

**Glassboro Board of Education
Comprehensive Annual Financial Report
for the Year Ended June 30, 2016**

**SCHOOL DISTRICT
OF
GLASSBORO, NEW JERSEY**

**Glassboro Board of Education
Glassboro, New Jersey 08028**

**Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2016**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

**Glassboro Board of Education
Glassboro, New Jersey 08028**

for the Fiscal Year Ended June 30, 2016

Prepared by:

Glassboro Board of Education Administration

OUTLINE OF CAFR		Page
INTRODUCTORY SECTION		1
Letter of Transmittal		2-7
Organizational Chart		8
Roster of Officials		9
Consultants and Advisors		10
FINANCIAL SECTION		11
Independent Auditor's Report		12-14
Required Supplementary Information – Part I		15
Management's Discussion and Analysis		16-22
Basic Financial Statements		23
A. District-Wide Financial Statements:		24
A-1 Statement of Net Position		25
A-2 Statement of Activities		26
B. Fund Financial Statements:		27
Governmental Funds:		
B-1 Balance Sheet		28
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances		29-30
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities		31
Proprietary Funds:		
B-4 Statement of Net Position		32
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position		33
B-6 Statement of Cash Flows		34
Fiduciary Funds:		
B-7 Statement of Fiduciary Net Position		35
B-8 Statement of Changes in Fiduciary Net Position		35
Notes to the Financial Statements		36-58
Required Supplementary Information – Part II		59
C. Budgetary Comparison Schedules:		60
C-1 Budgetary Comparison Schedule - General Fund		61-72
C-1a Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (if applicable)		N/A
C-1b Community Development Block Grant - Budget and Actual (if applicable)		N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund		73
Notes to the Required Supplementary Information – Part II		74
C-3 Budget-to-GAAP Reconciliation – Note to RSI		75

	Page
Required Supplementary Information – Part III	76
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	77
L-1 Schedule of the District’s Proportionate Share of the Net Pension Liability - PERS	78
L-2 Schedule of District Contributions - PERS	79
L-3 Schedule of the District’s Proportionate Share of the Net Pension Liability - TPAF	80
Notes to the Required Supplementary Information – Part III	81
Other Supplementary Information	82
D. School Based Budget Schedules (if applicable) :	N/A
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	83
E-1 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	84-87
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	88
F. Capital Projects Fund:	89
F-1 Summary Schedule of Project Expenditures	90
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	91
F-2(x) Schedule(s) of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis	92
G. Proprietary Funds:	93
Enterprise Fund:	
G-1 Combining Schedule of Net Position	94
G-2 Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position	95
G-3 Combining Schedule of Cash Flows	96
Internal Service Fund:	
G-4 Combining Schedule of Net Position	97
G-5 Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position	97
G-6 Combining Schedule of Cash Flows	98

	Page
H. Fiduciary Funds:	99
H-1 Combining Statement of Fiduciary Net Position	100
H-2 Combining Statement of Changes in Fiduciary Net Position	100
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	101
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	102
I. Long-Term Debt:	103
I-1 Schedule of Serial Bonds	104
I-2 Schedule of Obligations Under Capital Leases	105
I-3 Debt Service Fund Budgetary Comparison Schedule	106
STATISTICAL SECTION (Unaudited)	107
Introduction to the Statistical Section	108
Financial Trends	
J-1 Net Position by Component	109
J-2 Changes in Net Position	110-111
J-3 Fund Balances - Governmental Funds	112
J-4 Changes in Fund Balances - Governmental Funds	113
J-5 General Fund Other Local Revenue by Source	114
Revenue Capacity	
J-6 Assessed Value and Estimated Actual Value of Taxable Property	115
J-7 Direct and Overlapping Property Tax Rates	116
J-8 Principal Property Taxpayers	117
J-9 Property Tax Levies and Collections	118
Debt Capacity	
J-10 Ratios of Outstanding Debt by Type	119
J-11 Ratios of General Bonded Debt Outstanding	120
J-12 Direct and Overlapping Governmental Activities Debt	121
J-13 Legal Debt Margin Information	122
Demographic and Economic Information	
J-14 Demographic and Economic Statistics	123
J-15 Principal Employers	124
Operating Information	
J-16 Full-time Equivalent District Employees by Function/Program	125
J-17 Operating Statistics	126
J-18 School Building Information	127
J-19 Schedule of Required Maintenance Expenditures by School Facility	128
J-20 Insurance Schedule	129
J-21 Charter School Performance Framework, Financial Performance, Fiscal Ratios/Renaissance School Project Framework, Financial Performance, Fiscal Ratios	N/A

SINGLE AUDIT SECTION

Page
130

K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	131-132
K-2	Report on Compliance for Each Major Federal and State Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and New Jersey OMB 15-08	133-135
K-3	Schedule of Expenditures of Federal Awards, Schedule A	136
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	137-138
K-5	Notes to the Schedules of Expenditures of Awards and Financial Assistance	139-140
K-6	Schedule of Findings and Questioned Costs	141-143
K-7	Summary Schedule of Prior-Year Findings and Questioned Costs as Prepared by Management	144

INTRODUCTORY SECTION

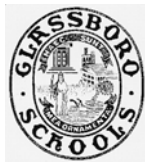
Glassboro Public Schools

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Glassboro, New Jersey 08028

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Danielle Sochor
Director of Curriculum & Personnel



Scott Henry
Business Administrator

Mark J. Silverstein, Ed.D, Superintendent of Schools

September 21, 2016

Honorable President and
Members of the Board of Education
Glassboro School District
560 Joseph Bowe Boulevard
Glassboro, New Jersey 08028

Dear Members of the Board,

Please accept, for your review, the comprehensive annual financial report for the Glassboro Public Schools covering the year ending June 30, 2016. Responsibility for the accuracy of the data, completeness, and fairness of presentation, including all disclosures, rests with the Management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, the Uniform Guidance, and the New Jersey OMB's Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

EQUAL OPPORTUNITY EMPLOYER

1. **REPORTING ENTITY AND ITS SERVICES**

The Glassboro School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14. All funds and account groups of the District are included in this report. The Glassboro Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and vocational as well as special education for handicapped students. The District's average daily enrollment for 2015-2016 fiscal year was 2,101 students, which is 64 students less than the previous year's average daily enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Fiscal Year	Average Daily Enrollment Student Enrollment
2015-16	2,101
2014-15	2,165
2013-14	2,195
2012-13	2,181
2011-12	2,222
2010-11	2,217
2009-10	2,115
2008-09	2,215
2007-08	2,248
2006-07	2,375

2. **ECONOMIC CONDITIONS AND OUTLOOK**

The Borough of Glassboro continues to experience development and expansion. This trend is expected to continue with the successes of the Economic Redevelopment Authority, Rowan University, and the community growth potentials. Over the past ten school years, the District's Average Daily Enrollment has decreased by 274 students or 12%.

3. **MAJOR INITIATIVES**

District Goals

Over the next three years' improvement efforts will be made to inspire all stakeholders to work in a collaborative effort to enhance teacher pedagogy, student achievement, and foster professional learning communities. District-wide Positive Behavior Support Program will support the social and emotional needs of our students.

Rodgers Initiatives

Rodgers School will improve achievement by focusing on curriculum, instruction, and assessment. Glassboro is in the process of revising our curriculums to reflect the NJSLs while focusing on common assessments and benchmarks district wide. Our new curriculum plan will be reviewed annually to ensure alignment with the standards and to address any achievement gaps between each school.

The Rogers School will continue to implement Guided Reading, Shared Reading, and Writing Workshop Model. The school will also be piloting a new standards based math program. We

will continue to foster classrooms where excellent teaching is targeted to the variable learning needs of our diverse population through Differentiated Instruction and Teaching for Relevancy.

Bullock Initiatives

Bullock School will improve achievement by focusing on curriculum, instruction, and assessment. Glassboro is in the process of revising our ELA and Math curriculums to reflect the NJSLs while focusing on common assessments and benchmarks district wide. Our new curriculum plan will be reviewed annually to ensure alignment with the standards and to address any achievement gaps between each school.

The Bullock School will continue to implement Guided Reading, Shared Reading, and Writing Workshop Model. The school will also be implementing a new standards based math program. We will continue to foster classrooms where excellent teaching is targeted to the variable learning needs of our diverse population through Differentiated Instruction and Teaching for Relevancy.

Bowe Initiatives

Bowe School will improve achievement by focusing on curriculum, instruction, and assessment. Glassboro is in the process of revising our ELA and Math curriculums to reflect the NJSLs while focusing on common assessments and benchmarks district wide. Our new curriculum plan will be reviewed annually to ensure alignment with the standards and to address any achievement gaps between each school.

The Bowe School will continue to implement Guided Reading, Shared Reading, and Writing Workshop Model. The school will also be implementing a new standards based math program. The school currently offers an Honor Algebra class to 6th grade students.

We will continue to foster classrooms where excellent teaching is targeted to the variable learning needs of our diverse population through Differentiated Instruction and Teaching for Relevancy.

Intermediate School Initiatives

Intermediate School will improve achievement by focusing on curriculum, instruction, and assessment. Glassboro is in the process of revising our ELA and Math curriculums to reflect the NJSLs while focusing on common assessments and benchmarks district wide. Our new curriculum plan will be reviewed annually to ensure alignment with the standards and to address any achievement gaps between each school.

The Intermediate School will continue to implement Guided Reading, Shared Reading, and Writing Workshop Model. The school will also be implementing a new standards based math program. The school currently offers an Honors Math and Science Program in addition to a STEM class. We will continue to foster classrooms where excellent teaching is targeted to the variable learning needs of our diverse population through Differentiated Instruction and Teaching for Relevancy.

We also offer an extended school day program to our at risk students.

High School Initiatives

Our STEM and Fine and Performing Arts Academies offer advanced learning opportunities to academy students in the 7th-12th grades and Rowan University Courses to members in the 11th and 12th grades. Through our Business Academy our students will be able to receive a Quick Book Certification.

We will continue to foster classrooms where excellent teaching is targeted to the variable learning needs of our diverse population through Differentiated Instruction and Teaching for Relevancy.

We also offer an extended school day program to our at risk students.

A wide variety of co-and extra-curricular activities provide students with a rich schooling experience. Glassboro encourages parents and guardians to become actively involved in their children's education. The District offers numerous opportunities for community participation and input, including comprehensive parent/family nights that afford families an opportunity to learn together.

Preparing Our Students for the Future

Academically, students will develop the essentials that will enable them to be productive members of the 21 century and to be informed citizens. Students will attain literacy skills that allow them to comprehend material in all content areas. All students will acquire the math skills needed to function in society, and any student with an advanced aptitude will be offered more intensive training in higher-level concepts. Students will be taught each day using "real world" applications of information. They will be encouraged to make modern day connections to cultivate a better understanding of the world around them and how they can make a positive impact on that world.

4. **INTERNAL ACCOUNTING CONTROLS**

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

As a recipient of federal and state financial assistance, the District is also 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 internal control, including that portion related to federal awards and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

5. **BUDGETARY CONTROLS**

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either 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, 2016.

6. **ACCOUNTING SYSTEM AND REPORTS**

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards (GASB). The accounting system of the District is organized on the basis of funds and account groups.

7. **DEBT ADMINISTRATION**

At June 30, 2016, the District's outstanding debt issues included \$28,842,000 of general obligation bonds.

On December 19, 2006, bonds in the 2001 and 2002 series were refinanced for an amount of \$9,500,000. The current outstanding balance is \$4,880,000 and the bonds mature in 2018. The rate of interest will fluctuate from 4% to 5%.

On September 10, 2009, bonds in the 2004 series were refinanced for an amount of \$4,095,000. The current outstanding balance is \$315,000 and the bonds mature in 2017. The rate of interest is 4%.

On July 28, 2015, bond in the amount of \$23,647,000 were issued. The current outstanding balance is \$23,647,000 and will mature in 2035. The rate of interest will fluctuate from 3% to 3.75%.

8. **CASH MANAGEMENT**

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

9. **RISK MANAGEMENT**

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

10. **OTHER INFORMATION**

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Petroni & Associates LLC was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996, the Uniform Guidance and New Jersey State Treasury Circular Letter 15-08. The auditor's report on the basic financial statements is

included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. **ACKNOWLEDGEMENTS**

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

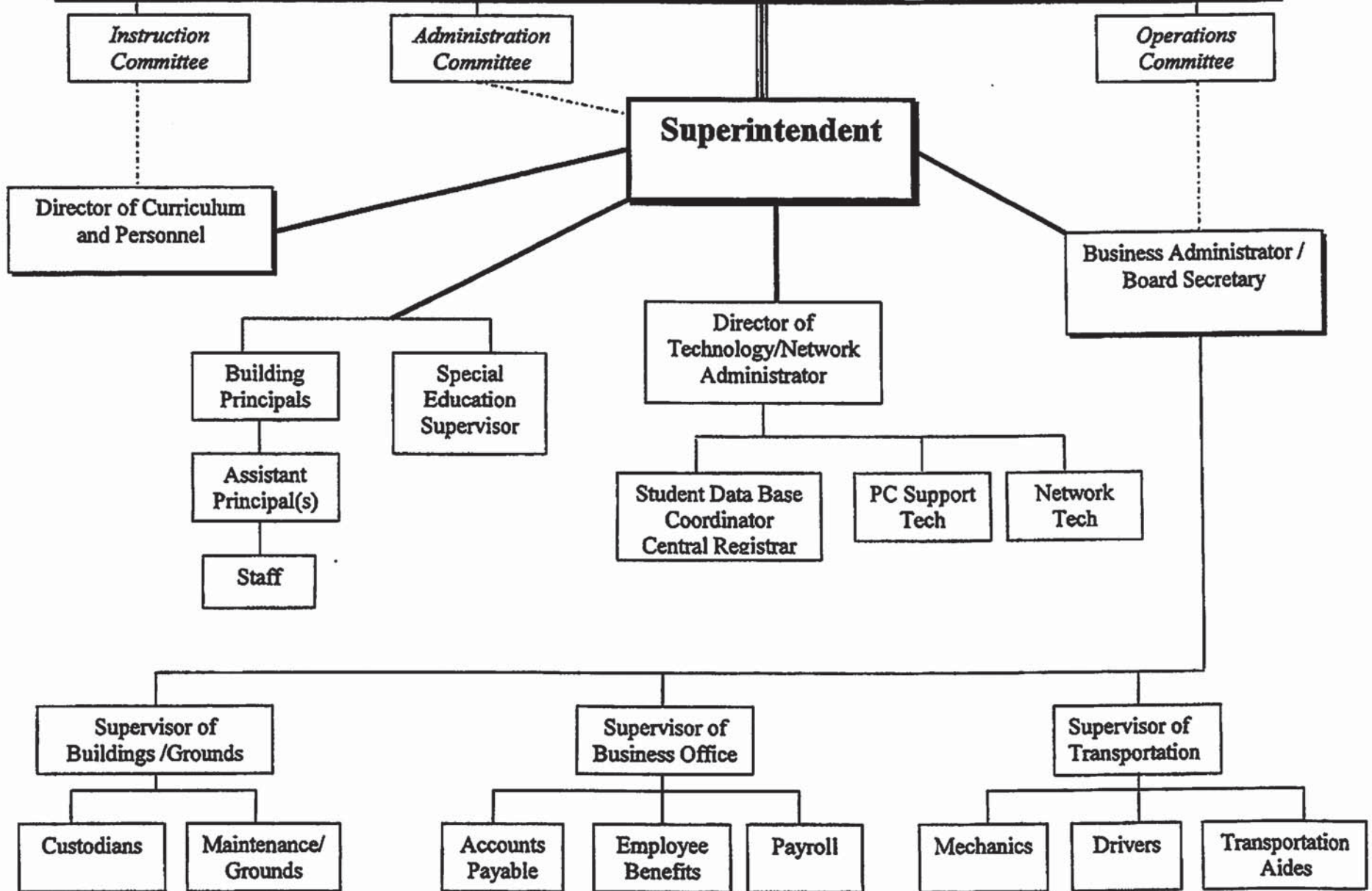
Respectfully submitted,

Mark J. Silverstein
Mark J. Silverstein, MBA, Ed.D
Superintendent of Schools

Scott Henry
Scott Henry
Business Administrator/
Board Secretary

GLASSBORO SCHOOL DISTRICT ORGANIZATIONAL CHART

BOARD OF EDUCATION



GLASSBORO BOARD OF EDUCATION
Glassboro, NJ 08028

ROSTER OF OFFICIALS

June 30, 2016

MEMBERS OF THE BOARD OF EDUCATION

Term Expires

Peter J. Calvo, President	2016
June Longley, Vice President	2017
Alex Fanfarillo	2016
Andrew Halter	2018
Susette Jones	2017
Edward Keith	2018
Brian Redondo	2018
Ben Stephens	2016
Elizabeth Volz	2017

OTHER OFFICIALS

Dr. Mark J. Silverstein, Ed.D, Superintendent of Schools
Scott Henry, Business Administrator/Board Secretary
Karyn Paccione, Treasurer

GLASSBORO BOARD OF EDUCATION
Glassboro, NJ 08028

CONSULTANTS AND ADVISORS

ARCHITECTS

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Glassboro, NJ 08028

ATTORNEY

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Mt. Laurel, NJ 08054

OFFICIAL DEPOSITORY

Republic Bank
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Glassboro, NJ 08028

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Certified Public Accountants • Registered Municipal Accountants
102 West High Street, Suite 100 • P.O. Box 279 • Glassboro, NJ 08028
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MEMBER: AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Nick L. Petroni, CPA, RMA

Mary A. Carey, RMA
Wendy G. Fama, CPA
Denise R. Nevico, CPA
Jeffrey T. Ridgway, CPA
Deanna L. Roller, CPA, RMA

INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Glassboro School District
560 Joseph Bowe Boulevard
Glassboro, New Jersey 08028

Report on the Financial Statements

We have audited the accompanying financial statements of the Governmental Activities, the Business-type Activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Glassboro School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the

financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

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 Glassboro Board of Education as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information identified 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 Glassboro Board of Education's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the schedule of state financial assistance as required by NJ OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, and the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* 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 and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2016, on our consideration of the Glassboro Board of Education's internal control over financial reporting and our test 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 the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Government Auditing Standards* in considering Glassboro Board of Education's internal control over financial reporting and compliance.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Licensed Public School Accountant #542
Glassboro, New Jersey

September 21, 2016

Required Supplementary Information – Part I

**GLASSBORO SCHOOL DISTRICT
GLASSBORO, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

The discussion and analysis of Glassboro School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2016. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB's) Statement No. 34 - Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued in June 1999. Certain comparative information between the current year (2015-2016) and the prior year (2014-2015) is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for 2016 are as follows:

- * General revenues accounted for \$41,832,653 in revenue or 94 percent of all revenues.
- * Program specific revenues, in the form of charges for services and grants and contributions, accounted for \$3,080,801 or 6 percent of total revenues of \$44,913,454.
- * The School District had \$45,047,047 in expenses; only \$3,080,801 of these expenses were offset by program specific charges for services, grants or contributions.
- * Among Governmental Funds, the General Fund had \$39,477,964 in revenues and the General Fund's fund balance increased \$379,432 over 2015.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Glassboro Public School District as a financial whole; an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For Governmental Funds, these statements tell how services were financed in the short-term as well as what remains for future spending.

The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Glassboro School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and ask the question, "How did we do financially during 2016?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- * **Governmental Activities** - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation, and extracurricular activities.
- * **Business-type Activity** - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service Enterprise Fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

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

The relationship (or differences) between Governmental Activities (reported in the Statement of Net Position and the Statement of Activities) and Governmental Funds is reconciled in the financial statements.

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as Business-type Activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole. Net positions may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the School District's net position for 2016, with comparative data from 2015.

Table 1
Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current & other assets	\$ 23,729,987	\$ 2,733,993	\$ 233,685	\$ 286,268	\$ 23,963,672	\$ 3,020,261
Capital assets	20,358,056	19,595,492	54,966	61,880	20,413,022	19,657,372
Total assets	44,088,043	22,329,485	288,651	348,148	44,376,694	22,677,633
Deferred outflows	2,282,924	1,679,469			2,282,924	
Long-term liabilities	32,149,189	11,078,535			32,149,189	11,078,535
Other liabilities	1,266,055	723,378	57,432	123,540	1,323,487	846,918
Net pension liability	13,912,203	13,122,541			13,912,203	
Total liabilities	47,327,447	24,924,454	57,432	123,540	47,384,879	11,925,453
Deferred inflows	881,256	782,032			881,256	
Net position:						
Invested in capital assets, net of debt	(10,106,873)	10,228,863			(10,106,873)	10,228,863
Restricted	23,181,211	2,776,209			23,181,211	2,776,209
Unrestricted	(14,912,074)	(14,702,604)	231,219	224,608	(14,680,855)	(14,477,996)
Total net position	\$ (1,837,736)	\$ (1,697,532)	\$ 231,219	\$ 224,608	\$ (1,606,517)	\$ (1,472,924)

The District's combined net position was a deficit of \$1,606,517 on June 30, 2016. This was a decrease from the prior year of \$133,593.

