

**Glassboro Board of Education
Comprehensive Annual Financial Report
for the Year Ended June 30, 2018**

**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, 2018**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

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

for the Fiscal Year Ended June 30, 2018

Prepared by:

Glassboro Board of Education Administration

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INTRODUCTORY SECTION

Glassboro Public Schools

560 Joseph Bowe Boulevard
Glassboro, New Jersey 08028

www.glassboro.k12.nj.us

Phone: 856-652-2700
Fax: 856-881-0884

Danielle Sochor
Chief Academic Officer



Scott Henry
Business Administrator

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

January 17, 2019

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, 2018. 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 2017-18 fiscal year was 1,988 students, which is 111 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
2017-18	1,988
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

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 227 students or 10.25%.

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 Social and Emotional Program and Positive Behavior Support Program will support the 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 is 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, Read Alouds, and Writing Workshop Model. The school will continue to foster classrooms where excellent teaching is targeted to the variable learning needs of our diverse population through Differentiated Instruction and Cultural Relevancy.

Bullock Initiatives

Bullock School will improve achievement by focusing on curriculum, instruction, and assessment. Glassboro revised our ELA and Math curriculums to reflect the NJSLs while focusing on common assessments and benchmarks district wide. Our new curriculum plan is 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 implemented a new standard based math program, Eureka Math. 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 Cultural Relevancy.

Bowe Initiatives

Bowe School will improve achievement by focusing on curriculum, instruction, and assessment. Glassboro revised 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, Read Aloud, and Writing Workshop Model. The school has implemented a new standards based math program, Eureka Math. The school currently offers an Honor Algebra class to 6th grade students.

We will continue to foster classrooms where excellent teaching is targeted to the variable learning needs of our diverse population through Differentiated Instruction and Teaching for Relevancy. The Bowe School is also piloting a social and emotional elective to meet the social/emotional needs of our students.

Intermediate School Initiatives

Intermediate School will improve achievement by focusing on curriculum, instruction, and assessment. Glassboro revised 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 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 Cultural Relevancy.

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

High School Initiatives

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

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

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

A wide variety of co-curricular and extracurricular 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, 2018.

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, 2018, the District's outstanding debt issues included \$23,577,000 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 \$1,825,000 and the bonds mature in FY2019. 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 \$21,752,000 and will mature in FY2036. 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

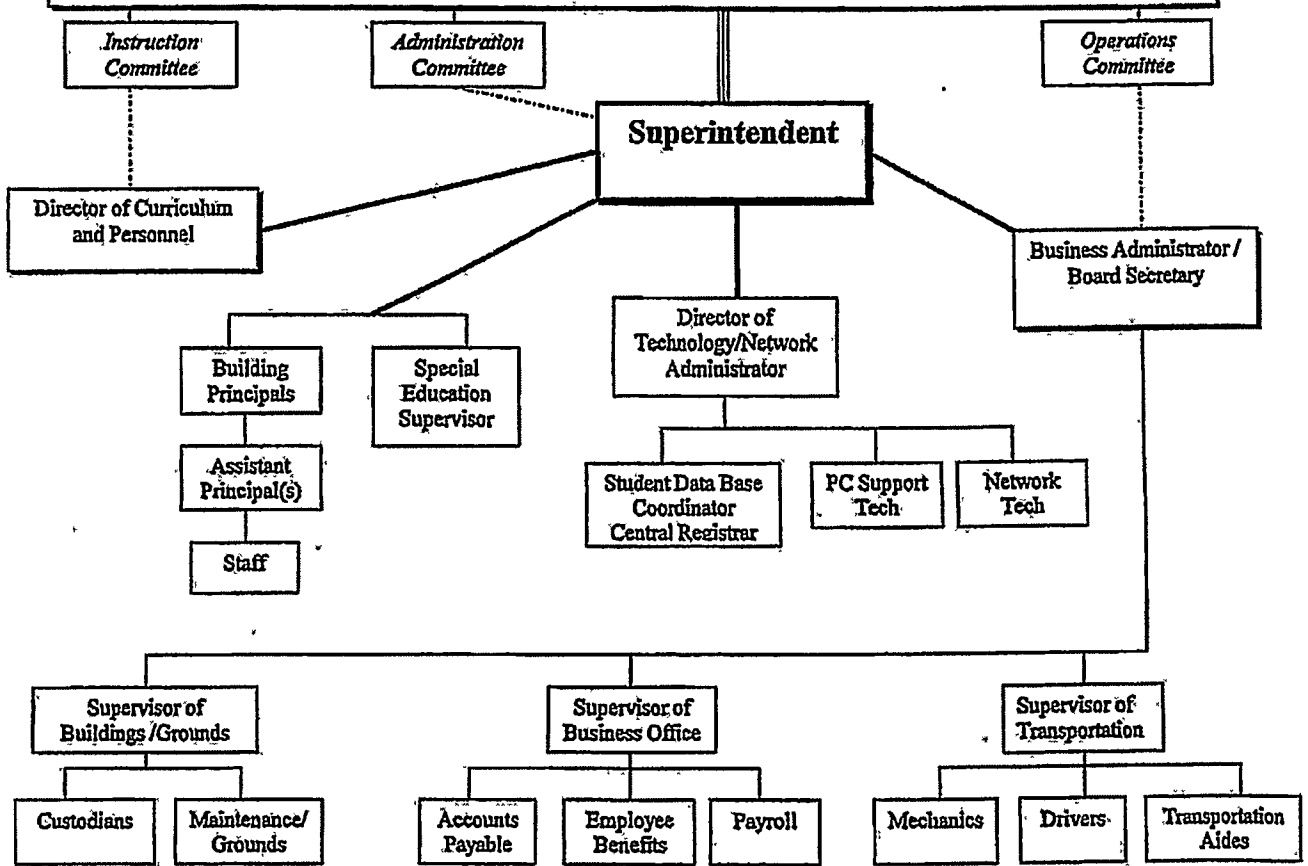
Mark J. Silverstein, MBA, Ed.D
Superintendent of Schools

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, 2018

MEMBERS OF THE BOARD OF EDUCATION	Term Expires
Peter J. Calvo, President	2019
Edward Keith, Vice President	2018
Ray Cibo, Jr.	2020
Chris Esgro	2019
Alex Fanfarillo	2019
Ryan Hughes	2018
Dr. Brian Redondo	2018
Benjamin Stephens	2020
Elizabeth Volz	2020

OTHER OFFICIALS

Dr. Mark J. Silverstein, MBA, 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

Kevin A. Bergeron, CPA
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, 2018, 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, 2018, 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 January 17, 2019, 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

January 17, 2019

Required Supplementary Information – Part I

**GLASSBORO SCHOOL DISTRICT
GLASSBORO, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2018
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, 2018. 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 (2017-2018) and the prior year (2016-2017) is required to be presented in the MD&A.

Financial Highlights

Key financial highlights for 2018 are as follows:

- * General revenues accounted for \$49,066,017 in revenue or 93 percent of all revenues.
- * Program specific revenues, in the form of charges for services and grants and contributions, accounted for \$3,746,516 or 7 percent of total revenues of \$52,812,533.
- * The School District had \$50,632,996 in expenses; only \$3,746,516 of these expenses were offset by program specific charges for services, grants or contributions.
- * Among Governmental Funds, the General Fund had \$41,972,229 in revenues and the General Fund's fund balance increased \$1,188,324 over 2017.

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 2018?" 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 Fund 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 2018, with comparative data from 2017.

Table 1
Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current & other assets	\$ 4,793,133	\$ 11,972,848	\$ 267,524	\$ 260,099	\$ 5,060,657	\$ 12,232,947
Capital assets	41,961,598	33,592,253	42,678	51,888	42,004,276	33,644,141
Total assets	<u>46,754,731</u>	<u>45,565,101</u>	<u>310,202</u>	<u>311,987</u>	<u>47,064,933</u>	<u>45,877,088</u>
Deferred outflows	<u>877,357</u>	<u>5,043,396</u>			<u>877,357</u>	<u>5,043,396</u>
Long-term liabilities	25,653,914	28,532,426			25,653,914	28,532,426
Other liabilities	311,460	3,368,476	46,163	65,118	357,623	3,433,594
Net pension liability	13,351,281	17,841,575			13,351,281	17,841,575
Net pension liability	101,884,684				101,884,684	
Total liabilities	<u>141,201,339</u>	<u>49,742,477</u>	<u>46,163</u>	<u>65,118</u>	<u>141,247,502</u>	<u>49,807,595</u>
Deferred inflows	<u>14,356,052</u>	<u>816,139</u>			<u>14,356,052</u>	<u>816,139</u>
Net position:						
Invested in capital assets, net of debt	17,852,025	6,628,428			17,852,025	6,628,428
Restricted	5,112,301	9,309,326			5,112,301	9,309,326
Unrestricted	(130,889,629)	(15,887,873)	264,039	246,869	(130,625,590)	(15,641,004)
Total net position	<u>\$ (107,925,303)</u>	<u>\$ 49,881</u>	<u>\$ 264,039</u>	<u>\$ 246,869</u>	<u>\$ (107,661,264)</u>	<u>\$ 296,750</u>

The District's combined net position was \$(107,661,264) on June 30, 2018. This was a decrease from the prior year. This was mainly due to a prior period adjustment of OPEB liability in the amount of \$110,137,551 required by the adoption of GASB Statement No. 75 (See Note 23 in the Notes to the Financial Statements).

Table 2 shows changes in net position for fiscal year 2018 with comparative data from 2017.

The School District as a Whole (Continued)

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 10,000	\$ 9,500	\$ 232,337	\$ 207,254	\$ 242,337	\$ 216,754
Operating grants & contributions	2,770,577	2,278,782	733,602	775,030	3,504,179	3,053,812
General revenues:						
Property taxes	21,982,063	21,298,130			21,982,063	21,298,130
Grants & entitlements	22,679,174	22,063,617			22,679,174	22,063,617
Other	4,403,967	738,008	813	441	4,404,780	738,449
Total revenues	51,845,781	46,388,037	966,752	982,725	52,812,533	47,370,762
Expenses:						
Instruction	15,970,337	16,073,649			15,970,337	16,073,649
Support services	31,825,208	25,976,410			31,825,208	25,976,410
Capital outlay	44,746	386,701			44,746	386,701
Transfer to charter schools	30,587	106,872			30,587	106,872
Unallocated depreciation	980,311	1,015,938			980,311	1,015,938
Interest on debt	832,225	940,850			832,225	940,850
Food service			946,741	967,075	946,741	967,075
Other			2,841		2,841	
Total expenses	49,683,414	44,500,420	949,582	967,075	50,632,996	45,467,495
Change in net position	2,162,367	1,887,617	17,170	15,650	2,179,537	1,903,267
Beginning net position	(110,087,670)	(1,837,736)	246,869	231,219	(109,840,801)	(1,472,924)
Ending net position	\$ (107,925,303)	\$ 49,881	\$ 264,039	\$ 246,869	\$ (107,661,264)	\$ 430,343

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 43 percent of revenues for governmental activities for the Glassboro School District for fiscal year 2018. The District's total revenues were \$52,812,533 for the year ended June 30, 2018. Federal, state, and local grants accounted for another 44 percent of revenue.

The total cost of all governmental programs and services was \$49,683,414. Instruction comprises 33 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 \$17,170.

* Charges for services represent \$232,337 of revenue.

* Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$733,602.

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 2018, with comparative data for 2017. 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	
	2018	2017	2018	2017
Instruction	\$ 15,970,337	\$ 16,073,649	\$ 14,336,918	\$ 14,485,241
Support services:				
Pupil & instructional staff	6,783,711	5,600,295	5,636,553	4,900,421
General administration, school administration & business operation	3,143,407	3,053,117	3,143,407	3,053,117
Operation & maintenance of facilities	2,910,593	2,909,254	2,910,593	2,909,254
Pupil transportation	2,358,150	2,406,552	2,358,150	2,406,552
Interest	832,225	940,850	832,225	940,850
Other	17,684,991	13,516,703	17,684,991	13,516,703
	<u>\$ 49,683,414</u>	<u>\$ 44,500,420</u>	<u>\$ 46,902,837</u>	<u>\$ 42,212,138</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 \$48,063,873 and expenditures were \$52,500,841.

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 2018 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 \$36,140,650, which was \$428,027 more than original budgeted estimates of \$36,612,623.

The General Fund revenue exceeded the expenditures and other financing sources of the School District for the year by \$1,190,825.

Capital Assets

At the end of the fiscal year 2018 the School District had \$42,004,276 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2018 balances compared to 2017.

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

	<u>2018</u>	<u>2017</u>
Sites	\$ 235,104	\$ 235,104
Construction in progress	23,122,307	14,210,791
Site improvements	417,213	475,244
Building & building improvements	15,870,068	16,335,455
Machinery & equipment	2,359,584	2,387,547
	<u>\$ 42,004,276</u>	<u>\$ 33,644,141</u>

Overall capital assets increased \$8,360,135 from fiscal year 2017 to fiscal year 2018. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

At June 30, 2018, the School District had \$25,653,914 of outstanding debt. Of this amount, \$1,544,341 is for compensated absences; \$532,573 is for various capital leases; and \$23,577,000 is for serial bonds for school construction.

Table 5
Outstanding Serial Bonds at June 30,

	<u>2018</u>	<u>2017</u>
Refunding Bonds of 2006	\$ 1,825,000	\$ 3,580,000
Bonds of 2015	21,752,000	22,702,000
	<u>\$ 23,577,000</u>	<u>\$ 26,282,000</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.glassboro schools.us.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

GLASSBORO SCHOOL DISTRICT
Statement of Net Position
June 30, 2018

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 3,159,558	\$ 197,097	\$ 3,356,655
Receivables, net	1,565,508	55,754	1,621,262
Due from other funds	35,414		35,414
Inventory		14,673	14,673
Restricted assets:			
Cash and cash equivalents	32,653		32,653
Capital assets:			
Non-depreciable	23,357,411		23,357,411
Other capital assets, net	18,604,187	42,678	18,646,865
Total assets	46,754,731	310,202	47,064,933
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	877,357		877,357
LIABILITIES			
Accounts payable	287,476		287,476
Due to other funds		35,414	35,414
Payable to state government	16,009		16,009
Deferred revenue	7,975	10,749	18,724
Noncurrent liabilities:			
Due within one year	2,974,507		2,974,507
Due beyond one year	22,679,407		22,679,407
Net pension liability	13,351,281		13,351,281
Net OBEP liability	101,884,684		101,884,684
Total liabilities	141,201,339	46,163	141,247,502
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	2,076,933		2,076,933
Deferred inflows related to OPEB	12,279,119		12,279,119
Total Deferred inflows	14,356,052		14,356,052
NET POSITION			
Invested in capital assets, net of related debt	17,852,025		17,852,025
Restricted for:			
Other purposes	5,112,301		5,112,301
Unrestricted	(130,889,629)	264,039	(130,625,590)
Total net position	\$ (107,925,303)	\$ 264,039	\$ (107,661,264)

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2018

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	\$ 9,455,832				\$ (9,455,832)	\$ (9,455,832)
Special education	5,417,684		\$ 1,633,419		(3,784,265)	(3,784,265)
Other special instruction	602,058				(602,058)	(602,058)
School sponsored activities	473,102				(473,102)	(473,102)
Other instruction	21,661				(21,661)	(21,661)
Support services:						
Tuition	2,420,352				(2,420,352)	(2,420,352)
Student & instructional related services	4,363,359	\$ 10,000	1,137,158		(3,216,201)	(3,216,201)
General administration	741,922				(741,922)	(741,922)
School administrative services	1,454,375				(1,454,375)	(1,454,375)
Central services	488,327				(488,327)	(488,327)
Administrative information technology	458,783				(458,783)	(458,783)
Plant operations & maintenance	2,910,593				(2,910,593)	(2,910,593)
Pupil transportation	2,358,150				(2,358,150)	(2,358,150)
Unallocated benefits	16,629,347				(16,629,347)	(16,629,347)
Capital outlay	44,746				(44,746)	(44,746)
Transfer to Charter Schools	30,587				(30,587)	(30,587)
Interest on long-term debt	832,225				(832,225)	(832,225)
Unallocated depreciation	980,311				(980,311)	(980,311)
Total governmental activities	<u>49,683,414</u>	<u>10,000</u>	<u>2,770,577</u>		<u>(46,902,837)</u>	<u>(46,902,837)</u>
Business-type activities:						
Food service	946,741	216,222	733,602			\$ 3,083
Other	2,841	16,115				13,274
Total business-type activities	<u>949,582</u>	<u>232,337</u>	<u>733,602</u>			<u>16,357</u>
Total primary government	<u>\$ 50,632,996</u>	<u>\$ 242,337</u>	<u>\$ 3,504,179</u>		<u>\$ (46,902,837)</u>	<u>\$ 16,357</u>
						<u>\$ (46,886,480)</u>
General revenues:						
Taxes:						
Property taxes, levied for general purposes					\$ 19,356,049	\$ 19,356,049
Taxes levied for debt service					2,626,014	2,626,014
Federal and state aid not restricted					22,679,174	22,679,174
Tuition received					176,501	176,501
Transportation fees					52,820	52,820
Investment earnings					41,923	\$ 42,736
Miscellaneous Income					360,828	360,828
Prior year receivable canceled					(24,215)	(24,215)
Loss on retirement of asset					(12,316)	(12,316)
Prior year adjustment construction in progress					3,808,426	3,808,426
Total general revenues, special items, extraordinary items, and transfers					<u>49,065,204</u>	<u>813</u>
Change in net position					<u>2,162,367</u>	<u>17,170</u>
Net position - beginning					49,881	246,869
Prior period adjustment of OPEB liability					(110,137,551)	(110,137,551)
Restated net position - beginning					<u>(110,087,670)</u>	<u>246,869</u>
Net position - end					<u>\$ (107,925,303)</u>	<u>\$ 264,039</u>

See accompanying notes to the basic financial statements.

