

LAKWOOD BOARD OF EDUCATION

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

LAKWOOD, NEW JERSEY

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

Lakewood Board of Education

Lakewood, New Jersey

For The Fiscal Year Ended June 30, 2016

Prepared by

Business Office

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INTRODUCTORY SECTION



Lakewood Board of Education

200 Ramsey Avenue, Lakewood, NJ 08701

Main Office: (732) 364-2400 Fax: (732) 905-3687

Laura A. Winters, Superintendent of Schools

Regina Robinson, Interim Business Administrator

November 29, 2016

Honorable President and Members of the Board of Education
Lakewood Township Public Schools
200 Ramsey Ave.
Lakewood, New Jersey 08701

Dear Members of the Board of Education:

The Comprehensive Annual Financial Report (CAFR) of the Lakewood School District ("District") for the fiscal year ending June 30, 2016 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Lakewood Township Board of Education ("Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The introductory section includes this transmittal letter, the District's organizational chart, a roster of principal officials and a list of consultants and advisors. The financial section includes the basic financial statements, required supplementary information, and other supplementary information, 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, as amended in 1996, the U.S. Office of Management and Budget ("OMB") Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and the State Treasury OMB Circular Letter 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

The Lakewood School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds of the District are included in this report. The Lakewood School District and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels PK through 12. These include regular and vocational, as well as special education for handicapped youngsters. The District completed the 2015-2016 fiscal year with an enrollment of 6,270 students.

The following details the changes in the student enrollment of the District over the last several years:

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2015/16	6,270	1.4%
2014/15	6,184	7.5%
2013/14	5,752	5.19% *
2012/13	5,468 *	(1.98%) *
2011/12	5,362	(1.36%)
2010/11	5,436	6.62%
2009/10	5,076	(4.19%)
2008/09	5,298	.94%
2007/08	5,249	(1.20%)
2006/07	5,313	2.06%
2005/06	5,206	6.20%
2004/05	4,902	(7.89%)
2003/04	5,322	.42%
2002/03	5,300	(3.46%)
2001/02	5,490	(3.89%)
2000/01	5,712	0.97%
1999/00	5,657	1.67%
1998/99	5,546	2.52%
1997/98	5,427	0.17%
1996/97	5,418	(1.08%)
1995/96	5,477	(1.73%)

2. ECONOMIC CONDITION AND OUTLOOK

Lakewood Township is located in Central New Jersey, just 15 miles west of some of New Jersey's most beautiful beaches and about a 1-1/2 hour drive from New York, Philadelphia, Trenton and Atlantic City. Its population of about 120,000 represents peoples of all ethnic and national origins and socio-economic levels. Industrial development in the Township has been centered around two large industrial parks. One is located around a municipality-owned airport in the southeast section of the Township, and the second has the advantage of railroad access in the southwest portion of the Township. Lakewood, among the area communities is the only one with an Urban Enterprise Zone. Lakewood is home to Paul Kimball Medical Center which has 350 licensed beds, 310 physicians on staff and more than 1,800 employees. Post-secondary education is served by Georgian Court University, a four-year college for women, and Beth Medrash Govoha, a rabbinical college. The Township of Lakewood provides for a variety of municipal services including the operation of a municipal building and complex, library and excellent recreation facilities through a system of township-owned parks and playgrounds. Development and expansion is expected to continue which suggests that Lakewood will continue to prosper and grow.

The Lakewood School District has a Superintendent of Schools who is the Chief Administrative Officer. The Business Administrator oversees the Board's business functions and reports through the Superintendent to the Board.

The Lakewood School District encompasses two elementary buildings, Preschool through Grade 1, three elementary schools that are grades 2-5, a Middle School (grades 6-8), a High School and a large pre-school campus, serving a student population of approximately 6,270. Lakewood High School is known for the harmonious way the various segments of its population work together, as well as its fine academic programs. High School students may elect to participate in College Prep, Vocational, or Tech Prep Education programs, JROTC, or attend the Achievement Academy. Our 2016 graduates were accepted to such prestigious colleges and universities as Central Connecticut State, Concordia College, Gannon University, Georgian Court University, Johnson C. Smith University, NC, Johnson and Wales University, Kean University, Montclair, NJIT, NYIT, Neumann University, Nova Southeastern University, Richard Stockton College, Seton Hall, South Plains College, TCNJ, University of the Sciences and Virginia State among others.

Academic Programs

A broad range of academic programs from Advance Placement and Honors to basic skills are designed to meet the diverse needs of students in the Lakewood schools. Basic skills in reading, writing, and mathematics are stressed at the elementary level, with continuing emphasis throughout all grades. Art and music classes, physical education, computer and library skills are part of every student's schedule at the elementary level. Chorus, band and orchestra (including free lessons) are offered starting at Grade 4 as part of the curriculum.

To provide students with assistance and opportunities for success, the Lakewood School District has many services, such as district-wide guidance and career services, bilingual/ESL education, a special education program and a sports program.

Academically Gifted Program

The Academically Gifted Program consists of two self-contained classes housed at Clifton Avenue Grade School. One class combines third and fourth-grade students, and the other combines students in grades four and five. Criteria for selection include achievement tests and teacher recommendation. Students in Kindergarten through Grade 2 who are identified as academically-gifted receive enrichment from their classroom teacher.

Honors Courses

Advanced Placement and Honors-level courses are available at the High School in English, Social Studies, Science, Math, Foreign Languages and Drawing.

Sports Program

Students from Elementary through High School have an opportunity to participate in sports. On the Elementary level, students participate in intra-mural sports. This year, 21 teams will represent Lakewood High School in varsity sports competitions, and 8 teams will compete on the Middle School

level. We are proud that more than 800 male and female student athletes from both the High School and Middle School participated in these programs last year.

Preschool Program

Research has shown that it is important to focus on the education of our children as early as possible. As a result, the Lakewood School District has instituted a Full-day Lakewood Pre-School Program for three and four-year old students, who are randomly selected. The district added 9 preschool general education classrooms in the 2015-2016 school year and another 3 in the 2016-2017 school year.

Children must be three years old by December 31st to enroll in the Program. A teacher and aide are assigned to every fifteen children for instruction each day. Students learn various skills, like understanding a calendar and paying attention to details. They also are prepared for the language, reading and math lessons they will have in future grades. Bus transportation is provided for all students.

All-Day Kindergarten

As of July, 2001, the District offered all-day Kindergarten classes in every school.

Family Life Education

Parents may have their child(ren) excused from any part of instruction in Family Life Education which is in conflict with his or her conscience or sincerely-held moral or religious beliefs.

Guidance Services

Guidance services are available to students at all levels. Periodically, guidance counselors meet with students to offer social, emotional and academic support.

At the Elementary level, counselors organize group discussions on common problems, such as making friends and dealing with emotions. Counselors also serve to strengthen communications between parents and teachers and are always available to discuss problems students may be having at home. Counselors are able to direct students and parents to readily-available support services in the community.

At the Middle and High Schools, counselors work closely with parents and students to plan course selections which would best meet their academic and career goals.

Extensive help is available through the High School Guidance Office for colleges and/or vocational planning. The LHS Career Center contains a wealth of information about jobs and careers both in written form and on computer databases. Special evening workshops are held to inform parents and students about college preparation and procedures for obtaining financial aid.

When appropriate, counselors can arrange for individual tutoring services or home tutoring in cases of extended illness. Students and parents are encouraged to contact their guidance counselors at any time.

Vocational Education

The Ocean County Vocational-Technical School System offers programs that are designed to prepare students for entrance into a career field upon graduation. High School students who wish to choose a vocational career path may sign up in the LHS Career Center.

Career Services

In accordance with the New Jersey School-to-Career Initiative, the Lakewood School District offers a comprehensive career development program in addition to school and work-based learning services. Students in Grades 9-12 develop individual portfolios of work, education, and career-related experiences to guide them in selecting the career and post-secondary education that best suits their interests and abilities.

Testing and Assessment

In 1875, the State constitution guaranteed that students in New Jersey would receive an education in free public schools. Since that time, much of education law has centered on providing that education for all students and paying for it. Content standards in many disciplines were recently designed to determine what students throughout New Jersey should know and be able to do as part of that education.

Administrators and teachers in the Lakewood School District have been changing and modifying curricula to incorporate common core content standards. The seven academic areas are the Visual and Performing Arts, Comprehensive Health and Physical Education, Language Arts Literacy, Mathematics, Science, Social Studies and World Languages.

In addition, there are five standards that are associated with career education and apply to all areas of instruction: 1) All students will develop career-planning workplace readiness skills; 2) All students will use technology information, and other tools; 3) All students will use critical-thinking, decision-making, and problem-solving skills; 4) All students will demonstrate self-management skills; 5) All students will apply safety principles.

PARCC assessments will be given in the spring of 2017 to measure student growth.

Basic Skills

Students in grades K-12 who need assistance achieving proficiency in English Language Arts receive assistance through a data driven Response-to-Intervention program.

Bilingual/ESL Program

The Bilingual Education Act ensures that students of Limited English Proficiency ("LEP") are provided with instructions which will allow them to continue to develop academic skills while acquiring English language skills.

An English Language Proficiency Test is administered to students before entering the program to determine whether they need the Bilingual/ESL Program.

The Bilingual Program in the Lakewood School District is a full-time program of instruction in all subjects (which a student is required to receive) given in the native language of the student and/or in English. All students in the Bilingual Program also receive daily English as a Second Language (“ESL”) instruction in order to develop and improve their communication skills, such as aural comprehension, speaking, reading, and writing skills in English. Students leave the Bilingual Program based on English Language Proficiency Test results, standardized test results in English, reading and teachers’ recommendations.

Special Services Department

The Department of Special Services provides specialized programs for handicapped and non-handicapped students. Occupational therapy, physical therapy, speech therapy and nursing services are furnished to students, as appropriate. In addition, an outstanding adaptive physical education program is available for students with identified needs. Social Service intervention is provided for non-handicapped students.

Special education programs follow a New Jersey State Department of Education Three Year Plan of service and are guided by State and Federal code. All professionals serving handicapped students are appropriately certified by the State of New Jersey. Annually, the New Jersey State Department of Education provides a program review of Special Education services, certifying appropriate compliance while approving programs that have been introduced.

Special Education Services

The Lakewood School District employs medical specialists, psychologists, learning consultants and social workers as Child Study Team members. Thus, a full continuum of services along with innovative programs and techniques are provided, allowing for each student to participate in the least restrictive environment to the maximum extent possible.

Direct classroom service is provided by teachers of the handicapped, adaptive physical education instructors, occupational therapists, speech therapists and physical therapists. Many students receiving special education assistance remain in the classroom and are provided with supplemental aids and services. Handicapped students who have remained within the standard educational program have demonstrated extensive educational improvement.

Many programs have been developed for students experiencing significant educational handicaps. Programs that serve the significantly educationally-handicapped alleviate the need for out-of-district placement locations, which require extensive travel time.

Health Services

Students in the Lakewood Public Schools are served by school physicians and full-time, fully-certified school nurses. The School Nurse is a member of the professional staff who carries out health services in accordance with the regulations of the State of New Jersey and the Board of Education. The School Nurse provides health screenings, monitors immunization requirements and completes health records.

Preschool Program Enrollment

The Lakewood School District provides preschool programming for handicapped students between the ages of 3 and 5 who are identified as having handicaps in one or more of the following areas: motor, communication-language, cognitive, physical, social-emotional and medical. Evaluation to determine eligibility for the program may begin 90 days prior to the child's third birthday. Child Study Team assessment and recommendation are required for enrollment. An Individual Education Plan ("IEP") outlining services to be provided based on the child's individual needs is written for each child entering the preschool program.

Home Instruction

When a pupil is unable to attend school for an extended time, as documented by the attending physician or Child Study Team, he/she may receive Home Instruction.

Senior Citizen Volunteer Program

Since 1991, many senior citizens have been faithfully reporting to the public schools to assist teachers and work with children, either individually or in small groups, from Kindergarten through 5th Grade, including Special Education and the Library/Media Center. Senior Citizen Volunteers, under the direction of a classroom teacher, may focus on readiness skills, reading, mathematics, writing or a host of other educational needs that children have.

Grants Management

Competitive and non-competitive grants are funds that are awarded for specific educational purposes. Grant money, which can come from the Federal government, the State of New Jersey, or even private foundations, provide the funds for programs, equipment, training or services that benefit our children and teachers without adding additional costs to the school budget.

Even though applying for grants takes hours and hours of work filling out detailed application forms, creating a working budget and justifying needs, the Lakewood administration and staff aggressively sought and received more than one million dollars for such competitive grants as Even Start Family Literacy Program; Family and Childhood Early Education Services and School-to-Careers Opportunities Initiatives.

The Lakewood School District is committed to seeking funding, but grants alone are not sufficient to give our children the education they need. Helping our children become successful, productive citizens takes a strong commitment from everyone in our community.

School Based Program

Lakewood Middle and High School students, ages 13-19, including their families, graduates and those who have dropped out of school, can take advantage of the School Based Youth Services Program. The School Based Program, a collaboration among Preferred Children's Services, the Lakewood School District, and the New Jersey Department of Human Services, was implemented in 1988 to provide "one-stop shopping" for students and their families in the areas of counseling, health, recreation, and employment.

Students who are referred by community agencies, family members and self, or Lakewood School administrators and faculty, receive such services as individual, parent-child, family and group therapy; monitoring of high risk students; home visits; pregnancy testing options and family planning counseling; self-esteem workshops; life skills; peer pressure management; overnight camping and job/college readiness, etc.

3. MAJOR EDUCATIONAL INITIATIVES

Our staff is aggressively working to help students raise their scores on standardized tests. The Library at the High School is open three (3) days a week until 5:00 p.m. for student use. Students are also receiving extra help through remedial instruction. At the Middle School, a Homework Club, is being held three (3) days per week staffed by different area teachers to assist students in the various disciplines.

Since the summer of 2009 a Bridge Program was instituted at the Middle School to assist eighth graders in their transition to High School. A Summer Scholars Program was operated at the High School funded in part with federal and state grants.

4. INTERNAL ACCOUNTING CONTROLS

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should

not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

A detailed Manual of Standard Operating Procedures and Internal Controls was developed during the 2008-09 school year and updated as needed during the 2009-2010 and 2010-2011, and 2014-2015 and 2015-2016 school years in accordance with the requirements of the School Accountability Act and distributed to all administrators throughout the district. It is scheduled for another review and update in the 2016-2017 school year at which time it will be distributed to all administrators throughout the district.

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. 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.

The 2015-2016 budget was prepared, utilizing the Budget Projection capabilities of the district's accounting system (Systems 3000). Use of this system reduced the amount of time needed by administrators to prepare their budget and enabled the business office to efficiently review budget submissions and make changes in accordance with district priorities and goals.

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 in the subsequent school year are reported as reservations of fund balance at June 30, 2016.

6. ACCOUNTING SYSTEM AND REPORTS

The District's accounting records reflect accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements," Note 1.

7. CASH MANAGEMENT

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

8. RISK MANAGEMENT

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

9. MAJOR FINANCIAL INITIATIVES AND ACCOMPLISHMENTS

The district passed a thirty-four million dollar bond referendum in 2014-2015 to upgrade the school facilities and prior lease purchase defeasance. The upgrades included roofing and heating ventilation

air conditioning systems throughout the district. Some of these projects have been ongoing for the 2015-2016 school year. The newer and more efficient technology installed is anticipated to lower energy costs in the future. A significant reduction in the annual repair and maintenance costs are also expected due to the enhancements.

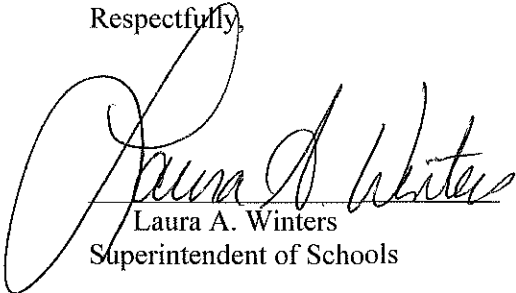
10. OTHER INFORMATION

Independent Audit – New Jersey State statutes require an annual audit by independent certified public accountants. The accounting firm of Lerch, Vinci & Higgins, LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organization, and State of New Jersey Circular 15-08-OMB, Single Audit Policy for Requirements of Federal Grants, State Grants and State Aid. The Auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

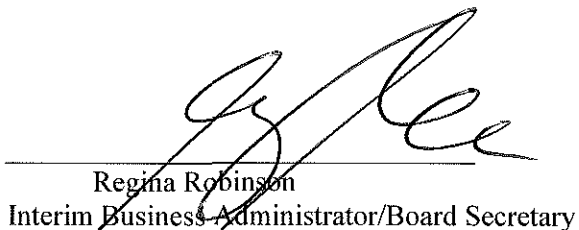
11. ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the Lakewood Township Board of Education for their unwavering support in providing fiscal accountability to the citizens and taxpayers of the District and to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient, effective and dedicated services of our financial and business office staff.

Respectfully,

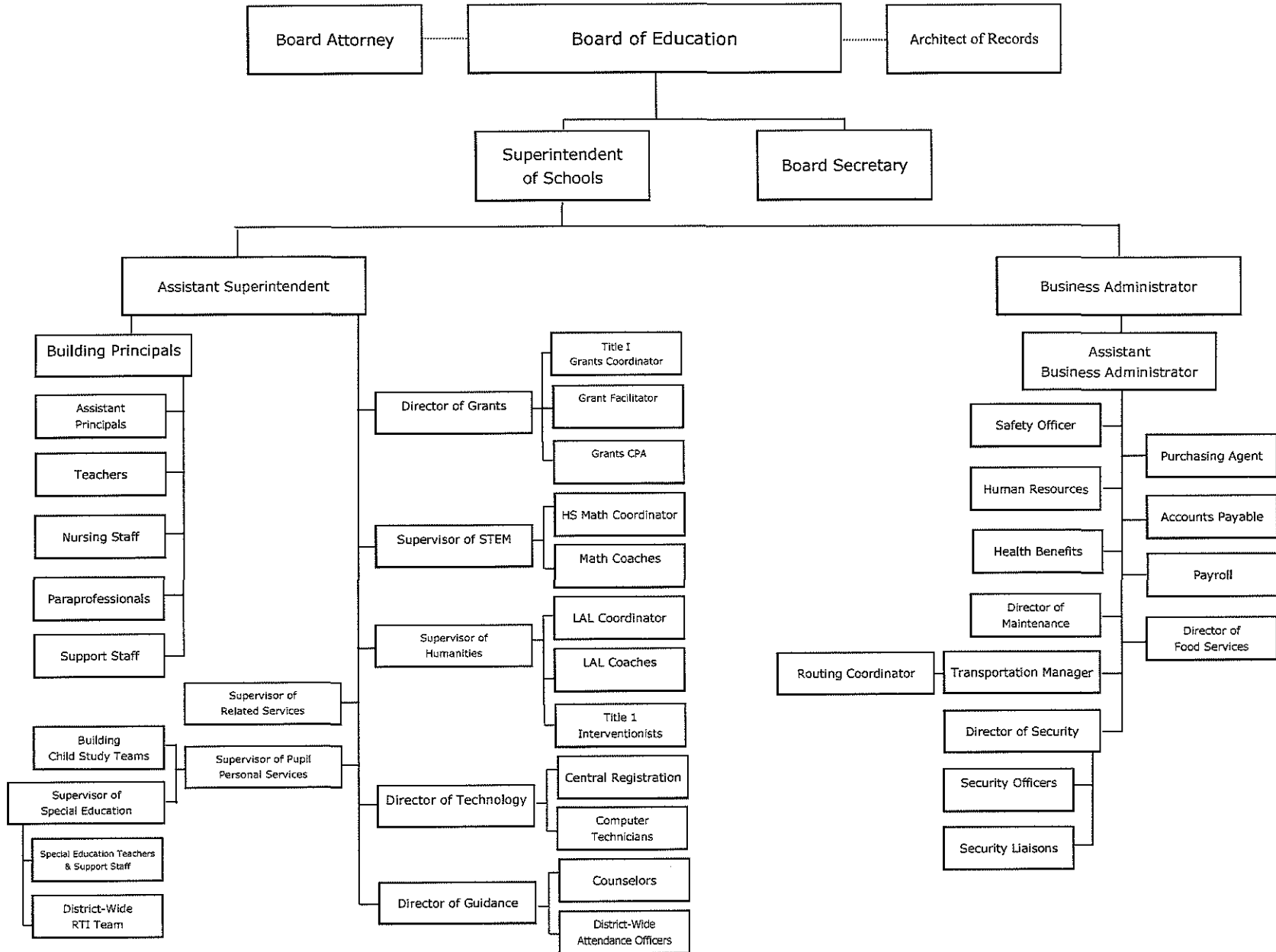


Laura A. Winters
Superintendent of Schools



Regina Robinson
Interim Business Administrator/Board Secretary

Lakewood Board of Education Organizational Chart



T.X.

LAKEWOOD BOARD OF EDUCATION

LAKEWOOD, New Jersey

June 30, 2016

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Barry Iann, President	2016
Ada Gonzalez, Vice President	2017
Hillel Brull	2016
Yitzchak Goldsmith	2016
David Jacobovitch	2018
Alex Janklowicz	2016
Heriberto Rodriguez	2018
Joshua Weinberger	2017
Isaac Zlatkin	2016

Other Officials

Laura A. Winters, Superintendent of Schools

Thaddeus Thompson, Business Administrator

Kevin Campbell, Assistant Business Administrator

Michael Azzara, State Monitor

David Schafter, State Monitor

Timothy Adams, Director of Facilities

James Trischitta, IT Director

Mark H. Zitomer, Esq., Board Attorney

LAKEWOOD BOARD OF EDUCATION

LAKEWOOD, New Jersey

June 30, 2016

CONSULTANTS AND ADVISORS

AUDITOR/ACCOUNTANT

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Lerch, Vinci & Higgins, LLP
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Short Hills, NJ 07078

ARCHITECT

Parette Somjen Architects
439 Route 46 East
Rockaway, NJ 07866

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
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DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. NICOLosi, CPA
ROBERT AMPONSAH, CPA

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lakewood Board of Education, as of and for the fiscal year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lakewood Board of Education as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

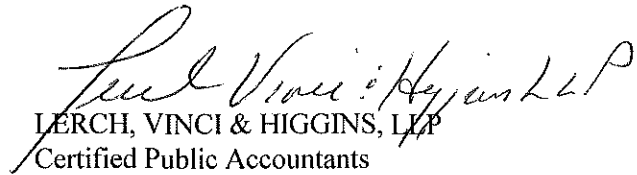
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lakewood Board of Education's basic financial statements. The introductory section, combining fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Lakewood Board of Education.

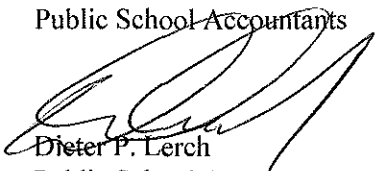
The combining fund financial statements, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated November 29, 2016 on our consideration of the Lakewood Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Lakewood Board of Education's internal control over financial reporting and compliance.


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


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
November 29, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

LAKWOOD BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED JUNE 30, 2016

This section of Lakewood Board of Education's ("Board" or "District") comprehensive annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2016. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) 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 the 2015-2016 fiscal year are as follows:

- The liabilities and deferred inflows of resources of the Lakewood Board of Education exceeded its assets and deferred outflows of resources at the close of the fiscal year by \$25,989,710 (net position deficit).
- Net position decreased from a deficit of \$20,576,069 at June 30, 2015, to a deficit of \$25,989,710 at June 30, 2016, which represents a decrease of \$5,413,641.
- Overall general revenues of \$109,535,448 accounted for 58 percent of all revenues and overall program revenues of \$79,582,665 accounted for 42 percent of total revenues of \$189,118,113.
- The School District had \$194,531,754 in overall expenses of which \$79,582,665 were offset by program specific charges for services, grants or contributions. General revenues of \$109,535,448 helped offset these expenses.
- The School District had \$189,309,842 in expenses for governmental activities; only \$74,372,336 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$109,534,490 were adequate to provide for these programs.
- At June 30, 2016, the District's governmental funds reported a combined fund deficit of \$7,341,948, a decrease of \$17,916,778 when compared to the previous year ending fund deficit of \$10,574,830 at June 30, 2015.
- The General Fund unassigned fund deficit at June 30, 2016 was \$17,362,880, a decrease of \$2,662,291 when compared with the ending fund deficit of \$14,700,589 at June 30, 2015.
- The General Fund unassigned budgetary fund deficit at June 30, 2016 was \$6,824,592, which represents an increase in the deficit of \$3,872,196 when compared to the ending unassigned budgetary fund deficit of \$2,952,396 at June 30, 2015.

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

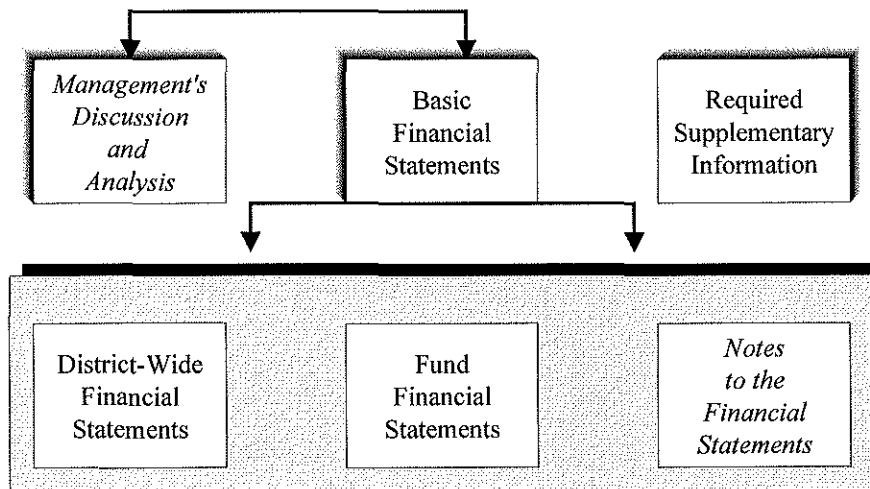
FISCAL YEAR ENDED JUNE 30, 2016

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

Organization of Lakewood Board of Education’s Annual Financial Report



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

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

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2016

Major Features of the District-Wide and Fund Financial Statements

	District-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as Instruction, special education and building maintenance.	Activities the district operates similar to private businesses: Food Service Fund.	Instances in which the district administers resources on behalf of someone else, such as scholarships and student activity funds.
Required financial statements	Statement of net position Statement of activities	Balance sheet, Statement of revenues expenditures and changes in fund balances	Statement of net position, Statement of revenue, expenses and changes in fund net position Statement of cash flows	Statements of Fiduciary net position, Statement of changes in fiduciary net position
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets, deferred outflow of resources, liabilities and deferred inflows of resources, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and deductions during the year, regardless of when cash is received or paid.

District-Wide Statements

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

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

LAKESWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2016

District-Wide Statements (Continued)

Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

To assess the overall health of the District you need to consider additional non-financial factors such as changes in the amount of State funding and the condition of school buildings and other facilities.

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

Governmental Activities – Most of the District's basic services are included here, such as regular and special education, transportation, administration and operations and maintenance of plant. State and federal aid and property taxes finance most of these activities.

Business-Type Activities – The District charges fees to customers to help it cover the costs of certain services it provides. The District's food service fund is included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds – focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. The District considers the general fund, special revenue fund and debt service funds to be major funds.

- Some funds are required by State law and by bond covenants.
- The district uses other funds established in accordance with the State of New Jersey Uniform Minimum Chart of Accounts, to control and manage money for particular purposes or to show that it is properly using certain revenues (e.g., federal funds).

The District has three kinds of funds:

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

Proprietary funds – Services for which the District charges a fee are generally reported in proprietary funds. The activities of the District's food service program are accounted for as enterprise funds. Proprietary funds are reported in the same way as in the district-wide statements.

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

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2016

Notes to the basic financial statements

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

Other Information

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

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

FINANCIAL ANALYSIS OF THE DISTRICT

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

Net position. The District's combined net position deficit for governmental activities and business-type activities were \$25,989,710 on June 30, 2016 and \$20,576,069, on June 30, 2015.

Net Position
as of June 30, 2016 and 2015

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Assets						
Current and Other Assets	\$ 34,114,243	\$ 46,083,366	\$ 3,089,620	\$ 3,112,954	\$ 37,203,863	\$ 49,196,320
Capital Assets	36,656,998	21,588,605	547,223	537,704	37,204,221	22,126,309
Total Assets	<u>70,771,241</u>	<u>67,671,971</u>	<u>3,636,843</u>	<u>3,650,658</u>	<u>74,408,084</u>	<u>71,322,629</u>
Deferred Outflows of Resources	<u>3,796,244</u>	<u>446,240</u>	<u>-</u>	<u>-</u>	<u>3,796,244</u>	<u>446,240</u>
Total Assets and Deferred Outflows of Resources	<u>74,567,485</u>	<u>68,118,211</u>	<u>3,636,843</u>	<u>3,650,658</u>	<u>78,204,328</u>	<u>71,768,869</u>
Liabilities						
Long-Term Liabilities	61,189,412	54,593,960			61,189,412	54,593,960
Other Liabilities	41,603,922	35,683,950	556,970	558,412	42,160,892	36,242,362
Total Liabilities	<u>102,793,334</u>	<u>90,277,910</u>	<u>556,970</u>	<u>558,412</u>	<u>103,350,304</u>	<u>90,836,322</u>
Deferred Inflows of Resources	<u>840,539</u>	<u>1,503,673</u>	<u>3,195</u>	<u>4,943</u>	<u>843,734</u>	<u>1,508,616</u>
Total Liabilities and Deferred Inflows of Resources	<u>103,633,873</u>	<u>91,781,583</u>	<u>560,165</u>	<u>563,355</u>	<u>104,194,038</u>	<u>92,344,938</u>
Net Position						
Net Investment in Capital Assets	10,770,458	11,469,917	547,223	537,704	11,317,681	12,007,621
Restricted	1	874,494			1	874,494
Unrestricted	<u>(39,836,847)</u>	<u>(36,007,783)</u>	<u>2,529,455</u>	<u>2,549,599</u>	<u>(37,307,392)</u>	<u>(33,458,184)</u>
Total Net Position	<u>\$ (29,066,388)</u>	<u>\$ (23,663,372)</u>	<u>\$ 3,076,678</u>	<u>\$ 3,087,303</u>	<u>\$ (25,989,710)</u>	<u>\$ (20,576,069)</u>

LAKESWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2016

FINANCIAL ANALYSIS OF THE DISTRICT (Continued)

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

The following table presents the changes in net position for the fiscal years ended June 30, 2016 and 2015 which resulted in decreases of \$5,413,641 and \$2,032,269, respectively.

**Change in Net Position
For the Fiscal Years Ended June 30, 2016 and 2015**

Revenues	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Program Revenues						
Charges for Services			\$ 324,594	\$ 465,169	\$ 324,594	\$ 465,169
Operating Grants and Contributions	74,320,059	66,119,440	4,885,735	4,578,882	79,205,794	70,698,322
Capital Grants and Contribution	52,277	628,057	-	-	52,277	628,057
General Revenues						
Property Taxes	90,893,807	84,901,097			90,893,807	84,901,097
Federal and State Aid	17,073,309	15,372,400			17,073,309	15,372,400
Miscellaneous	1,567,374	1,912,862	958	860	1,568,332	1,913,722
Total Revenues	183,906,826	168,933,856	5,211,287	5,044,911	189,118,113	173,978,767
Expenses						
Instruction	89,677,847	84,004,981			89,677,847	84,004,981
Support Services						
Student and Instruction Related Services	51,684,343	45,616,152			51,684,343	45,616,152
General Administrative Services	2,632,224	3,232,042			2,632,224	3,232,042
School Administrative Services	5,523,041	4,440,359			5,523,041	4,440,359
Central and Other Support Services	2,550,977	2,392,174			2,550,977	2,392,174
Plant Operation and Maintenance	8,217,595	6,409,213			8,217,595	6,409,213
Pupil Transportation	27,225,354	23,926,991			27,225,354	23,926,991
Food Service/Community School			5,221,912	5,112,822	5,221,912	5,112,822
Unallocated Depreciation	703,668	580,484			703,668	580,484
Interest on Long Term Debt	1,094,793	295,818	-	-	1,094,793	295,818
Total Expenses	189,309,842	170,898,214	5,221,912	5,112,822	194,531,754	176,011,036
Changes in Net Position	\$ (5,403,016)	\$ (1,964,358)	\$ (10,625)	\$ (67,911)	\$ (5,413,641)	\$ (2,032,269)

LAKWOOD BOARD OF EDUCATION

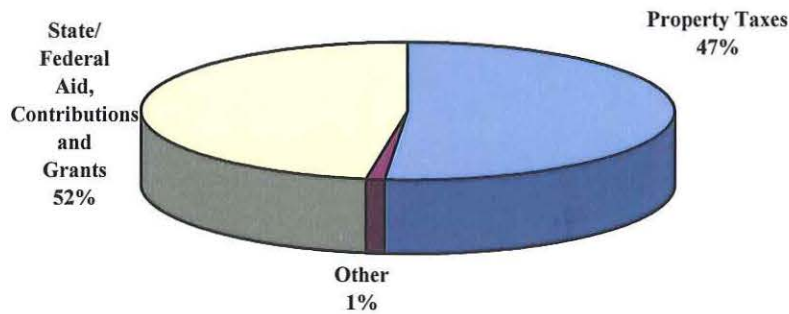
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2016

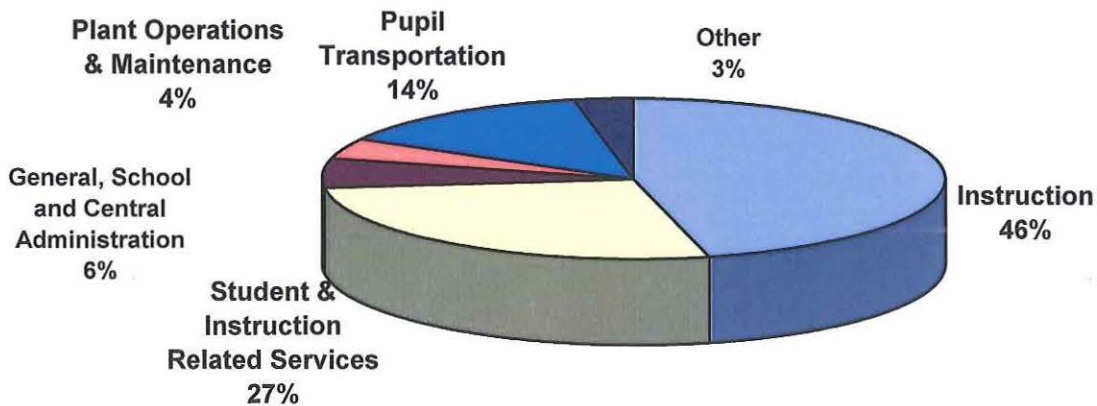
Changes in net position. The District's total revenues were \$189,118,113 and \$173,978,767 for the years ended June 30, 2016 and 2015, respectively. Property taxes of \$90.9 million and \$84.9 million accounted for 47% and 49% of the total revenues for the years ended June 30, 2016 and 2015, respectively. State and Federal formula aid accounted for 9% and 9%, while operating grants and contributions were 43% and 41% of total revenues for the years ended June 30, 2016 and 2015. The remaining revenues for both years were obtained from capital grants and contributions, investment earnings and miscellaneous revenues.

The total cost of all programs and services was \$194,531,754 and \$176,011,036 for the years ended June 30, 2016 and 2015, respectively. The District's expenses are predominantly related to educating and caring for students. Instruction represented 46% and 48% of total expenses in fiscal years 2016 and 2015. The purely administrative activities of the District accounted for only 6% and 6% of total costs for fiscal years 2016 and 2015, respectively.