Table 2 shows changes in net position for fiscal year 2016 with comparative data from 2015.

The School District as a Whole (Continued)

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 10,000	\$ 9,000	\$ 206,637	\$ 218,861	\$ 216,637	\$ 227,861
Operating grants & contributions	2,115,160	2,113,616	749,004	624,976	2,864,164	2,738,592
General revenues:						
Property taxes	20,276,014	19,730,639			20,276,014	19,730,639
Grants & entitlements	20,805,904	20,188,084			20,805,904	20,188,084
Other	750,252	468,112	483	147	750,735	468,259
Total revenues	<u>43,957,330</u>	<u>42,509,451</u>	<u>956,124</u>	<u>843,984</u>	<u>44,913,454</u>	<u>43,353,435</u>
Expenses:						
Instruction	15,750,092	15,503,509			15,750,092	15,503,509
Support services	25,191,397	24,420,643			25,191,397	24,420,643
Capital outlay	1,339,004	1,437,496			1,339,004	1,437,496
Transfer to charter schools	114,584	77,831			114,584	77,831
Unallocated depreciation	1,082,433	1,009,782			1,082,433	1,009,782
Interest on debt	620,024	330,700			620,024	330,700
Food service			947,540	864,403	947,540	864,403
Professional development			1,973	2,965	1,973	2,965
Total expenses	<u>44,097,534</u>	<u>42,779,961</u>	<u>949,513</u>	<u>867,368</u>	<u>45,047,047</u>	<u>43,647,329</u>
Change in net position	(140,204)	(270,510)	6,611	(23,384)	(133,593)	(293,894)
Prior period adjustment		(12,083,734)				(12,083,734)
Beginning net position	(1,697,532)	10,656,712	224,608	247,992	(1,472,924)	10,904,704
Ending net position	<u>\$ (1,837,736)</u>	<u>\$ (1,697,532)</u>	<u>\$ 231,219</u>	<u>\$ 224,608</u>	<u>\$ (1,606,517)</u>	<u>\$ (1,472,924)</u>

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Property taxes made up 47 percent of revenues for governmental activities for the Glassboro School District for fiscal year 2016. The District's total revenues were \$43,957,330 for the year ended June 30, 2016. Federal, state, and local grants accounted for another 48 percent of revenue.

The total cost of all programs and services was \$44,097,534. Instruction comprises 36 percent of District expenses.

Business-Type Activities

Revenues for the District's Business-type Activity (food service and professional development programs) was comprised of charges for services and federal and state reimbursements.

* Income exceeded expenditures by \$6,611.

* Charges for services represent \$206,637 of revenue.

* Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$749,004.

Statement of Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for the year 2016, with comparative data for 2015. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3

	Total Cost of Services		Net Cost of Services	
	2016	2015	2016	2015
Instruction	\$ 15,750,092	\$ 15,503,509	\$ 14,300,730	\$ 14,012,910
Support services:				
Pupil & instructional staff	6,173,543	6,190,087	5,497,745	5,558,070
General administration, school administration & business operation	2,938,249	2,989,824	2,938,249	2,989,824
Operation & maintenance of facilities	2,826,276	2,948,844	2,826,276	2,948,844
Pupil transportation	2,319,113	2,135,851	2,319,113	2,135,851
Interest	620,024	330,700	620,024	330,700
Other	13,470,237	12,681,146	13,470,237	12,681,146
	<u>\$ 44,097,534</u>	<u>\$ 42,779,961</u>	<u>\$ 41,972,374</u>	<u>\$ 40,657,345</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

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

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.

"Other" includes unallocated benefits, capital outlay, special schools, and unallocated depreciation.

The School District's Funds

All Governmental Funds (i.e., General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$43,975,440 and expenditures were \$47,312,984.

General Fund Budgeting Highlights

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

General Fund Budgeting Highlights (Continued)

During the course of the fiscal 2016 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control program budgets but provide flexibility for program management.

For the General Fund, the final budget basis revenue and other financing sources, not including non-budgeted state contributions, was \$35,621,756, which was \$476,350 more than original budgeted estimates of \$35,145,406.

The General Fund revenue exceeded the expenditures and other financing sources of the School District for the year by \$379,880.

Capital Assets

At the end of the fiscal year 2016 the School District had \$20,413,022 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2016 balances compared to 2015.

Table 4
Capital Assets (Net of Depreciation) at June 30,

	<u>2016</u>	<u>2015</u>
Sites	\$ 235,104	\$ 235,104
Site improvements	533,271	591,303
Building & building improvements	16,916,050	17,496,640
Machinery & equipment	2,728,597	1,334,325
	<u>\$ 20,413,022</u>	<u>\$ 19,657,372</u>

Overall capital assets increased \$755,650 from fiscal year 2015 to fiscal year 2016. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

At June 30, 2016, the School District had \$32,149,189 of outstanding debt. Of this amount, \$1,684,260 is for compensated absences; \$1,622,929 is for various capital leases; and \$28,842,000 is for serial bonds for school construction.

Table 5
Outstanding Serial Bonds at June 30,

	<u>2016</u>	<u>2015</u>
Refunding Bonds of 2006	\$ 4,880,000	\$ 6,070,000
Refunding Bonds of 2009	315,000	660,000
Bonds of 2015	23,647,000	
	<u>\$ 28,842,000</u>	<u>\$ 6,730,000</u>

For more detailed information, please refer to the Notes to the Financial Statements.

For the Future

The Glassboro School District is in good financial condition presently. The School District is proud of its community support of the public schools. A major concern is the sustained enrollment of the District with the increased reliance on local property taxes. However, future finances are not without challenges as the community continues to grow and State funding is decreased.

In conclusion, the Glassboro School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Mr. Scott Henry, Business Administrator/Board Secretary at Glassboro Board of Education, George Beach Administration Building, 560 Joseph Bowe Boulevard, Glassboro, New Jersey 08028. Please visit our website at: www.glassboroschools.us.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

GLASSBORO SCHOOL DISTRICT
Statement of Net Position
June 30, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 2,082,335	\$ 92,357	\$ 2,174,692
Receivables, net	798,438	129,799	928,237
Due from other funds		1,537	1,537
Inventory		9,992	9,992
Restricted assets:			
Cash and cash equivalents	20,849,214		20,849,214
Sites	235,104		235,104
Other capital assets, net	20,122,952	54,966	20,177,918
Total assets	44,088,043	288,651	44,376,694
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	2,282,924		2,282,924
LIABILITIES			
Accounts payable	1,250,680	46,887	1,297,567
Due to other funds	1,537		1,537
Payable to state government	12,505		12,505
Deferred revenue	1,333	10,545	11,878
Noncurrent liabilities:			
Due within one year	2,519,998		2,519,998
Due beyond one year	29,629,191		29,629,191
Net pension liability	13,912,203		13,912,203
Total liabilities	47,327,447	57,432	47,384,879
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	881,256		881,256
NET POSITION			
Invested in capital assets, net of related debt	(10,106,873)		(10,106,873)
Restricted for:			
Other purposes	23,181,211		23,181,211
Unrestricted	(14,912,074)	231,219	(14,680,855)
Total net position	\$ (1,837,736)	\$ 231,219	\$ (1,606,517)

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental activities:						
Instruction:						
Regular	\$ 9,448,996				\$ (9,448,996)	\$ (9,448,996)
Special education	5,128,540		\$ 1,449,362		(3,679,178)	(3,679,178)
Other special instruction	694,969				(694,969)	(694,969)
School sponsored activities	446,749				(446,749)	(446,749)
Other instruction	30,838				(30,838)	(30,838)
Support services:						
Tuition	2,526,303				(2,526,303)	(2,526,303)
Student & instructional related services	3,647,240	\$ 10,000	665,798		(2,971,442)	(2,971,442)
General administration	632,325				(632,325)	(632,325)
School administrative services	1,397,355				(1,397,355)	(1,397,355)
Central services	593,288				(593,288)	(593,288)
Administrative information technology	315,281				(315,281)	(315,281)
Plant operations & maintenance	2,826,276				(2,826,276)	(2,826,276)
Pupil transportation	2,319,113				(2,319,113)	(2,319,113)
Unallocated benefits	10,934,216				(10,934,216)	(10,934,216)
Capital outlay	1,339,004				(1,339,004)	(1,339,004)
Transfer to Charter Schools	114,584				(114,584)	(114,584)
Interest on long-term debt	620,024				(620,024)	(620,024)
Unallocated depreciation	1,082,433				(1,082,433)	(1,082,433)
Total governmental activities	44,097,534	10,000	2,115,160		(41,972,374)	(41,972,374)
Business-type activities:						
Food service	947,540	204,762	749,004			\$ 6,226
Professional development	1,973	1,875				(98)
Total business-type activities	949,513	206,637	749,004			6,128
Total primary government	\$ 45,047,047	\$ 216,637	\$ 2,864,164		\$ (41,972,374)	\$ 6,128
General revenues:						
Taxes:						
Property taxes, levied for general purposes					\$ 18,091,942	\$ 18,091,942
Taxes levied for debt service					2,184,072	2,184,072
Other local government units					4,375	4,375
Federal and state aid not restricted					20,805,904	20,805,904
Tuition received					406,818	406,818
Transportation fees					189,450	189,450
Investment earnings					86,487	\$ 86,970
Miscellaneous Income					91,249	91,249
Prior year payable canceled					17,748	17,748
Prior year receivable canceled					(42,775)	(42,775)
Loss on retirement of asset					(3,100)	(3,100)
Total general revenues, special items, extraordinary items, and transfers					41,832,170	483
Change in net position					(140,204)	6,611
Net position - beginning					(1,697,532)	224,608
Net position - end					\$ (1,837,736)	\$ 231,219

See accompanying notes to the basic financial statements.

FUND FINANCIAL STATEMENTS

GLASSBORO SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2016

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
ASSETS					
Cash and cash equivalents	\$ 2,080,371		\$ 20,913,272	\$ 155,693	\$ 23,149,336
Receivables from other governments	315,708	\$ 282,775			598,483
Other - tuition	147,709				147,709
Other - transportation	52,084				52,084
Other - miscellaneous	162				162
Interfund receivable	412			71,599	72,011
Total assets	<u>\$ 2,596,446</u>	<u>\$ 282,775</u>	<u>\$ 20,913,272</u>	<u>\$ 227,292</u>	<u>\$ 24,019,785</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Cash deficit		\$ 219,751			\$ 219,751
Accounts payable	\$ 155,316	92,677	\$ 1,002,687		1,250,680
Interfund payable	1,537		72,011		73,548
Payable to state government		12,505			12,505
Deferred revenue		1,333			1,333
Total liabilities	<u>156,853</u>	<u>326,266</u>	<u>1,074,698</u>		<u>1,557,817</u>
Fund balances:					
Restricted for:					
Excess surplus - designated for subsequent year's expenditures	1,614,887				1,614,887
Excess surplus	1,345,630				1,345,630
Capital projects			19,838,574		19,838,574
Assigned to:					
Debt service fund				\$ 227,292	227,292
Designated for subsequent year's expenditures	111,724				111,724
Year-end encumbrances	43,104				43,104
Unassigned:					
General fund	(675,752)				(675,752)
Special revenue fund		(43,491)			(43,491)
Total fund balances	<u>2,439,593</u>	<u>(43,491)</u>	<u>19,838,574</u>	<u>227,292</u>	<u>22,461,968</u>
Total liabilities and fund balances	<u>\$ 2,596,446</u>	<u>\$ 282,775</u>	<u>\$ 20,913,272</u>	<u>\$ 227,292</u>	
Amounts reported for Governmental Activities in the statement of net assets (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 assets is \$39,691,351 and the accumulated depreciation is \$19,333,295 (See Note 7).					
					20,358,056
Internal Service Funds are used by Management to charge the cost of certain activities to individual funds. Assets and liabilities of the internal service fund are included in Governmental Activities in the statement of net position.					
					1,964
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 (See Note 8).					
					(32,149,189)
Net pension liability adjustment					
					(12,510,535)
Net position of Governmental Activities					
					<u>\$ (1,837,736)</u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
for the Year Ended June 30, 2016

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
REVENUES:					
Local sources:					
Local tax levy	\$ 18,091,942			\$ 2,184,072	\$ 20,276,014
Other local government units restricted	4,375				4,375
Tuition charges	406,818				406,818
Transportation fees	189,450				189,450
Interest earned - capital projects			\$ 71,599		71,599
Miscellaneous	106,120	\$ 25,058			131,178
	18,798,705	25,058	71,599	2,184,072	21,079,434
State sources	20,572,337	563,712		126,645	21,262,694
Federal sources	106,922	1,526,390			1,633,312
Total revenues	39,477,964	2,115,160	71,599	2,310,717	43,975,440
EXPENDITURES:					
Current:					
Regular instruction	9,453,342				9,453,342
Special education instruction	3,434,456	1,694,084			5,128,540
Other special instruction	694,969				694,969
School sponsored activities	446,749				446,749
Other instruction	30,838				30,838
Support:					
Tuition	2,526,303				2,526,303
Student & instruction related services	2,980,769	665,798			3,646,567
General administration	632,325				632,325
School administrative services	1,412,830				1,412,830
Central services	593,288				593,288
Administrative information technology	315,281				315,281
Plant operations and maintenance	2,826,276				2,826,276
Pupil transportation	2,319,113				2,319,113
Unallocated benefits	10,648,785				10,648,785
Debt Service:					
Principal				1,535,000	1,535,000
Interest				620,024	620,024
Capital outlay	559,744		3,808,426		4,368,170
Transfer to charter schools	114,584				114,584
Total expenditures	38,989,652	2,359,882	3,808,426	2,155,024	47,312,984
Excess (deficiency) of revenues over expenditures	488,312	(244,722)	(3,736,827)	155,693	(3,337,544)

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
for the Year Ended June 30, 2016

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
Other financing sources (uses):					
Bond proceeds			23,647,000		23,647,000
Capital leases (non-budgeted)	167,369				167,369
Transfers in		251,222		71,599	322,821
Transfers out	(251,222)		(71,599)		(322,821)
Prior year payable canceled	17,748				17,748
Prior year receivable canceled	(42,775)				(42,775)
Total other financing sources (uses)	(108,880)	251,222	23,575,401	71,599	23,789,342
Net change in fund balances	379,432	6,500	19,838,574	227,292	20,451,798
Fund balance - July 1	2,060,161	(49,991)			2,010,170
Fund balance - June 30	<u>\$ 2,439,593</u>	<u>\$ (43,491)</u>	<u>\$ 19,838,574</u>	<u>\$ 227,292</u>	<u>\$ 22,461,968</u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
 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, 2016

Total net change in fund balances - Governmental Funds (from B-2) \$ 20,451,798

Amounts reported for Governmental Activities in the Statement of Activities (A-2)
 are different because:

Capital outlays are reported in Governmental Funds as expenditures. However, in
 the Statement of Activities, the cost of those assets is allocated over their
 estimated useful lives as depreciation expense. This is the amount by which
 capital outlays exceeded depreciation in the period.

Depreciation expense	\$(1,082,433)	
Capital outlays	1,848,097	
Loss on retirement of asset	<u>(3,100)</u>	
		762,564

Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment
 reduces long-term liabilities in the Statement of Net Position and is not reported in the
 Statement of Activities.

Bond principal	1,535,000	
Capital lease obligation principal	1,181,069	

Proceeds from debt issues are a financing source in the Governmental Funds. They are
 not revenue in the Statement of Activities; issuing debt increases long-term liabilities in
 the Statement of Net Position.

Proceeds of long-term debt	(23,647,000)	
Capital lease proceeds	(167,369)	

Internal Service Funds are used by Management to charge the costs of certain activities
 to individual funds. Net revenue (expense) of Internal Service Funds is reported
 with Governmental Activities.

1,518

In the Statement of Activities, certain operating expenses, e.g., compensated absences
 are measured by the amounts earned during the year. In the Governmental Funds,
 however, expenditures for these items are reported in the amount of financial
 resources used (paid). When the earned amount exceeds the paid amount, the
 difference is a reduction in the reconciliation; when the paid amount exceeds
 the earned amount the difference is an addition to the reconciliation.

27,646

Pension contributions are reported in Governmental Funds as expenditures. However,
 in the Statement of Activities, the contributions are adjusted for actuarial valuation
 adjustments

(285,430)

Change in net position of Governmental Activities

\$ (140,204)

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Food Service	Professional Development	Totals	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 92,357		\$ 92,357	\$ 1,964
Receivables, net	129,799		129,799	
Interfund receivable		\$ 1,537	1,537	
Inventory	9,992		9,992	
Total current assets	<u>232,148</u>	<u>1,537</u>	<u>233,685</u>	<u>1,964</u>
Noncurrent assets:				
Furniture, machinery & equipment	461,602		461,602	
Less: accumulated depreciation	406,636		406,636	
Total noncurrent assets	<u>54,966</u>		<u>54,966</u>	
Total assets	<u>287,114</u>	<u>\$ 1,537</u>	<u>288,651</u>	<u>\$ 1,964</u>
LIABILITIES				
Accounts payable	46,887		46,887	
Deferred revenue	10,545		10,545	
Total liabilities	<u>57,432</u>		<u>57,432</u>	
NET POSITION				
Unrestricted	229,682	\$ 1,537	231,219	\$ 1,964
Total net position	<u>\$ 229,682</u>	<u>\$ 1,537</u>	<u>\$ 231,219</u>	<u>\$ 1,964</u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
for the Year Ended June 30, 2016

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Food Service	Professional Development	Totals	
Operating revenues:				
Charges for services:				
Daily sales - non-reimbursable programs	\$ 185,935		\$ 185,935	
Special functions	18,827		18,827	
Professional development fees		\$ 1,875	1,875	
Workers' compensation contributions				\$ 10,000
Total operating revenues	<u>204,762</u>	<u>1,875</u>	<u>206,637</u>	<u>10,000</u>
Operating expenses:				
Cost of sales	435,245		435,245	
Salaries	283,844		283,844	
Employee benefits	67,097		67,097	
Contracted services	56,469	1,973	58,442	
Operations and maintenance	48,906		48,906	
Supplies and materials	41,083		41,083	
Miscellaneous expenditures	5,540		5,540	
Claims expense				8,499
Depreciation	9,356		9,356	
Total operating expenses	<u>947,540</u>	<u>1,973</u>	<u>949,513</u>	<u>8,499</u>
Operating income (loss)	<u>(742,778)</u>	<u>(98)</u>	<u>(742,876)</u>	<u>1,501</u>
Non-operating revenues (expenses):				
Interest earned	483		483	17
State sources:				
State school lunch program	9,806		9,806	
Federal sources:				
School breakfast program	202,662		202,662	
National school lunch program	445,332		445,332	
Performance based lunch program	11,545		11,545	
Food distribution program	75,904		75,904	
Summer food service program	3,064		3,064	
Prior year payable canceled	691		691	
Total non-operating revenues (expenses)	<u>749,487</u>		<u>749,487</u>	<u>17</u>
Change in net position	6,709	(98)	6,611	1,518
Total net position - beginning	222,973	1,635	224,608	446
Total net position - ending	<u>\$ 229,682</u>	<u>\$ 1,537</u>	<u>\$ 231,219</u>	<u>\$ 1,964</u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
for the Year Ended June 30, 2016

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Food Service	Professional Development	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 228,646	\$ 1,875	\$ 230,521	
Receipts for internal service activities				\$ 10,000
Payments to employees	(284,755)		(284,755)	
Payments for employee benefits	(67,214)		(67,214)	
Payments to suppliers	(513,989)	(1,973)	(515,962)	
Payment for claims				(8,499)
	<u>(637,312)</u>	<u>(98)</u>	<u>(637,410)</u>	<u>1,501</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
State sources	9,070		9,070	
Federal sources	585,014		585,014	
Transfer from (to) other funds		98	98	
Net cash provided by (used for) non-capital financing activities	<u>594,084</u>	<u>98</u>	<u>594,182</u>	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of capital assets	<u>(2,442)</u>		<u>(2,442)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest earned	483		483	17
Net cash provided by investing activities	<u>483</u>		<u>483</u>	<u>17</u>
Net increase (decrease) in cash and cash equivalents	(45,187)		(45,187)	1,518
Balances - beginning of year	137,544		137,544	446
Balances - end of year	<u>\$ 92,357</u>		<u>\$ 92,357</u>	<u>\$ 1,964</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (742,778)	(98)	\$ (742,876)	\$ 1,501
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	9,356		9,356	
Food distribution program	75,904		75,904	
(Increase) decrease in accounts receivable	24,232		24,232	
(Increase) decrease in inventory	(215)		(215)	
Increase (decrease) in accounts payable	(3,465)		(3,465)	
Increase (decrease) in deferred revenue	(346)		(346)	
Net cash provided by (used for) operating activities	<u>\$ (637,312)</u>	<u>\$ (98)</u>	<u>\$ (637,410)</u>	<u>\$ 1,501</u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

	Unemployment Compensation Trust	Private Purpose Scholarship Trust	Agency Fund
ASSETS			
Cash and cash equivalents	\$ 92,665	\$ 45,265	\$ 654,534
Total assets	\$ 92,665	\$ 45,265	\$ 654,534
LIABILITIES			
Payroll deductions and withholdings			\$ 246,314
Accrued salaries and wages			239,011
Due to student groups			169,209
Total liabilities			\$ 654,534
NET POSITION			
Held in trust for unemployment claims	\$ 92,665		
Reserve for scholarships		\$ 45,265	

GLASSBORO SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
for the Year Ended June 30, 2016

	Unemployment Compensation Trust	Private Purpose Scholarship Trust
ADDITIONS:		
Contributions	\$ 36,110	\$ 540
Interest earned	322	168
Total additions	36,432	708
DEDUCTIONS:		
Unemployment claims	22,178	
Scholarships awarded		4,550
Total deductions	22,178	4,550
Change in net position	14,254	(3,842)
Net position - beginning of year	78,411	49,107
Net position - end of year	\$ 92,665	\$ 45,265

See accompanying notes to the basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

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

The financial statements of the Board of Education of Glassboro School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to Governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing Governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in (GAAP) and used by the District are discussed below.