FUND FINANCIAL STATEMENTS

GLASSBORO SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2018

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
ASSETS					
Cash and cash equivalents	\$ 3,158,167		\$ 677,097		\$ 3,835,264
Receivables from other governments	494,727	\$ 813,037			1,307,764
Other receivables	254,012	3,732			257,744
Interfund receivable	35,414			\$ 120,158	155,572
Total assets	\$ 3,942,320	\$ 816,769	\$ 677,097	\$ 120,158	5,556,344
LIABILITIES AND FUND BALANCES					
Liabilities:					
Cash deficit		\$ 611,987		\$ 32,457	644,444
Accounts payable	\$ 33,230	222,000	\$ 32,246		287,476
Interfund payable			120,158		120,158
Payable to state government		16,009			16,009
Deferred revenue		7,975			7,975
Total liabilities	33,230	857,971	152,404	32,457	1,076,062
Fund balances:					
Restricted for:					
Excess surplus - designated for subsequent year's expenditures	1,829,517				1,829,517
Excess surplus	2,410,152				2,410,152
School bus advertising 50% fuel offset -prior year	1,527				1,527
Capital projects			524,693		524,693
Assigned to:					
Debt service fund				87,701	87,701
Designated for subsequent year's expenditures	143,936				143,936
Year-end encumbrances	114,775				114,775
Unassigned:					
General fund	(590,817)				(590,817)
Special revenue fund		(41,202)			(41,202)
Total fund balances	3,909,090	(41,202)	524,693	87,701	4,480,282
Total liabilities and fund balances	\$ 3,942,320	\$ 816,769	\$ 677,097	\$ 120,158	

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 \$62,260,750 and the accumulated depreciation is \$20,299,152 (See Note 7).

41,961,598

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.

1,391

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).

(25,653,914)

Net pension liability adjustment

(14,550,857)

Net OPEB liability adjustment

(4,026,252)

The cumulative effect of the change in accounting principles for adoption of GASB Statement No. 75 is reported as a prior period adjustment of OPEB liability (See Note 23)

(110,137,551)

Net position of Governmental Activities

\$ (107,925,303)

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, 2018

	Major Funds				Total Governmental Funds
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	
REVENUES:					
Local sources:					
Local tax levy	\$ 19,356,049			\$ 2,626,014	\$ 21,982,063
Tuition charges	176,501				176,501
Transportation fees	52,820				52,820
Interest earned - capital projects			\$ 11,134		11,134
Miscellaneous	391,604	\$ 29,435			421,039
	19,976,974	29,435	11,134	2,626,014	22,643,557
State sources	21,902,232	464,483		683,919	23,050,634
Federal sources	93,023	2,276,659			2,369,682
Total revenues	41,972,229	2,770,577	11,134	3,309,933	48,063,873
EXPENDITURES:					
Current:					
Regular instruction	9,495,796				9,495,796
Special education instruction	3,410,015	2,007,669			5,417,684
Other special instruction	602,058				602,058
School sponsored activities	473,102				473,102
Other instruction	21,661				21,661
Support:					
Tuition	2,420,352				2,420,352
Student & instruction related services	3,483,747	1,137,158			4,620,905
General administration	741,922				741,922
School administrative services	1,455,627				1,455,627
Central services	488,327				488,327
Administrative information technology	458,783				458,783
Plant operations and maintenance	2,910,593				2,910,593
Pupil transportation	2,358,150				2,358,150
Employee benefits	11,666,556				11,666,556
Debt Service:					
Principal				2,705,000	2,705,000
Interest				832,225	832,225
Capital outlay	698,423		5,103,090		5,801,513
Transfer to charter schools	30,587				30,587
Total expenditures	40,715,699	3,144,827	5,103,090	3,537,225	52,500,841
Excess (deficiency) of revenues over expenditures	1,256,530	(374,250)	(5,091,956)	(227,292)	(4,436,968)
Other financing sources (uses):					
Capital leases (non-budgeted)	338,652				338,652
Transfers in		382,643		11,134	393,777
Transfers out	(382,643)		(11,134)		(393,777)
Prior year receivables canceled	(24,215)				(24,215)
Total other financing sources (uses)	(68,206)	382,643	(11,134)	11,134	314,437
Net change in fund balances	1,188,324	8,393	(5,103,090)	(216,158)	(4,122,531)
Fund balance - July 1	2,720,766	(49,595)	5,627,783	303,859	8,602,813
Fund balance - June 30	\$ 3,909,090	\$ (41,202)	\$ 524,693	\$ 87,701	\$ 4,480,282

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, 2018

Total net change in fund balances - Governmental Funds (from B-2) \$ (4,122,531)

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.

	\$ (980,311)	
Depreciation expense	5,553,546	
Capital outlays	3,808,426	
Prior year construction in progress	(12,316)	
Loss on retirement of asset	<u> </u>	
		8,369,345

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.

		2,705,000
Bond principal		
Capital lease obligation principal		487,904

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.

		(338,652)
Capital lease proceeds		

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.

(168)

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.

24,260

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

(936,539)

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

(4,026,252)

Change in net position of Governmental Activities

\$ 2,162,367

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2018

	Business-type Activities Enterprise Funds			Totals	Governmental Activities - Internal Service Fund
	Food Service	Professional Development	Technology Fund		
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 177,692	\$ 1,127	\$ 18,278	\$ 197,097	\$ 1,391
Receivables, net	55,754			55,754	
Inventory	14,673			14,673	
Total current assets	<u>248,119</u>	<u>1,127</u>	<u>18,278</u>	<u>267,524</u>	<u>1,391</u>
Noncurrent assets:					
Furniture, machinery & equipment	459,307			459,307	
Less: accumulated depreciation	<u>416,629</u>			<u>416,629</u>	
Total noncurrent assets	<u>42,678</u>			<u>42,678</u>	
Total assets	<u>290,797</u>	<u>1,127</u>	<u>18,278</u>	<u>310,202</u>	<u>1,391</u>
LIABILITIES					
Interfund payable - general fund	35,414			35,414	
Deferred revenue	<u>10,749</u>			<u>10,749</u>	
Total liabilities	<u>46,163</u>			<u>46,163</u>	
NET POSITION					
Unrestricted	244,634	1,127	18,278	264,039	1,391
Total net position	<u>\$ 244,634</u>	<u>\$ 1,127</u>	<u>\$ 18,278</u>	<u>\$ 264,039</u>	<u>\$ 1,391</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, 2018

	Business-type Activities Enterprise Funds			Totals	Governmental Activities - Internal Service Fund
	Food Service	Professional Development	Technology Fund		
Operating revenues:					
Charges for services:					
Daily sales - reimbursable programs	\$ 133,391			\$ 133,391	
Daily sales - non-reimbursable programs	65,371			65,371	
Special functions/miscellaneous	17,460			17,460	
Professional development fees		\$ 2,010	\$ 14,105	16,115	
Workers' compensation contributions					\$ 10,000
Total operating revenues	<u>216,222</u>	<u>2,010</u>	<u>14,105</u>	<u>232,337</u>	<u>10,000</u>
Operating expenses:					
Cost of sales - reimbursable	375,241			375,241	
Cost of sales - non-reimbursable	29,768			29,768	
Salaries	323,026			323,026	
Employee benefits	69,905			69,905	
Contracted services	54,200	2,420		56,620	
Cleaning, repair and maintenance	12,019			12,019	
Insurance	16,216			16,216	
Supplies and materials	44,511		421	44,932	
Miscellaneous expenditures	12,645			12,645	
Claims expense					10,181
Depreciation	9,210			9,210	
Total operating expenses	<u>946,741</u>	<u>2,420</u>	<u>421</u>	<u>949,582</u>	<u>10,181</u>
Operating income (loss)	<u>(730,519)</u>	<u>(410)</u>	<u>13,684</u>	<u>(717,245)</u>	<u>(181)</u>
Non-operating revenues (expenses):					
Interest earned	813			813	13
State sources:					
State school lunch program	9,727			9,727	
Federal sources:					
School breakfast program	194,622			194,622	
National school lunch program	456,122			456,122	
Food distribution program	73,131			73,131	
Total non-operating revenues (expenses)	<u>734,415</u>			<u>734,415</u>	<u>13</u>
Change in net position	3,896	(410)	13,684	17,170	(168)
Total net position - beginning	<u>240,738</u>	<u>1,537</u>	<u>4,594</u>	<u>246,869</u>	<u>1,559</u>
Total net position - ending	<u>\$ 244,634</u>	<u>\$ 1,127</u>	<u>\$ 18,278</u>	<u>\$ 264,039</u>	<u>\$ 1,391</u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2018

	Business-type Activities Enterprise Funds			Totals	Governmental Activities - Internal Service Fund
	Food Service	Professional Development	Technology Fund		
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers	\$ 211,247	\$ 2,010	\$ 14,105	\$ 227,362	
Receipts for internal service activities					\$ 10,000
Payments to employees	(323,026)			(323,026)	
Payments for employee benefits	(69,905)			(69,905)	
Payments to suppliers	(480,279)	(2,420)	(421)	(483,120)	
Payment for claims					(10,181)
	<u>(661,963)</u>	<u>(410)</u>	<u>13,684</u>	<u>(648,689)</u>	<u>(181)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
State sources	9,213			9,213	
Federal sources	615,844			615,844	
Transfer from (to) other funds	35,414			35,414	
	<u>660,471</u>			<u>660,471</u>	
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest earned	813			813	13
	<u>813</u>			<u>813</u>	<u>13</u>
Net cash provided by investing activities					
Net increase (decrease) in cash and cash equivalents	(679)	(410)	13,684	12,595	(168)
Balances - beginning of year	178,371	1,537	4,594	179,908	1,559
Balances - end of year	<u>\$ 177,692</u>	<u>\$ 1,127</u>	<u>\$ 18,278</u>	<u>\$ 192,503</u>	<u>\$ 1,391</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (730,519)	\$ (410)	\$ 13,684	\$ (717,245)	\$ (181)
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	9,210			9,210	
Food distribution program	73,131			73,131	
(Increase) decrease in accounts receivable	(4,810)			(4,810)	
(Increase) decrease in inventory	2,547			2,547	
Increase (decrease) in accounts payable	(11,361)			(11,361)	
Increase (decrease) in deferred revenue	(161)			(161)	
Net cash provided by (used for) operating activities	<u>\$ (661,963)</u>	<u>\$ (410)</u>	<u>\$ 13,684</u>	<u>\$ (648,689)</u>	<u>\$ (181)</u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2018

	Unemployment Compensation Trust	Private Purpose Scholarship Trust	Agency Fund
ASSETS			
Cash and cash equivalents	\$ 65,371	\$ 42,072	\$ 791,285
Interfund receivable - Agency funds	112,150		
Total assets	\$ 177,521	\$ 42,072	\$ 791,285
LIABILITIES			
Payroll deductions and withholdings			\$ 229,064
Accrued salaries and wages			273,536
Due to student groups			176,535
Interfund payable - Unemployment trust			112,150
Total liabilities			\$ 791,285
NET POSITION			
Held in trust for unemployment claims	\$ 177,521		
Reserve for scholarships		\$ 42,072	

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, 2018

	Unemployment Compensation Trust	Private Purpose Scholarship Trust
	<u>Trust</u>	<u>Trust</u>
ADDITIONS:		
Contributions	\$ 75,579	\$ 3,520
Interest earned	436	251
Total additions	<u>76,015</u>	<u>3,771</u>
DEDUCTIONS:		
Unemployment claims	27,873	
Scholarships awarded		4,142
Total deductions	<u>27,873</u>	<u>4,142</u>
Change in net position	48,142	(371)
Net position - beginning of year	<u>129,379</u>	<u>42,443</u>
Net position - end of year	<u>\$ 177,521</u>	<u>\$ 42,072</u>

See accompanying notes to the basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

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, 2018**

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 is 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, 2018**

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, 2018**

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, 2018**

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, 2018**

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, 2018**

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, 2018**

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 represents 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, 2018**

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, 2018**

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 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 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.

In April 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 88, "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements." The impact of this statement, which is effective for fiscal periods beginning after June 15, 2018, on the District's financial reporting has not yet been determined.

In June 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 89, "Accounting for Interest Costs Incurred before the end of a Construction Period." This statement, which is effective for fiscal periods beginning after December 15, 2019, will not have any effect on the District's financial reporting.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

V. Recent Accounting Pronouncements Not Yet Effective (Continued)

In August 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 90, "Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61." This statement, which is effective for fiscal periods beginning after December 15, 2018, 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, 2018 and 2017, was \$4,288,036 and \$12,305,336. As of June 30, 2018 and 2017, \$0 of the District's bank balance of \$5,426,894 and \$13,889,543, respectively, was exposed to Custodial Credit Risk.

