

**Glassboro Board of Education  
Comprehensive Annual Financial Report  
for the Year Ended June 30, 2017**

**SCHOOL DISTRICT  
OF  
GLASSBORO, NEW JERSEY**

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

**Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2017**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

of the

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

**for the Fiscal Year Ended June 30, 2017**

Prepared by:

**Glassboro Board of Education Administration**

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## INTRODUCTORY SECTION



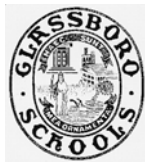
# Glassboro Public Schools

560 Joseph Bowe Boulevard  
Glassboro, New Jersey 08028

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Phone: 856-652-2700  
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Danielle Sochor  
Chief Academic Officer



Scott Henry  
Business Administrator

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

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November 28, 2017

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

Dear Members of the Board,

Please accept, for your review, the comprehensive annual financial report for the Glassboro Public Schools covering the year ending June 30, 2017. Responsibility for the accuracy of the data, completeness, and fairness of presentation, including all disclosures, rests with the Management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District's financial activities have been included.

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

EQUAL OPPORTUNITY EMPLOYER

1. **REPORTING ENTITY AND ITS SERVICES**

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

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and vocational as well as special education for handicapped students. The District's average daily enrollment for 2016-2017 fiscal year was 2,099 students, which is 64 students less than the previous year's average daily enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Fiscal Year	Average Daily Enrollment Student Enrollment
2016-17	2,099
2015-16	2,101
2014-15	2,165
2013-14	2,195
2012-13	2,181
2011-12	2,222
2010-11	2,217
2009-10	2,115
2008-09	2,215
2007-08	2,248

2. **ECONOMIC CONDITIONS AND OUTLOOK**

The Borough of Glassboro continues to experience development and expansion. This trend is expected to continue with the successes of the Economic Redevelopment Authority, Rowan University, and the community growth potentials. Over the past ten school years, the District's Average Daily Enrollment has decreased by 149 students or .09%.

3. **MAJOR INITIATIVES**

District Goals

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

Rodgers Initiatives

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

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

### Bullock Initiatives

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

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

### Bowe Initiatives

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

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

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

### Intermediate School Initiatives

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

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

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

### High School Initiatives

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

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

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

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

#### Preparing Our Students for the Future

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

#### 4. **INTERNAL ACCOUNTING CONTROLS**

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

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

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

#### 5. **BUDGETARY CONTROLS**

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2017.

6. **ACCOUNTING SYSTEM AND REPORTS**

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

7. **DEBT ADMINISTRATION**

At June 30, 2017, the District's outstanding debt issues included \$26,282,000 of General Obligation Bonds.

On December 19, 2006, bonds in the 2001 and 2002 series were refinanced for an amount of \$9,500,000. The current outstanding balance is \$3,580,000 and the bonds mature in 2018. The rate of interest is 4%.

On July 28, 2015, bonds in the amount of \$23,647,000 were issued. The current outstanding balance is \$22,702,000 and will mature in 2035. The rate of interest will fluctuate from 3% to 3.75%.

8. **CASH MANAGEMENT**

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

9. **RISK MANAGEMENT**

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

10. **OTHER INFORMATION**

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

11. **ACKNOWLEDGEMENTS**

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

Respectfully submitted,

Mark J. Silverstein

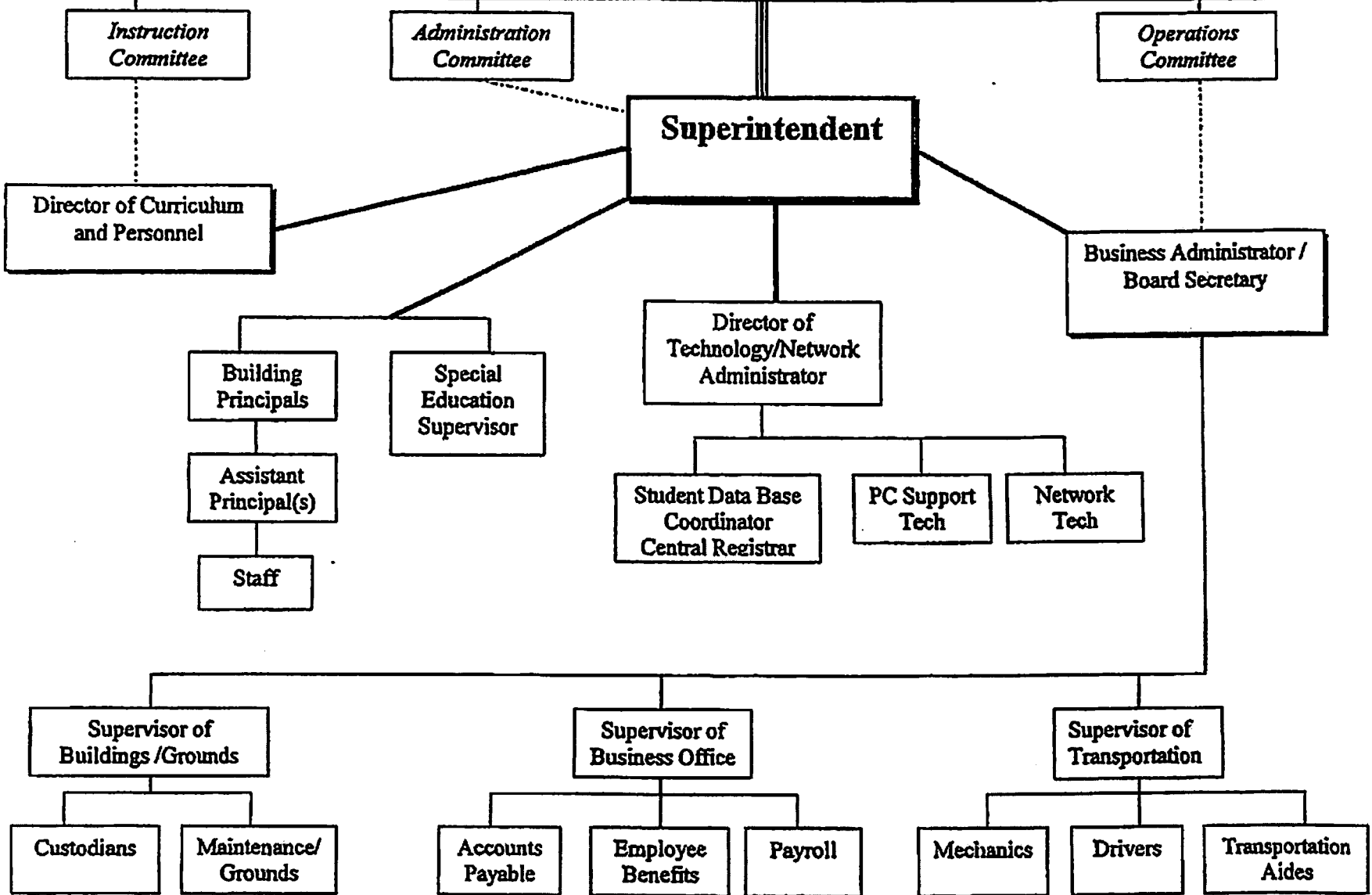
Mark J. Silverstein, MBA, Ed.D  
Superintendent of Schools

Scott Henry

Scott Henry  
Business Administrator/  
Board Secretary

# GLASSBORO SCHOOL DISTRICT ORGANIZATIONAL CHART

## BOARD OF EDUCATION



**GLASSBORO BOARD OF EDUCATION**  
**Glassboro, NJ 08028**

**ROSTER OF OFFICIALS**  
June 30, 2017

**MEMBERS OF THE BOARD OF EDUCATION**

**Term Expires**

Peter J. Calvo, President	2019
June Longley, Vice President	2017
Chris Esgro	2019
Alex Fanfarillo	2019
Andrew Halter	2018
Susette Jones	2017
Edward Keith	2018
Dr. Brian Redondo	2018
Elizabeth Volz	2017

**OTHER OFFICIALS**

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



**GLASSBORO BOARD OF EDUCATION**  
**Glassboro, NJ 08028**

**CONSULTANTS AND ADVISORS**

**ARCHITECTS**

Fraytak Veisz Hopkins Duthie, P.C.  
1515 Lower Ferry Road  
P.O. Box 7371  
Trenton, NJ 08628

**AUDIT FIRM**

Petroni & Associates LLC  
102 West High Street, Suite 100  
Glassboro, NJ 08028

**ATTORNEY**

Parker McCay P.A.  
9000 Midlantic Drive, Suite 300  
Mt. Laurel, NJ 08054

**OFFICIAL DEPOSITORY**

Republic Bank  
100 William Dalton Drive  
Glassboro, NJ 08028

## **FINANCIAL SECTION**

# PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants  
102 West High Street, Suite 100 • P.O. Box 279 • Glassboro, NJ 08028  
(856) 881-1600 • Fax (856) 881-6860

MEMBER: AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

Nick L. Petroni, CPA, RMA

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

## INDEPENDENT AUDITOR'S REPORT

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

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the Governmental Activities, the Business-type Activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Glassboro School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Governmental Activities, the Business-type Activities, each major fund, and the aggregate remaining fund information of the Glassboro Board of Education as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Other Information*

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

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial

assistance as required by NJ OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2017, on our consideration of the Glassboro Board of Education's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Government Auditing Standards* in considering Glassboro Board of Education's internal control over financial reporting and compliance.

PETRONI & ASSOCIATES LLC



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

November 28, 2017

## **Required Supplementary Information – Part I**

**GLASSBORO SCHOOL DISTRICT  
GLASSBORO, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FISCAL YEAR ENDED JUNE 30, 2017  
UNAUDITED**

The discussion and analysis of Glassboro School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2017. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB's) Statement No. 34 - Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued in June 1999. Certain comparative information between the current year (2016-2017) and the prior year (2015-2016) is required to be presented in the MD&A.

**Financial Highlights**

Key financial highlights for 2017 are as follows:

- \* General revenues accounted for \$44,100,196 in revenue or 93.1 percent of all revenues.
- \* Program specific revenues, in the form of charges for services and grants and contributions, accounted for \$3,270,566 or 6.9 percent of total revenues of \$47,370,762.
- \* The School District had \$45,467,495 in expenses; only \$3,270,566 of these expenses were offset by program specific charges for services, grants or contributions.
- \* Among Governmental Funds, the General Fund had \$40,522,285 in revenues and the General Fund's fund balance increased \$281,173 over 2016.

**Using this Comprehensive Annual Financial Report (CAFR)**

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

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

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

## **Reporting the School District as a Whole**

### **Statement of Net Position and the Statement of Activities**

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and ask the question, "How did we do financially during 2017?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

## **Reporting the School District's Most Significant Funds**

### **Fund Financial Statements**

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

### **Governmental Funds**

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

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



## Enterprise Fund

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

## Notes to the Financial Statements

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

## The School District as a Whole

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

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

Table 1 provides a summary of the School District's net position for 2017, with comparative data from 2016.

**Table 1**  
**Summary of Net Position**

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current & other assets	\$ 11,972,848	\$ 23,729,987	\$ 260,099	\$ 233,685	\$ 12,232,947	\$ 23,963,672
Capital assets	33,592,253	20,358,056	51,888	54,966	33,644,141	20,413,022
Total assets	<u>45,565,101</u>	<u>44,088,043</u>	<u>311,987</u>	<u>288,651</u>	<u>45,877,088</u>	<u>44,376,694</u>
Deferred outflows	<u>5,043,396</u>	<u>2,282,924</u>			<u>5,043,396</u>	<u>2,282,924</u>
Long-term liabilities	28,532,426	32,149,189			28,532,426	32,149,189
Other liabilities	3,368,476	1,266,055	65,118	57,432	3,433,594	1,323,487
Net pension liability	17,841,575	13,912,203			17,841,575	13,912,203
Total liabilities	<u>49,742,477</u>	<u>47,327,447</u>	<u>65,118</u>	<u>57,432</u>	<u>49,807,595</u>	<u>47,384,879</u>
Deferred inflows	<u>816,139</u>	<u>881,256</u>			<u>816,139</u>	<u>881,256</u>
Net position:						
Invested in capital assets, net of debt	6,628,428	(10,106,873)			6,628,428	(10,106,873)
Restricted	9,309,326	23,181,211			9,309,326	23,181,211
Unrestricted	(15,887,873)	(14,912,074)	246,869	231,219	(15,641,004)	(14,680,855)
Total net position	<u>\$ 49,881</u>	<u>\$ (1,837,736)</u>	<u>\$ 246,869</u>	<u>\$ 231,219</u>	<u>\$ 296,750</u>	<u>\$ (1,606,517)</u>

The District's combined net position was \$296,750 on June 30, 2017. This was an increase from the prior year of \$1,903,267.

Table 2 shows changes in net position for fiscal year 2017 with comparative data from 2016.

## The School District as a Whole (Continued)

**Table 2**  
**Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 9,500	\$ 10,000	\$ 207,254	\$ 206,637	\$ 216,754	\$ 216,637
Operating grants & contributions	2,278,782	2,115,160	775,030	749,004	3,053,812	2,864,164
General revenues:						
Property taxes	21,298,130	20,276,014			21,298,130	20,276,014
Grants & entitlements	22,063,617	20,805,904			22,063,617	20,805,904
Other	738,008	750,252	441	483	738,449	750,735
<b>Total revenues</b>	<b>46,388,037</b>	<b>43,957,330</b>	<b>982,725</b>	<b>956,124</b>	<b>47,370,762</b>	<b>44,913,454</b>
<b>Expenses:</b>						
Instruction	16,073,649	15,750,092			16,073,649	15,750,092
Support services	25,976,410	25,191,397			25,976,410	25,191,397
Capital outlay	386,701	1,339,004			386,701	1,339,004
Transfer to charter schools	106,872	114,584			106,872	114,584
Unallocated depreciation	1,015,938	1,082,433			1,015,938	1,082,433
Interest on debt	940,850	620,024			940,850	620,024
Food service			967,075	947,540	967,075	947,540
Professional development				1,973		1,973
<b>Total expenses</b>	<b>44,500,420</b>	<b>44,097,534</b>	<b>967,075</b>	<b>949,513</b>	<b>45,467,495</b>	<b>45,047,047</b>
Change in net position	1,887,617	(140,204)	15,650	6,611	1,903,267	(133,593)
Beginning net position	(1,837,736)	(1,697,532)	231,219	224,608	(1,606,517)	(1,472,924)
Ending net position	\$ 49,881	\$ (1,837,736)	\$ 246,869	\$ 231,219	\$ 296,750	\$ (1,606,517)

### Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Property taxes made up 47 percent of revenues for governmental activities for the Glassboro School District for fiscal year 2017. The District's total revenues were \$47,370,762 for the year ended June 30, 2017. Federal, state, and local grants accounted for another 47 percent of revenue.

The total cost of all governmental programs and services was \$44,500,420. Instruction comprises 36 percent of District expenses.

### Business-Type Activities

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

\* Income exceeded expenditures by \$15,650.

\* Charges for services represent \$207,254 of revenue.

\* Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$775,030.

## Statement of Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for the year 2017, with comparative data for 2016. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

**Table 3**

	Total Cost of Services		Net Cost of Services	
	2017	2016	2017	2016
Instruction	\$ 16,073,649	\$ 15,750,092	\$ 14,485,241	\$ 14,300,730
Support services:				
Pupil & instructional staff	5,600,295	6,173,543	4,900,421	5,497,745
General administration, school administration & business operation	3,053,117	2,938,249	3,053,117	2,938,249
Operation & maintenance of facilities	2,909,254	2,826,276	2,909,254	2,826,276
Pupil transportation	2,406,552	2,319,113	2,406,552	2,319,113
Interest	940,850	620,024	940,850	620,024
Other	13,516,703	13,470,237	13,516,703	13,470,237
	<u>\$ 44,500,420</u>	<u>\$ 44,097,534</u>	<u>\$ 42,212,138</u>	<u>\$ 41,972,374</u>

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

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

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

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

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

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

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

## The School District's Funds

All Governmental Funds (i.e., General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$46,378,484 and expenditures were \$60,489,623.

## General Fund Budgeting Highlights

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

### General Fund Budgeting Highlights (Continued)

During the course of the fiscal 2017 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control program budgets but provide flexibility for program management.

For the General Fund, the final budget basis revenue and other financing sources, not including non-budgeted state contributions, was \$36,322,978, which was \$469,433 more than original budgeted estimates of \$35,853,545.

The General Fund revenue exceeded the expenditures and other financing sources of the School District for the year by \$309,321.

### Capital Assets

At the end of the fiscal year 2017 the School District had \$33,644,141 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2017 balances compared to 2016.

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

	2017	2016
Sites	\$ 235,104	\$ 235,104
Construction in progress	14,210,791	
Site improvements	475,244	533,271
Building & building improvements	16,335,455	16,916,050
Machinery & equipment	2,387,547	2,728,597
	<u>\$ 33,644,141</u>	<u>\$ 20,413,022</u>

Overall capital assets increased \$13,231,119 from fiscal year 2016 to fiscal year 2017. For more detailed information, please refer to the Notes to the Financial Statements.

### Debt Administration

At June 30, 2017, the School District had \$28,532,426 of outstanding debt. Of this amount, \$1,568,601 is for compensated absences; \$681,825 is for various capital leases; and \$26,282,000 is for serial bonds for school construction.

**Table 5**  
**Outstanding Serial Bonds at June 30,**

	2017	2016
Refunding Bonds of 2006	\$ 3,580,000	\$ 4,880,000
Refunding Bonds of 2009		315,000
Bonds of 2015	22,702,000	23,647,000
	<u>\$ 26,282,000</u>	<u>\$ 28,842,000</u>

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

### **For the Future**

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

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

### **Contacting the School District's Financial Management**

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

## **BASIC FINANCIAL STATEMENTS**

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

GLASSBORO SCHOOL DISTRICT  
Statement of Net Position  
June 30, 2017

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,971,791	\$ 184,502	\$ 3,156,293
Receivables, net	1,003,229	58,377	1,061,606
Due from other funds	42,848		42,848
Inventory		17,220	17,220
Restricted assets:			
Cash and cash equivalents	7,954,980		7,954,980
Capital assets:			
Non-depreciable	14,445,895		14,445,895
Other capital assets, net	19,146,358	51,888	19,198,246
Total assets	<u>45,565,101</u>	<u>311,987</u>	<u>45,877,088</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pension	<u>5,043,396</u>		<u>5,043,396</u>
<b>LIABILITIES</b>			
Accounts payable	179,463	11,361	190,824
Due to other funds		42,848	42,848
Payable to state government	18,948		18,948
Deferred revenue	3,170,065	10,909	3,180,974
Noncurrent liabilities:			
Due within one year	3,121,402		3,121,402
Due beyond one year	25,411,024		25,411,024
Net pension liability	17,841,575		17,841,575
Total liabilities	<u>49,742,477</u>	<u>65,118</u>	<u>49,807,595</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pension	<u>816,139</u>		<u>816,139</u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	6,628,428		6,628,428
Restricted for:			
Other purposes	9,309,326		9,309,326
Unrestricted	(15,887,873)	246,869	(15,641,004)
Total net position	<u>\$ 49,881</u>	<u>\$ 246,869</u>	<u>\$ 296,750</u>

See accompanying notes to the basic financial statements.