A. Reporting Entity

The Glassboro School District is a Type II District located in the County of Gloucester, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12.

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

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

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

B. Basic Financial Statements – District-Wide Statements

The District's basic financial statements include both District-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds.) Both the District-wide and fund financial statements categorize primary activities as either governmental or business-type. The District's general, special revenue, capital projects, and debt service are classified as Governmental Activities. The District's food service program is classified as a Business-type Activity. Fiduciary Funds are excluded from the Government-wide financial statements.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basic Financial Statements – District-Wide Statements (Continued)

In the District-wide Statement of Net Position, both the Governmental and Business-type Activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts: invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The District-wide Statement of Activities reports both the gross and net costs of each of the District's functions and Business-type Activities (food service). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenue, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, special education, student and instruction related services, etc.) or Business-type Activities. Operating grants include operating specific and discretionary (either operating or capital) grants while the capital grants column reflects capital specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, tuition, interest income, etc.).

The District does not allocate indirect costs such as depreciation expense, on-behalf TPAF Pension contributions, and reimbursed TPAF Social Security Contributions.

The District-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

C. Basic Financial Statements - Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the Governmental or Business-type Activities categories. Non-major funds by category are summarized into a single column. GASB 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education (NJDOE) has elected to require New Jersey Districts to treat each governmental fund as a major fund in accordance with the option in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

The District's fiduciary funds are presented in the fiduciary fund financial statement by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the District-wide statements.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basic Financial Statements - Fund Financial Statements (Continued)

The District reports the following governmental funds:

GOVERNMENTAL FUNDS

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and change in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the Governmental Funds of the District:

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

As required by the New Jersey State Department of Education, the District included 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, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings, and the purchase of built-in equipment. These resources can be transferred from and to Current 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 governments, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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.

PROPRIETARY FUNDS

The focus of the Proprietary Funds measurement is upon the determination of operating income, changes in net assets, financial position and cash flows. The generally accepted accounting principles applicable are those similar to business in the private sector. The following are descriptions of the Proprietary Funds of the District:

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Enterprise Funds - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services on a continuing basis are financed or recovered primarily through user charges.

The District's Enterprise Fund is comprised of the Food Service Fund and a Professional Development Fund.

Internal Service Fund - The Internal Service Fund accounts for the financing of services provided by one department to other departments of the School District, or to other governments on a cost-reimbursement basis.

FIDUCIARY FUNDS

The Fiduciary Fund category is comprised of Trust and Agency Funds. Trust Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and therefore are not available to support District's programs. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported on the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Both Governmental and Business-type Activities in the District-wide financial statements and the Proprietary and Fiduciary Fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The Governmental Funds financial statements are reported on the modified accrual basis of accounting. Under this method, revenues are recorded when they become both susceptible to accrual; i.e. both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenue from federal, state, or other grants designated for payment of specific school district expenditures is recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, claims and judgments, and compensated absences, are recorded when due.

E. 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 for approval and are approved as long as the District budget is within State mandated CAP's, there is no public vote on the budget. If the budget exceeds State mandated CAP's, the voters have an

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgets/Budgetary Control (Continued)

opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund as described later. 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 NJAC 6:23-2(g). Budget amendments/transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and, under certain circumstances, require approval by the County Superintendent of Schools. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For Governmental Funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the one or more June state aid payments 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 grants 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.

F. 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 Special Revenue Fund, are reported as reservations of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the Special Revenue Fund, for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end.

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

G. Cash and Cash Equivalents

Cash and cash equivalents include petty cash, change funds, cash in banks, money market accounts, 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 agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Cash and Cash Equivalents (Continued)

For purposes of determining cash equivalents the District considers all investments with an original maturity of three months or less as cash equivalents.

New Jersey School Districts are limited to the types of investments and types of financial institutions they may invest in. New Jersey statute (NJSA 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 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.

NJSA 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks), and savings banks, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value of at least 5% 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.

H. Inventories

Inventories, other than those recorded in the Enterprise Fund, are recorded as expenditures during the year of purchase. Inventories in the Enterprise Fund are recorded at cost, computed on a first-in, first-out method. In the fund based financial statements, commodities received from the U.S. Department of Agriculture are recorded as deferred revenue until consumed.

I. Interfund Transactions

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

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the Statement of Net Position, except for amounts due between Governmental and Business-type Activities or Governmental and Agency Funds, which are presented as internal balances.

J. Capital Assets

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value at the date of donation. The cost of normal maintenance and

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets (Continued)

repairs that do not add to the value of the assets' lives are not capitalized. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the estimated useful lives;

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Site improvements	20
Building & improvements	20-50
Machinery & equipment	7-20

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and underground pipes. Such items are considered to be part of the cost of buildings or other improvable property.

K. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Government 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 District and its employees, is accrued as the employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy and negotiated agreement with the various employee unions.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the School District's past experience of making termination payments. Salary-based payments for the employer's share of social security and Medicare taxes are included.

For the District-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the Governmental Funds, in the fund financial statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

L. Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, Governmental Fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources; are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from Governmental Funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

N. Net Position

Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Funds are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted funds are available.

O. Fund Balance

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

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

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

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

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Balance (Continued)

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of Committed Funds, then Assigned Funds, and finally Unassigned Funds, as needed.

P. Revenues

Substantially all governmental fund revenue is accrued. Property taxes are susceptible to accrual and under New Jersey State statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable." Subsidies and grants to Proprietary Funds, which finance either capital or current operations, are reported as non-operating revenue based on GASB No. 33. In applying GASB No. 33 to grant revenues, the provider recognizes liabilities and expenses and recipient recognizes receivables and revenue when the applicable eligibility requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

Q. Expenditures

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

R. Accrued Salaries and Wages

Certain school district employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of Management and are either unusual in nature or infrequent in occurrence.

U. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

V. Recent Accounting Pronouncements Not Yet Effective

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68." This statement, which is effective for fiscal periods beginning after June 15, 2016, is anticipated to have an effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans." This statement, which is effective for fiscal periods beginning after June 15, 2016, is anticipated to have an effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." This statement, which is effective for fiscal periods beginning after June 15, 2017, is anticipated to have an effect on the District's financial reporting.

In August 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 77, "Tax Abatement Disclosures." This statement, which is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the District's financial reporting.

In December 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 78, "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans." This statement, which is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the District's financial reporting.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

V. Recent Accounting Pronouncements Not Yet Effective (Continued)

In December 2015, The Governmental Accounting Standards Board (GASB) issued Statement No. 79, "Certain External Investment Pools and Pool Participants." This statement, which is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the District's financial reporting.

In January 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 80, "Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14." This statement, which is effective for fiscal periods beginning after June 15, 2016, will not have any effect on the District's financial reporting.

In March 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 81, "Irrevocable Split-Interest Agreements." This statement, which is effective for fiscal periods beginning after December 15, 2016, will not have any effect on the District's financial reporting.

In March 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 82, "Pension Issues and amendment of GASB Statements No. 67, No. 68, and No. 73." This statement is effective for fiscal periods beginning after June 15, 2016. The impact of this statement on the net position of the district is not anticipated to be significant.

NOTE 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's policy is based on New Jersey statutes requiring cash to be deposited only in New Jersey banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA), or in qualified investments established in NJSA 18A:20-37 that are treated as cash equivalents. The carrying amount of the District's cash and cash equivalents at June 30, 2016 and 2015, was \$23,816,370 and \$2,581,907. As of June 30, 2016 and 2015, \$0 of the District's bank balance of \$24,389,273 and \$2,871,817, respectively, was exposed to Custodial Credit Risk.

NOTE 3: INVESTMENTS

As of June 30, 2016, the District did not have any investments.

Interest Rate Risk - The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, NJSA 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk - NJSA 18A:20-37 limits District investments to those specified in the Statutes. The type of allowable investments are: Bonds of the United States of America or of the District or the local units in which the District is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

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

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 4: RECEIVABLES

Receivables at June 30, 2016, consisted of Intergovernmental and other receivables. All receivables are considered collectible in full. A summary of the principal items of the receivables are as follows:

	Governmental Activities	Business- Type Activities
State aid	\$ 291,429	\$ 1,647
Federal aid	297,303	113,414
Other	209,706	14,738
	<u>\$ 798,438</u>	<u>\$ 129,799</u>

NOTE 5: INTERFUND RECEIVABLES AND PAYABLES

	Interfund Receivable	Interfund Payable
General Fund	\$ 412	\$ 1,537
Capital Projects Fund		72,011
Debt Service Fund	71,599	
Enterprise Fund	1,537	
	<u>\$ 73,548</u>	<u>\$ 73,548</u>

NOTE 6: INVENTORY

Inventory in the Food Service Fund at June 30, 2016, consisted of the following:

Food	\$ 6,443
Supplies	<u>3,549</u>
	<u>\$ 9,992</u>

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 7: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2016, was as follows:

	Balance <u>July 1, 2015</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>June 30, 2016</u>
Governmental activities:				
Sites	\$ 235,104			\$ 235,104
Site improvements	1,892,289			1,892,289
Building & building improvements	30,829,700			30,829,700
Machinery & equipment	4,889,261	\$ 1,848,097	\$ 3,100	6,734,258
Totals at historical cost	<u>37,846,354</u>	<u>1,848,097</u>	<u>3,100</u>	<u>39,691,351</u>
Less: accumulated depreciation for:				
Site improvements	1,300,987	58,031		1,359,018
Building & building improvements	13,333,058	580,592		13,913,650
Machinery & equipment	3,616,817	443,810		4,060,627
Total accumulated depreciation	<u>18,250,862</u>	<u>1,082,433</u>		<u>19,333,295</u>
Governmental activities capital assets, net	<u>\$ 19,595,492</u>	<u>\$ 765,664</u>	<u>\$ 3,100</u>	<u>\$ 20,358,056</u>
Business-type activities:				
Machinery & equipment	\$ 467,260	\$ 2,442	\$ 8,100	\$ 461,602
Less: accumulated depreciation	405,380	9,356	8,100	406,636
Business-type capital assets, net	<u>\$ 61,880</u>	<u>\$ (6,914)</u>		<u>\$ 54,966</u>

Depreciation was charged as an unallocated expense since it could not be specifically identified to one program/function for Governmental Activities.

NOTE 8: GENERAL LONG-TERM DEBT

Bonds are authorized in accordance with state law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

Permanently funded debt as of June 30, 2016, consisted of the following:

\$9,500,000 General Obligation Refunding Bonds dated December 19, 2006, payable in annual installments through August 15, 2018. Interest is paid semi-annually at the rates of 4% to 5% per annum. The balance remaining at June 30, 2016, was \$4,880,000.

\$4,096,000 General Obligation Refunding Bonds dated September 1, 2009, payable in annual installments through May 15, 2017. Interest is paid semi-annually at the rate of 4% per annum. The balance remaining at June 30, 2016, was \$315,000.

\$23,647,000 General Obligation Bonds dated July 28, 2015, payable in annual installments through July 15, 2035. Interest is paid semi-annually at the rates of 3% to 3.75% per annum. The balance remaining at June 30, 2016, was \$23,647,000.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 8: GENERAL LONG-TERM DEBT (CONTINUED)

Long-Term Obligation Activity

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016	Due Within One Year
Bonds payable	\$ 6,730,000	\$ 23,647,000	\$ 1,535,000	\$ 28,842,000	\$ 1,390,000
Capital leases	2,636,629	167,369	1,181,069	1,622,929	1,129,998
Compensated absences	1,711,906	1,684,260	1,711,906	1,684,260	
	<u>\$ 11,078,535</u>	<u>\$ 25,498,629</u>	<u>\$ 4,427,975</u>	<u>\$ 32,149,189</u>	<u>\$ 2,519,998</u>

Changes in long-term obligations for the fiscal year ended June 30, 2016, are as follows:

Bonds Payable

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

Year Ended June 30,	Principal	Interest	Total
2017	\$ 2,560,000	\$ 940,850	\$ 3,500,850
2018	2,705,000	832,225	3,537,225
2019	2,790,000	731,900	3,521,900
2020	980,000	666,225	1,646,225
2021	995,000	636,600	1,631,600
2022-2026	5,345,000	2,715,450	8,060,450
2027-2031	6,165,000	1,844,206	8,009,206
2032-2036	7,302,000	692,494	7,994,494
	<u>\$ 28,842,000</u>	<u>\$ 9,059,950</u>	<u>\$ 37,901,950</u>

Bonds Authorized but Not Issued

There were no bonds authorized but not issued as of June 30, 2016.

Other

Interest paid on debt issued by the District is exempt from federal income tax. Because of this, bond holders are willing to accept a lower interest rate than they would on taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the federal government based on the requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally allowable returns.

Rebatable arbitrage liabilities related to District debt are not recorded in governmental funds. There is no recognition in the balance sheet or income statement until rebatable amounts are

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 8: GENERAL LONG-TERM DEBT (CONTINUED)

due and payable to the federal government. Thus, rebatable arbitrage liabilities related to governmental debt will be accrued as incurred at least annually (at fiscal year-end) on the District-wide financial statements.

For the year ended June 30, 2016, it is not necessary for the Board to establish a liability for arbitrage rebate.

Capital Lease Payable

The District has entered into lease purchase agreements for the acquisition of school buses, computers, copiers, television studio upgrades, and communications network equipment. The lease agreements range from two to ten years and carry interest rates ranging from 1.45% to 5.63%. The following is a schedule of future minimum lease payments under capital leases, together with the net present value of the minimum lease payments, as of June 30, 2016:

Year Ended			
June 30,	Principal	Interest	Total
2017	\$ 1,129,998	\$ 46,346	\$ 1,176,344
2018	358,374	14,295	372,669
2019	60,811	3,250	64,061
2020	23,869	2,181	26,050
2021	24,575	1,475	26,050
2022	25,302	748	26,050
	<u>\$ 1,622,929</u>	<u>\$ 68,295</u>	<u>\$ 1,691,224</u>

NOTE 9: PENSION FUNDS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System (PERS) or the Teachers' Pension and Annuity Fund (TPAF), cost-sharing, multiple-employer defined benefit pension plans, which have been established by state statute and is administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees' Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295 or can be accessed on the internet at <http://www.state.nj.us/treasury/pensions/actuarial-rpts.shtml>.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of NJSA 18A:66 to provide retirement benefits, death, disability, and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing, multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 9: PENSION FUNDS (CONTINUED)

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of NJSA 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing, multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Funding Policy - The contribution policy is set by NJSA 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997, and NJSA 18:66 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Effective with the first payroll to be paid on or after October 1, 2011, the employee contributions for TPAF and PERS increased from 5.5% of employee's annual compensation, as defined, to 6.5%. Subsequent increases will be phased in over 7 years (each July 1) to bring the total pension contribution rate to 7.5% as of July 1, 2018. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for, cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The current TPAF and PERS rate is 7.06% of covered payroll. The District's contributions to PERS for the years ending June 30, 2016, 2015, and 2014, were \$532,821, \$577,802, and \$495,947, respectively, equal to the required contributions for each year.

During the fiscal year ended June 30, 2016, the State of New Jersey contributed \$2,703,499 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the District \$1,153,157 during the year ended June 30, 2016, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. These amounts have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB 27.

The District's total payroll for the years ended June 30, 2016, 2015, and 2014, were \$22,175,491, \$21,670,902, and \$22,157,906, respectively. Covered payroll was \$4,420,171, \$4,623,830, and \$4,654,401 for PERS and \$16,629,966, \$16,240,817, and \$16,504,908 for TPAF, for the same years.

For the year ended June 30, 2016, The District recognized pension expense of \$818,252. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 9: PENSION FUNDS (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 331,896	
Changes of assumptions	1,418,207	
Net difference between projected and actual earning on pension plan investments		\$ 28,173
Changes in proportion and differences between District contributions and proportionate share of contributions		853,083
Employer contributions subsequent to the measurement date	532,821	
	\$ 2,282,924	\$ 881,256

\$532,821 reported as deferred outflows of resources related to pensions resulting from School District project contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. 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 June 30,	
2017	\$ 146,140
2018	146,140
2019	146,140
2020	341,648
2021	88,779
	\$ 868,847

Additional Information – Collective balances at June 30, 2014 and 2015, are as follows:

	June 30, 2014	June 30, 2015
Collective deferred outflows of resources	\$ 952,194,675	\$ 3,578,755,666
Collective deferred inflows of resources	1,479,224,662	993,410,455
Collective net pension liability	18,722,735,003	22,447,996,119
District's proportion	0.0700888051%	0.0619752576%

Defined Contribution Retirement Program - The Defined Contribution Retirement Program (DCRP) is a cost-sharing, multiple-employer defined contribution pension fund which was established on July 1, 2007, under provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (NJAC 43:15C-1 et. seq.). The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provision are established by NJSA 43:15C-1 et. seq. The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 9: PENSION FUNDS (CONTINUED)

Defined Contribution Retirement Program (Continued) - contribute 5.5% of their annual covered salary. The State Treasurer has the right, under the current law, to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contributes amounts for each pay period to Prudential Financial, not later than the fifth business day after the date on which the employee is paid for that pay period. The School District's contributions for the years ending June 30, 2016, 2015, and 2014, were \$18,862, \$12,886, and \$10,560 for covered employees.

NOTE 10: POST-RETIREMENT BENEFITS

P.L. 1987, c.384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2015, there were 107,314 retirees eligible for post-retirement medical benefits and the State contributed \$1.25 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$214.1 million toward Chapter 126 benefits for 19,056 eligible retired members in Fiscal Year 2015.

NOTE 11: DEFERRED COMPENSATION

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future 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 Tax Shelter
Metropolitan Life Insurance

Lincoln Investment Planning, Inc.
MG Trust Company/Aspire Financial

NOTE 12: 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 that are not contingent on a specific event that is outside the control of the employer and employee, is accrued as the employees earn the rights to the benefits.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 12: COMPENSATED ABSENCES (CONTINUED)

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy and negotiated agreements with the various employee unions.

The liability for vested compensated absences is recorded in the District-wide *Statement of Net Position*. The current portion of the compensated absence balance is not considered material to the Governmental Funds total liabilities and, is therefore not shown separately from the amount due in more than one year.

NOTE 13: LABOR CONTRACTS

As of June 30, 2016, the District has a total of approximately 398 employees. Of this total, approximately 368 employees are represented by unions as follows:

- Glassboro Education Association (GEA) – 270 employees
- Glassboro Principals and Supervisors Association (GPSA) – 14 employees
- Glassboro Educational Support Professional Association (GESPA) – 84 employees

All union agreements expired on June 30, 2016.

NOTE 14: 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 accidents, and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. Any potential liability of the District, with respect to loss claims, would be equal to the deductibles associated with policies and events which may exceed coverage limits. There have been no significant reductions in insurance coverage amounts.

New Jersey Unemployment Compensation Insurance:

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

Year Ended June 30,	District Contribution	Employee Contribution	Amount Reimbursed	Ending Balance
2014	\$ 872	None	\$ 72,588	\$ 92,657
2015	888	\$ 37,823	53,020	78,411
2016	808	35,302	22,178	92,665

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 15: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Glassboro Board of Education by inclusion of \$75,000 on June 30, 2003, for the accumulation of funds, for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the General Fund and its activity is included in the General Fund annual budget.

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

There was no activity in the capital reserve fund during the year.

NOTE 16: FUND BALANCE APPROPRIATED

Restrictions of fund balances of Governmental Funds are established to either (1) satisfy legal covenants that require a portion of the fund balance to be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures.

The District follows the State of New Jersey's minimum fund balance policy for New Jersey Public School Districts (NJSA 18A:7F-7). Pursuant to that policy, an undesignated fund balance of 2% of the general fund budget or \$250,000, whichever is greater may be maintained.

Specific classifications of fund balance are summarized below:

Restricted

General Fund – In accordance with NJSA 18A:7F-7, \$2,960,517 is restricted as excess surplus (\$1,614,887 of the total restricted amount has been appropriated and included as anticipated revenue for the year ending June 30, 2017).