NOTE 3: INVESTMENTS

As of June 30, 2018, 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, 2018, 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, 2018**

NOTE 4: RECEIVABLES (CONTINUED)

	Governmental Activities	Business- Type Activities
State aid	\$ 491,775	\$ 514
Federal aid	815,989	34,900
Other	257,744	20,340
	<u>\$ 1,565,508</u>	<u>\$ 55,754</u>

NOTE 5: INTERFUND RECEIVABLES AND PAYABLES

	Interfund Receivable	Interfund Payable
General Fund	\$ 35,414	
Capital Projects Fund		\$ 120,158
Debt Service Fund	120,158	
Fiduciary Fund	112,150	112,150
Enterprise Fund		35,414
	<u>\$ 267,722</u>	<u>\$ 267,722</u>

NOTE 6: INVENTORY

Inventory in the Food Service Fund at June 30, 2018, consisted of the following:

Food	\$ 3,718
Food - Commodities	3,180
Supplies	7,775
	<u>\$ 14,673</u>

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 7: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018, was as follows:

	Balance July 1, 2017	Additions	Disposals	Balance June 30, 2018
Governmental activities:				
Sites	\$ 235,104			\$ 235,104
Construction in progress	14,210,791	\$ 8,911,516		23,122,307
Site improvements	1,892,289			1,892,289
Building & building improvements	30,829,700	88,318		30,918,018
Machinery & equipment	6,488,040	362,138	\$ 757,146	6,093,032
Totals at historical cost	<u>53,655,924</u>	<u>9,361,972</u>	<u>757,146</u>	<u>62,260,750</u>
Less: accumulated depreciation for:				
Site improvements	1,417,045	58,031		1,475,076
Building & building improvements	14,494,245	553,705		15,047,950
Machinery & equipment	4,152,381	368,575	744,830	3,776,126
Total accumulated depreciation	<u>20,063,671</u>	<u>980,311</u>	<u>744,830</u>	<u>20,299,152</u>
Governmental activities capital assets, net	<u>\$ 33,592,253</u>	<u>\$ 8,381,661</u>		<u>\$ 41,961,598</u>
Business-type activities:				
Machinery & equipment	\$ 467,507		8,200	\$ 459,307
Less: accumulated depreciation	415,619	\$ 9,210	8,200	416,629
Business-type capital assets, net	<u>\$ 51,888</u>	<u>\$ (9,210)</u>		<u>\$ 42,678</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, 2018, 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 rate of 4% per annum. The balance remaining at June 30, 2018, was \$1,825,000.

\$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, 2018, was \$21,752,000.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 8: GENERAL LONG-TERM DEBT (CONTINUED)

Long-Term Obligation Activity

Changes in long-term obligations for the fiscal year ended June 30, 2018, are as follows:

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018	Due Within One Year
Bonds payable	\$ 26,282,000		\$ 2,705,000	\$ 23,577,000	\$ 2,790,000
Capital leases	681,825	\$ 338,652	487,904	532,573	184,507
Compensated absences	1,568,601	1,544,340	1,568,600	1,544,341	
	<u>\$ 28,532,426</u>	<u>\$ 1,882,992</u>	<u>\$ 4,761,504</u>	<u>\$ 25,653,914</u>	<u>\$ 2,974,507</u>

Bonds Payable

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

Year Ended June 30,	Principal	Interest	Total
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	1,040,000	575,475	1,615,475
2024-2028	5,635,000	2,386,350	8,021,350
2029-2033	6,580,000	1,425,644	8,005,644
2034-2036	4,537,000	258,306	4,795,306
	<u>\$ 23,577,000</u>	<u>\$ 7,286,875</u>	<u>\$ 30,863,875</u>

Bonds Authorized but Not Issued

There were no bonds authorized but not issued as of June 30, 2018.

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, 2018**

NOTE 8: GENERAL LONG-TERM DEBT (CONTINUED)

Other (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, 2018, 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 four to ten years and carry interest rates ranging from 2.88% to 4.6%. 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, 2018:

Year Ended June 30,	Principal	Interest	Total
2019	\$ 184,507	\$ 14,466	\$ 198,973
2020	151,005	9,957	160,962
2021	102,195	5,714	107,909
2022	94,866	2,686	97,552
	<u>\$ 532,573</u>	<u>\$ 32,823</u>	<u>\$ 565,396</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), a 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/financial-reports.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, 2018**

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 7.34% of covered payroll. The District's contributions to PERS for the years ending June 30, 2018, 2017, and 2016, were \$531,331, \$535,170, and \$532,821, respectively, equal to the required contributions for each year.

During the fiscal year ended June 30, 2018, the State of New Jersey contributed \$3,788,210 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 \$1,145,870 during the year ended June 30, 2018, 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, 2018, 2017, and 2016, were \$22,463,923, \$22,456,478, and \$22,175,491, respectively. Covered payroll was \$3,821,084, \$3,991,597, and \$4,200,232 for PERS and \$15,689,744, \$15,761,097, and \$15,441,481 for TPAF, for the same years.

For the year ended June 30, 2018, The District recognized pension expense of \$1,467,870. At June 30, 2018, 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, 2018**

NOTE 9: PENSION FUNDS (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 173,764	
Changes of assumptions		\$ 1,157,713
Net difference between projected and actual earning on pension plan investments	172,263	
Changes in proportion and differences between District contributions and proportionate share of contributions		919,220
Employer contributions subsequent to the measurement date	531,331	
	\$ 877,358	\$ 2,076,933

\$531,331 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, 2018. 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,	
2019	\$ (218,247)
2020	(22,739)
2021	(275,607)
2022	(784,722)
2023	(429,590)
	\$ (1,730,905)

Additional Information – Collective balances at June 30, 2017 and 2016, are as follows:

	June 30, 2017	June 30, 2016
Collective deferred outflows of resources	\$ 5,396,431,901	\$ 7,315,204,785
Collective deferred inflows of resources	4,672,602,040	
Collective net pension liability	23,278,401,588	29,617,131,759
District's proportion	0.0573548035%	0.0602407254%

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, 2018**

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, 2018, 2017, and 2016, were \$24,046, \$20,977, and \$18,862 for covered employees.

NOTE 10: POST-EMPLOYMENT 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. 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. (GASB Cod. Sec. 2300.106(g)).

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.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Employees Covered by Benefit Terms

At June 30, 2018, the following employees were covered by the benefit terms:

- **TPAF Participant Retirees**
As of June 30, 2017, there were 112,966 retirees receiving post-retirement medical benefits and the State contributed \$1.39 billion on their behalf.
- **PERS Participant Retirees**
The State paid \$238.9 million toward Chapter 126 benefits for 209,913 eligible retired members in Fiscal Year 2017.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10: POST-EMPLOYMENT BENEFITS (CONTINUED)

Total OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the Board of Education/Board of Trustees. Note that actual numbers will be published in the NJ State's CAFR at: <https://www.nj.gov/treasury/omb/publications/archives.shtml>.

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2017, actuarial valuation reported by the State in the State's most recently issued CAFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.50%
Salary increases	Differs by pension group (e.g. - PERS, TPAF). See Actuarial Assumptions in the Notes to Required Supplementary Information - Note 4.
Discount rate	3.58%

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Bond index.

Mortality rates were based on the RP-2014 headcount-weighted mortality table for healthy and disabled lives with fully generational mortality improvement projections from the central year using Scale MP-2017.

The actuarial assumptions used in the June 30, 2016 valuation were based on the result of an actuarial experience study for the period July 1, 2016 through June 30, 2017.

Changes in the Total OPEB Liability reported by the State of New Jersey:

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10: POST-EMPLOYMENT BENEFITS (CONTINUED)

	Total OPEB Liability
Balance at 6/30/16	\$ 57,831,784,184
Changes for the year:	
Service cost	2,391,878,884
Interest	1,699,441,736
Changes of benefit terms	
Differences between expected and actual experience	
Changes in assumptions or other inputs	(7,086,599,129)
Contributions - Member	45,748,749
Benefit payments	(1,242,412,566)
Net changes	(4,191,942,326)
Balance at 6/30/17	\$ 53,639,841,858

There were no changes in benefit terms during the year.

Changes in assumptions and other inputs reflect a change in the discount rate from 2.85 percent in 2016 to 3.58 percent in 2017.

Sensitivity of the total OPEB liability to changes in the discount rate. The following represents the total OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percent-point lower or 1-percent-point higher than the current discount rate.

	1% Decrease 2.58%	Discount Rate 3.58%	1% Increase 4.58%
Total OPEB Liability (School Retirees)	\$ 63,674,362,200	\$ 53,639,841,858	\$ 45,680,364,953

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ 44,113,584,560	\$ 53,639,841,858	\$ 66,290,599,457

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10: POST-EMPLOYMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the Board of Education recognized OPEB expense of \$5,555,951 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Glassboro School District's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2017, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions		\$ 12,049,493
Changes in proportion and differences between District contributions and proportionate share of contributions		229,626
	None	\$ 12,279,119

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2019	\$ (1,437,836)
2020	(1,437,836)
2021	(1,437,836)
2022	(1,437,836)
2023	(1,437,836)
Thereafter	(5,089,939)
	\$ (12,279,119)

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, 2018**

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, 2018, the District has a total of approximately 407 employees. Of this total, approximately 348 employees are represented by unions as follows:

Glassboro Education Association (GEA) – 256 employees
Glassboro Principals and Supervisors Association (GPSA) – 13 employees
Glassboro Educational Support Professional Association (GESPA) – 79 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, 2018**

NOTE 14: RISK MANAGEMENT (CONTINUED)

Year Ended June 30,	District Contribution	Employee Contribution	Amount Reimbursed	Ending Balance
2016	\$ 808	\$ 35,302	\$ 22,178	\$ 92,665
2017	324	36,571	181	129,379
2018	None	75,579	27,873	177,521

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, \$4,239,669 is restricted as excess surplus (\$1,829,517 of the total restricted amount has been appropriated and included as anticipated revenue for the year ending June 30, 2019). The District also has \$1,527 for school bus advertising 50% fuel offset – prior year.

Capital Projects Fund – The Capital Projects Fund balance as of June 30, 2018, was \$524,693.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 16: FUND BALANCE APPROPRIATED (CONTINUED)

Assigned

General Fund – As of June 30, 2018, the District had \$258,711 of assigned fund balance. The balance consisted of \$114,775 of encumbrances outstanding for purchase orders and contracts signed by the District, but not completed, as of the close of the fiscal year and \$143,936 that the District has appropriated and included as anticipated revenue for the year ending June 30, 2019.

Debt Service Fund – The Debt Service Fund balance as of June 30, 2018, was \$87,701.

Unassigned

General Fund – As of June 30, 2018, a deficit of \$590,817 of fund balance was unassigned.

Special Revenue Fund – As of June 30, 2018, the fund balance was a deficit of \$41,202.

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, 2018, is \$4,239,669.

NOTE 18: DEFICIT FUND BALANCES

The District has a deficit fund balance of \$590,817 in the General Fund and \$41,202 in the Special Revenue Fund as of June 30, 2018, 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 \$590,817 is less than the last state aid payments.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

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, 2017, 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, 2017, the Borough abated property taxes totaling \$7,898,127 offset by ground leases in the amount of \$2,111,550, for a net effective tax abatement of \$5,786,577. The following agreements were in effect as of December 31, 2017, under the provisions of the aforementioned statutes:

- A 21.42% net effective abatement to a developer for construction and operation of an 884 bed student housing facility. The net effective abatement amounted to \$189,644.
- A 3.12% net effective abatement to a developer for construction and operation of a Barnes and Noble college bookstore. The net effective abatement amounted to \$3,555.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 19: TAX ABATEMENT PROGRAMS (CONTINUED)

- A 52.33% 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 \$197,872.
- A 64.05% 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 \$376,830.
- 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 \$351,751.
- A 60.00% net effective abatement to a developer for construction and operation of a five-story building including classrooms, office space, and a 90.00% net effective abatement for the retail space. The net effective abatement amounted to \$265,411.
- 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 \$1,545,138.
- An 89.20% 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 \$175,720.
- A 6.31% effective abatement (no ground lease) to a developer for construction and operation of an 80 unit affordable housing project. The abatement amounted to \$3,424.
- An 85.21% effective abatement (no ground lease) to a developer for construction and operation of 41 units of residential housing for physically disabled persons. The abatement amounted to \$100,710.
- An 88.29% net effective abatement to a developer for construction and operation of 123 student apartments and 37 market rate apartments; an 87.379% net effective abatement for 30,000 sq. ft. of classroom space; a 98.55% net effective abatement for 75,644 sq. ft. of retail space; and an 86.92% net effective abatement for a parking garage containing 865 spaces. The net effective abatement amounted to \$2,490,742.
- A 97.33% effective abatement (no ground lease) to a developer for construction and operation of 30 units of residential housing for low income homeless youth and youth aging out of foster care. The abatement amounted to \$85,779.

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 \$1,746,426. The following is a summary of the agreements:

- An average abatement of 52.47% to multiple entities to construct dwellings, as defined in the statute. The total of all such abatements amounted to \$1,664,860.
- An average abatement of 73.96% to numerous entities to construct commercial or industrial structures, as defined in the statute. The total of all such abatements amounted to \$81,566.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 20: ECONOMIC DEPENDENCY

The District is heavily reliant on state aid and local tax levy to fund the District's operations. State sources accounted for approximately 53% of the District's 2017-2018 General Fund revenue, while local tax levy accounted for approximately 47%.

State aid has been reduced by \$1,827,498 for the 2018-19 school year, but management has requested emergency aid from the state to offset this and has been approved in the amount of \$1,746,858 resulting in a reduction of \$80,640. This amount will be easily handled by the district.

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, 2018 and January 17, 2019, 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.

NOTE 23: CHANGE IN ACCOUNTING PRINCIPLE

During the year beginning July 1, 2017, the District adopted the Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" whose primary objective is to improve accounting and financial reporting for postemployment benefits other than pensions (OPEB). These statements establish standards for measuring and recognizing liabilities, deferred outflows of resources and deferred inflows of resources, and expense/expenditures for OPEB.