Sources of Revenues
For Fiscal Year 2016



Sources of Expenses
For Fiscal Year 2016



LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2016

Governmental Activities

The following schedule presents the cost of each of the District's largest governmental activities programs as well as each program's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

- Net position for governmental activities decreased \$5,403,016 and \$1,964,358 for the year ended June 30, 2016 and 2015, respectively.
- The total revenue earned from all governmental activities was \$183,906,826 and \$168,933,856 for the years ended June 30, 2016 and 2015, respectively.
- The cost of all governmental activities was \$189,309,842 and \$170,898,214 for the years ended June 30, 2016 and 2015.
- After applying program revenues, derived from operating grants and contributions of \$74,320,059 and \$66,119,440, capital grants and contribution of \$52,277 and \$628,057 for the years ended June 30, 2016 and 2015, respectively; the net cost of services of the District were \$114,937,506 and \$104,150,717 for the fiscal years ended June 30, 2016 and 2015.
- The amount that taxpayers paid for these activities through property taxes was \$90,893,807 and \$84,901,097 for fiscal years 2016 and 2015, respectively. Unrestricted State and Federal aid provided \$17,073,309 and \$15,372,400 in fiscal years 2016 and 2015 to fund the District programs.

**Net Expense of Governmental Activities
For the Fiscal Years Ended June 30, 2016 and 2015**

Function/Program:	Total Cost of Services		Net Cost of Services	
	2016	2015	2016	2015
Instruction	\$ 89,677,847	\$ 84,004,981	\$ 62,431,721	\$ 56,879,842
Support Services				
Student and Instruction Related Services	51,684,343	45,616,152	14,762,547	13,791,251
General Administrative Services	2,632,224	3,232,042	2,447,410	3,232,042
School Administrative Services	5,523,041	4,440,359	4,440,656	3,722,939
Central and Other Support Services	2,550,977	2,392,174	2,132,182	2,098,761
Plant Operations and Maintenance	8,217,595	6,409,213	5,576,635	4,249,408
Pupil Transportation	27,225,354	23,926,991	21,350,874	19,301,643
Unallocated Depreciation	703,668	580,484	703,668	580,484
Interest on Long Term Debt	1,094,793	295,818	1,091,813	294,347
Total	\$ 189,309,842	\$ 170,898,214	\$ 114,937,506	\$ 104,150,717

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2016

Business-Type Activities

The cost of Business-Type activities for the fiscal year ended June 30, 2016 and 2015 was \$5,221,912 and \$5,112,822, respectively. These expenses relate to the operation of the District's school breakfast, lunch, snack and summer food programs. These costs were funded in 2016 and 2015 by operating grants (94% and 91%), charges for services (6% and 9%) and investment earnings.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund deficit of \$7,341,948 for the year ended June 30, 2016 compared to a fund balance of \$10,574,830 for the year ended June 30, 2015, a decrease of \$17,916,778 for the current year.

Revenues for the District's governmental funds were \$174,421,001 and \$163,177,922, while total expenditures were \$195,360,892 and \$173,799,737 for the fiscal years ended June 30, 2016 and 2015, respectively. The District also realized other financing sources of \$3,023,113 during fiscal year 2016 from capital lease proceeds.

GENERAL FUND

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

The following schedule presents a comparison of General Fund Revenues.

	<u>June 30,</u>		Amount of Increase (Decrease)	Percent Change
	<u>2016</u>	<u>2015</u>		
Local Sources:				
Property Taxes	\$ 90,350,168	\$ 84,693,837	\$ 5,656,331	7%
Other Local Revenue	2,518,850	1,883,188	635,662	34%
State Sources	35,930,399	34,989,643	940,756	3%
Federal Sources	566,510	646,603	(80,093)	-12%
Total Revenues	<u>\$ 129,365,927</u>	<u>\$ 122,213,271</u>	<u>\$ 7,152,656</u>	6%

LAKEWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2016

GENERAL FUND (Continued)

Total General Fund revenues increased by \$7,152,656 or 6% from the previous year. Local property taxes increased \$5,656,331 or 7% from the previous year. Overall state and federal aid increased \$860,663 or 2% from the previous year.

The following schedule presents a comparison of General Fund expenditures:

	<u>June 30,</u>		<u>Amount of Increase</u>	<u>Percent Change</u>
	<u>2016</u>	<u>2015</u>		
Instruction	\$ 74,312,050	\$ 69,104,571	\$ 5,207,479	8%
Support Services	60,482,108	53,833,440	6,648,668	12%
Capital Outlay	376,225	248,104	128,121	52%
Debt Service	<u>294,406</u>	<u>113,779</u>	<u>180,627</u>	159%
 Total General Fund Expenditures	 <u>\$ 135,464,789</u>	 <u>\$ 123,299,894</u>	 <u>\$ 12,164,895</u>	 10%

The general fund expenditures increased by \$12,164,895 or 10%.

General Fund Budgetary Highlights

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant difference between the budgetary basis of accounting and generally accepted accounting principles is the legally mandated revenue recognition of certain delayed or deferred state aid payments for budgetary purposes only. The most significant budgetary fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times through appropriation transfers between budget line items and appropriation of additional state aid.

General Fund budgetary expenditures exceeded budgetary revenues and other financing sources decreasing budgetary fund balance \$839,418 over the previous year. The unassigned budgetary fund balance deficit increased \$3,872,196 from a deficit of \$2,952,396 at June 30, 2015 to a deficit of \$6,824,592 at June 30, 2016.

LAKEWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2016

SPECIAL REVENUE FUND

The Special Revenue Fund accounts for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. The revenues include federal funds, state funds, private donations and contributions.

Revenues in the District's Special Revenue Fund totaled \$44,444,383 for the year ended June 30, 2016. State sources accounted for \$22,183,336 or 50% of the total. Federal sources accounted for \$22,256,184 or 50% of the total.

Expenditures of the Special Revenue Fund totaled \$42,688,098 for the year ended June 30, 2016. Expenditures were for instruction (20%), student and instruction related support services (78%) and transportation (1%) and maintenance/capital outlay (2%).

At June 30, 2016 the Special Revenue Fund reported deferred revenue of \$202,526. This amount represents funds that were received during the 2015/16 school year but were not expended as of June 30, 2016. The district may utilize these funds in the subsequent year in accordance with the terms and provisions contained in their grant contracts and agreements.

CAPITAL PROJECTS FUND

The Capital Projects Fund includes all revenue sources for major capital projects of the District. The District issued serial bonds as a result of a successful referendum passed by the voters of the District in the previous year. The proceeds of the bonds are being utilized to fund various capital improvement projects for district facilities. During 2015/16, the District incurred expenses of \$15,901,560 related to these projects.

PROPRIETARY FUNDS

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

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

LAKESWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2016

CAPITAL ASSETS

At June 30, 2016, the District had invested in excess of \$37 million in a broad range of capital assets, including school buildings, athletic facilities, computer and audio-visual equipment and various other machinery and equipment. Total depreciation expense for the year was \$1,312,311. No depreciation is recorded on construction in progress until such facilities are placed into service.

Capital Assets at June 30, 2016 and 2015

	<u>Governmental</u>		<u>Business- Type</u>		<u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Land	\$ 143,800	\$ 143,800			\$ 143,800	\$ 143,800
Buildings and Improvements	41,479,785	41,479,785			41,479,785	41,479,785
Machinery and Equipment	4,976,197	4,547,695	886,530	826,369	5,862,727	5,374,064
Construction in Progress	19,362,526	3,460,966			19,362,526	3,460,966
Less: Accumulated Depreciation	(29,305,310)	(28,043,641)	(339,307)	(288,665)	(29,644,617)	(28,332,306)
Total	\$ 36,656,998	\$ 21,588,605	\$ 547,223	\$ 537,704	\$ 37,204,221	\$ 22,126,309

Additional information of the District's capital assets can be found in the Notes to the Financial Statements.

LAKWOOD BOARD OF EDUCATION

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FISCAL YEAR ENDED JUNE 30, 2016

Long-Term Liabilities

At year-end, the District has \$61,189,412 in long-term liabilities; the District had \$35,501,765 in outstanding general obligation bonds, including unamortized premium, \$3,119,727 in outstanding capital leases, \$18,877,918 in outstanding net pension liability, \$142,139 in outstanding deferred pension obligations and \$3,547,863 in employee compensated absences payable. More detailed financial information about the District's long-term liabilities is presented in Notes to the Financial Statements.

Long-Term Liabilities as of June 30, 2016 and 2015

	<u>Governmental Activities</u>		
	<u>2016</u>	<u>2015</u>	<u>Percentage Change</u>
General Obligation Bonds	\$ 34,695,000	\$ 34,904,000	-1%
Add: Unamortized Premium on Bond	806,765	806,765	100%
Obligations Under Capital Lease Agreements	3,119,727	352,926	784%
Net Pension Liability	18,877,918	14,190,964	33%
Deferred Pension Obligations	142,139	155,202	-8%
Deferred Health Benefit Obligation		565,192	100%
Compensated Absences Payable	<u>3,547,863</u>	<u>3,618,911</u>	-2%
Total	<u>\$ 61,189,412</u>	<u>\$ 54,593,960</u>	12%

FACTORS BEARING ON THE DISTRICT'S FUTURE

While many factors influence the District's future, the availability of state aid, special education needs, nonpublic school requirements, capital improvements and the economy will have the most impact on educational and fiscal decisions in the future.

Many of these factors were considered by the District's administration during the process of developing the fiscal year 2016-2017 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Lakewood Board of Education, 200 Ramsey Avenue, Lakewood, New Jersey 08701.

BASIC FINANCIAL STATEMENTS

LAKWOOD BOARD OF EDUCATION
STATEMENT OF NET POSITION
AS OF JUNE 30, 2016

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 25,441,345	\$ 364,881	\$ 25,806,226
Prepaid Expense	-		-
Receivables, net			
Receivables from Other Governments	10,295,668	404,717	10,700,385
Accounts	629,881		629,881
Internal Balances	(2,294,651)	2,294,651	-
Other Assets	42,000		42,000
Inventories		25,371	25,371
Capital Assets, not being depreciated	19,506,326		19,506,326
Capital Assets, being depreciated, net	17,150,672	547,223	17,697,895
	<u>70,771,241</u>	<u>3,636,843</u>	<u>74,408,084</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	3,796,244	-	3,796,244
	<u>3,796,244</u>	<u>-</u>	<u>3,796,244</u>
Total Deferred Outflows of Resources	<u>3,796,244</u>	<u>-</u>	<u>3,796,244</u>
Total Assets and Deferred Outflows of Resources	<u>74,567,485</u>	<u>3,636,843</u>	<u>78,204,328</u>
LIABILITIES			
Intergovernmental Accounts Payable	14,193,813		14,193,813
Accounts Payable and Other Liabilities	19,219,183	556,970	19,776,153
Unearned Revenue	8,043,195		8,043,195
Accrued Interest Payable	147,731		147,731
Noncurrent Liabilities			
Due Within One Year	1,831,298		1,831,298
Due Beyond One Year	59,358,114		59,358,114
	<u>102,793,334</u>	<u>556,970</u>	<u>103,350,304</u>
Total Liabilities	<u>102,793,334</u>	<u>556,970</u>	<u>103,350,304</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	840,539		840,539
USDA Commodities	-	3,195	3,195
	<u>840,539</u>	<u>3,195</u>	<u>843,734</u>
Total Deferred Inflows of Resources	<u>840,539</u>	<u>3,195</u>	<u>843,734</u>
Total Liabilities and Deferred Inflows of Resources	<u>103,633,873</u>	<u>560,165</u>	<u>104,194,038</u>
NET POSITION			
Net Investment in Capital Assets	10,770,458	547,223	11,317,681
Restricted for:			
Debt Service	1		1
Unrestricted	(39,836,847)	2,529,455	(37,307,392)
	<u>(29,066,388)</u>	<u>3,076,678</u>	<u>(25,989,710)</u>
Total Net Position	<u>\$ (29,066,388)</u>	<u>\$ 3,076,678</u>	<u>\$ (25,989,710)</u>

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

**LAKWOOD BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 40,225,349		\$ 15,780,627	\$ 40,383	\$ (24,404,339)		\$ (24,404,339)
Special Education	37,683,700		9,273,704		(28,409,996)		(28,409,996)
Other Instruction	10,162,063		2,139,518	11,894	(8,010,651)		(8,010,651)
School Sponsored Activities/Athletics	1,606,735				(1,606,735)		(1,606,735)
Support Services							
Student and Instruction Related Svcs.	51,684,343		36,921,796		(14,762,547)		(14,762,547)
General Administrative Services	2,632,224		184,814		(2,447,410)		(2,447,410)
School Administrative Services	5,523,041		1,082,385		(4,440,656)		(4,440,656)
Plant Operations and Maintenance	8,217,595		2,640,960		(5,576,635)		(5,576,635)
Pupil Transportation	27,225,354		5,874,480		(21,350,874)		(21,350,874)
Central Services	2,550,977		418,795		(2,132,182)		(2,132,182)
Interest on Long-Term debt	1,094,793		2,980		(1,091,813)		(1,091,813)
Unallocated Depreciation	703,668				(703,668)		(703,668)
Total Governmental Activities	189,309,842	-	74,320,059	52,277	(114,937,506)	-	(114,937,506)
Business-Type Activities							
Food Service	5,221,912	\$ 324,594	4,885,735			(11,583)	(11,583)
Total Business-Type Activities	5,221,912	324,594	4,885,735	-	-	(11,583)	(11,583)
Total Primary Government	\$194,531,754	\$ 324,594	\$ 79,205,794	\$ 52,277	(114,937,506)	(11,583)	(114,949,089)
General Revenues, Special Items and Transfers:							
General Revenues:							
Property Taxes, Levied for General Purposes, Net					90,350,168		90,350,168
Taxes Levied for Debt Service					543,639		543,639
Federal and State Aid - Unrestricted					15,401,026		15,401,026
Federal Grants for School Based Budgets					1,656,635		1,656,635
Federal and State Aid Restricted for Debt Service					15,648		15,648
Unrestricted Interest Earnings					82,102	958	83,060
Miscellaneous Income					1,485,272	-	1,485,272
Total General Revenues and Transfers					109,534,490	958	109,535,448
Change in Net Position					(5,403,016)	(10,625)	(5,413,641)
Net Position, Beginning of Year					(23,663,372)	3,087,303	(20,576,069)
Net Position, End of Year					\$ (29,066,388)	\$ 3,076,678	\$ (25,989,710)

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

FUND FINANCIAL STATEMENTS

**LAKEWOOD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2016**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash	\$ 3,074,080	\$ 8,286,123	\$ 11,494,940	\$ 1	\$ 22,855,144
Cash with Fiscal Agents	2,586,201				2,586,201
Receivables					
Receivables From Other Governments	895,105	9,400,563			10,295,668
Accounts Receivable	3,633	343,922			347,555
Due from Other Funds	282,326		50,629		332,955
Other Assets	42,000				42,000
Total Assets	<u>\$ 6,883,345</u>	<u>\$ 18,030,608</u>	<u>\$ 11,545,569</u>	<u>\$ 1</u>	<u>\$ 36,459,523</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 4,559,874	\$ 10,525,952	\$ 1,371,811		16,457,637
Other Liabilities - Health Premium	2,417,624	343,922			2,761,546
Due to Other Funds	2,345,280				2,345,280
Intergovernmental Accounts Payable		10,143,813			10,143,813
State Aid Advance Loan Payable	4,050,000				4,050,000
Unearned Revenue	7,840,669	202,526			8,043,195
Total Liabilities	<u>21,213,447</u>	<u>21,216,213</u>	<u>1,371,811</u>	<u>-</u>	<u>43,801,471</u>
Fund Balances (Deficits)					
Restricted					
Capital Projects			10,173,758		10,173,758
Debt Service				\$ 1	1
Committed					
Year End Encumbrances	2,124,294				2,124,294
Assigned					
Year End Encumbrances	908,484				908,484
Unassigned	(17,362,880)	(3,185,605)	-	-	(20,548,485)
Total Fund Balances (Deficits)	<u>(14,330,102)</u>	<u>(3,185,605)</u>	<u>10,173,758</u>	<u>1</u>	<u>(7,341,948)</u>
Total Liabilities and Fund Balances	<u>\$ 6,883,345</u>	<u>\$ 18,030,608</u>	<u>\$ 11,545,569</u>	<u>\$ 1</u>	<u>\$ 36,459,523</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**LAKWOOD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2016**

Total Fund Balances (Deficits) - Governmental Funds **\$ (7,341,948)**

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$65,962,308 and the accumulated depreciation is \$29,305,310.

36,656,998

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.

Deferred Outflows of Resources	\$	3,796,244
Deferred Inflows of Resources		<u>(840,539)</u>

2,955,705

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is:

(147,731)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of the following:

Serial Bonds Payable		(35,501,765)
Obligations Under Capital Leases		(3,119,727)
Compensated Absences		(3,547,863)
Deferred Pension Obligation		(142,139)
Net Pension Liability		<u>(18,877,918)</u>

(61,189,412)

Net Position of Governmental Activities **\$ (29,066,388)**

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

LAKEWOOD BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources					
Property Tax Levy	\$ 90,350,168			\$ 543,639	\$ 90,893,807
Interest Earned	-		\$ 48,524		48,524
Unrestricted Miscellaneous Revenues	2,518,850	\$ 4,863	-	-	2,523,713
Total - Local Sources	92,869,018	4,863	48,524	543,639	93,466,044
State Sources	35,930,399	22,183,336		18,628	58,132,363
Federal Sources	566,410	22,256,184	-	-	22,822,594
Total Revenues	129,365,827	44,444,383	48,524	562,267	174,421,001
EXPENDITURES					
Current					
Instruction					
Regular Instruction	27,577,464	8,411,355			35,988,819
Special Education Instruction	36,252,727	-			36,252,727
Other Instruction	8,940,785	145,558			9,086,343
School Sponsored Activities and Athletics	1,541,074				1,541,074
Support Services					
Student and Instruction Related Services	16,505,653	33,136,040			49,641,693
General Administration	2,392,335	184,814			2,577,149
School Administration	4,889,223				4,889,223
Central Services	2,258,580				2,258,580
Plant Operations and Maintenance	7,561,681	476,138			8,037,819
Pupil Transportation	26,874,636	281,916			27,156,552
Debt Service					
Principal	269,375			209,000	478,375
Interest and Other Charges	25,031			1,097,445	1,122,476
Capital Outlay	376,225	52,277	15,901,560		16,330,062
Total Expenditures	135,464,789	42,688,098	15,901,560	1,306,445	195,360,892
Excess (Deficiency) of Revenues Over(Under) Expenditures	(6,098,962)	1,756,285	(15,853,036)	(744,178)	(20,939,891)
OTHER FINANCING SOURCES (USES)					
Capital Lease Proceeds	3,023,113				3,023,113
Transfers In	1,705,159				1,705,159
Transfers Out	-	(1,656,635)	(48,524)	-	(1,705,159)
Total Other Financing Sources and (Uses)	4,728,272	(1,656,635)	(48,524)	-	3,023,113
Net Change in Fund Balances	(1,370,690)	99,650	(15,901,560)	(744,178)	(17,916,778)
Fund Balance (Deficits), Beginning of Year	(12,959,412)	(3,285,255)	26,075,318	744,179	10,574,830
Fund Balance (Deficits), End of Year	\$ (14,330,102)	\$ (3,185,605)	\$ 10,173,758	\$ 1	\$ (7,341,948)

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**LAKWOOD BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) **\$ (17,916,778)**

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 and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Depreciation Expense	\$ (1,261,669)	
Capital Outlay - Additions	<u>16,330,062</u>	
		15,068,393

The issuance of long term debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Debt Issued		
Capital Lease Proceeds		(3,023,113)

Principal Repayments		
Serial Bonds	209,000	
Capital Lease	256,312	
Deferred Pension Obligation	<u>13,063</u>	
		478,375

Certain expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Decrease in Accrued Interest	27,683	
Increase in Net Pension Expense	(673,816)	
Decrease in Deferred Health Benefit Obligation	565,192	
Net Increase in Compensated Absences	<u>71,048</u>	
		<u>(9,893)</u>

Change in Net Position of Governmental Activities (Exhibit A-2) **\$ (5,403,016)**

**LAKWOOD BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2016**

	Business-Type <u>Activities</u> Enterprise Fund - <u>Food Service</u>
ASSETS	
Current Assets	
Cash	\$ 364,881
Receivables	
Intergovernmental	
Federal	400,695
State	4,022
Due from Other Funds	2,294,651
Inventories	<u>25,371</u>
Total Current Assets	<u>3,089,620</u>
Noncurrent Assets	
Machinery and Equipment	886,530
Less: Accumulated Depreciation	<u>(339,307)</u>
Total Noncurrent Assets	<u>547,223</u>
Total Assets	<u>3,636,843</u>
LIABILITIES	
Accounts Payable	291,970
Due to Other Funds	<u>265,000</u>
Total Liabilities	<u>556,970</u>
DEFERRED INFLOWS OF RESOURCES	
USDA Commodities	<u>3,195</u>
Total Deferred Inflows or Resources	<u>3,195</u>
NET POSITION	
Net Investment in Capital Assets	547,223
Unrestricted	<u>2,529,455</u>
Total Net Position	<u>\$ 3,076,678</u>

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

**LAKWOOD BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Business-Type Activities Enterprise Fund - <u>Food Service</u>
OPERATING REVENUES	
Local Sources	
Daily Sales	\$ <u>324,594</u>
 Total Operating Revenues	 <u>324,594</u>
OPERATING EXPENSES	
Food Service Management Company Expenses	
Cost of Sales	1,842,942
Labor	1,237,750
Supplies and Materials	128,292
Miscellaneous	122,588
Insurance	68,597
Management Fee	178,130
Administration and Supervision	171,623
Direct Expenses	
Salaries and Wages	70,456
Cost of Sales	510,605
Purchased Services	1,807
Repairs and Maintenance	38,545
Indirect Cost Allocation	462,424
Depreciation	50,642
Equipment	61,411
Miscellaneous Expenditures	<u>276,100</u>
 Total Operating Expenses	 <u>5,221,912</u>
 Operating Income (Loss)	 <u>(4,897,318)</u>
 Nonoperating Revenues (Expenses)	
State Sources	
State School Lunch Program	49,416
Federal Sources	
National School Breakfast Program	1,406,029
National School Lunch Program	2,830,189
After School Snack Program	44,785
Fresh Fruit and Vegetable program	173,909
Food Distribution Program	274,861
Summer Food Program	106,546
Interest and Investment Revenue	<u>958</u>
 Total Nonoperating Revenues	 <u>4,886,693</u>
 Change in Net Position	 (10,625)
 Net Position, Beginning of Year	 <u>3,087,303</u>
 Net Position, End of Year	 <u>\$ 3,076,678</u>

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

**LAKEWOOD BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Business-Type Activities Enterprise Fund - Food Service
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 344,545
Cash Payments for Employees' Salaries and Wages	(1,308,206)
Cash Payments to Suppliers for Good and Services	<u>(3,582,116)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(4,545,777)</u>
Cash Flows from Noncapital Financing Activities	
Cash Received from Federal and State Sources	4,572,180
Cash Received from Other Funds	<u>114,031</u>
Net Cash Provided by Noncapital Financing Activities	<u>4,686,211</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	<u>(60,161)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(60,161)</u>
Cash Flows from Investing Activities	
Interest on Investments	<u>958</u>
Net Cash Provided by Investing Activities	<u>958</u>
Net Increase in Cash and Cash Equivalents	81,231
Cash and Cash Equivalents, Beginning of Year	<u>283,650</u>
Cash and Cash Equivalents, End of Year	<u>\$ 364,881</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Operating Income (Loss)	\$ (4,897,318)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Depreciation	50,642
Non-Cash Federal Assistance - Food Distribution Program	274,861
Change in Assets and Liabilities	
(Increase)/Decrease in Accounts Receivable	19,951
(Increase)/Decrease in Inventories	9,277
Increase/(Decrease) in Accounts Payable	(1,442)
Increase/(Decrease) in Deferred Commodities Revenue	<u>(1,748)</u>
Total Adjustments	<u>351,541</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (4,545,777)</u>
Non-Cash Investing, Capital and Financing Activities:	
Value Received - Food Distribution Program	<u>\$ 273,113</u>

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

**LAKWOOD BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2016**

	<u>Workers Compensation Trust</u>	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>	<u>Parent Resource Center/ College Application Fund</u>	<u>Agency Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 7,097	\$ 120,429	\$ 45,672	\$ 10,800	\$ 1,473,998
Investments			135,846		
Due from Other Funds	-	-	-	-	265,000
	<u>7,097</u>	<u>120,429</u>	<u>181,518</u>	<u>10,800</u>	<u>\$ 1,738,998</u>
LIABILITIES					
Due to Student Groups					\$ 127,519
Due to Other Funds					282,326
Intergovernmental Accounts Payable		5,533			
Summer Payment Plan Deposits					778,039
Flexible Spending Plan Deposits					32,987
Accrued Salaries and Wages					112,973
Payroll Deductions and Withholdings Payable	-	-	-	-	405,154
	<u>-</u>	<u>5,533</u>	<u>-</u>	<u>-</u>	<u>\$ 1,738,998</u>
NET POSITION					
Held In Trust For Unemployment Claims and Other Purposes	<u>\$ 7,097</u>	<u>\$ 114,896</u>	<u>\$ 181,518</u>	<u>\$ 10,800</u>	

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

**LAKWOOD BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Workers Compensation Trust</u>	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>	<u>Parent Resource Center/ College Application Fund</u>
ADDITIONS				
Contributions				
District		\$ 189,146		
Employee		141,148		
Investment Earnings				
Interest	\$ 25	265	\$ 6,439	\$ 38
Total Additions	<u>25</u>	<u>330,559</u>	<u>6,439</u>	<u>38</u>
DEDUCTIONS				
Scholarships Awarded			1,250	
Other Expense				1,000
Unemployment Claims and Contributions	-	230,015	-	-
Total Deductions	<u>-</u>	<u>230,015</u>	<u>1,250</u>	<u>1,000</u>
Change in Net Position	25	100,544	5,189	(962)
Net Position, Beginning of Year	<u>7,072</u>	<u>14,352</u>	<u>176,329</u>	<u>11,762</u>
Net Position, End of Year	<u>\$ 7,097</u>	<u>\$ 114,896</u>	<u>\$ 181,518</u>	<u>\$ 10,800</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

B. New Accounting Standards

During fiscal year 2016, the District adopted the following GASB statements:

- GASB No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement applies to donated capital assets, donated works of art, donated historical treasures, and also to similar assets and capital assets received in a service concession arrangement. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.
- GASB No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

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

- GASB 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*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability.
- GASB No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.
- GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective beginning with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.
- GASB No. 77, *Tax Abatement Disclosures*, will be effective beginning with the fiscal year ending June 30, 2017. The requirements of this Statement will improve financial reporting by providing disclosure of information about the nature and magnitude of tax abatements that will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition.
- GASB No. 82, *Pension Issues – An Amendment of GASB Statements No.67, No.68, and No.73*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pension*, and 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*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

C. Basis of Presentation - Financial Statements

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

LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

District-Wide Financial Statements

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

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

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

Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

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

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

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

Additionally, the government reports the following fund types:

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

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

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

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

1. *Cash, Cash Equivalents and Investments*

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

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

2. *Receivables*

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

3. *Inventories*

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

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

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. *Capital Assets*

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	15-50
Building Improvements	20
Machinery and Equipment	5-20

5. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has only one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. It is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

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

LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. *Compensated Absences*

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

7. *Pensions*

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

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

8. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

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

9. *Net Position/Fund Balance*

District-Wide Statements

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

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

LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Net Position/Fund Balance (Continued)

Governmental Fund Statements

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

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

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

Debt Service – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

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

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

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

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

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

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

2. *Property Taxes*

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

3. *Tuition Revenues and Expenditures*

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

Tuition Expenditures - Tuition charges for the fiscal years 2014-2015 and 2015-2016 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education. The District did receive a tuition adjustment in the amount of \$1,474,475 for school year 2014/15 which will be funded in the 2016/17 budget.

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

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On November 15, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2015/2016. Also, during 2015/2016 the original budget was increased by \$16,923,326. The increase was funded by additional revenues appropriated, grant awards and the reappropriation of prior year general fund encumbrances

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

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

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Excess Expenditures Over Appropriations

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Undistributed Expenditures - Instruction			
Tuition to CSSD and Regional Day Schools	\$ 866,551	\$ 876,631	\$ 10,080
Student Transportation Services			
Salaires of Non-Insturction Aides	19,323	24,838	5,515
Other Purchases Professional and Technical Services	152,581	241,224	88,643
Contracted Services (Between Home and School - Vendors	12,913,006	18,995,507	6,082,501
Contracted Services (Special Education Students)-Vendors	3,148,516	4,328,742	1,180,226
Contracted Services (Special Education Students)- ESCs and CTAs	831,481	883,723	52,242
Contracted Services-Aid in Lieu Payments - Nonpublic	600,000	691,383	91,383
Supplies	66,523	68,344	1,821
Unallocated Benefits			
Social Security Contributions	982,503	1,105,296	122,793
Other Retirement Contribution-Regular	586,494	607,597	21,103

The above variances were offset with other available resources.

C. Deficit Fund Equity

The District has an unassigned fund deficits of \$17,362,880 in the General Fund and \$3,185,605 in the Special Revenue Fund as of June 30, 2016 as reported in the fund financial 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 these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2014/2015 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General and Special Revenue Fund deficits do not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Deficit Fund Equity (Continued)

In addition to the delayed State aid payments, N.J.S.A. 18A:7A-56 provides that a District which receives an advance State aid payment must record the payment as revenue for budget purposes in the school year in which the advance State aid payment is provided. During the 2014/2015 school year, the District was approved for and received an advance State aid payment in the amount of \$4,500,000 for the purpose of eliminating a portion of the unassigned budgetary fund deficit of the General Fund. The District is obligated to repay the advanced State aid payment amount back to the State within ten (10) years through automatic reductions in state aid in subsequent years. The unpaid balance as of June 30, 2016 is \$4,050,000. The District has not recognized such payment as revenue on the GAAP (fund) financial statements.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficits in the GAAP (fund) financial statements of \$17,362,880 in the General Fund and \$3,185,605 in the Special Revenue Fund are more than the delayed state aid payments and state aid advance payment balance as of June 30, 2016..

The general fund deficit represents \$6,488,288 as a result of a delay in state aid payments, \$4,050,000 in state aid advanced, and \$6,824,592 in a deficit in operations. The special revenue fund deficit represents \$3,185,605 as a result of prior year disallowed grant expenditures.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2016, the book value of the Board's deposits were \$27,464,222 and bank and brokerage firm balances of the Board's deposits amounted to \$31,881,573. The Board's deposits which are displayed on the various fund balance sheets as "cash" or "cash with fiscal agents" are categorized as:

Depository Account

Insured	\$ 29,234,747
Uninsured and Collateralized	<u>2,646,826</u>
	<u>\$ 31,881,573</u>

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2016 the Board’s bank balance of \$2,646,826 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department not in the Board's name	\$ <u>2,646,826</u>
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Investments

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

As of June 30, 2016, the Board had the following investments:

	<u>Fair Value</u>
<u>Investment:</u>	
U.S. Government Securities	
Nuveen Core Bond Fund	\$ <u>135,846</u>

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial risk. As of June 30, 2016, 135,846 of the Board’s investments was exposed to custodial credit risk as follows:

	<u>Fair Value</u>
<u>Depository Account</u>	
Uninsured and Collateralized:	
Collateral held by pledging financial institution's trust department not in the Board's name	\$ <u>135,846</u>

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

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

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments (Continued)

Concentration of Credit Risk – The Board places no limit in the amount the District may invest in any one issuer. More than five (5) percent of the Board’s investments are in Nuveen Investments. These investments are 100% of the District’s total investments.

The fair value of the above-listed investment was based on quoted market prices.

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

B. Receivables

Receivables as of June 30, 2016 for the district’s individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Accounts	\$ 3,633	\$ 343,922		\$ 347,555
Intergovernmental				
Federal	123,843	9,395,355	\$ 400,695	9,919,893
State	771,262	208	4,022	775,492
Local	-	5,000	-	5,000
	<hr/>	<hr/>	<hr/>	<hr/>
Gross Receivables	898,738	9,744,485	404,717	11,047,940
Less: Allowance for Uncollectibles	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net Total Receivables	<u>\$ 898,738</u>	<u>\$ 9,744,485</u>	<u>\$ 404,717</u>	<u>\$ 11,047,940</u>

C. Unearned Revenue

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

	<u>Total</u>
General Fund	
Prepaid Property Taxes	\$ 7,840,669
Special Revenue Fund	
Unencumbered Grant Draw Downs	<u>202,526</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 8,043,195</u>

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, <u>July 1, 2015</u>	<u>Increases</u>	Decreass/ <u>Adjustments</u>	Balance, <u>June 30, 2016</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 143,800			\$ 143,800
Construction in Progress	<u>3,460,966</u>	<u>\$ 15,901,560</u>	<u>\$ -</u>	<u>19,362,526</u>
Total Capital Assets, Not Being Depreciated	<u>3,604,766</u>	<u>15,901,560</u>	<u>-</u>	<u>19,506,326</u>
Capital Assets, Being Depreciated:				
Land Improvements	2,406,289			2,406,289
Buildings and Building Improvements	39,073,496	-	-	39,073,496
Machinery and Equipment	<u>4,547,695</u>	<u>428,502</u>	<u>-</u>	<u>4,976,197</u>
Total Capital Assets Being Depreciated	<u>46,027,480</u>	<u>428,502</u>	<u>-</u>	<u>46,455,982</u>
Less Accumulated Depreciation for:				
Land Improvements	(2,186,792)	(23,631)		(2,210,423)
Buildings and Building Improvements	(24,006,178)	(722,948)		(24,729,126)
Machinery and Equipment	<u>(1,850,671)</u>	<u>(515,090)</u>	<u>-</u>	<u>(2,365,761)</u>
Total Accumulated Depreciation	<u>(28,043,641)</u>	<u>(1,261,669)</u>	<u>-</u>	<u>(29,305,310)</u>
Total Capital Assets, Being Depreciated, Net	<u>17,983,839</u>	<u>(833,167)</u>	<u>-</u>	<u>17,150,672</u>
Governmental Activities Capital Assets, Net	<u>\$ 21,588,605</u>	<u>\$ 15,068,393</u>	<u>\$ -</u>	<u>\$ 36,656,998</u>

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, <u>July 1, 2015</u>	<u>Increases</u>	<u>Decreases/ Adjustments</u>	Balance, <u>June 30, 2016</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 826,369	\$ 60,161	-	\$ 886,530
Total Capital Assets Being Depreciated	<u>826,369</u>	<u>60,161</u>	<u>-</u>	<u>886,530</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	<u>(288,665)</u>	<u>(50,642)</u>	<u>-</u>	<u>(339,307)</u>
Total Accumulated Depreciation	<u>(288,665)</u>	<u>(50,642)</u>	<u>-</u>	<u>(339,307)</u>
Total Capital Assets, Being Depreciated, 1	<u>537,704</u>	<u>9,519</u>	<u>-</u>	<u>547,223</u>
Business-Type Activities Capital Assets, 1	<u>\$ 537,704</u>	<u>\$ 9,519</u>	<u>\$ -</u>	<u>\$ 547,223</u>

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

Governmental Activities:	
Instruction	
Regular	\$ 392,669
Total Instruction	<u>392,669</u>
Support Services	
General Administration	1,285
Central Services	54,453
Operations and Maintenance of Plant	109,594
Total Support Services	<u>165,332</u>
Unallocated	<u>703,668</u>
Total Support Services	<u>869,000</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,261,669</u>
Business-Type Activities:	
Food Service Fund	\$ 50,642
Total Depreciation Expense-Business-Type Activities	<u>\$ 50,642</u>

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2016:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
HVAC Upgrades - Phase II	6,106,622	1,712,578
HVAC Upgrades - Phase III	63,945	5,406,055
HVAC Upgrades - Phase IV	750,254	<u>4,779,741</u>
		<u>\$ 11,898,374</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2016, is as follows:

Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Payroll Agency Fund	\$ 282,326
Food Service Fund	General Fund	2,294,651
Capital Projects Fund	General Fund	50,629
Payroll Agency Fund	Food Service Fund	<u>265,000</u>
		<u>\$ 2,892,606</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/or to cover cash balances which were in an overdraft position.