GLASSBORO SCHOOL DISTRICT  
Statement of Activities  
For the Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental activities:						
Instruction:						
Regular	\$ 9,374,880				\$ (9,374,880)	\$ (9,374,880)
Special education	5,470,063		\$ 1,588,408		(3,881,655)	(3,881,655)
Other special instruction	738,469				(738,469)	(738,469)
School sponsored activities	460,005				(460,005)	(460,005)
Other instruction	30,232				(30,232)	(30,232)
Support services:						
Tuition	2,534,071				(2,534,071)	(2,534,071)
Student & instructional related services	3,066,224	\$ 9,500	690,374		(2,366,350)	(2,366,350)
General administration	671,553				(671,553)	(671,553)
School administrative services	1,394,150				(1,394,150)	(1,394,150)
Central services	543,909				(543,909)	(543,909)
Administrative information technology	443,505				(443,505)	(443,505)
Plant operations & maintenance	2,909,254				(2,909,254)	(2,909,254)
Pupil transportation	2,406,552				(2,406,552)	(2,406,552)
Unallocated benefits	12,007,192				(12,007,192)	(12,007,192)
Capital outlay	386,701				(386,701)	(386,701)
Transfer to Charter Schools	106,872				(106,872)	(106,872)
Interest on long-term debt	940,850				(940,850)	(940,850)
Unallocated depreciation	1,015,938				(1,015,938)	(1,015,938)
Total governmental activities	44,500,420	9,500	2,278,782		(42,212,138)	(42,212,138)
Business-type activities:						
Food service	967,075	202,660	775,030			\$ 10,615
Other		4,594				4,594
Total business-type activities	967,075	207,254	775,030			15,209
Total primary government	\$ 45,467,495	\$ 216,754	\$ 3,053,812		\$ (42,212,138)	\$ 15,209
General revenues:						
Taxes:						
Property taxes, levied for general purposes					\$ 18,708,636	\$ 18,708,636
Taxes levied for debt service					2,589,494	2,589,494
Other local government units					11,630	11,630
Federal and state aid not restricted					22,063,617	22,063,617
Tuition received					338,838	338,838
Transportation fees					247,829	247,829
Investment earnings					54,990	\$ 55,431
Miscellaneous Income					84,676	84,676
Prior year payable canceled					45	45
Total general revenues, special items, extraordinary items, and transfers					44,099,755	441
Change in net position					1,887,617	15,650
Net position - beginning					(1,837,736)	231,219
Net position - end					\$ 49,881	\$ 246,869

See accompanying notes to the basic financial statements.

## **FUND FINANCIAL STATEMENTS**

GLASSBORO SCHOOL DISTRICT  
Balance Sheet  
Governmental Funds  
June 30, 2017

	Major Funds				Total Governmental Funds	
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund		
<b>ASSETS</b>						
Cash and cash equivalents	\$ 2,970,232		\$ 5,736,807	\$ 2,505,096	\$ 11,212,135	
Receivables from other governments	317,300	\$ 371,302			688,602	
Other - tuition	191,791				191,791	
Other - transportation	122,836				122,836	
Interfund receivable	42,848			109,024	151,872	
<b>Total assets</b>	<b>\$ 3,645,007</b>	<b>\$ 371,302</b>	<b>\$ 5,736,807</b>	<b>\$ 2,614,120</b>	<b>12,367,236</b>	
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Cash deficit		\$ 286,923			286,923	
Accounts payable	\$ 74,015	105,448			179,463	
Interfund payable			\$ 109,024		109,024	
Payable to state government		18,948			18,948	
Deferred revenue	850,226	9,578		\$ 2,310,261	3,170,065	
<b>Total liabilities</b>	<b>924,241</b>	<b>420,897</b>	<b>109,024</b>	<b>2,310,261</b>	<b>3,764,423</b>	
Fund balances:						
Restricted for:						
Excess surplus - designated for subsequent year's expenditures	1,345,630				1,345,630	
Excess surplus	1,829,517				1,829,517	
School bus advertising 50% fuel offset -current year	1,527				1,527	
Capital projects			5,627,783		5,627,783	
Assigned to:						
Debt service fund				\$ 303,859	303,859	
Designated for subsequent year's expenditures	144,175				144,175	
ARRA-SEMI designated for subsequent year's expenditures	6,574				6,574	
Year-end encumbrances	50,261				50,261	
Unassigned:						
General fund	(656,918)				(656,918)	
Special revenue fund		(49,595)			(49,595)	
<b>Total fund balances</b>	<b>2,720,766</b>	<b>(49,595)</b>	<b>5,627,783</b>	<b>303,859</b>	<b>8,602,813</b>	
<b>Total liabilities and fund balances</b>	<b>\$ 3,645,007</b>	<b>\$ 371,302</b>	<b>\$ 5,736,807</b>	<b>\$ 2,614,120</b>		
Amounts reported for Governmental Activities in the Statement of Net Assets (A-1) are different because:						
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds. The cost of assets is \$53,655,924 and the accumulated depreciation is \$20,063,671 (See Note 7).						33,592,253
Internal Service Funds are used by management to charge the cost of certain activities to individual funds. Assets and liabilities of the internal service fund are included in Governmental Activities in the Statement of Net Position.						1,559
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Note 8).						(28,532,426)
Net pension liability adjustment						(13,614,318)
Net position of Governmental Activities						<b>\$ 49,881</b>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2017

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
REVENUES:					
Local sources:					
Local tax levy	\$ 18,708,636			\$ 2,589,494	\$ 21,298,130
Other local government units restricted	11,630				11,630
Tuition charges	338,838				338,838
Transportation fees	247,829				247,829
Interest earned - capital projects			\$ 37,425		37,425
Miscellaneous	102,233	\$ 31,206			133,439
	19,409,166	31,206	37,425	2,589,494	22,067,291
State sources	21,015,110	536,303		950,498	22,501,911
Federal sources	98,009	1,711,273			1,809,282
Total revenues	40,522,285	2,278,782	37,425	3,539,992	46,378,484
EXPENDITURES:					
Current:					
Regular instruction	9,489,633				9,489,633
Special education instruction	3,618,383	1,851,680			5,470,063
Other special instruction	738,469				738,469
School sponsored activities	460,005				460,005
Other instruction	30,232				30,232
Support:					
Tuition	2,534,071				2,534,071
Student & instruction related services	3,392,409	690,374			4,082,783
General administration	671,553				671,553
School administrative services	1,367,829				1,367,829
Central services	543,909				543,909
Administrative information technology	443,505				443,505
Plant operations and maintenance	2,909,254				2,909,254
Pupil transportation	2,406,552				2,406,552
Employee benefits	10,903,409				10,903,409
Debt Service:					
Principal				2,560,000	2,560,000
Interest				940,850	940,850
Capital outlay	619,843		14,210,791		14,830,634
Transfer to charter schools	106,872				106,872
Total expenditures	40,235,928	2,542,054	14,210,791	3,500,850	60,489,623
Excess (deficiency) of revenues over expenditures	286,357	(263,272)	(14,173,366)	39,142	(14,111,139)
Other financing sources (uses):					
Capital leases (non-budgeted)	251,939				251,939
Transfers in		257,168		37,425	294,593
Transfers out	(257,168)		(37,425)		(294,593)
Prior year payable canceled	45				45
Total other financing sources (uses)	(5,184)	257,168	(37,425)	37,425	251,984
Net change in fund balances	281,173	(6,104)	(14,210,791)	76,567	(13,859,155)
Fund balance - July 1	2,439,593	(43,491)	19,838,574	227,292	22,461,968
Fund balance - June 30	\$ 2,720,766	\$ (49,595)	\$ 5,627,783	\$ 303,859	\$ 8,602,813

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
 of Governmental Funds to the Statement of Activities  
 For the Year Ended June 30, 2017

Total net change in fund balances - Governmental Funds (from B-2)	\$(13,859,155)
Amounts reported for Governmental Activities in the Statement of Activities (A-2) are different because:	
Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.	
Depreciation expense	\$(1,015,938)
Capital outlays	<u>14,250,135</u>
	13,234,197
Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position and is not reported in the Statement of Activities.	
Bond principal	2,560,000
Capital lease obligation principal	1,193,043
Proceeds from debt issues are a financing source in the Governmental Funds. They are not revenue in the Statement of Activities; issuing debt increases long-term liabilities in the Statement of Net Position.	
Capital lease proceeds	(251,939)
Internal Service Funds are used by Management to charge the costs of certain activities to individual funds. Net revenue (expense) of Internal Service Funds is reported with Governmental Activities.	
	(405)
In the Statement of Activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount the difference is an addition to the reconciliation.	
	115,659
Pension contributions are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the contributions are adjusted for actuarial valuation adjustments	
	<u>(1,103,783)</u>
Change in net position of Governmental Activities	<u><u>\$ 1,887,617</u></u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
Statement of Net Position  
Proprietary Funds  
June 30, 2017

	Business-type Activities Enterprise Funds			Totals	Governmental Activities - Internal Service Fund
	Food Service	Professional Development	Technology Fund		
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 178,371	\$ 1,537	\$ 4,594	\$ 184,502	\$ 1,559
Receivables, net	58,377			58,377	
Inventory	17,220			17,220	
Total current assets	<u>253,968</u>	<u>1,537</u>	<u>4,594</u>	<u>260,099</u>	<u>1,559</u>
Noncurrent assets:					
Furniture, machinery & equipment	467,507			467,507	
Less: accumulated depreciation	415,619			415,619	
Total noncurrent assets	<u>51,888</u>			<u>51,888</u>	
Total assets	<u>305,856</u>	<u>\$ 1,537</u>	<u>\$ 4,594</u>	<u>311,987</u>	<u>\$ 1,559</u>
<b>LIABILITIES</b>					
Accounts payable	11,361			11,361	
Interfund payable - general fund	42,848			42,848	
Deferred revenue	10,909			10,909	
Total liabilities	<u>65,118</u>			<u>65,118</u>	
<b>NET POSITION</b>					
Unrestricted	240,738	\$ 1,537	\$ 4,594	246,869	\$ 1,559
Total net position	<u>\$ 240,738</u>	<u>\$ 1,537</u>	<u>\$ 4,594</u>	<u>\$ 246,869</u>	<u>\$ 1,559</u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
Statement of Revenues, Expenses, and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended June 30, 2017

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Food Service	Professional Development	Technology Fund	
Operating revenues:				
Charges for services:				
Daily sales - reimbursable programs	\$ 137,289			\$ 137,289
Daily sales - non-reimbursable programs	59,752			59,752
Special functions/miscellaneous	5,619			5,619
Professional development fees			\$ 4,594	4,594
Workers' compensation contributions				\$ 9,500
Total operating revenues	<u>202,660</u>		<u>4,594</u>	<u>207,254</u>
Operating expenses:				
Cost of sales - reimbursable	416,530			416,530
Cost of sales - non-reimbursable	29,768			29,768
Salaries	301,897			301,897
Employee benefits	68,741			68,741
Contracted services	58,122			58,122
Cleaning, repair and maintenance	18,728			18,728
Insurance	14,711			14,711
Supplies and materials	48,256			48,256
Miscellaneous expenditures	1,339			1,339
Claims expense				9,913
Depreciation	8,983			8,983
Total operating expenses	<u>967,075</u>			<u>967,075</u>
Operating income (loss)	<u>(764,415)</u>		<u>4,594</u>	<u>(759,821)</u>
Non-operating revenues (expenses):				
Interest earned	441			441
State sources:				8
State school lunch program	9,783			9,783
Federal sources:				
School breakfast program	219,377			219,377
National school lunch program	468,429			468,429
Food distribution program	77,441			77,441
Total non-operating revenues (expenses)	<u>775,471</u>			<u>775,471</u>
Change in net position	11,056		4,594	15,650
Total net position - beginning	229,682	1,537		231,219
Total net position - ending	<u>\$ 240,738</u>	<u>\$ 1,537</u>	<u>\$ 4,594</u>	<u>\$ 246,869</u>
			<u>\$ 246,869</u>	<u>\$ 1,559</u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2017

	Business-type Activities Enterprise Funds			Totals	Governmental Activities - Internal Service Fund
	Food Service	Professional Development	Technology Fund		
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Receipts from customers	\$ 202,233		\$ 4,594	\$ 206,827	
Receipts for internal service activities					\$ 9,500
Payments to employees	(297,188)			(297,188)	
Payments for employee benefits	(67,873)			(67,873)	
Payments to suppliers	(558,344)			(558,344)	
Payment for claims					(9,913)
	<u>(721,172)</u>		<u>4,594</u>	<u>(716,578)</u>	<u>(413)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>					
State sources	10,837			10,837	
Federal sources	758,966			758,966	
Transfer from (to) other funds	42,847	\$ 1,537		44,384	
Net cash provided by (used for) non-capital financing activities	<u>812,650</u>	<u>1,537</u>		<u>814,187</u>	
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Purchase of capital assets	<u>(5,905)</u>			<u>(5,905)</u>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest earned	441			441	8
Net cash provided by investing activities	<u>441</u>			<u>441</u>	<u>8</u>
Net increase (decrease) in cash and cash equivalents	86,014	1,537	991	92,145	(405)
Balances - beginning of year	92,357			92,357	1,964
Balances - end of year	<u>\$ 178,371</u>	<u>\$ 1,537</u>	<u>\$ 991</u>	<u>\$ 184,502</u>	<u>\$ 1,559</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (764,415)		\$ 4,594	\$ (759,821)	\$ (413)
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	8,983			8,983	
Food distribution program	77,441			77,441	
(Increase) decrease in accounts receivable	(791)			(791)	
(Increase) decrease in inventory	(7,228)			(7,228)	
Increase (decrease) in accounts payable	(35,526)			(35,526)	
Increase (decrease) in deferred revenue	364			364	
Net cash provided by (used for) operating activities	<u>\$ (721,172)</u>		<u>\$ 4,594</u>	<u>\$ (716,578)</u>	<u>\$ (413)</u>

See accompanying notes to the basic financial statements.



GLASSBORO SCHOOL DISTRICT  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2017

	Unemployment Compensation Trust	Private Purpose Scholarship Trust	Agency Fund
<b>ASSETS</b>			
Cash and cash equivalents	\$ 92,808	\$ 42,443	\$ 1,058,812
Interfund receivable - Agency funds	36,571		
Total assets	\$ 129,379	\$ 42,443	\$ 1,058,812
<b>LIABILITIES</b>			
Payroll deductions and withholdings			\$ 590,263
Accrued salaries and wages			252,251
Due to student groups			179,727
Interfund payable - Unemployment trust			36,571
Total liabilities			\$ 1,058,812
<b>NET POSITION</b>			
Held in trust for unemployment claims	\$ 129,379		
Reserve for scholarships		\$ 42,443	

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended June 30, 2017

	Unemployment Compensation Trust	Private Purpose Scholarship Trust
	<u>                    </u>	<u>                    </u>
ADDITIONS:		
Contributions	\$    36,571	\$      2,500
Interest earned	324	178
Total additions	<u>          36,895</u>	<u>          2,678</u>
DEDUCTIONS:		
Unemployment claims	181	
Scholarships awarded		5,500
Total deductions	<u>          181</u>	<u>          5,500</u>
Change in net position	36,714	(2,822)
Net position - beginning of year	<u>          92,665</u>	<u>          45,265</u>
Net position - end of year	<u>          \$  129,379</u>	<u>          \$   42,443</u>

See accompanying notes to the basic financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Introduction**

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

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

**A. Reporting Entity**

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

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

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

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

**B. Basic Financial Statements – District-Wide Statements**

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

**GLASSBORO SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

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

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

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

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

**C. Basic Financial Statements - Fund Financial Statements**

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

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

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

The District reports the following governmental funds:

**GOVERNMENTAL FUNDS**

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

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

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

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

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

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

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

**PROPRIETARY FUNDS**

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

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

**FIDUCIARY FUNDS**

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

**D. Basis of Accounting**

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

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

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

**E. Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue and Debt Service Funds. The budgets are submitted to the county office for approval and are approved as long as the District budget is within State mandated CAP's, there is no public vote on the budget. If the budget exceeds State mandated CAP's, the voters have an

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Budgets/Budgetary Control (Continued)**

opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in NJAC 6:23-2(g). Budget amendments/transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and, under certain circumstances, require approval by the County Superintendent of Schools. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

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

**F. Encumbrances**

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

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

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

**G. Cash and Cash Equivalents**

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



**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Cash and Cash Equivalents (Continued)**

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

New Jersey School Districts are limited to the types of investments and types of financial institutions they may invest in. New Jersey statute (NJSA 18A:20-37) provides a list of permissible investments that may be purchased by New Jersey School Districts.

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

NJSA 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks), and savings banks, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value of at least 5% of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

**H. Inventories**

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

**I. Interfund Transactions**

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

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

**J. Capital Assets**

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. Capital Assets (Continued)**

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

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

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

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

**K. Compensated Absences**

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

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

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

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

**L. Deferred Revenue**

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Accrued Liabilities and Long-Term Obligations**

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

**N. Net Position**

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

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

**O. Fund Balance**

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

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

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

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**O. Fund Balance (Continued)**

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

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

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

**P. Revenues**

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

**Q. Expenditures**

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

**R. Accrued Salaries and Wages**

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**S. Allocation of Indirect Expenses**

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

**T. Extraordinary and Special Items**

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

**U. Use of Estimates**

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

**V. Recent Accounting Pronouncements Not Yet Effective**

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

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

In November 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 83, "Certain Asset Retirement Obligations." This statement, which is effective for fiscal periods beginning after June 15, 2018, will not have any effect on the District's financial reporting.

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84, "Fiduciary Activities." This statement, which is effective for fiscal periods beginning after December 31, 2018, will not have any effect on the District's financial reporting.

In March 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 85, "Omnibus 2017." This statement, which is effective for fiscal periods beginning after June 15, 2017, will not have any effect on the District's financial reporting.

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**V. Recent Accounting Pronouncements Not Yet Effective (Continued)**

In May 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 86, "Certain Debt Extinguishment Issues." This statement, which is effective for fiscal periods beginning after June 15, 2017, will not have any effect on the District's financial reporting.

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, "Leases." This statement, which is effective for fiscal periods beginning after December 15, 2019, will not have any effect on the District's financial reporting.

**NOTE 2: CASH AND CASH EQUIVALENTS**

Custodial Credit Risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's policy is based on New Jersey statutes requiring cash to be deposited only in New Jersey banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA), or in qualified investments established in NJSA 18A:20-37 that are treated as cash equivalents. The carrying amount of the District's cash and cash equivalents at June 30, 2017 and 2016, was \$12,305,336 and \$23,816,370. As of June 30, 2017 and 2016, \$0 of the District's bank balance of \$13,889,543 and \$24,389,273, respectively, was exposed to Custodial Credit Risk.

**NOTE 3: INVESTMENTS**

As of June 30, 2017, the District did not have any investments.

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

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

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

**NOTE 4: RECEIVABLES**

Receivables at June 30, 2017, consisted of Intergovernmental and other receivables. All receivables are considered collectible in full. A summary of the principal items of the receivables are as follows:

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 4: RECEIVABLES (CONTINUED)**

	Governmental Activities	Business- Type Activities
State aid	\$ 408,572	\$ 593
Federal aid	366,201	42,254
Other	228,456	15,530
	<u>\$ 1,003,229</u>	<u>\$ 58,377</u>

**NOTE 5: INTERFUND RECEIVABLES AND PAYABLES**

	Interfund Receivable	Interfund Payable
General Fund	\$ 42,848	
Capital Projects Fund		\$ 109,024
Debt Service Fund	109,024	
Fudiciary Fund	36,571	36,571
Enterprise Fund		42,848
	<u>\$ 188,443</u>	<u>\$ 188,443</u>

**NOTE 6: INVENTORY**

Inventory in the Food Service Fund at June 30, 2017, consisted of the following:

Food	\$ 6,147
Food - Commodities	6,368
Supplies	4,705
	<u>\$ 17,220</u>

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 7: CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Additions	Disposals	Balance June 30, 2017
Governmental activities:				
Sites	\$ 235,104			\$ 235,104
Construction in progress		\$ 14,210,791		14,210,791
Site improvements	1,892,289			1,892,289
Building & building improvements	30,829,700			30,829,700
Machinery & equipment	6,734,258	39,344	\$ 285,562	6,488,040
Totals at historical cost	<u>39,691,351</u>	<u>14,250,135</u>	<u>285,562</u>	<u>53,655,924</u>
Less: accumulated depreciation for:				
Site improvements	1,359,018	58,027		1,417,045
Building & building improvements	13,913,650	580,595		14,494,245
Machinery & equipment	4,060,627	377,316	285,562	4,152,381
Total accumulated depreciation	<u>19,333,295</u>	<u>1,015,938</u>	<u>285,562</u>	<u>20,063,671</u>
Governmental activities capital assets, net	<u>\$ 20,358,056</u>	<u>\$ 13,234,197</u>		<u>\$ 33,592,253</u>
Business-type activities:				
Machinery & equipment	\$ 461,602	\$ 5,905		\$ 467,507
Less: accumulated depreciation	406,636	8,983		415,619
Business-type capital assets, net	<u>\$ 54,966</u>	<u>\$ (3,078)</u>		<u>\$ 51,888</u>

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

**NOTE 8: GENERAL LONG-TERM DEBT**

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

Permanently funded debt as of June 30, 2017, consisted of the following:

\$9,500,000 General Obligation Refunding Bonds dated December 19, 2006, payable in annual installments through August 15, 2018. Interest is paid semi-annually at the rates of 4% to 5% per annum. The balance remaining at June 30, 2017, was \$3,580,000.