The effect of this change was to decrease fiscal year ended June 30, 2017, net position by \$110,137,551 which is the prior period adjustment of net OPEB liability. Financial statements for the fiscal year ended June 30, 2017, have not been restated, and the cumulative effect of the change totaling \$110,137,551 is shown as a one-time debit to net position in the fiscal year ended June 30, 2018, Statement of Activities.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 19,356,049		\$ 19,356,049	\$ 19,356,049	
Other local government units - restricted	15,000		15,000		\$ (15,000)
Tuition from other LEA's within the state	227,808		227,808	176,501	(51,307)
Transportation fees from other LEA's within the state	150,000		150,000	52,820	(97,180)
Rents and royalties	10,000		10,000	9,592	(408)
Miscellaneous	70,000		70,000	371,370	301,370
Advertising fees - school buses	11,300		11,300	10,642	(658)
Total - local sources	<u>19,840,157</u>		<u>19,840,157</u>	<u>19,976,974</u>	<u>136,817</u>
State sources:					
School choice aid	122,281		122,281	122,281	
Extraordinary aid	150,000		150,000	339,602	189,602
Categorical special education aid	1,191,065		1,191,065	1,207,847	16,782
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	
State reimbursement for lead testing of drinking water	10,515		10,515	18,780	8,265
Reimbursed nonpublic school transportation costs				41,180	41,180
TPAF - post-retirement medical (on-behalf non-budgeted)				1,485,812	1,485,812
Teachers' pension & annuity fund (on-behalf non-budgeted)				2,300,451	2,300,451
TPAF - long-term disability insurance (on-behalf non-budgeted)				1,947	1,947
Reimbursed TPAF social security contributions (non-budgeted)				1,145,870	1,145,870
Total - state sources	<u>16,714,824</u>		<u>16,714,824</u>	<u>21,904,733</u>	<u>5,189,909</u>
Federal sources:					
Medicaid reimbursement	57,642		57,642	93,023	35,381
Total - federal sources	<u>57,642</u>		<u>57,642</u>	<u>93,023</u>	<u>35,381</u>
Total revenues	<u>\$ 36,612,623</u>		<u>\$ 36,612,623</u>	<u>\$ 41,974,730</u>	<u>\$ 5,362,107</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Current expense:					
Regular programs - instruction:					
Kindergarten - salaries of teachers	\$ 712,563	\$ (3,533)	\$ 709,030	\$ 620,637	\$ 88,393
Grades 1-5 - salaries of teachers	2,861,036	(8,824)	2,852,212	2,821,222	30,990
Grades 6-8 - salaries of teachers	1,944,619	10,276	1,954,895	1,939,750	15,145
Grades 9-12 - salaries of teachers	2,881,207	(8,547)	2,872,660	2,869,044	3,616
Regular programs - home instruction:					
Salaries of teachers	17,000	(356)	16,644	15,429	1,215
Purchased professional - educational services	15,000	5,409	20,409	19,432	977
Regular programs - undistributed instruction:					
Other salaries for instruction	63,601	36,114	99,715	83,649	16,066
Purchased professional - educational services	375,000	(21,993)	353,007	327,746	25,261
Other purchased services	260,582	(12,518)	248,064	233,522	14,542
General supplies	515,518	27,030	542,548	505,676	36,872
Textbooks	60,759	656	61,415	58,279	3,136
Other objects	4,325	(2,009)	2,316	1,410	906
Total regular programs - instruction	<u>9,711,210</u>	<u>21,705</u>	<u>9,732,915</u>	<u>9,495,796</u>	<u>237,119</u>
Special education instruction:					
Learning and/or language disabilities:					
Salaries of teachers	238,659	103,927	342,586	342,316	270
Other salaries for instruction	188,744	(51,441)	137,303	130,949	6,354
Purchased professional - educational services	10,000	2,700	12,700	2,622	10,078
Other purchased services	8,000	1,500	9,500	5,354	4,146
General supplies	10,000	1,598	11,598	10,691	907
Other objects	1,100		1,100	1,100	
Total learning and/or language disabilities	<u>456,503</u>	<u>58,284</u>	<u>514,787</u>	<u>493,032</u>	<u>21,755</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Behavioral disabilities:					
Salaries of teachers	54,288	(54,288)			
Other salaries for instruction	20,793	(20,793)			
Purchased professional - educational services	3,000	(3,000)			
Other purchased services	1,500	(1,500)			
General supplies	1,000	(1,000)			
Total behavioral disabilities	<u>80,581</u>	<u>(80,581)</u>			
Multiple disabilities:					
Salaries of teachers	323,816	(2,569)	321,247	223,911	97,336
Other salaries for instruction	37,477	564	38,041	38,042	(1)
Purchased professional - educational services	3,200	3,691	6,891	6,890	1
Other purchased services	2,700		2,700	1,768	932
General supplies	11,000	(3,036)	7,964	7,203	761
Other objects	500		500	150	350
Total multiple disabilities	<u>378,693</u>	<u>(1,350)</u>	<u>377,343</u>	<u>277,964</u>	<u>99,379</u>
Resource room/resource center:					
Salaries of teachers	2,255,290	(53,885)	2,201,405	2,201,405	
Other salaries for instruction	99,407	(10,237)	89,170	71,896	17,274
Purchased professional - educational services	45,000	4,925	49,925	49,919	6
Other purchased services	6,000		6,000	4,126	1,874
General supplies	24,670	(298)	24,372	21,326	3,046
Total resource room/resource center	<u>2,430,367</u>	<u>(59,495)</u>	<u>2,370,872</u>	<u>2,348,672</u>	<u>22,200</u>
Preschool disabilities - part time:					
Salaries of teachers	135,218	7,243	142,461	142,461	
Other salaries for instruction	41,586	13,158	54,744	54,230	514
Purchased professional - educational services	2,000	2,067	4,067	3,902	165
Other purchased services	5,000	1,877	6,877	6,877	
General supplies	6,000	(916)	5,084	4,498	586
Total preschool disabilities - part time	<u>189,804</u>	<u>23,429</u>	<u>213,233</u>	<u>211,968</u>	<u>1,265</u>
Home instruction:					
Salaries of teachers	22,000	30,142	52,142	52,142	
Purchased professional - educational services	20,525	8,172	28,697	26,237	2,460
Total home instruction	<u>42,525</u>	<u>38,314</u>	<u>80,839</u>	<u>78,379</u>	<u>2,460</u>
Total special education - instruction	<u>3,578,473</u>	<u>(21,399)</u>	<u>3,557,074</u>	<u>3,410,015</u>	<u>147,059</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Basic skills/remedial - instruction:					
Salaries of teachers	632,497	(110,634)	521,863	318,242	203,621
Purchased professional - educational services	2,000	122	2,122	2,073	49
Total basic skills/remedial - instruction	<u>634,497</u>	<u>(110,512)</u>	<u>523,985</u>	<u>320,315</u>	<u>203,670</u>
Bilingual education - instruction:					
Salaries of teachers	248,733	30,460	279,193	279,193	
Purchased professional - educational services	3,500		3,500	2,439	1,061
General supplies	8,000	(7,424)	576	76	500
Other objects	400		400	35	365
Total bilingual education - instruction	<u>260,633</u>	<u>23,036</u>	<u>283,669</u>	<u>281,743</u>	<u>1,926</u>
School-sponsored co-curricular activities - inst.:					
Salaries	90,750	(500)	90,250	79,089	11,161
School-sponsored co-curricular athletics - inst.:					
Salaries	247,747	29,622	277,369	277,369	
Purchased services	101,650	(1,500)	100,150	74,113	26,037
Supplies and materials	35,100	5,000	40,100	35,905	4,195
Other objects	7,425		7,425	6,626	799
Total school-sponsored co-curricular athletics - inst.	<u>391,922</u>	<u>33,122</u>	<u>425,044</u>	<u>394,013</u>	<u>31,031</u>
Summer school - instruction:					
Salaries of teachers	6,000		6,000	5,975	25
Other purchased services	12,000		12,000	11,850	150
Total summer school - instruction	<u>18,000</u>		<u>18,000</u>	<u>17,825</u>	<u>175</u>
Summer school - support:					
Salaries	4,000		4,000	3,836	164
Total summer school	<u>22,000</u>		<u>22,000</u>	<u>21,661</u>	<u>339</u>
Total instruction and at-risk programs	<u>14,689,485</u>	<u>(54,548)</u>	<u>14,634,937</u>	<u>14,002,632</u>	<u>632,305</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - instruction:					
Tuition to other LEA's within the state - regular	60,000	4,656	64,656	53,297	11,359
Tuition to other LEA's within the state - special	87,000	(12,121)	74,879	36,657	38,222
Tuition to county voc. school district - regular	120,000	8,817	128,817	128,817	
Tuition to county voc. school district - special	6,700		6,700		6,700
Tuition to CSSD & regional day schools	521,466	(29,092)	492,374	306,359	186,015
Tuition to private schools for the disabled - within state	2,164,570	(122,896)	2,041,674	1,870,447	171,227
Tuition - state facilities	4,500	20,275	24,775	24,775	
Total undistributed expenditures - instruction	2,964,236	(130,361)	2,833,875	2,420,352	413,523
Undistributed expenditures - attendance and social work:					
Salaries	89,726	(6,376)	83,350	83,350	
Purchased professional and technical services	10,000		10,000	8,915	1,085
Other purchased services	750	(51)	699		699
Supplies and materials	928	600	1,528	503	1,025
Total undistributed expenditures - attendance and social work	101,404	(5,827)	95,577	92,768	2,809
Undistributed expenditures - health services:					
Salaries	385,825	9,278	395,103	395,103	
Purchased professional and technical services	17,500	3,621	21,121	21,120	1
Other purchased services	2,000	1,476	3,476	2,568	908
Supplies and materials	13,326	(994)	12,332	9,683	2,649
Other objects	500		500	291	209
Total undistributed expenditures - health services	419,151	13,381	432,532	428,765	3,767
Undistributed expenditures - speech, OT, PT & related services:					
Salaries	301,136	1,475	302,611	302,611	
Purchased professional - educational services	60,000	8,896	68,896	68,895	1
Supplies and materials	6,300	(702)	5,598	5,515	83
Total undistributed expenditures - speech, OT, PT & related services	367,436	9,669	377,105	377,021	84

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - other supp. serv. students - extra. serv.:					
Salaries	237,958	18,274	256,232	253,148	3,084
Purchased professional - educational services	170,500	(7,626)	162,874	140,262	22,612
Other objects		146	146	146	
Total undistributed expenditures - other supp. serv. students - extra. serv.	<u>408,458</u>	<u>10,794</u>	<u>419,252</u>	<u>393,556</u>	<u>25,696</u>
Undistributed expenditures - guidance:					
Salaries of other professional staff	599,423	(8,100)	591,323	581,464	9,859
Salaries of secretarial and clerical assistants	133,730	(6,000)	127,730	119,108	8,622
Purchased professional - educational services	3,125	6,636	9,761	9,003	758
Purchased professional and technical services	10,000		10,000	8,915	1,085
Other purchased services	2,000	(1,000)	1,000	740	260
Supplies and materials	6,703	(225)	6,478	3,830	2,648
Other objects	1,005		1,005	50	955
Total undistributed expenditures - guidance	<u>755,986</u>	<u>(8,689)</u>	<u>747,297</u>	<u>723,110</u>	<u>24,187</u>
Undistributed expenditures - child study team:					
Salaries of other professional staff	726,181	(696)	725,485	691,837	33,648
Salaries of secretarial and clerical assistants	146,562	1,696	148,258	148,258	
Purchased professional - educational services	20,000	(814)	19,186	10,851	8,335
Purchased professional and technical services	17,000	500	17,500	16,809	691
Other purchased services	1,500	230	1,730	1,706	24
Miscellaneous purchased services	2,500	(80)	2,420	1,679	741
Supplies and materials	10,351	2,586	12,937	12,923	14
Other objects	820		820	602	218
Total undistributed expenditures - child study team	<u>924,914</u>	<u>3,422</u>	<u>928,336</u>	<u>884,665</u>	<u>43,671</u>
Undistributed expenditures - improvement of inst. services:					
Salaries of supervisors of instruction	296,500	63,104	359,604	359,604	
Salaries of other professional staff	22,160		22,160	20,186	1,974
Salaries of secretaries and clerical assistants	41,160	159	41,319	41,319	
Salaries of facilitators, math and literacy coaches		7,511	7,511		7,511
Purchased professional - technical services	30,000	(6,063)	23,937	17,461	6,476
Other purchased services	2,800	111	2,911	1,411	1,500
Supplies and materials	14,492	4,674	19,166	18,505	661
Other objects	2,000	1,146	3,146	3,146	
Total undistributed expenditures - improvement of inst. services	<u>409,112</u>	<u>70,642</u>	<u>479,754</u>	<u>461,632</u>	<u>18,122</u>

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - edu. media serv./sch. library:					
Salaries	70,184	(5,604)	64,580	56,678	7,902
Salaries of technical coordinators	41,816	53	41,869	41,869	
Purchased professional and technical services	7,500	6,751	14,251	13,564	687
Supplies and materials	4,130	(894)	3,236	2,874	362
Total Undistributed expenditures - edu. media serv./sch. library	123,630	306	123,936	114,985	8,951
Undistributed expenditures - instructional staff training					
Salaries of professional staff	1,500		1,500		1,500
Purchased professional - educational services	8,450		8,450	6,007	2,443
Other purchased services	2,850		2,850	1,238	1,612
Supplies and materials	1,000		1,000		1,000
Total undistributed expenditures - instructional staff training	13,800		13,800	7,245	6,555
Undistributed expenditures - supp. serv. - general administration:					
Salaries	240,450	(3,371)	237,079	237,061	18
Legal services	135,000	69,950	204,950	200,959	3,991
Audit fees	35,000	50	35,050	35,050	
Other purchased professional services		6,250	6,250	6,250	
Communications/telephone	76,940	(10,271)	66,669	59,581	7,088
BOE other purchased services	1,500	146	1,646	1,646	
Other purchased services	160,050	6,500	166,550	164,225	2,325
General supplies	5,142	680	5,822	4,799	1,023
Judgments against the school district	10,000	(9,330)	670		670
Miscellaneous expenditures	18,500	(565)	17,935	17,571	364
BOE membership dues and fees	16,000	(1,084)	14,916	14,780	136
Total undistributed expenditures - supp. serv. - general administration	698,582	58,955	757,537	741,922	15,615
Undistributed expenditures - supp. serv. - school administration:					
Salaries of principals/assistant principals/program directors	990,800	25,170	1,015,970	1,015,921	49
Salaries of secretarial and clerical assistants	389,423	(28,297)	361,126	361,126	
Purchased professional and technical services	10,000	(1,085)	8,915	8,915	
Other purchased services	12,000	17,056	29,056	28,904	152
Supplies and materials	18,664	417	19,081	19,971	1,110
Other objects	21,310	1,511	22,821	22,790	31
Total undist. expend. - supp. serv. - school administration	1,442,197	14,772	1,456,969	1,455,627	1,342

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - central services					
Salaries	418,800	(20,542)	398,258	396,923	1,335
Purchased professional services	31,800	1,950	33,750	33,517	233
Purchased technical services	30,000	5,250	35,250	34,224	1,026
Miscellaneous purchased services	30,000	(16,833)	13,167	12,443	724
Supplies and materials	10,712	(1,557)	9,155	9,155	
Miscellaneous expenditures	7,000	(4,735)	2,265	2,065	200
Total undistributed expenditures - central services	528,312	(36,467)	491,845	488,327	3,518
Undistributed expenditures - admin. info. tech.					
Salaries	282,420	9,146	291,566	291,566	
Purchased technical services	30,200	(4,711)	25,489	3,000	22,489
Other purchased services	165,443	6,065	171,508	151,484	20,024
Supplies and materials	12,885		12,885	11,913	972
Other objects	850		850	820	30
Total undistributed expenditures - admin. info. tech.	491,798	10,500	502,298	458,783	43,515
Undistributed expenditures - required maintenance for school facilities:					
Salaries	103,625		103,625	98,125	5,500
Cleaning, repair, and maintenance services	80,900	133,668	214,568	201,843	12,725
General supplies	36,173	(1,898)	34,275	33,983	292
Other objects		1,640	1,640	1,640	
Total undistributed expenditures - required maintenance for school facilities	220,698	133,410	354,108	335,591	18,517
Undistributed expenditures - custodial services:					
Salaries	1,203,258	(13,400)	1,189,858	1,125,514	64,344
Salaries of non-instructional aides	109,118	7,840	116,958	111,151	5,807
Purchased professional and technical services	3,400	(3,400)			
Cleaning, repair and maintenance services	23,750	(78)	23,672	21,261	2,411
Other purchased property services	65,900	(2,427)	63,473	43,143	20,330
Insurance	125,000	24,839	149,839	141,377	8,462
Miscellaneous purchased services	12,250	(500)	11,750	9,029	2,721
General supplies	60,048	9,897	69,945	68,605	1,340
Energy (natural gas)	284,000	(25,983)	258,017	196,695	61,322
Energy (electricity)	537,000	25,983	562,983	562,981	2
Energy (oil)	500	(500)			
Energy (gasoline)	14,725	(5,725)	9,000	7,608	1,392
Other objects	1,000	2,246	3,246	3,246	
Total undistributed expenditures - custodial services	2,439,949	18,792	2,458,741	2,290,610	168,131

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - care and upkeep of grounds:					
Salaries	158,548		158,548	156,582	1,966
Cleaning, repair, and maintenance services	17,500	1,599	19,099	18,553	546
General supplies	9,000	(38)	8,962	8,757	205
Total undistributed expenditures - care and upkeep of grounds	185,048	1,561	186,609	183,892	2,717
Undistributed expenditures - security:					
Purchased professional and technical services	100,500	(500)	100,000	100,000	
General supplies	4,000		4,000	500	3,500
Total undistributed expenditures - security	104,500	(500)	104,000	100,500	3,500
Total undistributed expenditures - oper. & maint. of plant services	2,950,195	153,263	3,103,458	2,910,593	192,865
Undistributed expenditures - student transportation services:					
Salaries of non-instructional aides	203,309	69,081	272,390	272,390	
Salaries for pupils trans. (bet. home & school) - regular	769,254	97,166	866,420	866,420	
Salaries for pupils trans. (bet. home & school) - special	299,237	(129,670)	169,567	162,539	7,028
Salaries for pupils trans. (other than bet. home & school)	73,500	8,423	81,923	81,051	872
Salaries for pupils trans. (bet. home & school) - nonpublic school	77,594		77,594	76,267	1,327
Management fee - ESC & CSA trans. program	1,000	4,890	5,890	5,890	
Other purchased professional/technical services	23,800	400	24,200	23,667	533
Cleaning, repair, and maintenance services	20,000	(7,135)	12,865	12,547	318
Contract services - aid in lieu of payments - nonpublic schools	88,400	7,601	96,001	83,501	12,500
Contract services - aid in lieu of payments - charter schools	3,572	(1,000)	2,572	1,000	1,572
Contract services - aid in lieu of payments - choice schools	13,260	1,740	15,000	13,178	1,822
Contract services (bet. home & school) joint agreements		9,531	9,531	8,131	1,400
Contract services (special ed. students) joint agreements	58,000	32,314	90,314	90,314	
Contract services (regular students) ESC's & CTSA's	78,000	(62,449)	15,551	15,244	307
Contract services (special ed. students) ESC's & CTSA's	380,000	(37,785)	342,215	251,840	90,375
Miscellaneous purchased services - transportation	223,500	(29,606)	193,894	166,958	26,936
General supplies	2,142	361	2,503	2,438	65
Transportation supplies	245,660	(9,586)	236,074	211,683	24,391
Fuel costs funded by advertising revenue	6,000	3,000	9,000	5,917	3,083
Other objects	8,400	(525)	7,875	7,175	700
Total undistributed expenditures - student transportation services:	2,574,628	(43,249)	2,531,379	2,358,150	173,229