Capital Projects Fund – The Capital Projects Fund balance as of June 30, 2016, was \$19,838,574.

Assigned

General Fund – As of June 30, 2016, the District had \$154,828 of assigned fund balance. The balance consisted of \$43,104 of encumbrances outstanding for purchase orders and contracts signed by the District, but not completed, as of the close of the fiscal year and \$111,724 that the District has appropriated and included as anticipated revenue for the year ending June 30, 2017.

Debt Service Fund – The Debt Service Fund balance as of June 30, 2016, was \$227,292.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 16: FUND BALANCE APPROPRIATED (CONTINUED)

Unassigned

General Fund – As of June 30, 2016, a deficit of \$675,752 of fund balance was unassigned.

Special Revenue Fund – As of June 30, 2016, the fund balance was a deficit of \$43,491.

NOTE 17: CALCULATION OF EXCESS SURPLUS

The designation of Reserve Fund Balance - Excess surplus is a required calculation pursuant NJSA 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, 2016, is \$2,960,517.

NOTE 18: DEFICIT FUND BALANCES

The District has a deficit fund balance of \$675,752 in the General Fund and \$43,491 in the Special Revenue Fund as of June 30, 2016, as reported in the fund statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, and liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the state is recording the June state aid payment(s) in the subsequent fiscal year, the School District cannot recognize the June state aid payment(s) on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General and Special Revenue Fund balance deficit does not alone indicate that the District is facing financial difficulties.

Pursuant to NJSA 18A:22-44.2, any negative unassigned general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP statements of \$675,752 is less than the last state aid payments.

NOTE 19: CONTINGENT LIABILITIES

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

It is the opinion of the administration and legal counsel, that there exists no litigation or contingent liability that may be pending against the Glassboro School District that would have a material or adverse effect on the Board or the financial position of the District.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 20: ECONOMIC DEPENDENCY

The District is heavily reliant on state aid and local tax levy to fund the District's operations. State sources accounted for approximately 53% of the District's 2015-2016 General Fund revenue, while local tax levy accounted for approximately 46%.

NOTE 21: SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2016 and September 21, 2016, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

GLASSBORO SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 18,091,942		\$ 18,091,942	\$ 18,091,942	
Other local government units - restricted	18,500		18,500	4,375	\$ (14,125)
Tuition from other LEA's within the state	210,428		210,428	402,218	191,790
Tuition from summer school	5,000		5,000	4,600	(400)
Transportation fees	118,880		118,880	189,450	70,570
Rents and royalties	10,000		10,000	11,233	1,233
Miscellaneous	60,000		60,000	92,547	32,547
Advertising fees - school buses	3,120		3,120	2,340	(780)
Total - local sources	18,517,870		18,517,870	18,798,705	280,835
State sources:					
School choice aid	122,281		122,281	122,281	
Extraordinary aid	100,212		100,212	223,533	123,321
Categorical special education aid	1,173,519		1,173,519	1,173,519	
Equalization aid	14,747,822		14,747,822	14,747,822	
Categorical security aid	259,267		259,267	259,267	
Categorical transportation aid	108,428		108,428	108,428	
PARRC readiness aid	21,040		21,040	21,040	
Per pupil growth aid	21,040		21,040	21,040	
Reimbursed nonpublic school transportation costs				12,354	12,354
Other programs				26,845	26,845
TPAF - post retirement medical (on-behalf non-budgeted)				1,469,433	1,469,433
Teachers' pension & annuity fund (on-behalf non-budgeted)				1,234,066	1,234,066
Reimbursed TPAF social security contributions (non-budgeted)				1,153,157	1,153,157
Total - state sources	16,553,609		16,553,609	20,572,785	4,019,176
Federal sources:					
Medicaid reimbursement	73,927		73,927	106,922	32,995
Total - federal sources	73,927		73,927	106,922	32,995
Total revenues	\$ 35,145,406		\$ 35,145,406	\$ 39,478,412	\$ 4,333,006

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Current expense:					
Regular programs - instruction:					
Kindergarten - salaries of teachers	\$ 765,381	\$ 18,393	\$ 783,774	\$ 783,774	
Grades 1-5 - salaries of teachers	2,896,608	(21,579)	2,875,029	2,845,494	\$ 29,535
Grades 6-8 - salaries of teachers	1,922,888	(146,187)	1,776,701	1,775,552	1,149
Grades 9-12 - salaries of teachers	2,940,928		2,940,928	2,914,501	26,427
Regular programs - home instruction:					
Salaries of teachers	45,500	(27,750)	17,750	7,542	10,208
Purchased professional - educational services	35,500	(29,750)	5,750	5,491	259
Regular programs - undistributed instruction:					
Other salaries for instruction	61,832	(4,902)	56,930	56,656	274
Purchased professional - educational services	406,840	(49,000)	357,840	357,372	468
Other purchased services	240,039	4,616	244,655	227,764	16,891
General supplies	421,261	68,468	489,729	444,406	45,323
Textbooks	50,181	(16,772)	33,409	31,987	1,422
Other objects	2,605	1,215	3,820	2,803	1,017
Total regular programs - instruction	<u>9,789,563</u>	<u>(203,248)</u>	<u>9,586,315</u>	<u>9,453,342</u>	<u>132,973</u>
Special education instruction:					
Learning and/or language disabilities:					
Salaries of teachers	410,407	(41,496)	368,911	353,706	15,205
Other salaries for instruction	171,366	(61,393)	109,973	108,411	1,562
Purchased professional - educational services	5,000	27,000	32,000	22,768	9,232
Other purchased services	3,000	5,500	8,500	7,609	891
General supplies	10,000	(4,933)	5,067	5,039	28
Other objects	1,028		1,028		1,028
Total learning and/or language disabilities	<u>600,801</u>	<u>(75,322)</u>	<u>525,479</u>	<u>497,533</u>	<u>27,946</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Behavioral disabilities:					
Salaries of teachers	23,900	49,542	73,442	72,273	1,169
Other salaries for instruction		17,771	17,771	17,771	
Purchased professional - educational services		3,000	3,000	1,251	1,749
Other purchased services		1,500	1,500	806	694
General supplies	1,000	(1,000)			
Total behavioral disabilities	24,900	70,813	95,713	92,101	3,612
Multiple disabilities:					
Salaries of teachers	142,982		142,982	142,981	1
Other salaries for instruction	35,087		35,087	33,582	1,505
Purchased professional - educational services	1,200	3,200	4,400	3,816	584
Other purchased services	1,700	500	2,200	2,167	33
General supplies	9,671	(3,549)	6,122	4,598	1,524
Other objects	500		500	325	175
Total multiple disabilities	191,140	151	191,291	187,469	3,822
Resource room/resource center:					
Salaries of teachers	2,308,044	(38,270)	2,269,774	2,269,774	
Other salaries for instruction	71,260	45,062	116,322	115,401	921
Purchased professional - educational services	46,470	2,000	48,470	47,788	682
Other purchased services	3,500	5,000	8,500	7,105	1,395
General supplies	22,171	(1,941)	20,230	17,834	2,396
Total resource room/resource center	2,451,445	11,851	2,463,296	2,457,902	5,394
Preschool disabilities - part time:					
Salaries of teachers	83,123	179	83,302	83,301	1
Other salaries for instruction	40,324	(2,000)	38,324	29,839	8,485
Purchased professional - educational services	2,000	(7)	1,993	1,814	179
Other purchased services	1,000	4,000	5,000	4,107	893
General supplies	1,100		1,100	1,003	97
Total preschool disabilities - part time	127,547	2,172	129,719	120,064	9,655
Home instruction:					
Salaries of teachers		22,302	22,302	22,302	
Purchased professional - educational services		57,085	57,085	57,085	
Total home instruction		79,387	79,387	79,387	
Total special education - instruction	3,395,833	89,052	3,484,885	3,434,456	50,429

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Basic skills/remedial - instruction:					
Salaries of teachers	367,238	101,262	468,500	461,008	7,492
Purchased professional - educational services	2,000		2,000	375	1,625
General supplies		1,000	1,000	973	27
Total basic skills/remedial - instruction	<u>369,238</u>	<u>102,262</u>	<u>471,500</u>	<u>462,356</u>	<u>9,144</u>
Bilingual education - instruction:					
Salaries of teachers	215,913	6,353	222,266	221,137	1,129
Purchased professional - educational services	1,500	8,000	9,500	4,504	4,996
General supplies	7,000		7,000	6,937	63
Other objects	400		400	35	365
Total bilingual education - instruction	<u>224,813</u>	<u>14,353</u>	<u>239,166</u>	<u>232,613</u>	<u>6,553</u>
School-sponsored co-curricular activities - inst.:					
Salaries	88,352	10,013	98,365	97,470	895
School-sponsored co-curricular athletics - inst.:					
Salaries	240,119		240,119	236,053	4,066
Purchased services	90,278	(10,535)	79,743	73,534	6,209
Supplies and materials	32,953	6,100	39,053	34,052	5,001
Other objects	6,975		6,975	5,640	1,335
Total school-sponsored co-curricular athletics - inst.	<u>370,325</u>	<u>(4,435)</u>	<u>365,890</u>	<u>349,279</u>	<u>16,611</u>
Summer school - instruction:					
Salaries of teachers	24,000	(10,222)	13,778	13,101	677
Other purchased services	7,000	2,000	9,000	9,000	
Supplies and materials		5,800	5,800	4,320	1,480
Total summer school - instruction	<u>31,000</u>	<u>(2,422)</u>	<u>28,578</u>	<u>26,421</u>	<u>2,157</u>
Summer school - support:					
Salaries	4,725	9	4,734	4,417	317
Total summer school	<u>35,725</u>	<u>(2,413)</u>	<u>33,312</u>	<u>30,838</u>	<u>2,474</u>
Total instruction and at-risk programs	<u>14,273,849</u>	<u>5,584</u>	<u>14,279,433</u>	<u>14,060,354</u>	<u>219,079</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - instruction:					
Tuition to other LEA's within the state - regular	20,000	(1,288)	18,712	18,712	
Tuition to other LEA's within the state - special	74,864	(7,021)	67,843	67,412	431
Tuition to county voc. school district - regular	121,275	(9,812)	111,463	111,463	
Tuition to county voc. school district - special		6,615	6,615	6,615	
Tuition to CSSD & regional day schools	945,861	(93,137)	852,724	846,451	6,273
Tuition to private schools for the disabled - within state	1,177,529	264,367	1,441,896	1,427,178	14,718
Tuition - other		48,472	48,472	48,472	
Total undistributed expenditures - instruction	<u>2,339,529</u>	<u>208,196</u>	<u>2,547,725</u>	<u>2,526,303</u>	<u>21,422</u>
Undistributed expenditures - attendance and social work:					
Salaries	84,120	379	84,499	76,016	8,483
Purchased professional and technical services	11,000	(2,040)	8,960	8,957	3
Other purchased services	1,000	(379)	621	455	166
Supplies and materials	2,228		2,228	1,007	1,221
Total undistributed expenditures - attendance and social work	<u>98,348</u>	<u>(2,040)</u>	<u>96,308</u>	<u>86,435</u>	<u>9,873</u>
Undistributed expenditures - health services:					
Salaries	350,417	9,037	359,454	359,454	
Purchased professional and technical services	17,500	1,250	18,750	18,750	
Other purchased services		1,473	1,473	1,473	
Supplies and materials	10,863	(1,385)	9,478	9,425	53
Other objects	500	(175)	325	288	37
Total undistributed expenditures - health services	<u>379,280</u>	<u>10,200</u>	<u>389,480</u>	<u>389,390</u>	<u>90</u>
Undistributed expenditures - speech, OT, PT & related services:					
Salaries	304,076		304,076	304,076	
Purchased professional - educational services	72,590	(20,131)	52,459	47,450	5,009
Supplies and materials	6,300		6,300	6,297	3
Total undistributed expenditures - speech, OT, PT & related services	<u>382,966</u>	<u>(20,131)</u>	<u>362,835</u>	<u>357,823</u>	<u>5,012</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - other supp. serv. students - extra. serv.:					
Salaries	139,810	(14,094)	125,716	125,716	
Purchased professional - educational services	100,011	(12,677)	87,334	49,092	38,242
Total undistributed expenditures - other supp. serv. students - extra. serv.	239,821	(26,771)	213,050	174,808	38,242
Undistributed expenditures - guidance:					
Salaries of other professional staff	573,586	67	573,653	571,479	2,174
Salaries of secretarial and clerical assistants	138,678	(25,854)	112,824	97,201	15,623
Purchased professional - educational services	2,500	15	2,515	2,515	
Purchased professional and technical services	26,236	(5,883)	20,353	10,997	9,356
Other purchased services	46,000	(23,500)	22,500	20,546	1,954
Supplies and materials	7,478	3,380	10,858	8,981	1,877
Other objects	1,505	(650)	855	100	755
Total undistributed expenditures - guidance	795,983	(52,425)	743,558	711,819	31,739
Undistributed expenditures - child study team:					
Salaries of other professional staff	679,512	532	680,044	674,846	5,198
Salaries of secretarial and clerical assistants	92,995		92,995	92,197	798
Purchased professional - educational services	30,000	(6,125)	23,875	7,923	15,952
Purchased professional and technical services	17,000		17,000	12,182	4,818
Miscellaneous purchased services	4,100		4,100	1,538	2,562
Supplies and materials	10,131		10,131	10,048	83
Other objects	820		820		820
Total undistributed expenditures - child study team	834,558	(5,593)	828,965	798,734	30,231
Undistributed expenditures - improvement of inst. services:					
Salaries of supervisors of instruction	203,422	2,252	205,674	205,674	
Salaries of other professional staff	21,160		21,160	20,601	559
Salaries of secretaries and clerical assistants	39,473	1,762	41,235	41,235	
Salaries of facilitators, math and literacy coaches	78,627		78,627	78,627	
Purchased professional - technical services	28,500	(10,844)	17,656	16,392	1,264
Other purchased services	1,300	1,200	2,500	2,126	374
Supplies and materials	6,999	2,038	9,037	9,032	5
Other objects	3,150	(429)	2,721	1,915	806
Total undistributed expenditures - improvement of inst. services	382,631	(4,021)	378,610	375,602	3,008

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - eddo. media serv./sch. library:					
Salaries	78,154		78,154	67,241	10,913
Purchased professional and technical services	7,000	(300)	6,700	5,612	1,088
Supplies and materials	4,321	1,850	6,171	5,124	1,047
Total Undistributed expenditures - eddo. media serv./sch. library	<u>89,475</u>	<u>1,550</u>	<u>91,025</u>	<u>77,977</u>	<u>13,048</u>
Undistributed expenditures - instructional staff training					
Purchased professional - educational services	5,200	2,250	7,450	7,407	43
Other purchased services	1,700	(778)	922	240	682
Supplies and materials		589	589	534	55
Total undistributed expenditures - instructional staff training	<u>6,900</u>	<u>2,061</u>	<u>8,961</u>	<u>8,181</u>	<u>780</u>
Undistributed expenditures - supp. serv. - general administration:					
Salaries	258,846	(1,000)	257,846	225,337	32,509
Legal services	107,000	300	107,300	107,289	11
Audit fees	33,000	(915)	32,085	28,500	3,585
Other purchased professional services	40,000	(10,000)	30,000	3,425	26,575
Communications/telephone	112,340	(37,542)	74,798	60,264	14,534
BOE other purchased services	1,500	476	1,976	1,976	
Other purchased services	164,433	(476)	163,957	160,676	3,281
General supplies	4,642	2,378	7,020	5,836	1,184
Judgments against the school district		10,000	10,000	10,000	
Miscellaneous expenditures	11,400	4,022	15,422	14,240	1,182
BOE membership dues and fees	16,000		16,000	14,782	1,218
Total undistributed expenditures - supp. serv. - general administration	<u>749,161</u>	<u>(32,757)</u>	<u>716,404</u>	<u>632,325</u>	<u>84,079</u>
Undistributed expenditures - supp. serv. - school administration:					
Salaries of principals/assistant principals/program directors	994,067	2,638	996,705	994,366	2,339
Salaries of secretarial and clerical assistants	386,369	(28,436)	357,933	355,794	2,139
Unused vacation payment to terminated/retired staff		6,607	6,607	6,606	1
Purchased professional and technical services	11,000	(2,040)	8,960	8,956	4
Other purchased services	6,000	16,000	22,000	16,875	5,125
Supplies and materials	18,664	(6,843)	11,821	10,513	1,308
Other objects	22,240	(2,382)	19,858	19,720	138
Total undist. expend. - supp. serv. - school administration	<u>1,438,340</u>	<u>(14,456)</u>	<u>1,423,884</u>	<u>1,412,830</u>	<u>11,054</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - central services					
Salaries	514,810	(34,933)	479,877	479,877	
Unused vacation payment to terminated/retired staff		33,566	33,566	33,565	1
Purchased professional services	38,600	(15,472)	23,128	19,797	3,331
Purchased technical services	27,000	232	27,232	27,232	
Miscellaneous purchased services	33,206	(5,389)	27,817	17,348	10,469
Supplies and materials	10,712	868	11,580	9,136	2,444
Miscellaneous expenditures	4,200	2,331	6,531	6,333	198
Total undistributed expenditures - central services	628,528	(18,797)	609,731	593,288	16,443
Undistributed expenditures - admin. info. tech.					
Salaries	240,148		240,148	235,822	4,326
Purchased technical services	5,000		5,000	4,400	600
Other purchased services	105,365	(38,000)	67,365	65,053	2,312
Supplies and materials	12,885		12,885	9,185	3,700
Other objects	875		875	821	54
Total undistributed expenditures - admin. info. tech.	364,273	(38,000)	326,273	315,281	10,992
Undistributed expenditures - required maintenance for school facilities:					
Salaries	128,259	10,169	138,428	138,428	
Cleaning, repair, and maintenance services	76,962	22,409	99,371	92,117	7,254
General supplies	36,571	(7,942)	28,629	27,584	1,045
Total undistributed expenditures - required maintenance for school facilities	241,792	24,636	266,428	258,129	8,299
Undistributed expenditures - custodial services:					
Salaries	1,202,658	2,356	1,205,014	1,159,947	45,067
Salaries of non-instructional aides	112,745	(1,000)	111,745	100,168	11,577
Unused vacation payment to terminated/retired staff		1,891	1,891	1,890	1
Purchased professional and technical services		2,050	2,050	2,050	
Cleaning, repair and maintenance services	25,577	663	26,240	23,249	2,991
Other purchased property services	61,900	54	61,954	61,908	46
Insurance	140,614	(4,000)	136,614	136,605	9
Miscellaneous purchased services	9,490	11,446	20,936	19,226	1,710
General supplies	86,692	(11,419)	75,273	75,227	46
Energy (natural gas)	274,000	(19,209)	254,791	150,819	103,972
Energy (electricity)	518,000	28,554	546,554	539,341	7,213
Energy (oil)	500	(500)			
Energy (gasoline)	14,725	(7,691)	7,034	6,518	516
Other objects	1,000	2,856	3,856	3,856	
Total undistributed expenditures - custodial services	2,447,901	6,051	2,453,952	2,280,804	173,148

