00)	\$ (2,389,025.00)	\$ (2,048,914.00)	\$ (1,713,010.00)
Debt Service as a Percentage of Noncapital Expenditures	1.0%	1.3%	1.3%	1.4%	1.5%	1.6%	1.6%	1.6%	1.7%	2.0%

Source: District records
Note: Noncapital expenditures are total expenditures less capital outlay

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

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	REFUNDS	STUDENT ACTIVITY FEES	TRANSPORTATION FEES	TUITION	MISCELLANEOUS	OTHER	TOTAL
2015	\$ 10,752.46	\$ 57,802.98	\$ 32,524.11	\$ -	\$ 1,496,167.23	\$ 46,256.98	\$ -	\$ 1,643,503.76
2014	9,441.00	34,864.00	15,267.00	-	1,566,297.00	31,893.00	-	1,657,762.00
2013	13,538.00	12,756.00	28,058.00	3,330.00	1,613,147.00	2,589.00	-	1,673,418.00
2012	30,262.00	-	-	-	1,710,901.00	111,157.00	-	1,852,320.00
2011	28,425.00	-	-	-	1,330,571.00	36,339.00	-	1,395,335.00
2010	31,981.00	-	-	-	1,237,204.00	259,858.00	-	1,529,043.00
2009	141,717.00	-	-	-	1,240,012.00	311,820.00	-	1,693,549.00
2008	302,494.00	-	-	-	1,035,186.00	139,343.00	-	1,477,023.00
2007	345,398.00	-	-	-	1,223,301.00	64,857.00	-	1,633,556.00
2006	158,986.00	-	-	-	2,022,288.00	152,992.00	-	2,334,266.00

Source: District records

Revenue Capacity Information

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

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**PAULSBORO BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST EIGHT FISCAL YEARS**

FISCAL YEAR ENDED DECEMBER 31,	VACANT LAND	RESIDENTIAL	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET TAXABLE VALUATION	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2014	\$ 4,329,400.00	\$ 223,713,100.00	\$ 19,300.00	\$ 30,984,100.00	\$ 127,402,300.00	\$ 8,367,700.00	\$ 394,815,900.00	\$ 1,417,859.00	\$ 396,233,759.00	1.294	\$ 409,133,443.00
*2013	4,774,900.00	225,189,900.00	18,800.00	31,971,100.00	128,484,600.00	8,453,500.00	398,892,800.00	1,622,710.00	400,515,510.00	1.310	446,122,607.00
2012	3,183,800.00	141,684,900.00	19,000.00	49,472,600.00	47,463,800.00	5,894,500.00	247,718,600.00	1,140,017.00	248,858,617.00	2.121	450,989,485.00
2011	3,301,000.00	141,909,600.00	19,000.00	49,918,600.00	48,309,232.00	5,894,500.00	249,351,932.00	1,063,294.00	250,415,226.00	1.963	495,092,817.00
2010	3,555,500.00	141,840,200.00	19,000.00	35,368,100.00	50,723,400.00	6,867,500.00	238,373,700.00	1,114,797.00	239,488,497.00	2.060	467,139,776.00
2009	3,630,000.00	141,247,200.00	19,000.00	30,963,100.00	64,690,355.00	6,767,500.00	247,317,155.00	1,161,376.00	248,478,531.00	1.974	452,372,213.00
2008	2,953,400.00	141,034,600.00	19,000.00	58,006,000.00	39,098,600.00	6,867,500.00	247,979,100.00	1,323,857.00	249,302,957.00	1.895	446,699,489.00
2007	2,803,100.00	140,390,700.00	19,000.00	58,333,600.00	61,126,500.00	6,867,500.00	269,540,400.00	1,577,825.00	271,118,225.00	1.711	399,552,499.00
2006	2,844,400.00	139,477,800.00	19,000.00	58,471,300.00	61,126,500.00	6,867,500.00	268,806,500.00	1,842,734.00	270,649,234.00	1.560	331,152,576.00