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Unallocated benefits - employee benefits:					
Group insurance	44,000		44,000	36,806	7,194
Social security contributions	508,771		508,771	483,510	25,261
Other retirement contributions - PERS	611,908	(7,439)	604,469	523,644	80,825
Other retirement contributions - regular	25,000	7,407	32,407	31,563	844
Unemployment compensation	19,000		19,000		19,000
Workmen's compensation	380,500	10,000	390,500	390,493	7
Health benefits	5,635,839	(153,633)	5,482,206	5,115,316	366,890
Tuition reimbursement	60,000		60,000	32,982	27,018
Unused sick payment to terminated/retired staff	191,608	(10,411)	181,197	118,162	63,035
Total unallocated benefits - employee benefits	<u>7,476,626</u>	<u>(154,076)</u>	<u>7,322,550</u>	<u>6,732,476</u>	<u>590,074</u>
On-behalf contributions:					
On-behalf TPAF pensions contributions (non-budgeted)				2,300,451	(2,300,451)
On-behalf TPAF OPEB (post-retirement medical) contributions (non-budgeted)				1,485,812	(1,485,812)
On-behalf TPAF long-term disability insurance (non-budgeted)				1,947	(1,947)
Reimbursed TPAF social security contributions (non-budgeted)				1,145,870	(1,145,870)
Total on-behalf contributions				<u>4,934,080</u>	<u>(4,934,080)</u>
Total personal services - employee benefits	<u>7,476,626</u>	<u>(154,076)</u>	<u>7,322,550</u>	<u>11,666,556</u>	<u>(4,344,006)</u>
Total undistributed expenditures	<u>22,650,465</u>	<u>(32,965)</u>	<u>22,617,500</u>	<u>25,984,057</u>	<u>(3,366,557)</u>
Total general current expense	<u>37,339,950</u>	<u>(87,513)</u>	<u>37,252,437</u>	<u>39,986,689</u>	<u>(2,734,252)</u>
Capital outlay:					
Equipment:					
Kindergarten	9,500		9,500	9,123	377
Grades 1 to 5	24,000		24,000	22,094	1,906
Grades 6 to 8	22,000		22,000	22,000	
Grades 9 to 12	41,853		41,853	15,093	26,760

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed - central services	12,000		12,000	11,404	596
Undistributed - admin. info. tech.	38,000	(1,210)	36,790	35,321	1,469
Undistributed - care and upkeep of grounds		3,645	3,645	3,645	
Undistributed - student transportation - non-inst. Equip.		8,868	8,868	8,868	
School buses - regular	55,000	21,245	76,245	76,245	
School buses - special	45,800	(20,035)	25,765	25,765	
Total equipment	248,153	12,513	260,666	229,558	31,108
Facilities acquisition and construction services:					
Construction services	10,000	75,000	85,000	8,293	76,707
Assessment for debt service	121,920		121,920	121,920	
Total facilities acquisition and construction services	131,920	75,000	206,920	130,213	76,707
Assets acquired under capital leases (non-budgeted):					
Undistributed expenditures:					
Administration information technology				160,670	(160,670)
School buses				177,982	(177,982)
Total assets acquired under capital leases (non-budgeted)				338,652	(338,652)
Total capital outlay	380,073	87,513	467,586	698,423	(230,837)
Transfer to charter schools	45,395		45,395	30,587	14,808
Total expenditures	37,765,418		37,765,418	40,715,699	(2,950,281)
Excess (deficiency) of revenues over (under) expenditures	(1,152,795)		(1,152,795)	1,259,031	2,411,826
Other financing sources:					
Operating transfer out:					
Transfer to special revenue fund - preschool program	(393,846)		(393,846)	(382,643)	11,203
Prior year receivables canceled				(24,215)	(24,215)
Capital leases (non-budgeted)				338,652	338,652
Total other financing sources	(393,846)		(393,846)	(68,206)	325,640
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	(1,546,641)		(1,546,641)	1,190,825	2,737,466
Fund balance - July 1	4,267,018		4,267,018	4,267,018	
Fund balance - June 30	\$ 2,720,377		\$ 2,720,377	\$ 5,457,843	\$ 2,737,466

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2018

	<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				\$ 1,829,517	
Excess surplus - current year				2,410,152	
School bus advertising 50% fuel offset reserve - prior year				1,527	
Assigned fund balance:					
Designated for subsequent year's expenditures				143,936	
Year-end encumbrances				114,775	
Unassigned fund balance				957,936	
				<u>5,457,843</u>	
Reconciliation to Governmental Fund statements (GAAP):					
Last state aid payments not recognized on GAAP basis				(1,548,753)	
Fund balance per Governmental Funds (GAAP)				<u>\$ 3,909,090</u>	

GLASSBORO SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Federal sources	\$ 2,492,381		\$ 2,492,381	\$ 2,343,623	\$ (148,758)
State sources	472,797		472,797	456,788	(16,009)
Other sources	43,227		43,227	29,309	(13,918)
Total Revenues	3,008,405		3,008,405	2,829,720	(178,685)
EXPENDITURES:					
Instruction:					
Salaries of teachers	988,292	\$ 891	989,183	934,057	55,126
Other salaries for instruction	98,847	(10,493)	88,354	82,368	5,986
Purchased professional - educational services	30,934		30,934	24,078	6,856
Other purchased services	657,021	7,056	664,077	656,096	7,981
General supplies	307,441	(200)	307,241	305,679	1,562
Textbooks	3,944		3,944	3,614	330
Other objects	2,566		2,566	2,566	
Total instruction	2,089,045	(2,746)	2,086,299	2,008,458	77,841
Support services:					
Salaries of program directors	75,872	3,600	79,472	79,450	22
Salaries of other professional staff	303,527	2,710	306,237	302,456	3,781
Salaries of secretaries and clerical assistants	17,792	242	18,034	18,033	1
Personal services - employee benefits	519,395	(3,806)	515,589	496,356	19,233
Purchased professional - educational services	174,633	10,000	184,633	113,357	71,276
Other purchased services	133,187	(10,000)	123,187	117,613	5,574
Supplies and materials	18,903		18,903	15,606	3,297
Indirect costs	8,863		8,863		8,863
Total support services	1,252,172	2,746	1,254,918	1,142,871	112,047
Facilities acquisition and construction services:					
Instructional equipment	61,034		61,034	61,034	
Total facilities acquisition and construction services:	61,034		61,034	61,034	
Total expenditures	3,402,251		3,402,251	3,212,363	189,888
Other financing sources:					
Transfer in from general fund	393,846		393,846	382,643	11,203
Total outflows	\$ 3,008,405		\$ 3,008,405	\$ 2,829,720	\$ 178,685

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, 2018

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.	\$ 41,974,730	\$ 2,829,720
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(67,536)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,546,252	49,595
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the following year.	(1,548,753)	(41,202)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - Governmental Funds.	\$ 41,972,229	\$ 2,770,577
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	\$ 40,715,699	\$ 3,212,363
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.		(67,536)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - Governmental Funds.	\$ 40,715,699	\$ 3,144,827

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 Four Fiscal Years

	Fiscal Year Ended			
	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
District's proportion of the net pension liability (asset)	0.0700880510%	0.0619752576%	0.0619752576%	0.0573548035%
District's proportionate share of the net pension liability (asset)	\$ 13,122,541	\$ 13,912,203	\$ 17,841,575	\$ 13,351,281
District's covered - employee payroll	4,254,028	4,200,232	3,991,597	3,821,084
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	308.47%	331.22%	446.98%	349.41%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.13%	48.10%
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017

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

	Fiscal Year Ended			
	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
Contractually required contribution	\$ 577,802	\$ 532,821	\$ 535,170	\$ 531,331
Contributions in relation to the contractually required contribution	577,802	532,821	535,170	531,331
Contribution deficiency (excess)	None	None	None	None
District's covered - employee payroll	\$ 4,254,028	\$ 4,200,232	\$ 3,991,597	\$ 3,821,084
Contributions as a percentage of covered-employee payroll	13.58%	12.69%	13.41%	13.91%
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017

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

	Fiscal Year Ended			
	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
District's proportion of the net pension liability (asset)	0.1453687585%	0.1488889207%	0.1541352623%	0.1504045439%
District's proportionate share of the net pension liability (asset)	\$ 77,694,870	\$ 94,104,156	\$ 121,252,611	\$ 101,408,167
District's covered - employee payroll	15,438,884	15,441,481	15,761,097	15,689,744
District's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	503.24%	609.42%	769.32%	646.33%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017

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.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS**

GLASSBORO SCHOOL DISTRICT
 Schedule of Changes in the Total OPEB Liability and Related Ratios

Last Fiscal Year

	<u>Fiscal Year Ended</u> <u>2018</u>
Total OPEB Liability	
Service cost	\$ 3,765,830
Interest	3,214,084
Changes of benefit terms	
Differences between expected and actual experience	
Changes of assumptions or other inputs	(12,959,812)
Member contributions	86,896
Benefit payments	(2,359,865)
Net change in total OPEB liability	<u>(8,252,867)</u>
Total OPEB liability - beginning	110,137,551
Total OPEB liability - ending	<u>\$ 101,884,684</u>
Covered employee payroll	\$ 21,157,395
Total OPEB liability as a percentage of covered employee payroll	481.56%

Notes to Schedule:

Changes of benefit terms:

There were no changes in benefit terms during the year.

Changes of assumptions:

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following is the discount rate used in the period:

2018	3.58%
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NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION – PART III

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018**

NOTES RELATED TO PENSIONS

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, 2017, measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.25%
Salary increases:	
Through 2026	1.65 – 4.15% based on age
Thereafter	2.65 – 5.15% based on age
Investment rate of return	7.00%

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, 2016, 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.state.nj.us/treasury/pensions/financial-reports.shtml>.

**GLASSBORO SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2018**

NOTES RELATED TO OTHER POST-EMPLOYMENT BENEFITS

NOTE 3: CONTRIBUTIONS

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with NJSA 52:14-17.32f. According to NJSA 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in or retires on a disability pension from one or more of the following plans: the Teacher's Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011, will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

NOTE 4: ACTUARIAL ASSUMPTIONS

The total nonemployer OPEB liability as of June 30, 2017, was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. The total nonemployer OPEB liability as of June 30, 2016, was determined by an actuarial valuation as of June 30, 2016. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%
Salary increases (TPAF):	
Through 2026	1.55 – 4.55% based on years of service
Thereafter	2.00 – 5.45% based on years of service
Salary increases (PERS):	
Through 2026	2.15 – 4.15% based on age
Thereafter	3.15 – 5.15% based on age

Pre-retirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Post-retirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2014 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

The actuarial assumptions used in the June 30, 2016, valuation were based on the results of actuarial experience studies for the periods July 1, 2012 – June 30, 2015 and July 1, 2011 – June 30, 2014, for TPAF and PERS, respectively.

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report at: <http://www.state.nj.us/treasury/pensions/gasb-notices-opeb.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, 2018

	Total Brought Forward (Exhibit E-1a)	Title I	Title II Part A	Title III	Title III Immigrant	Title IV	IDEA Basic	Total
REVENUES:								
Federal sources	\$ 923,515	\$ 685,763	\$ 101,722	\$ 16,272	\$ 2,303	\$ 8,555	\$ 605,493	\$ 2,343,623
State sources	456,788							456,788
Other sources	29,309							29,309
Total revenues	\$ 1,409,612	\$ 685,763	\$ 101,722	\$ 16,272	\$ 2,303	\$ 8,555	\$ 605,493	\$ 2,829,720
EXPENDITURES:								
Instruction:								
Salaries of teachers	\$ 463,362	\$ 459,773		\$ 10,922				\$ 934,057
Other salaries for instruction	82,368							82,368
Purchased professional - educational services	19,234	4,844						24,078
Other purchased services	52,583						\$ 603,513	656,096
General supplies	303,376				\$ 2,303			305,679
Textbooks	3,614							3,614
Other objects	2,566							2,566
Total instruction	927,103	464,617		10,922	2,303		603,513	2,008,458
Support services:								
Salaries of program directors	53,597		\$ 25,853					79,450
Salaries of other professional staff	300,791			1,665				302,456
Salaries of secretarial and clerical asst.	18,033							18,033
Personal services - employees benefits	271,770	221,146		3,440				496,356
Purchased professional - educational services	43,062		59,760			\$ 8,555	1,980	113,357
Other purchased services	103,775		13,593	245				117,613
Supplies and materials	13,090		2,516					15,606
Total support services	804,118	221,146	101,722	5,350		8,555	1,980	1,142,871
Facilities acquisition and const. serv.:								
Instructional equipment	61,034							61,034
Total facilities acquisition and const. serv.	61,034							61,034
Total expenditures	1,792,255	685,763	101,722	16,272	2,303	8,555	605,493	3,212,363
Other financing sources								
Transfer in from general fund	382,643							382,643
Total outflows	\$ 1,409,612	\$ 685,763	\$ 101,722	\$ 16,272	\$ 2,303	\$ 8,555	\$ 605,493	\$ 2,829,720

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2018

	Total Brought Forward (Exhibit E-1b)	IDEA Preschool	School Improvement	Perkins Basic Entitlement	Temporary Impact Aid	Nonpublic Textbook	Nonpublic Nursing	Total Carried Forward
REVENUES:								
Federal sources		\$ 24,627	\$ 795,003	\$ 13,510	\$ 90,375			\$ 923,515
State sources	\$ 446,190					\$ 3,614	\$ 6,984	456,788
Other sources	29,309							29,309
Total revenues	\$ 475,499	\$ 24,627	\$ 795,003	\$ 13,510	\$ 90,375	\$ 3,614	\$ 6,984	\$ 1,409,612
EXPENDITURES:								
Instruction:								
Salaries of teachers	\$ 463,362							\$ 463,362
Other salaries for instruction	82,368							82,368
Purchased professional - educational services	8,190			\$ 4,060			\$ 6,984	19,234
Other purchased services	27,956	\$ 24,627						52,583
General supplies	15,160		\$ 286,351	1,865				303,376
Textbooks						\$ 3,614		3,614
Other objects	2,566							2,566
Total instruction	599,602	24,627	286,351	5,925		3,614	6,984	927,103
Support services:								
Salaries of program directors	53,597							53,597
Salaries of other professional staff	32,443		267,848	500				300,791
Salaries of secretarial and clerical asst.	18,033							18,033
Personal services - employees benefits	133,290		138,480					271,770
Purchased professional - educational services	9,107		33,955					43,062
Other purchased services	1,895		7,005	4,500	\$ 90,375			103,775
Supplies and materials	10,175		330	2,585				13,090
Total support services	258,540		447,618	7,585	90,375			804,118
Facilities acquisition and const. serv.:								
Instructional equipment			61,034					61,034
Total facilities acquisition and const. serv.			61,034					61,034
Total expenditures	858,142	24,627	795,003	13,510	90,375	3,614	6,984	1,792,255
Other financing sources								
Transfer in from general fund	382,643							382,643
Total outflows	\$ 475,499	\$ 24,627	\$ 795,003	\$ 13,510	\$ 90,375	\$ 3,614	\$ 6,984	\$ 1,409,612