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - care and upkeep of grounds:					
Salaries	154,465		154,465	144,426	10,039
Cleaning, repair, and maintenance services	17,500	13,198	30,698	30,253	445
General supplies	10,877	8,427	19,304	19,010	294
Total undistributed expenditures - care and upkeep of grounds	<u>182,842</u>	<u>21,625</u>	<u>204,467</u>	<u>193,689</u>	<u>10,778</u>
Undistributed expenditures - security:					
Purchased professional and technical services	90,500	(500)	90,000	90,000	
General supplies	4,000		4,000	3,654	346
Total undistributed expenditures - security	<u>94,500</u>	<u>(500)</u>	<u>94,000</u>	<u>93,654</u>	<u>346</u>
Total undistributed expenditures - oper. & maint. of plant services	<u>2,967,035</u>	<u>51,812</u>	<u>3,018,847</u>	<u>2,826,276</u>	<u>192,571</u>
Undistributed expenditures - student transportation services:					
Salaries of non-instructional aides	207,167	12,169	219,336	219,336	
Salaries for pupils trans. (bet. home & school) - regular	703,176	(2,158)	701,018	698,459	2,559
Salaries for pupils trans. (bet. home & school) - special	301,657	23,947	325,604	325,051	553
Salaries for pupils trans. (other than bet. home & school)	63,541	9,889	73,430	73,044	386
Salaries for pupils trans. (bet. home & school) - nonpublic school	81,600	(3,849)	77,751	76,628	1,123
Unused vacation payment to terminated/retired staff		1,891	1,891	1,890	1
Management fee - ESC & CSA trans. program	600		600	282	318
Other purchased professional/technical services	18,500	(13,700)	4,800	4,800	
Cleaning, repair, and maintenance services	20,270		20,270	14,928	5,342
Contract services - aid in lieu of payments -nonpublic schools	88,400	(11,100)	77,300	76,358	942
Contract services - aid in lieu of payments - charter schools	4,420	1,100	5,520	4,927	593
Contract services - aid in lieu of payments - choice schools	8,840		8,840	8,594	246
Contract services (other than bet. home & school) vendors		2,247	2,247	2,247	
Contract services (bet. home & school) joint agreements		3,536	3,536	3,064	472
Contract services (special ed. students) joint agreements	14,812	29,760	44,572	41,830	2,742
Contract services (regular students) ESC's & CTSA's	85,000	53,998	138,998	120,461	18,537
Contract services (special ed. students) ESC's & CTSA's	358,982	(31,405)	327,577	327,577	
Miscellaneous purchased services - transportation	121,262	29,739	151,001	136,593	14,408
General supplies	2,142		2,142	1,635	507
Transportation supplies	272,432	(4,332)	268,100	175,127	92,973
Fuel costs funded by advertising revenue	3,120		3,120	3,120	
Other objects	8,750	(5,500)	3,250	3,162	88
Total undistributed expenditures - student transportation services:	<u>2,364,671</u>	<u>96,232</u>	<u>2,460,903</u>	<u>2,319,113</u>	<u>141,790</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Unallocated benefits - employee benefits:					
Group insurance	41,000		41,000	38,359	2,641
Social security contributions	466,025		466,025	453,134	12,891
Other retirement contributions - PERS	659,657	(123,000)	536,657	534,462	2,195
Other retirement contributions - regular	15,250	16,000	31,250	25,409	5,841
Unemployment compensation	1,000		1,000	808	192
Workmen's compensation	298,138	(25,115)	273,023	271,408	1,615
Health benefits	5,468,330	(173,711)	5,294,619	5,248,268	46,351
Tuition reimbursement	41,817		41,817	30,443	11,374
Other employee benefits	79,300	(2,740)	76,560	76,219	341
Unused sick payment to terminated/retired staff	25,000	88,619	113,619	113,619	
Total unallocated benefits - employee benefits	<u>7,095,517</u>	<u>(219,947)</u>	<u>6,875,570</u>	<u>6,792,129</u>	<u>83,441</u>
On-behalf contributions:					
On-behalf TPAF pensions contributions (non-budgeted)				1,234,066	(1,234,066)
On-behalf TPAF OPEB (post retirement medical) contributions (non-budgeted)				1,469,433	(1,469,433)
Reimbursed TPAF social security contributions (non-budgeted)				1,153,157	(1,153,157)
Total on-behalf contributions				<u>3,856,656</u>	<u>(3,856,656)</u>
Total personal services - employee benefits	<u>7,095,517</u>	<u>(219,947)</u>	<u>6,875,570</u>	<u>10,648,785</u>	<u>(3,773,215)</u>
Total undistributed expenditures	<u>21,157,016</u>	<u>(64,887)</u>	<u>21,092,129</u>	<u>24,254,970</u>	<u>(3,162,841)</u>
Total general current expense	<u>35,430,865</u>	<u>(59,303)</u>	<u>35,371,562</u>	<u>38,315,324</u>	<u>(2,943,762)</u>
Capital outlay:					
Equipment:					
Kindergarten	9,123		9,123	9,123	
Grades 1 to 5	22,047		22,047	22,047	
Grades 6 to 8	22,047		22,047	22,047	
Grades 9 to 12	37,583	3,275	40,858	40,850	8
Special education - multiple disabilities		2,845	2,845	2,845	
Undistributed - central services	11,404	2,394	13,798	13,798	
Undistributed - admin. info. tech.	44,120	(17,375)	26,745	22,941	3,804
Undistributed - custodial services	10,500	(1,266)	9,234	9,233	1
School buses - regular	102,002	(14,601)	87,401	77,918	9,483
School buses - special	49,654		49,654	49,653	1
Total equipment	<u>308,480</u>	<u>(24,728)</u>	<u>283,752</u>	<u>270,455</u>	<u>13,297</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Facilities acquisition and construction services:					
Legal services	5,000		5,000		5,000
Architectural/engineering services	10,000		10,000		10,000
Construction services	114,544		114,544		114,544
Assessment for debt service	121,920		121,920	121,920	
Total facilities acquisition and construction services	<u>251,464</u>		<u>251,464</u>	<u>121,920</u>	<u>129,544</u>
Assets acquired under capital leases (non-budgeted):					
Undistributed expenditures:					
School buses				167,369	(167,369)
Total assets acquired under capital leases (non-budgeted)				<u>167,369</u>	<u>(167,369)</u>
Total capital outlay	<u>559,944</u>	<u>(24,728)</u>	<u>535,216</u>	<u>559,744</u>	<u>(24,528)</u>
Transfer to charter schools	<u>61,680</u>	<u>52,904</u>	<u>114,584</u>	<u>114,584</u>	
Total expenditures	<u>36,052,489</u>	<u>(31,127)</u>	<u>36,021,362</u>	<u>38,989,652</u>	<u>(2,968,290)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(907,083)</u>	<u>31,127</u>	<u>(875,956)</u>	<u>488,760</u>	<u>1,364,716</u>
Other financing sources:					
Operating transfer in:					
Prior year payables canceled				17,748	17,748
Operating transfer out:					
Transfer to special revenue fund - preschool program	(220,095)	(31,127)	(251,222)	(251,222)	
Prior year receivables canceled				(42,775)	(42,775)
Capital leases (non-budgeted)				167,369	167,369
Total other financing sources	<u>(220,095)</u>	<u>(31,127)</u>	<u>(251,222)</u>	<u>(108,880)</u>	<u>142,342</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	<u>(1,127,178)</u>		<u>(1,127,178)</u>	<u>379,880</u>	<u>1,507,058</u>
Fund balance - July 1	<u>3,577,817</u>		<u>3,577,817</u>	<u>3,577,817</u>	
Fund balance - June 30	<u>\$ 2,450,639</u>		<u>\$ 2,450,639</u>	<u>\$ 3,957,697</u>	<u>\$ 1,507,058</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
for the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Recapitulation:					
Restricted fund balance:					
Excess surplus designated for subsequent year's expenditures				\$ 1,614,887	
Excess surplus - current year				1,345,630	
Assigned fund balance:					
Designated for subsequent year's expenditures				111,724	
Year-end encumbrances				43,104	
Unassigned fund balance				842,352	
				<u>3,957,697</u>	
Reconciliation to Governmental Fund statements (GAAP):					
Last state aid payment not recognized on GAAP basis				(1,518,104)	
Fund balance per Governmental Funds (GAAP)				<u>\$ 2,439,593</u>	

GLASSBORO SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Special Revenue Fund
 for the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State sources	\$ 569,717		\$ 569,717	\$ 557,212	\$ (12,505)
Federal sources	1,801,769		1,801,769	1,526,390	(275,379)
Other sources	49,432		49,432	27,358	(22,074)
Total Revenues	2,420,918		2,420,918	2,110,960	(309,958)
EXPENDITURES:					
Instruction:					
Salaries of teachers	1,044,319	\$ 717	1,045,036	990,961	54,075
Other salaries for instruction	95,174	(2)	95,172	95,172	
Purchased professional - educational services	43,238	(1,852)	41,386	32,499	8,887
Purchased services	6,474		6,474	2,430	4,044
Other purchased services	530,529	5,922	536,451	532,362	4,089
General supplies	50,485	5,354	55,839	37,164	18,675
Textbooks	5,025		5,025	4,909	116
Other objects		887	887	887	
Total instruction	1,775,244	11,026	1,786,270	1,696,384	89,886
Support services:					
Salaries of program directors	168,742	3,963	172,705	99,552	73,153
Salaries of other professional staff	36,767	287	37,054	32,273	4,781
Salaries of secretaries and clerical assistants	66,398	(2,396)	64,002	64,002	
Personal services - employee benefits	339,642	(1,328)	338,314	325,899	12,415
Purchased professional and technical services	245,052	(71,087)	173,965	90,673	83,292
Other purchased services	35,758	56,639	92,397	45,967	46,430
Supplies and materials	4,537	2,896	7,433	7,432	1
Total support services	896,896	(11,026)	885,870	665,798	220,072
Total expenditures	2,672,140		2,672,140	2,362,182	309,958
Other financing sources:					
Transfer in from general fund	251,222		251,222	251,222	
Total outflows	\$ 2,420,918		\$ 2,420,918	\$ 2,110,960	\$ 309,958

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

GLASSBORO SCHOOL DISTRICT
 Required Supplementary Information
 Budget-to-GAAP Reconciliation
 Note to RSI
 for the Fiscal Year Ended June 30, 2016

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.	\$ 39,478,412	\$ 2,110,960
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(2,300)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,517,656	49,991
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the following year.	(1,518,104)	(43,491)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 39,477,964	\$ 2,115,160
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	\$ 38,989,652	\$ 2,362,182
Difference - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		(2,300)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - Governmental Funds.	\$ 38,989,652	\$ 2,359,882

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

GLASSBORO SCHOOL DISTRICT
 Schedule of the District's Proportionate Share of the Net Pension Liability - PERS
 Last Two Fiscal Years

	Fiscal Year Ended	
	June 30, 2015	June 30, 2016
District's proportion of the net pension liability (asset)	0.0700880510%	0.0619752576%
District's proportionate share of the net pension liability (asset)	\$ 13,122,541	\$ 13,912,203
District's covered - employee payroll	4,254,028	4,200,232
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	308.47%	331.22%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%
Measurement date	June 30, 2014	June 30, 2015

GLASSBORO SCHOOL DISTRICT
Schedule of District Contributions - PERS
Last Two Fiscal Years

	Fiscal Year Ended	
	June 30, 2015	June 30, 2016
Contractually required contribution	\$ 577,802	\$ 532,821
Contributions in relation to the contractually required contribution	<u>577,802</u>	<u>532,821</u>
Contribution deficiency (excess)	<u>None</u>	<u>None</u>
District's covered - employee payroll	\$ 4,254,028	\$ 4,200,232
Contributions as a percentage of covered-employee payroll	13.58%	12.69%
Measurement date	June 30, 2014	June 30, 2015

GLASSBORO SCHOOL DISTRICT
 Schedule of the District's Proportionate Share of the Net Pension Liability - TPAF
 Last Two Fiscal Years

	Fiscal Year Ended	
	June 30, 2015	June 30, 2016
District's proportion of the net pension liability (asset)	0.1453687585%	0.1488889207%
District's proportionate share of the net pension liability (asset)	\$ 77,694,870	\$ 94,104,156
District's covered - employee payroll	15,438,884	15,441,481
District's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	503.24%	609.42%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%
Measurement date	June 30, 2014	June 30, 2015

The data in the above schedule represents the allocation of the State of New Jersey's obligation on behalf of the District.

The Teachers' Pension and Annuity Fund (TPAF) On-behalf Payments is a Cost Sharing, Multi-Employer Defined Benefit Plan with a Special Funding Situation - 100% Legal Obligation of the State of New Jersey (State).

Since the State is the only entity with a legal obligation, the District's proportionate share percentage determined under paragraph 48 of GASB No. 68 is zero percent. Accordingly, the District did not recognize any portion of the TPAF collective net pension liability on the Statement of Net Position (A-1). Also on the A-1, and for the same reasons, the District did not recognize any portion of TPAF collective deferred outflows of resources and TPAF deferred inflows of resources.

GLASSBORO SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART III
JUNE 30, 2016

NOTE 1: CONTRIBUTIONS

The contribution policy for PERS is set by NJSA 15A and requires contributions by active members and contributing employers. The District's contribution amount was based on an actuarially determined rate which includes the normal cost and unfunded accrued liability.

NOTE 2: ACTUARIAL ASSUMPTIONS

The collective total pension liability for the June 30, 2015, measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions:

Inflation rate	3.04%
Salary increases:	
2012-2021	2.15 – 4.40% based on age
Thereafter	3.15 – 5.40% based on age
Investment rate of return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014, valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report at: <http://www.nj.gov/treasury/pensions/employer-home.shtml>.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

GLASSBORO SCHOOL DISTRICT
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 for the Fiscal Year Ended June 30, 2016

	Total Brought Forward (Exhibit E-1a)	Title I	Title II Part A	Title III	IDEA Basic	IDEA Preschool	Total
REVENUES:							
Federal sources		\$ 729,854	\$ 97,187	\$ 13,075	\$ 661,755	\$ 24,519	\$ 1,526,390
State sources	\$ 557,212						557,212
Other sources	27,358						27,358
Total revenues	\$ 584,570	\$ 729,854	\$ 97,187	\$ 13,075	\$ 661,755	\$ 24,519	\$ 2,110,960
EXPENDITURES:							
Instruction:							
Salaries of teachers	\$ 419,033	\$ 537,044		\$ 10,654	\$ 24,230		\$ 990,961
Other salaries for instruction	95,172						95,172
Purchased professional - educational services	32,499						32,499
Other purchased services	11,570	2,430			496,273	\$ 24,519	534,792
General supplies	27,353				9,811		37,164
Textbooks	4,909						4,909
Other objects	887						887
Total instruction	591,423	539,474		10,654	530,314	24,519	1,696,384
Support services:							
Salaries of program directors	49,762	2,160	\$ 20,412		27,218		99,552
Salaries of other professional staff	32,273						32,273
Salaries of secretarial and clerical asst.	14,792				49,210		64,002
Personal services - employees benefits	126,185	188,186	1,407	2,421	7,700		325,899
Purchased professional - technical services			46,924		43,749		90,673
Other purchased services	15,345		28,444		2,178		45,967
Supplies and materials	6,012	34			1,386		7,432
Total support services	244,369	190,380	97,187	2,421	131,441		665,798
Total expenditures	835,792	729,854	97,187	13,075	661,755	24,519	2,362,182
Other financing sources							
Transfer in from general fund	251,222						251,222
Total outflows	\$ 584,570	\$ 729,854	\$ 97,187	\$ 13,075	\$ 661,755	\$ 24,519	\$ 2,110,960

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
for the Fiscal Year Ended June 30, 2016

	Total Brought Forward (Exhibit E-1b)	Preschool Education Aid (Exhibit E-2)	Nonpublic Textbook	Nonpublic Nursing	Nonpublic Technology	Nonpublic Security Aid	Total Carried Forward
REVENUES:							
State sources	\$ 35,389	\$ 504,532	\$ 4,909	\$ 7,920	\$ 2,262	\$ 2,200	\$ 557,212
Other sources	27,358						27,358
Total revenues	\$ 62,747	\$ 504,532	\$ 4,909	\$ 7,920	\$ 2,262	\$ 2,200	\$ 584,570
EXPENDITURES:							
Instruction:							
Salaries of teachers	\$ 3,672	\$ 415,361					\$ 419,033
Other salaries for instruction		95,172					95,172
Purchased professional - educational services	24,579			\$ 7,920			32,499
Other purchased services	600	10,970					11,570
General supplies	14,776	10,315			\$ 2,262		27,353
Textbooks			\$ 4,909				4,909
Other objects	887						887
Total instruction	44,514	531,818	4,909	7,920	2,262		591,423
Support services:							
Salaries of program directors		49,762					49,762
Salaries of other professional staff	1,116	31,157					32,273
Salaries of secretarial and clerical asst.		14,792					14,792
Personal services - employees benefits		126,185					126,185
Other purchased services	13,305	2,040					15,345
Supplies and materials	3,812					\$ 2,200	6,012
Total support services	18,233	223,936				2,200	244,369
Total expenditures	62,747	755,754	4,909	7,920	2,262	2,200	835,792
Other financing sources							
Transfer in from general fund		251,222					251,222
Total outflows	\$ 62,747	\$ 504,532	\$ 4,909	\$ 7,920	\$ 2,262	\$ 2,200	\$ 584,570

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
for the Fiscal Year Ended June 30, 2016

	Total Brought Forward (Exhibit E-1c)	Non-public Handicapped Services			Non-public Auxiliary Services		Total Carried Forward
		Corr. Speech	Exam & Class	Supp. Inst.	Comp. Ed.	Transp.	
REVENUES:							
State sources		\$ 8,862	\$ 9,886	\$ 5,049	\$ 9,644	\$ 1,948	\$ 35,389
Other sources	\$ 27,358						27,358
Total revenues	<u>\$ 27,358</u>	<u>\$ 8,862</u>	<u>\$ 9,886</u>	<u>\$ 5,049</u>	<u>\$ 9,644</u>	<u>\$ 1,948</u>	<u>\$ 62,747</u>
EXPENDITURES:							
Instruction:							
Salaries of teachers	\$ 3,672						\$ 3,672
Purchased professional - educational services			\$ 9,886	\$ 5,049	\$ 9,644		24,579
Other purchased services	600						600
General supplies	14,776						14,776
Other objects	887						887
Total instruction	<u>19,935</u>		<u>9,886</u>	<u>5,049</u>	<u>9,644</u>		<u>44,514</u>
Support services:							
Salaries of other professional staff	1,116						1,116
Other purchased services	2,495	\$ 8,862				\$ 1,948	13,305
Supplies and materials	3,812						3,812
Total support services	<u>7,423</u>	<u>8,862</u>				<u>1,948</u>	<u>18,233</u>
Total expenditures	<u>27,358</u>	<u>8,862</u>	<u>9,886</u>	<u>5,049</u>	<u>9,644</u>	<u>1,948</u>	<u>62,747</u>
Total outflows	<u>\$ 27,358</u>	<u>\$ 8,862</u>	<u>\$ 9,886</u>	<u>\$ 5,049</u>	<u>\$ 9,644</u>	<u>\$ 1,948</u>	<u>\$ 62,747</u>

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
for the Fiscal Year Ended June 30, 2016

	Exxon/ Mobil	Safety Grant	Inclusive Schools Climate Incentive	Youth Services/ STEAM Grant	Goldman Sachs Philanthropy Grant	Total Carried Forward
REVENUES:						
Other sources	\$ 1,855	\$ 3,812	\$ 2,495	\$ 13,871	\$ 5,325	27,358
Total revenues	<u>\$ 1,855</u>	<u>\$ 3,812</u>	<u>\$ 2,495</u>	<u>\$ 13,871</u>	<u>\$ 5,325</u>	<u>\$ 27,358</u>
EXPENDITURES:						
Instruction:						
Salaries of teachers				\$ 3,672		\$ 3,672
Other purchased services					\$ 600	600
General supplies	\$ 968			9,083	4,725	14,776
Other objects	887					887
Total instruction	<u>1,855</u>			<u>12,755</u>	<u>5,325</u>	<u>19,935</u>
Support services:						
Salaries of other professional staff				1,116		1,116
Other purchased services			\$ 2,495			2,495
Supplies and materials		\$ 3,812				3,812
Total support services		<u>3,812</u>	<u>2,495</u>	<u>1,116</u>		<u>7,423</u>
Total expenditures	<u>1,855</u>	<u>3,812</u>	<u>2,495</u>	<u>13,871</u>	<u>5,325</u>	<u>27,358</u>
Total outflows	<u>\$ 1,855</u>	<u>\$ 3,812</u>	<u>\$ 2,495</u>	<u>\$ 13,871</u>	<u>\$ 5,325</u>	<u>\$ 27,358</u>

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Preschool Education Aid Schedules(s) of Expenditures -
Budgetary Basis
for the Fiscal Year Ended June 30, 2016

DISTRICT-WIDE TOTAL

	Total		Variance
	Budgeted	Actual	
EXPENDITURES:			
Instruction:			
Salaries of teachers	\$ 415,361	\$ 415,361	
Other salaries for instruction	95,172	95,172	
Other purchased services	10,970	10,970	
General supplies	10,315	10,315	
Total instruction	<u>531,818</u>	<u>531,818</u>	
Support services:			
Salaries of program directors	49,762	49,762	
Salaries of other professional staff	31,157	31,157	
Salaries of secretarial and clerical asst.	14,792	14,792	
Personal services - employees benefits	126,185	126,185	
Other purchased services	2,040	2,040	
Total support services	<u>223,936</u>	<u>223,936</u>	
Total expenditures	<u>\$ 755,754</u>	<u>\$ 755,754</u>	

CALCULATION OF BUDGET & CARRYOVER

Total revised 2015-16 Preschool Education Aid Allocation	\$ 434,910
Add: Actual Preschool Education Aid Carryover (June 30, 2015)	69,622
Add: Budgeted Transfer from General Fund 2015-16	251,222
Total Preschool Education Aid Funds available for 2015-16 Budget	<u>755,754</u>
Less: 2015-16 Budgeted Preschool Education Aid (including prior year budgeted carryover)	<u>(755,754)</u>

CAPITAL PROJECTS FUND

GLASSBORO SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2016

<u>Project Title/Issue</u>	<u>Approval Date</u>	<u>Revised Budgetary Appropriations</u>	<u>GAAP Expenditures to Date</u>		<u>Unexpended Appropriations June 30, 2016</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Various improvements to facilities	3/10/2015	<u>\$ 23,647,000</u>		<u>\$ 3,808,426</u>	<u>\$ 19,838,574</u>

GLASSBORO SCHOOL DISTRICT
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budgetary Basis
 for the Year Ended June 30, 2016

Revenues and other financing sources:

Bond proceeds	\$ 23,647,000
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Expenditures and other financing uses:

Legal fees	41,981
Purchased professional and technical services	1,201,611
Construction services	2,515,843
Supplies and materials	48,991
	3,808,426
Total expenditures	3,808,426
Excess (deficiency) of revenues over (under) expenditures	19,838,574

Fund balance - beginning	
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Fund balance - ending	\$ 19,838,574
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GLASSBORO SCHOOL DISTRICT
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Roof Replacement to Elementary School
 From Inception and for the Year Ended June 30, 2016

	Current Period	Totals	Revised Authorized Costs
Revenues and other financing sources:			
Bond proceeds and transfers	\$ 23,647,000	\$ 23,647,000	\$ 23,647,000
Total revenues	<u>23,647,000</u>	<u>23,647,000</u>	<u>23,647,000</u>
Expenditures and other financing uses:			
Legal fees	41,981	41,981	42,214
Purchased professional and technical services	1,201,611	1,201,611	4,540,192
Construction services	2,515,843	2,515,843	19,015,602
Supplies and materials	48,991	48,991	48,992
Total expenditures	<u>3,808,426</u>	<u>3,808,426</u>	<u>23,647,000</u>
Excess (deficiency) of revenues over (under) expenses	<u>\$ 19,838,574</u>	<u>\$ 19,838,574</u>	
Additional project information:			
Bond authorization/referendum date		3/10/2015	
Bonds authorized	\$ 23,647,000		
Bonds issued	23,647,000		
Original project authorized cost	23,647,000		
Percentage completion		16%	
Original target completion date		9/30/2017	

PROPRIETARY FUNDS

GLASSBORO SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Net Position
for the Fiscal Year Ended June 30, 2016

	Food Service Fund	Professional Development Fund	Total Enterprise Fund
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 92,357		\$ 92,357
Receivables, net	129,799		129,799
Interfund receivable		\$ 1,537	1,537
Inventory	9,992		9,992
Total current assets	232,148	1,537	233,685
Noncurrent assets:			
Furniture, machinery, and equipment	461,602		461,602
Less: accumulated depreciation	406,636		406,636
Total noncurrent assets	54,966		54,966
Total assets	287,114	\$ 1,537	288,651
LIABILITIES			
Accounts payable	46,887		46,887
Deferred revenue	10,545		10,545
Total liabilities	57,432		57,432
NET POSITION			
Unrestricted	229,682	\$ 1,537	231,219
Total net position	\$ 229,682	\$ 1,537	\$ 231,219

GLASSBORO SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Revenues, Expenses,
and Changes in Fund Net Position
for the Fiscal Year Ended June 30, 2016

	Food Service Fund	Professional Development Fund	Total Enterprise Fund
	<u> </u>	<u> </u>	<u> </u>
Operating revenues:			
Charges for services:			
Daily sales - non-reimbursable programs	\$ 185,935		\$ 185,935
Special functions	18,827		18,827
Professional development fees		\$ 1,875	1,875
Total operating revenue	<u>204,762</u>	<u>1,875</u>	<u>206,637</u>
Operating expenses:			
Cost of sales	435,245		435,245
Salaries	283,844		283,844
Employee benefits	67,097		67,097
Contracted services	56,469	1,973	58,442
Operations and maintenance	48,906		48,906
Supplies and materials	41,083		41,083
Miscellaneous expenditures	5,540		5,540
Depreciation	9,356		9,356
Total operating expenses	<u>947,540</u>	<u>1,973</u>	<u>949,513</u>
Operating income (loss)	<u>(742,778)</u>	<u>(98)</u>	<u>(742,876)</u>
Non-operating revenues (expenses):			
Interest earned	483		483
State sources:			
State school lunch program	9,806		9,806
Federal sources:			
School breakfast program	202,662		202,662
National school lunch program	445,332		445,332
Performance based lunch program	11,545		11,545
Food distribution program commodities	75,904		75,904
Summer food service program	3,064		3,064
Prior year payable canceled	691		691
Total non-operating revenues (expenses)	<u>749,487</u>		<u>749,487</u>
Change in net position	6,709	(98)	6,611
Total net position - beginning	<u>222,973</u>	<u>1,635</u>	<u>224,608</u>
Total net position - ending	<u>\$ 229,682</u>	<u>\$ 1,537</u>	<u>\$ 231,219</u>

GLASSBORO SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Cash Flows
for the Fiscal Year Ended June 30, 2016

	Food Service Fund	Professional Development Fund	Total Enterprise Fund
	<u> </u>	<u> </u>	<u> </u>
Cash flows from operating activities:			
Receipts from customers	\$ 228,646	\$ 1,875	\$ 230,521
Payments to employees	(284,755)		(284,755)
Payments for employee benefits	(67,214)		(67,214)
Payments to suppliers	(513,989)	(1,973)	(515,962)
Net cash provided by (used for) operating activities	<u>(637,312)</u>	<u>(98)</u>	<u>(637,410)</u>
Cash flows from non-capital financing activities:			
State sources	9,070		9,070
Federal sources	585,014		585,014
Transfer from (to) other funds		98	98
Net cash provided by non-capital financing activities	<u>594,084</u>	<u>98</u>	<u>594,182</u>
Cash flows from capital and related financing activities:			
Purchase of capital assets	(2,442)		(2,442)
Net cash provided by capital and related financing activities	<u>(2,442)</u>		<u>(2,442)</u>
Cash flows from investing activities			
Interest earned	483		483
Net cash provided by investing activities	<u>483</u>		<u>483</u>
Net increase (decrease) in cash and cash equivalents	(45,187)		(45,187)
Balance - beginning of year	137,544		137,544
Balance - end of year	<u>\$ 92,357</u>		<u>\$ 92,357</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (742,778)	(98)	\$ (742,876)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	9,356		9,356
Food distribution program	75,904		75,904
(Increase) decrease in accounts receivable	24,232		24,232
(Increase) decrease in inventory	(215)		(215)
Increase (decrease) in accounts payable	(3,465)		(3,465)
Increase (decrease) in deferred revenue	(346)		(346)
Net cash provided by (used for) operating activities	<u>\$ (637,312)</u>	<u>\$ (98)</u>	<u>\$ (637,410)</u>

GLASSBORO SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Net Position
for the Fiscal Year Ended June 30, 2016

	Workmen's Compensation Fund
ASSETS	
Cash and cash equivalents	\$ 1,964
NET POSITION	
Unrestricted	\$ 1,964

GLASSBORO SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Revenues, Expenses,
and Changes in Fund Net Position
for the Fiscal Year Ended June 30, 2016

	Workmen's Compensation Fund
Operating revenue:	
Workers' compensation contributions	\$ 10,000
Operating expenses:	
Claims expense	8,499
Operating income (loss)	1,501
Non-operating revenues (expenses):	
Interest earned	17
Net income (loss)	1,518
Total net position - beginning	446
Total net position - ending	\$ 1,964

GLASSBORO SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Cash Flows
for the Fiscal Year Ended June 30, 2016

	Workmen's Compensation Fund
Cash flows from operating activities:	
Receipts for internal service activities	\$ 10,000
Payments for claims	(8,499)
Net cash provided by (used for) operating activities	1,501
Cash flows from investing activities:	
Interest earned	17
Net cash provided by investing activities	17
Balance - beginning of year	446
Balance - end of year	\$ 1,964
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 1,501
Net cash provided by (used for) operating activities	\$ 1,501

FIDUCIARY FUNDS

GLASSBORO SCHOOL DISTRICT
Combining Statement of Fiduciary Net Position
for the Fiscal Year Ended June 30, 2016

	Trust		Agency Funds	Total 2016
	Unemployment Compensation	Private Purpose		
ASSETS				
Cash and cash equivalents	\$ 92,665	\$ 45,265	\$ 654,534	\$ 792,464
Total assets	<u>\$ 92,665</u>	<u>\$ 45,265</u>	<u>654,534</u>	<u>792,464</u>
LIABILITIES				
Payroll deductions and withholdings			\$ 246,314	246,314
Accrued salaries and wages			239,011	239,011
Due to student groups			169,209	169,209
Total liabilities			<u>\$ 654,534</u>	<u>654,534</u>
NET POSITION				
Held in trust for unemployment claims	\$ 92,665			92,665
Reserved for scholarships		\$ 45,265		45,265
Total net position	<u>\$ 92,665</u>	<u>\$ 45,265</u>		<u>\$ 137,930</u>

GLASSBORO SCHOOL DISTRICT
Combining Statement of Changes in Fiduciary Net Position
for the Fiscal Year Ended June 30, 2016

	Unemployment Compensation Trust	Private Purpose Scholarship Trust	Total 2016
ADDITIONS:			
Contributions	\$ 36,110	\$ 540	\$ 36,650
Interest earned	322	168	490
Total additions	<u>36,432</u>	<u>708</u>	<u>37,140</u>
DEDUCTIONS:			
Unemployment claims	22,178		22,178
Scholarships awarded		4,550	4,550
Total deductions	<u>22,178</u>	<u>4,550</u>	<u>26,728</u>
Change in net position	14,254	(3,842)	10,412
Net position - beginning	78,411	49,107	127,518
Net position - end	<u>\$ 92,665</u>	<u>\$ 45,265</u>	<u>\$ 137,930</u>

GLASSBORO SCHOOL DISTRICT
 Student Activity Agency Fund
 Schedule of Receipts and Disbursements
 for the Fiscal Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2016</u>
ACTIVITIES:					
Dorothy L. Bullock School	\$ 14,080	\$ 16,522	\$ 14,469		\$ 16,133
J.H. Rodgers Memorial School	1,993	1,861	1,857		1,997
Thomas E. Bowe School	31,773	38,393	36,281		33,885
Intermediate School	16,654	46,526	43,848	\$ 487	19,819
High School	96,327	218,488	222,628	193	92,380
Special services/other	3,410	23,509	21,244	(680)	4,995
	<u>\$ 164,237</u>	<u>\$ 345,299</u>	<u>\$ 340,327</u>		<u>\$ 169,209</u>

GLASSBORO SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
for the Fiscal Year Ended June 30, 2016

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
ASSETS				
Cash and cash equivalents	\$ 503,813	\$ 25,185,089	\$ 25,203,577	\$ 485,325
Total assets	<u>\$ 503,813</u>	<u>\$ 25,185,089</u>	<u>\$ 25,203,577</u>	<u>\$ 485,325</u>
LIABILITIES				
Accrued salaries and wages	\$ 262,025	\$ 12,675,050	\$ 12,698,064	\$ 239,011
Payroll deductions and withholdings	241,788	12,510,039	12,505,513	246,314
Total liabilities	<u>\$ 503,813</u>	<u>\$ 25,185,089</u>	<u>\$ 25,203,577</u>	<u>\$ 485,325</u>

LONG-TERM DEBT

GLASSBORO SCHOOL DISTRICT
Schedule of Serial Bonds
June 30, 2016

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2015	Issued	Retired	Balance June 30, 2016
			Date	Amount					
Refunding School Bonds, Series 2006	12/19/06	\$ 9,500,000	8/15/16	\$ 1,300,000	5.000%				
			8/15/17	1,755,000	4.000%				
			8/15/18	1,825,000	4.000%	\$ 6,070,000		\$ 1,190,000	\$ 4,880,000
Refunding School Bonds, Series 2009	9/10/09	4,095,000	5/15/17	315,000	4.000%	660,000		345,000	315,000
General Bonds, Series 2015	7/28/15	23,647,000	7/15/16	945,000	3.000%				
			7/15/17	950,000	3.000%				
			7/15/18	965,000	3.000%				
			7/15/19	980,000	3.000%				
			7/15/20	995,000	3.000%				
			7/15/21	1,020,000	3.000%				
			7/15/22	1,040,000	3.000%				
			7/15/23	1,065,000	3.000%				
			7/15/24	1,095,000	3.000%				
			7/15/25	1,125,000	3.000%				
			7/15/26	1,155,000	3.000%				
			7/15/27	1,195,000	3.000%				
			7/15/28	1,230,000	3.125%				
			7/15/29	1,270,000	3.250%				
			7/15/30	1,315,000	3.500%				
			7/15/31	1,360,000	3.500%				
			7/15/32	1,405,000	3.625%				
7/15/33	1,460,000	3.750%							
7/15/34	1,510,000	3.750%							
7/15/35	1,567,000	3.750%							
							\$ 23,647,000		23,647,000
						\$ 6,730,000	\$ 23,647,000	\$ 1,535,000	\$ 28,842,000

GLASSBORO SCHOOL DISTRICT
Schedule of Obligations Under Capital Leases
for the Fiscal Year Ended June 30, 2016

Purpose	Date of Lease	Term of Lease	Amount of Original Lease		Interest Rate	Balance June 30, 2015	Issued	Retired	Balance June 30, 2016
			Principal	Interest					
School buses	9/13/06	10 Years	\$ 316,950	\$ 76,866	4.46%	\$ 41,574		\$ 38,304	\$ 3,270
School buses	12/19/06	10 Years	176,850	43,817	4.55%	26,763		21,289	5,474
School buses	2/21/08	10 Years	99,990	21,797	5.63%	22,748		11,114	11,634
School buses	9/12/08	10 Years	69,895	14,975	4.60%	23,286		7,415	15,871
Network equipment	9/3/11	4 Years	79,073	5,341	3.24%	1,754		1,754	
School buses	9/20/11	7 Years	81,263	7,075	2.88%	35,781		11,590	24,191
School buses	1/27/12	7 Years	44,570	3,881	2.88%	19,625		6,357	13,268
Network equipment	8/1/12	5 Years	105,285	9,669	2.14%	42,995		21,015	21,980
Computer equipment	10/16/13	5 Years	1,143,664	69,180	3.03%	685,792		221,818	463,974
TV studio upgrade	11/15/13	4 Years	89,203	3,441	2.58%	44,587		22,009	22,578
Copiers	1/28/15	4 Years	283,334	20,756	3.49%	250,051		68,343	181,708
Communication equipment	5/1/15	2 Years	1,473,091	31,418	1.45%	1,441,673		724,011	717,662
School buses	7/22/15	7 Years	167,369	14,981	2.97%		\$ 167,369	26,050	141,319
						<u>\$ 2,636,629</u>	<u>\$ 167,369</u>	<u>\$ 1,181,069</u>	<u>\$ 1,622,929</u>

GLASSBORO SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
for the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local sources:					
Local tax levy	\$ 2,184,072		\$ 2,184,072	\$ 2,184,072	
State sources:					
Debt service aid type II	126,645		126,645	126,645	
Total revenues	<u>2,310,717</u>		<u>2,310,717</u>	<u>2,310,717</u>	
EXPENDITURES:					
Regular debt service:					
Interest	775,717		775,717	620,024	\$ 155,693
Redemption of principal	1,535,000		1,535,000	1,535,000	
Total expenditures	<u>2,310,717</u>		<u>2,310,717</u>	<u>2,155,024</u>	<u>155,693</u>
Excess (deficiency) of revenue over (under) expenditures				155,693	155,693
Other financing sources:					
Operating transfers in:					
Interest earned in capital projects fund				71,599	71,599
Excess (deficiency) of revenues and other financing sources over (under) expenditures				227,292	227,292
Fund balance - July 1					
Fund balance - June 30				<u>\$ 227,292</u>	<u>\$ 227,292</u>

STATISTICAL SECTION (UNAUDITED)

GLASSBORO SCHOOL DISTRICT
Statistical Section

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	109-114
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	115-118
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	119-122
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	123-124
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	125-129

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The District implemented GASB Statement 34 in the fiscal year ending June 30, 2003; schedules presenting District-wide information include information beginning in that year.

GLASSBORO SCHOOL DISTRICT
 Net Position by Component
 Last Ten Fiscal Years
 Unaudited

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities:										
Invested in capital assets, net of related debt	\$ 6,212,121	\$ 7,185,379	\$ 8,014,551	\$ 8,126,925	\$ 9,025,089	\$ 9,878,118	\$ 10,594,644	\$ 10,784,196	\$ 10,228,863	\$ (10,106,873)
Restricted	964,718	1,149,462	1,886,591	1,070,568	1,799,540	2,774,030	2,892,083	2,244,902	2,776,209	23,181,211
Unrestricted	(1,337,006)	(1,754,838)	(2,545,010)	(2,360,909)	(2,325,251)	(2,463,655)	(2,457,987)	(2,372,386)	(14,702,604)	(14,912,074)
Total governmental activities net position	\$ 5,839,833	\$ 6,580,003	\$ 7,356,132	\$ 6,836,584	\$ 8,499,378	\$ 10,188,493	\$ 11,028,740	\$ 10,656,712	\$ (1,697,532)	\$ (1,837,736)
Business-type activities:										
Invested in capital assets, net of related debt	\$ 107,113	\$ 91,930	\$ 76,747	\$ 61,565	\$ 47,278	\$ 32,990	\$ 21,625	\$ 10,260		
Unrestricted	87,720	105,278	52,104	124,326	154,646	190,749	212,339	237,732	\$ 224,608	\$ 231,219
Total governmental activities net position	\$ 194,833	\$ 197,208	\$ 128,851	\$ 185,891	\$ 201,924	\$ 223,739	\$ 233,964	\$ 247,992	\$ 224,608	\$ 231,219
District-wide:										
Invested in capital assets, net of related debt	\$ 6,319,234	\$ 7,277,309	\$ 8,091,298	\$ 8,188,490	\$ 9,072,367	\$ 9,911,108	\$ 10,616,269	\$ 10,794,456	\$ 10,228,863	\$ (10,106,873)
Restricted	964,718	1,149,462	1,886,591	1,070,568	1,800,153	2,774,030	2,892,083	2,244,902	2,776,209	23,181,211
Unrestricted	(1,249,286)	(1,649,560)	(2,492,906)	(2,236,583)	(2,171,218)	(2,272,906)	(2,245,648)	(2,134,654)	(14,477,996)	(14,680,855)
Total district-wide net position	\$ 6,034,666	\$ 6,777,211	\$ 7,484,983	\$ 7,022,475	\$ 8,701,302	\$ 10,412,232	\$ 11,262,704	\$ 10,904,704	\$ (1,472,924)	\$ (1,606,517)

Source: District records

GLASSBORO SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years
 Unaudited

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 7,236,217	\$ 7,941,161	\$ 9,528,742	\$ 9,786,955	\$ 8,859,404	\$ 8,976,002	\$ 9,027,811	\$ 9,702,464	\$ 9,419,002	\$ 9,448,996
Special education	5,958,477	6,181,766	2,725,660	2,890,714	3,212,700	3,188,639	4,870,826	5,025,765	5,105,734	5,128,540
Other special instruction	417,873	382,619	1,981,784	2,264,542	2,162,713	1,815,288	559,694	490,921	525,918	694,969
Other instruction	405,657	412,955	400,575	524,418	383,760	403,600	492,690	444,454	452,855	477,587
Support services:										
Tuition	2,405,530	2,375,920	2,208,288	1,962,359	1,900,756	1,995,833	2,225,349	2,209,226	2,388,303	2,526,303
Student & instructional related services	3,990,569	4,214,751	3,934,507	3,894,998	3,611,726	3,525,899	3,799,163	3,856,111	3,801,784	3,647,240
School administration services	1,264,389	1,199,725	1,326,955	1,392,744	1,349,197	1,278,562	1,400,253	1,388,360	1,420,107	1,397,355
General & business administrative services	1,406,119	1,387,454	1,372,823	1,476,094	1,436,766	1,512,868	1,601,083	1,662,966	1,569,717	1,540,894
Plant operations & maintenance	2,978,196	3,052,419	3,118,769	2,986,573	3,032,171	2,889,225	2,849,602	3,085,931	2,948,844	2,826,276
Pupil transportation	1,806,594	2,063,048	1,888,124	1,925,499	1,806,204	2,018,285	2,081,236	2,171,642	2,135,851	2,319,113
Employee benefits	7,077,665	7,628,471	6,935,662	7,828,318	8,221,190	8,778,641	9,482,779	9,456,216	10,156,037	10,934,216
Capital outlay	789,757	128,838	178,888	1,069,913	83,374	244,572	210,156	1,048,753	1,437,496	1,339,004
Special schools	119,928	107,851	124,330							
Transfer to charter school		1,957			30,665	31,661	58,539	85,764	77,831	114,584
Interest on long-term debt	600,733	687,676	644,984	528,742	531,772	493,551	438,307	381,963	330,700	620,024
Unallocated depreciation	997,395	1,018,831	1,028,800	1,027,835	975,910	1,088,023	969,265	877,168	1,009,782	1,082,433
Total governmental activities expenses	37,455,099	38,785,442	37,398,891	39,559,704	37,598,308	38,240,649	40,066,753	41,887,704	42,779,961	44,097,534
Business-type activities:										
Food service	943,211	884,958	978,790	878,870	832,884	867,873	912,712	856,172	864,403	947,540
Print shop	12,753	13,706								
Professional development									2,965	1,973
Total business-type activities expenses	955,964	898,664	978,790	878,870	832,884	867,873	912,712	856,172	867,368	949,513
Total district-wide expenses	\$ 38,411,063	\$ 39,684,106	\$ 38,377,681	\$ 40,438,574	\$ 38,431,192	\$ 39,108,522	\$ 40,979,465	\$ 42,743,876	\$ 43,647,329	\$ 45,047,047
Program revenues:										
Governmental activities:										
Charges for services:										
General & business administrative services			\$ 15,000		\$ 2,300	\$ 7,000	\$ 7,000	\$ 4,000	\$ 9,000	\$ 10,000
Operating grants & contributions	\$ 4,114,756	\$ 4,335,039	2,216,128	\$ 2,418,049	2,597,744	1,937,408	2,049,157	2,196,841	2,113,616	2,115,160
Total governmental activities program revenues	4,114,756	4,335,039	2,231,128	2,418,049	2,600,044	1,944,408	2,056,157	2,200,841	2,122,616	2,125,160
Business-type activities:										
Charges for services:										
Food service	446,138	401,047	373,647	358,789	316,140	295,552	297,364	251,268	214,261	204,762
Print shop	14,825	7,999								
Professional development									4,600	1,875
Operating grants & contributions	476,781	490,303	516,359	576,980	532,698	592,899	624,095	617,426	624,976	749,004
Total business-type activities revenues	937,744	899,349	890,006	935,769	848,838	888,451	921,459	868,694	843,837	955,641
Total district program revenues	\$ 5,052,500	\$ 5,234,388	\$ 3,121,134	\$ 3,353,818	\$ 3,448,882	\$ 2,832,859	\$ 2,977,616	\$ 3,069,535	\$ 2,966,453	\$ 3,080,801
Net (expense)/revenue:										
Governmental activities										
Governmental activities	\$ (33,340,343)	\$ (34,450,403)	\$ (35,167,763)	\$ (37,141,655)	\$ (34,998,264)	\$ (36,296,241)	\$ (38,010,596)	\$ (39,686,863)	\$ (40,657,345)	\$ (41,972,374)
Business-type activities	(18,220)	685	(88,784)	56,899	15,954	20,578	8,747	12,522	(23,531)	6,128
Total district-wide net expense	\$ (33,358,563)	\$ (34,449,718)	\$ (35,256,547)	\$ (37,084,756)	\$ (34,982,310)	\$ (36,275,663)	\$ (38,001,849)	\$ (39,674,341)	\$ (40,680,876)	\$ (41,966,246)