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

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

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

Interfund transfers

	<u>Transfer In:</u>	
	<u>General Fund</u>	<u>Total</u>
<u>Transfer Out:</u>		
Special Revenue Fund	\$ 1,656,635	\$ 1,656,635
Capital Projects Fund	<u>48,524</u>	<u>48,524</u>
Total Transfers Out	<u>\$ 1,705,159</u>	<u>\$ 1,705,159</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

F. Leases

Capital Leases

The District is leasing textbooks and school buses totaling \$3,447,413 under capital leases. The leases are for terms of 3 and 7 years, respectively.

The capital assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Machinery and Equipment	\$ 768,119
Less: Accumulated Depreciation	<u>(298,080)</u>
Total	<u>\$ 470,039</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2016 were as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2017	527,139
2018	778,174
2019	571,531
2020	416,236
2021	416,236
2022	354,849
2023	<u>354,849</u>
Total minimum lease payments	3,419,014
Less: amount representing interest	<u>(299,387)</u>
Present value of minimum lease payments	<u>\$ 3,119,627</u>

**LAKESWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2016 are comprised of the following issues:

\$34,695,000, 2015 Bonds, due in annual installments of \$1,250,000 to \$2,500,000 through September 15, 2034 interest at 2.50% to 3.00%	<u>\$34,695,000</u>
Total	<u>\$34,695,000</u>

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Fiscal Year Ending <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2017	\$ 1,250,000	\$ 997,388	\$ 2,247,388
2018	1,300,000	963,888	2,263,888
2019	1,350,000	927,451	2,277,451
2020	1,400,000	889,638	2,289,638
2021	1,470,000	850,175	2,320,175
2022-2026	8,275,000	3,579,907	11,854,907
2027-2031	10,065,000	2,217,375	12,282,375
2032-2036	<u>9,585,000</u>	<u>586,725</u>	<u>10,171,725</u>
	<u>\$ 34,695,000</u>	<u>\$ 11,012,547</u>	<u>\$ 45,707,547</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2016 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 307,744,454
Less: Net Debt (Including Unfunded Authorizations)	<u>34,697,241</u>
Remaining Borrowing Power	<u>\$ 273,047,213</u>

**LAKESWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

H. Other Long-Term Liabilities

Deferred Pension Obligation

During the 2009/2010 school year the Board elected to contribute only 50% of its normal and accrued liability components of the Public Employee Retirement System (PERS) obligations and deferred the remaining 50% in accordance with P.L. 2009, c.19. The deferred amount totaled \$196,429 and is being paid back with interest over 15 years beginning in the 2011/2012 fiscal year. The District is permitted to payoff the deferred PERS pension obligations at any time. It is estimated that the total deferred liability at June 30, 2016 is \$142,139.

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2016, was as follows:

	<u>Balance,</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance,</u> <u>June 30, 2016</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 34,904,000	\$ -	\$ 209,000	\$ 34,695,000	\$ 1,250,000
Add: Premium	<u>806,765</u>	<u>-</u>	<u>-</u>	<u>806,765</u>	<u>-</u>
Total Bonds Payable	<u>35,710,765</u>	<u>-</u>	<u>209,000</u>	<u>35,501,765</u>	<u>1,250,000</u>
Capital Leases	352,926	\$ 3,023,113	256,312	3,119,727	481,298
Compensated Absences	3,618,911	72,378	143,426	3,547,863	100,000
Net Pension Liability	14,190,964	5,409,956	723,002	18,877,918	-
Deferred Health Benefit Obligation	565,192		565,192	-	-
Deferred Pension Obligations	<u>155,202</u>	<u>-</u>	<u>13,063</u>	<u>142,139</u>	<u>-</u>
Governmental activity					
Long-term liabilities	<u>\$ 54,593,960</u>	<u>\$ 8,505,447</u>	<u>\$ 1,909,995</u>	<u>\$ 61,189,412</u>	<u>\$ 1,831,298</u>

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

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

I. State Aid Advance Loan Payable

The Board has entered into a loan agreement with the State of New Jersey in the amount of \$4,500,000 pursuant to N.J.S.A. 18A:7A-56 in the form of an advancement of state aid to provide funds to eliminate a portion of the unassigned budgetary fund deficit in the General Fund at June 30, 2014. The advance State aid payment will be repaid by the school district through automatic reductions in the State aid provided to the school district in subsequent years. The term of the repayment is ten (10) years beginning in the 2015/2016 school year at a minimum amount of \$450,000 per year, but may be for a shorter term as determined by the State Treasurer. At any time during the term of the repayment the State Treasurer, in consultation with the Commissioner of Education, may determine to impose interest on the unpaid balance. The State Treasurer has not imposed interest during the 2015/2016 school year. The state aid advance loan balance outstanding at June 30, 2016 is reported as a liability in the General Fund. The Board's State aid advance loan activity for the fiscal year ended June 30, 2016 is as follows:

<u>Purpose</u>	<u>Balance, July 1, 2015</u>	<u>Renewed/ Issued</u>	<u>Retired/ Redeemed</u>	<u>Balance, June 30, 2016</u>
State Aid Advance Loan	\$ 4,500,000	\$ -	\$ 450,000	\$ 4,050,000
	<u>\$ 4,500,000</u>	<u>\$ -</u>	<u>\$ 450,000</u>	<u>\$ 4,050,000</u>

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District is a member of the School Alliance Insurance Fund (SAIF). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

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

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

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

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

<u>Fiscal Year Ended</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2016	\$ 189,146	\$ 141,148	\$ 230,015	\$ 114,896
2015	422,854	74,476	390,998	14,352
2014	215,582	78,459	420,860	(92,089)

B. Contingent Liabilities

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

The Lakewood Board of Education is currently a defendant to approximately fifty-five special education disputes, which individually are not expected to exceed the materiality threshold, although may do so in the aggregate. In these cases, the parents are seeking prospective placement in out-of-district educational programs. A few cases also involve a request for compensatory education or independent evaluations. The School District is vigorously defending each matter, however if unsuccessful at hearing, the Board would likely be required to reimburse the parents for reasonable attorney fees and costs. This would not exceed \$250,000 in any individual case, however may exceed that limit in the aggregate.

B. Contingent Liabilities

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2016, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2016, the District has not estimated its arbitrage earnings due to the IRS, if any.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

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

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

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

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

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

Other Pension Funds

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

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

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

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

Basis of Accounting

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

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Investment Valuation

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

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

Funding Status and Funding Progress

As of July 1, 2014, the most recent actuarial valuation date, the aggregate funded ratio for the State administered TPAF and local PERS retirement systems, is 35 percent with an unfunded actuarial accrued liability of \$86 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded TPAF system is 28.71 percent and \$63.6 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS is 47.93 percent and \$22.4 billion, respectively.

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

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

Actuarial Methods and Assumptions

In the July 1, 2014 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (a) an investment rate of return for the retirement systems of 7.90 percent and (b) projected salary increases of 2.60-9.48 percent based on age for the PERS and varying percentages based on experience for TPAF.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 6.92% for PERS, 6.92% for TPAF and 5.50% for DCRP of the employee's annual compensation

**LAKESWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Annual Pension Costs (APC)

Per the requirements of GASB Statement No. 27 *Accounting for Pensions by State and Local Government Employees*, for the fiscal year ended June 30, 2016 for TPAF, which is a cost sharing plan with special funding situations, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

During the fiscal years ended June 30, 2016, 2015 and 2014 the Board was required to contribute for PERS and DCRP and the State of New Jersey was required to contribute for TPAF for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2016	\$ 723,002	\$ 2,398,440	NONE
2015	654,809	1,664,875	NONE
2014	601,811	1,336,476	NONE

For fiscal years 2015/2016 and 2014/2015, the state contributed \$2,398,440 and \$1,664,875, respectively for normal cost pension, accrued liability and the NCGI premium. For fiscal year 2013/2014 the State did not contribute to the TPAF for accrued liability but did contribute \$1,336,476 for normal cost pension and NCGI premium.

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,390,382 during the fiscal year ended June 30, 2016 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 24.

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS)

At June 30, 2016, the District reported in the statement of net position (accrual basis) a liability of \$18,877,918 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2015, the District's proportionate share was 0.08409 percent, which was an increase of 0.0083 percent from its proportionate share measured as of June 30, 2014 of 0.07579 percent.

For the fiscal year ended June 30, 2016, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,396,818 for PERS. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 450,361	
Changes of Assumptions	2,027,338	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		\$ 303,521
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>1,318,545</u>	<u>537,018</u>
Total	<u>\$ 3,796,244</u>	<u>\$ 840,539</u>

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

Fiscal Year Ending <u>June 30,</u>	
2017	\$ 559,468
2018	559,468
2019	559,468
2020	770,894
2021	<u>506,407</u>
	<u>\$ 2,955,705</u>

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 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, applied to all periods in the measurement:

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 Rate Table	RP-2000
Period of Actuarial Experience	July 1, 2008 -
Study Upon Which Actuarial	June 30, 2011
Assumptions were Based	

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

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%

Discount Rate

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

<u>Plan</u>	<u>Discount Rate</u>
PERS	4.90%

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

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

Period of Projected Benefit	
Payments for which the Following	
Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2033
Municipal Bond Rate *	From July 1, 2033 and Thereafter

* The municipal bond return rate used is 3.80%. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the District's proportionate share of the PERS net pension liability calculated using the discount rate of 4.90%, as well as what the District's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.90 percent) or 1-percentage-point higher (5.90 percent) than the current rate:

	1% Decrease <u>(3.90%)</u>	Current Discount Rate <u>(4.90%)</u>	1% Increase <u>(5.90%)</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 23,462,942</u>	<u>\$ 18,877,918</u>	<u>\$ 15,033,867</u>

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

Pension Plan Fiduciary Net Position

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

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

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

For the fiscal year ended June 30, 2016, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$11,884,265 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 24.

At June 30, 2016 the State's proportionate share of the net pension liability attributable to the District is \$194,635,749. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer towards the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the year ended June 30, 2015. At June 30, 2015, the state's share of the net pension liability attributable to the District was .030794 percent, which was a decrease of .00798 percent from its proportionate share measured as of June 30, 2014 of 0.31592 percent.

Actuarial Assumptions

The 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, applied to all periods in the measurement.

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

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

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Cash	5.00%	0.53%
US Government Bonds	1.75%	1.39%
US Credit Bonds	13.50%	2.72%
US Mortgages	2.10%	2.54%
US Inflation-Indexed Bonds	1.50%	1.47%
US High Yield Bonds	2.00%	4.57%
US Equity Market	27.25%	5.63%
Foreign-Developed Equity	12.00%	6.22%
Emerging Markets Equity	6.40%	8.46%
Private Real Estate Property	4.25%	3.97%
Timber	1.00%	4.09%
Farmland	1.00%	4.61%
Private Equity	9.25%	9.15%
Commodities	1.00%	3.58%
Hedge Funds - MultiStrategy	4.00%	4.59%
Hedge Funds - Equity Hedge	4.00%	5.68%
Hedge Funds - Distressed	4.00%	4.30%

**LAKWOOD BOARD OF EDUCATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

<u>Plan</u>	<u>Discount Rate</u>
TPAF	4.13%

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

Period of Projected Benefit Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2027
Municipal Bond Rate *	From July 1, 2027 and Thereafter

* The municipal bond return rate used is 3.80%. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 4.13%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (3.13 percent) or 1-percentage-point higher (5.13 percent) than the current rate:

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 231,317,312</u>	<u>\$ 194,635,749</u>	<u>\$ 163,032,387</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2015. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2015 was not provided by the pension system.

**LAKESWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

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

E. Post-Retirement Medical Benefits

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

As a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), and the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other employee Benefit Trust Funds in the State's Comprehensive Annual Financial Report (CAFR). Specifically, SHBP-State, and the PRM of the PERS are combined and reported as a Health Benefits Program Fund – State classified as a single employer plan. The SHBP-Local, PDP-Local, and the PRM of the TPAF-Local are combined and reported as Health Benefits Program Fund –Local Government classified as a cost-sharing multiple-employer plan in the State's CAFR. The post-retirement benefit programs had a total of 590 state and local participating employers and contributing entities for Fiscal Year 2015.

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

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

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

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Basis of Accounting

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

Significant Legislation

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

Investment Valuation

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

Funded Status and Funding Progress

As of July 1, 2014, the most recent actuarial valuation date, the State had a \$65.0 billion unfunded actuarial accrued liability for other post-employment benefits (OPEB) which is made up to \$24.4 billion for state active and retired members and \$40.6 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

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

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

Actuarial Methods and Assumptions

In the July 1, 2014, OPEB actuarial valuation, the projected unit credit was used as the actuarial cost method. The actuarial assumptions included an assumed investment rate of return of 4.50 percent.

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Post-Retirement Medical Benefits Contributions

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2014, there were 107,314, retirees receiving 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 and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SEHBP. That report may be obtained from the Treasury website at: <http://www.nj.gov/treasury/pensions/pdf/financial/2015divisioncombined.pdf>.

The State sets the contribution rate based on a pay as you go basis and not on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2016, 2015 and 2014 were \$2,855,878, \$2,642,990 and \$2,191,318, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

NOTE 5 SUBSEQUENT EVENT

The Board has entered into a loan agreement with the State of New Jersey in the amount of \$5,640,183 pursuant to N.J.S.A. 18A:7A-56 in the form of an advancement of state aid to provide funds to eliminate a portion of the unassigned budgetary fund deficit in the General Fund.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**LAKWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

EXHIBIT C-1

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final Budget to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 90,350,168		\$ 90,350,168	\$ 90,350,168	
Additional Municipal Aid - Nonmandated Transportation		\$ 1,000,000	1,000,000	1,000,000	
Miscellaneous, Including Interest	674,809		674,809	1,518,850	\$ 844,041
Total - Local Sources	91,024,977	1,000,000	92,024,977	92,869,018	844,041
State Sources:					
Special Education Aid	2,975,869		2,975,869	2,975,869	
Extraordinary Aid	4,500,000		4,500,000	4,162,366	(337,634)
Security Aid	2,161,835		2,161,835	2,161,835	
Equalization Aid	15,263,034		15,263,034	15,263,034	
Transportation Aid	3,934,658		3,934,658	3,934,658	
PARCC Readiness Aid	58,370		58,370	58,370	
Per Pupil Growth Aid	58,370		58,370	58,370	
Nonpublic Transportation Reimbursement	353,310		353,310	652,469	299,159
On Behalf TPAF Pension Contributions (Non-Budgeted)				2,398,440	2,398,440
On Behalf TPAF Post Retirement Medical Contributions (Non-Budgeted)				2,855,878	2,855,878
On-Behalf TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	2,390,382	2,390,382
Total State Sources	29,305,446	-	29,305,446	36,911,671	7,606,225
Federal Sources:					
Special Education Medicare Incentive Program	500,000	-	500,000	566,410	66,410
Total - Federal Sources	500,000	-	500,000	566,410	66,410
Total Revenues	120,830,423	1,000,000	121,830,423	130,347,099	8,516,676
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	1,015,053	(375,222)	639,831	639,831	
Grades 1-5 - Salaries of Teachers	5,618,918	1,183,961	6,802,879	6,802,719	160
Grades 6-8 - Salaries of Teachers	3,039,288	(304,807)	2,734,481	2,709,339	25,142
Grades 9-12 - Salaries of Teachers	4,233,725	115,438	4,349,163	4,262,396	86,767
Regular Programs - Home Instruction:					
Salaries of Teachers	145,252		145,252	60,510	84,742
Purchased Professional-Educational Services	250,000	48,347	298,347	258,151	40,196
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	670,981	24,989	695,970	517,214	178,756
Purchased Professional-Educational Services	1,100,000	123,098	1,223,098	1,187,520	35,578
Other Purchased Services (400-500 series)	250,000	(17,800)	232,200	229,760	2,440
General Supplies	270,011	589,587	859,598	576,195	283,403
Textbooks	223,827	546,125	769,952	716,615	53,337
Other Objects	16,759	700	17,459	5,843	11,616
TOTAL REGULAR PROGRAMS - INSTRUCTION	16,837,514	1,936,176	18,773,690	17,971,553	802,137
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	1,024,418	(173,783)	850,635	849,620	1,015
Other Salaries for Instruction	358,811	40,116	398,927	398,927	
General Supplies	8,000	3,943	11,943	6,433	5,510
Total Learning and/or Language Disabilities	1,391,229	(129,724)	1,261,505	1,254,980	6,525
Auditory Impairments:					
Salaries of Teachers	-	52,970	52,970	52,970	-
Total Auditory Impairments	-	52,970	52,970	52,970	-
Multiple Disabilities:					
Salaries of Teachers	439,784	119,602	559,386	559,386	
Other Salaries for Instruction	131,011	(18,394)	112,617	112,617	
General Supplies	8,300	(1,943)	6,357	5,325	1,032
Total Multiple Disabilities	579,095	99,265	678,360	677,328	1,032
Resource Room/Resource Center:					
Salaries of Teachers	2,550,710	189,181	2,739,891	2,728,929	10,962
General Supplies	13,000	(232)	12,768	8,218	4,550
Total Resource Room/Resource Center	2,563,710	188,949	2,752,659	2,737,147	15,512
Autism:					
Salaries of Teachers	104,793	91,064	195,857	195,857	
Other Salaries for Instruction	37,800	(8,517)	29,283	14,903	14,380
General Supplies	5,700	(500)	5,200	2,687	2,513
Total Autism	148,293	82,047	230,340	213,447	16,893
Preschool Disabilities - Full-Time:					
Salaries of Teachers	651,487	98,891	750,378	750,378	
Other Salaries for Instruction	393,995	41,687	435,682	435,682	
General Supplies	4,000	27,580	31,580	30,014	1,566
Total Preschool Disabilities - Full-Time	1,049,482	168,158	1,217,640	1,216,074	1,566
TOTAL SPECIAL EDUCATION - INSTRUCTION	5,744,311	452,665	6,196,976	6,151,946	45,030

**LAKESWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Basic Skills/Remedial - Instruction					
Salaries of Teachers	\$ 652,455	\$ (359,615)	\$ 292,840	\$ 292,840	-
Total Basic Skills/Remedial - Instruction	652,455	(359,615)	292,840	292,840	-
Bilingual Education - Instruction					
Salaries of Teachers	3,316,069	(122,139)	3,193,930	3,192,642	\$ 1,288
Other Salaries for Instruction	157,751	(4,509)	153,242	152,837	405
Purchased Professional-Educational Services	37,498	6,400	43,898	42,746	1,152
General Supplies	14,000	(2,500)	11,500	6,376	5,124
Total Bilingual Education - Instruction	3,525,318	(122,748)	3,402,570	3,394,601	7,969
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	111,100	54,813	165,913	145,000	20,913
Purchased Services (300-500 series)	10,000	-	10,000	9,834	166
Supplies and Materials	26,000	-	26,000	19,535	6,465
Total School-Spon. Cocurricular Actvts. - Inst.	147,100	54,813	201,913	174,369	27,544
School-Spon. Cocurricular Athletics - Inst.					
Salaries	555,227	65,318	620,545	620,545	-
Purchased Services (300-500 series)	158,370	(25,000)	133,370	113,022	20,348
Supplies and Materials	78,400	25,000	103,400	88,072	15,328
Other Objects	38,795	-	38,795	38,069	726
Total School-Spon. Cocurricular Athletics - Inst.	830,792	65,318	896,110	859,708	36,402
Before/After School Programs - Instruction					
Purchased Professional & Tech Services	-	48,000	48,000	48,000	-
Total Before/After School Programs - Instruction	-	48,000	48,000	48,000	-
Total Before/After School Programs	-	48,000	48,000	48,000	-
Summer School - Instruction					
Salaries of Teachers	507,000	(26,731)	480,269	480,269	-
Other Salaries for Instructions	228,800	(11,066)	217,734	217,734	-
General Supplies	-	1,000	1,000	877	123
Total Summer School - Instruction	735,800	(36,797)	699,003	698,880	123
Total Summer School	735,800	(36,797)	699,003	698,880	123
Alternative Education Program - Instruction					
Salaries of Teachers	-	4,492	4,492	4,492	-
Other Salaries for Instructions	-	4,000	4,000	4,000	-
Total Alternative Education Program - Instruction	-	8,492	8,492	8,492	-
Alternative Education Program - Support Svcs					
Salaries	-	11,300	11,300	11,300	-
Total Alternative Education Program - Support Svcs	-	11,300	11,300	11,300	-
Total Alternative Education Program	-	19,792	19,792	19,792	-
Community Services Programs/Operations					
Salaries	-	5,488	5,488	5,488	-
Total Community Services Programs/Operations	-	5,488	5,488	5,488	-
TOTAL INSTRUCTION	28,473,290	2,063,092	30,536,382	29,617,177	919,205
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	95,866	76,247	172,113	172,113	-
Tuition to Other LEAs Within the State - Special	108,121	(22,934)	85,187	85,186	1
Tuition to County Voc. School Dist. - Regular	12,000	34,500	46,500	46,500	-
Tuition to County Voc. School Dist. - Special	51,998	(12,138)	39,860	39,860	-
Tuition to CSSD & Regional Day Schools	1,360,108	(493,557)	866,551	876,631	(10,080)
Tuition to Private Schools for the Disabled - Within State	23,550,832	2,105,728	25,656,560	25,083,549	573,011
Tuition to Private Schools for the Disabled & Other LEA - Spl./O/S	268,525	(143,049)	125,476	125,476	-
Tuition - State Facilities	55,974	-	55,974	55,974	-
Tuition - Other	2,590,189	(910,666)	1,679,523	1,652,026	27,497
Total Undistributed Expenditures - Instruction:	28,093,613	634,131	28,727,744	28,137,315	590,429
Undistributed Expend. - Attend. & Social Work					
Salaries	186,626	63,445	250,071	250,071	-
Supplies and Materials	500	-	500	-	500
Total Undistributed Expend. - Attend. & Social Work	187,126	63,445	250,571	250,071	500
Undist. Expend. - Health Services					
Salaries	343,761	77,294	421,055	421,055	-
Purchased Professional and Technical Services	72,000	(38,956)	33,044	33,044	-
Supplies and Materials	27,935	(9,185)	18,750	11,033	7,717
Total Undistributed Expenditures - Health Services	458,696	14,154	472,850	465,132	7,718
Undist. Expend. - Speech, OT, PT and Related Services					
Salaries	1,767,855	3,937	1,771,792	1,771,792	-
Purchased Professional - Educational Services	1,600,000	(276,252)	1,323,748	1,075,113	248,635
General Supplies	70,000	(3,215)	66,785	66,785	-
Total Undist. Expend. - Other Supp. Serv. Students - Speech,OT	3,437,855	(275,530)	3,162,325	2,913,690	248,635
Undist. Expend. - Other Supp. Serv. Students - Extra Serv.					
Salaries	1,208,951	47,279	1,256,230	1,256,230	-
Purchased Professional - Educational Services	1,950,000	(888,254)	1,061,746	899,977	161,769
Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.	3,158,951	(840,975)	2,317,976	2,156,207	161,769

**LAKESWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	\$ 846,859	\$ 31,302	\$ 878,161	\$ 878,161	
Salaries of Secretarial and Clerical Assistants	116,072	5,292	121,364	121,364	
Other Salaries	74,465	2,427	76,892	76,892	
Purchased Professional - Educational Services	3,400	(1,475)	1,925	1,925	
Other Purchased Prof. and Tech. Services	26,642	(3,000)	23,642	22,091	\$ 1,551
Other Purchased Services (400-500 series)	59,000	215	59,215	59,215	
Supplies and Materials	9,500	(2,200)	7,300	4,211	3,089
Total Undist. Expend. - Other Supp. Serv. Students-Reg.	<u>1,136,938</u>	<u>34,761</u>	<u>1,171,699</u>	<u>1,167,034</u>	<u>4,665</u>
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	1,956,035	8,170	1,964,205	1,964,205	
Salaries of Secretarial and Clerical Assistants	236,849	(327)	236,522	236,522	
Other Salaries	258,289	(89,766)	168,523	168,523	
Purchased Professional - Educational Services	63,830	56,660	120,490	119,290	1,200
Other Purchased Prof. and Tech. Services	57,720	248,393	306,113	306,113	
Other Purchased Services (400-500 series)	23,450	(4,036)	19,414	19,414	
Residential Costs	66,795	93,513	160,308	160,308	
Mis. Purchase Serv. (400-500 series other than Residential Costs)	1,000	(1,000)			
Supplies and Materials	23,530	26,131	49,661	42,859	6,802
Other Salaries	5,000	331	5,331	5,330	1
Total Undist. Expend. - Child Study Teams	<u>2,692,498</u>	<u>338,069</u>	<u>3,030,567</u>	<u>3,022,564</u>	<u>8,003</u>
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	392,770	(133,002)	259,768	259,768	
Salaries of Other Professional Staff	1,980	4,180	6,160	6,160	
Salaries of Sec and Clerical Assist.	29,993	(230)	29,763	29,763	
Sal of Facilitators, Math & Literacy Coaches	366,478	(44,941)	321,537	321,537	
Purchased Prof- Educational Services	10,000	(9,298)	702	702	
Other Purch Services (400-500)	1,000	(980)	20	20	
Supplies and Materials	-	2,838	2,838	2,837	1
Other Objects	25,500	2,380	27,880	27,880	
Total Undist. Expend. - Improvement of Inst. Serv.	<u>827,721</u>	<u>(179,053)</u>	<u>648,668</u>	<u>648,667</u>	<u>1</u>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	471,435	(63,758)	407,677	407,331	346
Salaries of Technology Coordinators	121,438	(8,207)	113,231	113,231	
Purchased Professional and Technical Services	50,416	(50,416)			
Supplies and Materials	50,342	(12,960)	37,382	36,015	1,367
Total Undist. Expend. - Edu. Media Serv./Sch. Library	<u>693,631</u>	<u>(135,341)</u>	<u>558,290</u>	<u>556,577</u>	<u>1,713</u>
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Other Professional Staff		1,640	1,640	1,640	
Purchased Professional - Educational Service	25,000	30,191	55,191	54,880	311
Other Purchased Services (400-500 series)	4,500	(2,665)	1,835	1,835	
Supplies and Materials	1,000	(1,000)			
Total Undist. Expend. - Instructional Staff Training Serv.	<u>30,500</u>	<u>28,166</u>	<u>58,666</u>	<u>58,355</u>	<u>311</u>
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	466,364	(122,934)	343,430	343,430	
Salaries of State Monitors	354,603	(70,899)	283,704	283,704	
Repayment of Principal - NJDOE Loan		450,000	450,000	450,000	
Legal Services	800,000	(69,006)	730,994	730,994	
Audit Fees	85,000	-	85,000	85,000	
Purchased Professional Services	10,500	(7,610)	2,890	2,890	
Communications/Telephone	365,000	(123,765)	241,235	241,235	
BOE Other Purchased Services	7,888	(5,021)	2,867	2,867	
Other Purchased Services (400-500 series)	37,500	(3,261)	34,239	34,239	
Supplies and Materials	14,043	883	14,926	14,926	
BOE in-House Training/Meeting	5,068	(2,980)	2,088	2,088	
Judgements Against The School District	1,487,819	(1,277,549)	210,270	210,260	10
Miscellaneous Expenditures	12,000	(5,987)	6,013	6,013	
BOE Membership & Dues	28,775	(2,112)	26,663	26,663	
Total Undist. Expend. - Supp. Serv. - General Admin.	<u>3,674,560</u>	<u>(1,240,241)</u>	<u>2,434,319</u>	<u>2,434,309</u>	<u>10</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	2,035,465	119,709	2,155,174	2,155,174	
Salaries of Secretarial and Clerical Assistants	697,479	97,046	794,525	794,031	494
Other Purchased Services (400-500 series)	8,100	(2,882)	5,218	4,618	600
Supplies and Materials	58,633	(1,342)	57,291	42,436	14,855
Other Objects	3,000	(3,000)			
Total Undist. Expend. - Support Serv. - School Admin.	<u>2,802,677</u>	<u>214,376</u>	<u>3,017,053</u>	<u>2,998,682</u>	<u>18,371</u>

**LAKEWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

EXHIBIT C-1

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Undist. Expend. - Central Services					
Salaries	\$ 838,614	\$ (4,738)	\$ 833,876	\$ 833,876	
Purchased Professional Services		57,273	57,273	57,273	
Purchased Technical Services	50,500	5,013	55,513	55,513	
Misc Purchased Services (400-500) (O/T 594)	55,700	(25,846)	29,854	29,854	
Supplies and Materials	27,500	(3,755)	23,745	23,745	
Miscellaneous Expenditures	6,000	617	6,617	6,617	
Total Undist. Expend. - Central Services	978,314	28,564	1,006,878	1,006,878	-
Undist. Expend. - Admin Information Technology					
Salaries	231,476	(9,245)	222,231	222,231	
Purchased Professional Services	248,370	61,509	309,879	290,246	\$ 19,633
Other Purchased Services (400-500 series)	66,000	(29,768)	36,232	36,232	
Supplies and Materials	27,544	255	27,799	27,797	2
Total Undist. Expend. - Admin Information Technology	573,390	22,751	596,141	576,506	19,633
Undist. Expend. - Required Maintenance for School Facilities					
Salaries	54,298	(538)	53,760	53,760	
Cleaning, Repair, and Maintenance Services	1,502,449	(364,954)	1,137,495	1,123,279	14,216
General Supplies	185,000	12,992	197,992	192,003	5,989
Other Objects	4,500	1,241	5,741	5,741	
Total Undist. Expend. - Required Maintenance for School Facilities	1,746,247	(351,259)	1,394,988	1,374,783	20,205
Undist. Expend. - Care & Upkeep of Grounds					
Cleaning, Repair, and Maintenance Services	175,000	312,019	487,019	456,699	30,320
General Supplies	9,925	(57)	9,868	8,578	1,290
Total Undist. Expend. - Care & Upkeep of Grounds	184,925	311,962	496,887	465,277	31,610
Undist. Expend. - Security					
Salaries	556,345	43,447	599,792	599,792	
Purchased Professional and Technical Services	350		350	108	242
General Supplies	41,300	(2,200)	39,100	38,194	906
Other Objects	1,500		1,500		1,500
Total Undist. Expend. - Security	615,495	43,447	658,942	642,400	16,542
Undist. Expend. - Custodial Services					
Salaries	159,549	(3,486)	156,063	156,063	
Salaries of Non-Instructional Aides		8,633	8,633	8,633	
Purchased Professional and Technical Services	45,000	(37,399)	7,601	7,601	
Cleaning, Repair and Maintenance Services	1,512,432		1,567,245	1,567,245	
Rental of Land, Building & Other than Lease Purchases	700,400	(89,293)	611,107	611,107	
Other Purchased Property Services	385,000	(73,225)	311,775	311,775	
Insurance	637,000	(7,266)	629,734	629,734	
Miscellaneous Purchased Services	152,248	(142,220)	10,028	(1,543)	11,571
General Supplies	20,000		143,458	163,457	1
Energy (Natural Gas)	400,000	(128,398)	271,602	271,602	
Energy (Electricity)	900,000	(131,199)	768,801	768,801	
Energy (Oil)	57,627	(14,782)	42,845	42,845	
Total Undist. Expend. - Custodial Services	4,969,256	(420,364)	4,548,892	4,537,320	11,572
Total Undist. Expend. - Oper. & Maint. Of Plant	7,515,923	(416,214)	7,099,709	7,019,780	79,929
Undist. Expend. - Student Transportation Serv.					
Salaries on Non-Instructional Aides		19,323	19,323	24,838	(5,515)
Sal. For Pup.Trans. (Bot. Home and School) - Regular	609,536	266,300	875,836	777,320	98,516
Management Fees - ESC & CTSA Transportation Programs	40,000	(37,750)	2,250	2,250	
Other Purchased Professional and Technical Services	128,000		152,581	241,224	(88,643)
Contract Services - (Between Home and School) - Vendors	12,175,187	737,819	12,913,006	18,995,507	(6,082,501)
Contract Services (Other than Between Home & School)-Vendors	293,042	(32,002)	261,040	232,224	28,816
Contr Serv (Spl. Ed. Students) - Vendors	3,148,516		3,148,516	4,328,742	(1,180,226)
Contr Serv (Spl. Ed. Students) - ESCs & CTSA	831,481		831,481	883,723	(52,242)
Contr Serv. - Aid in Lieu Payments - Nonpublic	600,000		600,000	691,383	(91,383)
Supplies and Materials	4,750	22,688	27,438	26,280	1,158
Transportation Supplies	25,000	41,523	66,523	68,344	(1,821)
Total Undist. Expend. - Student Transportation Serv.	17,972,788	1,023,218	18,996,006	26,343,391	(7,347,385)
UNALLOCATED BENEFITS					
Social Security Contributions	907,650	74,853	982,503	1,105,296	(122,793)
Other Retirement Contributions - Regular	575,000	11,494	586,494	607,597	(21,103)
Unemployment Compensation	437,089	(185,251)	251,838	251,838	
Workmen's Compensation	850,000	4,233	854,233	843,212	11,021
Health Benefits	14,967,474	673,201	15,640,675	15,365,030	275,645
Tuition Reimbursement	50,000	19,005	69,005	69,005	
Other Employee Benefits	200,000	(56,574)	143,426	143,426	
TOTAL UNALLOCATED BENEFITS	17,987,213	540,961	18,528,174	18,385,404	142,770

**LAKWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Final Budget to Actual
ON-BEHALF CONTRIBUTIONS					
On Behalf TPAF Pension Contributions (Non-Budgeted)				\$ 2,398,440	\$ (2,398,440)
On Behalf TPAF Post Retirement Medical Contributions (Non-Budgeted)				2,855,878	(2,855,878)
On-Behalf TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	2,390,382	(2,390,382)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	7,644,700	(7,644,700)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	\$ 17,987,213	\$ 540,961	\$ 18,528,174	26,030,104	(7,501,930)
TOTAL UNDISTRIBUTED EXPENDITURES	92,222,394	(144,758)	92,077,636	105,785,262	(13,707,626)
TOTAL CURRENT EXPENDITURES	120,695,684	1,918,334	122,614,018	135,402,439	(12,788,421)
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Grades 6-8		27,000	27,000	26,140	860
Special Education - Instruction:					
Undistributed Expenditures - Technology	60,000	(60,000)			
Undistributed Expenditures - Operation of Plant Services		6,166	6,166	6,166	
School Buses - Regular	74,100	1,759,795	1,833,895	232,189	1,601,706
School Buses - Special	-	708,418	708,418	185,830	522,588
Total Equipment	134,100	2,441,379	2,575,479	450,325	2,125,154
Facilities Acquisition and Construction Services					
Lease Purchase Agreement - Principal		61,386	61,386	61,386	
Assessment for Debt Service on SDA Funding	639	-	639	639	-
Total Facilities Acquisition and Construction Services	639	61,386	62,025	62,025	-
TOTAL CAPITAL OUTLAY	134,739	2,502,765	2,637,504	512,350	2,125,154
TOTAL EXPENDITURES	120,830,423	4,421,099	125,251,522	135,914,789	(10,663,267)
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	-	(3,421,099)	(3,421,099)	(5,567,690)	(2,146,591)
Other Financing Sources (Uses):					
Operating Transfer In:					
Transfer from Capital Projects Fund				48,524	48,524
Contribution to School Based Budgets - General Fund		27,773,976	27,773,976	27,264,314	(509,662)
Contr. to School Based Budgets - Spec. Rev. Fund		1,693,768	1,693,768	1,656,635	(37,133)
Operating Transfer Out:					
Contribution to School Based Budgets		(27,773,976)	(27,773,976)	(27,264,314)	509,662
Capital Lease Proceeds	-	3,023,113	3,023,113	3,023,113	-
Total Other Financing Sources (Uses):	-	4,716,881	4,716,881	4,728,272	11,391
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Sources (Uses)	-	1,295,782	1,295,782	(839,418)	(2,135,200)
Fund Balance, July 1, 2015	(2,952,396)	-	(2,952,396)	(2,952,396)	-
Fund Balance, June 30, 2016	\$ (2,952,396)	\$ 1,295,782	\$ (1,656,614)	\$ (3,791,814)	\$ (2,135,200)
Recapitulation:					
Committed Fund Balance:					
Year End Encumbrances				\$ 2,124,294	
Assigned Fund Balance:					
Year End Encumbrances				908,484	
Unassigned Fund Balance				(6,824,592)	
				(3,791,814)	
Reconciliation to Governmental Funds Statements (GAAP):					
Less: State Aid Payments not Realized on GAAP Basis					
Delayed State Aid			\$ 2,325,922		
Extraordinary Aid			4,162,366		
State Aid Advance Loan			4,050,000		
				(10,538,288)	
Fund Balance per Governmental Funds (GAAP)				\$ (14,330,102)	

LAKESIDE BOARD OF EDUCATION
 COMBINING BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET			BUDGET ADJUSTMENTS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
REVENUES												
Local Sources:												
Local Tax Levy	\$ 90,350,168		\$ 90,350,168				\$ 90,350,168		\$ 90,350,168	\$ 90,350,168		\$ 90,350,168
Municipal Aid - Nonmandated Transportation				\$ 1,000,000		\$ 1,000,000	1,000,000		1,000,000	1,000,000		1,000,000
Miscellaneous, Including Interest	674,809	-	674,809	-	-	-	674,809	-	674,809	1,518,850	-	1,518,850
Total - Local Sources	91,024,977	-	91,024,977	1,000,000	-	1,000,000	92,024,977	-	92,024,977	92,869,018	-	92,869,018
State Sources:												
Special Education Aid	2,975,869		2,975,869				2,975,869		2,975,869	2,975,869		2,975,869
Extraordinary Aid	4,500,000		4,500,000				4,500,000		4,500,000	4,162,366		4,162,366
Security Aid	2,161,835		2,161,835				2,161,835		2,161,835	2,161,835		2,161,835
Equalization Aid	15,263,034		15,263,034				15,263,034		15,263,034	15,263,034		15,263,034
Transportation Aid	3,934,658		3,934,658				3,934,658		3,934,658	3,934,658		3,934,658
PARCC Readiness Aid	58,370		58,370				58,370		58,370	58,370		58,370
Per Pupil Growth Aid	58,370		58,370				58,370		58,370	58,370		58,370
Nonpublic Transportation Reimbursement	353,310		353,310				353,310		353,310	652,469		652,469
On Behalf TPAF Pension Contributions (Non-Budgeted)										2,398,440		2,398,440
On Behalf TPAF Post Retirement Medical Contributions (Non-Budgeted)										2,855,878		2,855,878
On-Behalf TPAF Social Security (Reimbursed - Non-Budgeted)										2,390,382		2,390,382
Total - State Sources	29,305,446	-	29,305,446	-	-	-	29,305,446	-	29,305,446	36,911,671	-	36,911,671
Federal Sources:												
Special Education Medicare Incentive Program	500,000		500,000				500,000		500,000	566,410		566,410
Total - Federal Sources	500,000	-	500,000	-	-	-	500,000	-	500,000	566,410	-	566,410
Total Revenues	120,830,423	-	120,830,423	1,000,000	-	1,000,000	121,830,423	-	121,830,423	130,347,099	-	130,347,099
EXPENDITURES:												
Current Expense:												
Regular Programs - Instruction												
Kindergarten - Salaries of Teachers	1,015,053	1,015,053	(1,015,053)	\$ 639,831	(375,222)		\$ 639,831	639,831		\$ 639,831	639,831	639,831
Grades 1-5 - Salaries of Teachers	5,618,918	5,618,918	(5,618,006)	6,801,967	1,183,961	912	6,801,967	6,802,879	912	6,801,807	6,802,719	6,802,719
Grades 6-8 - Salaries of Teachers	3,039,288	3,039,288	(3,029,733)	2,724,926	(304,807)	9,555	2,724,926	2,734,481	9,555	2,699,784	2,709,339	2,709,339
Grades 9-12 - Salaries of Teachers	4,233,725	4,233,725	(4,226,622)	4,342,060	115,438	7,103	4,342,060	4,349,163	6,530	4,255,866	4,262,396	4,262,396
Regular Programs - Home Instruction:												
Salaries of Teachers	145,252	145,252					145,252		145,252	60,510		60,510
Purchased Professional-Educational Services	250,000	250,000	48,347		48,347	298,347	298,347	298,347	258,151	258,151		258,151
Other Purchased Services (400-500 series)	3,700	3,700	1,760		1,760	5,460	5,460	5,460	5,460	5,460		5,460
Regular Programs - Undistributed Instruction												
Other Salaries for Instruction	670,981	670,981	(462,808)	487,797	24,989	208,173	487,797	695,970	30,014	487,200		517,214
Purchased Professional-Educational Services	1,100,000	1,100,000	123,098		123,098	1,223,098	1,223,098	1,223,098	1,187,520	1,187,520		1,187,520
Other Purchased Services (400-500 series)	250,000	250,000	(17,800)		(17,800)	232,200	232,200	232,200	229,760	229,760		229,760
General Supplies	270,011	270,011	(180,739)	770,326	589,587	89,272	770,326	859,598	87,823	488,372		576,195
Textbooks	223,827	223,827	456,173	89,952	546,125	680,000	89,952	769,952	672,534	44,081		716,615
Other Objects	16,759	16,759	(16,759)	17,459	700		17,459	17,459	5,843	5,843		5,843
TOTAL REGULAR PROGRAMS - INSTRUCTION	16,837,514	-	16,837,514	(13,938,142)	15,874,318	1,936,176	2,899,372	15,874,318	18,773,690	2,548,769	15,422,784	17,971,553

LAKWOOD BOARD OF EDUCATION
 COMBINING BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET			BUDGET ADJUSTMENTS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
SPECIAL EDUCATION - INSTRUCTION												
Learning and/or Language Disabilities:												
Salaries of Teachers	\$ 1,024,418		\$ 1,024,418	\$ (1,024,418)	\$ 850,635	\$ (173,783)	\$ 850,635	\$ 850,635	\$ 850,635	\$ 849,620	\$ 849,620	\$ 849,620
Other Salaries for Instruction	358,811		358,811	(358,811)	398,927	40,116	398,927	398,927	398,927	398,927	398,927	398,927
General Supplies	8,000		8,000	(8,000)	11,943	3,943	11,943	11,943	11,943	6,433	6,433	6,433
Total Learning and/or Language Disabilities	1,391,229	-	1,391,229	(1,391,229)	1,261,505	(129,724)	-	1,261,505	1,261,505	-	1,254,980	1,254,980
Auditory Impairments:												
Salaries of Teachers	-	-	-	-	52,970	-	-	52,970	52,970	-	52,970	52,970
Total Auditory Impairments	-	-	-	-	52,970	-	-	52,970	52,970	-	52,970	52,970
Multiple Disabilities:												
Salaries of Teachers	439,784		439,784	(439,784)	559,386	119,602	559,386	559,386	559,386	559,386	559,386	559,386
Other Salaries for Instruction	131,011		131,011	(126,658)	108,264	(18,394)	\$ 4,353	108,264	112,617	\$ 4,353	108,264	112,617
General Supplies	8,300		8,300	(8,300)	6,357	(1,943)	6,357	6,357	6,357	5,325	5,325	5,325
Total Multiple Disabilities	579,095	-	579,095	(574,742)	674,007	99,265	4,353	674,007	678,360	4,353	672,975	677,328
Resource Room/Resource Center:												
Salaries of Teachers	2,550,710		2,550,710	(2,548,064)	2,737,245	189,181	2,646	2,737,245	2,739,891	2,645	2,726,284	2,728,929
General Supplies	13,000		13,000	(13,000)	12,768	(232)	-	12,768	12,768	-	8,218	8,218
Total Resource Room/Resource Center	2,563,710	-	2,563,710	(2,561,064)	2,750,013	188,949	2,646	2,750,013	2,752,659	2,645	2,734,502	2,737,147
Autism:												
Salaries of Teachers	104,793		104,793	(104,793)	195,857	91,064	-	195,857	195,857	195,857	195,857	195,857
Other Salaries for Instruction	37,800		37,800	(24,696)	16,179	(8,517)	13,104	16,179	29,283	5,196	9,707	14,903
General Supplies	5,700		5,700	(5,700)	5,200	(500)	-	5,200	5,200	-	2,687	2,687
Total Autism	148,293	-	148,293	(135,189)	217,236	82,047	13,104	217,236	230,340	5,196	208,251	213,447
Preschool Disabilities - Full-Time:												
Salaries of Teachers	651,487		651,487	98,891	98,891	750,378	750,378	750,378	750,378	750,378	750,378	750,378
Other Salaries for Instruction	393,995		393,995	41,687	41,687	435,682	435,682	435,682	435,682	435,682	435,682	435,682
General Supplies	4,000		4,000	27,580	-	27,580	31,580	-	31,580	30,014	-	30,014
Total Preschool Disabilities - Full-Time	1,049,482	-	1,049,482	168,158	-	168,158	1,217,640	-	1,217,640	1,216,074	-	1,216,074
Home Instruction :												
Purchased Professional-Educational Services	12,502		12,502	(9,000)	-	(9,000)	3,502	-	3,502	-	-	-
Total Home Instruction	12,502	-	12,502	(9,000)	-	(9,000)	3,502	-	3,502	-	-	-
TOTAL SPECIAL EDUCATION - INSTRUCTION	5,744,311	-	5,744,311	(4,505,065)	4,955,731	452,665	1,241,245	4,955,731	6,196,976	1,228,268	4,923,678	6,151,946
Basic Skills/Remedial - Instruction												
Salaries of Teachers	652,455		652,455	(359,615)	-	(359,615)	292,840	-	292,840	292,840	-	292,840
Total Basic Skills/Remedial - Instruction	652,455	-	652,455	(359,615)	-	(359,615)	292,840	-	292,840	292,840	-	292,840
Bilingual Education - Instruction												
Salaries of Teachers	3,316,069		3,316,069	(3,001,607)	2,879,468	(122,139)	314,462	2,879,468	3,193,930	314,462	2,878,180	3,192,642
Other Salaries for Instruction	157,751		157,751	(157,751)	153,242	(4,509)	-	153,242	153,242	-	152,837	152,837
Purchased Professional-Educational Services	37,498		37,498	6,400	6,400	43,898	43,898	43,898	42,746	42,746	42,746	42,746
General Supplies	14,000		14,000	(2,500)	-	(2,500)	11,500	11,500	6,376	6,376	6,376	6,376
Total Bilingual Education - Instruction	3,525,318	-	3,525,318	(3,155,458)	3,032,710	(122,748)	369,860	3,032,710	3,402,370	363,584	3,031,017	3,394,601
School-Spon. Cocurricular Actvts. - Inst.												
Salaries	111,100		111,100	(105,198)	-	54,813	7,902	158,011	165,913	7,902	137,098	145,000
Purchased Services (300-500 series)	10,000		10,000	-	-	-	10,000	10,000	10,000	9,834	9,834	9,834
Supplies and Materials	26,000		26,000	(26,000)	-	-	-	26,000	26,000	-	19,535	19,535
Total School-Spon. Cocurricular Actvts. - Inst.	147,100	-	147,100	(129,198)	184,011	54,813	17,902	184,011	201,913	17,736	156,633	174,369
School-Spon. Cocurricular Athletics - Inst.												
Salaries	555,227		555,227	65,318	65,318	620,545	620,545	620,545	620,545	620,545	620,545	620,545
Purchased Services (300-500 series)	158,370		158,370	(25,000)	153,370	(25,000)	133,370	133,370	133,370	113,022	113,022	113,022
Supplies and Materials	78,400		78,400	25,000	25,000	103,400	103,400	103,400	88,072	88,072	88,072	88,072
Other Objects	38,795		38,795	-	-	-	38,795	-	38,795	38,069	-	38,069
Total School-Spon. Cocurricular Athletics - Inst.	830,792	-	830,792	65,318	-	65,318	896,110	-	896,110	859,708	-	859,708
Before/After School Programs - Instruction												
Purchased Professional & Tech Services	-		-	-	48,000	48,000	-	48,000	48,000	-	48,000	48,000
Total Before/After School Programs - Instruction	-	-	-	-	48,000	48,000	-	48,000	48,000	-	48,000	48,000
Total Before/After School Programs	-	-	-	-	48,000	48,000	-	48,000	48,000	-	48,000	48,000

LAKWOOD BOARD OF EDUCATION
 COMBINING BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET			BUDGET ADJUSTMENTS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Summer School - Instruction												
Salaries of Teachers	\$ 507,000		\$ 507,000	\$ (26,731)		\$ (26,731)	\$ 480,269		\$ 480,269	\$ 480,269		\$ 480,269
Other Salaries for Instructions	228,800		228,800	(11,066)		(11,066)	217,734		217,734	217,734		217,734
General Supplies	-	-	-	1,000	-	1,000	-	-	-	877	-	877
Total Summer School - Instruction	735,800	-	735,800	(36,797)	-	(36,797)	699,005	-	699,005	698,880	-	698,880
Total Summer School	735,800	-	735,800	(36,797)	-	(36,797)	699,005	-	699,005	698,880	-	698,880
Alternative Education Program - Instruction												
Salaries of Teachers	-	-	-		\$ 4,492	4,492		\$ 4,492	4,492		\$ 4,492	4,492
Other Salaries for Instructions	-	-	-		4,000	4,000		4,000	4,000		4,000	4,000
Total Alternative Education Program - Instruction	-	-	-	-	8,492	8,492	-	8,492	8,492	-	8,492	8,492
Alternative Education Program - Support Svcs												
Salaries	-	-	-		11,300	11,300		11,300	11,300		11,300	11,300
Total Alternative Education Program - Support Svcs	-	-	-	-	11,300	11,300	-	11,300	11,300	-	11,300	11,300
Total Alternative Education Program	-	-	-	-	19,792	19,792	-	19,792	19,792	-	19,792	19,792
Community Services Programs/Operations												
Salaries	-	-	-		5,488	5,488		5,488	5,488		5,488	5,488
Total Community Services Programs/Operations	-	-	-	-	5,488	5,488	-	5,488	5,488	-	5,488	5,488
Total Instruction	28,473,290	-	28,473,290	(22,051,470)	24,114,562	2,063,092	6,421,820	24,114,562	30,536,382	6,015,273	23,601,904	29,617,177
Undistributed Expenditures - Instruction:												
Tuition to Other LEAs Within the State - Regular	95,866		95,866	76,247		76,247	172,113		172,113	172,113		172,113
Tuition to Other LEAs Within the State - Special	108,121		108,121	(22,934)		(22,934)	85,187		85,187	85,186		85,186
Tuition to County Voc. School Dist. - Regular	12,000		12,000	34,500		34,500	46,500		46,500	46,500		46,500
Tuition to County Voc. School Dist. - Special	51,998		51,998	(12,138)		(12,138)	39,860		39,860	39,860		39,860
Tuition to CSSD & Regional Day Schools	1,360,108		1,360,108	(493,557)		(493,557)	866,551		866,551	876,631		876,631
Tuition to Private Schools for the Disabled - Within State	23,550,832		23,550,832	2,105,728		2,105,728	25,656,560		25,656,560	25,083,549		25,083,549
Tuition to Private Schools for the Disabled & Other LEA -	268,525		268,525	(143,049)		(143,049)	125,476		125,476	125,476		125,476
Tuition - State Facilities	55,974		55,974				55,974		55,974	55,974		55,974
Tuition - Other	2,590,189		2,590,189	(910,666)		(910,666)	1,679,523		1,679,523	1,652,026		1,652,026
Total Undistributed Expenditures - Instruction:	28,093,613	-	28,093,613	634,131	-	634,131	28,727,744	-	28,727,744	28,137,315	-	28,137,315
Undist. Expend. - Attend. & Social Work												
Salaries	186,626		186,626	(73,148)		136,593	113,478		136,593	113,478		136,593
Supplies and Materials	500		500	(500)		500	-		500	-		500
Total Undist. Expend. - Attend. & Social Work	187,126	-	187,126	(73,648)	-	137,093	113,478	-	137,093	113,478	-	136,593
Undist. Expend. - Health Services												
Salaries	343,761		343,761	(505,578)		382,872	58,183		382,872	421,055		38,183
Purchased Professional and Technical Services	72,000		72,000	(38,956)		(38,956)	33,044		33,044	33,044		33,044
Supplies and Materials	27,935		27,935	(27,935)		18,750	(9,185)		18,750	11,033		11,033
Other Objects	15,000		15,000	(14,999)		-	1		1	-		-
Total Undist. Expend. - Health Services	458,696	-	458,696	(387,468)	-	401,622	71,228	-	472,850	71,227	-	393,905
Undist. Expend. - Speech, OT, PT and Related Services												
Salaries	1,767,855		1,767,855	3,937		3,937	1,771,792		1,771,792	1,771,792		1,771,792
Purchased Professional - Educational Services	1,600,000		1,600,000	(276,252)		(276,252)	1,323,748		1,323,748	1,075,113		1,075,113
General Supplies	70,000		70,000	(3,215)		(3,215)	66,785		66,785	66,785		66,785
Total Undist. Expend. - Speech, OT, PT and Related Services	3,437,855	-	3,437,855	(275,530)	-	(275,530)	3,162,325	-	3,162,325	2,913,690	-	2,913,690
Undist. Expend. - Other Supp. Serv. Students - Extra Serv.												
Salaries	1,208,951		1,208,951	47,279		47,279	1,256,230		1,256,230	1,256,230		1,256,230
Purchased Professional - Educational Services	1,950,000		1,950,000	(888,254)		(888,254)	1,061,746		1,061,746	899,977		899,977
Total Undist. Expend. - Other Supp. Serv. Students - Ex	3,158,951	-	3,158,951	(840,975)	-	(840,975)	2,317,976	-	2,317,976	2,156,207	-	2,156,207
Undist. Expend. - Guidance												
Salaries of Other Professional Staff	846,859		846,859	(845,419)		876,721	1,440		876,721	878,161		1,440
Salaries of Secretarial and Clerical Assistants	116,072		116,072	(116,072)		121,364	5,292		121,364	121,364		121,364
Other Salaries	74,465		74,465	2,427		2,427	76,892		76,892	76,892		76,892
Purchased Professional - Educational Services	3,400		3,400	(1,475)		(1,475)	1,925		1,925	1,925		1,925
Other Purchased Prof. and Tech. Services	26,642		26,642	(26,642)		23,642	(3,000)		23,642	22,091		22,091
Other Purchased Services (400-500 series)	59,000		59,000	215		215	59,215		59,215	59,215		59,215
Supplies and Materials	9,500		9,500	(9,500)		7,300	(2,200)		7,300	4,211		4,211
Other Objects	1,000		1,000	(1,000)		3,200	-		3,200	3,175		3,175
Total Undist. Expend. - Guidance	1,136,938	-	1,136,938	(997,466)	-	1,032,227	54,761	-	1,171,699	139,472	-	1,027,562

LAKWOOD BOARD OF EDUCATION
 COMBINING BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET			BUDGET ADJUSTMENTS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Undist. Expend. - Child Study Teams												
Salaries of Other Professional Staff	\$ 1,956,035		\$ 1,956,035	\$ 8,170		\$ 8,170	\$ 1,964,205		\$ 1,964,205	\$ 1,964,205		\$ 1,964,205
Salaries of Secretarial and Clerical Assistants	236,849		236,849	(327)		(327)	236,522		236,522	236,522		236,522
Other Salaries	258,289		258,289	(89,766)		(89,766)	168,523		168,523	168,523		168,523
Purchased Professional - Educational Services	63,830		63,830	56,660		56,660	120,490		120,490	119,290		119,290
Other Purchased Prof. and Tech. Services	57,720		57,720	248,393		248,393	306,113		306,113	306,113		306,113
Other Purchased Services (400-500 series)	23,450		23,450	(4,056)		(4,056)	19,414		19,414	19,414		19,414
Residential Costs	66,795		66,795	93,513		93,513	160,308		160,308	160,308		160,308
Mis. Purchase Serv. (400-500 series other than Residential C	1,000		1,000	(1,000)		(1,000)						
Supplies and Materials	23,530		23,530	26,131		26,131	49,661		49,661	42,859		42,859
Other Objects	5,000		5,000	331		331	5,331		5,331	5,330		5,330
Total Undist. Expend. - Child Study Teams	2,692,498	-	2,692,498	338,069	-	338,069	3,030,567	-	3,030,567	3,022,564	-	3,022,564
Undist. Expend. - Improvement of Inst. Serv.												
Salaries of Supervisor of Instruction	392,770		392,770	(133,002)		(133,002)	259,768		259,768	259,768		259,768
Salaries of Other Professional Staff	1,980		1,980	4,180		4,180	6,160		6,160	6,160		6,160
Salaries of Secr and Clerical Assist.	29,993		29,993	(230)		(230)	29,763		29,763	29,763		29,763
Sal of Facilitators, Math & Literacy Coaches	366,478		366,478	(341,749)	\$ 296,808	(44,941)	24,729	\$ 296,808	321,537	24,729	\$ 296,808	321,537
Purchased Prof- Educational Services	10,000		10,000	(9,298)		(9,298)	702		702	702		702
Other Purch Services (400-500)	1,000		1,000	(980)		(980)	20		20	20		20
Supplies and Materials				2,838		2,838	2,838		2,838	2,837		2,837
Other Objects	25,500		25,500	2,380		2,380	27,880		27,880	27,880		27,880
Total Undist. Expend. - Improvement of Inst. Serv.	827,721	-	827,721	(475,861)	296,808	(179,053)	351,860	296,808	648,668	351,859	296,808	648,667
Undist. Expend. - Edu. Media Serv./Sch. Library												
Salaries	471,435		471,435	(471,435)	407,677	(63,758)		407,677	407,677	407,331	407,331	407,331
Salaries of Technology Coordinators	121,438		121,438	(8,207)		(8,207)	113,231		113,231	113,231		113,231
Purchased Professional and Technical Services	50,416		50,416	(50,416)		(50,416)						
Supplies and Materials	50,342		50,342	(48,444)	35,484	(12,960)	1,898	35,484	37,382	34,117	34,117	36,015
Total Undist. Expend. - Edu. Media Serv./Sch. Library	693,631	-	693,631	(578,502)	443,161	(135,341)	115,129	443,161	558,290	115,129	441,448	556,577
Undist. Expend. - Instructional Staff Training Serv.												
Salaries of Other Professional Staff				1,640		1,640	1,640		1,640	1,640		1,640
Purchased Professional - Educational Service	25,000		25,000	(6,025)	36,216	30,191	18,975	36,216	55,191	18,975	35,905	54,880
Other Purchased Services (400-500 series)	4,500		4,500	(2,665)		(2,665)	1,835		1,835	1,835		1,835
Supplies and Materials	1,000		1,000	(1,000)		(1,000)						
Total Undist. Expend. - Instructional Staff Training Ser	30,500	-	30,500	(8,050)	36,216	28,166	22,450	36,216	58,666	22,450	35,905	58,355
Undist. Expend. - Supp. Serv. - General Admin.												
Salaries	466,364		466,364	(122,934)		(122,934)	343,430		343,430	343,430		343,430
Salaries of State Monitors	354,603		354,603	(70,899)		(70,899)	283,704		283,704	283,704		283,704
Repayment of Principal - NJDOE Loan				450,000		450,000	450,000		450,000	450,000		450,000
Legal Services	800,000		800,000	(69,006)		(69,006)	730,994		730,994	730,994		730,994
Audit Fees	85,000		85,000				85,000		85,000	85,000		85,000
Purchased Professional Services	10,500		10,500	(7,610)		(7,610)	2,890		2,890	2,890		2,890
Communications/Telephone	365,000		365,000	(123,765)		(123,765)	241,235		241,235	241,235		241,235
BOE Other Purchased Services	7,888		7,888	(5,021)		(5,021)	2,867		2,867	2,867		2,867
Other Purchased Services (400-500 series)	37,500		37,500	(3,261)		(3,261)	34,239		34,239	34,239		34,239
Supplies and Materials	14,043		14,043	883		883	14,926		14,926	14,926		14,926
BOE In-House Training/Meeting Supplies	5,068		5,068	(2,980)		(2,980)	2,088		2,088	2,088		2,088
Judgements Against The School District	1,487,819		1,487,819	(1,277,549)		(1,277,549)	210,270		210,270	210,260		210,260
Miscellaneous Expenditures	12,000		12,000	(5,987)		(5,987)	6,013		6,013	6,013		6,013
BOE Membership & Dues	28,775		28,775	(2,112)		(2,112)	26,663		26,663	26,663		26,663
Total Undist. Expend. - Supp. Serv. - General Admin.	3,674,560	-	3,674,560	(1,240,241)	-	(1,240,241)	2,434,319	-	2,434,319	2,434,309	-	2,434,309
Undist. Expend. - Support Serv. - School Admin.												
Salaries of Principals/Assistant Principals	2,035,465		2,035,465	(2,035,465)	2,155,174	119,709		2,155,174	2,155,174	2,155,174		2,155,174
Salaries of Secretarial and Clerical Assistants	697,479		697,479	(664,099)	761,145	97,046	33,380	761,145	794,525	33,380	760,651	794,031
Other Salaries				4,845		4,845		4,845	4,845	2,423		2,423
Other Purchased Services (400-500 series)	8,100		8,100	(3,482)	600	(2,882)	4,618	600	5,218	4,618		4,618
Supplies and Materials	58,633		58,633	(58,633)	57,291	(1,342)		57,291	57,291	42,436		42,436
Other Objects	3,000		3,000	(3,000)		(3,000)						
Total Undist. Expend. - Support Serv. - School Admin.	2,802,677	-	2,802,677	(2,764,679)	2,979,055	214,376	37,998	2,979,055	3,017,053	37,998	2,960,684	2,998,682

LAKWOOD BOARD OF EDUCATION
 COMBINING BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET			BUDGET ADJUSTMENTS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Undist. Expend. - Central Services												
Salaries	\$ 838,614		\$ 838,614	\$ (4,738)		\$ (4,738)	\$ 833,876		\$ 833,876	\$ 833,876		\$ 833,876
Purchased Professional Services				57,273		57,273	57,273		57,273	57,273		57,273
Purchased Technical Services	50,500		50,500	5,013		5,013	55,513		55,513	55,513		55,513
Misc Purchased Services (400-500) (O/T 594)	55,700		55,700	(25,846)		(25,846)	29,854		29,854	29,854		29,854
Supplies and Materials	27,500		27,500	(3,755)		(3,755)	23,745		23,745	23,745		23,745
Miscellaneous Expenditures	6,000		6,000	617		617	6,617		6,617	6,617		6,617
Total Undist. Expend. - Central Services	978,314		978,314	28,564		28,564	1,006,878		1,006,878	1,006,878		1,006,878
Undist. Expend. - Admin Information Technology												
Salaries	231,476		231,476	(9,245)		(9,245)	222,231		222,231	222,231		222,231
Purchased Professional Services	248,370		248,370	61,509		61,509	309,879		309,879	290,246		290,246
Other Purchased Services (400-500 series)	66,000		66,000	(29,768)		(29,768)	36,232		36,232	36,232		36,232
Supplies and Materials	27,544		27,544	255		255	27,799		27,799	27,797		27,797
Total Undist. Expend. - Admin Information Technology	573,390		573,390	22,751		22,751	596,141		596,141	576,506		576,506
Undist. Expend. - Required Maintenance for School Facilities												
Salaries	54,298		54,298	(538)		(538)	53,760		53,760	53,760		53,760
Cleaning, Repair, and Maintenance Services	1,502,449		1,502,449	(364,954)		(364,954)	1,137,495		1,137,495	1,123,279		1,123,279
General Supplies	185,000		185,000	12,992		12,992	197,992		197,992	192,003		192,003
Other Objects	4,500		4,500	1,241		1,241	5,741		5,741	5,741		5,741
Total Undist. Expend. - Required Maintenance for Sch	1,746,247		1,746,247	(351,259)		(351,259)	1,394,988		1,394,988	1,374,783		1,374,783
Undist. Expend. - Care & Upkeep of Grounds												
Cleaning, Repair, and Maintenance Services	175,000		175,000	312,019		312,019	487,019		487,019	456,699		456,699
General Supplies	9,925		9,925	(57)		(57)	9,868		9,868	8,578		8,578
Total Undist. Expend. - Care & Upkeep of Grounds	184,925		184,925	311,962		311,962	496,887		496,887	465,277		465,277
Undist. Expend. - Custodial Services												
Salaries	159,549		159,549	(3,486)		(3,486)	156,063		156,063	156,063		156,063
Salaries of Non-Instructional Aides				8,633		8,633	8,633		8,633	8,633		8,633
Purchased Professional and Technical Services	45,000		45,000	(37,399)		(37,399)	7,601		7,601	7,601		7,601
Cleaning, Repair and Maintenance Services	1,512,432		1,512,432	54,813		54,813	1,567,245		1,567,245	1,567,245		1,567,245
Rental of Land, Building & Other than Lease Purchases	700,400		700,400	(89,293)		(89,293)	611,107		611,107	611,107		611,107
Other Purchased Property Services	385,000		385,000	(73,225)		(73,225)	311,775		311,775	311,775		311,775
Insurance	637,000		637,000	(7,266)		(7,266)	629,734		629,734	629,734		629,734
Miscellaneous Purchased Services	152,248		152,248	(142,220)		(142,220)	10,028		10,028	(1,543)		(1,543)
General Supplies	20,000		20,000	143,458		143,458	163,458		163,458	163,457		163,457
Energy (Nonrual Gas)	400,000		400,000	(128,398)		(128,398)	271,602		271,602	271,602		271,602
Energy (Electricity)	900,000		900,000	(131,199)		(131,199)	768,801		768,801	768,801		768,801
Energy (Oil)	57,627		57,627	(14,782)		(14,782)	42,845		42,845	42,845		42,845
Total Undist. Expend. - Custodial Services	4,969,256		4,969,256	(420,364)		(420,364)	4,548,892		4,548,892	4,537,320		4,537,320
Undist. Expend. - Security												
Salaries	556,345		556,345	43,447		43,447	599,792		599,792	599,792		599,792
Purchased Professional and Technical Services	350		350				350		350	108		108
Cleaning, Repair and Maintenance Services	16,000		16,000	2,200		2,200	18,200		18,200	4,306		4,306
General Supplies	41,300		41,300	(2,200)		(2,200)	39,100		39,100	38,194		38,194
Other Objects	1,500		1,500				1,500		1,500			
Total Undist. Expend. - Security	615,495		615,495	43,447		43,447	658,942		658,942	642,400		642,400
Total Undist. Expend. - Oper. & Maint. Of Plant	7,515,923		7,515,923	(416,214)		(416,214)	7,099,709		7,099,709	7,019,780		7,019,780
Undist. Expend. - Student Transportation Serv.												
Salaries of Non-Instructional Aides				19,323		19,323	19,323		19,323	24,838		24,838
Sal. For Pup.Trans. (Bet. Home and School) - Regular	609,536		609,536	266,300		266,300	875,836		875,836	777,320		777,320
Management Fees - ESC & CTSA Transportation Programs	40,000		40,000	(37,750)		(37,750)	2,250		2,250	2,250		2,250
Other Purchased Professional and Technical Services	128,000		128,000	24,581		24,581	152,581		152,581	241,224		241,224
Cleaning, Repair and Maintenance Services	35,000		35,000	12,839		12,839	47,839		47,839	46,840		46,840
Contr. Serv. - Aid in Lieu Payments - Nonpublic	600,000		600,000				600,000		600,000	691,383		691,383
Contract Services - (Between Home and School) - Vendors	12,175,187		12,175,187	737,819		737,819	12,913,006		12,913,006	18,995,507		18,995,507
Contract Services (Other than Between Home & School)-Vt	293,042		293,042	(32,002)		(32,002)	261,040		261,040	232,224		232,224
Contract Services - (Between Home and Sch) - Joint Agrmts	54,103		54,103	(32,103)		(32,103)	22,000		22,000	22,000		22,000
Contr. Serv (Spl. Ed. Students) - Vendors	3,148,516		3,148,516				3,148,516		3,148,516	4,328,742		4,328,742
Contr. Serv (Spl. Ed. Students) - Joint Agrmt	28,173		28,173				28,173		28,173	2,716		2,716
Contr. Serv (Spl. Ed. Students) - ESCs & CTSA	831,481		831,481				831,481		831,481	883,723		883,723
Supplies and Materials	4,750		4,750	22,688		22,688	27,438		27,438	26,280		26,280
Transportation Supplies	25,000		25,000	41,523		41,523	66,523		66,523	68,344		68,344
Total Undist. Expend. - Student Transportation Serv.	17,972,788		17,972,788	1,023,218		1,023,218	18,996,006		18,996,006	26,343,391		26,343,391