\$23,647,000 General Obligation Bonds dated July 28, 2015, payable in annual installments through July 15, 2035. Interest is paid semi-annually at the rates of 3% to 3.75% per annum. The balance remaining at June 30, 2017, was \$22,702,000.



**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 8: GENERAL LONG-TERM DEBT (CONTINUED)**

**Long-Term Obligation Activity**

Changes in long-term obligations for the fiscal year ended June 30, 2017, are as follows:

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017	Due Within One Year
Bonds payable	\$ 28,842,000		\$ 2,560,000	\$ 26,282,000	\$ 2,705,000
Capital leases	1,622,929	\$ 251,939	1,193,043	681,825	416,402
Compensated absences	1,684,260	1,568,600	1,684,259	1,568,601	
	<u>\$ 32,149,189</u>	<u>\$ 1,820,539</u>	<u>\$ 5,437,302</u>	<u>\$ 28,532,426</u>	<u>\$ 3,121,402</u>

**Bonds Payable**

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

Year Ended June 30,	Principal	Interest	Total
2018	\$ 2,705,000	\$ 832,225	\$ 3,537,225
2019	2,790,000	731,900	3,521,900
2020	980,000	666,225	1,646,225
2021	995,000	636,600	1,631,600
2022	1,020,000	606,375	1,626,375
2023-2027	5,480,000	2,553,075	8,033,075
2028-2032	6,370,000	1,641,494	8,011,494
2033-2036	5,942,000	451,207	6,393,207
	<u>\$ 26,282,000</u>	<u>\$ 8,119,101</u>	<u>\$ 34,401,101</u>

**Bonds Authorized but Not Issued**

There were no bonds authorized but not issued as of June 30, 2017.

**Other**

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

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

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 8: GENERAL LONG-TERM DEBT (CONTINUED)**

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

For the year ended June 30, 2017, it is not necessary for the Board to establish a liability for arbitrage rebate.

**Capital Lease Payable**

The District has entered into lease purchase agreements for the acquisition of school buses, computers, copiers, television studio upgrades, and communications network equipment. The lease agreements range from two to ten years and carry interest rates ranging from 1.45% to 5.63%. The following is a schedule of future minimum lease payments under capital leases, together with the net present value of the minimum lease payments, as of June 30, 2017:

Year Ended June 30,	Principal	Interest	Total
2018	\$ 416,402	\$ 19,677	\$ 436,079
2019	120,446	7,024	127,470
2020	85,160	4,300	89,460
2021	34,515	1,891	36,406
2022	25,302	748	26,050
	<u>\$ 681,825</u>	<u>\$ 33,640</u>	<u>\$ 715,465</u>

**NOTE 9: PENSION FUNDS**

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

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 9: PENSION FUNDS (CONTINUED)**

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

**Funding Policy** - The contribution policy is set by NJSA 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997, and NJSA 18:66 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Effective with the first payroll to be paid on or after October 1, 2011, the employee contributions for TPAF and PERS increased from 5.5% of employee's annual compensation, as defined, to 6.5%. Subsequent increases will be phased in over 7 years (each July 1) to bring the total pension contribution rate to 7.5% as of July 1, 2018. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for, cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The current TPAF and PERS rate is 7.20% of covered payroll. The District's contributions to PERS for the years ending June 30, 2017, 2016, and 2015, were \$535,170, \$532,821, and \$577,802, respectively, equal to the required contributions for each year.

During the fiscal year ended June 30, 2017, the State of New Jersey contributed \$3,103,671 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the District \$1,123,784 during the year ended June 30, 2017, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. These amounts have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB 27.

The District's total payroll for the years ended June 30, 2017, 2016, and 2015, were \$22,456,478, \$22,175,491, and \$21,670,902, respectively. Covered payroll was \$4,357,867, \$4,420,171, and \$4,623,830 for PERS and \$16,717,604, \$16,629,966, and \$16,240,817 for TPAF, for the same years.

For the year ended June 30, 2017, The District recognized pension expense of \$1,638,953. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 9: PENSION FUNDS (CONTINUED)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 261,482	
Changes of assumptions	3,315,000	
Net difference between projected and actual earning on pension plan investments	931,743	
Changes in proportion and differences between District contributions and proportionate share of contributions		\$ 816,139
Employer contributions subsequent to the measurement date	535,170	
	\$ 5,043,395	\$ 816,139

\$535,170 reported as deferred outflows of resources related to pensions resulting from School District project contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2018	\$ 824,083
2019	824,083
2020	1,019,591
2021	766,723
2022	257,606
	\$ 3,692,086

Additional Information – Collective balances at June 30, 2016 and 2015, are as follows:

	June 30, 2016	June 30, 2015
Collective deferred outflows of resources	\$ 8,685,338,380	\$ 3,578,755,666
Collective deferred inflows of resources	870,133,595	993,410,455
Collective net pension liability	29,617,131,759	22,447,996,119
District's proportion	0.0602407256%	0.0619752576%

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 9: PENSION FUNDS (CONTINUED)**

**Defined Contribution Retirement Program (Continued)** - contribute 5.5% of their annual covered salary. The State Treasurer has the right, under the current law, to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contributes amounts for each pay period to Prudential Financial, not later than the fifth business day after the date on which the employee is paid for that pay period. The School District's contributions for the years ending June 30, 2017, 2016, and 2015, were \$20,977, \$18,862, and \$12,886 for covered employees.

**NOTE 10: POST-RETIREMENT BENEFITS**

P.L. 1987, c.384, and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2016, there were 110,512 retirees receiving post-retirement medical benefits, and the State contributed \$1.37 billion on their behalf. The cost of these benefits is funded through contributions by the state in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The state is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in Fiscal Year 2016.

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/2016divisioncombined.pdf>

**NOTE 11: DEFERRED COMPENSATION**

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

AXA Equitable Tax Shelter  
Metropolitan Life Insurance

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 12: COMPENSATED ABSENCES**

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

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

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

**NOTE 13: LABOR CONTRACTS**

As of June 30, 2017, the District has a total of approximately 398 employees. Of this total, approximately 368 employees are represented by unions as follows:

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

All union agreements expire on June 30, 2019.

**NOTE 14: RISK MANAGEMENT**

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

**Property and Liability Insurance:**

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

**New Jersey Unemployment Compensation Insurance:**

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 14: RISK MANAGEMENT (CONTINUED)**

Year Ended June 30,	District Contribution	Employee Contribution	Amount Reimbursed	Ending Balance
2015	\$ 888	\$ 37,823	\$ 53,020	\$ 78,411
2016	808	35,302	22,178	92,665
2017	324	36,571	181	129,379

**NOTE 15: CAPITAL RESERVE ACCOUNT**

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

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

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

**NOTE 16: FUND BALANCE APPROPRIATED**

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

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

Specific classifications of fund balance are summarized below:

**Restricted**

General Fund – In accordance with NJSA 18A:7F-7, \$3,175,147 is restricted as excess surplus (\$1,345,630 of the total restricted amount has been appropriated and included as anticipated revenue for the year ending June 30, 2018). The District also had \$1,527 for school bus advertising 50% fuel offset – current year.

Capital Projects Fund – The Capital Projects Fund balance as of June 30, 2017, was \$5,627,783.

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 16: FUND BALANCE APPROPRIATED (CONTINUED)**

**Assigned**

General Fund – As of June 30, 2017, the District had \$201,010 of assigned fund balance. The balance consisted of \$50,261 of encumbrances outstanding for purchase orders and contracts signed by the District, but not completed, as of the close of the fiscal year and \$150,749 that the District has appropriated and included as anticipated revenue for the year ending June 30, 2018.

Debt Service Fund – The Debt Service Fund balance as of June 30, 2017, was \$303,859.

**Unassigned**

General Fund – As of June 30, 2017, a deficit of \$656,918 of fund balance was unassigned.

Special Revenue Fund – As of June 30, 2017, the fund balance was a deficit of \$49,595.

**NOTE 17: CALCULATION OF EXCESS SURPLUS**

The designation of Reserve Fund Balance - Excess surplus is a required calculation pursuant NJSA 18A:7F-7, as amended. New Jersey School Districts are required to reserve General Fund, fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2017, is \$3,175,147.

**NOTE 18: DEFICIT FUND BALANCES**

The District has a deficit fund balance of \$656,918 in the General Fund and \$49,595 in the Special Revenue Fund as of June 30, 2017, as reported in the fund statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, and liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the state is recording the June state aid payment(s) in the subsequent fiscal year, the School District cannot recognize the June state aid payment(s) on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General and Special Revenue Fund balance deficit does not alone indicate that the District is facing financial difficulties.

Pursuant to NJSA 18A:22-44.2, any negative unassigned general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP statements of \$656,918 is less than the last state aid payments.



**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 19: TAX ABATEMENTS**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because NJSA 54:4-75 and NJSA 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For a local school district Board of Education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at NJSA 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

The Borough of Glassboro's tax abatements for the year ended December 31, 2016, were as follows;

The Borough entered into long-term tax abatement agreements (in excess of 5 year term) under the provisions of the New Jersey statutes as described below to promote and stimulate redevelopment and rehabilitation.

NJSA 40A:12A-1 et seq. "The Local Redevelopment and Housing Law" (LRHL), which designates "areas in need of redevelopment" as defined in the statute.

NJSA 40A:20-1 et seq. "Long Term Tax Exemption Law," which provides for long term tax exemption for the LRHL designated areas.

The statutes were utilized by the Borough to attract redevelopers. Additionally, in many, but not all of the agreements, the Borough retained ownership of the land and charged a ground lease that mitigated the impact of the tax abatement.

For the fiscal year ended December 31, 2016, the Borough abated property taxes totaling \$4,936,441 offset by ground leases in the amount of \$1,767,700, for a net effective tax abatement of \$3,168,741. The following agreements were in effect as of December 31, 2016, under the provisions of the aforementioned statutes:

- A 22.94% net effective abatement to a developer for construction and operation of an 884 bed student housing facility. The net effective abatement amounted to \$197,212.
- A 3.95% net effective abatement to a developer for construction and operation of a Barnes and Noble college bookstore. The net effective abatement amounted to \$4,378.

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 19: TAX ABATEMENT PROGRAMS (CONTINUED)**

- A 52.34% net effective abatement to a developer for construction and operation of a three-bay, six and one-half level, approximately 1,194 space parking garage. The net effective abatement amounted to \$192,207.
- A 71.49% effective abatement (no ground lease) to a developer for construction and operation of a 129 Room Courtyard by Marriott Hotel and Conference Area. The abatement amounted to \$408,491.
- A 50.00% net effective abatement to a developer for construction and operation of a mixed use building consisting of a 280 bed student housing facility with administrative housing/office space for Rowan University's honors program, and retail space. The net effective abatement amounted to \$341,597.
- A 60.00% net effective abatement to a developer for construction and operation of a five-story building including classrooms, office space, and a 70.00% net effective abatement for the retail space. The net effective abatement amounted to \$249,567.
- A 77.50% net effective abatement to a developer for construction and operation mixed use building consisting of 119 student apartments, 59 market rate apartments, medical office space; and 91.00% net effective abatement for retail space. The net effective abatement amounted to \$1,500,534.
- A 91.21% effective abatement (no ground lease) to a developer for construction and operation of affordable senior housing and affordable housing for developmentally disabled and their families. The abatement amounted to \$174,505.
- A 14.18% abatement to a developer for construction and operation of an 80 unit affordable housing project. The abatement amounted to \$7,468.
- An 80.84% abatement to a developer for construction and operation of 41 units of residential housing for physically disabled persons. The abatement amounted to \$92,782.

The Borough entered into tax abatement agreements under the provisions of NJSA 40A:21-1 et seq. "The Five-Year Exemption and Abatement Law." For the fiscal year ended December 31, 2016, property taxes abated by the Borough under this law totaled \$1,899,396. The following is a summary of the agreements:

- An average abatement of 60.88% to multiple entities to construct dwellings, as defined in the statute. The total of all such abatements amounted to \$1,875,932.
- An average abatement of 21.91% to numerous entities to construct commercial or industrial structures, as defined in the statute. The total of all such abatements amounted to \$23,464.

**NOTE 20: ECONOMIC DEPENDENCY**

The District is heavily reliant on state aid and local tax levy to fund the District's operations. State sources accounted for approximately 48.5% of the District's 2016-2017 General Fund revenue, while local tax levy accounted for approximately 45.9%.

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2017**

**NOTE 21: CONTINGENT LIABILITIES**

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

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

**NOTE 22: SUBSEQUENT EVENTS**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2017 and November 28, 2017, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 18,708,636		\$ 18,708,636	\$ 18,708,636	
Other local government units - restricted	18,500		18,500	11,630	\$ (6,870)
Tuition from other LEA's within the state	174,784		174,784	225,389	50,605
Tuition other				110,349	110,349
Tuition from summer school	5,000		5,000	3,100	(1,900)
Transportation fees from other LEA's within the state	145,487		145,487	234,333	88,846
Transportation fees				13,496	13,496
Rents and royalties	10,000		10,000	10,638	638
Miscellaneous	60,000		60,000	82,502	22,502
Advertising fees - school buses	4,000		4,000	9,093	5,093
Total - local sources	<u>19,126,407</u>		<u>19,126,407</u>	<u>19,409,166</u>	<u>282,759</u>
State sources:					
School choice aid	122,281		122,281	122,281	
Extraordinary aid	100,000		100,000	235,568	135,568
Categorical special education aid	1,191,065		1,191,065	1,191,065	
Equalization aid	14,781,988		14,781,988	14,781,988	
Categorical security aid	272,057		272,057	272,057	
Categorical transportation aid	124,448		124,448	124,448	
PARRC readiness aid	21,040		21,040	21,040	
Per pupil growth aid	21,040		21,040	21,040	
Professional learning community aid	20,390		20,390	20,390	
Reimbursed nonpublic school transportation costs				25,926	25,926
TPAF - post-retirement medical (on-behalf non-budgeted)				1,409,617	1,409,617
Teachers' pension & annuity fund (on-behalf non-budgeted)				1,691,755	1,691,755
TPAF - long-term disability insurance (on-behalf non-budgeted)				2,299	2,299
Reimbursed TPAF social security contributions (non-budgeted)				1,123,784	1,123,784
Total - state sources	<u>16,654,309</u>		<u>16,654,309</u>	<u>21,043,258</u>	<u>4,388,949</u>
Federal sources:					
Medicaid reimbursement	72,829		72,829	91,435	18,606
ARRA - Medicaid reimbursement				6,574	6,574
Total - federal sources	<u>72,829</u>		<u>72,829</u>	<u>98,009</u>	<u>25,180</u>
Total revenues	<u>\$ 35,853,545</u>		<u>\$ 35,853,545</u>	<u>\$ 40,550,433</u>	<u>\$ 4,696,888</u>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
Current expense:					
Regular programs - instruction:					
Kindergarten - salaries of teachers	\$ 811,818	\$ (110,349)	\$ 701,469	\$ 552,781	\$ 148,688
Grades 1-5 - salaries of teachers	3,115,081	(197,369)	2,917,712	2,851,238	66,474
Grades 6-8 - salaries of teachers	1,896,966	34,212	1,931,178	1,866,873	64,305
Grades 9-12 - salaries of teachers	2,852,815	5,877	2,858,692	2,853,688	5,004
Regular programs - home instruction:					
Salaries of teachers	22,000	(3,776)	18,224	18,224	
Purchased professional - educational services	22,500	(16,583)	5,917	3,208	2,709
Regular programs - undistributed instruction:					
Other salaries for instruction	114,834	(20,724)	94,110	86,186	7,924
Purchased professional - educational services	378,000	44,908	422,908	422,908	
Other purchased services	270,979	(19,430)	251,549	246,521	5,028
General supplies	562,268	(2,469)	559,799	535,164	24,635
Textbooks	56,900	(3,148)	53,752	51,619	2,133
Other objects	4,325	(1,102)	3,223	1,223	2,000
Total regular programs - instruction	<u>10,108,486</u>	<u>(289,953)</u>	<u>9,818,533</u>	<u>9,489,633</u>	<u>328,900</u>
Special education instruction:					
Learning and/or language disabilities:					
Salaries of teachers	319,428	(89,977)	229,451	229,383	68
Other salaries for instruction	149,502	(38,808)	110,694	110,695	(1)
Purchased professional - educational services	8,000	(1,462)	6,538	6,050	488
Other purchased services	7,500	1,746	9,246	9,246	
General supplies	10,012		10,012	9,990	22
Other objects	1,028	(518)	510		510
Total learning and/or language disabilities	<u>495,470</u>	<u>(129,019)</u>	<u>366,451</u>	<u>365,364</u>	<u>1,087</u>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Behavioral disabilities:					
Salaries of teachers	66,549		66,549	66,028	521
Other salaries for instruction	18,260	(3,199)	15,061	15,061	
Purchased professional - educational services	3,000	(880)	2,120	488	1,632
Other purchased services	1,500	(1,200)	300		300
General supplies	1,000		1,000	999	1
Total behavioral disabilities	90,309	(5,279)	85,030	82,576	2,454
Multiple disabilities:					
Salaries of teachers	132,513	166,774	299,287	299,287	
Other salaries for instruction	36,052	2,330	38,382	38,382	
Purchased professional - educational services	3,200	10,031	13,231	13,231	
Other purchased services	1,700	2,820	4,520	4,224	296
General supplies	9,671	13,652	23,323	23,246	77
Other objects	500		500	289	211
Total multiple disabilities	183,636	195,607	379,243	378,659	584
Resource room/resource center:					
Salaries of teachers	2,339,106	(3,955)	2,335,151	2,333,870	1,281
Other salaries for instruction	73,220	17,510	90,730	90,730	
Purchased professional - educational services	43,000	27,000	70,000	70,000	
Other purchased services	6,000	688	6,688	6,435	253
General supplies	23,021	(500)	22,521	20,239	2,282
Total resource room/resource center	2,484,347	40,743	2,525,090	2,521,274	3,816
Preschool disabilities - part time:					
Salaries of teachers	134,184	101	134,285	134,285	
Other salaries for instruction	70,633	(2,334)	68,299	66,685	1,614
Purchased professional - educational services	2,000	1,780	3,780	3,536	244
Other purchased services	5,000	(1,366)	3,634	1,916	1,718
General supplies	6,100		6,100	6,004	96
Total preschool disabilities - part time	217,917	(1,819)	216,098	212,426	3,672
Home instruction:					
Salaries of teachers	20,000	19,143	39,143	39,143	
Purchased professional - educational services	23,000	1,637	24,637	18,941	5,696
Total home instruction	43,000	20,780	63,780	58,084	5,696
Total special education - instruction	3,514,679	121,013	3,635,692	3,618,383	17,309



GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Basic skills/remedial - instruction:					
Salaries of teachers	398,771	65,643	464,414	463,925	489
Purchased professional - educational services	2,000	2,000	4,000	3,598	402
Total basic skills/remedial - instruction	400,771	67,643	468,414	467,523	891
Bilingual education - instruction:					
Salaries of teachers	277,489	(12,940)	264,549	261,333	3,216
Purchased professional - educational services	3,500		3,500	1,402	2,098
General supplies	12,000	(3,169)	8,831	8,176	655
Other objects	400		400	35	365
Total bilingual education - instruction	293,389	(16,109)	277,280	270,946	6,334
School-sponsored co-curricular activities - inst.:					
Salaries	88,482	(3,544)	84,938	81,618	3,320
School-sponsored co-curricular athletics - inst.:					
Salaries	246,631	6,608	253,239	253,239	
Purchased services	93,918	(9,718)	84,200	84,200	
Supplies and materials	37,825	(140)	37,685	35,496	2,189
Other objects	7,400	(1,948)	5,452	5,452	
Total school-sponsored co-curricular athletics - inst.	385,774	(5,198)	380,576	378,387	2,189
Summer school - instruction:					
Salaries of teachers	15,810		15,810	11,637	4,173
Other purchased services	7,000	4,943	11,943	11,850	93
Supplies and materials	1,162	457	1,619	1,528	91
Total summer school - instruction	23,972	5,400	29,372	25,015	4,357
Summer school - support:					
Salaries	7,000		7,000	5,217	1,783
Total summer school	30,972	5,400	36,372	30,232	6,140
Total instruction and at-risk programs	14,822,553	(120,748)	14,701,805	14,336,722	365,083