GLASSBORO SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General revenues & other changes in net position:										
Governmental activities:										
Property taxes levied for general purposes	\$ 15,166,787	\$ 16,071,230	\$ 15,480,677	\$ 16,209,184	\$ 16,977,715	\$ 16,756,877	\$ 17,377,451	\$ 17,231,596	\$ 18,066,610	\$ 18,091,942
Taxes levied for debt service	1,416,064	1,295,868	1,458,054	1,462,916	1,498,557	1,464,340	1,595,013	1,661,980	1,664,029	2,184,072
Other governmental units	101,442	61,806	34,951	42,404	30,233	18,371	15,334	14,836	16,474	4,375
Unrestricted grants & contributions	15,916,503	16,687,506	18,114,603	18,287,464	17,597,793	18,955,677	19,261,387	19,497,952	20,188,084	20,805,904
Tuition received	280,458	368,546	361,318	178,711	230,822	351,180	481,604	390,457	205,525	406,818
Transportation fees	39,614	108,487	151,222	98,320	72,422	106,626	187,014	188,726	168,733	189,450
Investment earnings	123,762	80,804	20,239	19,389	3,204	35,181	37,322	30,440	1,093	86,487
Miscellaneous income	165,060	270,235	328,359	315,991	243,441	303,484	69,233	362,124	264,216	91,249
Transfers			(20,000)							
Premiums received on sale of refunding bonds	53,000									
Net proceeds refunding bond issue				30,000						
Loss on retirement of asset	(114,289)			(8,591)	(2,370)	(6,657)	(158,548)	(62,459)	(197,111)	(3,100)
Prior year payable canceled	42,313	45,540	15,728	459	24,366	536	2,065	4,042	18,111	17,748
Prior year receivable canceled	(36,917)	(4,843)	(1,259)	(14,140)	(52,279)	(259)	(17,032)	(4,859)	(8,929)	(42,775)
Capital contributed by Borough		205,394								
Contracts payable canceled					37,154					
Total governmental activities	33,153,797	35,190,573	35,943,892	36,622,107	36,661,058	37,985,356	38,850,843	39,314,835	40,386,835	41,832,170
Business-type activities:										
Investment earnings	2,722	1,690	427	141	79	1,237	1,478	1,506	147	483
Transfers			20,000							
Total business-type activities	2,722	1,690	20,427	141	79	1,237	1,478	1,506	147	483
Total district-wide	\$ 33,156,519	\$ 35,192,263	\$ 35,964,319	\$ 36,622,248	\$ 36,661,137	\$ 37,986,593	\$ 38,852,321	\$ 39,316,341	\$ 40,386,982	\$ 41,832,653
Change in net position:										
Governmental activities	\$ (186,546)	\$ 740,170	\$ 776,129	\$ (519,548)	\$ 1,662,794	\$ 1,689,115	\$ 840,247	\$ (372,028)	\$ (270,510)	\$ (140,204)
Business-type activities	(15,498)	2,375	(68,357)	57,040	16,033	21,815	10,225	14,028	(23,384)	6,611
Total district-wide	\$ (202,044)	\$ 742,545	\$ 707,772	\$ (462,508)	\$ 1,678,827	\$ 1,710,930	\$ 850,472	\$ (358,000)	\$ (293,894)	\$ (133,593)

Source: District records

GLASSBORO SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General fund:										
Restricted					\$ 1,438,703	\$ 2,609,121	\$ 2,811,345	\$ 2,184,113	\$ 2,593,225	\$ 2,960,517
Assigned					293,817	164,906	80,737	60,789	182,984	154,828
Unassigned					(647,620)	(735,302)	(736,820)	(729,974)	(716,048)	(675,752)
Reserved	\$ 648,664	\$ 996,598	\$ 1,848,233	\$ 1,012,555						
Unreserved	146,216	29,249	(739,486)	(692,331)						
Total general fund	\$ 794,880	\$ 1,025,847	\$ 1,108,747	\$ 320,224	\$ 1,084,900	\$ 2,038,725	\$ 2,155,262	\$ 1,514,928	\$ 2,060,161	\$ 2,439,593
All other governmental funds:										
Reserved	\$ 163,463	\$ 18,869	\$ 7,613		\$ 67,020	\$ 3	\$ 1			
Unreserved, reported in:										
Special revenue fund	(94,802)	(114,367)	(42,925)	\$ (48,008)	(39,192)	(30,740)	(38,998)	\$ (31,400)	\$ (49,991)	\$ (43,491)
Capital projects fund	133,722	126,382	29,611	29,611						19,838,574
Debt service fund	18,869	7,613	1,134	28,402						227,292
Total all other governmental funds	\$ 221,252	\$ 38,497	\$ (4,567)	\$ 10,005	\$ 27,828	\$ (30,737)	\$ (38,997)	\$ (31,400)	\$ (49,991)	\$ 20,022,375

Source: District records

GLASSBORO SCHOOL DISTRICT
 Changes in Fund Balances - Governmental Funds
 Last Ten Fiscal Years

	Fiscal Year Ending June 30									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues:										
Tax levy	\$ 16,582,851	\$ 17,367,098	\$ 16,938,731	\$ 17,672,100	\$ 18,476,272	\$ 18,221,217	\$ 18,972,464	\$ 18,893,576	\$ 19,730,639	\$ 20,276,014
Other local government units - restricted	101,442	61,806	34,951	42,404	30,233	18,371	15,334	14,836	16,474	4,375
Tuition charges	280,458	368,546	361,318	178,711	230,822	351,180	481,604	390,457	205,525	406,818
Transportation fees	39,614	108,487	151,222	98,320	72,422	106,626	187,014	188,726	168,733	189,450
Interest earnings	136,137	88,178	20,193							71,599
Miscellaneous	165,574	267,623	340,376	356,608	264,153	352,455	133,814	394,217	285,823	131,178
State sources	18,264,328	19,453,615	18,716,904	16,130,738	18,050,221	18,830,097	19,660,761	19,954,973	20,603,227	21,262,694
Federal sources	1,743,731	1,553,782	1,601,810	4,553,547	2,127,808	2,049,184	1,622,496	1,738,144	1,677,958	1,633,312
Total revenue	37,314,135	39,269,135	38,165,505	39,032,428	39,251,931	39,929,130	41,073,487	41,574,929	42,688,379	43,975,440
Expenditures:										
Instruction:										
Regular instruction	7,208,298	7,826,444	9,486,667	9,786,955	8,810,736	8,918,629	9,033,758	9,719,620	9,392,467	9,453,342
Special education instruction	5,958,477	6,181,766	2,725,660	2,967,361	3,212,700	3,188,639	4,870,826	5,025,765	5,105,734	5,128,540
Other special instruction	417,873	382,619	1,981,784	2,264,542	2,162,713	1,815,288	559,694	490,921	525,918	694,969
Other instruction	405,657	412,955	400,575	524,418	383,760	403,600	492,690	444,454	452,855	477,587
Support services:										
Tuition	2,405,530	2,375,920	2,208,288	1,962,359	1,900,756	1,995,833	2,225,349	2,209,226	2,388,303	2,526,303
Student & instruction related services	3,960,150	4,099,478	3,888,371	3,913,014	3,604,211	3,514,360	3,816,796	3,884,301	3,734,469	3,646,567
School administrative services	1,264,389	1,199,725	1,326,955	1,392,744	1,349,197	1,278,562	1,385,088	1,410,148	1,404,508	1,412,830
Other administrative services	1,380,523	1,325,758	1,353,109	1,523,460	1,472,780	1,515,592	1,601,083	1,662,966	1,569,717	1,540,894
Plant operations & maintenance	2,978,196	3,052,419	3,118,769	2,986,573	3,032,171	2,889,225	2,849,602	3,085,931	2,948,844	2,826,276
Pupil transportation	1,806,594	2,063,048	1,888,124	1,925,499	1,806,204	2,018,285	2,081,236	2,171,642	2,135,851	2,319,113
Employee benefits	7,077,665	7,628,471	6,935,662	7,828,318	8,221,190	8,778,641	9,482,779	9,456,216	10,014,666	10,648,785
Special schools	119,928	107,851	124,330							
Transfer to charter school		1,957			30,665	31,661	58,539	85,764	77,831	114,584
Capital outlay	2,145,507	927,429	926,755	1,815,424	1,028,091	1,092,187	799,781	1,985,799	2,375,481	4,368,170
Debt service:										
Principal	1,090,000	1,135,000	1,180,000	1,280,000	1,270,000	1,305,000	1,360,000	1,425,000	1,470,000	1,535,000
Interest	600,733	687,676	644,984	528,742	531,772	493,551	438,307	381,963	330,700	620,024
Total expenditures	38,819,520	39,408,516	38,190,033	40,699,409	38,816,946	39,239,053	41,055,528	43,439,716	43,927,344	47,312,984
Excess (deficiency) of revenues over (under) expenditures	(1,505,385)	(139,381)	(24,528)	(1,666,981)	434,985	690,077	17,959	(1,864,787)	(1,238,965)	(3,337,544)
Other financing sources (uses):										
Bond proceeds										23,647,000
Capital leases (non-budgeted)	1,403,122	146,896	69,895	906,711	338,273	204,906	105,285	1,232,867	1,756,425	167,369
Transfers in	54,999	53,152	16,862	656	24,366	536	265,082	339,116	263,901	340,569
Transfers out	(49,603)	(12,455)	(22,393)	(14,337)	(52,279)	(259)	(280,049)	(339,933)	(254,719)	(365,596)
Contracts payable canceled					37,154					
Total other financing sources (uses)	1,408,518	187,593	64,364	893,030	347,514	205,183	90,318	1,232,050	1,765,607	23,789,342
Net change in fund balance	\$ (96,867)	\$ 48,212	\$ 39,836	\$ (773,951)	\$ 782,499	\$ 895,260	\$ 108,277	\$ (632,737)	\$ 526,642	\$ 20,451,798
Debt service as a percentage of noncapital expenditures	4.83%	4.97%	5.15%	4.88%	5.01%	4.95%	4.68%	4.56%	4.53%	5.28%

Source: District records

GLASSBORO SCHOOL DISTRICT
 General Fund Other Local Revenue by Source
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Prior Year Refunds	Fees	Rentals	Tuition	Miscellaneous	Interest	Annual Totals
2007	\$ 43,317	\$ 11,118	\$ 14,769	\$ 58,333	\$ 18,654		\$ 146,191
2008	226,993	10,852	13,086		16,692		267,623
2009	294,286	9,959	17,028		19,103		340,376
2010	219,947	7,651	13,231	46,943	49,475	\$ 19,361	356,608
2011	137,436	8,475	11,766	83,534	2,176	3,202	246,589
2012	129,963	9,596	13,690	146,500	74,069	35,167	408,985
2013	36,041	11,302	16,141		5,749	37,294	106,527
2014	319,872	8,101	25,309		8,842	30,417	392,541
2015	37,548	9,882	12,115	162,242	42,429	1,092	265,308
2016	8,270	11,009	11,233	32,542	28,195	14,871	106,120

Source: District records

GLASSBORO SCHOOL DISTRICT
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farmland	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax Exempt Property	Public Utilities	Net Valuation Taxable	Actual (County Equalized) Value	Total Direct School Tax Rate
2007	21,787,800	503,148,100	1,838,100	103,127,300	8,641,200	27,974,100	666,516,600		4,149,418	670,666,018	1,055,886,503	2.515
2008	22,372,600	506,459,500	1,963,600	103,369,100	8,641,200	28,549,700	671,355,700		3,928,717	675,284,417	1,159,972,924	2.524
2009	22,727,000	505,855,400	1,963,600	106,027,400	8,641,200	28,758,300	673,972,900		3,619,316	677,592,216	1,220,769,864	2.539
2010	21,389,800	505,513,200	2,000,800	105,460,600	8,341,200	28,817,500	671,523,100		3,637,514	675,160,614	1,245,104,896	2.677
2011	47,616,600	883,217,800	3,198,400	181,429,800	12,319,200	57,259,700	1,185,041,500		7,816,927	1,192,858,427	1,255,462,612	1.538
2012	54,928,800	883,463,400	3,198,400	182,279,800	14,400,100	54,728,000	1,192,998,500		6,250,864	1,199,249,364	1,239,822,665	1.543
2013	47,763,500	889,836,800	3,190,200	178,235,000	13,384,900	53,769,800	1,186,180,200		5,620,182	1,191,800,382	1,197,344,427	1.581
2014	44,272,900	891,128,900	2,583,200	175,876,900	13,084,900	48,249,800	1,175,196,600		5,016,335	1,180,212,935	1,161,819,672	1.629
2015	42,946,200	892,810,800	2,637,700	177,599,700	13,084,900	48,096,500	1,177,175,800		4,858,928	1,182,034,728	1,135,423,072	1.685
2016	66,243,500	894,384,900	2,604,000	176,305,400	12,069,900	48,390,400	1,199,998,100		5,302,493	1,205,300,593	1,210,237,669	1.717

Source: Tax Assessor

GLASSBORO SCHOOL DISTRICT
 Direct and Overlapping Property Tax Rates
 (Rate Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Glassboro School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Borough of Glassboro	Gloucester County	
2007	2.300	0.215	2.515	1.451	0.935	4.901
2008	2.336	0.188	2.524	1.569	1.017	5.110
2009	2.320	0.219	2.539	1.643	1.063	5.245
2010	2.455	0.222	2.677	1.643	1.089	5.409
2011	1.413	0.125	1.538	0.947	0.613	3.098
2012	1.419	0.124	1.543	0.991	0.612	3.146
2013	1.448	0.133	1.581	1.034	0.652	3.267
2014	1.486	0.143	1.629	1.033	0.651	3.313
2015	1.543	0.142	1.685	1.033	0.672	3.390
2016	1.532	0.185	1.717	1.047	0.701	3.465

Source: Municipal Tax Collector

GLASSBORO SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited

	2016			2007		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Park Crest Associates	19,000,000	1	1.58%	7,300,000	5	1.09%
Borough of Glassboro	17,026,800	2	1.41%			
Kranzco Realty Trust	16,000,000	3	1.33%	9,969,100	1	1.49%
LMX Doubletree Ctr.	15,400,000	4	1.28%	8,664,000	4	1.29%
Crossing at Glassboro LLC	13,000,000	5	1.08%			
Hollybush Preservation Partners LP	9,462,700	6	0.79%			
Glassboro Plaza, LLC	8,750,000	7	0.73%	4,560,600	8	0.68%
Glassboro Properties, LLC	8,581,100	8	0.71%	4,995,000	7	0.74%
Verizon - New Jersey	6,613,793	9	0.55%	4,149,418	9	0.62%
DR Horton Inc. - New Jersey	4,922,500	10	0.41%	9,386,900	2	1.40%
Campus - Glassboro LLC				9,000,000	3	1.34%
Hollybush Affordable Housing Inc.				5,043,900	6	0.75%
ADM Cocoa				4,149,300	10	0.62%
	<u>38,330,093</u>		<u>3.18%</u>	<u>67,218,218</u>		<u>10.02%</u>

Source: County Assessor

GLASSBORO SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2007	\$ 16,582,851	\$ 16,582,851	100.00%	
2008	17,367,098	17,367,098	100.00%	
2009	16,938,731	16,938,731	100.00%	
2010	17,672,100	17,672,100	100.00%	
2011	18,476,272	18,476,272	100.00%	
2012	18,221,217	18,221,217	100.00%	
2013	18,972,464	18,972,464	100.00%	
2014	18,893,576	18,893,576	100.00%	
2015	19,730,639	19,730,639	100.00%	
2016	20,276,014	20,276,014	100.00%	

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

GLASSBORO SCHOOL DISTRICT
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Governmental Activities				Total District	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)			
2007	\$ 17,185,000		\$ 2,145,849		\$ 19,330,849	2.52%	986
2008	16,050,000		1,690,551		17,740,551	2.17%	898
2009	14,870,000		1,142,577		16,012,577	1.97%	807
2010	13,560,000		1,507,732		15,067,732	1.95%	811
2011	12,290,000		1,367,777		13,657,777	1.69%	731
2012	10,985,000		1,051,848		12,036,848	1.44%	638
2013	9,625,000		664,585		10,289,585	1.21%	543
2014	8,200,000		1,377,026		9,577,026	1.08%	502
2015	6,730,000		2,636,629		9,366,629	N/A	N/A
2016	28,842,000		1,622,929		30,464,929	N/A	N/A

N/A - At the time of CAFR completion, this data was not available.

GLASSBORO SCHOOL DISTRICT
 Ratios of General Bonded Debt Outstanding
 Last Ten Fiscal Years
 Unaudited

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			
2007	\$ 17,185,000		\$ 17,185,000	2.56%	877
2008	16,050,000		16,050,000	2.38%	812
2009	14,870,000		14,870,000	2.20%	749
2010	13,560,000		13,560,000	2.01%	730
2011	12,290,000		12,290,000	1.03%	658
2012	10,985,000		10,985,000	0.92%	582
2013	9,625,000		9,625,000	0.81%	508
2014	8,200,000		8,200,000	0.69%	430
2015	6,730,000		6,730,000	0.57%	N/A
2016	28,842,000		28,842,000	2.39%	N/A

N/A - At the time of CAFR completion, this data was not available.

GLASSBORO SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 as of June 30, 2016
 Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Glassboro Borough	\$ 38,696,778	100.00%	\$ 38,696,778
Gloucester County General Obligation Debt	239,629,059	4.57%	10,951,048
Subtotal, overlapping debt			49,647,826
Glassboro District Direct Debt			28,842,000
Total direct and overlapping debt			\$ 78,489,826

Sources: Debt outstanding data provided by each governmental unit.

GLASSBORO SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Unaudited

	Equalized valuation basis
2015	\$ 1,140,121,840
2014	1,093,511,305
2013	1,138,587,253
	<u>\$ 3,372,220,398</u>
Average equalized valuation of taxable property	<u>\$ 1,124,073,466</u>
Debt limit (4% of average equalized value)	\$ 44,962,939
Total net debt applicable to limit	28,842,000
Legal debt margin	<u>\$ 16,120,939</u>

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	\$ 35,463,617	\$ 40,466,500	\$ 44,655,764	\$ 47,435,650	\$ 48,595,183	\$ 48,638,352	\$ 47,898,764	\$ 46,827,175	\$ 45,405,144	\$ 44,962,939
Total net debt applicable to limit	17,185,000	16,050,000	14,870,000	13,560,000	12,290,000	10,985,000	9,625,000	8,200,000	6,730,000	28,842,000
Legal debt margin	<u>\$ 18,278,617</u>	<u>\$ 24,416,500</u>	<u>\$ 29,785,764</u>	<u>\$ 33,875,650</u>	<u>\$ 36,305,183</u>	<u>\$ 37,653,352</u>	<u>\$ 38,273,764</u>	<u>\$ 38,627,175</u>	<u>\$ 38,675,144</u>	<u>\$ 16,120,939</u>
Total net debt applicable to the limit as a percentage of debt limit	48.46%	39.66%	33.30%	28.59%	25.29%	22.59%	20.09%	17.51%	14.82%	64.15%

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

GLASSBORO SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Population	Personal Income	Per Capita Personal Income *	Unemployment Rate
2007	19,603	\$ 766,673,330	\$ 39,110	5.80%
2008	19,762	816,289,172	41,306	7.40%
2009	19,841	813,302,431	40,991	10.90%
2010	18,581	771,334,472	41,512	11.60%
2011	18,677	807,500,095	43,235	11.30%
2012	18,866	837,499,472	44,392	11.50%
2013	18,942	852,598,362	45,011	7.90%
2014	19,064	888,439,592	46,603	7.10%
2015	19,216	N/A	N/A	6.30%
2016	N/A	N/A	N/A	N/A

N/A At the time of CAFR completion, this data was not available.
* Represents information for Gloucester County.