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

Reassessment occurs when ordered by the County Board of Taxation

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

b. Tax rates are per \$100

* Reassessment

Source: Tax Duplicate, Borough of Paulsboro & Abstract of Ratables

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

FISCAL YEAR ENDED DECEMBER 31,	SCHOOL DISTRICT		DIRECT RATE		OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL		TOTAL DIRECT		PAULSBORO BOROUGH	LOCAL LIBRARY	GLOUCESTER COUNTY	COUNTY OPEN SPACE	
2014	1.294		1.294		1.294	0.034	0.594	0.042	3.258
*2013	1.310		1.310		1.272	0.037	0.628	0.046	3.293
2012	2.120		2.120		1.970	-	0.920	0.070	5.080
2011	1.960		1.960		2.035	-	1.016	0.082	5.093
2010	2.060		2.060		2.010	-	0.980	0.080	5.130
2009	1.970		1.970		2.240	-	0.570	0.060	4.840
2008	1.900		1.900		1.860	-	0.920	0.070	4.750
2007	1.711		1.711		1.522	-	0.753	0.059	4.045
2006	1.557		1.557		1.453	-	0.674	0.050	3.734
2005	1.430		1.430		1.340	-	0.690	0.050	3.510
2004	1.430		1.430		1.260	-	0.650	0.020	3.360

* Reassessment

Source: Municipal Tax Collector

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

TAXPAYER	2015		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
NuStar Asphalt Refining LLC	\$ 38,500,000.00	1	9.61%
Plains Products Terminal	38,333,400.00	2	9.57%
Mobil Oil Corporation	30,532,000.00	3	7.62%
Paulsboro Gardens & Reilly Mtg Grp	4,500,000.00	4	1.12%
C/O PD Mgt AV Paulsboro LLC	2,700,000.00	5	0.67%
St Clare of Assisi Parish	2,428,000.00	6	0.61%
Paulsboro Acquisition Group	2,150,000.00	7	0.54%
C/O WAWA Senior Book - Corp Acct	2,007,700.00	8	0.50%
Second Baptist Church of Paulsboro	1,707,000.00	9	0.43%
Sunoco, Inc. Tax Dept	1,600,000.00	10	0.40%
Total	<u>\$ 122,858,100.00</u>		<u>30.67%</u>

2006		
TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE

NOT AVAILABLE

Source: Municipal Tax Assessor

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

CALENDAR YEAR ENDED DECEMBER 31,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2015	\$ 5,602,592.00	\$ 5,602,592.00	100.00%	-
2014	5,519,831.00	5,519,831.00	100.00%	-
2013	5,285,708.00	5,285,708.00	100.00%	-
2012	4,956,904.00	4,956,904.00	100.00%	-
2011	4,867,925.00	4,867,925.00	100.00%	-
2010	4,996,968.00	4,996,968.00	100.00%	-
2009	4,812,073.00	4,812,073.00	100.00%	-
2008	4,637,900.00	4,637,900.00	100.00%	-
2007	4,637,900.00	4,637,900.00	100.00%	-
2006	3,788,564.00	3,788,564.00	100.00%	-

Source: Municipal Records.

Debt Capacity Information

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

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**PAULSBORO BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES				ANTICIPATION NOTES (BANs)	BUSINESS- TYPE ACTIVITIES	TOTAL DISTRICT
	GENERAL OBLIGATION BONDS	LOANS PAYABLE	CAPITAL LEASES	CAPITAL LEASES			
2015	\$ 3,132,000.00	\$ -	\$ -	\$ -	\$ -	\$ 3,132,000.00	
2014	235,000.00	-	-	-	-	235,000.00	
2013	480,000.00	30,370.00	-	-	-	510,370.00	
2012	790,740.00	-	-	-	-	790,740.00	
2011	1,071,110.00	-	-	-	-	1,071,110.00	
2010	1,351,480.00	-	-	-	-	1,351,480.00	
2009	1,636,850.00	-	-	-	-	1,636,850.00	
2008	1,917,220.00	-	-	-	-	1,917,220.00	
2007	2,202,590.00	-	-	-	-	2,202,590.00	
2006	2,482,959.00	-	-	-	-	2,482,959.00	

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

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS			
2015	\$ 3,132,000.00	\$ -	\$ 3,132,000.00	1.26%	N/A
2014	235,000.00	-	235,000.00	0.09%	N/A
2013	480,000.00	-	480,000.00	0.20%	79.69
2012	790,740.00	-	790,740.00	0.32%	130.90
2011	1,071,110.00	-	1,071,110.00	0.43%	175.22
2010	1,351,480.00	-	1,351,480.00	0.50%	221.45
2009	1,636,850.00	-	1,636,850.00	0.60%	268.82
2008	1,917,220.00	-	1,917,220.00	0.81%	314.76
2007	2,202,590.00	-	2,202,590.00	0.92%	361.44
2006	2,482,959.00	-	2,482,959.00	0.91%	409.32