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - instruction:					
Tuition to other LEA's within the state - regular	54,000	49,578	103,578	82,374	21,204
Tuition to other LEA's within the state - special	110,000	(53,064)	56,936	44,777	12,159
Tuition to county voc. school district - regular	126,000	(10,904)	115,096	114,109	987
Tuition to county voc. school district - special	6,615	(6,615)			
Tuition to CSSD & regional day schools	1,405,410	(922,118)	483,292	483,291	1
Tuition to private schools for the disabled - within state	762,084	1,053,109	1,815,193	1,801,201	13,992
Tuition - state facilities	4,500		4,500	4,500	
Tuition - other		3,819	3,819	3,819	
Total undistributed expenditures - instruction	<u>2,468,609</u>	<u>113,805</u>	<u>2,582,414</u>	<u>2,534,071</u>	<u>48,343</u>
Undistributed expenditures - attendance and social work:					
Salaries	86,165		86,165	80,177	5,988
Purchased professional and technical services	10,000	(1,234)	8,766	8,766	
Other purchased services	1,000	1,057	2,057	1,608	449
Supplies and materials	2,228	(634)	1,594	1,057	537
Total undistributed expenditures - attendance and social work	<u>99,393</u>	<u>(811)</u>	<u>98,582</u>	<u>91,608</u>	<u>6,974</u>
Undistributed expenditures - health services:					
Salaries	361,610	20,151	381,761	381,761	
Purchased professional and technical services	17,500	230	17,730	17,730	
Other purchased services		1,428	1,428	1,030	398
Supplies and materials	11,363	(230)	11,133	10,053	1,080
Other objects	500	(300)	200	25	175
Total undistributed expenditures - health services	<u>390,973</u>	<u>21,279</u>	<u>412,252</u>	<u>410,599</u>	<u>1,653</u>
Undistributed expenditures - speech, OT, PT & related services:					
Salaries	312,438	32,445	344,883	344,883	
Purchased professional - educational services	60,000	3,500	63,500	60,448	3,052
Supplies and materials	6,300		6,300	6,264	36
Total undistributed expenditures - speech, OT, PT & related services	<u>378,738</u>	<u>35,945</u>	<u>414,683</u>	<u>411,595</u>	<u>3,088</u>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - other supp. serv. students - extra. serv.:					
Salaries	105,059	113,692	218,751	218,340	411
Purchased professional - educational services	99,500	10,800	110,300	59,451	50,849
Total undistributed expenditures - other supp. serv. students - extra. serv.	204,559	124,492	329,051	277,791	51,260
Undistributed expenditures - guidance:					
Salaries of other professional staff	589,626		589,626	587,842	1,784
Salaries of secretarial and clerical assistants	146,652		146,652	130,477	16,175
Purchased professional - educational services	2,515	590	3,105	3,105	
Purchased professional and technical services	25,236	(1,234)	24,002	8,766	15,236
Other purchased services	2,500	(1,256)	1,244	1,057	187
Supplies and materials	6,959	855	7,814	4,371	3,443
Other objects	1,305	(1,155)	150	100	50
Total undistributed expenditures - guidance	774,793	(2,200)	772,593	735,718	36,875
Undistributed expenditures - child study team:					
Salaries of other professional staff	698,870	28,238	727,108	694,327	32,781
Salaries of secretarial and clerical assistants	94,969	49,763	144,732	144,510	222
Purchased professional - educational services	20,000	(173)	19,827	13,860	5,967
Purchased professional and technical services	17,000		17,000	14,113	2,887
Other purchased services		1,730	1,730	1,715	15
Miscellaneous purchased services	3,500	(2,106)	1,394	1,081	313
Supplies and materials	10,131	173	10,304	10,304	
Other objects	820		820	820	
Total undistributed expenditures - child study team	845,290	77,625	922,915	880,730	42,185
Undistributed expenditures - improvement of inst. services:					
Salaries of supervisors of instruction	233,565	59,360	292,925	292,925	
Salaries of other professional staff	21,160	2,946	24,106	24,106	
Salaries of secretaries and clerical assistants	40,073	237	40,310	40,310	
Salaries of facilitators, math and literacy coaches	80,789	3,184	83,973	83,973	
Purchased professional - technical services	30,000	(2,329)	27,671	16,791	10,880
Other purchased services	2,800	(687)	2,113	1,922	191
Supplies and materials	10,642	387	11,029	9,013	2,016
Other objects	2,000	267	2,267	2,267	
Total undistributed expenditures - improvement of inst. services	421,029	63,365	484,394	471,307	13,087

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - edu. media serv./sch. library:					
Salaries	67,724	446	68,170	66,299	1,871
Salaries of technical coordinators		31,125	31,125	30,982	143
Purchased professional and technical services	7,800	(1,589)	6,211	5,656	555
Supplies and materials	4,130	(1,467)	2,663	2,121	542
Total Undistributed expenditures - eddo. media serv./sch. library	79,654	28,515	108,169	105,058	3,111
Undistributed expenditures - instructional staff training					
Salaries of professional staff		1,300	1,300	1,296	4
Purchased professional - educational services	7,950	(50)	7,900	5,620	2,280
Other purchased services	2,500	350	2,850	450	2,400
Supplies and materials	1,000	(300)	700	637	63
Total undistributed expenditures - instructional staff training	11,450	1,300	12,750	8,003	4,747
Undistributed expenditures - supp. serv. - general administration:					
Salaries	236,487	769	237,256	230,983	6,273
Legal services	107,000	23,178	130,178	130,178	
Audit fees	35,000	(3,500)	31,500	31,500	
Other purchased professional services	42,500	(22,923)	19,577	10,173	9,404
Communications/telephone	74,720	(473)	74,247	62,836	11,411
BOE other purchased services	1,500		1,500	1,450	50
Other purchased services	169,550	4,584	174,134	166,958	7,176
General supplies	4,642	3,932	8,574	8,486	88
Miscellaneous expenditures	18,500	(67)	18,433	14,210	4,223
BOE membership dues and fees	16,000		16,000	14,779	1,221
Total undistributed expenditures - supp. serv. - general administration	705,899	5,500	711,399	671,553	39,846
Undistributed expenditures - supp. serv. - school administration:					
Salaries of principals/assistant principals/program directors	1,021,917	(67,249)	954,668	933,410	21,258
Salaries of secretarial and clerical assistants	378,289	(4,938)	373,351	369,945	3,406
Unused vacation payment to terminated/retired staff		10,020	10,020	10,020	
Purchased professional and technical services	10,000	(1,234)	8,766	8,766	
Other purchased services	12,000	2,255	14,255	14,211	44
Supplies and materials	16,664	(1,364)	15,300	11,449	3,851
Other objects	20,770	1,415	22,185	20,028	2,157
Total undist. expend. - supp. serv. - school administration	1,459,640	(61,095)	1,398,545	1,367,829	30,716

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - central services					
Salaries	488,075	(6,700)	481,375	473,816	7,559
Purchased professional services	46,800	750	47,550	22,188	25,362
Purchased technical services	29,000		29,000	28,086	914
Miscellaneous purchased services	26,500	2,146	28,646	12,341	16,305
Supplies and materials	10,712	(371)	10,341	5,712	4,629
Miscellaneous expenditures	6,400		6,400	1,766	4,634
Total undistributed expenditures - central services	607,487	(4,175)	603,312	543,909	59,403
Undistributed expenditures - admin. info. tech.					
Salaries	250,514	(2,500)	248,014	247,163	851
Purchased technical services	5,000	24,500	29,500	4,240	25,260
Other purchased services	130,578	7,791	138,369	132,548	5,821
Supplies and materials	28,885	34,350	63,235	58,734	4,501
Other objects	850		850	820	30
Total undistributed expenditures - admin. info. tech.	415,827	64,141	479,968	443,505	36,463
Undistributed expenditures - required maintenance for school facilities:					
Salaries	131,517	(21,065)	110,452	110,452	
Cleaning, repair, and maintenance services	87,606	19,680	107,286	104,730	2,556
General supplies	36,126	(4,128)	31,998	31,489	509
Total undistributed expenditures - required maintenance for school facilities	255,249	(5,513)	249,736	246,671	3,065
Undistributed expenditures - custodial services:					
Salaries	1,225,424	(26,947)	1,198,477	1,194,299	4,178
Salaries of non-instructional aides	110,499	28	110,527	105,915	4,612
Unused vacation payment to terminated/retired staff		8,537	8,537	2,904	5,633
Purchased professional and technical services	1,500	1,850	3,350	3,320	30
Cleaning, repair and maintenance services	24,823	(11,713)	13,110	11,934	1,176
Other purchased property services	63,900		63,900	59,499	4,401
Insurance	144,800	(1,939)	142,861	136,255	6,606
Miscellaneous purchased services	12,500	(1,695)	10,805	7,506	3,299
General supplies	60,496	(2,959)	57,537	57,379	158
Energy (natural gas)	292,000	7,000	299,000	158,719	140,281
Energy (electricity)	531,000	85,647	616,647	615,929	718
Energy (oil)	500	(500)			
Energy (gasoline)	14,725	(1,725)	13,000	5,935	7,065
Other objects	1,000	2,330	3,330	3,319	11
Total undistributed expenditures - custodial services	2,483,167	57,914	2,541,081	2,362,913	178,168

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - care and upkeep of grounds:					
Salaries	155,803		155,803	148,273	7,530
Cleaning, repair, and maintenance services	17,500	31,914	49,414	48,967	447
General supplies	9,000	2,478	11,478	11,477	1
Total undistributed expenditures - care and upkeep of grounds	182,303	34,392	216,695	208,717	7,978
Undistributed expenditures - security:					
Purchased professional and technical services	90,500	(500)	90,000	90,000	
General supplies	4,000		4,000	953	3,047
Total undistributed expenditures - security	94,500	(500)	94,000	90,953	3,047
Total undistributed expenditures - oper. & maint. of plant services	3,015,219	86,293	3,101,512	2,909,254	192,258
Undistributed expenditures - student transportation services:					
Salaries of non-instructional aides	209,252	16,081	225,333	225,333	
Salaries for pupils trans. (bet. home & school) - regular	745,698	(27,591)	718,107	699,268	18,839
Salaries for pupils trans. (bet. home & school) - special	296,315	(10,594)	285,721	271,958	13,763
Salaries for pupils trans. (other than bet. home & school)	70,500	4,986	75,486	73,917	1,569
Salaries for pupils trans. (bet. home & school) - nonpublic school	78,148		78,148	72,700	5,448
Management fee - ESC & CSA trans. program	625		625	294	331
Other purchased professional/technical services	21,800	3,790	25,590	23,407	2,183
Cleaning, repair, and maintenance services	20,000	(4,000)	16,000	12,819	3,181
Contract services - aid in lieu of payments -nonpublic schools	83,980		83,980	79,118	4,862
Contract services - aid in lieu of payments - charter schools	5,304		5,304	5,304	
Contract services - aid in lieu of payments - choice schools	11,492	3	11,495	10,169	1,326
Contract services (bet. home & school) joint agreements		47	47	47	
Contract services (special ed. students) joint agreements	58,355	7,569	65,924	65,924	
Contract services (regular students) ESC's & CTSA's	78,000	42,150	120,150	120,150	
Contract services (special ed. students) ESC's & CTSA's	369,191	10,728	379,919	379,919	
Miscellaneous purchased services - transportation	158,035	54,378	212,413	177,864	34,549
General supplies	2,142		2,142	1,305	837
Transportation supplies	277,000	(4,050)	272,950	172,814	100,136
Fuel costs funded by advertising revenue	3,120	(100)	3,020	3,020	
Other objects	10,400	822	11,222	11,222	
Total undistributed expenditures - student transportation services:	2,499,357	94,219	2,593,576	2,406,552	187,024

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Allocated benefits - employee benefits:					
Student transportation:					
Unused sick payment to terminated/retired staff		255	255	255	
Total allocated benefits - employee benefits		255	255	255	
Unallocated benefits - employee benefits:					
Group insurance	42,000		42,000	37,104	4,896
Social security contributions	494,762	(7,000)	487,762	478,815	8,947
Other retirement contributions - PERS	672,711	(123,859)	548,852	538,247	10,605
Other retirement contributions - regular	25,000	4,523	29,523	29,523	
Unemployment compensation	1,000		1,000		1,000
Workmen's compensation	295,000	51,524	346,524	346,524	
Health benefits	6,040,462	(592,472)	5,447,990	5,040,041	407,949
Tuition reimbursement	41,817		41,817	29,634	12,183
Unused sick payment to terminated/retired staff	115,270	68,846	184,116	175,811	8,305
Total unallocated benefits - employee benefits	7,728,022	(598,438)	7,129,584	6,675,699	453,885
On-behalf contributions:					
On-behalf TPAF pensions contributions (non-budgeted)				1,691,755	(1,691,755)
On-behalf TPAF OPEB (post-retirement medical) contributions (non-budgeted)				1,409,617	(1,409,617)
On-behalf TPAF long-term disability insurance (non-budgeted)				2,299	(2,299)
Reimbursed TPAF social security contributions (non-budgeted)				1,123,784	(1,123,784)
Total on-behalf contributions				4,227,455	(4,227,455)
Total personal services - employee benefits	7,728,022	(598,183)	7,129,839	10,903,409	(3,773,570)
Total undistributed expenditures	22,105,939	50,015	22,155,954	25,172,491	(3,016,537)
Total general current expense	36,928,492	(70,733)	36,857,759	39,509,213	(2,651,454)
Capital outlay:					
Equipment:					
Kindergarten	9,123		9,123	9,123	
Grades 1 to 5	22,047		22,047	22,047	
Grades 6 to 8	22,047		22,047	22,047	
Grades 9 to 12	34,565	28,677	63,242	59,548	3,694
Bilingual education - instruction		3,169	3,169	3,169	
School sponsored co-curricular		10,244	10,244	10,244	

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed - central services	11,500		11,500	11,404	96
Undistributed - admin. info. tech.	23,000		23,000	22,991	9
School buses - regular	47,500	(5,549)	41,951	41,951	
School buses - special	37,600	5,860	43,460	43,460	
<b>Total equipment</b>	<b>207,382</b>	<b>42,401</b>	<b>249,783</b>	<b>245,984</b>	<b>3,799</b>
Facilities acquisition and construction services:					
Assessment for debt service	121,920		121,920	121,920	
<b>Total facilities acquisition and construction services</b>	<b>121,920</b>		<b>121,920</b>	<b>121,920</b>	
Assets acquired under capital leases (non-budgeted):					
Undistributed expenditures:					
Administration information technology				204,519	(204,519)
School buses				47,420	(47,420)
<b>Total assets acquired under capital leases (non-budgeted)</b>				<b>251,939</b>	<b>(251,939)</b>
<b>Total capital outlay</b>	<b>329,302</b>	<b>42,401</b>	<b>371,703</b>	<b>619,843</b>	<b>(248,140)</b>
Transfer to charter schools	78,540	28,332	106,872	106,872	
<b>Total expenditures</b>	<b>37,336,334</b>		<b>37,336,334</b>	<b>40,235,928</b>	<b>(2,899,594)</b>
Excess (deficiency) of revenues over (under) expenditures	(1,482,789)		(1,482,789)	314,505	1,797,294
Other financing sources:					
Operating transfer in:					
Prior year payables canceled				45	45
Operating transfer out:					
Transfer to special revenue fund - preschool program	(286,926)		(286,926)	(257,168)	29,758
Capital leases (non-budgeted)				251,939	251,939
<b>Total other financing sources</b>	<b>(286,926)</b>		<b>(286,926)</b>	<b>(5,184)</b>	<b>281,742</b>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	(1,769,715)		(1,769,715)	309,321	2,079,036
Fund balance - July 1	3,957,697		3,957,697	3,957,697	
Fund balance - June 30	<u>\$ 2,187,982</u>		<u>\$ 2,187,982</u>	<u>\$ 4,267,018</u>	<u>\$ 2,079,036</u>



GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Recapitulation:					
Restricted fund balance:					
Excess surplus designated for subsequent year's expenditures				\$ 1,345,630	
Excess surplus - current year				1,829,517	
School bus advertising 50% fuel offset reserve - current year				1,527	
Assigned fund balance:					
Designated for subsequent year's expenditures				144,175	
ARRA-SEMI designated for subsequent year's expenditures				6,574	
Year-end encumbrances				50,261	
Unassigned fund balance				889,334	
				<u>4,267,018</u>	
Reconciliation to Governmental Fund statements (GAAP):					
Last state aid payments not recognized on GAAP basis				(1,546,252)	
Fund balance per Governmental Funds (GAAP)				<u>\$ 2,720,766</u>	

GLASSBORO SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 Special Revenue Fund  
 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Federal sources	\$ 1,745,152	\$ 321,901	\$ 2,067,053	\$ 1,714,121	\$ (352,932)
State sources	591,962	(30,607)	561,355	542,407	(18,948)
Other sources	20,112	34,920	55,032	29,112	(25,920)
<b>Total Revenues</b>	<b>2,357,226</b>	<b>326,214</b>	<b>2,683,440</b>	<b>2,285,640</b>	<b>(397,800)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	937,794	50,846	988,640	974,619	14,021
Other salaries for instruction	99,319	967	100,286	100,286	
Purchased professional - educational services	55,208	19,838	75,046	62,165	12,881
Other purchased services	580,763	101,078	681,841	681,831	10
General supplies	164,401	(15,842)	148,559	25,423	123,136
Textbooks	4,957		4,957	4,894	63
Other objects		3,629	3,629	1,829	1,800
<b>Total instruction</b>	<b>1,842,442</b>	<b>160,516</b>	<b>2,002,958</b>	<b>1,851,047</b>	<b>151,911</b>
Support services:					
Salaries of program directors	110,658	116,144	226,802	144,766	82,036
Salaries of other professional staff	29,246	2,804	32,050	30,810	1,240
Salaries of secretaries and clerical assistants	64,012	(46,910)	17,102	17,102	
Personal services - employee benefits	319,725	10,005	329,730	325,915	3,815
Purchased professional - educational services	24,558	18,733	43,291	21,208	22,083
Purchased professional and technical services	131,429	8,204	139,633	90,691	48,942
Other purchased services	9,022	46,917	55,939	23,537	32,402
Supplies and materials	32,115	13,990	46,105	37,732	8,373
Indirect costs	13,687	(4,189)	9,498		9,498
<b>Total support services</b>	<b>734,452</b>	<b>165,698</b>	<b>900,150</b>	<b>691,761</b>	<b>208,389</b>
Facilities acquisition and construction services:					
Instructional equipment	37,500		37,500		37,500
<b>Total facilities acquisition and construction services:</b>	<b>37,500</b>		<b>37,500</b>		<b>37,500</b>
<b>Total expenditures</b>	<b>2,614,394</b>	<b>326,214</b>	<b>2,940,608</b>	<b>2,542,808</b>	<b>397,800</b>
Other financing sources:					
Transfer in from general fund	257,168		257,168	257,168	
<b>Total outflows</b>	<b>\$ 2,357,226</b>	<b>\$ 326,214</b>	<b>\$ 2,683,440</b>	<b>\$ 2,285,640</b>	<b>\$ 397,800</b>

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II**

GLASSBORO SCHOOL DISTRICT  
 Required Supplementary Information  
 Budget-to-GAAP Reconciliation  
 Note to RSI  
 For the Fiscal Year Ended June 30, 2017

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

	General Fund	Special Revenue Fund
Sources/inflows of resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule.	\$ 40,550,433	\$ 2,285,640
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(754)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,518,104	43,491
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the following year.	(1,546,252)	(49,595)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - Governmental Funds.	\$ 40,522,285	\$ 2,278,782
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	\$ 40,235,928	\$ 2,542,808
Difference - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		(754)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - Governmental Funds.	\$ 40,235,928	\$ 2,542,054