LAKESIDE BOARD OF EDUCATION
 COMBINING BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET			BUDGET ADJUSTMENTS			FINAL BUDGET			ACTUAL		
	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund	Operating Fund Fund 11 - 13	Blended Resource Fund 15	Total General Fund
Unallocated Benefits												
Social Security Contributions	\$ 907,650		\$ 907,650	\$ 74,853		\$ 74,853	\$ 982,503		\$ 982,503	\$ 1,105,296		\$ 1,105,296
Other Retirement Contributions - Regular	575,000		575,000	11,494		11,494	586,494		586,494	607,597		607,597
Unemployment Compensation	437,089		437,089	(185,251)		(185,251)	251,838		251,838	251,838		251,838
Workmen's Compensation	850,000		850,000	4,233		4,233	854,233		854,233	843,212		843,212
Health Benefits	14,967,474		14,967,474	673,201		673,201	15,640,675		15,640,675	15,365,030		15,365,030
Tuition Reimbursement	50,000		50,000	19,005		19,005	69,005		69,005	69,005		69,005
Other Employee Benefits	200,000		200,000	(56,574)		(56,574)	143,426		143,426	143,426		143,426
Total Unallocated Benefits	17,987,213		17,987,213	540,961		540,961	18,528,174		18,528,174	18,385,404		18,385,404
On Behalf TPAF Pension Contributions (Non-Budgeted)										2,398,440		2,398,440
On Behalf TPAF Post Retirement Medical Contributions (Non-Budgeted)										2,855,878		2,855,878
On-Behalf TPAF Social Security (Reimbursed - Non-Budgeted)										2,390,382		2,390,382
Total On-Behalf Contributions										7,644,700		7,644,700
Total Personal Services - Employee Benefits	17,987,213		17,987,213	540,961		540,961	18,528,174		18,528,174	26,030,104		26,030,104
Total Undistributed Expenditures	92,222,394		92,222,394	(5,470,940)		(5,470,940)	86,751,454		86,751,454	100,492,357		100,492,357
Total Current Expenditures	120,695,684		120,695,684	(27,522,410)		(27,522,410)	93,173,274		93,173,274	122,614,018		122,614,018
Capital Outlay												
Equipment												
Regular Programs - Instruction:												
Grades 6-8					27,000	27,000		27,000	27,000		26,140	26,140
Undistributed Expenditures - Technology	60,000		60,000	(60,000)		(60,000)						
Undistributed Expenditures - Operation of Plant Services				6,166		6,166	6,166		6,166	6,166		6,166
School Buses - Regular	74,100		74,100	1,759,795		1,759,795	1,833,895		1,833,895	232,189		232,189
School Buses - Special				708,418		708,418	708,418		708,418	185,830		185,830
Total Equipment	134,100		134,100	2,414,379		2,414,379	2,548,479		2,548,479	424,185		424,185
Facilities Acquisition and Construction Services												
Lease Purchase Agreements - Principal				61,386		61,386	61,386		61,386	61,386		61,386
Assessment for Debt Service on SDA Funding	639		639				639		639	639		639
Total Facilities Acquisition and Construction Services	639		639	61,386		61,386	62,025		62,025	62,025		62,025
Total Capital Outlay	134,739		134,739	2,475,765		2,475,765	2,610,504		2,610,504	486,210		486,210
Total Expenditures	120,830,423		120,830,423	(25,046,645)		(25,046,645)	95,783,778		95,783,778	125,251,522		125,251,522
Excess (Deficiency) of Revenues												
Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ 26,046,645	\$ (29,467,744)	\$ (3,421,099)	\$ 26,046,645	\$ (29,467,744)	\$ (3,421,099)	\$ 23,353,259	\$ (28,920,949)	\$ (5,567,690)
Other Financing Sources (Uses):												
Operating Transfers In:												
Transfer from Capital Projects Fund										48,524		48,524
Contr. to School Based Budgets - General Fund					27,773,976	27,773,976		27,773,976	27,773,976		27,264,314	27,264,314
Contr. to School Based Budgets - Spec. Rev. Fund					1,693,768	1,693,768		1,693,768	1,693,768		1,656,635	1,656,635
Operating Transfers Out:												
Contribution to School Based Budgets				(27,773,976)		(27,773,976)	(27,773,976)		(27,773,976)	(27,264,314)		(27,264,314)
Capital Lease Proceeds				3,023,113		3,023,113	3,023,113		3,023,113	3,023,113		3,023,113
Total Other Financing Sources (Uses):				(24,750,863)		(24,750,863)	(24,750,863)		(24,750,863)	(24,192,677)		(24,192,677)
Excess (Deficiency) of Revenues and Other Financing Sources												
Over (Under) Expenditures and Other Financing Uses				1,295,782		1,295,782	1,295,782		1,295,782	(839,418)		(839,418)
Fund Balance, July 1	(2,952,396)		(2,952,396)				(2,952,396)		(2,952,396)	(2,952,396)		(2,952,396)
Fund Balance, June 30	\$ (2,952,396)	\$ -	\$ (2,952,396)	\$ 1,295,782	\$ -	\$ 1,295,782	\$ (1,656,614)	\$ -	\$ (1,656,614)	\$ (3,791,814)	\$ -	\$ (3,791,814)

**LAKEWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2016**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local Sources		\$ 5,000	\$ 5,000	\$ 4,863	\$ (137)
State Sources	\$ 20,716,456	7,594,972	28,311,428	22,065,190	(6,246,238)
Federal Sources	23,120,948	4,902,255	28,023,203	22,256,184	(5,767,019)
Total Revenues	<u>43,837,404</u>	<u>12,502,227</u>	<u>56,339,631</u>	<u>44,326,237</u>	<u>(12,013,394)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	1,991,671	1,673,316	3,664,987	2,010,332	1,654,655
Other Salaries	215,209	172,760	387,969	387,678	291
Purchased Professional and Technical Services	5,025,737	(4,785,541)	240,196	123,083	117,113
Other Purchased Services	1,355,849	587,645	1,943,494	1,831,500	111,994
General Supplies	935,672	996,873	1,932,545	1,654,022	278,523
Textbooks	1,140,937	261,674	1,402,611	1,306,655	95,956
Other Objects	12,447,226	(11,838,413)	608,813	97,370	511,443
Total Instruction	<u>23,112,301</u>	<u>(12,931,686)</u>	<u>10,180,615</u>	<u>7,410,640</u>	<u>2,769,975</u>
Support Services					
Salaries of Supervisors of Instruction	237,498	(125,886)	111,612	109,095	2,517
Salaries of Program Directors	187,616	(21,071)	166,545	95,251	71,294
Salaries of Other Professional Staff	1,279,826	228,506	1,508,332	1,220,255	288,077
Salaries of Secretarial and Clerical Assistants	127,420	(55,932)	71,488	45,379	26,109
Other Salaries	328,224	131,105	459,329	445,437	13,892
Personal Services Employee-Benefits	890,502	1,059,549	1,950,051	1,714,313	235,738
Purchased Professional and Technical Services	1,832,068	15,504,911	17,336,979	12,741,347	4,595,632
Purchased Prof./Ed. Serv.	14,116,775	5,583,622	19,700,397	17,066,903	2,633,494
Contracted Services - Transportation	570,828	149,768	720,596	281,916	438,680
Other Purchased Services	950,846	85,082	1,035,928	580,334	455,594
Indirect Costs	-	458,816	458,816	184,814	274,002
Supplies and Materials	53,500	804,021	857,521	721,641	135,880
Total Support Services	<u>20,575,103</u>	<u>23,802,491</u>	<u>44,377,594</u>	<u>35,206,685</u>	<u>9,170,909</u>
Facilities and Acquisition Construction Svcs.					
Instructional Equipment	150,000	(70,619)	79,381	44,004	35,377
Non Instructional Equipment	-	8,273	8,273	8,273	-
Total Facilities and Acquisition Construction Svcs.	<u>150,000</u>	<u>(62,346)</u>	<u>87,654</u>	<u>52,277</u>	<u>35,377</u>
Sub-total Expenditures	<u>43,837,404</u>	<u>10,808,459</u>	<u>54,645,863</u>	<u>42,669,602</u>	<u>11,976,261</u>
Other Financing Uses					
Contribution to School Based Budgets (General Fund)	-	(1,693,768)	(1,693,768)	(1,656,635)	37,133
Total Other Financing Uses	<u>-</u>	<u>(1,693,768)</u>	<u>(1,693,768)</u>	<u>(1,656,635)</u>	<u>37,133</u>
Total Outflows	<u>43,837,404</u>	<u>12,502,227</u>	<u>56,339,631</u>	<u>44,326,237</u>	<u>12,013,394</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses					
	-	-	-	-	-
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,185,605)</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,185,605)</u>	<u>\$ -</u>

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**LAKWOOD BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources		
Actual amounts (budgetary basis) revenue from the budgetary comparison schedule (Exhibits C-1 and C-2)	\$ 130,347,099	\$ 44,326,237
Difference - Budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2016		
Encumbrances, June 30, 2015		18,496
State Aid recognized for budgetary purposes, not recognized for GAAP statements (2015/16 State Aid)	(6,488,288)	
State Aid recognized for GAAP purposes, not recognized for budgetary statements (2014/2015 State Aid)	<u>5,507,016</u>	<u>99,650</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 129,365,827</u>	<u>\$ 44,444,383</u>
Uses/Outflows of Resources		
Actual amounts (budgetary basis) total expenditures from the budgetary comparison schedule (Exhibits C-1 and C-2)	\$ 135,914,789	\$ 42,669,602
Differences - Budget to GAAP		
Repayment of State Aid Advance Loan	(450,000)	
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		
Encumbrances, June 30, 2016		-
Encumbrances, June 30, 2015	<u>-</u>	<u>18,496</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 135,464,789</u>	<u>\$ 42,688,098</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

Public Employees Retirement System

Last Three Fiscal Years*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.08409%	0.07579%	0.07987%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 18,877,918	\$ 14,190,964	\$ 15,264,918
District's Covered-Employee Payroll	\$ 5,860,755	\$ 5,999,031	\$ 5,226,881
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	322.10	236.55%	292.04%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.92%	52.08%	48.72%

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

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

LAKWOOD BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Three Fiscal Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 723,002	\$ 654,809	\$ 601,811
Contributions in Relation to the Contractually Required Contribution	<u>723,002</u>	<u>654,809</u>	<u>601,811</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 5,860,755	\$ 5,999,031	\$ 5,226,881
Contributions as a Percentage of Covered-Employee Payroll	12.33	10.91%	11.51%

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

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

Teachers Pension and Annuity Fund

Last Three Fiscal Years*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$-0-	\$-0-	\$-0-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 194,635,749</u>	<u>\$ 168,849,820</u>	<u>\$ 163,997,053</u>
Total	<u>\$ 194,635,749</u>	<u>\$ 168,849,820</u>	<u>\$ 163,997,053</u>
District's Covered-Employee Payroll	\$ 30,463,257	\$ 32,555,698	\$ 32,689,117
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	28.74%	33.64%	33.76%

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

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

**LAKESWOOD BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 5.

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES

BLENDED RESOURCE FUND

**LAKWOOD BOARD OF EDUCATION
GENERAL FUND
COMBINING BALANCE SHEET
JUNE 30, 2016**

	<u>Operating Fund</u>	<u>Blended Resource Fund</u>	<u>Total General Fund</u>
ASSETS			
Cash	\$ 3,058,613	\$ 15,467	\$ 3,074,080
Cash with Fiscal Agents	2,586,201		2,586,201
Receivables			
Intergovernmental			
State	771,262		771,262
Federal	123,843		123,843
Accounts	3,633		3,633
Due from Other Funds	282,326		282,326
Other Assets	<u>42,000</u>	<u>-</u>	<u>42,000</u>
 Total Assets	 <u>\$ 6,867,878</u>	 <u>\$ 15,467</u>	 <u>\$ 6,883,345</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 4,544,407	\$ 15,467	\$ 4,559,874
Other Liabilities	2,417,624		2,417,624
Due to Other Funds	2,345,280		2,345,280
State Aid Advance Loan Payable	4,050,000		4,050,000
Unearned Revenue	<u>7,840,669</u>	<u>-</u>	<u>7,840,669</u>
 Total Liabilities	 <u>21,197,980</u>	 <u>15,467</u>	 <u>21,213,447</u>
Fund Balances			
Committed			
Year End Encumbrances	2,124,294		2,124,294
Assigned			
Year End Encumbrances	908,484		908,484
Unassigned	<u>(17,362,880)</u>	<u>-</u>	<u>(17,362,880)</u>
 Total Fund Balances	 <u>(14,330,102)</u>	 <u>-</u>	 <u>(14,330,102)</u>
 Total Liabilities and Fund Balances	 <u>\$ 6,867,878</u>	 <u>\$ 15,467</u>	 <u>\$ 6,883,345</u>

LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

District-Wide

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to School Based Budgets	\$ 27,773,976		\$ 27,264,314	\$ 509,662
General Fund Reserve for Encumbrances at June 30, 2015	-		-	-
Combined General Fund Contribution	<u>27,773,976</u>	<u>94.27%</u>	<u>27,264,314</u>	<u>509,662</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	1,693,768		1,656,635	37,133
Title I, Part A - June 30, 2015 Unearned Revenue	-		-	-
	<u>1,693,768</u>	<u>5.73%</u>	<u>1,656,635</u>	<u>37,133</u>
Total Restricted Federal Resources	<u>1,693,768</u>	<u>5.73%</u>	<u>1,656,635</u>	<u>37,133</u>
Totals	<u>\$ 29,467,744</u>	<u>100.00%</u>	<u>\$ 28,920,949</u>	<u>\$ 546,795</u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

School: Lakewood High School

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to School Based Budgets	\$ 6,988,799		\$ 6,781,607	\$ 207,192
General Fund Reserve for Encumbrances at June 30, 2015	-		-	-
Combined General Fund Contribution	<u>6,988,799</u>	<u>95.00%</u>	<u>6,781,607</u>	<u>207,192</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	367,701		354,649	13,052
Title I, Part A - June 30, 2015 Unearned Revenue	-		-	-
	<u>367,701</u>	<u>5.00%</u>	<u>354,649</u>	<u>13,052</u>
Total Restricted Federal Resources	<u>367,701</u>	<u>5.00%</u>	<u>354,649</u>	<u>13,052</u>
Totals	<u><u>\$ 7,356,500</u></u>	<u><u>100.00%</u></u>	<u><u>\$ 7,136,256</u></u>	<u><u>\$ 220,244</u></u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

School: Lakewood Middle School

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to School Based Budgets	\$ 5,004,213		\$ 4,860,270	\$ 143,943
General Fund Reserve for Encumbrances at June 30, 2015			-	-
Combined General Fund Contribution	<u>5,004,213</u>	<u>91.60%</u>	<u>4,860,270</u>	<u>143,943</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	458,860		445,661	13,199
Title I, Part A - June 30, 2015 Unearned Revenue			-	-
	<u>458,860</u>	<u>8.40%</u>	<u>445,661</u>	<u>13,199</u>
Total Restricted Federal Resources	<u>458,860</u>	<u>8.40%</u>	<u>445,661</u>	<u>13,199</u>
Totals	<u>\$ 5,463,073</u>	<u>100.00%</u>	<u>\$ 5,305,931</u>	<u>\$ 157,142</u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

School: Ella G. Clarke School

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to School Based Budgets	\$ 2,533,606		\$ 2,492,763	\$ 40,843
General Fund Reserve for Encumbrances at June 30, 2015			-	-
Combined General Fund Contribution	<u>2,533,606</u>	<u>90.32%</u>	<u>2,492,763</u>	<u>40,843</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	271,609		267,230	4,379
Title I, Part A - June 30, 2015 Unearned Revenue			-	-
	<u>271,609</u>	<u>9.68%</u>	<u>267,230</u>	<u>4,379</u>
Total Restricted Federal Resources	<u>271,609</u>	<u>9.68%</u>	<u>267,230</u>	<u>4,379</u>
Totals	<u><u>\$ 2,805,215</u></u>	<u><u>100.00%</u></u>	<u><u>\$ 2,759,993</u></u>	<u><u>\$ 45,222</u></u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

School: Clifton Avenue School

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to School Based Budgets	\$ 3,223,511		\$ 3,178,557	\$ 44,954
General Fund Reserve for Encumbrances at June 30, 2015			-	-
Combined General Fund Contribution	<u>3,223,511</u>	<u>90.24%</u>	<u>3,178,557</u>	<u>44,954</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	348,730		343,867	4,863
Title I, Part A - June 30, 2015 Unearned Revenue			-	-
	<u>348,730</u>	<u>9.76%</u>	<u>343,867</u>	<u>4,863</u>
Total Restricted Federal Resources	<u>348,730</u>	<u>9.76%</u>	<u>343,867</u>	<u>4,863</u>
Totals	<u><u>\$ 3,572,241</u></u>	<u><u>100.00%</u></u>	<u><u>\$ 3,522,424</u></u>	<u><u>\$ 49,817</u></u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

School: Spruce Street School

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to School Based Budgets	\$ 3,000,687		\$ 2,980,759	\$ 19,928
General Fund Reserve for Encumbrances at June 30, 2015			-	-
Combined General Fund Contribution	<u>3,000,687</u>	<u>92.40%</u>	<u>2,980,759</u>	<u>19,928</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>	246,868		245,228	1,640
Title I, Part A - June 30, 2015 Unearned Revenue			-	-
	<u>246,868</u>	<u>7.60%</u>	<u>245,228</u>	<u>1,640</u>
Total Restricted Federal Resources	<u>246,868</u>	<u>7.60%</u>	<u>245,228</u>	<u>1,640</u>
Totals	<u><u>\$ 3,247,555</u></u>	<u><u>100.00%</u></u>	<u><u>\$ 3,225,987</u></u>	<u><u>\$ 21,568</u></u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

School: Oak Street School

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to School Based Budgets	\$ 4,396,888		\$ 4,364,902	\$ 31,986
General Fund Reserve for Encumbrances at June 30, 2015			-	-
Combined General Fund Contribution	<u>4,396,888</u>	<u>100.00%</u>	<u>4,364,902</u>	<u>31,986</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>				
Title I, Part A - June 30, 2015 Unearned Revenue	-		-	-
	<u>-</u>	<u>0.00%</u>	<u>-</u>	<u>-</u>
Total Restricted Federal Resources	<u>-</u>	<u>0.00%</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 4,396,888</u>	<u>100.00%</u>	<u>\$ 4,364,902</u>	<u>\$ 31,986</u>

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF EXPENDITURES ALLOCATED
 BY RESOURCE TYPE - ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

School: Piner Elementary School

<u>Resources</u>	<u>Resource Amount (Final Budget)</u>	<u>District-wide Blended % of Total Resources</u>	<u>Total Expenditures Allocated as a % of Total Resources</u>	<u>Total Surplus/ Carryover</u>
General Fund Contribution to School Based Budgets	\$ 2,626,272		\$ 2,605,456	\$ 20,816
General Fund Reserve for Encumbrances at June 30, 2015			-	-
Combined General Fund Contribution	<u>2,626,272</u>	<u>100.00%</u>	<u>2,605,456</u>	<u>20,816</u>
Restricted Federal Resources				
Title I, Part A of NCLB: <i>Improving Basic Programs</i>				
Title I, Part A - June 30, 2015 Unearned Revenue	-		-	-
	<u>-</u>	<u>0.00%</u>	<u>-</u>	<u>-</u>
Total Restricted Federal Resources	<u>-</u>	<u>0.00%</u>	<u>-</u>	<u>-</u>
Totals	<u><u>\$ 2,626,272</u></u>	<u><u>100.00%</u></u>	<u><u>\$ 2,605,456</u></u>	<u><u>\$ 20,816</u></u>

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>District-wide</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REGULAR PROGRAMS - INSTRUCTION					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers		\$ 639,831	\$ 639,831	\$ 639,831	
Grades 1-5 - Salaries of Teachers		6,801,967	6,801,967	6,801,807	\$ 160
Grades 6-8 - Salaries of Teachers		2,724,926	2,724,926	2,699,784	25,142
Grades 9-12 - Salaries of Teachers		4,342,060	4,342,060	4,255,866	86,194
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction		487,797	487,797	487,200	597
General Supplies		770,326	770,326	488,372	281,954
Textbooks		89,952	89,952	44,081	45,871
Other Objects	-	17,459	17,459	5,843	11,616
TOTAL REGULAR PROGRAMS - INSTRUCTION	-	15,874,318	15,874,318	15,422,784	451,534
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers		850,635	850,635	849,620	1,015
Other Salaries for Instruction		398,927	398,927	398,927	
General Supplies	-	11,943	11,943	6,433	5,510
Total Learning and/or Language Disabilities	-	1,261,505	1,261,505	1,254,980	6,525
Auditory Impairments:					
Salaries of Teachers	-	52,970	52,970	52,970	-
Total Auditory Impairments	-	52,970	52,970	52,970	-
Multiple Disabilities:					
Salaries of Teachers		559,386	559,386	559,386	
Other Salaries for Instruction		108,264	108,264	108,264	
General Supplies	-	6,357	6,357	5,325	1,032
Total Multiple Disabilities	-	674,007	674,007	672,975	1,032
Resource Room/Resource Center:					
Salaries of Teachers		2,737,245	2,737,245	2,726,284	10,961
General Supplies	-	12,768	12,768	8,218	4,550
Total Resource Room/Resource Center	-	2,750,013	2,750,013	2,734,502	15,511
Autism:					
Salaries of Teachers		195,857	195,857	195,857	
Other Salaries for Instruction		16,179	16,179	9,707	6,472
General Supplies	-	5,200	5,200	2,687	2,513
Total Autism	-	217,236	217,236	208,251	8,985
TOTAL SPECIAL EDUCATION - INSTRUCTION	-	4,955,731	4,955,731	4,923,678	32,053
Bilingual Education - Instruction:					
Salaries of Teachers		2,879,468	2,879,468	2,878,180	1,288
Other Salaries for Instruction	-	153,242	153,242	152,837	405
Total Bilingual Education - Instruction	-	3,032,710	3,032,710	3,031,017	1,693
School-Spon. Cocurricular Actvts. - Inst.:					
Salaries		158,011	158,011	137,098	20,913
Supplies and Materials	-	26,000	26,000	19,535	6,465
Total School-Spon. Cocurricular Actvts. - Inst.	-	184,011	184,011	156,633	27,378
Before/After School Programs - Instruction					
Purchased Professional and Technical Services	-	48,000	48,000	48,000	-
Total Before/After School Programs - Instruction	-	48,000	48,000	48,000	-
Total Before/After School Programs	-	48,000	48,000	48,000	-
Alternative Education Program - Instruction					
Salaries of Teachers		4,492	4,492	4,492	
Other Salaries for Instruction	-	4,000	4,000	4,000	-
Total Alternative Education Program - Instruction	-	8,492	8,492	8,492	-
Alternative Education Program - Support					
Salaries	-	11,300	11,300	11,300	-
Total Alternative Education Program - Support	-	11,300	11,300	11,300	-
Total Alternative Education Program	-	19,792	19,792	19,792	-
Total Instruction	-	24,114,562	24,114,562	23,601,904	512,658

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>District-wide</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expend. - Attend. & Social Work:					
Salaries		\$ 136,593	\$ 136,593	\$ 136,593	
Supplies and Materials	-	500	500	-	\$ 500
Total Undistributed Expend. - Attend. & Social Work	-	137,093	137,093	136,593	500
Undistributed Expenditures - Health Services:					
Salaries		382,872	382,872	382,872	
Supplies and Materials	-	18,750	18,750	11,033	7,717
Total Undistributed Expenditures - Health Services	-	401,622	401,622	393,905	7,717
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff		876,721	876,721	876,721	
Salaries of Secretarial and Clerical Assistants		121,364	121,364	121,364	
Other Purchased Prof. and Tech. Services		23,642	23,642	22,091	
Supplies and Materials		7,300	7,300	4,211	3,089
Other Objects	-	3,200	3,200	3,175	25
Total Undist. Expend. - Guidance Services	-	1,032,227	1,032,227	1,027,562	3,114
Undist. Expend. - Improvement of Inst. Serv.					
Sal of Facilitators, Math & Literacy Coaches	-	296,808	296,808	296,808	-
Total Undist. Expend. - Improvement of Inst. Serv.	-	296,808	296,808	296,808	-
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries		407,677	407,677	407,331	346
Supplies and Materials	-	35,484	35,484	34,117	1,367
Total Undist. Expend. - Edu. Media Serv./Sch. Library	-	443,161	443,161	441,448	1,713
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Service	-	36,216	36,216	35,905	311
Total Undist. Expend. - Instructional Staff Training Serv.	-	36,216	36,216	35,905	311
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors		2,155,174	2,155,174	2,155,174	
Salaries of Secretarial and Clerical Assistants		761,145	761,145	760,651	494
Other Salaries		4,845	4,845	2,423	2,422
Other Purchased Services (400-500 series)		600	600		600
Supplies and Materials	-	57,291	57,291	42,436	14,855
Total Undist. Expend. - Support Serv. - School Admin.	-	2,979,055	2,979,055	2,960,684	18,371
TOTAL UNDISTRIBUTED EXPENDITURES	-	5,326,182	5,326,182	5,292,905	33,277
TOTAL CURRENT EXPENDITURES	-	29,440,744	29,440,744	28,894,809	545,935
CAPITAL OUTLAY					
Equipment					
Regular Program - Instruction:					
Grades 6-8	-	27,000	27,000	26,140	860
Total Equipment	-	27,000	27,000	26,140	860
TOTAL CAPITAL OUTLAY	-	27,000	27,000	26,140	860
District-wide School Based Expenditures	-	29,467,744	29,467,744	28,920,949	546,795
Other Financing Sources:					
Operating Transfer In	-	29,467,744	29,467,744	28,920,949	546,795
Total Other Financing Sources	-	29,467,744	29,467,744	28,920,949	546,795
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>School: Lakewood High School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers		\$ 4,342,060	\$ 4,342,060	\$ 4,255,866	\$ 86,194
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		29,987	29,987	29,987	
General Supplies		260,798	260,798	153,646	107,152
Textbooks		18,665	18,665	18,665	
Other Objects	-	4,403	4,403	4,309	94
TOTAL REGULAR PROGRAMS - INSTRUCTION	-	4,655,913	4,655,913	4,462,473	193,440
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers		91,553	91,553	90,538	1,015
Other Salaries for Instruction	-	47,486	47,486	47,486	-
Total Learning and/or Language Disabilities	-	139,039	139,039	138,024	1,015
Multiple Disabilities:					
Salaries of Teachers		108,508	108,508	108,508	
General Supplies		2,600	2,600	2,340	260
Total Multiple Disabilities	-	111,108	111,108	110,848	260
Resource Room/Resource Center:					
Salaries of Teachers		350,922	350,922	350,922	
General Supplies	-	2,582	2,582	2,496	86
Total Resource Room/Resource Center	-	353,504	353,504	353,418	86
TOTAL SPECIAL EDUCATION - INSTRUCTION	-	603,651	603,651	602,290	1,361
Bilingual Education - Instruction					
Salaries of Teachers		228,764	228,764	228,763	1
Other Salaries for Instruction	-	21,160	21,160	21,160	-
Total Bilingual Education - Instruction	-	249,924	249,924	249,923	1
School-Spon. Cocurricular Actvts. - Inst.					
Salaries		104,713	104,713	89,432	15,281
Supplies and Materials	-	22,000	22,000	19,535	2,465
Total School-Spon. Cocurricular Actvts. - Inst.	-	126,713	126,713	108,967	17,746
Total Instruction and At-Risk Programs	-	5,636,201	5,636,201	5,423,653	212,548
Undistributed Expend. - Attend. & Social Work					
Salaries		36,639	36,639	36,639	
Supplies and Materials	-	335	335	-	335
Total Undistributed Expend. - Attend. & Social Work	-	36,974	36,974	36,639	335
Undistributed Expenditures - Health Services					
Salaries		59,948	59,948	59,948	
Supplies and Materials		2,315	2,315	2,055	260
Total Undistributed Expenditures - Health Services	-	62,263	62,263	62,003	260
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff		432,823	432,823	432,823	
Salaries of Secretarial and Clerical Assistants		91,866	91,866	91,866	
Other Purchased Prof. and Tech. Services		23,642	23,642	22,091	1,551
Supplies and Materials		7,300	7,300	4,211	3,089
Other Objects	-	3,200	3,200	3,175	25
Total Undist. Expend. - Guidance Services	-	558,831	558,831	554,166	4,665
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Facilitators, Math & Literacy Coaches	-	178,991	178,991	178,991	-
Total Undist. Expend. - Improvement of Inst. Serv.	-	178,991	178,991	178,991	-
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries		139,850	139,850	139,850	
Supplies and Materials	-	12,499	12,499	11,634	865
Total Undist. Expend. - Edu. Media Serv./Sch. Library	-	152,349	152,349	151,484	865

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>School: Lakewood High School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors		\$ 533,389	\$ 533,389	\$ 533,389	
Salaries of Secretarial and Clerical Assistants		183,209	183,209	183,209	
Other Salaries		1,320	1,320	660	\$ 660
Supplies and Materials	-	12,973	12,973	12,062	911
Total Undist. Expend. - Support Serv. - School Admin.	-	730,891	730,891	729,320	1,571
TOTAL UNDISTRIBUTED EXPENDITURES	-	1,720,299	1,720,299	1,712,603	7,696
TOTAL CURRENT EXPENDITURES	-	7,356,500	7,356,500	7,136,256	220,244
TOTAL SCHOOL BASED EXPENDITURES	-	7,356,500	7,356,500	7,136,256	220,244
Other Financing Sources:					
Operating Transfer In	-	7,356,500	7,356,500	7,136,256	220,244
Total Other Financing Sources	-	7,356,500	7,356,500	7,136,256	220,244
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>School: Lakewood Middle School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Grades 6-8 - Salaries of Teachers		\$ 2,724,926	\$ 2,724,926	\$ 2,699,784	\$ 25,142
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		20,547	20,547	20,264	
General Supplies		262,630	262,630	155,486	107,144
Textbooks		30,000	30,000	21,079	
Other Objects	-	3,650	3,650	-	3,650
TOTAL REGULAR PROGRAMS - INSTRUCTION	-	<u>3,041,753</u>	<u>3,041,753</u>	<u>2,896,613</u>	<u>145,140</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers		252,912	252,912	252,912	
Other Salaries for Instruction		113,145	113,145	113,145	
General Supplies	-	2,000	2,000	1,892	108
Total Learning and/or Language Disabilities	-	<u>368,057</u>	<u>368,057</u>	<u>367,949</u>	<u>108</u>
Multiple Disabilities:					
Salaries of Teachers		151,969	151,969	151,969	
Other Salaries for Instruction		36,822	36,822	36,822	
General Supplies		1,400	1,400	1,198	202
Total Multiple Disabilities	-	<u>190,191</u>	<u>190,191</u>	<u>189,989</u>	<u>202</u>
Resource Room/Resource Center:					
Salaries of Teachers		494,050	494,050	494,050	
General Supplies	-	2,500	2,500	1,419	1,081
Total Resource Room/Resource Center	-	<u>496,550</u>	<u>496,550</u>	<u>495,469</u>	<u>1,081</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	-	<u>1,054,798</u>	<u>1,054,798</u>	<u>1,053,407</u>	<u>1,391</u>
Bilingual Education - Instruction					
Salaries of Teachers		252,899	252,899	252,899	
Other Salaries for Instruction	-	18,848	18,848	18,848	-
Total Bilingual Education - Instruction	-	<u>271,747</u>	<u>271,747</u>	<u>271,747</u>	-
School-Spon. Cocurricular Actvts. - Inst.					
Salaries		34,219	34,219	34,219	-
Supplies and Materials	-	1,400	1,400	-	1,400
Total School-Spon. Cocurricular Actvts. - Inst.	-	<u>35,619</u>	<u>35,619</u>	<u>34,219</u>	<u>1,400</u>
Alternative Education Program - Instruction					
Salaries of Teachers		4,492	4,492	4,492	
Other Salaries for Instruction		4,000	4,000	4,000	
Total Alternative Education Program - Instruction	-	<u>8,492</u>	<u>8,492</u>	<u>8,492</u>	-
Alternative Education Program - Support					
Salaries		11,300	11,300	11,300	
Total Alternative Education Program - Support	-	<u>11,300</u>	<u>11,300</u>	<u>11,300</u>	-
Total Alternative Education Program	-	<u>19,792</u>	<u>19,792</u>	<u>19,792</u>	-
Total Instruction and At-Risk Programs	-	<u>4,423,709</u>	<u>4,423,709</u>	<u>4,275,778</u>	<u>147,931</u>
Undistributed Expend. - Attend. & Social Work					
Salaries		99,954	99,954	99,954	
Supplies and Materials	-	165	165	-	165
Total Undistributed Expend. - Attend. & Social Work	-	<u>100,119</u>	<u>100,119</u>	<u>99,954</u>	<u>165</u>
Undistributed Expenditures - Health Services					
Salaries		50,698	50,698	50,698	
Supplies and Materials		2,515	2,515	1,374	1,141
Total Undistributed Expenditures - Health Services	-	<u>53,213</u>	<u>53,213</u>	<u>52,072</u>	<u>1,141</u>
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff		133,646	133,646	133,646	
Salaries of Secretarial and Clerical Assistants	-	29,498	29,498	29,498	-
Total Undist. Expend. - Guidance Services	-	<u>163,144</u>	<u>163,144</u>	<u>163,144</u>	-