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2014**

GOVERNMENTAL UNIT	NET DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Borough of Paulsboro	\$ 10,486,222.08	100.00%	\$ 10,486,222.08
County of Gloucester General Obligation Debt	265,800,639.00	1.580%	4,199,650.10
Subtotal, Overlapping Debt			14,685,872.18
Paulsboro School District Direct Debt			<u>3,132,000.00</u>
Total Direct & Overlapping Debt			<u><u>\$ 17,817,872.18</u></u>

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

PAULSBORO BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limit	\$ 16,409,873.41	\$ 17,282,194.12	\$ 18,083,202.63	\$ 18,377,158.00	\$ 18,842,344.24	\$ 17,695,688.25	\$ 15,560,458.00	\$ 13,740,872.00	\$ 12,349,412.00	\$ 11,730,641.00
Total Net Debt Applicable to Limit	3,132,000.00	235,000.00	480,000.00	790,740.00	1,071,110.00	1,351,480.00	1,636,850.00	1,917,220.00	2,202,590.00	2,482,959.00
Legal Debt Margin	\$ 13,277,873.41	\$ 17,047,194.12	\$ 17,603,202.63	\$ 17,586,418.00	\$ 17,771,234.24	\$ 16,344,208.25	\$ 13,923,608.00	\$ 11,823,652.00	\$ 10,146,822.00	\$ 9,247,682.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.09%	1.36%	2.65%	4.30%	5.68%	7.64%	10.52%	13.95%	17.84%	21.17%

Legal Debt Margin Calculation for Fiscal Year 2014

Equalized Valuation Basis	
2014	\$ 382,647,703.00
2013	407,782,458.00
2012	440,310,345.00
	<u>\$ 1,230,740,506.00</u>
Average Equalized Valuation of Taxable Property	<u>\$ 410,246,835.33</u>
Debt Limit (4 % of Average Equalization Value)	\$ 16,409,873.41
Net Bonded School Debt	<u>3,132,000.00</u>
Legal Debt Margin	<u>\$ 13,277,873.41</u>

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

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

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Demographic and Economic Information

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

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

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2015	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A
2013	6,023	271,047,588.00	N/A	15.50%
2012	6,041	271,047,588.00	44,868.00	23.00%
2011	6,113	266,881,354.00	43,658.00	22.50%
2010	6,103	254,269,289.00	41,663.00	23.10%
2009	6,089	250,087,408.00	41,072.00	15.50%
2008	6,091	249,109,718.00	40,898.00	15.50%
2007	6,094	237,982,888.00	39,052.00	11.10%
2006	6,066	228,263,580.00	37,630.00	12.20%

Source:

(a) Population information provided by US Bureau of the Census; Population Division

(b) Personal income calculated using population and per capita personal income

(c) Per Capita personal income provided by the NJ Dept of Labor and Workforce Development

(d) Unemployment data provided by the NJ Dept of Labor and Workforce Development

N/A - Information not available.

EXHIBIT J-15 NOT AVAILABLE

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Operating Information

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

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**PAULSBORO BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEAR**

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Instruction:										
Regular *	151.00	144.0	144.0	138.0	138.0	145.0	126.0	113.0	112.9	120.0
Support Services:										
Student & Instruction Related										
Services	16.00	16.0	16.0	14.0	14.0	14.0	18.0	16.0	18.8	23.0
School Administrative Services	16.00	14.0	17.0	18.0	18.0	18.0	13.0	10.5	11.3	11.0
General & Business Administrative										
Services	5.00	3.0	-	-	-	-	2.0	2.0	2.0	3.0
Plant Operations & Maintenance	18.00	20.0	28.0	29.0	29.0	29.0	30.0	24.0	23.2	22.0
Pupil Transportation	4.00	5.0	5.0	6.0	6.0	6.0	6.0	6.5	5.5	5.0
Business & Other Support Services	-	3.0	3.0	3.0	3.0	3.0	3.0	3.3	3.3	4.0
Special Schools	-	-	-	-	-	-	40.0	33.0	42.6	40.0
Food Service	4.00	10.0	10.0	10.0	10.0	10.0	9.0	9.0	6.4	-
Total	214.00	215.0	223.0	218.0	218.0	225.0	247.0	217.3	226.0	228.0

Source: School District Budget Statements.

* Includes Budgeted teachers and classroom aides, information not available for allocation between regular, special education, other special education and other instruction.