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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

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

	Fiscal Year Ended		
	June 30, 2015	June 30, 2016	June 30, 2017
District's proportion of the net pension liability (asset)	0.0700880510%	0.0619752576%	0.0619752576%
District's proportionate share of the net pension liability (asset)	\$ 13,122,541	\$ 13,912,203	\$ 17,841,575
District's covered - employee payroll	4,254,028	4,200,232	3,991,597
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	308.47%	331.22%	446.98%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.13%
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016

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

	Fiscal Year Ended		
	June 30, 2015	June 30, 2016	June 30, 2017
Contractually required contribution	\$ 577,802	\$ 532,821	\$ 535,170
Contributions in relation to the contractually required contribution	577,802	532,821	535,170
Contribution deficiency (excess)	None	None	None
District's covered - employee payroll	\$ 4,254,028	\$ 4,200,232	\$ 3,991,597
Contributions as a percentage of covered-employee payroll	13.58%	12.69%	13.41%
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016



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

	Fiscal Year Ended		
	June 30, 2015	June 30, 2016	June 30, 2017
District's proportion of the net pension liability (asset)	0.1453687585%	0.148889207%	0.1541352623%
District's proportionate share of the net pension liability (asset)	\$ 77,694,870	\$ 94,104,156	\$ 121,252,611
District's covered - employee payroll	15,438,884	15,441,481	15,761,097
District's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	503.24%	609.42%	769.32%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016

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

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

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

**GLASSBORO SCHOOL DISTRICT**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART III**  
**JUNE 30, 2017**

**NOTE 1: CONTRIBUTIONS**

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

**NOTE 2: ACTUARIAL ASSUMPTIONS**

The total pension liability for the June 30, 2016, measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. The total pension liability for the June 30, 2015, measurement date was determined by an actuarial valuation as of July 1, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	3.08%
Salary increases:	
Through 2026	1.65 – 4.15% based on age
Thereafter	2.65 – 5.15% based on age
Investment rate of return	7.65%

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

## **OTHER SUPPLEMENTARY INFORMATION**

## **SPECIAL REVENUE FUND**

GLASSBORO SCHOOL DISTRICT  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2017

	Total Brought Forward (Exhibit E-1a)	Title I	Title II Part A	Title III	IDEA Basic	IDEA Preschool	Total
<b>REVENUES:</b>							
Federal sources	\$ 59,177	\$ 803,449	\$ 189,339	\$ 16,520	\$ 620,751	\$ 24,885	\$ 1,714,121
State sources	542,407						542,407
Other sources	29,112						29,112
<b>Total revenues</b>	<b>\$ 630,696</b>	<b>\$ 803,449</b>	<b>\$ 189,339</b>	<b>\$ 16,520</b>	<b>\$ 620,751</b>	<b>\$ 24,885</b>	<b>\$ 2,285,640</b>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of teachers	\$ 441,834	\$ 522,733		\$ 10,052			\$ 974,619
Other salaries for instruction	100,286						100,286
Purchased professional - educational services	35,429	26,736					62,165
Other purchased services	6,735	31,440			\$ 618,771	\$ 24,885	681,831
General supplies	23,414			2,009			25,423
Textbooks	4,894						4,894
Other objects	1,829						1,829
<b>Total instruction</b>	<b>614,421</b>	<b>580,909</b>		<b>12,061</b>	<b>618,771</b>	<b>24,885</b>	<b>1,851,047</b>
Support services:							
Salaries of program directors	59,041	5,069	\$ 79,102	1,554			144,766
Salaries of other professional staff	30,810						30,810
Salaries of secretarial and clerical asst.	17,102						17,102
Personal services - employees benefits	99,489	217,471	6,050	2,905			325,915
Purchased professional - educational services	21,208						21,208
Purchased professional - technical services			88,711		1,980		90,691
Other purchased services	8,061		15,476				23,537
Supplies and materials	37,732						37,732
<b>Total support services</b>	<b>273,443</b>	<b>222,540</b>	<b>189,339</b>	<b>4,459</b>	<b>1,980</b>		<b>691,761</b>
<b>Total expenditures</b>	<b>887,864</b>	<b>803,449</b>	<b>189,339</b>	<b>16,520</b>	<b>620,751</b>	<b>24,885</b>	<b>2,542,808</b>
Other financing sources							
Transfer in from general fund	257,168						257,168
<b>Total outflows</b>	<b>\$ 630,696</b>	<b>\$ 803,449</b>	<b>\$ 189,339</b>	<b>\$ 16,520</b>	<b>\$ 620,751</b>	<b>\$ 24,885</b>	<b>\$ 2,285,640</b>

GLASSBORO SCHOOL DISTRICT  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2017

	Total Brought Forward (Exhibit E-1b)	School Improvement	Preschool Education Aid (Exhibit E-2)	Nonpublic Textbook	Nonpublic Nursing	Nonpublic Technology	Nonpublic Security Aid	Total Carried Forward
<b>REVENUES:</b>								
Federal sources	\$ 15,841	\$ 43,336						\$ 59,177
State sources	29,113		\$ 495,950	\$ 4,894	\$ 7,740	\$ 2,235	\$ 2,475	542,407
Other sources	29,112							29,112
<b>Total revenues</b>	<b>\$ 74,066</b>	<b>\$ 43,336</b>	<b>\$ 495,950</b>	<b>\$ 4,894</b>	<b>\$ 7,740</b>	<b>\$ 2,235</b>	<b>\$ 2,475</b>	<b>\$ 630,696</b>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of teachers	\$ 12,784		\$ 429,050					\$ 441,834
Other salaries for instruction			100,286					100,286
Purchased professional - educational services	21,348		6,341		\$ 7,740			35,429
Other purchased services	600		6,135					6,735
General supplies	12,267		8,912			\$ 2,235		23,414
Textbooks				\$ 4,894				4,894
Other objects	1,829							1,829
<b>Total instruction</b>	<b>48,828</b>		<b>550,724</b>	<b>4,894</b>	<b>7,740</b>	<b>2,235</b>		<b>614,421</b>
Support services:								
Salaries of program directors	1,000	\$ 5,410	52,631					59,041
Salaries of other professional staff	399		30,411					30,810
Salaries of secretarial and clerical asst.			17,102					17,102
Personal services - employees benefits			99,489					99,489
Purchased professional - educational services	12,322	8,886						21,208
Other purchased services	5,300		2,761					8,061
Supplies and materials	6,217	29,040					\$ 2,475	37,732
<b>Total support services</b>	<b>25,238</b>	<b>43,336</b>	<b>202,394</b>				<b>2,475</b>	<b>273,443</b>
<b>Total expenditures</b>	<b>74,066</b>	<b>43,336</b>	<b>753,118</b>	<b>4,894</b>	<b>7,740</b>	<b>2,235</b>	<b>2,475</b>	<b>887,864</b>
Other financing sources								
Transfer in from general fund			257,168					257,168
<b>Total outflows</b>	<b>\$ 74,066</b>	<b>\$ 43,336</b>	<b>\$ 495,950</b>	<b>\$ 4,894</b>	<b>\$ 7,740</b>	<b>\$ 2,235</b>	<b>\$ 2,475</b>	<b>\$ 630,696</b>

GLASSBORO SCHOOL DISTRICT  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2017

	Total Brought Forward (Exhibit E-1c)	Perkins Basic Entitlement	Non-public Handicapped Services			Non-public Auxiliary Services		Total Carried Forward
			Corr. Speech	Exam & Class	Supp. Inst.	Comp. Ed.	Transp.	
<b>REVENUES:</b>								
Federal sources		\$ 15,841						\$ 15,841
State sources			\$ 10,602	\$ 6,844	\$ 3,766	\$ 6,181	\$ 1,720	29,113
Other sources	\$ 29,112							29,112
<b>Total revenues</b>	<b>\$ 29,112</b>	<b>\$ 15,841</b>	<b>\$ 10,602</b>	<b>\$ 6,844</b>	<b>\$ 3,766</b>	<b>\$ 6,181</b>	<b>\$ 1,720</b>	<b>\$ 74,066</b>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of teachers	\$ 12,784							\$ 12,784
Purchased professional - educational services		\$ 4,557		\$ 6,844	\$ 3,766	\$ 6,181		21,348
Other purchased services	600							600
General supplies	8,256	4,011						12,267
Other objects	1,829							1,829
<b>Total instruction</b>	<b>23,469</b>	<b>8,568</b>		<b>6,844</b>	<b>3,766</b>	<b>6,181</b>		<b>48,828</b>
Support services:								
Salaries of program directors		1,000						1,000
Salaries of other professional staff	399							399
Purchased professional - educational services			\$ 10,602				\$ 1,720	12,322
Other purchased services	1,050	4,250						5,300
Supplies and materials	4,194	2,023						6,217
<b>Total support services</b>	<b>5,643</b>	<b>7,273</b>	<b>10,602</b>				<b>1,720</b>	<b>25,238</b>
<b>Total expenditures</b>	<b>29,112</b>	<b>15,841</b>	<b>10,602</b>	<b>6,844</b>	<b>3,766</b>	<b>6,181</b>	<b>1,720</b>	<b>74,066</b>
<b>Total outflows</b>	<b>\$ 29,112</b>	<b>\$ 15,841</b>	<b>\$ 10,602</b>	<b>\$ 6,844</b>	<b>\$ 3,766</b>	<b>\$ 6,181</b>	<b>\$ 1,720</b>	<b>\$ 74,066</b>

GLASSBORO SCHOOL DISTRICT  
 Special Revenue Fund  
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2017

	Goldman Sachs Philanthropy Grant	NFL Foundation	Safety Grant	Arts Grant	Youth Services/ STEAM Grant	Sustainable New Jersey	Total Carried Forward
REVENUES:							
Other sources	\$ 5,350	\$ 2,925	\$ 4,199	\$ 581	\$ 15,012	\$ 1,045	\$ 29,112
Total revenues	<u>\$ 5,350</u>	<u>\$ 2,925</u>	<u>\$ 4,199</u>	<u>\$ 581</u>	<u>\$ 15,012</u>	<u>\$ 1,045</u>	<u>\$ 29,112</u>
EXPENDITURES:							
Instruction:							
Salaries of teachers					\$ 12,784		\$ 12,784
Other purchased services	\$ 600						600
General supplies	4,750	\$ 2,925		\$ 581			8,256
Other objects					1,829		1,829
Total instruction	<u>5,350</u>	<u>2,925</u>		<u>581</u>	<u>14,613</u>		<u>23,469</u>
Support services:							
Salaries of other professional staff					399		399
Other purchased services			\$ 1,050				1,050
Supplies and materials			3,149			\$ 1,045	4,194
Total support services			<u>4,199</u>		<u>399</u>	<u>1,045</u>	<u>5,643</u>
Total expenditures	<u>5,350</u>	<u>2,925</u>	<u>4,199</u>	<u>581</u>	<u>15,012</u>	<u>1,045</u>	<u>29,112</u>
Total outflows	<u>\$ 5,350</u>	<u>\$ 2,925</u>	<u>\$ 4,199</u>	<u>\$ 581</u>	<u>\$ 15,012</u>	<u>\$ 1,045</u>	<u>\$ 29,112</u>



GLASSBORO SCHOOL DISTRICT  
Special Revenue Fund  
Preschool Education Aid Schedules(s) of Expenditures -  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2017

DISTRICT-WIDE TOTAL

	Total		Variance
	Budgeted	Actual	
<b>EXPENDITURES:</b>			
Instruction:			
Salaries of teachers	\$ 429,050	\$ 429,050	
Other salaries for instruction	100,286	100,286	
Purchased educational services	6,341	6,341	
Other purchased services	6,135	6,135	
General supplies	8,912	8,912	
Total instruction	<u>550,724</u>	<u>550,724</u>	
Support services:			
Salaries of program directors	52,631	52,631	
Salaries of other professional staff	30,411	30,411	
Salaries of secretarial and clerical asst.	17,102	17,102	
Personal services - employees benefits	99,489	99,489	
Other purchased services	2,761	2,761	
Total support services	<u>202,394</u>	<u>202,394</u>	
Total expenditures	<u><u>\$ 753,118</u></u>	<u><u>\$ 753,118</u></u>	

CALCULATION OF BUDGET & CARRYOVER

Total revised 2016-17 Preschool Education Aid Allocation	\$ 495,950
Add: Budgeted Transfer from General Fund 2016-17	257,168
Total Preschool Education Aid Funds available for 2016-17 Budget	<u>753,118</u>
Less: 2016-17 Budgeted Preschool Education Aid (including prior year budgeted carryover)	<u>(753,118)</u>

## **CAPITAL PROJECTS FUND**

GLASSBORO SCHOOL DISTRICT  
 Capital Projects Fund  
 Summary Schedule of Project Expenditures  
 For the Fiscal Year Ended June 30, 2017

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2017
			Prior Years	Current Year	
Various improvements to facilities	3/10/2015	\$ 23,647,000	\$ 3,808,426	\$ 14,210,791	\$ 5,627,783

GLASSBORO SCHOOL DISTRICT  
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budgetary Basis  
 For the Year Ended June 30, 2017

**Revenues and other financing sources:**

Interest earned on investments	<u>\$ 37,425</u>
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**Expenditures and other financing uses:**

Purchased professional and technical services	827,558
Construction services	<u>13,383,233</u>
Total expenditures	<u>14,210,791</u>

## Other financing sources (uses):

Transfer to debt service fund	<u>(37,425)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,210,791)</u>

Fund balance - beginning	<u>19,838,574</u>
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Fund balance - ending	<u><u>\$ 5,627,783</u></u>
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GLASSBORO SCHOOL DISTRICT  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis  
 Roof Replacement to Elementary School  
 From Inception and for the Year Ended June 30, 2017

	Current Period	Totals	Revised Authorized Costs
Revenues and other financing sources:			
Bond proceeds and transfers		\$ 23,647,000	\$ 23,647,000
Total revenues		23,647,000	23,647,000
Expenditures and other financing uses:			
Legal fees		41,981	42,214
Purchased professional and technical services	\$ 827,558	2,029,169	4,540,192
Construction services	13,383,233	15,899,076	19,015,602
Supplies and materials		48,991	48,992
Total expenditures	14,210,791	18,019,217	23,647,000
Excess (deficiency) of revenues over (under) expenses	\$ (14,210,791)	\$ 5,627,783	
Additional project information:			
Bond authorization/referendum date	3/10/2015		
Bonds authorized	\$ 23,647,000		
Bonds issued	23,647,000		
Original project authorized cost	23,647,000		
Percentage completion	76%		
Original target completion date	9/30/2017		

## **PROPRIETARY FUNDS**

GLASSBORO SCHOOL DISTRICT  
Enterprise Funds  
Combining Schedule of Net Position  
For the Fiscal Year Ended June 30, 2017

	Food Service Fund	Professional Development Fund	Technology Fund	Total Enterprise Fund
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 178,371	\$ 1,537	\$ 4,594	\$ 184,502
Receivables, net	58,377			58,377
Inventory	17,220			17,220
Total current assets	<u>253,968</u>	<u>1,537</u>	<u>4,594</u>	<u>260,099</u>
Noncurrent assets:				
Furniture, machinery, and equipment	467,507			467,507
Less: accumulated depreciation	415,619			415,619
Total noncurrent assets	<u>51,888</u>			<u>51,888</u>
Total assets	<u>305,856</u>	<u>\$ 1,537</u>	<u>\$ 4,594</u>	<u>311,987</u>
<b>LIABILITIES</b>				
Accounts payable	11,361			11,361
Interfund accounts payable - general fund	42,848			42,848
Deferred revenue	10,909			10,909
Total liabilities	<u>65,118</u>			<u>65,118</u>
<b>NET POSITION</b>				
Unrestricted	<u>240,738</u>	<u>\$ 1,537</u>	<u>\$ 4,594</u>	<u>246,869</u>
Total net position	<u>\$ 240,738</u>	<u>\$ 1,537</u>	<u>\$ 4,594</u>	<u>\$ 246,869</u>

GLASSBORO SCHOOL DISTRICT  
Enterprise Funds  
Combining Schedule of Revenues, Expenses,  
and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2017

	Food Service Fund	Professional Development Fund	Technology Fund	Total Enterprise Fund
Operating revenues:				
Charges for services:				
Daily sales - reimbursable programs	\$ 137,289			\$ 137,289
Daily sales - non-reimbursable programs	59,752			59,752
Special functions/miscellaneous	5,619			5,619
Professional development fees			\$ 4,594	4,594
Total operating revenue	<u>202,660</u>		<u>4,594</u>	<u>207,254</u>
Operating expenses:				
Cost of sales - reimbursable program	416,530			416,530
Cost of sales - non-reimbursable program	29,768			29,768
Salaries	301,897			301,897
Employee benefits	68,741			68,741
Contracted services	58,122			58,122
Cleaning, repair and maintenance	18,728			18,728
Insurance	14,711			14,711
Supplies and materials	48,256			48,256
Miscellaneous expenditures	1,339			1,339
Depreciation	8,983			8,983
Total operating expenses	<u>967,075</u>			<u>967,075</u>
Operating income (loss)	<u>(764,415)</u>		<u>4,594</u>	<u>(759,821)</u>
Non-operating revenues (expenses):				
Interest earned	441			441
State sources:				
State school lunch program	9,783			9,783
Federal sources:				
School breakfast program	219,377			219,377
National school lunch program	468,429			468,429
Food distribution program commodities	77,441			77,441
Total non-operating revenues (expenses)	<u>775,471</u>			<u>775,471</u>
Change in net position	11,056		4,594	15,650
Total net position - beginning	229,682	\$ 1,537		231,219
Total net position - ending	<u>\$ 240,738</u>	<u>\$ 1,537</u>	<u>\$ 4,594</u>	<u>\$ 246,869</u>



GLASSBORO SCHOOL DISTRICT  
Enterprise Funds  
Combining Schedule of Cash Flows  
For the Fiscal Year Ended June 30, 2017

	Food Service Fund	Professional Development Fund	Technology Fund	Total Enterprise Fund
Cash flows from operating activities:				
Receipts from customers	\$ 202,233		\$ 4,594	\$ 206,827
Payments to employees	(297,188)			(297,188)
Payments for employee benefits	(67,873)			(67,873)
Payments to suppliers	(558,344)			(558,344)
Net cash provided by (used for) operating activities	<u>(721,172)</u>		<u>4,594</u>	<u>(716,578)</u>
Cash flows from non-capital financing activities:				
State sources	10,837			10,837
Federal sources	758,966			758,966
Transfer from (to) other funds	42,847	\$ 1,537		44,384
Net cash provided by non-capital financing activities	<u>812,650</u>	<u>1,537</u>		<u>814,187</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	(5,905)			(5,905)
Net cash provided by capital and related financing activities	<u>(5,905)</u>			<u>(5,905)</u>
Cash flows from investing activities				
Interest earned	441			441
Net cash provided by investing activities	<u>441</u>			<u>441</u>
Net increase (decrease) in cash and cash equivalents	86,014	1,537	4,594	92,145
Balance - beginning of year	92,357			92,357
Balance - end of year	<u>\$ 178,371</u>	<u>\$ 1,537</u>	<u>\$ 4,594</u>	<u>\$ 184,502</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (764,415)		4,594	(759,821)
Adjustments to reconcile operating (loss) to net cash provided by (used for) operating activities:				
Depreciation	8,983			8,983
Food distribution program	77,441			77,441
(Increase) decrease in accounts receivable	(791)			(791)
(Increase) decrease in inventory	(7,228)			(7,228)
Increase (decrease) in accounts payable	(35,526)			(35,526)
Increase (decrease) in deferred revenue	364			364
Net cash provided by (used for) operating activities	<u>\$ (721,172)</u>		<u>\$ 4,594</u>	<u>\$ (716,578)</u>

GLASSBORO SCHOOL DISTRICT  
Internal Service Fund  
Combining Schedule of Net Position  
For the Fiscal Year Ended June 30, 2017

	Workmen's Compensation Fund
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,559
<b>NET POSITION</b>	
Unrestricted	\$ 1,559

GLASSBORO SCHOOL DISTRICT  
Internal Service Fund  
Combining Schedule of Revenues, Expenses,  
and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2017