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>School: Lakewood Middle School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Facilitators, Math & Literacy Coaches	-	\$ 67,370	\$ 67,370	\$ 67,370	-
Total Undist. Expend. - Improvement of Inst. Serv.	-	67,370	67,370	67,370	-
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries		53,098	53,098	53,098	
Supplies and Materials	-	2,944	2,944	2,592	\$ 352
Total Undist. Expend. - Edu. Media Serv./Sch. Library	-	56,042	56,042	55,690	352
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Service		9,478	9,478	9,167	311
Total Undist. Expend. - Instructional Staff Training Services	-	9,478	9,478	9,167	311
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors		442,599	442,599	442,599	
Salaries of Secretarial and Clerical Assistants		99,791	99,791	99,791	
Other Salaries		1,008	1,008	504	504
Other Purchased Services (400-500 series)		600	600		600
Supplies and Materials	-	19,000	19,000	13,722	5,278
Total Undist. Expend. - Support Serv. - School Admin.	-	562,998	562,998	556,616	6,382
TOTAL UNDISTRIBUTED EXPENDITURES	-	1,012,364	1,012,364	1,004,013	8,351
TOTAL CURRENT EXPENDITURES	-	5,436,073	5,436,073	5,279,791	156,282
CAPITAL OUTLAY					
Equipment					
Regular Program - Instruction:					
Grades 6-8	-	27,000	27,000	26,140	860
Total Equipment	-	27,000	27,000	26,140	860
TOTAL CAPITAL OUTLAY	-	27,000	27,000	26,140	860
TOTAL SCHOOL BASED EXPENDITURES	-	5,463,073	5,463,073	5,305,931	157,142
Other Financing Sources:					
Operating Transfer In	-	5,463,073	5,463,073	5,305,931	157,142
Total Other Financing Sources	-	5,463,073	5,463,073	5,305,931	157,142
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>School: Ella G. Clarke School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Grades 1-5 - Salaries of Teachers		\$ 1,234,283	\$ 1,234,283	\$ 1,234,123	\$ 160
Regular Programs - Undistributed Instruction					
General Supplies		104,681	104,681	76,795	27,886
Textbooks		5,189	5,189		5,189
Other Objects	-	2,024	2,024	-	2,024
TOTAL REGULAR PROGRAMS - INSTRUCTION	-	<u>1,346,177</u>	<u>1,346,177</u>	<u>1,310,918</u>	<u>35,259</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers		159,488	159,488	159,488	
Other Salaries for Instruction		54,755	54,755	54,755	
General Supplies	-	2,000	2,000	1,163	837
Total Learning and/or Language Disabilities	-	<u>216,243</u>	<u>216,243</u>	<u>215,406</u>	<u>837</u>
Resource Room/Resource Center:					
Salaries of Teachers		283,091	283,091	281,737	1,354
General Supplies	-	2,500	2,500	1,817	683
Total Resource Room/Resource Center	-	<u>285,591</u>	<u>285,591</u>	<u>283,554</u>	<u>2,037</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	-	<u>501,834</u>	<u>501,834</u>	<u>498,960</u>	<u>2,874</u>
Bilingual Education - Instruction					
Salaries of Teachers	-	361,581	361,581	361,581	-
Total Bilingual Education - Instruction	-	<u>361,581</u>	<u>361,581</u>	<u>361,581</u>	<u>-</u>
School-Spon. Cocurricular Actvts. - Inst.					
Salaries		6,175	6,175	4,458	1,717
Supplies and Materials	-	1,000	1,000	-	1,000
Total School-Spon. Cocurricular Actvts. - Inst.	-	<u>7,175</u>	<u>7,175</u>	<u>4,458</u>	<u>2,717</u>
Before/After School Programs - Instruction					
Purchased Professional and Technical Services	-	16,000	16,000	16,000	-
Total Before/After School Programs - Instruction	-	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>
Total Before/After School Programs	-	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>
Total Instruction and At-Risk Programs	-	<u>2,232,767</u>	<u>2,232,767</u>	<u>2,191,917</u>	<u>40,850</u>
Undistributed Expenditures - Health Services					
Salaries		62,591	62,591	62,591	
Supplies and Materials		1,565	1,565	606	959
Total Undistributed Expenditures - Health Services	-	<u>64,156</u>	<u>64,156</u>	<u>63,197</u>	<u>959</u>
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	-	79,398	79,398	79,398	-
Total Undist. Expend. - Guidance Services	-	<u>79,398</u>	<u>79,398</u>	<u>79,398</u>	<u>-</u>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries		52,294	52,294	52,294	
Supplies and Materials	-	5,142	5,142	5,142	-
Total Undist. Expend. - Edu. Media Serv./Sch. Library	-	<u>57,436</u>	<u>57,436</u>	<u>57,436</u>	<u>-</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors		259,272	259,272	259,272	
Salaries of Secretarial and Clerical Assistants		106,668	106,668	106,668	
Supplies and Materials	-	5,518	5,518	2,105	3,413
Total Undist. Expend. - Support Serv. - School Admin.	-	<u>371,458</u>	<u>371,458</u>	<u>368,045</u>	<u>3,413</u>
TOTAL UNDISTRIBUTED EXPENDITURES	-	<u>572,448</u>	<u>572,448</u>	<u>568,076</u>	<u>4,372</u>
TOTAL CURRENT EXPENDITURES	-	<u>2,805,215</u>	<u>2,805,215</u>	<u>2,759,993</u>	<u>45,222</u>
TOTAL SCHOOL BASED EXPENDITURES	-	<u>2,805,215</u>	<u>2,805,215</u>	<u>2,759,993</u>	<u>45,222</u>
Other Financing Sources:					
Operating Transfer In	-	2,805,215	2,805,215	2,759,993	45,222
Total Other Financing Sources	-	<u>2,805,215</u>	<u>2,805,215</u>	<u>2,759,993</u>	<u>45,222</u>
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LAKEWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>School: Clifton Avenue School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Grades 1-5 - Salaries of Teachers		\$ 1,712,581	\$ 1,712,581	\$ 1,712,581	
Regular Programs - Undistributed Instruction					
General Supplies		48,717	48,717	25,424	\$ 23,293
Textbooks		17,441	17,441	1,978	15,463
Other Objects	-	3,145	3,145	-	3,145
TOTAL REGULAR PROGRAMS - INSTRUCTION	-	<u>1,781,884</u>	<u>1,781,884</u>	<u>1,739,983</u>	<u>41,901</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers		198,991	198,991	198,991	
Other Salaries for Instruction		95,403	95,403	95,403	
General Supplies	-	2,000	2,000	747	1,253
Total Learning and/or Language Disabilities	-	<u>296,394</u>	<u>296,394</u>	<u>295,141</u>	<u>1,253</u>
Resource Room/Resource Center:					
Salaries of Teachers		556,490	556,490	556,490	
General Supplies	-	3,146	3,146	1,446	1,700
Total Resource Room/Resource Center	-	<u>559,636</u>	<u>559,636</u>	<u>557,936</u>	<u>1,700</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	-	<u>856,030</u>	<u>856,030</u>	<u>853,077</u>	<u>2,953</u>
Bilingual Education - Instruction					
Salaries of Teachers	-	347,833	347,833	347,314	519
Total Bilingual Education - Instruction	-	<u>347,833</u>	<u>347,833</u>	<u>347,314</u>	<u>519</u>
School-Spon. Cocurricular Actvts. - Inst.					
Salaries		6,962	6,962	4,966	1,996
Supplies and Materials	-	600	600	-	600
Total School-Spon. Cocurricular Actvts. - Inst.	-	<u>7,562</u>	<u>7,562</u>	<u>4,966</u>	<u>2,596</u>
Before/After School Programs - Instruction					
Purchased Professional and Technical Services	-	16,000	16,000	16,000	-
Total Before/After School Programs - Instruction	-	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>
Total Before/After School Programs	-	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>
Total Instruction and At-Risk Programs	-	<u>3,009,309</u>	<u>3,009,309</u>	<u>2,961,340</u>	<u>47,969</u>
Undistributed Expenditures - Health Services					
Salaries		55,959	55,959	55,959	
Supplies and Materials		2,215	2,215	1,963	252
Total Undistributed Expenditures - Health Services	-	<u>58,174</u>	<u>58,174</u>	<u>57,922</u>	<u>252</u>
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	-	55,014	55,014	55,014	-
Total Undist. Expend. - Guidance Services	-	<u>55,014</u>	<u>55,014</u>	<u>55,014</u>	<u>-</u>
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Facilitators, Math & Literacy Coaches	-	50,447	50,447	50,447	-
Total Undist. Expend. - Improvement of Inst. Serv.	-	<u>50,447</u>	<u>50,447</u>	<u>50,447</u>	<u>-</u>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries		62,948	62,948	62,602	346
Supplies and Materials	-	7,000	7,000	6,856	144
Total Undist. Expend. - Edu. Media Serv./Sch. Library	-	<u>69,948</u>	<u>69,948</u>	<u>69,458</u>	<u>490</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors		234,126	234,126	234,126	
Salaries of Secretarial and Clerical Assistants		91,384	91,384	91,384	
Other Salaries		839	839	420	419
Supplies and Materials	-	3,000	3,000	2,313	687
Total Undist. Expend. - Support Serv. - School Admin.	-	<u>329,349</u>	<u>329,349</u>	<u>328,243</u>	<u>1,106</u>
TOTAL UNDISTRIBUTED EXPENDITURES	-	<u>562,932</u>	<u>562,932</u>	<u>561,084</u>	<u>1,848</u>
TOTAL CURRENT EXPENDITURES	-	<u>3,572,241</u>	<u>3,572,241</u>	<u>3,522,424</u>	<u>49,817</u>
TOTAL SCHOOL BASED EXPENDITURES	-	<u>3,572,241</u>	<u>3,572,241</u>	<u>3,522,424</u>	<u>49,817</u>
Other Financing Sources:					
Operating Transfer In	-	3,572,241	3,572,241	3,522,424	49,817
Total Other Financing Sources	-	<u>3,572,241</u>	<u>3,572,241</u>	<u>3,522,424</u>	<u>49,817</u>
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>School: Spruce Street School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers		\$ 254,878	\$ 254,878	\$ 254,878	
Grades 1-5 - Salaries of Teachers		992,699	992,699	992,699	
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		274,199	274,199	274,199	
General Supplies		26,071	26,071	21,579	\$ 4,492
Textbooks	-	719	719	-	719
TOTAL REGULAR PROGRAMS - INSTRUCTION	-	<u>1,548,566</u>	<u>1,548,566</u>	<u>1,543,355</u>	<u>5,211</u>
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
General Supplies	-	1,943	1,943	998	945
Total Learning and/or Language Disabilities	-	<u>1,943</u>	<u>1,943</u>	<u>998</u>	<u>945</u>
Auditory Impairments:					
Salaries of Teachers		52,970	52,970	52,970	
Total Auditory Impairments	-	<u>52,970</u>	<u>52,970</u>	<u>52,970</u>	-
Multiple Disabilities:					
Salaries of Teachers		70,785	70,785	70,785	
Other Salaries for Instruction		13,136	13,136	13,136	
General Supplies	-	357	357	357	-
Total Multiple Disabilities	-	<u>84,278</u>	<u>84,278</u>	<u>84,278</u>	-
Resource Room/Resource Center:					
Salaries of Teachers		111,057	111,057	111,057	
General Supplies	-	500	500	-	500
Total Resource Room/Resource Center	-	<u>111,557</u>	<u>111,557</u>	<u>111,057</u>	<u>500</u>
Autism:					
Salaries of Teachers		44,384	44,384	44,384	
Other Salaries for Instruction		16,179	16,179	9,707	6,472
General Supplies		2,700	2,700	361	2,339
Total Autism	-	<u>63,263</u>	<u>63,263</u>	<u>54,452</u>	<u>8,811</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	-	<u>314,011</u>	<u>314,011</u>	<u>303,755</u>	<u>10,256</u>
Bilingual Education - Instruction					
Salaries of Teachers	-	756,650	756,650	755,882	768
Other Salaries for Instruction	-	79,508	79,508	79,508	-
Total Bilingual Education - Instruction	-	<u>836,158</u>	<u>836,158</u>	<u>835,390</u>	<u>768</u>
School-Spon. Cccurricular Actvts. - Inst.					
Salaries	-	2,384	2,384	1,965	419
Total School-Spon. Cccurricular Actvts. - Inst.	-	<u>2,384</u>	<u>2,384</u>	<u>1,965</u>	<u>419</u>
Before/After School Programs - Instruction					
Purchased Professional and Technical Services	-	16,000	16,000	16,000	-
Total Before/After School Programs - Instruction	-	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	-
Total Before/After School Programs	-	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	-
Total Instruction and At-Risk Programs	-	<u>2,717,119</u>	<u>2,717,119</u>	<u>2,700,465</u>	<u>16,654</u>
Undistributed Expenditures - Health Services					
Salaries		64,869	64,869	64,869	
Supplies and Materials		2,815	2,815	1,352	1,463
Total Undistributed Expenditures - Health Services	-	<u>67,684</u>	<u>67,684</u>	<u>66,221</u>	<u>1,463</u>
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	-	50,642	50,642	50,642	-
Total Undist. Expend. - Guidance Services	-	<u>50,642</u>	<u>50,642</u>	<u>50,642</u>	-
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries		46,913	46,913	46,913	-
Supplies and Materials	-	2,899	2,899	2,899	-
Total Undist. Expend. - Edu. Media Serv./Sch. Library	-	<u>49,812</u>	<u>49,812</u>	<u>49,812</u>	-
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Service	-	26,738	26,738	26,738	-
Total Undist. Expend. - Instructional Staff Training Services	-	<u>26,738</u>	<u>26,738</u>	<u>26,738</u>	-

**LAKWOOD BOARD OF EDUCATION
 BLENDED RESOURCE FUND 15
 SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>School: Spruce Street School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors		\$ 220,997	\$ 220,997	\$ 220,997	
Salaries of Secretarial and Clerical Assistants		108,724	108,724	108,230	\$ 494
Other Salaries		839	839	419	420
Supplies and Materials	-	5,000	5,000	2,463	2,537
Total Undist. Expend. - Support Serv. - School Admin.	-	335,560	335,560	332,109	3,451
TOTAL UNDISTRIBUTED EXPENDITURES	-	530,436	530,436	525,522	4,914
TOTAL CURRENT EXPENDITURES	-	3,247,555	3,247,555	3,225,987	21,568
TOTAL SCHOOL BASED EXPENDITURES	-	3,247,555	3,247,555	3,225,987	21,568
Other Financing Sources:					
Operating Transfer In	-	3,247,555	3,247,555	3,225,987	21,568
Total Other Financing Sources	-	3,247,555	3,247,555	3,225,987	21,568
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>School: Oak Street School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Grades 1-5 - Salaries of Teachers		\$ 2,330,885	\$ 2,330,885	\$ 2,330,885	
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		30,225	30,225	30,225	
General Supplies		32,533	32,533	25,957	\$ 6,576
Textbooks		12,938	12,938		12,938
Other Objects	-	3,537	3,537	1,534	2,003
TOTAL REGULAR PROGRAMS - INSTRUCTION	-	2,410,118	2,410,118	2,388,601	21,517
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers		147,691	147,691	147,691	
Other Salaries for Instruction		58,496	58,496	58,496	
General Supplies	-	4,000	4,000	1,633	2,367
Total Learning and/or Language Disabilities	-	210,187	210,187	207,820	2,367
Multiple Disabilities:					
Salaries of Teachers		228,124	228,124	228,124	
Other Salaries for Instruction		58,306	58,306	58,306	
General Supplies	-	2,000	2,000	1,430	570
Total Multiple Disabilities	-	288,430	288,430	287,860	570
Resource Room/Resource Center:					
Salaries of Teachers		342,343	342,343	342,343	
General Supplies	-	1,040	1,040	1,040	-
Total Resource Room/Resource Center	-	343,383	343,383	343,383	-
Autism:					
Salaries of Teachers		151,473	151,473	151,473	
General Supplies		2,500	2,500	2,326	174
Total Autism	-	153,973	153,973	153,799	174
TOTAL SPECIAL EDUCATION - INSTRUCTION	-	995,973	995,973	992,862	3,111
Bilingual Education - Instruction					
Salaries of Teachers		\$ 321,628	\$ 321,628	\$ 321,628	
Other Salaries for Instruction	-	11,032	11,032	11,032	-
Total Bilingual Education - Instruction	-	332,660	332,660	332,660	-
School-Spon. Cocurricular Actvts. - Inst.					
Salaries		3,558	3,558	2,058	\$ 1,500
Supplies and Materials	-	1,000	1,000		1,000
Total School-Spon. Cocurricular Actvts. - Inst.	-	4,558	4,558	2,058	2,500
Total Instruction and At-Risk Programs	-	3,743,309	3,743,309	3,716,181	27,128
Undistributed Expenditures - Health Services					
Salaries		56,300	56,300	56,300	
Supplies and Materials	-	3,825	3,825	286	3,539
Total Undistributed Expenditures - Health Services	-	60,125	60,125	56,586	3,539
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	-	77,227	77,227	77,227	-
Total Undist. Expend. - Guidance Services	-	77,227	77,227	77,227	-
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries		52,574	52,574	52,574	
Supplies and Materials	-	5,000	5,000	4,994	6
Total Undist. Expend. - Edu. Media Serv./Sch. Library	-	57,574	57,574	57,568	6

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>School: Oak Street School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors		\$ 329,294	\$ 329,294	\$ 329,294	
Salaries of Secretarial and Clerical Assistants		124,520	124,520	124,520	
Other Salaries		839	839	420	\$ 419
Supplies and Materials	-	4,000	4,000	3,106	894
Total Undist. Expend. - Support Serv. - School Admin.	-	458,653	458,653	457,340	1,313
TOTAL UNDISTRIBUTED EXPENDITURES	-	653,579	653,579	648,721	4,858
TOTAL CURRENT EXPENDITURES	-	4,396,888	4,396,888	4,364,902	31,986
TOTAL SCHOOL BASED EXPENDITURES	-	4,396,888	4,396,888	4,364,902	31,986
Other Financing Sources:					
Operating Transfer In	-	4,396,888	4,396,888	4,364,902	31,986
Total Other Financing Sources	-	4,396,888	4,396,888	4,364,902	31,986
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

LAKWOOD BOARD OF EDUCATION
BLENDED RESOURCE FUND 15
SCHEDULE OF BLENDED EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>School: Piner Elementary School</u>	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers		\$ 384,953	\$ 384,953	\$ 384,953	
Grades 1-5 - Salaries of Teachers		531,519	531,519	531,519	
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		132,839	132,839	132,525	\$ 314
General Supplies		34,896	34,896	29,485	5,411
Textbooks		5,000	5,000	2,359	2,641
Other Objects	-	700	700	-	700
TOTAL REGULAR PROGRAMS - INSTRUCTION	-	1,089,907	1,089,907	1,080,841	9,066
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Other Salaries for Instruction	-	29,642	29,642	29,642	-
Total Learning and/or Language Disabilities	-	29,642	29,642	29,642	-
Resource Room/Resource Center:					
Salaries of Teachers		599,292	599,292	589,685	9,607
General Supplies	-	500	500	-	500
Total Resource Room/Resource Center	-	599,792	599,792	589,685	10,107
TOTAL SPECIAL EDUCATION - INSTRUCTION	-	629,434	629,434	619,327	10,107
Bilingual Education - Instruction					
Salaries of Teachers		610,113	610,113	610,113	
Other Salaries for Instruction	-	22,694	22,694	22,289	405
Total Bilingual Education - Instruction	-	632,807	632,807	632,402	405
Total Instruction and At-Risk Programs	-	2,352,148	2,352,148	2,332,570	19,578
Undistributed Expenditures - Health Services					
Salaries		32,507	32,507	32,507	
Supplies and Materials	-	3,500	3,500	3,397	103
Total Undistributed Expenditures - Health Services	-	36,007	36,007	35,904	103
Undist. Expend. - Guidance Services					
Salaries of Other Professional Staff	-	47,971	47,971	47,971	-
Total Undist. Expend. - Guidance Services	-	47,971	47,971	47,971	-
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors		135,497	135,497	135,497	
Salaries of Secretarial and Clerical Assistants		46,849	46,849	46,849	
Supplies and Materials	-	7,800	7,800	6,665	1,135
Total Undist. Expend. - Support Serv. - School Admin.	-	190,146	190,146	189,011	1,135
TOTAL UNDISTRIBUTED EXPENDITURES	-	274,124	274,124	272,886	1,238
TOTAL CURRENT EXPENDITURES	-	2,626,272	2,626,272	2,605,456	20,816
TOTAL SCHOOL BASED EXPENDITURES	-	2,626,272	2,626,272	2,605,456	20,816
Other Financing Sources:					
Operating Transfer In	-	2,626,272	2,626,272	2,605,456	20,816
Total Other Financing Sources	-	2,626,272	2,626,272	2,605,456	20,816
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

SPECIAL REVENUE FUND

LAKWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Title I, Part A	Title I - SIA	Title II-A	Title III	IDEA PART B		Carl D. Perkins Grant	Local Grant	Sub-Total Carried Forward
					Basic	Preschool			
REVENUES									
Intergovernmental									
Local								\$ 4,863	\$ 4,863
Federal	\$ 11,548,612	\$ 51,905	\$ 1,089,158	\$ 370,450	\$ 6,673,224	\$ 274,779	\$ 250,392	-	20,258,520
Total Revenues	11,548,612	51,905	1,089,158	370,450	6,673,224	274,779	250,392	4,863	20,263,383
EXPENDITURES									
Instruction									
Salaries of Teachers	850,788								850,788
Purchased Professional and Technical Services	112,727						10,148		122,875
Other Purchased Services					1,611,152	212,423			1,823,575
General Supplies	696,643						133,354		829,997
Other Objects	-	-	-	95,314	-	-	2,056	-	97,370
Total Instruction	1,660,158	-	-	95,314	1,611,152	212,423	145,558	-	3,724,605
Support Services									
Salaries of Other Professional Staff	957,182	39,700	22,828	112,082			42,520		1,174,312
Other Salaries								381	381
Personal Services Employee-Benefits	201,186	3,037	10,163	62,631			3,253		280,270
Purchased Professional Technical Services	6,567,129	9,168	1,025,959	14,505	5,062,072	62,356	158		12,741,347
Purchased Prof./Ed. Serv.							29,100		29,100
Other Purchased Services	261,234		13,371	19,235			17,909		311,749
Indirect Costs	161,911		16,837	6,066					184,814
Supplies and Materials	42,794	-	-	60,617	-	-	-	4,482	107,893
Total Support Services	8,191,436	51,905	1,089,158	275,136	5,062,072	62,356	92,940	4,863	14,829,866
Facilities and Acquisition Construction Svcs.									
Instructional Equipment	32,110						11,894		44,004
Non-Instructional Equipment	8,273	-	-	-	-	-	-	-	8,273
Total Facilities and Acquisition Construction Svcs.	40,383	-	-	-	-	-	11,894	-	52,277
Sub-total Expenditures	9,891,977	51,905	1,089,158	370,450	6,673,224	274,779	250,392	4,863	18,606,748
Other Financing Uses									
Contribution to School Based Budgets (General Fund)	(1,656,635)	-	-	-	-	-	-	-	(1,656,635)
Total Other Financing Uses	(1,656,635)	-	-	-	-	-	-	-	(1,656,635)
Total Outflows	\$ 11,548,612	\$ 51,905	\$ 1,089,158	\$ 370,450	\$ 6,673,224	\$ 274,779	\$ 250,392	\$ 4,863	\$ 20,263,383

LAKWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Sub-Total Brought Forward	Preschool Education Aid	Pre-K Expansion	New Jersey Nonpublic Aid				Sub-Total Carried Forward
				Textbooks	Technology	Nursing	Security	
REVENUES								
Intergovernmental								
Local Sources	\$ 4,863							\$ 4,863
State Sources		\$ 1,692,514		\$ 1,306,655	\$ 494,731	\$ 2,004,652	\$ 476,138	5,974,690
Federal Sources	20,258,520	-	\$ 1,997,664	-	-	-	-	22,256,184
Total Revenues	20,263,383	1,692,514	1,997,664	1,306,655	494,731	2,004,652	476,138	28,235,737
EXPENDITURES								
Instruction								
Salaries of Teachers	850,788	610,533	549,011					2,010,332
Other Salaries		212,135	175,543					387,678
Purchased Professional and Technical Services	122,875							122,875
Other Purchased Services	1,823,575	7,925						1,831,500
General Supplies	829,997	119,732	209,562		494,731			1,654,022
Textbooks				1,306,655				1,306,655
Other Objects	97,370	-	-	-	-	-	-	97,370
Total Instruction	3,724,605	950,325	934,116	1,306,655	494,731	-	-	7,410,432
Support Services								
Salaries of Supervisors of Instruction		38,869	32,566			37,660		109,095
Salaries of Program Directors		28,455	66,796					95,251
Salaries of Other Professional Staff	1,174,312	21,221	24,722					1,220,255
Salaries of Secretarial and Clerical Assistants		24,850	19,044					43,894
Other Salaries	381	26,679	34,232					61,292
Personal Services Employee-Benefits	280,270	545,197	706,080			11,118		1,542,665
Purchased Professional and Technical Services	12,741,347							12,741,347
Purchased Prof./Ed. Serv.	29,100		7,500			1,834,945		1,871,545
Other Purchased Services	311,749	56,846	172,608					541,203
Indirect Costs	184,814							184,814
Supplies and Materials	107,893	72	-	-	-	120,929	476,138	705,032
Total Support Services	14,829,866	742,189	1,063,548	-	-	2,004,652	476,138	19,116,393
Facilities and Acquisition Construction Svcs.								
Instructional Equipment	44,004							44,004
Non-Instructional Equipment	8,273	-	-	-	-	-	-	8,273
Total Facilities and Acquisition Construction Svcs.	52,277	-	-	-	-	-	-	52,277
Sub-total Expenditures	18,606,748	1,692,514	1,997,664	1,306,655	494,731	2,004,652	476,138	26,579,102
Other Financing Uses								
Contribution to School Based Budgets (General Fund)	(1,656,635)	-	-	-	-	-	-	(1,656,635)
Total Other Financing Uses	(1,656,635)	-	-	-	-	-	-	(1,656,635)
Total Outflows	\$ 20,263,383	\$ 1,692,514	\$ 1,997,664	\$ 1,306,655	\$ 494,731	\$ 2,004,652	\$ 476,138	\$ 28,235,737

**LAKWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Sub-Total Brought Forward	Chapter 192 - Nonpublic Auxiliary Services				Chapter 193 - Nonpublic Handicapped Services			Grand Total
		Compensatory Education	ESL	Transportation	Home Instruction	Supplemental Instruction	Examination and Classification	Corrective Speech	
REVENUES									
Intergovernmental									
Local	\$ 4,863								\$ 4,863
State	5,974,690	\$ 10,068,002	\$ 136,514	\$ 281,916	\$ 208	\$ 1,090,657	\$ 2,675,154	\$ 1,838,049	22,065,190
Federal	22,256,184	-	-	-	-	-	-	-	22,256,184
Total Revenues	\$ 28,235,737	\$ 10,068,002	\$ 136,514	\$ 281,916	\$ 208	\$ 1,090,657	\$ 2,675,154	\$ 1,838,049	\$ 44,326,237
EXPENDITURES									
Instruction									
Salaries of Teachers	2,010,332								2,010,332
Other Salaries	387,678								387,678
Purchased Professional and Technical Services	122,875				208				123,083
Other Purchased Services	1,831,500								1,831,500
Tuition	-								-
General Supplies	1,654,022								1,654,022
Textbooks	1,306,655								1,306,655
Other Objects	97,370	-	-	-	-	-	-	-	97,370
Total Instruction	7,410,432	-	-	-	208	-	-	-	7,410,640
Support Services									
Salaries of Supervisors of Instruction	109,095								109,095
Salaries of Program Directors	95,251								95,251
Salaries of Other Professional Staff	1,220,255								1,220,255
Salaries of Secretarial and Clerical Assistants	43,894	1,485							45,379
Other Salaries	61,292	384,145							445,437
Personal Services Employee-Benefits	1,542,665	171,648							1,714,313
Purchased Professional and Technical Services	12,741,347								12,741,347
Purchased Prof./Ed. Serv.	1,871,545	9,510,724	128,787			1,069,131	2,648,667	1,838,049	17,066,903
Contracted Services - Transportation				281,916					281,916
Other Purchased Services	541,203					12,644	26,487		580,334
Indirect Costs	184,814								184,814
Supplies and Materials	705,032	-	7,727	-	-	8,882	-	-	721,641
Total Support Services	19,116,393	10,068,002	136,514	281,916	-	1,090,657	2,675,154	1,838,049	35,206,685
Facilities and Acquisition Construction Svcs.									
Instructional Equipment	44,004								44,004
Non-Instructional Equipment	8,273	-	-	-	-	-	-	-	8,273
Total Facilities and Acquisition Construction Svcs.	52,277	-	-	-	-	-	-	-	52,277
Sub-total Expenditures	26,579,102	\$ 10,068,002	\$ 136,514	\$ 281,916	\$ 208	\$ 1,090,657	\$ 2,675,154	\$ 1,838,049	\$ 42,669,602
Other Financing Uses									
Contribution to School Based Budgets (General Fund)	(1,656,635)	-	-	-	-	-	-	-	(1,656,635)
Total Other Financing Uses	(1,656,635)	-	-	-	-	-	-	-	(1,656,635)
Total Outflows	\$ 28,235,737	\$ 10,068,002	\$ 136,514	\$ 281,916	\$ 208	\$ 1,090,657	\$ 2,675,154	\$ 1,838,049	\$ 44,326,237

**LAKWOOD BOARD OF EDUCATION
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS
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>
EXPENDITURES					
Instruction					
Salaries of Teachers	\$ 659,501	\$ (48,968)	\$ 610,533	\$ 610,533	
Other Salaries for Instruction	215,209	(2,783)	212,426	212,135	\$ 291
	47,500	17,270	64,770	7,925	56,845
General Supplies	<u>20,000</u>	<u>99,817</u>	<u>119,817</u>	<u>119,732</u>	<u>85</u>
Total Instruction	<u>942,210</u>	<u>65,336</u>	<u>1,007,546</u>	<u>950,325</u>	<u>57,221</u>
Support Services					
Salaries of Supervisors of Instruction	105,595	(66,525)	39,070	38,869	201
Salaries of Other Professional Staff	62,116	(30,928)	31,188	28,455	2,733
Salaries of Secretarial and Clerical Assts.	52,170	(24,726)	27,444	21,221	6,223
Other Salaries	19,443	14,112	33,555	24,850	8,705
Salaries of Master Teachers	56,903	(29,114)	27,789	26,679	1,110
Personal Services - Employee Benefits	633,002	(87,040)	545,962	545,197	765
Cleaning, Repair and Maintenance Services		49,301	49,301	49,301	
Rentals	107,046	(99,501)	7,545	7,545	
Contracted Services - Transportation (Bet. Home & School)	103,660	97,936	201,596		201,596
Supplies and Materials	<u>3,500</u>	<u>7,500</u>	<u>11,000</u>	<u>72</u>	<u>10,928</u>
Total Support Services	<u>1,143,435</u>	<u>(168,985)</u>	<u>974,450</u>	<u>742,189</u>	<u>232,261</u>
Total Expenditures	<u>\$ 2,085,645</u>	<u>\$ (103,649)</u>	<u>\$ 1,981,996</u>	<u>\$ 1,692,514</u>	<u>\$ 289,482</u>
Total Revised 2015-16 Preschool Education Aid Allocation					\$ 1,981,985
Actual ECPA/PEA Carryover (June 30, 2015)					<u>103,663</u>
Total Preschool Education Aid Funds Available for 2015-16 Budget					2,085,648
Less: 2015-16 Budgeted Preschool Education Aid (Including Prior Year Carryover)					<u>(1,981,996)</u>
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2016					103,652
Add: June 30, 2016 Unexpended Preschool Education Aid					<u>289,482</u>
2015-16 Carryover - Preschool Education Aid Programs					<u>\$ 393,134</u>
2015-16 Preschool Education Aid Carryover Budgeted in 2016-17 for Preschool Programs					<u>\$ -</u>

CAPITAL PROJECTS FUND

**LAKWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>Issue/Project Title</u>	<u>Expenditures to Date</u>			<u>Unexpended Balance, June 30, 2016</u>
	<u>Appropriation</u>	<u>Prior Years</u>	<u>Current Year</u>	
<i>2013 Lease Purchase</i>				
High School HVAC Replacement	\$ 505,462	\$ 505,462		
High School Hot Water Heater Replacement	32,940	32,940		
Middle School Roof Project	2,233,705	2,233,705		
Board Office Project	1,974,125	1,974,125		
Middle School Window Replacement	534,400	534,400		
Middle School Exhaust Replacement	192,116	192,116		
Soft Costs	62,441	62,441		
Unallocated	209,811	79,496	-	\$ 130,315
Lease-Purchase Sub-Total	<u>5,745,000</u>	<u>5,614,685</u>	<u>-</u>	<u>130,315</u>
<i>2015 Bond Referendum</i>				
HVAC System Upgrades at Lakewood HS, Oak St. School, Spruce Street School, Clifton Avenue School, Lakewood Middle School and E.G. Clarke School and roofing replacement and related repairs at Oak Street School, Spruce Street School, Clifton Avenue School and E.G. Clarke School	29,497,241	3,639,114	\$ 15,901,560	9,956,567
Refinance Outstanding Lease Purchase	<u>5,200,000</u>	<u>5,110,883</u>	<u>-</u>	<u>89,117</u>
Referendum Sub-Total	<u>34,697,241</u>	<u>8,749,997</u>	<u>15,901,560</u>	<u>10,045,684</u>
	<u>\$ 40,442,241</u>	<u>\$ 14,364,682</u>	<u>\$ 15,901,560</u>	<u>\$ 10,175,999</u>
Unexpended Project Authorizations				\$ 10,175,999
Debt Authorized But Not Issued				<u>(2,241)</u>
Fund Balance				<u>\$ 10,173,758</u>

**LAKWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2016**

Revenues and Other Financing Sources

Interest on Investments	\$ 48,524
Total Revenues and Other Financing Sources	48,524

Expenditures and Other Financing Uses

Capital Outlay	
Purchased Professional and Technical Services	644,485
Construction Services	15,244,855
Other	12,220
Transfer to General Fund	48,524
Total Expenditures and Other Financing Uses	15,950,084

Excess (Deficiency) of Revenues Over/(Under) Expenditures	(15,901,560)
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Fund Balance - Beginning of Year	26,075,318
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Fund Balance - End of Year	\$ 10,173,758
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Recapitulation of Fund Balance:

Reserve for Encumbrances	\$ 10,697,380
Available for Capital Projects	(523,622)
	\$ 10,173,758

**LAKWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2014 LEASE PURCHASE - VARIOUS CAPITAL IMPROVEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Lease Purchase Proceeds	\$ 5,745,000	-	\$ 5,745,000	\$ 5,745,000
Total Revenues	<u>5,745,000</u>	<u>-</u>	<u>5,745,000</u>	<u>5,745,000</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	355,295		355,295	355,800
Construction Services	<u>5,259,390</u>	\$ -	<u>5,259,390</u>	<u>5,389,200</u>
Total Expenditures	<u>5,614,685</u>	<u>-</u>	<u>5,614,685</u>	<u>5,745,000</u>
Excess (Deficiency) or Revenues Over (Under) Expenditures	<u>\$ 130,315</u>	<u>\$ -</u>	<u>\$ 130,315</u>	<u>\$ -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Lease Purchase Issue Date	6/28/2013
Lease Purchase Authorized	5,745,000
Lease Purchase Issued	5,745,000
Original Authorized Cost	5,745,000
Adjustment	-
Revised Authorized Cost	5,745,000
Percentage Increase Over Original Authorized Cost	-
Percentage Completion	98%
Original Target Completion Date	2014/15
Revised Target Completion Date	2014/15

LAKWOOD BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2015 REFERENDUM - VARIOUS CAPITAL IMPROVEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Serial Bond Proceeds	\$ 34,695,000	-	\$ 34,695,000	\$ 34,697,241
Total Revenues	<u>34,695,000</u>	<u>-</u>	<u>34,695,000</u>	<u>34,697,241</u>
Expenditures and Other Financing Uses				
General Administration				
Costs of Issuance	156,481		156,481	156,481
Interest on Notes	21,667		21,667	21,667
Debt Service				
Refunding of Lease Purchase	5,110,883		5,110,883	5,200,000
Capital Outlay				
Miscellaneous		\$ 12,220	12,220	12,375
Purchased Professional and Technical Services	1,200,457	644,485	1,844,942	2,024,835
Construction Services	<u>2,260,509</u>	<u>15,244,855</u>	<u>17,505,364</u>	<u>27,281,883</u>
Total Expenditures	<u>8,749,997</u>	<u>15,901,560</u>	<u>24,651,557</u>	<u>34,697,241</u>
Excess (Deficiency) or Revenues Over (Under) Expenditures	<u>25,945,003</u>	<u>\$ (15,901,560)</u>	<u>\$ 10,043,443</u>	<u>-</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Issue Date	2/17/2015
Bonds Authorized	\$ 34,697,241
Bonds Issued	\$ 34,695,000
Original Authorized Cost	\$ 34,697,241
Adjustment	\$ -
Revised Authorized Cost	\$ 34,697,241
Percentage Increase Over Original Authorized Cost	-
Percentage Completion	71%
Original Target Completion Date	2016/17
Revised Target Completion Date	2016/17

ENTERPRISE FUND

EXHIBIT G-1

**LAKWOOD BOARD OF EDUCATION
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2016**

THIS STATEMENT IS NOT APPLICABLE

EXHIBIT G-2

**COMBINING STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

THIS STATEMENT IS NOT APPLICABLE

EXHIBIT G-3

**COMBINING STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

THIS STATEMENT IS NOT APPLICABLE

FIDUCIARY FUNDS

**LAKWOOD BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2016**

	<u>Agency</u>		<u>Total</u>
	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS			
Cash and Cash Equivalents	\$ 127,519	\$ 1,346,479	\$ 1,473,998
Due from Other Funds	-	-	265,000
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 127,519</u>	<u>\$ 1,346,479</u>	<u>\$ 1,738,998</u>
LIABILITIES			
Due to Other Funds		\$ 282,326	\$ 282,326
Summer Payment Plan Deposits		778,039	778,039
Flexible Spending Plan Deposits		32,987	32,987
Payroll Deductions and Withholdings		405,154	405,154
Accrued Salaries and Wages		112,973	112,973
Due to Student Groups	<u>\$ 127,519</u>	<u> </u>	<u>127,519</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>\$ 127,519</u>	<u>\$ 1,611,479</u>	<u>\$ 1,738,998</u>

**LAKWOOD BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

THIS STATEMENT IS NOT APPLICABLE.

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8.