PAULSBORO BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE)(c)	AVERAGE DAILY ATTENDANCE (ADA)(c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	MIDDLE SCHOOL	SENIOR HIGH SCHOOL				
2015	1,151	\$ 23,320,137.26	\$20,260.76	12.99%	116	12	15	8	1,028	954	-11.53%	92.80%
2014	1,158	20,764,310.00	17,931.18	4.01%	116	12	15	8	1,028	954	-3.49%	92.80%
2013	1,216	20,964,294.00	17,240.37	4.30%	116	12	15	8	1,162	1,072	-1.55%	96.51%
2012	1,234	20,396,880.00	16,529.08	12.57%	116	12	15	8	1,204	1,162	-5.41%	90.27%
2011	1,301	19,103,761.00	14,683.91	3.73%	119	12	15	7	1,223	1,104	-3.72%	90.80%
2010	1,343	19,011,291.00	14,155.84	3.09%	125	11	12	9	1,293	1,174	-2.61%	96.57%
2009	1,399	19,210,618.00	13,731.68	9.53%	115	14	13	11	1,343	1,297	-3.63%	90.72%
2008	1,431	17,940,172.00	12,536.81	3.56%	119	13	13	11	1,379	1,251	-0.91%	91.47%
2007	1,421	17,202,035.00	12,105.58	9.97%	120	13	13	11	1,431	1,309	-0.26%	91.90%
2006	1,408	15,498,998.00	11,007.81	3.95%	120	13	13	11	1,444	1,327		

Sources: District records

Note: Enrollment based on annual October district count of prior fiscal year

a. Operating expenditures equal total expenditures less debt service and capital outlay.

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

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

**PAULSBORO BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR**

DISTRICT BUILDINGS	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Elementary Schools:										
Billingsport (1923):										
Square Feet	39,863	39,863	39,863	39,863	39,863	39,863	39,863	39,863	39,863	39,863
Capacity (Students)	390	390	390	390	390	390	390	390	390	390
Enrollment	330	333	334	347	358	353	367	367	387	384
Loudenslager (1926):										
Square Feet	39,244	39,244	39,244	39,244	39,244	39,244	39,244	39,244	39,244	39,244
Capacity (Students)	367	367	367	367	367	367	367	367	367	367
Enrollment (a)	305	315	315	322	302	327	331	331	349	349
Jr. High School:										
Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	150	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
High School:										
Paulsboro H. S. (1916):										
Square Feet	140,863	140,863	140,863	140,863	140,863	140,863	140,863	140,863	140,863	140,863
Capacity (Students)	717	717	717	717	717	717	717	717	717	717
Enrollment	366	510	509	547	574	621	701	701	695	693
Other Buildings:										
Central Administration (1920):										
Square Feet	7,551	7,551	7,551	7,551	7,551	7,551	7,551	7,551	7,551	7,551
Number of Buildings at June 30, 2015:										
Elementary = 2										
High School = 1										
Junior High School = 1										
Other = 1										

Source: District Facilities Office, Long Range Facility Plan - FES and District Capacity report.

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of and additions. Enrollment is based on the annual October district count.

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

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES
11-000-261-xxx

*	PAULSBORO HIGH SCHOOL	BILLINGSPO RT ELEMENTARY SCHOOL	LOUDENSLAGER ELEMENTARY SCHOOL	TOTAL
2015	\$ 173,752.59	\$ 41,484.00	\$ 68,345.00	\$ 283,581.59
2014	145,462.00	36,712.00	40,266.00	222,440.00
2013	143,733.00	87,883.00	61,277.00	292,893.00
2012	193,144.00	50,610.00	55,626.00	299,380.00
2011	163,381.00	57,730.00	44,156.00	265,267.00
2010	156,620.00	45,886.00	42,603.00	245,109.00
2009	149,364.00	86,586.00	80,489.00	316,439.00
2008	173,221.00	47,078.00	96,140.00	316,439.00
2007	226,377.00	58,012.00	65,486.00	349,875.00
2006	138,849.00	31,928.00	18,755.00	189,532.00

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

Source: District records

PAULSBORO BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2015

	COVERAGE	DEDUCTIBLE
School Package Policy (1):		
Building & Contents (All Locations)	\$ 49,255,516.00	\$ 1,000.00
Boiler & Machinery	100,000,000.00	1,000.00
General Liability	5,000,000.00	1,000.00
Automobile Liability	5,000,000.00	-
School Board Legal Liability	5,000,000.00	5,000.00
Workers' Compensation Including Supplemental	5,000,000.00	-
Excess Liability	15,000,000.00	-
Student Accident Insurance (2)	1,000,000.00	-
 Surety Bonds (3)		
Treasurer	215,000.00	N/A
Board Secretary	215,000.00	N/A

(1) School Alliance Insurance Fund (SAIF).