	Workmen's Compensation Fund
Operating revenue:	
Workers' compensation contributions	\$ 9,500
Operating expenses:	
Claims expense	9,913
Operating income (loss)	(413)
Non-operating revenues (expenses):	
Interest earned	8
Net income (loss)	(405)
Total net position - beginning	1,964
Total net position - ending	\$ 1,559

GLASSBORO SCHOOL DISTRICT  
Internal Service Fund  
Combining Schedule of Cash Flows  
For the Fiscal Year Ended June 30, 2017

	Workmen's Compensation Fund
Cash flows from operating activities:	
Receipts for internal service activities	\$ 9,500
Payments for claims	(9,913)
Net cash provided by (used for) operating activities	(413)
Cash flows from investing activities:	
Interest earned	8
Net cash provided by investing activities	8
Balance - beginning of year	1,964
Balance - end of year	\$ 1,559
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (413)
Net cash provided by (used for) operating activities	\$ (413)

## FIDUCIARY FUNDS

GLASSBORO SCHOOL DISTRICT  
Combining Statement of Fiduciary Net Position  
For the Fiscal Year Ended June 30, 2017

	Trust		Agency Funds	Total 2017
	Unemployment Compensation	Private Purpose		
<b>ASSETS</b>				
Cash and cash equivalents	\$ 92,808	\$ 42,443	\$ 1,058,812	\$ 1,194,063
Interfund receivable:				
Agency funds	36,571			36,571
Total assets	<u>\$ 129,379</u>	<u>\$ 42,443</u>	<u>\$ 1,058,812</u>	<u>1,230,634</u>
<b>LIABILITIES</b>				
Payroll deductions and withholdings			\$ 590,263	590,263
Accrued salaries and wages			252,251	252,251
Due to student groups			179,727	179,727
Interfund payable:				
Unemployment trust			36,571	36,571
Total liabilities			<u>\$ 1,058,812</u>	<u>1,058,812</u>
<b>NET POSITION</b>				
Held in trust for unemployment claims	\$ 129,379			129,379
Reserved for scholarships		\$ 42,443		42,443
Total net position	<u>\$ 129,379</u>	<u>\$ 42,443</u>		<u>\$ 171,822</u>

GLASSBORO SCHOOL DISTRICT  
Combining Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended June 30, 2017

	Unemployment Compensation Trust	Private Purpose Scholarship Trust	Total 2017
ADDITIONS:			
Contributions	\$ 36,571	\$ 2,500	\$ 39,071
Interest earned	324	178	502
Total additions	<u>36,895</u>	<u>2,678</u>	<u>39,573</u>
DEDUCTIONS:			
Unemployment claims	181		181
Scholarships awarded		5,500	5,500
Total deductions	<u>181</u>	<u>5,500</u>	<u>5,681</u>
Change in net position	36,714	(2,822)	33,892
Net position - beginning	<u>92,665</u>	<u>45,265</u>	<u>137,930</u>
Net position - end	<u>\$ 129,379</u>	<u>\$ 42,443</u>	<u>\$ 171,822</u>

GLASSBORO SCHOOL DISTRICT  
 Student Activity Agency Fund  
 Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2017</u>
ACTIVITIES:					
Dorothy L. Bullock School	\$ 16,133	\$ 19,175	\$ 16,927	\$ 215	\$ 18,596
J.H. Rodgers Memorial School	1,997	1,703	1,658	26	2,068
Thomas E. Bowe School	33,885	36,847	45,422	452	25,762
Intermediate School	19,819	46,708	49,045	436	17,918
High School	92,380	176,812	163,441	985	106,736
Special services/other	4,995	34,586	28,820	(2,114)	8,647
	<u>\$ 169,209</u>	<u>\$ 315,831</u>	<u>\$ 305,313</u>		<u>\$ 179,727</u>

GLASSBORO SCHOOL DISTRICT  
Payroll Agency Fund  
Schedule of Receipts and Disbursements  
For the Fiscal Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<b>ASSETS</b>				
Cash and cash equivalents	\$ 485,325	\$ 25,923,339	\$ 25,529,579	\$ 879,085
Total assets	<u>\$ 485,325</u>	<u>\$ 25,923,339</u>	<u>\$ 25,529,579</u>	<u>\$ 879,085</u>
<b>LIABILITIES</b>				
Employees net payroll		\$ 12,234,483	\$ 12,234,483	
Accrued salaries and wages	\$ 239,011	627,914	614,674	\$ 252,251
Payroll deductions and withholdings	246,314	13,022,088	12,678,139	590,263
Interfund payable				
Unemployment trust		36,571		36,571
General fund		2,283	2,283	
Total liabilities	<u>\$ 485,325</u>	<u>\$ 25,923,339</u>	<u>\$ 25,529,579</u>	<u>\$ 879,085</u>



## **LONG-TERM DEBT**

GLASSBORO SCHOOL DISTRICT  
 Schedule of Serial Bonds  
 June 30, 2017

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2016	Issued	Retired	Balance June 30, 2017
			Date	Amount					
Refunding School Bonds, Series 2006	12/19/06	\$ 9,500,000	8/15/17	\$ 1,755,000	4.000%	\$ 4,880,000		\$ 1,300,000	\$ 3,580,000
			8/15/18	1,825,000	4.000%				
Refunding School Bonds, Series 2009	9/10/09	4,095,000				315,000		315,000	
General Bonds, Series 2015	7/28/15	23,647,000	7/15/17	950,000	3.000%				
			7/15/18	965,000	3.000%				
			7/15/19	980,000	3.000%				
			7/15/20	995,000	3.000%				
			7/15/21	1,020,000	3.000%				
			7/15/22	1,040,000	3.000%				
			7/15/23	1,065,000	3.000%				
			7/15/24	1,095,000	3.000%				
			7/15/25	1,125,000	3.000%				
			7/15/26	1,155,000	3.000%				
			7/15/27	1,195,000	3.000%				
			7/15/28	1,230,000	3.125%				
			7/15/29	1,270,000	3.250%				
			7/15/30	1,315,000	3.500%				
			7/15/31	1,360,000	3.500%				
			7/15/32	1,405,000	3.625%				
7/15/33	1,460,000	3.750%							
7/15/34	1,510,000	3.750%							
7/15/35	1,567,000	3.750%							
						23,647,000		945,000	22,702,000
						<u>\$ 28,842,000</u>	None	<u>\$ 2,560,000</u>	<u>\$ 26,282,000</u>

GLASSBORO SCHOOL DISTRICT  
Schedule of Obligations Under Capital Leases  
For the Fiscal Year Ended June 30, 2017

Purpose	Date of Lease	Term of Lease	Amount of Original Lease		Interest Rate	Balance June 30, 2016	Issued	Retired	Balance June 30, 2017
			Principal	Interest					
School buses	9/13/06	10 Years	\$ 316,950	\$ 76,866	4.46%	\$ 3,270		\$ 3,270	
School buses	12/19/06	10 Years	176,850	43,817	4.55%	5,474		5,474	
School buses	2/21/08	10 Years	99,990	21,797	5.63%	11,634		11,634	
School buses	9/12/08	10 Years	69,895	14,975	4.60%	15,871		7,757	\$ 8,114
School buses	9/20/11	7 Years	81,263	7,075	2.88%	24,191		11,924	12,267
School buses	1/27/12	7 Years	44,570	3,881	2.88%	13,268		6,540	6,728
Network equipment	8/01/12	5 Years	105,285	9,669	2.14%	21,980		21,980	
Computer equipment	10/16/13	5 Years	1,143,664	69,180	3.03%	463,974		228,530	235,444
TV studio upgrade	11/15/13	4 Years	89,203	3,441	2.58%	22,578		22,578	
Copiers	1/28/15	4 Years	283,334	20,756	3.49%	181,708		70,778	110,930
Communication equipment	5/01/15	2 Years	1,473,091	31,418	1.45%	717,662		717,662	
School buses	7/22/15	7 Years	167,369	14,981	2.97%	141,319		21,871	119,448
Computer equipment	8/01/16	4 Years	204,519	7,693	2.97%		\$ 204,519	53,053	151,466
School bus	10/30/16	5 Years	47,420	4,362	2.49%		47,420	9,992	37,428
						<u>\$ 1,622,929</u>	<u>\$ 251,939</u>	<u>\$ 1,193,043</u>	<u>\$ 681,825</u>

GLASSBORO SCHOOL DISTRICT  
Debt Service Fund  
Budgetary Comparison Schedule  
For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 2,589,494		\$ 2,589,494	\$ 2,589,494	
State sources:					
Debt service aid type II	950,498		950,498	950,498	
Total revenues	<u>3,539,992</u>		<u>3,539,992</u>	<u>3,539,992</u>	
EXPENDITURES:					
Regular debt service:					
Interest	951,992		951,992	940,850	\$ 11,142
Redemption of principal	2,588,000		2,588,000	2,560,000	28,000
Total expenditures	<u>3,539,992</u>		<u>3,539,992</u>	<u>3,500,850</u>	<u>39,142</u>
Excess (deficiency) of revenue over (under) expenditures				39,142	39,142
Other financing sources:					
Operating transfers in:					
Interest earned in capital projects fund				37,425	37,425
Excess (deficiency) of revenues and other financing sources over (under) expenditures				<u>76,567</u>	<u>76,567</u>
Fund balance - July 1				227,292	227,292
Fund balance - June 30				<u>\$ 303,859</u>	<u>\$ 303,859</u>

**STATISTICAL SECTION (UNAUDITED)**

GLASSBORO SCHOOL DISTRICT  
Statistical Section

Contents	Page
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	112-117
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	118-121
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	122-125
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	126-127
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	128-132

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

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

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental activities:</b>										
Invested in capital assets, net of related debt	\$ 7,185,379	\$ 8,014,551	\$ 8,126,925	\$ 9,025,089	\$ 9,878,118	\$ 10,594,644	\$ 10,784,196	\$ 10,228,863	\$ (10,106,873)	\$ 6,628,428
Restricted	1,149,462	1,886,591	1,070,568	1,799,540	2,774,030	2,892,083	2,244,902	2,776,209	23,181,211	9,309,326
Unrestricted	(1,754,838)	(2,545,010)	(2,360,909)	(2,325,251)	(2,463,655)	(2,457,987)	(2,372,386)	(14,702,604)	(14,912,074)	(15,887,873)
<b>Total governmental activities net position</b>	<b>\$ 6,580,003</b>	<b>\$ 7,356,132</b>	<b>\$ 6,836,584</b>	<b>\$ 8,499,378</b>	<b>\$ 10,188,493</b>	<b>\$ 11,028,740</b>	<b>\$ 10,656,712</b>	<b>\$ (1,697,532)</b>	<b>\$ (1,837,736)</b>	<b>\$ 49,881</b>
<b>Business-type activities:</b>										
Invested in capital assets, net of related debt	\$ 91,930	\$ 76,747	\$ 61,565	\$ 47,278	\$ 32,990	\$ 21,625	\$ 10,260			
Unrestricted	105,278	52,104	124,326	154,646	190,749	212,339	237,732	\$ 224,608	\$ 231,219	\$ 246,869
<b>Total governmental activities net position</b>	<b>\$ 197,208</b>	<b>\$ 128,851</b>	<b>\$ 185,891</b>	<b>\$ 201,924</b>	<b>\$ 223,739</b>	<b>\$ 233,964</b>	<b>\$ 247,992</b>	<b>\$ 224,608</b>	<b>\$ 231,219</b>	<b>\$ 246,869</b>
<b>District-wide:</b>										
Invested in capital assets, net of related debt	\$ 7,277,309	\$ 8,091,298	\$ 8,188,490	\$ 9,072,367	\$ 9,911,108	\$ 10,616,269	\$ 10,794,456	\$ 10,228,863	\$ (10,106,873)	\$ 6,628,428
Restricted	1,149,462	1,886,591	1,070,568	1,799,540	2,774,030	2,892,083	2,244,902	2,776,209	23,181,211	9,309,326
Unrestricted	(1,649,560)	(2,492,906)	(2,236,583)	(2,170,605)	(2,272,906)	(2,245,648)	(2,134,654)	(14,477,996)	(14,680,855)	(15,641,004)
<b>Total district-wide net position</b>	<b>\$ 6,777,211</b>	<b>\$ 7,484,983</b>	<b>\$ 7,022,475</b>	<b>\$ 8,701,302</b>	<b>\$ 10,412,232</b>	<b>\$ 11,262,704</b>	<b>\$ 10,904,704</b>	<b>\$ (1,472,924)</b>	<b>\$ (1,606,517)</b>	<b>\$ 296,750</b>

Source: District records

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

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses:</b>										
<b>Governmental activities:</b>										
<b>Instruction:</b>										
Regular	\$ 7,941,161	\$ 9,528,742	\$ 9,786,955	\$ 8,859,404	\$ 8,976,002	\$ 9,027,811	\$ 9,702,464	\$ 9,419,002	\$ 9,448,996	\$ 9,374,880
Special education	6,181,766	2,725,660	2,890,714	3,212,700	3,188,639	4,870,826	5,025,765	5,105,734	5,128,540	5,470,063
Other special instruction	382,619	1,981,784	2,264,542	2,162,713	1,815,288	559,694	490,921	525,918	694,969	738,469
Other instruction	412,955	400,575	524,418	383,760	403,600	492,690	444,454	452,855	477,587	490,237
<b>Support services:</b>										
Tuition	2,375,920	2,208,288	1,962,359	1,900,756	1,995,833	2,225,349	2,209,226	2,388,303	2,526,303	2,534,071
Student & instructional related services	4,214,751	3,934,507	3,894,998	3,611,726	3,525,899	3,799,163	3,856,111	3,801,784	3,647,240	3,066,224
School administration services	1,199,725	1,326,955	1,392,744	1,349,197	1,278,562	1,400,253	1,388,360	1,420,107	1,397,355	1,394,150
General & business administrative services	1,387,454	1,372,823	1,476,094	1,436,766	1,512,868	1,601,083	1,662,966	1,569,717	1,540,894	1,658,967
Plant operations & maintenance	3,052,419	3,118,769	2,986,573	3,032,171	2,889,225	2,849,602	3,085,931	2,948,844	2,826,276	2,909,254
Pupil transportation	2,063,048	1,888,124	1,925,499	1,806,204	2,018,285	2,081,236	2,171,642	2,135,851	2,319,113	2,406,552
Employee benefits	7,628,471	6,935,662	7,828,318	8,221,190	8,778,641	9,482,779	9,456,216	10,156,037	10,934,216	12,007,192
Capital outlay	128,838	178,888	1,069,913	83,374	244,572	210,156	1,048,753	1,437,496	1,339,004	386,701
Special schools	107,851	124,330								
Transfer to charter school	1,957			30,665	31,661	58,539	85,764	77,831	114,584	106,872
Interest on long-term debt	687,676	644,984	528,742	531,772	493,551	438,307	381,963	330,700	620,024	940,850
Unallocated depreciation	1,018,831	1,028,800	1,027,835	975,910	1,088,023	969,265	877,168	1,009,782	1,082,433	1,015,938
<b>Total governmental activities expenses</b>	<b>38,785,442</b>	<b>37,398,891</b>	<b>39,559,704</b>	<b>37,598,308</b>	<b>38,240,649</b>	<b>40,066,753</b>	<b>41,887,704</b>	<b>42,779,961</b>	<b>44,097,534</b>	<b>44,500,420</b>
<b>Business-type activities:</b>										
Food service	884,958	978,790	878,870	832,884	867,873	912,712	856,172	864,403	947,540	967,075
Print shop	13,706									
Professional development								2,965	1,973	
<b>Total business-type activities expenses</b>	<b>898,664</b>	<b>978,790</b>	<b>878,870</b>	<b>832,884</b>	<b>867,873</b>	<b>912,712</b>	<b>856,172</b>	<b>867,368</b>	<b>949,513</b>	<b>967,075</b>
<b>Total district-wide expenses</b>	<b>\$ 39,684,106</b>	<b>\$ 38,377,681</b>	<b>\$ 40,438,574</b>	<b>\$ 38,431,192</b>	<b>\$ 39,108,522</b>	<b>\$ 40,979,465</b>	<b>\$ 42,743,876</b>	<b>\$ 43,647,329</b>	<b>\$ 45,047,047</b>	<b>\$ 45,467,495</b>
<b>Program revenues:</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General & business administrative services		\$ 15,000		\$ 2,300	\$ 7,000	\$ 7,000	\$ 4,000	\$ 9,000	\$ 10,000	\$ 9,500
Operating grants & contributions	\$ 4,335,039	2,216,128	\$ 2,418,049	2,597,744	1,937,408	2,049,157	2,196,841	2,113,616	2,115,160	2,278,782
<b>Total governmental activities program revenues</b>	<b>4,335,039</b>	<b>2,231,128</b>	<b>2,418,049</b>	<b>2,600,044</b>	<b>1,944,408</b>	<b>2,056,157</b>	<b>2,200,841</b>	<b>2,122,616</b>	<b>2,125,160</b>	<b>2,288,282</b>
<b>Business-type activities:</b>										
<b>Charges for services:</b>										
Food service	401,047	373,647	358,789	316,140	295,552	297,364	251,268	214,261	204,762	202,660
Print shop	7,999									
Professional development								4,600	1,875	4,594
Operating grants & contributions	490,303	516,359	576,980	532,698	592,899	624,095	617,426	624,976	749,004	775,030
<b>Total business-type activities revenues</b>	<b>899,349</b>	<b>890,006</b>	<b>935,769</b>	<b>848,838</b>	<b>888,451</b>	<b>921,459</b>	<b>868,694</b>	<b>843,837</b>	<b>955,641</b>	<b>982,284</b>
<b>Total district program revenues</b>	<b>\$ 5,234,388</b>	<b>\$ 3,121,134</b>	<b>\$ 3,353,818</b>	<b>\$ 3,448,882</b>	<b>\$ 2,832,859</b>	<b>\$ 2,977,616</b>	<b>\$ 3,069,535</b>	<b>\$ 2,966,453</b>	<b>\$ 3,080,801</b>	<b>\$ 3,270,566</b>
<b>Net (expense)/revenue:</b>										
Governmental activities	\$ (34,450,403)	\$ (35,167,763)	\$ (37,141,655)	\$ (34,998,264)	\$ (36,296,241)	\$(38,010,596)	\$(39,686,863)	\$ (40,657,345)	\$ (41,972,374)	\$(42,212,138)
Business-type activities	685	(88,784)	56,899	15,954	20,578	8,747	12,522	(23,531)	6,128	15,209
<b>Total district-wide net expense</b>	<b>\$ (34,449,718)</b>	<b>\$ (35,256,547)</b>	<b>\$ (37,084,756)</b>	<b>\$ (34,982,310)</b>	<b>\$ (36,275,663)</b>	<b>\$(38,001,849)</b>	<b>\$(39,674,341)</b>	<b>\$ (40,680,876)</b>	<b>\$ (41,966,246)</b>	<b>\$(42,196,929)</b>