**LAKWOOD BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>School</u>	<u>Balance July 1, 2015</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2016</u>
ACTIVITY ACCOUNT				
Due to Student Groups	\$ 82,829	\$ 133,635	\$ 108,512	\$ 107,952
ATHLETIC ACCOUNT				
Due to Student Groups	<u>24,653</u>	<u>90,487</u>	<u>95,573</u>	<u>19,567</u>
Total	<u>\$ 107,482</u>	<u>\$ 224,122</u>	<u>\$ 204,085</u>	<u>\$ 127,519</u>

**LAKWOOD BOARD OF EDUCATION
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Balance, July 1, 2015	Cash Receipts	Cash Disbursements	Balance, June 30, 2016
ASSETS				
Cash and Cash Equivalents	\$ 666,117	\$ 54,208,824	\$ 53,528,462	\$ 1,346,479
 Total Assets	 <u>\$ 666,117</u>	 <u>\$ 54,208,824</u>	 <u>\$ 53,528,462</u>	 <u>\$ 1,346,479</u>
LIABILITIES				
Due to Other Funds				
Due (from) to Unemployment Compensation Trust	\$ (120,954)	\$ 120,954		
Due (from) to Food Service Fund	(265,000)			\$ (265,000)
Due (from) to General Fund	333,410	4,104	55,188	282,326
Accrued Salaries and Wages	(32,848)	27,651,349	27,505,528	112,973
Summer Payment Plan Deposits	655,355	779,606	656,922	778,039
Flexible Spending Account Deposits	30,812	56,820	54,645	32,987
Payroll Deductions and Withholdings	65,342	25,595,991	25,256,179	405,154
	<u>\$ 666,117</u>	<u>\$ 54,208,824</u>	<u>\$ 53,528,462</u>	<u>\$ 1,346,479</u>

LONG-TERM DEBT

**LAKEWOOD BOARD OF EDUCATION
LONG-TERM DEBT
STATEMENT OF SERIAL BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2015</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2016</u>
New Roofing and Repairs	5/24/00	\$ 2,494,000				\$ 209,000		\$ 209,000	
2015 Referendum	2/17/2015	34,695,000	9/15/2016	\$ 1,250,000	2.50%				
			9/15/2017	1,300,000	2.75%				
			9/15/2018	1,350,000	2.75%				
			9/15/2019	1,400,000	2.75%				
			9/15/2020	1,470,000	2.75%				
			9/15/2021	1,525,000	2.75%				
			9/15/2022	1,590,000	2.75%				
			9/15/2023	1,650,000	3.00%				
			9/15/2024	1,725,000	3.00%				
			9/15/2025	1,785,000	3.00%				
			9/15/2026	1,850,000	3.00%				
			9/15/2027	1,925,000	3.00%				
			9/15/2028	2,015,000	3.00%				
			9/15/2029	2,100,000	3.00%				
			9/15/2030	2,175,000	3.00%				
			9/15/2031	2,270,000	3.00%				
			9/15/2032	2,365,000	3.00%				
			9/15/2033	2,450,000	3.00%				
			9/15/2034	2,500,000	3.00%				
						34,695,000	-	-	\$ 34,695,000
						\$ 34,904,000	\$ -	\$ 209,000	\$ 34,695,000

LAKESWOOD BOARD OF EDUCATION
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>Date of Lease</u>	<u>Term of Lease (in Months)</u>	<u>Amount of Original Issue</u>		<u>Amount Outstanding July 1, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2016</u>
			<u>Principal</u>	<u>Interest</u>				
Copier Equipment (Savig 9040B) - Transportation	09/01/10	60	\$ 10,516	\$ 3,337	\$ 406		\$ 406	
Copier Equipment (Savin 0-21D) - Ella Clarke	12/01/10	60	5,189	920	501		501	
Copier Equipment (Savin 9021D) - Early Childhood	12/01/10	60	5,189	979	533		533	
Copier Equipment (Savin 9021D) - Early Learning Cente	12/01/10	60	5,524	979	533		533	
Copier Equipment (Savin 9025B) - Community School	12/01/10	60	8,836	1,567	853		853	
School Buses	5/25/2015	36	424,200	20,400	350,100		74,100	\$ 276,000
Textbooks	7/25/2015	48	555,000	28,886		\$ 555,000	118,000	437,000
School Buses	3/10/2016	60	343,919	24,398		343,919	61,386	282,533
School Buses	6/15/2016	84	2,124,294	234,803	-	2,124,294	-	2,124,294
					<u>\$ 352,926</u>	<u>\$ 3,023,213</u>	<u>\$ 256,312</u>	<u>\$ 3,119,827</u>

**LAKWOOD BOARD OF EDUCATION
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 with Final Budget</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 543,639		\$ 543,639	\$ 543,639	
State Sources					
Debt Service Aid - Type II	18,628	-	18,628	18,628	-
Total Revenues	<u>562,267</u>	<u>-</u>	<u>562,267</u>	<u>562,267</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest on Debt	1,097,446		1,097,446	1,097,445	1
Redemption of Principal	209,000		209,000	209,000	-
Total Regular Debt Service	<u>1,306,446</u>	<u>-</u>	<u>1,306,446</u>	<u>1,306,445</u>	<u>1</u>
Total Expenditures	<u>1,306,446</u>	<u>-</u>	<u>1,306,446</u>	<u>1,306,445</u>	<u>1</u>
Excess of Revenues Over Expenditures	(744,179)	-	(744,179)	(744,178)	1
Fund Balance, Beginning of Year	<u>744,179</u>		<u>744,179</u>	<u>744,179</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
Recapitulation of Fund Balance:					
Restricted for Debt Service				<u>\$ 1</u>	

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

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

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities										
Net Investment in Capital Assets	\$ 6,481,769	\$ 6,972,812	\$ 8,455,577	\$ 10,326,554	\$ 11,536,711	\$ 12,110,017	\$ 12,022,392	\$ 13,072,369	\$ 11,469,917	\$ 10,770,458
Restricted		270,000		2	45	43	4,123,316	910,733	874,494	1
Unrestricted	(5,113,632)	(11,363,364)	(6,838,288)	(3,632,854)	(89,679)	(3,655,333)	(11,913,721)	(35,682,116)	(36,007,783)	(39,836,847)
Total Governmental Activities Net Position	\$ 1,368,137	\$ (4,120,552)	\$ 1,617,289	\$ 6,693,702	\$ 11,447,077	\$ 8,454,727	\$ 4,231,987	\$ (21,699,014)	\$ (23,663,372)	\$ (29,066,388)
Business-Type Activities										
Net Investment in Capital Assets	\$ 421,145	\$ 386,822	\$ 386,586	\$ 369,726	\$ 368,458	\$ 427,816	\$ 397,052	\$ 237,632	\$ 537,704	\$ 547,223
Unrestricted		253,147	537,808	870,243	1,288,067	1,533,546	1,075,278	2,917,582	2,549,599	2,529,455
Total Business-Type Activities Net Position	\$ 421,145	\$ 639,969	\$ 924,394	\$ 1,239,969	\$ 1,656,525	\$ 1,961,362	\$ 1,472,330	\$ 3,155,214	\$ 3,087,303	\$ 3,076,678
District-Wide										
Net Investment in Capital Assets	\$ 6,902,914	\$ 7,359,634	\$ 8,842,163	\$ 10,696,280	\$ 11,905,169	\$ 12,537,833	\$ 12,419,444	\$ 13,310,001	\$ 12,007,621	\$ 11,317,681
Restricted	-	270,000	-	2	45	43	4,123,316	910,733	874,494	1
Unrestricted	(5,113,632)	(11,110,217)	(6,300,480)	(2,762,611)	1,198,388	(2,121,787)	(10,838,443)	(32,764,534)	(33,458,184)	(37,307,392)
Total District Net Position	\$ 1,789,282	\$ (3,480,583)	\$ 2,541,683	\$ 7,933,671	\$ 13,103,602	\$ 10,416,089	\$ 5,704,317	\$ (18,543,800)	\$ (20,576,069)	\$ (25,989,710)

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 21,733,844	\$ 25,541,840	\$ 25,719,177	\$ 26,958,899	\$ 26,163,927	\$ 31,814,644	\$ 34,508,655	\$ 35,477,157	\$ 31,984,035	\$ 40,225,349
Special Education	8,148,999	8,122,586	6,475,575	5,656,990	6,429,849	25,797,869	30,646,304	32,723,399	38,847,354	37,683,700
Other Special Instruction	1,097,091	1,332,596	2,946,097	2,429,689	3,744,551	4,847,231	6,064,313	5,658,237	11,797,288	10,162,063
School Sponsored Activities/Athletics	768,883	592,827	835,774	843,857	905,868	1,266,845	1,195,453	1,399,341	1,376,304	1,606,735
Community Service Programs/Operations	153,520	300,479	218,100	78,174	108,989					
Support Services:										
Tuition	10,853,855	10,663,217	15,271,616	15,497,723	15,798,337					
Student & Instruction Related Services	29,281,871	34,554,016	32,638,706	40,175,072	39,011,375	44,968,464	46,725,353	49,368,421	45,616,152	51,684,343
General Administrative Services	3,292,331	2,553,326	2,462,247	2,291,859	1,986,601	2,144,616	2,169,366	2,590,492	3,232,042	2,632,224
School Administrative Services	3,752,711	3,825,951	3,688,697	3,707,747	3,443,966	4,033,453	3,766,792	3,797,677	4,440,359	5,523,041
Central Services						1,639,754	1,765,810	2,069,456	2,392,174	2,550,977
Plant Operations and Maintenance	6,009,709	6,193,663	6,993,299	6,994,554	7,307,360	6,231,930	6,786,985	7,376,514	6,409,213	8,217,595
Pupil Transportation	13,061,860	14,849,926	15,356,692	16,560,794	16,022,884	18,284,409	20,316,662	22,160,268	23,926,991	27,225,354
Unallocated Benefits	17,606,895	19,050,792	16,108,033	17,512,777	12,454,456					
Special Schools	153,918	60,616	126,884	152,783						
Interest on Long-Term Debt	353,613	396,227	316,752	238,609	147,822	61,347	54,973	103,829	295,818	1,094,793
Adjustment to Budgetary Revenues and Expenditures	1,223,384	165,654								
Unallocated Loss on Disposal of Capital Assets			253,469							
Unallocated Depreciation and Amortization	661,278	733,204	666,788	615,066	576,769	691,091	773,373	773,373	580,484	703,668
Total Governmental Activities Expenses	118,153,762	128,936,920	130,077,906	139,714,593	134,102,754	141,781,653	154,774,041	163,498,164	170,898,214	189,309,842
Business-Type Activities:										
Food Service	2,363,932	2,548,069	2,633,301	2,750,516	3,029,670	3,362,501	3,250,287	3,680,840	5,112,822	5,221,912
Latchkey Program	171,575	203,774	186,019	158,480	2,087					
Community School	347,334	377,244	524,533	277,611	209,086	263	205	18	-	-
Total Business-Type Activities Expense	2,882,841	3,129,087	3,343,853	3,186,607	3,240,843	3,362,764	3,250,492	3,680,858	5,112,822	5,221,912
Total District Expenses	\$ 121,036,603	\$ 132,066,007	\$ 133,421,759	\$ 142,901,200	\$ 137,343,597	\$ 145,144,417	\$ 158,024,533	\$ 167,179,022	\$ 176,011,036	\$ 194,531,754
Program Revenues										
Governmental Activities:										
Charges for Services	\$ 20,913	\$ 91,790	\$ 74,173	\$ 98,025	\$ 52,832	\$ 125,040	\$ 93,062	\$ 51,619		
Operating Grants and Contributions	32,538,118	39,649,935	32,050,733	42,369,166	41,307,926	53,293,584	61,149,101	62,666,142	\$ 66,119,440	\$ 74,320,059
Capital Grants and Contributions	20,671	7,618	37,118	579,798	180,961		649,855	840,909	628,057	52,277
Total Governmental Activities Program Revenues	32,579,702	39,749,343	32,162,024	43,046,989	41,541,719	53,418,624	61,892,018	63,558,670	66,747,497	74,372,336
Business-Type Activities:										
Charges for Services										
Food Service	613,844	521,454	523,747	488,489	480,231	459,731	426,725	562,259	465,169	324,594
Latchkey Program	170,779	169,745	152,082	111,133	3					
Community School	293,264	328,528	339,879	120,967	81,372	4,574	-	2,674		
Operating Grants and Contributions	1,953,746	2,162,386	2,413,234	2,687,649	2,874,260	3,201,542	3,532,551	3,753,537	4,578,882	4,885,735
Capital Grants and Contributions					17,525					
Total Business Type Activities Program Revenues	3,031,633	3,182,113	3,428,942	3,408,238	3,453,391	3,665,847	3,959,276	4,318,470	5,044,051	5,210,329
Total District Program Revenues	\$ 35,611,335	\$ 42,931,456	\$ 35,590,966	\$ 46,455,227	\$ 44,995,110	\$ 57,084,471	\$ 65,851,294	\$ 67,877,140	\$ 71,791,548	\$ 79,582,665
Net (Expense)/Revenue										
Governmental Activities	\$ (85,574,060)	\$ (89,187,577)	\$ (97,915,882)	\$ (96,667,604)	\$ (92,561,035)	\$ (88,363,029)	\$ (92,882,023)	\$ (99,939,494)	\$ (104,150,717)	\$ (114,937,506)
Business-Type Activities	148,792	53,026	85,089	221,631	212,548	303,083	708,784	637,612	(68,771)	(11,583)
Total District-Wide Net Expense	\$ (85,425,268)	\$ (89,134,551)	\$ (97,830,793)	\$ (96,445,973)	\$ (92,348,487)	\$ (88,059,946)	\$ (92,173,239)	\$ (99,301,882)	\$ (104,219,488)	\$ (114,949,089)

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 62,254,745	\$ 64,722,523	\$ 69,597,133	\$ 71,593,625	\$ 71,593,625	\$ 70,238,004	\$ 70,630,210	\$ 77,097,641	\$ 84,693,837	\$ 90,350,168
Taxes Levied for Debt Service	1,277,357	1,258,914	1,250,715	1,242,075	1,952,532	867,074	1,615,847	217,615	207,260	543,639
Federal and State Aid - Unrestricted	18,947,699	17,683,372	27,722,354	28,487,610	25,058,275	14,783,483	14,970,375	15,268,983	15,354,175	15,401,026
Federal and State Aid - Restricted	77,779	79,232	82,635	86,065	75,849	74,461	18,225	18,225	18,225	15,648
Federal Grants for School Based Budgets										1,656,635
Unrestricted Interest Earnings	279,383	178,260	104,271	12,805	22,400	5,030	26,862	30,825	73,203	82,102
Miscellaneous Income	389,932	1,378,476	395,258	321,837	332,304	529,517	197,576	1,161,896	1,839,659	1,485,272
Special Items:										
Disallowed Federal Grant Program Costs								(3,185,605)		
Gain from Sale of Capital Assets		6,076,001								
Transfers	1,676,620		950,000		(93,158)		1,200,000	(1,176,774)	-	-
Total Governmental Activities	84,903,515	91,376,778	100,102,366	101,744,017	98,941,827	86,497,569	88,659,095	89,432,806	102,186,359	109,534,490
Business-Type Activities:										
Unrestricted Interest Earnings	28,481	25,031	2,329	1,014	1,800	1,754	2,184	899	860	958
Miscellaneous Income										
Contributions		142,266	178,496	92,932	101,249					
Loss on Disposal of Capital Assets		(1,502)								
Transfers					93,158		(1,200,000)	1,176,774	-	-
Total Business-Type Activities	28,481	165,795	180,825	93,946	196,207	1,754	(1,197,816)	1,177,673	860	958
Total District-Wide	\$ 84,931,996	\$ 91,542,573	\$ 100,283,191	\$ 101,837,963	\$ 99,138,034	\$ 86,499,323	\$ 87,461,279	\$ 90,610,479	\$ 102,187,219	\$ 109,535,448
Change in Net Position										
Governmental Activities	\$ (670,545)	\$ 2,189,201	\$ 2,186,484	\$ 5,076,413	\$ 6,380,792	\$ (1,865,460)	\$ (4,222,928)	\$ (10,506,688)	\$ (1,964,358)	\$ (5,403,016)
Business-Type Activities	177,273	218,821	265,914	315,577	408,755	304,837	(489,032)	1,815,285	(67,911)	(10,625)
Total District	\$ (493,272)	\$ 2,408,022	\$ 2,452,398	\$ 5,391,990	\$ 6,789,547	\$ (1,560,623)	\$ (4,711,960)	\$ (8,691,403)	\$ (2,032,269)	\$ (5,413,641)

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Nonspendable									\$ 1,741,177	
Committed										\$ 2,124,294
Restricted		\$ 12,655				\$ 954,752	\$ 698,252			
Assigned			\$ 151,227	\$ 2,972,622	\$ 3,108,209	2,982,437	326,488	\$ 100,462		908,484
Unassigned	\$ (1,741,544)			273,342	176,875	(3,089,293)	(4,165,721)	(12,002,925)	(14,700,589)	(17,362,880)
Total General Fund	<u>\$ (1,741,544)</u>	<u>\$ 12,655</u>	<u>\$ 151,227</u>	<u>\$ 3,245,964</u>	<u>\$ 3,285,084</u>	<u>\$ 847,896</u>	<u>\$ (3,140,981)</u>	<u>\$ (11,902,463)</u>	<u>\$ (12,959,412)</u>	<u>\$ (14,330,102)</u>
All Other Governmental Funds										
Nonspendable		\$ 16,253								
Restricted			\$ 1	\$ 2	\$ 45	\$ 43	\$ 4,123,316	\$ 910,733	\$ 26,819,497	\$ 10,173,759
Assigned					1,126,703					
Unassigned	\$ (318,728)	(433,022)	(247,130)	(268,566)			\$ (228,210)	\$ (3,313,390)	(3,285,255)	(3,185,605)
Total All Other Governmental Funds	<u>\$ (318,728)</u>	<u>\$ (433,022)</u>	<u>\$ (247,129)</u>	<u>\$ (268,564)</u>	<u>\$ 1,126,748</u>	<u>\$ 43</u>	<u>\$ 3,895,106</u>	<u>\$ (2,402,657)</u>	<u>\$ 23,534,242</u>	<u>\$ 6,988,154</u>

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Tax Levy	\$ 63,532,102	\$ 65,981,437	\$ 70,847,848	\$ 72,835,700	\$ 73,546,157	\$ 71,105,078	\$ 72,246,057	\$ 77,315,256	\$ 84,901,097	\$ 90,893,807
Tuition Charges	20,913	91,790	74,173	98,025	52,832	125,040	93,062	51,619		
Textbooks Sales and Rentals	1,676,620					5,030	-	-		
Unrestricted Miscellaneous Revenues	664,292	8,074,737	1,449,529	330,346	352,047	549,109	224,438	1,192,721	1,925,251	2,572,237
Federal Sources	10,873,410	11,561,269	12,158,436	24,085,496	18,695,167	18,891,155	22,151,571	22,666,199	19,220,615	22,822,594
State Sources	40,710,856	45,842,092	47,658,605	46,862,942	47,808,034	49,240,781	54,635,985	56,128,060	57,130,959	58,132,363
Local Sources		16,795	75,800							
Total revenue	117,478,193	131,568,120	132,264,391	144,212,509	140,454,237	139,916,193	149,351,113	157,353,855	163,177,922	174,421,001
Expenditures										
Instruction										
Regular Instruction	21,714,431	25,556,448	25,096,788	26,921,964	27,019,482	31,757,162	34,181,671	35,683,752	29,266,699	35,988,819
Special Education Instruction	8,149,000	8,122,586	6,310,871	5,674,237	6,731,756	25,792,359	30,537,677	32,817,339	38,032,953	36,252,727
Other Special Instruction	1,097,091	1,332,596	2,871,388	2,437,229	3,899,099	4,843,836	5,993,143	5,718,477	11,115,694	9,086,343
Other Instruction	768,883	592,827	819,944	845,877	939,903	1,266,166	1,182,770	1,410,891	1,381,136	1,541,074
Community Services Programs/Operations	153,520	300,479	212,548	78,412	114,053					
Support Services and Undistributed Costs:										
Tuition	10,824,614	10,663,217	15,271,616	15,497,723	15,798,337					
Student & Inst. Related Services	29,281,871	34,554,016	32,415,576	40,196,303	39,368,059	44,961,670	46,597,487	49,489,601	44,354,908	49,641,693
Other Administrative Services	3,238,245	2,550,367	2,181,602	2,267,554	1,989,085	3,730,420	3,876,377	4,649,364	4,487,295	4,835,729
School Administrative Services	3,649,353	3,913,858	3,643,345	3,698,403	3,542,117	3,964,770	3,638,398	3,756,320	4,117,425	4,889,223
Plant Operations and Maintenance	5,962,712	6,147,872	6,691,773	6,914,771	7,202,621	6,123,788	6,640,966	6,828,485	6,324,001	8,037,819
Pupil Transportation	13,061,860	14,849,926	15,350,587	16,561,671	16,035,448	18,284,218	20,312,121	22,590,184	23,931,396	27,156,552
Unallocated Benefits	17,606,895	19,050,792	15,911,604	17,512,777	12,454,456	-	-	-	-	-
Capital Outlay	4,623,616	687,542	1,588,718	956,872	137,188	643,081	3,142,878	4,461,820	4,373,366	16,330,062
Special Schools	153,918	60,616	123,778	153,233						
Debt Service:										
Principal	1,010,000	1,040,000	1,085,000	1,135,000	1,859,513	873,043	226,676	973,297	5,304,026	478,375
Interest and Other Charges	373,904	323,166	269,009	209,532	179,168	112,871	59,763	95,391	1,110,838	1,122,476
Total Expenditures	121,669,913	129,746,308	129,844,147	141,061,558	137,270,285	142,353,384	156,389,927	168,474,921	173,799,737	195,360,892
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(4,191,720)	1,821,812	2,420,244	3,150,951	3,183,952	(2,437,191)	(7,038,814)	(11,121,066)	(10,621,815)	(20,939,891)
Other Financing sources (uses)										
Serial Bond Proceeds (Incl. Premium)									35,501,765	
Capital Leases (Non-Budgeted)					35,589			424,200		3,023,113
Proceeds from Capital Lease Agreement	3,600,000						5,745,000			
Cancellation of Accounts Receivable	(29,241)		(552,543)	(81,944)	(67,194)					
Cancellation of Accounts Payable	5,022			4,296	2,657					
Adjustment to Budgetary Expenditures	(1,223,384)	(143,763)								
Adjustment to Budgetary Revenues		(21,891)								
Disallowed Federal Grant Program Costs								(3,185,605)		
Operating Transfers	439,441				(93,158)		1,200,000	(1,176,774)		
Total Other Financing Sources (Uses)	2,791,838	(165,654)	(552,543)	(77,648)	(122,106)	-	6,945,000	(3,938,179)	35,501,765	3,023,113
Net Change in Fund Balances	\$ (1,399,882)	\$ 1,656,158	\$ 1,867,701	\$ 3,073,303	\$ 3,061,846	\$ (2,437,191)	\$ (93,814)	\$ (15,059,245)	\$ 24,879,950	\$ (17,916,778)
Debt Service as a Percentage of										
Noncapital Expenditures	1.18%	1.06%	1.06%	0.96%	1.49%	0.70%	0.19%	0.65%	3.79%	0.89%

* Noncapital expenditures are total expenditures less capital outlay.

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

<u>Fiscal Year</u> <u>Ended</u> <u>June 30,</u>	<u>Interest</u> <u>Earned</u>	<u>Tuition</u>	<u>Sale of</u> <u>Assets</u>	<u>Textbook</u> <u>Sales/Rentals</u>	<u>Insurance/</u> <u>Other Refunds</u>	<u>Facility</u> <u>Rental</u>	<u>E-Rate</u>	<u>Cancelled Prior</u> <u>Year Payables</u>	<u>Indirect</u> <u>Costs</u>	<u>Municipal</u> <u>Contribution</u>	<u>Miscellaneous</u>	<u>Total</u>
2007	\$ 279,383				\$ 215,594	\$ 34,311	\$ 23,801				\$ 111,203	\$ 664,292
2008	178,260		\$ 6,518,000	\$ 321,250	209,094	36,755	133,464				677,914	8,074,737
2009	104,271			950,000	171,081	2,904	185,857				35,416	1,449,529
2010	12,805				84,937		168,139				64,465	330,346
2011	22,400				27,633	48,672	225,124				28,218	352,047
2012	5,030	\$ 125,040	15,919		69,811	56,292	252,054				135,441	659,587
2013	26,862	93,062			18,074	4,711	37,640				137,151	317,500
2014	30,825	51,619			710,734	3,964					447,198	1,244,340
2015	43,529				974,316	20,654		\$ 268,352	\$ 511,565		64,772	1,883,188
2016	33,578				117,013	17,834	178,090	52,678	966,712	\$ 1,000,000	152,945	2,518,850

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2007	\$ 516,913,990	\$ 5,488,354,800	\$ 5,711,600	\$ 729,287,500	\$ 602,049,000	\$ 377,306,100	\$ 7,719,622,990	\$ 15,994,464	\$ 7,735,617,454	\$ 7,951,462,176	\$ 0.837
2008	468,468,400	5,633,818,300	4,932,900	762,189,400	602,901,700	374,283,300	7,846,594,000	15,623,200	7,862,217,200	8,249,195,078	0.871
2009	443,346,300	5,697,250,600	4,933,100	753,075,100	602,732,400	356,218,000	7,857,555,500	16,378,436	7,873,933,936	8,189,413,073	0.925
2010	306,386,400	4,510,548,500	4,069,100	674,025,700	508,339,000	334,258,700	6,337,627,400	17,183,651	6,354,811,051	7,982,028,944	1.160
2011	306,386,400	4,510,548,500	4,069,100	674,025,700	508,339,000	334,258,700	6,337,627,400	12,896,952	6,350,524,352	7,600,686,664	1.120
2012	279,418,600	4,597,947,200	4,069,200	649,029,000	534,281,600	307,424,400	6,372,170,000	12,896,952	6,385,066,952	7,510,502,900	1.114
2013	235,722,600	4,648,485,100	4,128,400	611,549,700	477,750,200	276,114,903	6,253,750,903	11,813,766	6,265,564,669	7,482,887,100	1.190
2014	244,960,100	4,523,966,500	3,715,500	629,335,100	464,296,800	285,645,800	6,151,919,800	11,728,940	6,163,648,740	7,171,837,814	1.307
2015	256,079,600	4,625,968,400	3,716,700	630,153,600	470,101,100	285,946,300	6,271,965,700		6,271,965,700	7,742,833,837	1.307
2016	286,546,300	4,789,711,800	3,221,100	624,452,600	459,750,800	287,776,600	6,451,459,200		6,451,459,200	8,511,271,738	1.449

Source: County Abstract of Ratables

a Tax rates are per \$100

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

Calendar Year	<u>Overlapping Rates</u>				Total Direct and Overlapping Tax Rate
	<u>Total Direct School Tax Rate</u>	<u>Fire District</u>	<u>Municipality</u>	<u>County</u>	
2007	\$ 0.837	\$ 0.048	\$ 0.455	\$ 0.311	\$ 1.651
2008	0.871	0.048	0.504	0.316	1.739
2009	0.925	0.460	0.554	0.319	2.258
2010	1.160	0.057	0.686	0.339	2.242
2011	1.120	0.050	0.686	0.420	2.276
2012	1.114	0.050	0.686	0.349	2.199
2013	1.190	0.044	0.783	0.452	2.469
2014	1.307	0.055	0.861	0.466	2.689
2015	1.403	0.058	0.861	0.513	2.835
2016	1.449	0.070	0.861	0.550	2.930

Source: County Abstract of Ratables

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

Taxpayer	2016		2007	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Harrogate	\$ 29,229,300	0.45%		
New Hampshire Avenue Investments	29,000,000	0.45%		
Leisure Park Venture LTD	26,931,900	0.42%		
1900 R70 Associates LLC	25,000,000	0.39%		
Lakewood Plaza 9 Assoc. LP	24,444,500	0.38%		
Lakewood Cogeneration LP	20,921,000	0.32%		
Southgate at Lakewood LLC	17,776,100	0.28%		
Parkway Lodging Realty LLC	17,671,000	0.27%		
Eden Terrace LLC	14,456,000	0.22%		
528 LLC	<u>14,366,000</u>	<u>0.22%</u>		
	<u>\$ 219,795,800</u>	<u>3.41%</u>		

Information Not Available

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2007	\$ 63,532,102	\$ 63,532,102	100.00%	N/A
2008	65,981,437	65,981,437	100.00%	N/A
2009	70,847,848	70,847,848	100.00%	N/A
2010	72,835,700	72,835,700	100.00%	N/A
2011	73,546,157	73,546,157	100.00%	N/A
2012	71,105,078	71,105,078	100.00%	N/A
2013	72,246,057	72,246,057	100.00%	N/A
2014	77,315,256	77,315,256	100.00%	N/A
2015	84,901,097	84,901,097	100.00%	N/A
2016	90,893,807	90,893,807	100.00%	N/A

LAKWOOD BOARD OF EDUCATION
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Governmental Activities		Business- Type Activities	Total District	Population	Per Capita
	General Obligation Bonds	Capital Leases / Lease Purchase				
2007	\$ 6,052,000	\$ 2,886,671		\$ 8,938,671	69,876	128
2008	5,012,000	2,206,747		7,218,747	70,960	102
2009	2,792,000	1,499,721		4,291,721	71,359	60
2010	2,792,000	764,513		3,556,513	92,955	38
2011	1,697,000			1,697,000	92,881	18
2012	839,000	25,047		864,047	92,760	9
2013	629,000	5,763,117		6,392,117	93,591	68
2014	419,000	5,434,920		5,853,920	95,177	63
2015	34,904,000	352,926		35,256,926	95,177 *	370
2016	34,695,000	3,119,827		37,814,827	95,177 *	397

* - Estimated

Source: District records

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

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2007	\$ 6,052,000		\$ 6,052,000	0.08%	87
2008	5,012,000		5,012,000	0.06%	71
2009	3,927,000		3,927,000	0.05%	55
2010	2,792,000		2,792,000	0.04%	30
2011	1,697,000		1,697,000	0.03%	18
2012	839,000		839,000	0.01%	9
2013	629,000		629,000	0.01%	7
2014	419,000		419,000	0.01%	4
2015	34,904,000		34,904,000	0.56%	367
2016	34,695,000		34,695,000	0.54%	365

Source: District records

LAKWOOD BOARD OF EDUCATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2015
(Unaudited)

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Lakewood Township Public Schools	\$ 34,697,241	\$ 34,697,241	
Township of Lakewood	<u>62,087,923</u>	<u>740,000</u>	<u>\$ 61,347,923</u>
	<u>\$ 96,785,164</u>	<u>\$ 35,437,241</u>	<u>61,347,923</u>
Overlapping Debt Apportioned to the Municipality:			
County of Ocean (A)			<u>35,609,336</u>
			<u>35,609,336</u>
 Total Direct and Overlapping Debt			 <u>\$ 96,957,259</u>

Source:

(1) Township's 2015 Annual Debt Statement

(A) The debt for this entity was apportioned to Lakewood Township Public Schools by dividing the municipality's 2015 equalized value by the total 2015 equalized value for Ocean County. (Information not available).

**LAKWOOD BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	\$ 245,093,673	\$ 28,524,901	\$ 312,207,174	\$ 321,768,990	\$ 323,255,691	\$ 316,342,262	\$ 304,964,374	\$ 295,499,011	\$ 295,320,352	\$ 307,744,454
Total net debt applicable to limit	6,052,000	5,012,000	2,792,000	2,792,000	1,697,000	839,000	629,000	419,000	34,906,241	34,697,241
Legal debt margin	\$ 239,041,673	\$ 23,512,901	\$ 309,415,174	\$ 318,976,990	\$ 321,558,691	\$ 315,503,262	\$ 304,335,374	\$ 295,080,011	\$ 260,414,111	\$ 273,047,213
Total net debt applicable to the limit as a percentage of debt limit	2.47%	17.57%	0.89%	0.87%	0.52%	0.27%	0.21%	0.14%	11.82%	11.27%

Legal Debt Margin Calculation for Fiscal Year 2015

Equalized valuation basis	
2015	\$ 8,251,500,724
2014	7,574,390,298
2013	7,254,943,039
	<u>\$ 23,080,834,061</u>
Average equalized valuation of taxable property	<u>\$ 7,693,611,354</u>
Debt limit (4% of average equalization value)	\$ 307,744,454
Total Net Debt Applicable to Limit	<u>34,697,241</u>
Legal debt margin	<u>\$ 273,047,213</u>

Source: Annual Debt Statements

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

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2007	69,876	40,042	4.6%
2008	70,960	41,329	5.9%
2009	71,359	39,746	8.9%
2010	92,955	39,900	9.1%
2011	92,881	41,460	7.5%
2012	92,760	42,499	7.8%
2013	93,591	42,573	6.5%
2014	95,177	44,381	6.3%
2015	95,177 *	not available	5.1%
2016	95,177 *	not available	not available

* - Estimate

Source: New Jersey State Department of Education

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

<u>Employer</u>	<u>2016</u>		<u>2007</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

LAKWOOD BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST NINE FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013*</u>	<u>2014*</u>	<u>2015*</u>	<u>2016*</u>
Instruction										
Regular	288	262	248	250	257	291	-	-	-	-
Special education	140	137	136	136	138	154	-	-	-	-
Other Special Instruction	19	18	18	20	22	40	-	-	-	-
Other instruction	13	13	12	12	12	12	-	-	-	-
Community Services Programs/Operations	3	3	3	2	2	2	-	-	-	-
Support Services:										
Student & instruction related services	248	240	230	214	217	189	-	-	-	-
Other Administrative Services	17	28	27	27	31	35	-	-	-	-
School administrative services	61	55	54	54	54	57	-	-	-	-
Plant operations and maintenance	1	1	1	1	1	3	-	-	-	-
Pupil Transportation	4	5	5	5	4	5	-	-	-	-
Special Schools	3	3	3	3	3	-	-	-	-	-
Total	797	765	737	724	741	788	N/A	N/A	N/A	N/A

Source: District Personnel Records

* 2013-2016 Information Not Provided

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

Teacher/Pupil Ratio

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff	Teacher/Pupil Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2007	5,231	115,662,393	22,111	5.42%	485	18.1:1	11.1:1	13.1:1	5,313	4,930	2.06%	92.79%
2008	5,541	127,695,600	23,046	4.23%	491	18.1:1	11.1:1	13.1:1	5,249	4,906	-1.20%	93.47%
2009	5,162	126,901,420	24,584	6.67%	517	18.1:1	11.1:1	13.1:1	5,298	4,965	0.93%	93.71%
2010	5,261	138,760,154	26,375	7.29%	456	18.1:1	11.1:1	13.1:1	5,076	4,715	-4.19%	92.89%
2011	5,140	135,094,416	26,283	-0.35%	467	12.4:1	9.7:1	9.8:1	5,436	4,697	7.09%	86.41%
2012	5,290	140,724,389	26,602	1.21%	493	11.3:1	10.1:1	12.8:1	5,362	4,960	-1.36%	92.50%
2013*	5,186	152,960,610	29,495	10.87%		Information not Available			5,468	not available	1.98%	not available
2014*	5,649	162,944,413	28,845	-2.20%		Information not Available			5,752	not available	5.19%	not available
2015*	5,807	163,011,507	28,072	-2.68%		Information not Available			6,184	not available	7.51%	not available
2016*	6,032	177,429,979	29,415	4.79%		Information not Available				not available	not available	not available

Sources: District records

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

* 2014 and 2015 Information not provided.