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2018

	Total Brought Forward (Exhibit E-1c)	Nonpublic Technology	Non-public Handicapped Services			Non-public Auxiliary Services		Total Carried Forward
			Corr. Speech	Exam & Class	Supp. Inst.	Comp. Ed.	Transp.	
REVENUES:								
State sources	\$ 416,808	\$ 2,488	\$ 9,107	\$ 8,190	\$ 3,330	\$ 4,872	\$ 1,395	\$ 446,190
Other sources	29,309							29,309
Total revenues	\$ 446,117	\$ 2,488	\$ 9,107	\$ 8,190	\$ 3,330	\$ 4,872	\$ 1,395	\$ 475,499
EXPENDITURES:								
Instruction:								
Salaries of teachers	\$ 463,362							\$ 463,362
Other salaries for instruction	82,368							82,368
Purchased professional - educational services				\$ 8,190				8,190
Other purchased services	19,754				\$ 3,330	\$ 4,872		27,956
General supplies	12,672	\$ 2,488						15,160
Other objects	2,566							2,566
Total instruction	580,722	2,488		8,190	3,330	4,872		599,602
Support services:								
Salaries of program directors	53,597							53,597
Salaries of other professional staff	32,443							32,443
Salaries of secretarial and clerical asst.	18,033							18,033
Personal services - employees benefits	133,290							133,290
Purchased professional - educational services			\$ 9,107					9,107
Other purchased services	500						\$ 1,395	1,895
Supplies and materials	10,175							10,175
Total support services	248,038		9,107				1,395	258,540
Total expenditures	828,760	2,488	9,107	8,190	3,330	4,872	1,395	858,142
Other financing sources								
Transfer in from general fund	382,643							382,643
Total outflows	\$ 446,117	\$ 2,488	\$ 9,107	\$ 8,190	\$ 3,330	\$ 4,872	\$ 1,395	\$ 475,499

GLASSBORO SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2018

	Nonpublic Security Aid	Preschool Education Aid (Exhibit E-2)	Exxon Grant	STEM Grant	Arts Grant	Youth Services/ STEAM Grant	Sustainable New Jersey	Total Carried Forward
REVENUES:								
Other sources	\$ 4,788	\$ 412,020						\$ 416,808
Total revenues	<u>\$ 4,788</u>	<u>\$ 412,020</u>	<u>\$ 267</u>	<u>\$ 622</u>	<u>\$ 419</u>	<u>\$ 21,315</u>	<u>\$ 6,686</u>	<u>\$ 446,117</u>
EXPENDITURES:								
Instruction:								
Salaries of teachers		\$ 446,132				\$ 16,930	\$ 300	\$ 463,362
Other salaries for instruction		82,368						82,368
Other purchased services		19,255					499	19,754
General supplies		9,545	\$ 267	\$ 622	\$ 419	1,819		12,672
Other objects						2,566		2,566
Total instruction		<u>557,300</u>	<u>267</u>	<u>622</u>	<u>419</u>	<u>21,315</u>	<u>799</u>	<u>580,722</u>
Support services:								
Salaries of program directors		53,597						53,597
Salaries of other professional staff		32,443						32,443
Salaries of secretarial and clerical asst.		18,033						18,033
Personal services - employees benefits		133,290						133,290
Other purchased services							500	500
Supplies and materials	\$ 4,788						5,387	10,175
Total support services	<u>4,788</u>	<u>237,363</u>					<u>5,887</u>	<u>248,038</u>
Total expenditures	4,788	794,663	267	622	419	21,315	6,686	828,760
Other financing sources								
Transfer in from general fund		382,643						382,643
Total outflows	<u>\$ 4,788</u>	<u>\$ 412,020</u>	<u>\$ 267</u>	<u>\$ 622</u>	<u>\$ 419</u>	<u>\$ 21,315</u>	<u>\$ 6,686</u>	<u>\$ 446,117</u>

GLASSBORO SCHOOL DISTRICT
 Special Revenue Fund
 Preschool Education Aid Schedules(s) of Expenditures -
 Budgetary Basis
 For the Fiscal Year Ended June 30, 2018

DISTRICT-WIDE TOTAL

	Total		Variance
	Budgeted	Actual	
EXPENDITURES:			
Instruction:			
Salaries of teachers	\$ 446,132	\$ 446,132	
Other salaries for instruction	82,368	82,368	
Other purchased services	19,255	19,255	
General supplies	9,545	9,545	
Total instruction	<u>557,300</u>	<u>557,300</u>	
Support services:			
Salaries of program directors	53,597	53,597	
Salaries of other professional staff	32,443	32,443	
Salaries of secretarial and clerical asst.	18,033	18,033	
Personal services - employees benefits	133,290	133,290	
Total support services	<u>237,363</u>	<u>237,363</u>	
Total expenditures	<u>\$ 794,663</u>	<u>\$ 794,663</u>	

CALCULATION OF BUDGET & CARRYOVER

Total revised 2017-18 Preschool Education Aid Allocation	\$ 412,020
Add: Budgeted Transfer from General Fund 2017-18	382,643
Total Preschool Education Aid Funds available for 2017-18 Budget	<u>794,663</u>
Less: 2017-18 Budgeted Preschool Education Aid (including prior year budgeted carryover)	<u>(794,663)</u>

CAPITAL PROJECTS FUND

GLASSBORO SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2018

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2018
			Prior Years	Current Year	
Various improvements to facilities	3/10/2015	\$ 23,647,000	\$ 18,019,217	\$ 5,103,090	\$ 524,693

GLASSBORO SCHOOL DISTRICT
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budgetary Basis
 For the Year Ended June 30, 2018

Revenues and other financing sources:

Interest earned on investments	<u>\$ 11,134</u>
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Expenditures and other financing uses:

Purchased professional and technical services	612,986
Construction services	<u>4,490,104</u>
Total expenditures	<u>5,103,090</u>

Other financing sources (uses):

Transfer to debt service fund	<u>(11,134)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,103,090)</u>

Fund balance - beginning	<u>5,627,783</u>
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Fund balance - ending	<u><u>\$ 524,693</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, 2018

	Current Period	Totals	Revised Authorized Costs
Revenues and other financing sources:			
Bond proceeds and transfers		\$ 23,647,000	\$ 23,647,000
Total revenues		<u>23,647,000</u>	<u>23,647,000</u>
Expenditures and other financing uses:			
Legal fees		41,981	42,214
Purchased professional and technical services	\$ 612,986	2,642,155	2,967,403
Construction services	4,490,104	20,389,180	20,588,392
Supplies and materials		48,991	48,991
Total expenditures	<u>5,103,090</u>	<u>23,122,307</u>	<u>23,647,000</u>
Excess (deficiency) of revenues over (under) expenses	<u>\$ (5,103,090)</u>	<u>\$ 524,693</u>	
Additional project information:			
Bond authorization/referendum date		03/10/15	
Bonds authorized		\$ 23,647,000	
Bonds issued		23,647,000	
Original project authorized cost		23,647,000	
Percentage completion		98%	
Original target completion date		09/30/17	
Revised target completion date		11/30/18	

PROPRIETARY FUNDS

GLASSBORO SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Net Position
For the Fiscal Year Ended June 30, 2018

	Food Service Fund	Professional Development Fund	Technology Fund	Total Enterprise Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 177,692	\$ 1,127	\$ 18,278	\$ 197,097
Receivables, net	55,754			55,754
Inventory	14,673			14,673
Total current assets	<u>248,119</u>	<u>1,127</u>	<u>18,278</u>	<u>267,524</u>
Noncurrent assets:				
Furniture, machinery, and equipment	459,307			459,307
Less: accumulated depreciation	416,629			416,629
Total noncurrent assets	<u>42,678</u>			<u>42,678</u>
Total assets	<u>290,797</u>	<u>1,127</u>	<u>18,278</u>	<u>310,202</u>
LIABILITIES				
Interfund payable - general fund	35,414			35,414
Deferred revenue	10,749			10,749
Total liabilities	<u>46,163</u>			<u>46,163</u>
NET POSITION				
Unrestricted	244,634	1,127	18,278	264,039
Total net position	<u>\$ 244,634</u>	<u>\$ 1,127</u>	<u>\$ 18,278</u>	<u>\$ 264,039</u>

GLASSBORO SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Revenues, Expenses,
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2018

	Food Service Fund	Professional Development Fund	Technology Fund	Total Enterprise Fund
Operating revenues:				
Charges for services:				
Daily sales - reimbursable programs	\$ 133,391			\$ 133,391
Daily sales - non-reimbursable programs	65,371			65,371
Special functions/miscellaneous	17,460			17,460
Professional development fees		\$ 2,010	\$ 14,105	16,115
Total operating revenue	<u>216,222</u>	<u>2,010</u>	<u>14,105</u>	<u>232,337</u>
Operating expenses:				
Cost of sales - reimbursable program	375,241			375,241
Cost of sales - non-reimbursable program	29,768			29,768
Salaries	323,026			323,026
Employee benefits	69,905			69,905
Contracted services	54,200	2,420		56,620
Cleaning, repair and maintenance	12,019			12,019
Insurance	16,216			16,216
Supplies and materials	44,511		421	44,932
Miscellaneous expenditures	12,645			12,645
Depreciation	9,210			9,210
Total operating expenses	<u>946,741</u>	<u>2,420</u>	<u>421</u>	<u>949,582</u>
Operating income (loss)	<u>(730,519)</u>	<u>(410)</u>	<u>13,684</u>	<u>(717,245)</u>
Non-operating revenues (expenses):				
Interest earned	813			813
State sources:				
State school lunch program	9,727			9,727
Federal sources:				
School breakfast program	194,622			194,622
National school lunch program	456,122			456,122
Food distribution program commodities	73,131			73,131
Total non-operating revenues (expenses)	<u>734,415</u>			<u>734,415</u>
Change in net position	3,896	(410)	13,684	17,170
Total net position - beginning	240,738	1,537	4,594	246,869
Total net position - ending	<u>\$ 244,634</u>	<u>\$ 1,127</u>	<u>\$ 18,278</u>	<u>\$ 264,039</u>

GLASSBORO SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2018

	Food Service Fund	Professional Development Fund	Technology Fund	Total Enterprise Fund
Cash flows from operating activities:				
Receipts from customers	\$ 211,247	\$ 2,010	\$ 14,105	\$ 227,362
Payments to employees	(323,026)			(323,026)
Payments for employee benefits	(69,905)			(69,905)
Payments to suppliers	(480,279)	(2,420)	(421)	(483,120)
Net cash provided by (used for) operating activities	<u>(661,963)</u>	<u>(410)</u>	<u>13,684</u>	<u>(648,689)</u>
Cash flows from non-capital financing activities:				
State sources	9,213			9,213
Federal sources	615,844			615,844
Transfer from (to) other funds	35,414			35,414
Net cash provided by non-capital financing activities	<u>660,471</u>			<u>660,471</u>
Cash flows from investing activities				
Interest earned	813			813
Net cash provided by investing activities	<u>813</u>			<u>813</u>
Net increase (decrease) in cash and cash equivalents	(679)	(410)	13,684	12,595
Balance - beginning of year	178,371	1,537	4,594	179,908
Balance - end of year	<u>\$ 177,692</u>	<u>\$ 1,127</u>	<u>\$ 18,278</u>	<u>\$ 192,503</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (730,519)	\$ (410)	\$ 13,684	\$ (717,245)
Adjustments to reconcile operating (loss) to net cash provided by (used for) operating activities:				
Depreciation	9,210			9,210
Food distribution program	73,131			73,131
(Increase) decrease in accounts receivable	(4,810)			(4,810)
(Increase) decrease in inventory	2,547			2,547
Increase (decrease) in accounts payable	(11,361)			(11,361)
Increase (decrease) in deferred revenue	(161)			(161)
Net cash provided by (used for) operating activities	<u>\$ (661,963)</u>	<u>\$ (410)</u>	<u>\$ 13,684</u>	<u>\$ (648,689)</u>

GLASSBORO SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Net Position
For the Fiscal Year Ended June 30, 2018

	Workmen's Compensation Fund
ASSETS	
Cash and cash equivalents	\$ 1,391
NET POSITION	
Unrestricted	\$ 1,391

GLASSBORO SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Revenues, Expenses,
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2018

	Workmen's Compensation Fund
Operating revenue:	
Workers' compensation contributions	\$ 10,000
Operating expenses:	
Claims expense	10,181
Operating income (loss)	(181)
Non-operating revenues (expenses):	
Interest earned	13
Net income (loss)	(168)
Total net position - beginning	1,559
Total net position - ending	\$ 1,391

GLASSBORO SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2018

	Workmen's Compensation Fund
Cash flows from operating activities:	
Receipts for internal service activities	\$ 10,000
Payments for claims	(10,181)
Net cash provided by (used for) operating activities	(181)
Cash flows from investing activities:	
Interest earned	13
Net cash provided by investing activities	13
Balance - beginning of year	1,559
Balance - end of year	\$ 1,391
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (181)
Net cash provided by (used for) operating activities	\$ (181)

FIDUCIARY FUNDS

GLASSBORO SCHOOL DISTRICT
Combining Statement of Fiduciary Net Position
For the Fiscal Year Ended June 30, 2018

	Trust		Agency Funds	Total 2018
	Unemployment Compensation	Private Purpose		
ASSETS				
Cash and cash equivalents	\$ 65,371	\$ 42,072	\$ 791,285	\$ 898,728
Interfund receivable:				
Agency funds	112,150			112,150
Total assets	<u>\$ 177,521</u>	<u>\$ 42,072</u>	<u>\$ 791,285</u>	<u>1,010,878</u>
LIABILITIES				
Payroll deductions and withholdings			\$ 229,064	229,064
Accrued salaries and wages			273,536	273,536
Due to student groups			176,535	176,535
Interfund payable:				
Unemployment trust			112,150	112,150
Total liabilities			<u>\$ 791,285</u>	<u>791,285</u>
NET POSITION				
Held in trust for unemployment claims	\$ 177,521			177,521
Reserved for scholarships		\$ 42,072		42,072
Total net position	<u>\$ 177,521</u>	<u>\$ 42,072</u>		<u>\$ 219,593</u>

GLASSBORO SCHOOL DISTRICT
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2018

	Unemployment Compensation Trust	Private Purpose Scholarship Trust	Total 2018
ADDITIONS:			
Contributions	\$ 75,579	\$ 3,520	\$ 79,099
Interest earned	436	251	687
Total additions	<u>76,015</u>	<u>3,771</u>	<u>79,786</u>
DEDUCTIONS:			
Unemployment claims	27,873		27,873
Scholarships awarded		4,142	4,142
Total deductions	<u>27,873</u>	<u>4,142</u>	<u>32,015</u>
Change in net position	48,142	(371)	47,771
Net position - beginning	129,379	42,443	171,822
Net position - end	<u>\$ 177,521</u>	<u>\$ 42,072</u>	<u>\$ 219,593</u>

GLASSBORO SCHOOL DISTRICT
 Student Activity Agency Fund
 Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2018

	<u>Balance July 1, 2017</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Transfers</u>	<u>Balance June 30, 2018</u>
ACTIVITIES:					
Dorothy L. Bullock School	\$ 18,596	9,497	9,178	\$ 85	\$ 19,000
J.H. Rodgers Memorial School	2,068	3,535	1,498		4,105
Thomas E. Bowe School	25,762	44,561	45,581		24,742
Intermediate School	17,918	42,299	39,396	620	21,441
High School	106,736	192,697	199,926	1,180	100,687
Special Services/Other	8,647	36,483	36,685	(1,885)	6,560
	<u>\$ 179,727</u>	<u>\$ 329,072</u>	<u>\$ 332,264</u>		<u>\$ 176,535</u>