Source:

Population information provided by the NJ Department of Labor and Workforce Development. Personal income has been estimated based upon the municipal population and per capita personal income presented.

Per capita personal income estimated based upon the Census published by the U.S. Bureau of Economic Analysis.

Unemployment data provided by the NJ Department of Labor and Workforce Development.

GLASSBORO SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago
Unaudited

Employer	2016			2007		
	Employees	Rank	% of Total Municipal Employment	Employees	Rank	% of Total Municipal Employment
Inspira Health	1,825	1	N/A			
Kennedy Memorial Hospital	1,675	2	N/A			
Washington Township School District	1,592	3	N/A			
Rowan University	1,483	4	N/A			
County of Gloucester	1,354	5	N/A	Information not available		
Missa Bay, LLC	950	6	N/A			
Monroe Township School District	806	7	N/A			
US Foodservices	725	8	N/A			
Exxon Mobil Research & Engineering	540	9	N/A			
LaBrea Bakery	525	10	N/A			
	<u>11,475</u>					

Source: Gloucester County Department of Economic Development and Employer Directly

Note: The information provided is for the County of Gloucester. Information at the municipal level is not readily available.

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

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Instruction:										
Regular	157	164	158	163	135	138	138.8	136	133.5	140
Special education	70	66	64	66	61.3	59.8	52.5	53	55	60
Other instruction	13	15	14	9	4.5	7.2	9.2	14.3	10	10
Support Services:										
Student & instruction related services	47	43	47.5	50.5	38.2	39.2	40.7	38.5	40.5	38.8
General administration	2	2	3	3	2.1	2.1	2.6	2.1	2.1	2.1
School administrative services	16	18	18	18	17.5	17.0	17.0	18	18	24.3
Other administrative services	3	3	3	3	3	3	3	5	5	5
Central services	9	9	7	7	7	7	7	7.5	7.5	7
Administrative information technology	2.5	2.5	2.5	2.5	2.5	2.5	2.5	3	3.3	3
Plant operations & maintenance	38.5	38.5	38.5	41.0	44.3	38.6	38.6	39.7	39.7	39
Pupil transportation	32.5	39.0	40.0	43.0	28	30	29	33	30	31
Other support services	2	2	1	1	1	1	1	1	1	1
Total	<u>392.5</u>	<u>402.0</u>	<u>396.5</u>	<u>407.0</u>	<u>344.4</u>	<u>345.8</u>	<u>341.4</u>	<u>350.1</u>	<u>345.6</u>	<u>361.2</u>

Source: District Personnel Records

GLASSBORO SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle	High				
2007	2,372	\$ 34,983,280	14,748	7.00%	206	12	10	11	2,375	2,216	1.19%	93%
2008	2,334	36,658,411	15,706	6.49%	207	21	19	21	2,248	2,135	-5.35%	95%
2009	2,298	35,438,294	15,421	4.56%	199	22	22	20	2,215	2,097	-6.74%	95%
2010	2,215	37,075,243	16,738	8.54%	198	13	11	17	2,115	2,000	-4.51%	95%
2011	2,234	35,987,083	16,109	-3.76%	182	18	26	18	2,217	2,085	4.82%	94%
2012	2,212	36,348,315	16,432	2.01%	183	18	12	10	2,222	2,121	0.23%	95%
2013	2,243	38,457,440	17,146	4.34%	197	11	6	9	2,181	2,061	-1.85%	94%
2014	2,209	39,646,954	17,948	4.68%	191	13	11	11	2,195	2,074	0.64%	94%
2015	2,274	39,751,163	17,481	-2.60%	191	13	11	11	2,165	2,056	-1.37%	95%
2016	2,168	40,789,790	18,814	7.63%	210	13	10	15	2,101	1,995	-2.96%	95%

Source: Enrollment based on annual October District count.

GLASSBORO SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

District Building	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Elementary										
<hr/>										
J. Harvey Rogers (1959)										
Square feet	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192
Capacity (students)	289	289	289	289	289	289	289	289	289	289
Enrollment	343	341	341	299	338	335	326	319	338	298
Dorothy Bullock (1993)										
Square feet	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700
Capacity (students)	580	580	580	580	580	580	580	580	580	580
Enrollment	521	510	510	481	480	479	497	503	549	523
Thomas E. Bowe (1972)										
Square feet	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514
Capacity (students)	571	571	571	571	571	571	571	571	571	571
Enrollment	522	523	523	490	470	459	446	450	479	446
Middle										
<hr/>										
Intermediate (1934)										
Square feet	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671
Capacity (students)	466	466	466	466	466	466	466	466	466	466
Enrollment	327	314	314	346	341	315	331	292	269	274
High										
<hr/>										
Glassboro High (1966)										
Square feet	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915
Capacity (students)	765	765	765	765	765	765	765	765	765	765
Enrollment	659	646	646	599	614	624	643	631	639	569

Number of Schools at June 30, 2016

 Elementary = 3

 Middle = 1

 High = 1

Source: District Office

GLASSBORO SCHOOL DISTRICT
 General Fund
 Schedule of Required Maintenance Expenditures by School Facility
 Last Ten Fiscal Years Ending June 30
 Unaudited

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

* School Facilities	Gross Square Footage	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Administration		\$ 40,411	\$ 26,774	\$ 25,069	\$ 25,743	\$ 26,936	\$ 25,583	\$ 27,824	\$ 39,007	\$ 29,807	\$ 56,307	\$ 323,461
Elsmere		1,500	1,500	2,581	3,591	4,791	1,915					15,878
High School	113,915	84,786	59,154	54,168	72,096	70,906	100,072	81,889	106,177	64,116	58,832	752,196
Intermediate	60,671	47,775	39,017	43,561	40,878	44,128	67,500	46,429	53,973	38,477	54,782	476,520
Bowe	75,514	34,857	19,122	22,846	23,169	25,876	23,325	27,518	21,148	22,772	29,214	249,847
Bullock	87,700	61,322	40,341	36,408	39,850	44,110	73,998	52,863	34,680	42,415	34,592	460,579
Rodgers	39,192	37,602	22,298	21,967	22,540	20,114	32,504	20,920	37,248	25,691	24,402	265,286
Total School Facilities		\$ 308,253	\$ 208,206	\$ 206,600	\$ 227,869	\$ 236,861	\$ 324,897	\$ 257,443	\$ 292,233	\$ 223,278	\$ 258,129	\$ 2,543,769

* School facilities as defined under EFCFA.
 (NJAC 6A:26-1.2 and NJAC 6:24-1.3)

Source: District records

GLASSBORO SCHOOL DISTRICT
Insurance Schedule
June 30, 2016
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (Utica National Insurance Group)		
Property - Blanket Buildings & Grounds	\$ 93,566,425	
Commercial General Liability	3,000,000	
Commercial Inland Marine - Data Processing	1,965,000	\$ 1,000
Commercial Crime (Western Surety Company)		
Employee Theft	100,000	500
Commercial Automobile Liability (Utica National Insurance Group)	1,000,000	10,000
Workers Compensation (Educational Risk Consortium)	2,000,000	
Commercial Umbrella Liability (Utica National Insurance Group)	10,000,000	
Surety Bonds		
Treasurer (Western Surety Company)	259,000	
Business Administrator/Board Secretary (Selective Insurance)	300,000	

Source: District records.

SINGLE AUDIT SECTION

PETRONI & ASSOCIATES LLC

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

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Glassboro School District
560 Joseph Bowe Boulevard
Glassboro, New Jersey 08028

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the Governmental Activities, the Business-type Activities, each major fund, and the aggregate remaining fund information of the Glassboro School District, in the County of Gloucester, State of New Jersey, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Glassboro School District's basic financial statements and have issued our report thereon dated September 21, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Licensed Public School Accountant #542
Glassboro, New Jersey

September 21, 2016

PETRONI & ASSOCIATES LLC

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB 15-08**

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Glassboro School District
560 Joseph Bowe Boulevard
Glassboro, New Jersey 08028

Report on Compliance for Each Major Federal and State Program

We have audited the Glassboro School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Glassboro School District's major federal and state programs for the year ended June 30, 2016. Glassboro School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Glassboro School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08,

Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, Uniform Guidance, and New Jersey OMB's Circular 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 and state program occurred. An audit includes examining, on a test basis, evidence about the Glassboro School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, the Glassboro School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of Glassboro School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Glassboro School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Glassboro School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and 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 and 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 and 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 the Uniform Guidance and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedules of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and New Jersey OMB's Circular 15-08

We have audited the financial statements Glassboro School District as of and for the year ended June 30, 2016, and have issued our report thereon dated September 21, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by the Uniform Guidance and New Jersey OMB's Circular 15-08 and are not a required part of the financial statements. Such information is the responsibility of Management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditure of federal awards and state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Licensed Public School Accountant #542
Glassboro, New Jersey

September 21, 2016

GLASSBORO SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2016

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2015	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2016			Cumulative Total Expenditures
					From	To							Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Education																
General Fund:																
Medical Assistance Program (SEMI)	93.778	1605NJSMAP	N/A	\$ 106,922	7/1/15	6/30/16			\$ 82,643	\$ (106,922)						\$ 106,922
Medical Assistance Program (SEMI)	93.778	1605NJSMAP	N/A	122,976	7/1/14	6/30/15	\$ (47,752)		47,752				\$ (24,279)			122,976
Total General Fund							(47,752)		130,395	(106,922)			(24,279)			229,898
U.S. Department of Education																
Passed-through State Department of Education																
Special Revenue Fund:																
Title I, Part A	84.010A	S010A150030	NCLB173016	804,925	7/1/15	6/30/16			517,157	(729,854)			\$ (212,697)			72,854
Title I, Part A	84.010A	S010A150030	NCLB173015	861,861	7/1/14	6/30/15	(166,663)		166,663							808,023
IDEA Part B, Basic Regular	84.027	H027A150100	FT173016	665,844	7/1/15	6/30/16			635,443	(661,755)			(26,312)			661,755
IDEA Part B, Basic Regular	84.027	H027A150100	FT173015	636,192	7/1/14	6/30/15	(63,414)		63,414							604,009
IDEA Part B, Preschool	84.173	H179A150114	FT173016	24,519	7/1/15	6/30/16			24,519	(24,519)						24,519
Title II Part A	84.367A	S367A150029	NCLB173016	292,524	7/1/15	6/30/16			66,918	(97,187)			(30,269)			97,187
Title II Part A	84.367A	S367A150029	NCLB173015	266,280	7/1/14	6/30/15	(21,600)		21,600							43,928
Title III	84.365A	S365A150030	NCLB173016	13,957	7/1/15	6/30/16			9,328	(13,075)			(3,747)			13,075
Title III	84.365A	S365A150030	NCLB173015	20,458	7/1/14	6/30/15	(3,777)		3,777							19,656
Perkins Basic Entitlement	84.048	V048A140030	15-100-034-5060-027	18,839	7/1/14	6/30/15	(3,334)		3,334							18,835
Total Special Revenue Fund							(258,788)		1,512,153	(1,526,390)			(273,025)			2,363,841
U.S. Department of Agriculture																
Passed-through State Department of Education:																
Enterprise Fund:																
Food Distribution Program	10.550	N/A	N/A	75,904	7/1/15	6/30/16			75,904	(74,102)						\$ 1,802
Food Distribution Program	10.550	N/A	N/A	55,030	7/1/14	6/30/15	4,482			(4,482)						50,548
School Breakfast Program	10.553	16161NJ304N1099	N/A	202,662	7/1/15	6/30/16			166,418	(202,662)			(36,244)			202,662
School Breakfast Program	10.553	16161NJ304N1099	N/A	115,244	7/1/14	6/30/15	(22,155)		22,155							115,244
National School Lunch Program	10.555	16161NJ304N1099	N/A	456,877	7/1/15	6/30/16			379,707	(456,877)			(77,170)			456,877
National School Lunch Program	10.555	16161NJ304N1099	N/A	439,770	7/1/14	6/30/15	(74,237)		74,237							439,770
Summer Food Service Program	10.559	16161NJ304N1099	N/A	3,064	7/1/15	6/30/16			3,064	(3,064)						3,064
Total Enterprise Fund							(91,910)		721,485	(741,187)			(113,414)		1,802	1,268,165
Total Federal Financial Awards							(398,450)		\$ 2,364,033	\$ (2,374,499)			\$ (410,718)	\$ 1,802		\$ 3,861,904

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

GLASSBORO SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2016

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2015				Adjustments/ Repayment of Prior Years' Balances	Balance June 30, 2016			MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover (Walkover) Amount	Cash Received		Budgetary Expenditures	Accounts Receivable	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable
State Department of Education														
General Fund:														
Extraordinary Aid	16-100-034-5120-473	\$ 223,533	7/1/15	6/30/16					\$ (223,533)					\$ 223,533
Extraordinary Aid	15-100-034-5120-473	185,632	7/1/14	6/30/15	\$ (183,855)			\$ 183,855						185,632
Special Education Categorical Aid	16-495-034-5120-089	1,173,519	7/1/15	6/30/16				1,173,519	(1,173,519)				\$ 117,352	1,173,519
Equalization Aid	16-495-034-5120-078	14,747,822	7/1/15	6/30/16				14,747,822	(14,747,822)				1,347,546	14,747,822
Security Aid	16-495-034-5120-084	259,267	7/1/15	6/30/16				259,267	(259,267)				25,927	259,267
School Choice Aid	16-495-034-5120-068	122,281	7/1/15	6/30/16				122,281	(122,281)				12,228	122,281
Transportation Aid	16-495-034-5120-014	108,428	7/1/15	6/30/16				108,428	(108,428)				10,843	108,428
PARCC Readiness Aid	16-495-034-5120-098	21,040	7/1/15	6/30/16				21,040	(21,040)				2,104	21,040
Per Pupil Growth Aid	16-495-034-5120-097	21,040	7/1/15	6/30/16				21,040	(21,040)				2,104	21,040
Reimbursement of Nonpublic Transportation		12,354	7/1/15	6/30/16						(12,354)				12,354
Reimbursement of Nonpublic Transportation		16,008	7/1/14	6/30/15	(16,008)			16,008						16,008
Reimbursement of Homeless Tuition		26,845	7/1/14	6/30/15					(26,845)				(26,845)	26,845
On-behalf TPAF Pension Contribution	16-495-034-5095-002	1,234,066	7/1/15	6/30/16				1,234,066	(1,234,066)					1,234,066
On-behalf TPAF Postretirement Contribution	16-495-034-5095-001	1,469,433	7/1/15	6/30/16				1,469,433	(1,469,433)					1,469,433
Reimbursed TPAF Social Security Aid	16-495-034-5094-003	1,153,157	7/1/15	6/30/16				1,153,157	(1,153,157)					1,153,157
Total General Fund					(199,863)			20,509,916	(20,572,785)		(262,732)		1,518,104	20,774,425
Special Revenue Fund:														
Preschool Education Aid	16-495-034-5120-086	434,910	7/1/15	6/30/16			\$ 69,622	434,910	(504,532)				43,491	504,532
Preschool Education Aid	15-495-034-5120-086	541,730	7/1/14	6/30/15	38,606		(38,606)							538,759
Preschool Education Aid	14-495-034-5120-086	450,170	7/1/13	6/30/14	31,016		(31,016)							397,998
NJ Nonpublic Aid:														
Textbook Aid	16-100-034-5120-064	5,025	7/1/15	6/30/16				5,025	(4,909)			\$ 116		4,909
Textbook Aid	15-100-034-5120-064	5,422	7/1/14	6/30/15		\$ 1,886				\$ (1,886)				3,536
Auxiliary Services:														
Compensatory Education	16-100-034-5120-067	13,536	7/1/15	6/30/16				13,536	(9,644)			3,892		9,644
Compensatory Education	15-100-034-5120-067	22,395	7/1/14	6/30/15		10,750			(10,750)					11,645
Transportation	16-100-034-5120-067	2,581	7/1/15	6/30/16				2,581	(1,948)			633		1,948
Transportation	15-100-034-5120-067	4,451	7/1/14	6/30/15		1,318				(1,318)				3,133
Handicapped Services:														
Corrective Speech	16-100-034-5120-066	11,705	7/1/15	6/30/16				11,705	(8,862)			2,843		8,862
Corrective Speech	15-100-034-5120-066	14,578	7/1/14	6/30/15		1,060			(1,060)					13,518
Examination and Classification	16-100-034-5120-066	11,762	7/1/15	6/30/16				11,762	(9,886)			1,876		9,886
Examination and Classification	15-100-034-5120-066	16,931	7/1/14	6/30/15		14,411				(14,411)				2,520
Supplementary Instruction	16-100-034-5120-066	8,168	7/1/15	6/30/16				8,168	(5,049)			3,119		5,049
Supplementary Instruction	15-100-034-5120-066	9,416	7/1/14	6/30/15		3,217				(3,217)				6,199
Nursing Services Aid	16-100-034-5120-070	7,920	7/1/15	6/30/16				7,920	(7,920)					7,920
Technology Initiative	16-100-034-5120-373	2,288	7/1/15	6/30/16				2,288	(2,262)			26		2,262
Technology Initiative	15-100-034-5120-373	2,912	7/1/14	6/30/15		3				(3)				2,912
Security Aid	16-100-034-5120-509	2,200	7/1/15	6/30/16				2,200	(2,200)					2,200
Total Special Revenue Fund					69,622	32,645		500,095	(557,212)		(32,645)		12,505	43,491
Debt Services Fund:														
Debt Service Aid Type II	16-100-034-5120-125	126,645	7/1/15	6/30/16				126,645	(126,645)					126,645
Total Debt Service Fund								126,645	(126,645)					126,645

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

GLASSBORO SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2016

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2015				Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance June 30, 2016			MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover (Walkover) Amount	Cash Received			Accounts Receivable	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Agriculture															
Enterprise Fund:															
National School Lunch Program (State Share)	16-100-010-3350-023	9,806	7/1/15	6/30/16					8,159	(9,806)		(1,647)			9,806
National School Lunch Program (State Share)	15-100-010-3350-023	10,831	7/1/14	6/30/15	(1,952)			1,952							10,831
Total Enterprise Fund					(1,952)			10,111	(9,806)			(1,647)			20,637
Total State Financial Assistance					\$ (132,193)	\$ 32,645		\$ 21,146,767	\$ (21,266,448)	\$ (32,645)	\$ (264,379)	\$ 12,505	\$ 1,561,595	\$ 22,459,139	
Less: On-behalf TPAF Pension System Contributions									(2,703,499)						
Total for State Financial Assistance - Major Program Determination									\$ (18,562,949)						

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

GLASSBORO SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2016

NOTE 1: GENERAL

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

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Therefore, some amounts presented in these 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 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to NJSA 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 NJSA 18A:22-4.2.

GLASSBORO SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2016

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$448 for the General Fund and \$4,200 for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the General and Special Revenue Funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 106,922	\$ 20,572,337	\$ 20,679,259
Special Revenue Fund	1,526,390	563,712	2,090,102
Debt Service Fund		126,645	126,645
Food Service Fund	738,507	9,806	748,313
Total awards & financial assistance	<u>\$ 2,371,819</u>	<u>\$ 21,272,500</u>	<u>\$ 23,644,319</u>

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: OTHER

Revenues and expenditures reported under the Food Distribution Program represent 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, 2016. 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, 2016.

GLASSBORO SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

2) Significant deficiencies identified? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards

Internal Control over major programs:

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

2) Significant deficiencies identified? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 SECTION .516(a)? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
		Child Nutrition Cluster:
10.550	N/A	Food Distribution Program
10.553	16161NJ304N1099	School Breakfast Program
10.555	16161NJ304N1099	National School Lunch Program
10.559	16161NJ304N1099	Summer Food Service Program

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes no

GLASSBORO SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Section I - Summary of Auditor's Results (continued)

State Awards

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes no

Internal Control over major programs:

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

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

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

Any audit findings disclosed that are required to be
reported in accordance with NJ OMB's Circular
Letter 15-08? yes X no

Identification of major programs:

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

GLASSBORO SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Section II – Financial Statement Findings

No matters were reported.

***Section III – Federal Awards and State Financial Assistance Findings and
Questioned Costs***

FEDERAL AWARDS

No matters were reported.

STATE AWARDS

No matters were reported.

GLASSBORO SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

No matters were reported.