LAKWOOD BOARD OF EDUCATION
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
District Building										
<u>Elementary</u>										
<u>Ella G. Clarke School (1946)</u>										
Square Feet	74,000	74,000	74,000	74,000	74,000	74,000	61,370	61,370	61,370	61,370
Capacity (students)	432	432	432	432	432	432	432	432	432	432
Enrollment	939	911	863	863	864	864	-	-	-	-
<u>Clifton Avenue School (1923)</u>										
Square Feet	75,000	75,000	75,000	75,000	75,000	75,000	79,039	79,039	79,039	79,039
Capacity (students)	782	782	782	782	782	782	782	782	782	782
Enrollment ^a	749	780	881	881	830	830	-	-	-	-
<u>Oak Street School (1983)</u>										
Square Feet	114,000	114,000	114,000	114,000	114,000	114,000	70,659	70,659	70,659	70,659
Capacity (students)	799	799	799	799	799	799	799	799	799	799
Enrollment	1,016	997	886	886	1,049	1,049	-	-	-	-
<u>Spruce Street School (1960)</u>										
Square Feet	54,672	54,672	54,672	54,672	54,672	54,672	49,724	49,724	49,724	49,724
Capacity (students)	443	443	443	443	443	443	443	443	443	443
Enrollment ^a	686	647	762	762	716	716	-	-	-	-
<u>Middle School</u>										
<u>Lakewood Middle School (1957)</u>										
Square Feet	83,272	83,272	91,272	91,272	91,272	91,272	102,080	102,080	102,080	102,080
Capacity (students)	537	537	537	537	537	537	537	537	537	537
Enrollment	762	895	776	776	624	624	-	-	-	-
<u>High School</u>										
<u>Lakewood High School (1971)</u>										
Square Feet	295,000	295,000	295,000	295,000	295,000	295,000	276,916	276,916	276,916	276,916
Capacity (students)	714	714	714	714	714	714	714	714	714	714
Enrollment	1,300	1,112	1,135	1,135	1,057	1,057	-	-	-	-
<u>Other</u>										
<u>Ella G. Clarke Annex (2001)</u>										
Square Feet	8,000	8,000	8,000	8,000	8,000	8,000	6,000	6,000	6,000	6,000
Capacity (students)	200	200	200	200	200	200	200	200	200	200
Enrollment										
<u>Administration Building</u>										
Square Feet							49,483	49,483	49,483	49,483
Capacity (students)							N/A	N/A	N/A	N/A
Enrollment							N/A	N/A	N/A	N/A

Number of Schools at June 30, 2016

- Elementary = four
- Middle School = one
- High School = one

Source: District Records

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
School Facilities										
Ella G. Clarke School	\$ 70,476	\$ 55,689	\$ 86,413	\$ 124,374	\$ 146,377	\$ 119,607	\$ 134,707	\$ 110,392	\$ 118,370	\$ 109,787
Clifton Avenue School	71,181	71,723	111,293	160,183	179,417	146,605	173,400	142,152	152,424	141,323
Oak Street School	105,714	64,119	99,493	143,199	163,747	133,801	155,048	127,158	136,347	126,366
Spruce Street School	49,333	45,121	70,015	100,772	124,599	101,813	109,103	89,494	95,961	88,920
Middle School	69,979	92,631	143,736	206,878	222,505	181,813	224,038	183,712	196,988	196,528
High School	288,304	251,282	397,488	577,579	549,448	448,964	607,534	498,359	534,372	582,527
Princeton Avenue	42,286	44,903	69,676							-
Ella G. Clarke Annex	7,847	5,445	8,448	12,160	42,835	35,001	13,229	10,744	11,508	10,782
White House	440	2,269	3,520	5,067	36,290	29,653	5,549	4,487	4,811	4,521
Total School Facilities	<u>705,560</u>	<u>633,182</u>	<u>990,082</u>	<u>1,330,212</u>	<u>1,465,218</u>	<u>1,197,257</u>	<u>1,422,608</u>	<u>1,166,498</u>	<u>1,250,781</u>	<u>1,260,754</u>
Other Facilities	<u>231</u>	<u>2,269</u>	<u>3,520</u>	<u>5,067</u>	<u>36,290</u>	<u>29,653</u>	<u>16,666</u>	<u>14,168</u>	<u>15,207</u>	<u>114,029</u>
Grand Total	<u>\$ 705,791</u>	<u>\$ 635,451</u>	<u>\$ 993,602</u>	<u>\$ 1,335,279</u>	<u>\$ 1,501,508</u>	<u>\$ 1,226,910</u>	<u>\$ 1,439,274</u>	<u>\$ 1,180,666</u>	<u>\$ 1,265,988</u>	<u>\$ 1,374,783</u>

Source: District Records

**LAKESWOOD BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2016
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
Property and Inland Marine		
Building and Business Personal Property	\$ 190,410,808	\$ 2,500
Blanket Business Income and Extra Expense	5,000,000	
Earthquake	5,000,000	
Electronic Data Processing	2,500,000	
Flood		
Zone C or X	10,000,000	
Zone A, D or V	25,000,000	
Zone B	10,000,000	
Crime		
Computer Fraud	50,000	1,000
Employee Theft including Faithful Performance	500,000	5,000
Forgery/Alteration	50,000	1,000
Theft of Money and Securities	50,000	1,000
General Liability		
Commercial General Liability	5,000,000	
Employee Benefit Liability	5,000,000	
Abusive Act Liability	10,000,000	
Automobile		
Uninsured Motorist	15,000/30,000	
Umbrella Liability	15,000,000	
Boiler and Machinery	100,000,000	2,500
Public Official Bond		
Kenneth Jannarone, School District Treasurer	600,000	

Source: District's records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

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

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA
DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. NICOLosi, CPA
ROBERT AMPONSAH, CPA

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lakewood Board of Education as of and for the fiscal year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the Lakewood Board of Education's basic financial statements and have issued our report thereon dated November 29, 2016.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2016-001 and 2016-002 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Lakewood Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 and which are described in the accompanying schedule of findings and questioned costs as items 2016-001 and 2016-002.

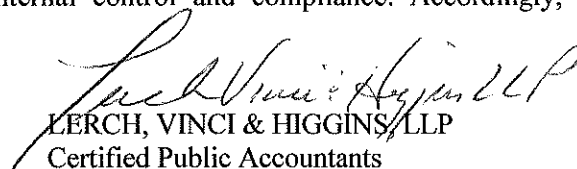
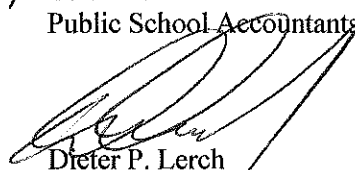
We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Lakewood Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated November 29, 2016.

Lakewood Board of Education's Responses to Findings

The Lakewood Board of Education's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Lakewood Board of Education's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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


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

Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
November 29, 2016



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY U.S. UNIFORM GUIDANCE AND
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY NEW JERSEY
OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

We have audited the Lakewood Board of Education's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/ Grant Compliance Supplement that could have a direct and material effect on each of Lakewood Board of Education's major federal and state programs for the fiscal year ended June 30, 2016. The Lakewood Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Lakewood Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and Circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Lakewood Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs as items 2016-003 through 2016-005. Our opinion on each major federal and state program is not modified with respect to these matters.

The Lakewood Board of Education's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Lakewood Board of Education's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

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

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

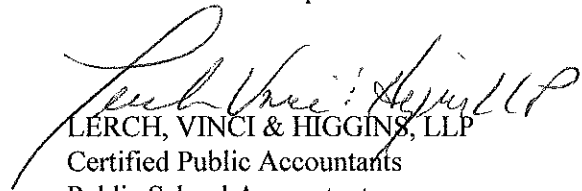
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2016-003 and 2016-005 that we consider to be significant deficiencies.

The Lakewood Board of Education's responses to the internal control over compliance findings identified in our audit is/are described in the accompanying schedule of findings and questioned costs. The Lakewood Board of Education's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

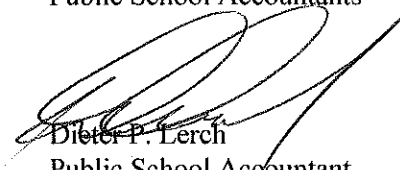
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lakewood Board of Education, as of and for the fiscal year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We issued our report thereon dated November 29, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
November 29, 2016

LAKESIDE BOARD OF EDUCATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2015	Carryover Amount	Cash Received	Budgetary Expenditures	Accounts Receivable Carryover	Refund of Prior Year Balances	Balance, June 30, 2016			MEMO				
												(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Expenditures			
U.S. Department of Health and Human Services																			
(Passed through State Department of Education)																			
<i>General Fund</i>																			
Medical Assistance Program (Medicaid)	93.778	1605NJ5MAP	N/A	7/1/15-6/30/16	\$ 566,410			\$ 442,567	\$ 566,410								\$ 123,843	\$ 566,410	
Medical Assistance Program (Medicaid)	93.778		N/A	7/1/14-6/30/15	646,603	(99,094)		99,094											
Total General Fund						(99,094)		541,661	566,410				(123,843)				123,843	566,410	
U.S. Department of Education																			
Passed-through State Department of Education																			
<i>Special Revenue Fund</i>																			
IDEA Part B, Basic	84.027	H027A150100	IDEA2016	7/1/15-6/30/16	6,609,498		\$ 122,856	4,523,600	6,673,224	(122,856)			(2,208,754)	\$ 59,130			2,149,624	6,673,224	
IDEA Part B, Basic	84.027		IDEA2015	7/1/14-6/30/15	5,827,027	(6,244,658)	(122,856)	6,244,658		122,856									
IDEA Part B, Preschool	84.173	H173A150114	IDEA2016	7/1/15-6/30/16	274,779			253,806	274,779				(20,973)				20,973	274,779	
IDEA Part B, Preschool	84.173		IDEA2015	7/1/14-6/30/15	260,281	(260,281)		260,281											
Total Special Education Cluster						(6,504,939)		11,282,345	6,948,003				(2,229,727)	59,130			2,170,597	6,948,003	
Title I - Part A	84.010A	S010A150030	NCLB252016	7/1/15-6/30/16	14,362,125		2,144,836	5,860,927	11,548,612	(2,144,836)	\$ (1,129)		(10,646,034)	4,957,220			5,688,814	11,548,612	
Title I - Part A	84.010A		NCLB252015	7/1/14-6/30/15	14,298,908	(6,010,598)	(2,144,836)	6,010,598		2,144,836									
Title I - Part A	84.010A		NCLB252013	9/1/11-8/31/12	8,727,354	3,909,180									\$ 3,909,180				
Title I, School Improvement Accountability	84.377A	S010A150030	NCLB252016	7/1/15-6/30/16	81,100		23,959	30,792	51,905	(23,959)			(74,267)	53,154			21,113	51,905	
Title I, School Improvement Accountability	84.377A		NCLB252015	7/1/14-6/30/15	31,600	(7,641)	(23,959)	7,641		23,959									
Title I, School Improvement Accountability	84.377A		NCLB252013	9/1/11-8/31/12	200,000	29,915												29,915	
Title I, School Improvement Accountability - Part G	84.377		NGO11-SG03-HR	9/1/11-8/31/12		(196,104)							(196,104)					196,104	
Title II, Part A	84.367A	S367A150029	NCLB252016	7/1/15-6/30/16	784,602		746,596	636,289	1,089,158	(746,596)			(715,290)	262,421			452,869	1,089,158	
Title II, Part A	84.367A		NCLB252015	7/1/14-6/30/15	805,899	(381,027)	(746,596)	381,027		746,596									
Title III, Part A, English Language	84.365A	S365A150030	NCLB252016	7/1/15-6/30/16	420,596		159,704	233,796	370,450	(159,704)	54,502		(292,002)	209,850			82,152	370,450	
Title III, Part A, English Language	84.365A		NCLB252015	7/1/14-6/30/15	402,692	54,502	(159,704)			159,704	(54,502)								
Race to the Top - Preschool Expansion	84.419B	S419B150020		4/15/15-6/30/16	1,997,664			1,700,164	1,997,664				(297,500)				297,500	1,997,664	
Carl D. Perkins Vocational and Technical Education Act of 1998 - Secondary	84.048A	V048A140030	PERK252016	7/1/15-6/30/16	285,038			125,305	250,392				(125,087)				125,087	250,392	
Carl D. Perkins Vocational and Technical Education Act of 1998 - Secondary	84.048A		PERK252015	7/1/14-6/30/15	350,596	(295,081)		294,986					(95)				95		
SWD Grant				9/1/13-8/31/14	207,624	(40,846)		42,886					(48,778)	50,818					
Teaching American History	84.215X		U215X080079	7/1/14-6/30/13	564,724	(341,246)							(341,246)				341,246		
Teaching American History	84.215X		U215X080079	7/1/08-6/30/11	909,996	(19,778)							(19,778)				19,778		
U.S. Department of Health and Human Services																			
Passed Through State Department of Children and Families																			
Social Services Block Grant	93.667		10AEQP	7/1/09-6/30/10	200,000	1,371												1,371	
Total Special Revenue Fund						(9,802,292)		26,605,756	22,256,184				(1,129)				(14,985,908)	5,592,593	3,940,466
U.S. Department of Agriculture																			
Passed-through State Department of Education																			
School Breakfast Program	10.553	16161NJ304N1099	N/A	7/1/15-6/30/16	1,406,029			1,282,368	1,406,029				(123,661)					123,661	1,406,029
School Breakfast Program	10.553		N/A	7/1/14-6/30/15	1,283,116	(123,831)		123,831											
Food Distribution Program																			
Non-Cash Assistance	10.555	16161NJ304N1099	N/A	7/1/15-6/30/16	273,113			273,113	269,918					3,195				269,918	
Non-Cash Assistance	10.555		N/A	7/1/14-6/30/15	246,444	4,943			4,943									4,943	
Cash Assistance	10.555	16161NJ304N1099	N/A	7/1/15-6/30/16	2,830,190			2,599,852	2,830,189				(230,337)				230,337	2,830,189	
Cash Assistance	10.555		N/A	7/1/14-6/30/15	2,689,444	(234,430)			234,430										
After School Snack Program	10.555	16161NJ304N1099	N/A	7/1/15-6/30/16	44,785			42,124	44,785				(2,661)				2,661	44,785	
After School Snack Program	10.555		N/A	7/1/14-6/30/15	62,565	(3,548)		3,548											
Summer Food Program	10.559	16161NJ304N1099	N/A	7/1/15-6/30/16	106,546			106,546	106,546										
Total Child Nutrition Program Cluster						(356,866)		4,665,812	4,662,410				(356,659)	3,195			356,659	4,555,864	
Fresh Fruit and Vegetable Program	10.582		N/A	7/1/15-6/30/16	173,909			129,873	173,909				(44,036)					44,036	173,909
Total Enterprise Fund						(356,866)		4,795,685	4,836,319				(400,695)	3,195			400,695	4,729,773	
Total Federal Financial Awards						\$ (10,258,252)	\$ -	\$ 31,944,102	\$ 27,658,913	\$ -	\$ (1,129)	\$ -	\$ (15,510,446)	\$ 5,595,788	\$ 3,940,466		\$ 9,919,893	\$ 27,552,367	

The Notes to the Schedules of Federal Awards and State Financial Assistance are an Integral Part of the Statement

LAKELAND BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2015		Carryover Amount	Cash Received	Budgetary Encumbrance	Adjustment	Revised FY Prior Year Balance	(Accounts Receivable)	Balance, June 30, 2016	Due to Grantor	MEMO	
				Deferred Revenue/Assets	Liabilities									GAAP	Cumulative Total
State Department of Education General Fund:															
Equitization Aid	495-034-5120-078	7/1/15-6/30/16	15,265,034	\$ (1,472,932)		\$ 13,811,192	\$ 15,265,034			\$ (1,451,842)				\$	15,265,034
Equitization Aid	495-034-5120-078	7/1/15-6/30/16	15,265,034			1,472,932									2,975,869
Special Education Aid	495-034-5120-089	7/1/15-6/30/16	2,975,869	(237,181)		2,811,181	2,975,869			(235,069)					2,161,835
Special Education Aid	495-034-5120-089	7/1/15-6/30/16	2,975,869			1,956,198				(205,637)					58,370
Security Aid	495-034-5120-084	7/1/15-6/30/16	2,161,835	(208,624)		2,008,624				(5,552)					58,370
Security Aid	495-034-5120-084	7/1/15-6/30/16	2,161,835			52,818									58,370
PARCC Readiness Aid	495-034-5120-098	7/1/15-6/30/16	58,370	(5,633)		52,818				(5,552)					58,370
PARCC Readiness Aid	495-034-5120-098	7/1/15-6/30/16	58,370			52,818									58,370
Per Pupil Growth Aid	495-034-5120-097	7/1/15-6/30/16	58,370	(5,633)		52,818				(5,552)					58,370
Per Pupil Growth Aid	495-034-5120-097	7/1/15-6/30/16	58,370			52,818									58,370
Total State Aid Public Cluster				(1,992,003)		20,545,829	20,517,478			(1,951,652)				0	20,517,478
Transportation Aid	495-034-5120-014	7/1/15-6/30/16	3,934,658	(379,707)		3,560,888	3,934,658			(374,270)					3,934,658
Transportation Aid	495-034-5120-014	7/1/15-6/30/16	3,934,658			379,707				(652,469)				\$	652,469
Reimbursed Non Public Transportation Aid	495-034-5120-015	7/1/15-6/30/16	652,469	(385,385)		385,385									652,469
Reimbursed Non Public Transportation Aid	495-034-5120-015	7/1/15-6/30/16	652,469			385,385									652,469
Total Transportation Aid Cluster				(765,092)		4,325,880	4,587,127			(1,026,739)				0	652,469
Extraordinary Special Education Aid	100-034-5120-473	7/1/15-6/30/16	4,162,366	(3,147,306)		3,147,306	4,162,366			(4,162,366)					4,162,366
Extraordinary Special Education Aid	100-034-5120-473	7/1/15-6/30/16	4,162,366			3,147,306									4,162,366
Reimbursed TPAF Social Security Contributions	495-034-5095-003	7/1/15-6/30/16	2,390,382	(111,426)		2,279,589	2,390,382			(118,793)					2,390,382
Reimbursed TPAF Social Security Contributions	495-034-5095-003	7/1/15-6/30/16	2,390,382			2,267,987								118,793	2,390,382
One-Behalf TPAF Pension Contributions	495-034-5094-002	7/1/15-6/30/16	2,284,634			2,284,634	2,284,634								2,284,634
One-Behalf TPAF Pension Contributions	495-034-5094-002	7/1/15-6/30/16	2,284,634			113,806									2,284,634
One-Behalf TPAF Non-Contributory Insurance	495-034-5094-004	7/1/15-6/30/16	113,806			113,806	113,806								113,806
One-Behalf TPAF Non-Contributory Insurance	495-034-5094-004	7/1/15-6/30/16	113,806			2,855,878	2,855,878								2,855,878
Total General Fund				(6,003,827)		35,655,948	36,911,671			(7,259,550)				771,262	36,911,671
Special Revenue Fund:															
Auxiliary Services (Ch. 192)	100-034-5120-067	7/1/15-6/30/16	12,471,328	\$ 2,653,253		12,471,328	10,068,002	\$ 177,997	\$ 2,653,253		\$ 2,403,326				10,068,002
Auxiliary Services (Ch. 192)	100-034-5120-067	7/1/15-6/30/16	12,471,328			11,660,629									12,471,328
Compensatory Education	100-034-5120-067	7/1/15-6/30/16	11,660,629	(515,882)		11,145,747	11,660,629								11,660,629
Compensatory Education	100-034-5120-067	7/1/15-6/30/16	11,660,629			191,531									11,660,629
English as a Second Language	100-034-5120-067	7/1/15-6/30/16	327,033			720,586									327,033
English as a Second Language	100-034-5120-067	7/1/15-6/30/16	327,033			374,665									327,033
Transportation	100-034-5120-067	7/1/15-6/30/16	685,665			55,149									685,665
Transportation	100-034-5120-067	7/1/15-6/30/16	685,665	(55,149)		55,149				(208)					685,665
Home Instruction	100-034-5120-067	7/1/15-6/30/16	55,149			55,149									55,149
Home Instruction	100-034-5120-067	7/1/15-6/30/16	55,149			55,149									55,149
Total Chapter 192 Cluster				(55,149)		13,438,604	10,486,640	182,285	2,790,469	(208)	3,433,230			208	10,486,640
Handicapped Services (Ch. 193)	100-034-5120-066	7/1/15-6/30/16	1,692,565			1,692,565	1,090,657								1,090,657
Handicapped Services (Ch. 193)	100-034-5120-066	7/1/15-6/30/16	1,692,565			1,692,565									1,692,565
Supplemental Instruction	100-034-5120-066	7/1/15-6/30/16	1,492,480			3,574,995									1,492,480
Supplemental Instruction	100-034-5120-066	7/1/15-6/30/16	1,492,480			282,823									1,492,480
Examination and Classification	100-034-5120-066	7/1/15-6/30/16	3,112,783			241,353									3,112,783
Examination and Classification	100-034-5120-066	7/1/15-6/30/16	3,112,783			2,771,572									3,112,783
Corrective Speech	100-034-5120-066	7/1/15-6/30/16	2,500,305			328,971									2,500,305
Corrective Speech	100-034-5120-066	7/1/15-6/30/16	2,500,305			328,971									2,500,305
Total Chapter 193 Cluster				(55,149)		7,989,132	5,603,860	119,247	853,147	(198,203)	\$ 393,134			208	5,603,860
Preschool Education Aid	495-034-5120-086	7/1/15-6/30/16	1,981,985			1,783,782	1,692,514								1,692,514
Preschool Education Aid	495-034-5120-086	7/1/15-6/30/16	1,981,985			203,313									1,981,985
N.J. Neapublic Aid	100-034-5120-064	7/1/15-6/30/16	1,402,611			1,402,611	1,306,655								1,306,655
N.J. Neapublic Aid	100-034-5120-064	7/1/15-6/30/16	1,402,611			641,680									1,402,611
Technology Aid	100-034-5120-373	7/1/15-6/30/16	641,680			236,230									641,680
Technology Aid	100-034-5120-373	7/1/15-6/30/16	641,680			75,367									641,680
Nursing Services Aid	100-034-5120-070	7/1/15-6/30/16	2,158,374			621,175	476,138								2,158,374
Nursing Services Aid	100-034-5120-070	7/1/15-6/30/16	2,158,374			8,762									2,158,374
Security Aid	100-034-5120-509	7/1/15-6/30/16	621,175			8,762									621,175
Security Aid	100-034-5120-509	7/1/15-6/30/16	621,175			8,762									621,175
Anti-Bullying Bill of Rights Act Implementation				5,417		5,417									5,417
Anti-Bullying Bill of Rights Act Implementation						5,417									5,417
Total Special Revenue Fund				(149,382)		28,316,327	22,065,190	30,552	4,107,126	(198,411)	398,551			208	22,065,190
Debt Service Fund															
Debt Service Fund - Type II	100-034-5120-075	7/1/15-6/30/16	1,862			1,862	1,862								1,862
Debt Service Fund - Type II	100-034-5120-075	7/1/15-6/30/16	1,862			1,862									1,862
Total Debt Service Fund															1,862

LAKELWOOD BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2015 Deferred Revenue/ (Accts. Rec.)	Due to Grantor	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustment	Refund of Prior Year Balance	(Accounts Receivable)	Balance, June 30, 2016 Unearned Revenue	Due to Grantor	MEMO	
														GAAP	Cumulative
														Receivable	Total Expenditures
Enterprise Fund															
New Jersey Department of Agriculture	100-010-3350-023	7/1/15-6/30/16	49,416	(4,214)	-	-	45,394	49,416	-	-	\$ (4,022)	-	-		\$ 49,416
State School Lunch Program	100-010-3350-023	7/1/14-6/30/15	48,292	(4,214)	-	4,214	-	-	-	-	(4,022)	-	-		-
State School Lunch Program															
Total Enterprise Fund															
Total State Financial Assistance Subject to Single Audit Determination				(6,157,423)	4,451,048	-	64,040,711	59,044,905	301,532	4,107,126	(7,461,983)	398,551	6,547,269	771,470	59,044,905
State Financial Assistance Programs Not Subject to Calculation for Single Audit and Major Program Determination															
On-Behalf TPAF Pension Determination							(2,384,634)	(2,384,634)							(2,384,634)
On-Behalf TPAF Pension Contributions							(113,806)	(113,806)							(113,806)
On-Behalf TPAF Non-Contributory Insurance							(2,855,878)	(2,855,878)							(2,855,878)
On-Behalf TPAF Post-Retirement Medical Contributions															
Total State Financial Assistance Subject to Calculation for Major Program Determination				(6,157,423)	4,451,048	-	58,786,393	53,790,587	301,532	4,107,126	(7,461,983)	398,551	6,547,269	771,470	53,790,587

**LAKWOOD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Lakewood Board of Education. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, “Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid”. Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$981,272 for the general fund and an increase \$118,146 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board’s financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 566,410	\$ 35,930,399	\$ 36,496,809
Special Revenue Fund	22,256,184	22,183,336	44,439,520
Debt Service Fund		18,628	18,628
Food Service Fund	<u>4,836,319</u>	<u>49,416</u>	<u>4,885,735</u>
Total Awards and Financial Assistance	<u>\$ 27,658,913</u>	<u>\$ 58,181,779</u>	<u>\$ 85,840,692</u>

**LAKESWOOD BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 STATE LOANS OUTSTANDING

The District's state loan outstanding at June 30, 2016, which are not required to be reported on the schedule of state financial assistance, are as follows:

<u>Loan Program</u>	<u>Amount</u>
State Aid Advance	<u>\$ 4,050,000</u>

NOTE 6 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$2,390,382 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2016. The amount reported as TPAF Pension System Contributions in the amount of \$2,398,440 and TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,855,878 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2016.

NOTE 7 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

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

NOTE 8 SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in U.S. Uniform Guidance; amounts used in schoolwide programs (i.e., school based budgets) are included in the total expenditures of the program contributing the funds in the Schedule of Expenditure of Federal Awards. The following funds by program are included in schoolwide programs in the District.

<u>Federal Program</u>	<u>Amount</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	<u>\$1,656,635</u>

NOTE 9 DE MINIMIS INDIRECT COST RATE

The District has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**LAKESWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to the basic financial statements noted? X yes no

Federal Awards Section

Internal Control over major programs:

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

2) Were significant Deficiencies identified that are not considered to be material weaknesses? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance? yes X no

Identification of major programs:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program
<u>84.010A</u>	<u>S010A150030</u>	<u>Title I</u>
<u>84.365A</u>	<u>S365A150030</u>	<u>Title III</u>
<u>84.027</u>	<u>H027A1500100</u>	<u>IDEA Part B, Basic</u>
<u>84.173</u>	<u>H173A150114</u>	<u>IDEA Preschool</u>
<u>84.419B</u>	<u>S419B150020</u>	<u>Race to the Top-Preschool Expansion</u>

Dollar threshold used to determine Type A programs: \$ 829,767

Auditee qualified as low-risk auditee? yes X no

**LAKESWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Section I – Summary of Auditor’s Results

State Awards Section

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

Internal Control over major programs:

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

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

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular Letter 15-08? X yes _____ no

Identification of major programs:

GMIS Number(s)	Name of State Program
<u>495-034-5120-078</u>	<u>Equalization Aid</u>
<u>495-034-5120-089</u>	<u>Special Education Aid</u>
<u>495-034-5120-084</u>	<u>Security Aid</u>
<u>495-034-5120-098</u>	<u>PARCC Readiness Aid</u>
<u>495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>495-034-5120-014</u>	<u>Transportation Aid</u>
<u>100-034-5120-473</u>	<u>Extraordinary Aid</u>
<u>100-034-5120-509</u>	<u>Nonpublic Security Aid</u>
<u>100-034-5120-067</u>	<u>Nonpublic Auxiliary Services (Ch. 192)</u>
_____	_____

Dollar threshold used to determine between type A and type B programs: \$ 1,613,718

**LAKWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2016-001:

The District ended the year with cumulative fund deficits in the General and Special Revenue Funds. In addition, general fund budgetary line items for transportation and unallocated benefits incurred expenditures which exceeded available appropriations.

Criteria or specific requirement:

GAAP Technical Systems Manual; NJAC 6A:23A-16.10

Condition:

The general fund and special revenue fund ended the year with deficits in fund balance. General fund budgetary line items in the transportation and unallocated benefits areas were overexpended.

Questioned Costs:

None.

Context:

The District's General Fund unassigned budgetary fund balance was in a deficit position of \$6,824,002 at June 30, 2016. In addition, the fund balance of the Special Revenue Fund was in a deficit position of \$3,185,605 at June 30, 2016. Ten (10) general budgetary line items were overexpended, totaling \$7,656,307.

Effect:

The District incurred expenditures without sufficient funds available and is in a deficit position as of June 30, 2016.

Cause:

Unknown.

Recommendation:

Continued efforts be made to eliminate the cumulative deficits in the General and Special Revenue Funds and a course of action be developed to ensure that sufficient funds are available prior to incurring general fund budgetary expenditures.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and has indicated that corrective action will be taken.

**LAKWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Finding 2016-002:

Contract balances due to vendors for capital improvement projects exceed the amount of referendum funds available as of June 30, 2016.

Criteria or specific requirement:

NJAC 6A:26-4, Management of Capital Projects

Condition:

Outstanding contract balances for capital improvement projects exceed the amount of unexpended referendum funds available at June 30, 2016.

Questioned Costs:

None.

Context:

As of June 30, 2016, the District has \$10,045,684 in unexpended bond referendum proceeds on hand. Contractual balances due on uncompleted capital improvement projects total \$10,697,380, resulting in a shortfall of \$651,696.

Effect:

The District may not have sufficient available funds to complete existing capital improvement projects.

Cause:

Unknown.

Recommendation:

A course of action be developed to ensure sufficient funds are made available for the payment of contract balances due on capital improvement projects funded through referendum.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and has indicated that corrective action will be taken.

**LAKWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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

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

CURRENT YEAR FEDERAL AWARDS

There are none.

**LAKESWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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

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

CURRENT YEAR STATE AWARDS

Finding 2016-003:

The District ended the year with cumulative fund deficits in the General and Special Revenue Funds. In addition, numerous general fund budgetary line items incurred expenditures which exceeded available appropriations.

State Program Information:

Equalization Aid	495-034-5120-078
Special Education Aid	495-034-5120-089
Security Aid	495-034-5120-084
PARCC Readiness Aid	495-034-5120-098
Per Pupil Growth Aid	495-034-5120-097

Criteria or Specific Requirement:

State Grant Compliance Supplement

Condition:

The general fund and special revenue fund ended the year with deficits in fund balance. Numerous general fund budgetary line items were overexpended.

Questioned Costs:

None.

Context:

The District's General Fund unassigned budgetary fund balance was in a deficit position of \$6,824,002 at June 30, 2016. In addition, the fund balance of the Special Revenue Fund was in a deficit position of \$3,185,605 at June 30, 2016. Ten (10) general budgetary line items were overexpended, totaling \$7,656,307.

Cause:

Unknown.

Effect:

The District incurred expenditures without sufficient funds available and is in a deficit position as of June 30, 2016 resulting in non-compliance with state aid grant requirements.

Recommendation:

Continued efforts be made to eliminate the cumulative deficits in the General and Special Revenue Funds and a course of action be developed to ensure that sufficient funds are available prior to incurring general fund budgetary expenditures.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and has indicated that corrective action will be taken.

**LAKESWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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

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

CURRENT YEAR STATE AWARDS

Finding 2016-004:

Our audit of the District's Chapter 192 – Non-Public Auxiliary Services program revealed the following with respect to the required Forms 407-1:

- Forms were not always signed approving such services by appropriate District personnel.
- Forms did not always include the dates of the services provided.

State program Information:

Nonpublic Auxiliary Services (Chapter 192) 100-034-5120-067

Criteria or Specific Requirement:

State of New Jersey State Aid/Grant Compliance Supplement.

Condition:

Applications for nonpublic chapter 192 services were not always signed by appropriate District personnel, did not always include the dates of services to be provided and did not always include the required student test scores.

Questioned Costs:

Unknown.

Context:

A sample of thirty (30) applications were selected for audit. Ten (10) applications did not include the signature of the Chief School Administrator or the dates of services provided.

Cause:

Unknown.

Effect:

The District is not in compliance with nonpublic chapter 192 grant requirements.

Recommendation:

Forms 407-1 for Non- Public Auxiliary Services be reviewed to ensure all required information is included and that only eligible students are receiving services.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and has indicated that corrective action will be taken.

**LAKEWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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

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

CURRENT YEAR STATE AWARDS

Finding 2016-005:

Our audit of the District's Application for State School Aid (ASSA) revealed the following:

On-Roll

- Certain students were not able to be verified to class registers.

Private School for the Disabled

- Certain IEP's were not able to be provided for audit.
- Students reported were not always able to be verified to a tuition bill.
- Tuition contracts were not always able to be provided for audit.

Low Income

- Meal applications and/or household information surveys were not always able to be provided for audit.
- Certain students were not able to be verified to class registers.

Special Education

- Certain IEP's were not able to be provided for audit.

State program Information:

Equalization Aid	495-034-5120-078
Special Education Aid	495-034-5120-089
Security Aid	495-034-5120-084
PARCC Readiness Aid	495-034-5120-098
Per Pupil Growth Aid	495-034-5120-097

Criteria or Specific Requirement:

State of New Jersey State Aid/Grant Compliance Supplement.

Condition:

Student counts claimed on the ASSA as On-Roll, Private School for the Disabled, Low Income and Special Education were not always able to be supported by the respective required documentation.

Questioned Costs:

Unknown.

Context:

Variances noted can be found on the Schedule of Audited Enrollments in the Auditor's Management Report.

**LAKEWOOD BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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

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

CURRENT YEAR STATE AWARDS

Finding 2016-005 (Continued):

Cause:

Unknown.

Effect:

Student counts reported on the ASSA were not always able to verified to actual student counts and related documentation.

Recommendation:

Internal controls be enhanced to ensure that documentation to support students reported on the ASSA is retained for audit.

View of Responsible Officials and Planned Corrective Action:

Management has reviewed this finding and has indicated that corrective action will be taken.

**LAKWOOD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

Finding 2015-001:

The District ended the year with fund balance deficits in the General and Special Revenue Funds.

Current Status

See Finding 2016-001.

Finding 2015-002:

Our audit revealed certain outstanding purchase orders classified as Accounts Payable in the Special Revenue Fund did not accurately reflect year end obligations of the District. In addition, certain liabilities in the General and Capital Projects Funds were not accrued at year end.

Current Status

Corrective action has been taken.

Finding 2015-003:

Our audit revealed that reimbursements due to the State of New Jersey for pension and social security for salaries funded by federal programs for the 2013-14 fiscal year has not been filed or paid.

Current Status

Corrective action has been taken.

Finding 2015-004:

Our audit indicated that the District did not submit the required notification to the Office of the State Comptroller of a certain contract awarded in excess of \$2 million in accordance with NJSA 52:15C-10.

Current Status

Corrective action has been taken.

LAKWOOD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

Finding 2015-005:

Our audit revealed certain outstanding purchase orders classified as Accounts Payable in the Special Revenue Fund did not accurately reflect year end obligations of the District.

Current Status

Corrective action has been taken.

Finding 2015-006:

Our audit revealed certain outstanding purchase orders classified as Accounts Payable in the Special Revenue Fund did not accurately reflect year end obligations of the District.

Current Status

Corrective action has been taken.

Finding 2015-007:

Our audit of the District's extraordinary aid application revealed that costs claimed for students sent out of district were not always in agreement with the respective tuition contract. In addition, costs claimed for in district students were not always supported by sufficient documentation.

Current Status

Corrective action has been taken.

Finding 2015-008:

Our audit of the District's Application for State School Aid revealed that documentation to support students reported was not always retained for audit.

Current Status

See Finding 2016-006.

**LAKEWOOD BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

Finding 2015-009:

Our audit revealed that B6T and B7T forms were not always able to be located for students reported in their respective schools.

Current Status

Corrective action has been taken.

Finding 2015-010:

The District ended the year with a general fund balance deficit.

Current Status

See Findings 2016-003.