(2) National Union Fire Insurance Company of Pittsburgh, PA through The Maxsin Group, Pennsauken, NJ.

(3) Selective Insurance Company of America

Source: District records

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SINGLE AUDIT SECTION

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EXHIBIT K-1

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

Honorable President and Members
of the Paulsboro Board of Education
County of Gloucester
Paulsboro, New Jersey 08066

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental and business-type activities, each major fund and the aggregate remaining fund information of the Paulsboro Board of Education, as of and for the year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise Paulsboro Board of Education's basic financial statements, and have issued our report thereon dated December 04, 2015

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Paulsboro 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 Paulsboro Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of Paulsboro 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 District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 Paulsboro Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Public School Accountant, No. 1011

Medford, New Jersey
December 04, 2015



EXHIBIT K-2

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-
133 AND NEW JERSEY OMB CIRCULAR 04-04 AND/OR 15-08.**

Honorable President and Members
of the Paulsboro Board of Education
County of Gloucester
Paulsboro, New Jersey 08066

Report on Compliance for Each Major Federal and State Program

We have audited Paulsboro Board of Education’s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District’s major federal and state programs for the year ended June 30, 2015. Paulsboro 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 Paulsboro Board of Education’s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*; *the New Jersey State Aid/Grant Compliance Supplement*; the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB’s Circular 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB’s Circulars 04-04 and 15-08 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 Paulsboro 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 Paulsboro Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, Paulsboro 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 year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of Paulsboro 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 Paulsboro Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB's Circular(s) 04-04 and/or 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 Paulsboro 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and New Jersey OMB's Circular(s) 04-04 and/or 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Public School Accountant, No. 1011

Medford, New Jersey
December 04, 2015

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PAULSBORO BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2015

FEDERAL GRANTOR PASS-THROUGH GRANTOR GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2014	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2015	UNEARNED REVENUE AT JUNE 30, 2015
U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:										
Enterprise Fund:										
National School Lunch Program	10.555	N/A	\$453,691.50	7/1/14-6/30/15	\$ -	\$ 445,588.50	\$ (453,691.50)	\$ -	\$ (8,103.00)	\$ -
National School Lunch Program	10.555	N/A	349,151.00	7/1/13-6/30/14	(31,339.20)	-	-	-	(31,339.20)	-
National Summer Lunch Program	10.559	N/A	23,521.81	7/1/14-6/30/15	-	23,521.81	(23,521.81)	-	-	-
Healthy Hunger-Free Kids Act	10.551	N/A	9,368.94	7/1/14-6/30/15	-	8,554.50	(9,368.94)	-	(814.44)	-
Healthy Hunger-Free Kids Act	10.551	N/A	8,156.00	7/1/13-6/30/14	(708.12)	708.12	-	-	-	-
School Breakfast Program	10.553	N/A	226,531.23	7/1/14-6/30/15	-	221,958.45	(226,531.23)	-	(4,572.78)	-
School Breakfast Program	10.553	N/A	160,507.00	7/1/13-6/30/14	(15,818.20)	-	-	-	(15,818.20)	-
Food Distribution Program	10.550	N/A	41,271.84	7/1/14-6/30/15	-	41,271.84	(41,271.84)	-	-	-
After School Snack Program	10.550	N/A	5,547.30	7/1/14-6/30/15	-	5,272.60	(5,547.30)	-	(274.70)	-
Total Enterprise Fund					(47,865.52)	746,875.82	(759,932.62)	-	(60,922.32)	-

U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:

General Fund:										
Medical Assistance Program	93.778	N/A	57,283.13	7/1/14-6/30/15	-	57,283.13	(57,283.13)	-	-	-
Medical Assistance Program - ARRA	93.778	N/A	52,263.96	7/1/14-6/30/15	-	52,263.96	(52,263.96)	-	-	-
Total General Fund					-	109,547.09	(109,547.09)	-	-	-

Special Revenue Fund:

Title I	84.010	NCLB402015	685,727.87	9/1/14-8/31/15	-	561,710.85	(685,727.87)	-	(124,017.02)	-
Title I	84.010	NCLB402014	792,868.00	9/1/13-8/31/14	(23,842.85)	-	-	-	(23,842.85)	-
Title I	84.010	NCLB402012	764,775.00	9/1/11-8/31/12	(30,806.41)	-	-	-	(30,806.41)	-
Title II - Part A	84.281A	NCLB402014	98,257.90	9/1/14-8/31/15	-	79,069.00	(98,257.90)	-	(19,188.90)	-
Title II - Part A	84.281A	NCLB402012	114,432.00	9/1/13-8/31/14	(26,083.17)	26,083.17	-	-	-	-
I.D.E.A. B -Basic	84.027	IDEA405014	461,614.35	9/1/12-8/31/13	(64,165.41)	315,513.41	(461,614.35)	-	(146,100.94)	-
I.D.E.A. B -Basic	84.027	IDEA405013	383,007.00	9/1/13-8/31/14	-	-	-	-	(64,165.41)	-
I.D.E.A. Preschool	84.173	IDEA405014	12,809.13	9/1/14-8/31/15	-	-	-	-	(12,811.00)	-
I.D.E.A. Preschool	84.173	IDEA405013	18,656.00	9/1/13-8/31/14	(6,405.77)	-	(12,809.13)	(1.87)	-	-
Race To The Top	84.416	N/A	2,470.00	9/1/14-8/31/15	-	6,405.77	-	-	-	3,174.00
Bridging The GAP	93.110	N/A	8,000.00	9/1/14-8/31/15	-	5,644.00	(2,470.00)	-	(8,000.00)	-
Local Capacity Grant	84.027A	N/A	254,000.00	10/1/04-9/30/05	3,275.00	-	(8,000.00)	-	-	3,275.00
Technology/Technology	84.048	PERK4020-04	22,789.00	7/1/03-6/30/04	1,050.00	-	-	-	-	1,050.00
Total Special Revenue Fund					(146,978.61)	994,426.20	(1,268,879.25)	(1.87)	(428,932.53)	7,499.00

Total Expenditures of Federal Awards

\$ (194,844.13) \$ 1,850,849.11 \$ (2,138,358.96) \$ (1.87) \$ (489,854.85) \$ 7,499.00