GLASSBORO SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2018

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
ASSETS				
Cash and cash equivalents	\$ 879,085	\$ 27,150,945	\$ 27,415,280	\$ 614,750
Total assets	<u>\$ 879,085</u>	<u>\$ 27,150,945</u>	<u>\$ 27,415,280</u>	<u>\$ 614,750</u>
LIABILITIES				
Employees net payroll		\$ 12,553,571	\$ 12,553,571	
Accrued salaries and wages	\$ 252,251	685,792	664,507	\$ 273,536
Payroll deductions and withholdings	590,263	13,830,977	14,192,176	229,064
Interfund payable				
Unemployment trust	36,571	75,579		112,150
General fund		5,026	5,026	
Total liabilities	<u>\$ 879,085</u>	<u>\$ 27,150,945</u>	<u>\$ 27,415,280</u>	<u>\$ 614,750</u>

LONG-TERM DEBT

GLASSBORO SCHOOL DISTRICT
Schedule of Serial Bonds
June 30, 2018

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2017	Issued	Retired	Balance June 30, 2018
			Date	Amount					
Refunding School Bonds, Series 2006	12/19/06	\$ 9,500,000	8/15/18	\$ 1,825,000	4.000%	\$ 3,580,000		\$ 1,755,000	\$ 1,825,000
General Bonds, Series 2015	7/28/15	23,647,000	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%				
						22,702,000		950,000	21,752,000
						<u>\$ 26,282,000</u>	None	<u>\$ 2,705,000</u>	<u>\$ 23,577,000</u>

GLASSBORO SCHOOL DISTRICT
Schedule of Obligations Under Capital Leases
For the Fiscal Year Ended June 30, 2018

Purpose	Date of Lease	Term of Lease	Amount of Original Lease		Interest Rate	Balance June 30, 2017	Issued	Retired	Balance June 30, 2018
			Principal	Interest					
School buses	9/12/08	10 Years	\$ 69,895	\$ 14,975	4.60%	\$ 8,114		\$ 8,114	
School buses	9/20/11	7 Years	81,263	7,075	2.88%	12,267		12,267	
School buses	1/27/12	7 Years	44,570	3,881	2.88%	6,728		6,728	
Computer equipment	10/16/13	5 Years	1,143,664	69,180	3.03%	235,444		235,444	
Copiers	1/28/15	4 Years	283,334	20,756	3.49%	110,930		73,303	\$ 37,627
School buses	7/22/15	7 Years	167,369	14,981	2.97%	119,448		22,518	96,930
Computer equipment	8/01/16	4 Years	204,519	7,693	2.97%	151,466		49,238	102,228
School bus	10/30/16	5 Years	47,420	4,362	2.49%	37,428		8,789	28,639
School bus	9/15/17	5 Years	177,982	9,896	2.78%		\$ 177,982	37,576	140,406
Computer equipment	9/15/17	5 Years	160,670	8,765	2.79%		160,670	33,927	126,743
						<u>\$ 681,825</u>	<u>\$ 338,652</u>	<u>\$ 487,904</u>	<u>\$ 532,573</u>

GLASSBORO SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 2,626,014		\$ 2,626,014	\$ 2,626,014	
State sources:					
Debt service aid type II	683,919		683,919	683,919	
Total revenues	<u>3,309,933</u>		<u>3,309,933</u>	<u>3,309,933</u>	
EXPENDITURES:					
Regular debt service:					
Interest	832,225		832,225	832,225	
Redemption of principal	2,705,000		2,705,000	2,705,000	
Total expenditures	<u>3,537,225</u>		<u>3,537,225</u>	<u>3,537,225</u>	
Excess (deficiency) of revenue over (under) expenditures	(227,292)		(227,292)	(227,292)	
Other financing sources:					
Operating transfers in:					
Interest earned in capital projects fund				11,134	\$ 11,134
Excess (deficiency) of revenues and other financing sources over (under) expenditures	(227,292)		(227,292)	(216,158)	11,134
Fund balance - July 1	303,859		303,859	303,859	
Fund balance - June 30	<u>\$ 76,567</u>		<u>\$ 76,567</u>	<u>\$ 87,701</u>	<u>\$ 11,134</u>

STATISTICAL SECTION (UNAUDITED)

GLASSBORO SCHOOL DISTRICT
Statistical Section

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	119-124
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	125-128
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	129-132
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	133-134
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	135-139

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
Invested in capital assets, net of related debt	\$ 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	\$ 17,852,025
Restricted	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	5,112,301
Unrestricted	(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)	(130,889,629)
Total governmental activities net position	\$ 7,356,132	\$ 6,836,584	\$ 8,499,378	\$ 10,188,493	\$ 11,028,740	\$ 10,656,712	\$ (1,697,532)	\$ (1,837,736)	\$ 49,881	\$ (107,925,303)
Business-type activities:										
Invested in capital assets, net of related debt	\$ 76,747	\$ 61,565	\$ 47,278	\$ 32,990	\$ 21,625	\$ 10,260				
Unrestricted	52,104	124,326	154,646	190,749	212,339	237,732	\$ 224,608	\$ 231,219	\$ 246,869	\$ 264,039
Total governmental activities net position	\$ 128,851	\$ 185,891	\$ 201,924	\$ 223,739	\$ 233,964	\$ 247,992	\$ 224,608	\$ 231,219	\$ 246,869	\$ 264,039
District-wide:										
Invested in capital assets, net of related debt	\$ 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	\$ 17,852,025
Restricted	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	5,112,301
Unrestricted	(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)	(130,625,590)
Total district-wide net position	\$ 7,484,983	\$ 7,022,475	\$ 8,701,302	\$ 10,412,232	\$ 11,262,704	\$ 10,904,704	\$ (1,472,924)	\$ (1,606,517)	\$ 296,750	\$ (107,661,264)

Source: District records

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 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	\$ 9,455,832
Special education	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	5,417,684
Other special instruction	1,981,784	2,264,542	2,162,713	1,815,288	559,694	490,921	525,918	694,969	738,469	602,058
Other instruction	400,575	524,418	383,760	403,600	492,690	444,454	452,855	477,587	490,237	494,763
Support services:										
Tuition	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	2,420,352
Student & instructional related services	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	4,363,359
School administration services	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	1,454,375
General & business administrative services	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	1,689,032
Plant operations & maintenance	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	2,910,593
Pupil transportation	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	2,358,150
Employee benefits	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	16,629,347
Capital outlay	178,888	1,069,913	83,374	244,572	210,156	1,048,753	1,437,496	1,339,004	386,701	44,746
Special schools	124,330									
Transfer to charter school			30,665	31,661	58,539	85,764	77,831	114,584	106,872	30,587
Interest on long-term debt	644,984	528,742	531,772	493,551	438,307	381,963	330,700	620,024	940,850	832,225
Unallocated depreciation	1,028,800	1,027,835	975,910	1,088,023	969,265	877,168	1,009,782	1,082,433	1,015,938	980,311
Total governmental activities expenses	37,398,891	39,559,704	37,598,308	38,240,649	40,066,753	41,887,704	42,779,961	44,097,534	44,500,420	49,683,414
Business-type activities:										
Food service	978,790	878,870	832,884	867,873	912,712	856,172	864,403	947,540	967,075	946,741
Professional development							2,965	1,973		2,841
Total business-type activities expenses	978,790	878,870	832,884	867,873	912,712	856,172	867,368	949,513	967,075	949,582
Total district-wide expenses	\$ 38,377,681	\$ 40,438,574	\$ 38,431,192	\$ 39,108,522	\$ 40,979,465	\$ 42,743,876	\$ 43,647,329	\$ 45,047,047	\$ 45,467,495	\$ 50,632,996
Program revenues:										
Governmental activities:										
Charges for services:										
General & business administrative services	\$ 15,000		\$ 2,300	\$ 7,000	\$ 7,000	\$ 4,000	\$ 9,000	\$ 10,000	\$ 9,500	\$ 10,000
Operating grants & contributions	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	2,770,577
Total governmental activities program revenues	2,231,128	2,418,049	2,600,044	1,944,408	2,056,157	2,200,841	2,122,616	2,125,160	2,288,282	2,780,577
Business-type activities:										
Charges for services:										
Food service	373,647	358,789	316,140	295,552	297,364	251,268	214,261	204,762	202,660	216,222
Professional development							4,600	1,875	4,594	16,115
Operating grants & contributions	516,359	576,980	532,698	592,899	624,095	617,426	624,976	749,004	775,030	733,602
Total business-type activities revenues	890,006	935,769	848,838	888,451	921,459	868,694	843,837	955,641	982,284	965,939
Total district program revenues	\$ 3,121,134	\$ 3,353,818	\$ 3,448,882	\$ 2,832,859	\$ 2,977,616	\$ 3,069,535	\$ 2,966,453	\$ 3,080,801	\$ 3,270,566	\$ 3,746,516
Net (expense)/revenue:										
Governmental activities	\$ (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)	\$ (46,902,837)
Business-type activities	(88,784)	56,899	15,954	20,578	8,747	12,522	(23,531)	6,128	15,209	16,357
Total district-wide net expense	\$ (35,256,547)	\$ (37,084,756)	\$ (34,982,310)	\$ (36,275,663)	\$ (38,001,849)	\$ (39,674,341)	\$ (40,680,876)	\$ (41,966,246)	\$ (42,196,929)	\$ (46,886,480)

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General revenues & other changes in net position:										
Governmental activities:										
Property taxes levied for general purposes	\$ 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	\$ 19,356,049
Taxes levied for debt service	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	2,626,014
Other governmental units	34,951	42,404	30,233	18,371	15,334	14,836	16,474	4,375	11,630	
Unrestricted grants & contributions	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	22,679,174
Tuition received	361,318	178,711	230,822	351,180	481,604	390,457	205,525	406,818	338,838	176,501
Transportation fees	151,222	98,320	72,422	106,626	187,014	188,726	168,733	189,450	247,829	52,820
Investment earnings	20,239	19,389	3,204	35,181	37,322	30,440	1,093	86,487	54,990	41,923
Miscellaneous income	328,359	315,991	243,441	303,484	69,233	362,124	264,216	91,249	84,676	360,828
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)		(12,316)
Prior year payable canceled	15,728	459	24,366	536	2,065	4,042	18,111	17,748	45	
Prior year receivable canceled	(1,259)	(14,140)	(52,279)	(259)	(17,032)	(4,859)	(8,929)	(42,775)		(24,215)
Contracts payable canceled			37,154							
Prior year adjustment - construction in progress										3,808,426
Total governmental activities	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	49,065,204
Business-type activities:										
Investment earnings	427	141	79	1,237	1,478	1,506	147	483	441	813
Transfers	20,000									
Total business-type activities	20,427	141	79	1,237	1,478	1,506	147	483	441	813
Total district-wide	\$ 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	\$ 49,066,017
Change in net position:										
Governmental activities	\$ 776,129	\$ (519,548)	\$ 1,662,794	\$ 1,689,115	\$ 840,247	\$ (372,028)	\$ (270,510)	\$ (140,204)	\$ 1,887,617	\$ 2,162,367
Business-type activities	(68,357)	57,040	16,033	21,815	10,225	14,028	(23,384)	6,611	15,650	17,170
Total district-wide	\$ 707,772	\$ (462,508)	\$ 1,678,827	\$ 1,710,930	\$ 850,472	\$ (358,000)	\$ (293,894)	\$ (133,593)	\$ 1,903,267	\$ 2,179,537

Source: District records

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General fund:										
Restricted			\$ 1,438,703	\$ 2,609,121	\$ 2,811,345	\$ 2,184,113	\$ 2,593,225	\$ 2,960,517	\$ 3,176,674	\$ 4,241,196
Assigned			293,817	164,906	80,737	60,789	182,984	154,828	201,010	258,711
Unassigned			(647,620)	(735,302)	(736,820)	(729,974)	(716,048)	(675,752)	(656,918)	(590,817)
Reserved	\$ 1,848,233	\$ 1,012,555								
Unreserved	(739,486)	(692,331)								
Total general fund	\$ 1,108,747	\$ 320,224	\$ 1,084,900	\$ 2,038,725	\$ 2,155,262	\$ 1,514,928	\$ 2,060,161	\$ 2,439,593	\$ 2,720,766	\$ 3,909,090
All other governmental funds:										
Reserved	\$ 7,613		\$ 67,020	\$ 3	\$ 1					
Unreserved, reported in:										
Special revenue fund	(42,925)	\$ (48,008)	(39,192)	(30,740)	(38,998)	\$ (31,400)	\$ (49,991)	\$ (43,491)	\$ (49,595)	\$ (41,202)
Capital projects fund	29,611	29,611						19,838,574	5,627,783	524,693
Debt service fund	1,134	28,402						227,292	303,859	87,701
Total all other governmental funds	\$ (4,567)	\$ 10,005	\$ 27,828	\$ (30,737)	\$ (38,997)	\$ (31,400)	\$ (49,991)	\$ 20,022,375	\$ 5,882,047	\$ 571,192

Source: District records

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Tax levy	\$ 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	\$ 21,982,063
Other local government units - restricted	34,951	42,404	30,233	18,371	15,334	14,836	16,474	4,375	11,630	
Tuition charges	361,318	178,711	230,822	351,180	481,604	390,457	205,525	406,818	338,838	176,501
Transportation fees	151,222	98,320	72,422	106,626	187,014	188,726	168,733	189,450	247,829	52,820
Interest earnings	20,193							71,599	37,425	11,134
Miscellaneous	340,376	356,608	264,153	352,455	133,814	394,217	285,823	131,178	133,439	421,039
State sources	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	23,050,634
Federal sources	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	2,369,682
Total revenue	38,165,505	39,032,428	39,251,931	39,929,130	41,073,487	41,574,929	42,688,379	43,975,440	46,378,484	48,063,873
Expenditures:										
Instruction:										
Regular instruction	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	9,495,796
Special education instruction	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	5,417,684
Other special instruction	1,981,784	2,264,542	2,162,713	1,815,288	559,694	490,921	525,918	694,969	738,469	602,058
Other instruction	400,575	524,418	383,760	403,600	492,690	444,454	452,855	477,587	490,237	494,763
Support services:										
Tuition	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	2,420,352
Student & instruction related services	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	4,620,905
School administrative services	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	1,455,627
Other administrative services	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	1,689,032
Plant operations & maintenance	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	2,910,593
Pupil transportation	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	2,358,150
Employee benefits	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	11,666,556
Special schools	124,330									
Transfer to charter school			30,665	31,661	58,539	85,764	77,831	114,584	106,872	30,587
Capital outlay	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	5,801,513
Debt service:										
Principal	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	2,705,000
Interest	644,984	528,742	531,772	493,551	438,307	381,963	330,700	620,024	940,850	832,225
Total expenditures	38,190,033	40,699,409	38,816,946	39,239,053	41,055,528	43,439,716	43,927,344	47,312,984	60,489,623	52,500,841
Excess (deficiency) of revenues over (under) expenditures	(24,528)	(1,666,981)	434,985	690,077	17,959	(1,864,787)	(1,238,965)	(3,337,544)	(14,111,139)	(4,436,968)
Other financing sources (uses):										
Bond proceeds								23,647,000		
Capital leases (non-budgeted)	69,895	906,711	338,273	204,906	105,285	1,232,867	1,756,425	167,369	251,939	338,652
Transfers in	16,862	656	24,366	536	265,082	339,116	263,901	340,569	294,593	393,777
Transfers out	(22,393)	(14,337)	(52,279)	(259)	(280,049)	(339,933)	(254,719)	(365,596)	(294,593)	(393,777)
Contracts/accounts payable canceled			37,154						45	(24,215)
Total other financing sources (uses)	64,364	893,030	347,514	205,183	90,318	1,232,050	1,765,607	23,789,342	251,984	314,437
Net change in fund balance	\$ 39,836	\$ (773,951)	\$ 782,499	\$ 895,260	\$ 108,277	\$ (632,737)	\$ 526,642	\$ 20,451,798	\$ (13,859,155)	\$ (4,122,531)
Debt service as a percentage of noncapital expenditures	5.15%	4.88%	5.01%	4.95%	4.68%	4.56%	4.53%	5.28%	8.30%	8.20%