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

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General revenues & other changes in net position:										
Governmental activities:										
Property taxes levied for general purposes	\$ 16,071,230	\$ 15,480,677	\$ 16,209,184	\$ 16,977,715	\$ 16,756,877	\$ 17,377,451	\$ 17,231,596	\$ 18,066,610	\$ 18,091,942	\$ 18,708,636
Taxes levied for debt service	1,295,868	1,458,054	1,462,916	1,498,557	1,464,340	1,595,013	1,661,980	1,664,029	2,184,072	2,589,494
Other governmental units	61,806	34,951	42,404	30,233	18,371	15,334	14,836	16,474	4,375	11,630
Unrestricted grants & contributions	16,687,506	18,114,603	18,287,464	17,597,793	18,955,677	19,261,387	19,497,952	20,188,084	20,805,904	22,063,617
Tuition received	368,546	361,318	178,711	230,822	351,180	481,604	390,457	205,525	406,818	338,838
Transportation fees	108,487	151,222	98,320	72,422	106,626	187,014	188,726	168,733	189,450	247,829
Investment earnings	80,804	20,239	19,389	3,204	35,181	37,322	30,440	1,093	86,487	54,990
Miscellaneous income	270,235	328,359	315,991	243,441	303,484	69,233	362,124	264,216	91,249	84,676
Transfers		(20,000)								
Net proceeds refunding bond issue			30,000							
Loss on retirement of asset			(8,591)	(2,370)	(6,657)	(158,548)	(62,459)	(197,111)	(3,100)	
Prior year payable canceled	45,540	15,728	459	24,366	536	2,065	4,042	18,111	17,748	45
Prior year receivable canceled	(4,843)	(1,259)	(14,140)	(52,279)	(259)	(17,032)	(4,859)	(8,929)	(42,775)	
Capital contributed by Borough	205,394									
Contracts payable canceled				37,154						
Total governmental activities	35,190,573	35,943,892	36,622,107	36,661,058	37,985,356	38,850,843	39,314,835	40,386,835	41,832,170	44,099,755
Business-type activities:										
Investment earnings	1,690	427	141	79	1,237	1,478	1,506	147	483	441
Transfers		20,000								
Total business-type activities	1,690	20,427	141	79	1,237	1,478	1,506	147	483	441
Total district-wide	\$ 35,192,263	\$ 35,964,319	\$ 36,622,248	\$ 36,661,137	\$ 37,986,593	\$ 38,852,321	\$ 39,316,341	\$ 40,386,982	\$ 41,832,653	\$ 44,100,196
Change in net position:										
Governmental activities	\$ 740,170	\$ 776,129	\$ (519,548)	\$ 1,662,794	\$ 1,689,115	\$ 840,247	\$ (372,028)	\$ (270,510)	\$ (140,204)	\$ 1,887,617
Business-type activities	2,375	(68,357)	57,040	16,033	21,815	10,225	14,028	(23,384)	6,611	15,650
Total district-wide	\$ 742,545	\$ 707,772	\$ (462,508)	\$ 1,678,827	\$ 1,710,930	\$ 850,472	\$ (358,000)	\$ (293,894)	\$ (133,593)	\$ 1,903,267

Source: District records

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

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General fund:										
Restricted				\$ 1,438,703	\$ 2,609,121	\$ 2,811,345	\$ 2,184,113	\$ 2,593,225	\$ 2,960,517	\$ 3,176,674
Assigned				293,817	164,906	80,737	60,789	182,984	154,828	201,010
Unassigned				(647,620)	(735,302)	(736,820)	(729,974)	(716,048)	(675,752)	(656,918)
Reserved	\$ 996,598	\$ 1,848,233	\$ 1,012,555							
Unreserved	29,249	(739,486)	(692,331)							
<b>Total general fund</b>	<b>\$ 1,025,847</b>	<b>\$ 1,108,747</b>	<b>\$ 320,224</b>	<b>\$ 1,084,900</b>	<b>\$ 2,038,725</b>	<b>\$ 2,155,262</b>	<b>\$ 1,514,928</b>	<b>\$ 2,060,161</b>	<b>\$ 2,439,593</b>	<b>\$ 2,720,766</b>
All other governmental funds:										
Reserved	\$ 18,869	\$ 7,613		\$ 67,020	\$ 3	\$ 1				
Unreserved, reported in:										
Special revenue fund	(114,367)	(42,925)	\$ (48,008)	(39,192)	(30,740)	(38,998)	\$ (31,400)	\$ (49,991)	\$ (43,491)	\$ (49,595)
Capital projects fund	126,382	29,611	29,611						19,838,574	5,627,783
Debt service fund	7,613	1,134	28,402						227,292	303,859
<b>Total all other governmental funds</b>	<b>\$ 38,497</b>	<b>\$ (4,567)</b>	<b>\$ 10,005</b>	<b>\$ 27,828</b>	<b>\$ (30,737)</b>	<b>\$ (38,997)</b>	<b>\$ (31,400)</b>	<b>\$ (49,991)</b>	<b>\$ 20,022,375</b>	<b>\$ 5,882,047</b>

Source: District records

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

	Fiscal Year Ending June 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues:</b>										
Tax levy	\$ 17,367,098	\$ 16,938,731	\$ 17,672,100	\$ 18,476,272	\$ 18,221,217	\$ 18,972,464	\$ 18,893,576	\$ 19,730,639	\$ 20,276,014	\$ 21,298,130
Other local government units - restricted	61,806	34,951	42,404	30,233	18,371	15,334	14,836	16,474	4,375	11,630
Tuition charges	368,546	361,318	178,711	230,822	351,180	481,604	390,457	205,525	406,818	338,838
Transportation fees	108,487	151,222	98,320	72,422	106,626	187,014	188,726	168,733	189,450	247,829
Interest earnings	88,178	20,193							71,599	37,425
Miscellaneous	267,623	340,376	356,608	264,153	352,455	133,814	394,217	285,823	131,178	133,439
State sources	19,453,615	18,716,904	16,130,738	18,050,221	18,830,097	19,660,761	19,954,973	20,603,227	21,262,694	22,501,911
Federal sources	1,553,782	1,601,810	4,553,547	2,127,808	2,049,184	1,622,496	1,738,144	1,677,958	1,633,312	1,809,282
<b>Total revenue</b>	<b>39,269,135</b>	<b>38,165,505</b>	<b>39,032,428</b>	<b>39,251,931</b>	<b>39,929,130</b>	<b>41,073,487</b>	<b>41,574,929</b>	<b>42,688,379</b>	<b>43,975,440</b>	<b>46,378,484</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular instruction	7,826,444	9,486,667	9,786,955	8,810,736	8,918,629	9,033,758	9,719,620	9,392,467	9,453,342	9,489,633
Special education instruction	6,181,766	2,725,660	2,967,361	3,212,700	3,188,639	4,870,826	5,025,765	5,105,734	5,128,540	5,470,063
Other special instruction	382,619	1,981,784	2,264,542	2,162,713	1,815,288	559,694	490,921	525,918	694,969	738,469
Other instruction	412,955	400,575	524,418	383,760	403,600	492,690	444,454	452,855	477,587	490,237
<b>Support services:</b>										
Tuition	2,375,920	2,208,288	1,962,359	1,900,756	1,995,833	2,225,349	2,209,226	2,388,303	2,526,303	2,534,071
Student & instruction related services	4,099,478	3,888,371	3,913,014	3,604,211	3,514,360	3,816,796	3,884,301	3,734,469	3,646,567	4,082,783
School administrative services	1,199,725	1,326,955	1,392,744	1,349,197	1,278,562	1,385,088	1,410,148	1,404,508	1,412,830	1,367,829
Other administrative services	1,325,758	1,353,109	1,523,460	1,472,780	1,515,592	1,601,083	1,662,966	1,569,717	1,540,894	1,658,967
Plant operations & maintenance	3,052,419	3,118,769	2,986,573	3,032,171	2,889,225	2,849,602	3,085,931	2,948,844	2,826,276	2,909,254
Pupil transportation	2,063,048	1,888,124	1,925,499	1,806,204	2,018,285	2,081,236	2,171,642	2,135,851	2,319,113	2,406,552
Employee benefits	7,628,471	6,935,662	7,828,318	8,221,190	8,778,641	9,482,779	9,456,216	10,014,666	10,648,785	10,903,409
Special schools	107,851	124,330								
Transfer to charter school	1,957			30,665	31,661	58,539	85,764	77,831	114,584	106,872
Capital outlay	927,429	926,755	1,815,424	1,028,091	1,092,187	799,781	1,985,799	2,375,481	4,368,170	14,830,634
<b>Debt service:</b>										
Principal	1,135,000	1,180,000	1,280,000	1,270,000	1,305,000	1,360,000	1,425,000	1,470,000	1,535,000	2,560,000
Interest	687,676	644,984	528,742	531,772	493,551	438,307	381,963	330,700	620,024	940,850
<b>Total expenditures</b>	<b>39,408,516</b>	<b>38,190,033</b>	<b>40,699,409</b>	<b>38,816,946</b>	<b>39,239,053</b>	<b>41,055,528</b>	<b>43,439,716</b>	<b>43,927,344</b>	<b>47,312,984</b>	<b>60,489,623</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(139,381)</b>	<b>(24,528)</b>	<b>(1,666,981)</b>	<b>434,985</b>	<b>690,077</b>	<b>17,959</b>	<b>(1,864,787)</b>	<b>(1,238,965)</b>	<b>(3,337,544)</b>	<b>(14,111,139)</b>
<b>Other financing sources (uses):</b>										
Bond proceeds									23,647,000	
Capital leases (non-budgeted)	146,896	69,895	906,711	338,273	204,906	105,285	1,232,867	1,756,425	167,369	251,939
Transfers in	53,152	16,862	656	24,366	536	265,082	339,116	263,901	340,569	294,593
Transfers out	(12,455)	(22,393)	(14,337)	(52,279)	(259)	(280,049)	(339,933)	(254,719)	(365,596)	(294,593)
Contracts/accounts payable canceled				37,154						45
<b>Total other financing sources (uses)</b>	<b>187,593</b>	<b>64,364</b>	<b>893,030</b>	<b>347,514</b>	<b>205,183</b>	<b>90,318</b>	<b>1,232,050</b>	<b>1,765,607</b>	<b>23,789,342</b>	<b>251,984</b>
<b>Net change in fund balance</b>	<b>\$ 48,212</b>	<b>\$ 39,836</b>	<b>\$ (773,951)</b>	<b>\$ 782,499</b>	<b>\$ 895,260</b>	<b>\$ 108,277</b>	<b>\$ (632,737)</b>	<b>\$ 526,642</b>	<b>\$ 20,451,798</b>	<b>\$ (13,859,155)</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>4.97%</b>	<b>5.15%</b>	<b>4.88%</b>	<b>5.01%</b>	<b>4.95%</b>	<b>4.68%</b>	<b>4.56%</b>	<b>4.53%</b>	<b>5.28%</b>	<b>8.30%</b>

Source: District records

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

Fiscal Year Ended June 30,	Prior Year Refunds	Admission Fees	Rentals	Tuition	School bus Advertising	Miscellaneous	Interest	Annual Totals
2007	\$ 226,993	\$ 10,852	\$ 13,086			\$ 16,692		\$ 267,623
2009	294,286	9,959	17,028			19,103		340,376
2010	219,947	7,651	13,231	\$ 46,943		49,475	\$ 19,361	356,608
2011	137,436	8,475	11,766	83,534		2,176	3,202	246,589
2012	129,963	9,596	13,690	146,500		74,069	35,167	408,985
2013	36,041	11,302	16,141			5,749	37,294	106,527
2014	319,872	8,101	25,309			8,842	30,417	392,541
2015	37,548	9,882	12,115	162,242		42,429	1,092	265,308
2016	8,270	11,009	11,233	32,542	\$ 2,340	25,855	14,871	106,120
2017	29,409	9,334	10,638		9,093	26,202	17,557	102,233

Source: District records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farmland	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax Exempt Property	Public Utilities	Net Valuation Taxable	Actual (County Equalized) Value	Total Direct School Tax Rate
2008	22,372,600	506,459,500	1,963,600	103,369,100	8,641,200	28,549,700	671,355,700		3,928,717	675,284,417	1,159,972,924	2.524
2009	22,727,000	505,855,400	1,963,600	106,027,400	8,641,200	28,758,300	673,972,900		3,619,316	677,592,216	1,220,769,864	2.539
2010	21,389,800	505,513,200	2,000,800	105,460,600	8,341,200	28,817,500	671,523,100		3,637,514	675,160,614	1,245,104,896	2.677
2011	47,616,600	883,217,800	3,198,400	181,429,800	12,319,200	57,259,700	1,185,041,500		7,816,927	1,192,858,427	1,255,462,612	1.538
2012	54,928,800	883,463,400	3,198,400	182,279,800	14,400,100	54,728,000	1,192,998,500		6,250,864	1,199,249,364	1,239,822,665	1.543
2013	47,763,500	889,836,800	3,190,200	178,235,000	13,384,900	53,769,800	1,186,180,200		5,620,182	1,191,800,382	1,197,344,427	1.581
2014	44,272,900	891,128,900	2,583,200	175,876,900	13,084,900	48,249,800	1,175,196,600		5,016,335	1,180,212,935	1,161,819,672	1.629
2015	42,946,200	892,810,800	2,637,700	177,599,700	13,084,900	48,096,500	1,177,175,800		4,858,928	1,182,034,728	1,135,423,072	1.685
2016	66,243,500	894,384,900	2,604,000	176,305,400	12,069,900	48,390,400	1,199,998,100		5,302,493	1,205,300,593	1,210,237,669	1.717
2017	59,946,600	901,323,400	2,395,800	185,555,300	13,384,900	48,390,400	1,210,996,400		5,456,328	1,216,452,728	1,230,362,922	1.771

Source: Tax Assessor

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

Fiscal Year Ended June 30,	Glassboro School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Borough of Glassboro	Gloucester County	
2008	2.336	0.188	2.524	1.569	1.017	5.110
2009	2.320	0.219	2.539	1.643	1.063	5.245
2010	2.455	0.222	2.677	1.643	1.089	5.409
2011	1.413	0.125	1.538	0.947	0.613	3.098
2012	1.419	0.124	1.543	0.991	0.612	3.146
2013	1.448	0.133	1.581	1.034	0.652	3.267
2014	1.486	0.143	1.629	1.033	0.651	3.267
2015	1.543	0.142	1.685	1.033	0.672	3.390
2016	1.532	0.185	1.717	1.047	0.701	3.465
2017	1.556	0.215	1.771	1.047	0.750	3.568

Source: Municipal Tax Collector

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

	2017			2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Park Crest Associates	19,000,000	1	1.56%	8,000,000	4	1.18%
Borough of Glassboro	17,026,800	2	1.40%			
Kranzco Realty Trust	16,000,000	3	1.32%	9,969,100	1	1.48%
LMX Doubletree Ctr.	15,042,000	4	1.24%	8,664,000	3	1.28%
Crossing at Glassboro LLC	13,000,000	5	1.07%			
Hollybush Preservation Partners LP	9,462,700	6	0.78%			
Glassboro Plaza, LLC	8,750,000	7	0.72%	4,560,600	8	0.68%
Glassboro Properties, LLC	8,581,100	8	0.71%	5,730,000	6	0.85%
Verizon - New Jersey	6,767,628	9	0.56%	3,928,717	10	0.58%
8 Boys LLC	6,077,000	10	0.50%			
Campus - Glassboro LLC				9,000,000	2	1.33%
DR Horton Inc. - New Jersey				7,583,600	5	1.12%
Hollybush Affordable Housing Inc.				5,043,900	7	0.75%
ADM Cocoa				4,149,300	9	0.61%
	<u>39,638,428</u>		<u>3.26%</u>	<u>66,629,217</u>		<u>9.86%</u>

Source: County Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2008	\$ 17,367,098	\$ 17,367,098	100.00%	
2009	16,938,731	16,938,731	100.00%	
2010	17,672,100	17,672,100	100.00%	
2011	18,476,272	18,476,272	100.00%	
2012	18,221,217	18,221,217	100.00%	
2013	18,972,464	18,972,464	100.00%	
2014	18,893,576	18,893,576	100.00%	
2015	19,730,639	19,730,639	100.00%	
2016	20,276,014	20,276,014	100.00%	
2017	21,298,130	21,298,130	100.00%	

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



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

Fiscal Year Ended June 30,	Governmental Activities				Total District	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)			
2008	\$ 16,050,000		\$ 1,690,551		\$ 17,740,551	2.17%	898
2009	14,870,000		1,142,577		16,012,577	1.97%	807
2010	13,560,000		1,507,732		15,067,732	1.95%	811
2011	12,290,000		1,367,777		13,657,777	1.69%	731
2012	10,985,000		1,051,848		12,036,848	1.44%	638
2013	9,625,000		664,585		10,289,585	1.21%	543
2014	8,200,000		1,377,026		9,577,026	1.08%	502
2015	6,730,000		2,636,629		9,366,629	1.00%	487
2016	28,842,000		1,622,929		30,464,929	N/A	N/A
2017	26,282,000		681,825		26,963,825	N/A	N/A

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

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions			
2008	\$ 16,050,000		\$ 16,050,000	2.38%	812
2009	14,870,000		14,870,000	2.19%	749
2010	13,560,000		13,560,000	2.00%	730
2011	12,290,000		12,290,000	1.03%	658
2012	10,985,000		10,985,000	0.92%	582
2013	9,625,000		9,625,000	0.81%	508
2014	8,200,000		8,200,000	0.69%	430
2015	6,730,000		6,730,000	0.57%	350
2016	28,842,000		28,842,000	2.39%	N/A
2017	26,282,000		26,282,000	2.16%	N/A

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

GLASSBORO SCHOOL DISTRICT  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2017  
 Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Glassboro Borough	\$ 31,903,620	100.00%	\$ 31,903,620
Gloucester County General Obligation Debt	228,443,500	4.54%	10,377,922
Subtotal, overlapping debt			42,281,542
Glassboro District Direct Debt			26,282,000
Total direct and overlapping debt			\$ 68,563,542

Sources: Debt outstanding data provided by each governmental unit.

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

	<u>Equalized valuation basis</u>
2016	\$ 1,163,239,725
2015	1,140,121,840
2014	1,093,511,305
	<u>\$ 3,396,872,870</u>
Average equalized valuation of taxable property	<u>\$ 1,132,290,957</u>
Debt limit (4% of average equalized value)	\$ 45,291,638
Total net debt applicable to limit	28,842,000
Legal debt margin	<u>\$ 16,449,638</u>

	<u>Fiscal Year</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>	<u>2017</u>
Debt limit	\$ 40,466,500	\$ 44,655,764	\$ 47,435,650	\$ 48,595,183	\$ 48,638,352	\$ 47,898,764	\$ 46,827,175	\$ 45,405,144	\$ 44,962,939	\$ 45,291,638
Total net debt applicable to limit	16,050,000	14,870,000	13,560,000	12,290,000	10,985,000	9,625,000	8,200,000	6,730,000	28,842,000	26,282,000
Legal debt margin	<u>\$ 24,416,500</u>	<u>\$ 29,785,764</u>	<u>\$ 33,875,650</u>	<u>\$ 36,305,183</u>	<u>\$ 37,653,352</u>	<u>\$ 38,273,764</u>	<u>\$ 38,627,175</u>	<u>\$ 38,675,144</u>	<u>\$ 16,120,939</u>	<u>\$ 19,009,638</u>
Total net debt applicable to the limit as a percentage of debt limit	39.66%	33.30%	28.59%	25.29%	22.59%	20.09%	17.51%	14.82%	64.15%	58.03%

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

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

Fiscal Year Ended June 30,	Population	Personal Income	Per Capita Personal Income *	Unemployment Rate
2008	19,762	\$ 816,289,172	\$ 41,306	7.40%
2009	19,841	813,302,431	40,991	10.90%
2010	18,581	771,334,472	41,512	11.60%
2011	18,677	807,500,095	43,235	11.30%
2012	18,866	837,499,472	44,392	11.50%
2013	18,942	852,598,362	45,011	7.90%
2014	19,064	888,439,592	46,603	7.10%
2015	19,216	937,721,584	48,799	6.30%
2016	19,835	N/A	N/A	5.40%
2017	N/A	N/A	N/A	N/A

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

Source:

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

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

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

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

Employer	2017			2008		
	Employees	Rank	% of Total Municipal Employment	Employees	Rank	% of Total Municipal Employment
Inspira Health	1,825	1	N/A			
Kennedy Memorial Hospital	1,675	2	N/A			
Washington Township School District	1,607	3	N/A			
Rowan University	1,483	4	N/A			
County of Gloucester	1,384	5	N/A	Information not available		
Missa Bay, LLC	950	6	N/A			
Monroe Township School District	804	7	N/A			
US Foodservices	725	8	N/A			
Exxon Mobil Research & Engineering	540	9	N/A			
LaBrea Bakery	525	10	N/A			
	11,518					

Source: Gloucester County Department of Economic Development and Employer Directly

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

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

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Instruction:										
Regular	164	158	163	135	138	138.8	136	133.5	140	139.1
Special education	66	64	66	61.3	59.8	52.5	53	55	60	58.1
Other instruction	15	14	9	4.5	7.2	9.2	14.3	10	10	11
Support Services:										
Student & instruction related services	43	47.5	50.5	38.2	39.2	40.7	38.5	40.5	38.8	38.6
General administration	2	3	3	2.1	2.1	2.6	2.1	2.1	2.1	2.1
School administrative services	18	18	18	17.5	17.0	17.0	18	18	24.3	23.0
Other administrative services	3	3	3	3	3	3	5	5	5	5
Central services	9	7	7	7	7	7	7.5	7.5	7	6
Administrative information technology	2.5	2.5	2.5	2.5	2.5	2.5	3	3.3	3	3.5
Plant operations & maintenance	38.5	38.5	41.0	44.3	38.6	38.6	39.7	39.7	39	40
Pupil transportation	39.0	40.0	43.0	28	30	29	33	30	31	30
Other support services	2	1	1	1	1	1		1	1	1
<b>Total</b>	<b>402.0</b>	<b>396.5</b>	<b>407.0</b>	<b>344.4</b>	<b>345.8</b>	<b>341.4</b>	<b>350.1</b>	<b>345.6</b>	<b>361.2</b>	<b>357.4</b>

Source: District Personnel Records

GLASSBORO SCHOOL DISTRICT  
Operating Statistics  
Last Ten Fiscal Years  
Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle	High				
2008	2,334	\$ 36,658,411	\$ 15,706	6.50%	207	21	19	21	2,248	2,135	-5.35%	95.0%
2009	2,298	35,438,294	15,421	-1.81%	199	22	22	20	2,215	2,097	-6.74%	94.7%
2010	2,215	37,075,243	16,738	8.54%	198	13	11	17	2,115	2,000	-4.51%	94.6%
2011	2,234	35,987,083	16,109	-3.76%	182	18	26	18	2,217	2,085	4.82%	94.0%
2012	2,212	36,348,315	16,432	2.01%	183	18	12	10	2,222	2,121	0.23%	95.5%
2013	2,243	38,457,440	17,146	4.34%	197	11	6	9	2,181	2,061	-1.85%	94.5%
2014	2,209	39,646,954	17,948	4.68%	191	13	11	11	2,195	2,074	0.64%	94.5%
2015	2,274	39,751,163	17,481	-2.60%	191	13	11	11	2,165	2,056	-1.37%	95.0%
2016	2,168	40,789,790	18,814	7.63%	210	13	10	15	2,101	1,995	-2.96%	95.0%
2017	2,120	42,158,139	19,886	5.69%	208	14	11	12	2,099	1,985	-0.10%	94.6%

Source: Enrollment based on annual October District count.