PAULSBORO BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2015

STATE GRANTOR/PROGRAM TITLE	GRANT OR PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT		CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2015	DUE TO GRANTOR JUNE 30, 2015	MEMO	
				JUNE 30, 2014	JUNE 30, 2015						BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education												
General Fund:												
Current Expense:												
Extraordinary Aid	495-034-5120-473	\$ 10,020.00	7/1/14-6/30/15	\$ -	\$ -	\$ -	(10,020.00)	\$ -	(10,020.00)	\$ -	\$ -	10,020.00
Extraordinary Aid	495-034-5120-473	40,046.00	7/1/13-6/30/14	(39,631.00)	40,046.00	-	(415.00)	-	-	-	-	415.00
School Choice Aid	495-034-5120-068	36,680.00	7/1/14-6/30/15	-	36,680.00	-	(36,680.00)	-	-	-	(3,456.47)	36,680.00
Categorical Special Education Aid	495-034-5120-089	615,970.00	7/1/14-6/30/15	-	615,970.00	-	(615,970.00)	-	-	-	(58,044.73)	615,970.00
Equalization Aid	495-034-5120-078	11,357,502.00	7/1/14-6/30/15	-	11,357,502.00	-	(11,357,502.00)	-	-	-	(1,070,252.02)	11,357,502.00
Transportation Aid	495-034-5120-014	25,418.00	7/1/14-6/30/15	-	25,418.00	-	(25,418.00)	-	-	-	(2,395.22)	25,418.00
Security Aid	495-034-5120-084	74,739.00	7/1/14-6/30/15	-	74,739.00	-	(74,739.00)	-	-	-	(7,042.88)	74,739.00
PARCC Readiness Aid	495-034-5120-098	10,345.00	7/1/14-6/30/15	-	10,345.00	-	(10,345.00)	-	-	-	(974.84)	10,345.00
Per Pupil Growth Aid	495-034-5120-097	10,345.00	7/1/14-6/30/15	-	10,345.00	-	(10,345.00)	-	-	-	(974.84)	10,345.00
On Behalf TPAP Post-Retirement Medical (Non-Budgeted)	100-034-5095-001	776,828.00	7/1/14-6/30/15	-	776,828.00	-	(776,828.00)	-	-	-	-	776,828.00
On Behalf TPAP Pension Contributions (Non-Budgeted)	100-034-5095-001	489,340.00	7/1/14-6/30/15	-	489,340.00	-	(489,340.00)	-	-	-	-	489,340.00
T.P.A.F. Social Security Aid	100-034-5095-002	648,638.05	7/1/14-6/30/15	-	616,802.81	-	(648,638.05)	-	(31,835.24)	-	-	648,638.05
T.P.A.F. Social Security Aid	100-034-5095-002	661,760.00	7/1/13-6/30/14	(31,851.87)	31,851.87	-	-	-	-	-	-	-
Total General Fund		(71,482.87)		14,085,867.68	(14,056,240.05)	-	(41,855.24)	-	(1,143,141.00)	-	-	14,056,240.05
Special Revenue Fund:												
Preschool Education Aid	495-034-5120-085	179,170.00	7/1/14-6/30/15	-	179,170.00	-	(179,170.00)	-	-	-	(17,917.00)	179,170.00
Improving Literacy Achievement	N/A	5,255.02	7/1/14-6/30/15	-	5,255.02	-	(5,255.02)	-	-	-	-	5,255.02
Improving Literacy Achievement	N/A	20,000.00	7/1/13-6/30/14	(14,460.57)	-	-	-	(14,460.57)	-	-	-	-
Non-Public Compensatory Education	100-034-5120-066	36,127.00	7/1/14-6/30/15	-	36,127.00	-	(35,294.52)	-	-	1,433.48	-	35,294.52
Non-Public Compensatory Education	100-034-5120-067	30,644.00	7/1/13-6/30/14	601.00	601.00	-	(601.00)	-	-	-	-	-
Non-Public Supplemental Instruction	100-034-5120-066	9,000.00	7/1/14-6/30/15	-	9,000.00	-	(8,003.94)	-	-	1,412.06	-	8,003.94
Non-Public Supplemental Instruction	100-034-5120-067	9,575.00	7/1/13-6/30/14	416.00	416.00	-	(416.00)	-	-	-	-	-
Non-Public Home Instruction	N/A	-	7/1/14-6/30/15	(3,206.89)	3,206.89	-	(4,160.91)	-	-	-	-	4,160.91
Non-Public Home Instruction	N/A	-	7/1/13-6/30/14	-	-	-	-	-	-	-	-	-
Non-Public Exam Classification	100-034-5120-065	15,352.00	7/1/14-6/30/15	-	15,352.00	-	(15,670.74)	-	-	0.26	-	15,670.74
Non-Public Exam Classification	100-034-5120-066	16,723.00	7/1/13-6/30/14	319.00	319.00	-	-	(319.00)	-	-	-	-
Non-Public Speech	100-034-5120-066	13,943.00	7/1/14-6/30/15	-	13,943.00	-	(14,312.70)	-	-	176.30	-	14,312.70
Non-Public Speech	100-034-5120-067	12,499.00	7/1/13-6/30/14	546.00	546.00	-	-	(546.00)	-	-	-	-
Non-Public Nursing	100-034-5120-070	8,916.00	7/1/14-6/30/15	-	8,916.00	-	(8,916.00)	-	-	-	-	8,916.00
Non-Public Transportation	100-034-5120-066	5,644.00	7/1/14-6/30/15	-	5,644.00	-	(5,589.68)	-	-	59.32	-	5,589.68
Non-Public Transportation	100-034-5120-067	9,344.00	7/1/13-6/30/14	-	5.00	-	-	(5.00)	-	-	-	-
Non-Public Textbook	100-034-5120-064	5,601.00	7/1/14-6/30/15	-	5,601.00	-	(5,601.00)	-	-	-	-	5,601.00
Non-Public Technology	100-034-5120-373	3,008.00	7/1/14-6/30/15	-	3,008.00	-	(3,008.00)	-	-	-	-	3,008.00
Total Special Revenue Fund		(15,780.46)		287,109.91	(284,982.51)	(1,887.00)	(18,621.48)	3,081.42	(17,917.00)	-	-	284,982.51
Capital Projects Fund:												
SDA Grant	402-070-14-1003	1,781,882.00	7/1/14-completion	-	-	-	(84,101.85)	-	(84,101.85)	-	-	84,101.85
SDA Grant	402-060-14-1002	520,153.00	7/1/14-completion	-	-	-	(8,774.03)	-	(8,774.03)	-	-	8,774.03
SDA Grant	402-050-14-1001	2,689,435.00	7/1/14-completion	-	-	-	(13,049.47)	-	(13,049.47)	-	-	13,049.47
SDA Grant	402-050-09-1001	321,501.00	7/1/10-6/30/12	(241,686.00)	243,427.94	-	(1,741.94)	-	-	-	-	1,741.94
SDA Grant	402-050-10-1001	300,000.00	7/1/10-6/30/12	(228,000.00)	229,643.00	-	(1,643.00)	-	-	-	-	1,643.00
Total Capital Projects Fund		(469,686.00)		473,070.94	(109,310.29)	-	(105,925.35)	-	-	-	-	109,310.29