GLASSBORO SCHOOL DISTRICT  
School Building Information  
Last Ten Fiscal Years  
Unaudited

<u>District Building</u>	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>Elementary</u>										
J. Harvey Rogers (1959)										
Square feet	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192
Capacity (students)	289	289	289	289	289	289	289	289	289	289
Enrollment	341	341	299	338	335	326	319	338	298	300
Dorothy Bullock (1993)										
Square feet	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700
Capacity (students)	580	580	580	580	580	580	580	580	580	580
Enrollment	510	510	481	480	479	497	503	549	523	517
Thomas E. Bowe (1972)										
Square feet	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514
Capacity (students)	571	571	571	571	571	571	571	571	571	571
Enrollment	523	523	490	470	459	446	450	479	446	439
<u>Middle</u>										
Intermediate (1934)										
Square feet	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671
Capacity (students)	466	466	466	466	466	466	466	466	466	466
Enrollment	314	314	346	341	315	331	292	269	274	319
<u>High</u>										
Glassboro High (1966)										
Square feet	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915
Capacity (students)	765	765	765	765	765	765	765	765	765	765
Enrollment	646	646	599	614	624	643	631	639	569	545
Number of Schools at June 30, 2017										
Elementary = 3										
Middle = 1										
High = 1										

Source: District Office

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

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

* School Facilities	Gross Square Footage	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
Administration	6,530	\$ 26,774	\$ 25,069	\$ 25,743	\$ 26,936	\$ 25,583	\$ 27,824	\$ 39,007	\$ 29,807	\$ 56,307	\$ 55,231	\$ 338,281
Elsmere	5,358	1,500	2,581	3,591	4,791	1,915						14,378
High School	113,915	59,154	54,168	72,096	70,906	100,072	81,889	106,177	64,116	58,832	60,020	727,430
Intermediate	60,671	39,017	43,561	40,878	44,128	67,500	46,429	53,973	38,477	54,782	35,100	463,845
Bowe	75,514	19,122	22,846	23,169	25,876	23,325	27,518	21,148	22,772	29,214	33,548	248,538
Bullock	87,700	40,341	36,408	39,850	44,110	73,998	52,863	34,680	42,415	34,592	35,605	434,862
Rodgers	39,192	22,298	21,967	22,540	20,114	32,504	20,920	37,248	25,691	24,402	27,167	254,851
<b>Total School Facilities</b>		<b>\$ 208,206</b>	<b>\$ 206,600</b>	<b>\$ 227,869</b>	<b>\$ 236,861</b>	<b>\$ 324,897</b>	<b>\$ 257,443</b>	<b>\$ 292,233</b>	<b>\$ 223,278</b>	<b>\$ 258,129</b>	<b>\$ 246,671</b>	<b>\$ 2,482,187</b>

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

Source: District records

GLASSBORO SCHOOL DISTRICT  
Insurance Schedule  
June 30, 2017  
Unaudited

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

Source: District records.

**SINGLE AUDIT SECTION**

# PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants  
102 West High Street, Suite 100 • P.O. Box 279 • Glassboro, NJ 08028  
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Deanna L. Roller, CPA, RMA

EXHIBIT K-1

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

### Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the Governmental Activities, the Business-type Activities, each major fund, and the aggregate remaining fund information of the Glassboro School District, in the County of Gloucester, State of New Jersey, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Glassboro School District's basic financial statements and have issued our report thereon dated November 28, 2017.

#### ***Internal Control Over Financial Reporting***

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

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

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

### ***Compliance and Other Matters***

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

### ***Purpose of this Report***

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

PETRONI & ASSOCIATES LLC



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

November 28, 2017

# PETRONI & ASSOCIATES LLC

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EXHIBIT K-2

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

**Independent Auditor's Report**

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

***Report on Compliance for Each Major Federal and State Program***

We have audited the Glassboro School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Glassboro School District's major federal and state programs for the year ended June 30, 2017. Glassboro School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.* Those standards, Uniform Guidance, and New Jersey OMB's Circular 15-08, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Glassboro School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

### ***Opinion on Each Major Federal and State Program***

In our opinion, the Glassboro School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2017.

### **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance, and New Jersey OMB's Circular 15-08 and which is described in the accompanying schedule of findings and questioned costs as item 2017-001. Our opinion on each major state program is not modified with respect to these matters.

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

### ***Report on Internal Control Over Compliance***

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

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



*compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

We have audited the financial statements Glassboro School District as of and for the year ended June 30, 2017, and have issued our report thereon dated November 28, 2017, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by the Uniform Guidance and New Jersey OMB's Circular 15-08 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditure of federal awards and state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

PETRONI & ASSOCIATES LLC



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

November 28, 2017

GLASSBORO SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year ended June 30, 2017

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2016	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2017			Cumulative Total Expenditures
					From	To							Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Education																
General Fund:																
Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	\$ 91,435	7/1/16	6/30/17			\$ 91,435	\$ (91,435)						\$ 91,435
Medical Assistance Program (SEMI) - ARRA	93.778	1705NJ5MAP	N/A	6,574	10/1/08	12/31/10			6,574	(6,574)						6,574
Medical Assistance Program (SEMI)	93.778	1605NJSMAP	N/A	106,922	7/1/15	6/30/16			24,279							106,922
Total General Fund									<u>(24,279)</u>	<u>122,288</u>	<u>(98,009)</u>					<u>204,931</u>
U.S. Department of Education																
Passed-through State Department of Education																
Special Revenue Fund																
Title I, Part A	84.010A	S010A160030	NCLB173017	812,136	7/1/16	6/30/17			517,028	(803,449)			\$ (286,421)			803,449
Title I, Part A	84.010A	S010A150030	NCLB17301E	804,925	7/1/15	6/30/16	(212,697)		212,697							729,854
IDEA Part B, Basic Regular	84.027	H027A160100	FT173017	622,098	7/1/16	6/30/17			618,771	(620,751)			(1,980)			620,751
IDEA Part B, Basic Regular	84.027	H027A150100	FT17301E	665,844	7/1/15	6/30/16	(26,312)		26,312							661,755
IDEA Part B, Preschool	84.173	H173A160114	FT173017	24,895	7/1/16	6/30/17			11,363	(24,885)			(13,522)			24,519
Title II Part A	84.367A	S367A160029	NCLB173017	285,356	7/1/16	6/30/17			146,947	(189,339)			(42,392)			189,339
Title II Part A	84.367A	S367A150029	NCLB17301E	292,524	7/1/15	6/30/16	(30,269)		30,269							97,187
Title III	84.365A	S365A160030	NCLB173017	18,399	7/1/16	6/30/17			10,942	(16,520)			(5,578)			16,520
Title III	84.365A	S365A150030	NCLB17301E	13,957	7/1/15	6/30/16	(3,747)		3,747							13,075
Perkins Basic Entitlementen	84.048	V048A160030	16-100-034-5060-027	16,761	7/1/16	6/30/17				(15,841)			(15,841)			18,835
School Improvement Grants	84.377	S377A160031	n/a	287,418	1/1/17	8/31/17			40,021	(43,336)			(3,315)			
Total Special Revenue Fund									<u>1,618,097</u>	<u>(1,714,121)</u>			<u>(369,049)</u>			<u>3,175,284</u>
U.S. Department of Agriculture																
Passed-through State Department of Education:																
Enterprise Fund:																
Food Distribution Program	10.550	N/A	N/A	77,441	7/1/16	6/30/17			77,441	(71,073)				\$ 6,368		71,073
Food Distribution Program	10.550	N/A	N/A	75,904	7/1/15	6/30/16	1,802			(1,802)						75,904
School Breakfast Program	10.553	171NJ304N1099	N/A	219,377	7/1/16	6/30/17			205,654	(219,377)			(13,723)			219,377
School Breakfast Program	10.553	16161NJ304N1099	N/A	202,662	7/1/15	6/30/16	(36,244)		36,244							202,662
National School Lunch Program	10.555	171NJ304N1099	N/A	468,429	7/1/16	6/30/17			439,898	(468,429)			(28,531)			468,429
National School Lunch Program	10.555	16161NJ304N1099	N/A	456,877	7/1/15	6/30/16	(77,170)		77,170							456,877
Total Enterprise Fund									<u>836,407</u>	<u>(760,681)</u>			<u>(42,254)</u>	<u>6,368</u>		<u>1,494,322</u>
Total Federal Financial Awards									<u>\$ (408,916)</u>	<u>\$ 2,576,792</u>	<u>\$ (2,572,811)</u>		<u>\$ (411,303)</u>	<u>\$ 6,368</u>		<u>\$ 4,874,537</u>

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

GLASSBORO SCHOOL DISTRICT  
Schedule of Expenditures of State Financial Assistance  
For the Fiscal Year ended June 30, 2017

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2016					Adjustments/Repayment of Prior Years' Balances	Balance June 30, 2017			MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures		Accounts Receivable	Deferred Revenue/Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education															
General Fund:															
State Aid Public															
Special Education Categorical Aid	17-495-034-5120-089	\$1,191,065	7/1/16	6/30/17				\$ 1,191,065	\$ (1,191,065)					\$ 119,107	\$ 1,191,065
Equalization Aid	17-495-034-5120-078	14,781,988	7/1/16	6/30/17				14,781,988	(14,781,988)					1,369,019	14,781,988
Security Aid	17-495-034-5120-084	272,057	7/1/16	6/30/17				272,057	(272,057)					27,206	272,057
School Choice Aid	17-495-034-5120-068	122,281	7/1/16	6/30/17				122,281	(122,281)					12,228	122,281
PARCC Readiness Aid	17-495-034-5120-098	21,040	7/1/16	6/30/17				21,040	(21,040)					2,104	21,040
Per Pupil Growth Aid	17-495-034-5120-097	21,040	7/1/16	6/30/17				21,040	(21,040)					2,104	21,040
Professional Learning Community Aid	17-495-034-5120-101	20,390	7/1/16	6/30/17				20,390	(20,390)					2,039	20,390
Transportation Aid	17-495-034-5120-014	124,448	7/1/16	6/30/17				124,448	(124,448)					12,445	124,448
Extraordinary Aid	17-495-034-5120-044	235,568	7/1/16	6/30/17					(235,568)		\$ (235,568)				235,568
Extraordinary Aid	16-495-034-5120-044	223,533	7/1/15	6/30/16		\$ (223,533)		223,533							223,533
Reimbursement of Nonpublic Transportation	N/A	25,926	7/1/16	6/30/17					(25,926)			(25,926)			25,926
Reimbursement of Nonpublic Transportation	N/A	12,354	7/1/15	6/30/16		(12,354)		12,354							12,354
Reimbursement of Homeless Tuition	N/A	26,845	7/1/15	6/30/16		(26,845)		26,845							26,845
On-behalf TPAF Pension Contribution	17-495-034-5095-002	1,691,755	7/1/16	6/30/17				1,691,755	(1,691,755)						1,691,755
On-behalf TPAF Postretirement Contribution	17-495-034-5095-001	1,409,617	7/1/16	6/30/17				1,409,617	(1,409,617)						1,409,617
On-behalf TPAF Long-term Disability Insurance	17-495-034-5095-004	2,299	7/1/16	6/30/17				2,299	(2,299)						2,299
Reimbursed TPAF Social Security Aid	17-495-034-5094-003	1,123,784	7/1/16	6/30/17				1,067,977	(1,123,784)			(55,807)			1,123,784
<b>Total General Fund</b>						<b>(262,732)</b>		<b>20,988,689</b>	<b>(21,043,258)</b>			<b>(317,301)</b>		<b>1,546,252</b>	<b>21,305,990</b>
Special Revenue Fund:															
Preschool Education Aid	17-495-034-5120-086	495,950	7/1/16	6/30/17				495,950	(495,950)					49,595	495,950
NJ Nonpublic Aid:															
Textbook Aid	17-100-034-5120-064	4,957	7/1/16	6/30/17				4,957	(4,894)				\$ 63		4,894
Textbook Aid	16-100-034-5120-064	5,025	7/1/15	6/30/16			\$ 116			\$ (116)					4,909
Auxiliary Services:															
Compensatory Education	17-100-034-5120-067	11,645	7/1/16	6/30/17				11,645	(6,181)				5,464		6,181
Compensatory Education	16-100-034-5120-067	13,536	7/1/15	6/30/16			3,892			(3,892)					9,644
Transportation	17-100-034-5120-067	2,797	7/1/16	6/30/17				2,797	(1,720)				1,077		1,720
Transportation	16-100-034-5120-067	2,581	7/1/15	6/30/16			633			(633)					1,948
Handicapped Services:															
Corrective Speech	17-100-034-5120-066	15,903	7/1/16	6/30/17				15,903	(10,602)				5,301		10,602
Corrective Speech	16-100-034-5120-066	11,705	7/1/15	6/30/16			2,843			(2,843)					8,862
Examination and Classification	17-100-034-5120-066	9,549	7/1/16	6/30/17				9,549	(6,844)				2,705		6,844
Examination and Classification	16-100-034-5120-066	11,762	7/1/15	6/30/16			1,876			(1,876)					9,886
Supplementary Instruction	17-100-034-5120-066	6,278	7/1/16	6/30/17				6,278	(3,766)				2,512		3,766
Supplementary Instruction	16-100-034-5120-066	8,168	7/1/15	6/30/16			3,119			(3,119)					5,049
Nursing Services Aid	17-100-034-5120-070	7,740	7/1/16	6/30/17				7,740	(7,740)						7,740
Technology Initiative	17-100-034-5120-373	2,236	7/1/16	6/30/17				2,236	(2,235)				1		2,262
Technology Initiative	16-100-034-5120-373	2,288	7/1/15	6/30/16			26			(26)					2,912
Security Aid	17-100-034-5120-509	4,300	7/1/16	6/30/17				4,300	(2,475)				1,825		2,200
<b>Total Special Revenue Fund</b>							<b>12,505</b>	<b>561,355</b>	<b>(542,407)</b>			<b>(12,505)</b>		<b>18,948</b>	<b>49,595</b>
Debt Services Fund:															
Debt Service Aid Type II	17-100-034-5120-075	950,498	7/1/16	6/30/17				950,498	(950,498)						950,498
<b>Total Debt Service Fund</b>								<b>950,498</b>	<b>(950,498)</b>						<b>950,498</b>

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

GLASSBORO SCHOOL DISTRICT  
Schedule of Expenditures of State Financial Assistance  
For the Fiscal Year ended June 30, 2017

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2016			Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance June 30, 2017			MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover (Walkover) Amount				Accounts Receivable	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Agriculture															
Enterprise Fund:															
National School Lunch Program (State Share)	17-100-010-3350-023	9,783	7/1/16	6/30/17			9,190	(9,783)		(593)					9,783
National School Lunch Program (State Share)	16-100-010-3350-023	9,806	7/1/15	6/30/16	(1,647)		1,647								9,806
Total Enterprise Fund					(1,647)		10,837	(9,783)		(593)					19,589
Total State Financial Assistance					<u>\$ (264,379)</u>	<u>\$ 12,505</u>	<u>\$ 22,511,379</u>	<u>\$ (22,545,946)</u>	<u>\$ (12,505)</u>	<u>\$ (317,894)</u>		<u>\$ 18,948</u>	<u>\$ 1,595,847</u>	<u>\$ 23,798,203</u>	
Less: On-behalf TPAF Pension System Contributions									(3,103,671)						
Total for State Financial Assistance - Major Program Determination									<u>\$ (19,442,275)</u>						

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

GLASSBORO SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2017

**NOTE 1: GENERAL**

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

**NOTE 2: BASIS OF ACCOUNTING**

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

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

The General Fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of one or more deferred June state aid payments in the current budget year, which is mandated pursuant to NJSA 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with NJSA 18A:22-4.2.

GLASSBORO SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2017

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$28,148) for the General Fund and (\$6,858) for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the General and Special Revenue Funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 98,009	\$ 21,015,110	\$ 21,113,119
Special Revenue Fund	1,711,273	536,303	2,247,576
Debt Service Fund		950,498	950,498
Food Service Fund	765,247	9,783	775,030
Total awards & financial assistance	<u>\$ 2,574,529</u>	<u>\$ 22,511,694</u>	<u>\$ 25,086,223</u>

**NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5: OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2017. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2017.

**NOTE 6: OTHER**

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2017. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2017.

**NOTE 7: INDIRECT COST RATE**

The Glassboro School District has elected not to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

GLASSBORO SCHOOL DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

2) Significant deficiencies identified?            yes       X       none reported

Noncompliance material to basic financial statements noted?            yes       X       no

**Federal Awards**

Internal Control over major programs:

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

2) Significant deficiencies identified?            yes       X       none reported

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.01	S010A160030	Title I Part A

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

Auditee qualified as low-risk auditee?       X       yes                    no





GLASSBORO SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

***Section II – Financial Statement Findings***

No matters were reported.

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

**FEDERAL AWARDS**

No matters were reported.

**STATE AWARDS**

**Finding 2017-001:**

**State Program** - State Aid Public Cluster - Eligibility

**Criteria** - The School District must complete a set of work papers that document the compilation of data and provide an audit trail for testing the enrollments reported on the Application for State School Aid (ASSA).

**Condition** - The amount of students reported on the ASSA as Low Income, Resident LEP Low Income, and Resident LEP Not Low Income were not in agreement with the District work papers.

**Questioned Costs** - The amount of questioned costs is not known at this time.

**Context** - The number reported on the ASSA as Low Income students was 895 while the District work papers reported 870 resulting in an overclaim of 25. The number reported on the ASSA as Resident LEP Low Income students was 51 while the District work papers reported 72 resulting in an underclaim of 21. The number reported on the ASSA as Resident LEP Not Low Income students was 66 while the District work papers reported 33 resulting in an overclaim of 33.

**Effect** - ASSA data is used in the calculation of state aid, and for other purposes such as calculation of School Choice Aid, and federal entitlement programs errors in reporting could result in adjustments to revenue received by the District.

**Cause** - District work papers did not support the data reported on the ASSA.

**Recommendation** - The data reported on the ASSA must be supported by work papers.

GLASSBORO SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

No matters were reported.