PAULSBORO BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2015

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2014	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2015	DUE TO GRANTOR JUNE 30, 2015	MEMO BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
Debt Service Fund:											
Debt Service Aid Type II	495-034-5120-017	121,407.00	7/1/13-6/30/14	-	121,407.00	(121,407.00)	-	-	-	-	121,407.00
Total Debt Service Fund				-	121,407.00	(121,407.00)	-	-	-	-	121,407.00
Enterprise Fund:											
National School Lunch Program - (State Share)	100-010-3360-067	8,756.96	7/1/14-6/30/15	-	7,766.76	(8,756.96)	-	(990.20)	-	-	8,756.96
National School Lunch Program - (State Share)	100-010-3360-067	7,655.00	7/1/13-6/30/14	(631.02)	631.02	-	-	-	-	-	-
Total Enterprise Fund				(631.02)	8,397.78	(8,756.96)	-	(990.20)	-	-	8,756.96
Total State Financial Assistance				\$ (557,580.35)	\$ 14,975,853.31	\$ (14,580,696.81)	\$ (1,887.00)	\$ (167,392.27)	\$ 3,081.42	\$ (1,161,058.00)	\$ 14,580,696.81
Less: Grants Not Subject to New Jersey OMB Circular 04-04											
On Behalf TPAP Post-Retirement Medical (Non-Budgeted)	100-034-5095-001	776,828.00	7/1/14-6/30/15		\$	776,828.00					
On Behalf TPAP Pension Contributions (Non-Budgeted)	100-034-5095-001	489,340.00	7/1/14-6/30/15			489,340.00					
Total State Financial Assistance subject to New Jersey OMB Circular 04-04 and/or 15-08						<u>\$ (13,314,528.81)</u>					

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**PAULSBORO BOARD OF EDUCATION
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
June 30, 2015**

Note 1. General

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

Note 2. Basis of Accounting

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

Note 3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis, with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June 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 (\$20,959.00) for the general fund and (\$6,232.00) for the special revenue fund. See Exhibit C-3, notes to required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the board's basic financial statements on a GAAP basis as presented on the following page:

**PAULSBORO BOARD OF EDUCATION
NOTES TO SCHEDULES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
June 30, 2015**

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

	State	Federal	Total
General Fund	\$ 14,035,281.05	\$ 109,547.09	\$ 14,144,828.14
Special Revenue Fund	272,518.51	1,268,879.25	1,541,397.76
Capital Projects Fund	109,310.28	-	109,310.28
Debt Service Fund	121,407.00	-	121,407.00
Food Service Fund	8,756.96	759,932.62	768,689.58
Total Awards and Financial Assistance	<u>\$ 14,547,273.80</u>	<u>\$ 2,138,358.96</u>	<u>\$ 16,685,632.76</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Paulsboro Board of Education had no loan balance outstanding at June 30, 2015.

Note 6. Other

Revenues and expenditures reported under the Food Distribution Program represents current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2015. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2015.

**PAULSBORO BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2015**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to basic financial Statements noted?	No

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133?	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.010	Title I Grants to Local Educational Agencies

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

**PAULSBORO BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS (continued):
For the Fiscal Year Ended June 30, 2015**

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

State Financial Assistance

Internal Control over major programs:

- | | |
|---|---------------|
| 1) Material weakness(es) identified? | No |
| 2) Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |

Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
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Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04 and/or 15-08?	No
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Dollar threshold used to distinguish between type A and type B programs:	\$399,436.00
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Auditee qualified as low-risk auditee?	Yes
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Identification of major programs:

GMIS Number(s)	Name of State Program
495-034-5120-068	<i>State Aid Public Cluster:</i>
495-034-5120-089	School Choice Aid
495-034-5120-078	Special Education Aid
495-034-5120-084	Equalization Aid
495-034-5120-098	Security Aid
495-034-5120-097	PARCC Readiness Aid
	Per Pupil Growth Aid

**PAULSBORO BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS (continued):
For the Fiscal Year Ended June 30, 2015**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

None Reported

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

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and NJOMB Circular 04-04 and/or 15-08, as applicable.

None Reported

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**PAULSBORO BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2015**

This section identifies the status of prior-year findings related to the basic financial statements and federal awards and state financial assistance that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, OMB Circular A-133 and New Jersey OMB's Circular 04-04 and/or 15-08, as applicable.

No Prior Year Findings