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
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
2018	99,743	12,491	9,592	178,202	10,642	50,158	30,776	391,604

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
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
2018	62,025,300	910,827,800	1,717,100	181,668,900	14,911,000	48,390,400	1,219,540,500		5,506,020	1,225,046,520	1,231,168,330	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	
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
2018	1.559	0.212	1.771	1.047	0.733	3.551

Source: Municipal Tax Collector

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

	2018			2009		
	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	1.55%	8,250,000	4	1.22%
Borough of Glassboro	17,026,800	2	1.39%			
Kranzco Realty Trust	16,000,000	3	1.31%	9,719,100	1	1.93%
LMX Doubletree Ctr.	15,552,800	4	1.27%	8,714,000	3	1.29%
Crossing at Glassboro LLC	13,000,000	5	1.06%			
Hollybush Preservation Partners LP	9,462,700	6	0.77%			
Glassboro Plaza, LLC	8,750,000	7	0.71%	4,560,600	8	0.67%
Glassboro Properties, LLC	8,581,100	8	0.70%	7,139,100	6	1.05%
Verizon - New Jersey	6,817,320	9	0.56%	3,619,316	10	0.53%
SJDCCO LLC	6,077,000	10	0.50%			
Campus - Glassboro LLC				9,000,000	2	1.33%
DR Horton Inc. - New Jersey				7,184,800	5	1.06%
Hollybush Affordable Housing Inc.				5,043,900	7	0.74%
ADM Cocoa				4,149,300	9	0.61%
	<u>120,267,720</u>		<u>9.82%</u>	<u>67,380,116</u>		<u>10.43%</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	
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%	
2018	21,982,063	21,982,063	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)			
2009	\$ 14,870,000		\$ 1,142,577		\$ 16,012,577	1.94%	807
2010	13,560,000		1,507,732		15,067,732	1.93%	811
2011	12,290,000		1,367,777		13,657,777	1.68%	732
2012	10,985,000		1,051,848		12,036,848	1.43%	639
2013	9,625,000		664,585		10,289,585	1.20%	544
2014	8,200,000		1,377,026		9,577,026	1.08%	503
2015	6,730,000		2,636,629		9,366,629	1.00%	488
2016	28,842,000		1,622,929		30,464,929	3.08%	1,539
2017	26,282,000		681,825		26,963,825	N/A	1,347
2018	23,577,000		532,573		24,109,573	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			
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%	659
2012	10,985,000		10,985,000	0.92%	583
2013	9,625,000		9,625,000	0.81%	509
2014	8,200,000		8,200,000	0.69%	430
2015	6,730,000		6,730,000	0.57%	351
2016	28,842,000		28,842,000	2.39%	1,457
2017	26,282,000		26,282,000	2.16%	1,313
2018	23,577,000		23,577,000	1.92%	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, 2018
 Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Glassboro Borough	\$ 30,988,495	100.00%	\$ 30,988,495
Gloucester County General Obligation Debt	225,453,500	4.45%	10,033,334
Subtotal, overlapping debt			41,021,829
Glassboro District Direct Debt			23,577,000
Total direct and overlapping debt			\$ 64,598,829

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>
2017	\$ 1,161,515,826
2016	1,163,239,725
2015	1,140,121,840
	<u>\$ 3,464,877,391</u>
Average equalized valuation of taxable property	<u>\$ 1,154,959,130</u>
Debt limit (4% of average equalized value)	\$ 46,198,365
Total net debt applicable to limit	23,577,000
Legal debt margin	<u>\$ 22,621,365</u>

	<u>Fiscal Year</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>	<u>2018</u>
Debt limit	\$ 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	\$ 46,198,365
Total net debt applicable to limit	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	23,577,000
Legal debt margin	<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>	<u>\$ 22,621,365</u>
Total net debt applicable to the limit as a percentage of debt limit	33.30%	28.59%	25.29%	22.59%	20.09%	17.51%	14.82%	64.15%	58.03%	51.03%

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
2009	19,841	\$ 824,611,801	\$ 41,561	10.90%
2010	18,570	780,088,560	42,008	11.60%
2011	18,657	811,336,959	43,487	11.30%
2012	18,849	839,591,007	44,543	11.50%
2013	18,927	858,509,793	45,359	7.90%
2014	19,051	888,729,150	46,650	7.10%
2015	19,199	940,443,816	48,984	6.30%
2016	19,797	989,968,782	50,006	5.40%
2017	20,011	N/A	N/A	5.10%
2018	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	2018			2009		
	Employees	Rank	% of Total Municipal Employment	Employees	Rank	% of Total Municipal Employment
Inspira Health	1,825	1	N/A			
Underwood Memorial Hospital				1,860	1	N/A
Kennedy Memorial Hospital	1,675	2	N/A	1,200	5	N/A
Washington Township School District	1,586	3	N/A	1,594	3	N/A
Rowan University	1,483	4	N/A	1,300	4	N/A
County of Gloucester	1,368	5	N/A	1,600	2	N/A
Missa Bay, LLC	950	6	N/A	750	9	N/A
Monroe Township School District	814	7	N/A	775	8	N/A
US Foodservices	725	8	N/A	800	7	N/A
Exxon Mobil Research & Engineering	540	9	N/A			
LaBrea Bakery	525	10	N/A			
Direct Group				850	6	N/A
U.S. Postal Service				700	10	N/A
	<u>11,491</u>			<u>11,429</u>		

Source: Gloucester County Department of Economic Development and Employer Directly

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

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

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Instruction:										
Regular	158	163	135	138	138.8	136	133.5	140	139.1	138.2
Special education	64	66	61.3	59.8	52.5	53	55	60	58.1	55.1
Other instruction	14	9	4.5	7.2	9.2	14.3	10	10	11	15
Support Services:										
Student & instruction related services	47.5	50.5	38.2	39.2	40.7	38.5	40.5	38.8	38.6	40
General administration	3	3	2.1	2.1	2.6	2.1	2.1	2.1	2.1	2.1
School administrative services	18	18	17.5	17.0	17.0	18	18	24.3	23.0	17
Other administrative services	3	3	3	3	3	5	5	5	5	5
Central services	7	7	7	7	7	7.5	7.5	7	6	6
Administrative information technology	2.5	2.5	2.5	2.5	2.5	3	3.3	3	3.5	5
Plant operations & maintenance	38.5	41.0	44.3	38.6	38.6	39.7	39.7	39	40	39
Pupil transportation	40.0	43.0	28	30	29	33	30	31	30	30.3
Other support services	1	1	1	1	1		1	1	1	1
Total	396.5	407.0	344.4	345.8	341.4	350.1	345.6	361.2	357.4	353.7

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				
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%
2018	2,033	43,162,103	21,231	6.76%	202	11	10	9	1,988	1,833	-5.29%	92.2%

Source: Enrollment based on annual October District count.

GLASSBORO SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

<u>District Building</u>	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<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	299	338	335	326	319	338	298	300	283
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	481	480	479	497	503	549	523	517	458
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	490	470	459	446	450	479	446	439	457
<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	346	341	315	331	292	269	274	319	291
<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	599	614	624	643	631	639	569	545	523

Number of Schools at June 30, 2018

 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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
Administration	6,530	\$ 25,069	\$ 25,743	\$ 26,936	\$ 25,583	\$ 27,824	\$ 39,007	\$ 29,807	\$ 56,307	\$ 55,231	\$ 22,186	\$ 333,693
Elsmere	5,358	2,581	3,591	4,791	1,915							12,878
High School	113,915	54,168	72,096	70,906	100,072	81,889	106,177	64,116	58,832	60,020	57,571	725,847
Intermediate	60,671	43,561	40,878	44,128	67,500	46,429	53,973	38,477	54,782	35,100	45,903	470,731
Bowe	75,514	22,846	23,169	25,876	23,325	27,518	21,148	22,772	29,214	33,548	131,568	360,984
Bullock	87,700	36,408	39,850	44,110	73,998	52,863	34,680	42,415	34,592	35,605	32,659	427,180
Rodgers	39,192	21,967	22,540	20,114	32,504	20,920	37,248	25,691	24,402	27,167	45,704	278,257
Total School Facilities		\$ 206,600	\$ 227,869	\$ 236,861	\$ 324,897	\$ 257,443	\$ 292,233	\$ 223,278	\$ 258,129	\$ 246,671	\$ 335,591	\$ 2,609,572

* 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, 2018
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (Utica National Insurance Group)		
Property - Blanket Buildings & Grounds	\$ 96,301,882	
Commercial General Liability	3,000,000	
Commercial Inland Marine - Data Processing	2,005,000	\$ 500
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)	280,000	
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
(856) 881-1600 • Fax (856) 881-6860

MEMBER: AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Nick L. Petroni, CPA, RMA

Kevin A. Bergeron, CPA
Mary A. Carey, RMA
Wendy G. Fama, CPA
Denise R. Nevico, CPA
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, 2018, 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 January 17, 2019.

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.

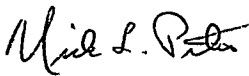
Compliance and Other Matters

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

January 17, 2019

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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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, 2018. 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, 2018.

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, 2018, and have issued our report thereon dated January 17, 2019, 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

January 17, 2019

GLASSBORO SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year ended June 30, 2018

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, 2017	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2018			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	1805NJ5MAP	N/A	\$ 93,023	7/1/17	6/30/18			\$ 90,071	\$ (93,023)			\$ (2,952)			\$ 93,023
Total General Fund									90,071	(93,023)			(2,952)			93,023
U.S. Department of Education																
Passed-through State Department of Education																
Special Revenue Fund																
Title I, Part A	84.010A	S010A160030	NCLB173018	738,950	7/1/17	6/30/18			458,840	(685,763)			(226,923)			685,763
Title I, Part A	84.010A	S010A160030	NCLB173017	812,136	7/1/16	6/30/17	\$ (286,421)		286,421							803,449
Subtotal	84.010A						(286,421)		745,261	(685,763)			(226,923)			
IDEA Part B, Basic Regular	84.027	H027A16010C	FT173018	610,296	7/1/17	6/30/18			383,250	(605,493)			(222,243)			605,493
IDEA Part B, Basic Regular	84.027	H027A16010C	FT173017	622,098	7/1/16	6/30/17	(1,980)		1,980							620,751
Subtotal	84.027						(1,980)		385,230	(605,493)			(222,243)			
IDEA Part B, Preschool	84.173	H173A160114	FT173018	24,627	7/1/17	6/30/18			24,627	(24,627)						24,627
IDEA Part B, Preschool	84.173	H173A160114	FT173017	24,885	7/1/16	6/30/17	(13,522)		13,522							24,885
Subtotal	84.173						(13,522)		38,149	(24,627)						
Total Special Education Cluster							(15,502)		423,379	(630,120)			(222,243)			
Title II Part A	84.367A	S367A160029	NCLB173018	164,681	7/1/17	6/30/18			81,076	(101,722)			(20,646)			101,722
Title II Part A	84.367A	S367A160029	NCLB173017	285,356	7/1/16	6/30/17	(42,392)		42,392							189,339
Subtotal	84.367A						(42,392)		123,468	(101,722)			(20,646)			
Title III	84.365A	S365A160030	NCLB173018	24,410	7/1/17	6/30/18			8,479	(16,272)			(7,793)			16,272
Title III	84.365A	S365A160030	NCLB173017	18,399	7/1/16	6/30/17	(5,578)		5,578							16,520
Title III Immigrant	84.365A	S365A160030	NCLB173018	2,303	7/1/17	6/30/18				(2,303)			(2,303)			2,303
Subtotal	84.365A						(5,578)		14,057	(18,575)			(10,096)			
Title IV	84.424A	S424A170031	NCLB173018	13,646	7/1/17	6/30/18				(8,555)			(8,555)			8,555
Perkins Basic Entitlement	84.048	V048A160030	17-100-034-5060-027	16,761	7/1/17	6/30/18		29	8,586	(13,510)			(4,895)			13,510
Perkins Basic Entitlement	84.048	V048A160030	16-100-034-5060-027	16,761	7/1/16	6/30/17	(15,841)	(29)	15,841		\$ 29					15,841
Subtotal	84.048						(15,841)		24,427	(13,510)	29		(4,895)			
School Improvement Grants	84.377	S377A160031	n/a	813,093	9/1/17	8/31/18			499,624	(795,003)			(295,379)			795,003
School Improvement Grants	84.377	S377A160031	n/a	287,418	1/1/17	8/31/17	(3,315)		3,315							43,336
Subtotal	84.377						(3,315)		502,939	(795,003)			(295,379)			
Temporary Impact Aid	84.938C	S98C18005	n/a	90,375	7/1/17	6/30/18				(90,375)			(90,375)			90,375
Total Special Revenue Fund							(369,049)		1,833,531	(2,343,623)	29		(879,112)			4,057,744
U.S. Department of Agriculture																
Passed-through State Department of Education:																
Enterprise Fund:																
School Breakfast Program	10.553	181NJ304N1099	N/A	194,622	7/1/17	6/30/18			183,628	(194,622)			(10,994)			194,622
School Breakfast Program	10.553	171NJ304N1099	N/A	219,377	7/1/16	6/30/17	(13,723)		13,723							219,377
Subtotal	10.553						(13,723)		197,351	(194,622)			(10,994)			
Food Distribution Program	10.555	N/A	N/A	73,131	7/1/17	6/30/18			73,131	(65,356)				\$ 7,775		65,356
Food Distribution Program	10.555	N/A	N/A	77,441	7/1/16	6/30/17	6,368			(6,368)						71,073
National School Lunch Program	10.555	171NJ304N1099	N/A	456,122	7/1/17	6/30/18			432,215	(456,122)			(23,907)			456,122
National School Lunch Program	10.555	171NJ304N1099	N/A	468,429	7/1/16	6/30/17	(28,531)		28,531							468,429
Subtotal	10.555						(22,163)		533,877	(527,846)			(23,907)	7,775		
Total Child Nutrition Cluster							(35,886)		731,228	(722,468)			(34,901)	7,775		
Total Enterprise Fund							(35,886)		731,228	(722,468)			(34,901)	7,775		1,474,979
Total Federal Financial Awards							\$ (404,935)		\$ 2,654,830	\$ (3,159,114)	\$ 29		\$ (916,965)	\$ 7,775		\$ 5,625,746

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, 2018

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2017			Cash Received	Budgetary Expenditures	Adjustments/Repayment/Prior Years' Balances	Balance June 30, 2018			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 Education															
General Fund:															
State Aid Public															
Special Education Categorical Aid	18-495-034-5120-089	\$ 1,207,847	7/1/17	6/30/18			\$ 1,207,847	\$ (1,207,847)						\$ 120,785	\$ 1,207,847
Equalization Aid	18-495-034-5120-078	14,781,988	7/1/17	6/30/18			14,781,988	(14,781,988)						1,380,843	14,781,988
Security Aid	18-495-034-5120-084	272,057	7/1/17	6/30/18			272,057	(272,057)						27,206	272,057
School Choice Aid	18-495-034-5120-068	122,281	7/1/17	6/30/18			122,281	(122,281)						1,228	122,281
PARCC Readiness Aid	18-495-034-5120-098	21,040	7/1/17	6/30/18			21,040	(21,040)						2,104	21,040
Per Pupil Growth Aid	18-495-034-5120-097	21,040	7/1/17	6/30/18			21,040	(21,040)						2,104	21,040
Professional Learning Community Aid	18-495-034-5120-101	20,390	7/1/17	6/30/18			20,390	(20,390)						2,039	20,390
Transportation Aid	18-495-034-5120-014	124,448	7/1/17	6/30/18			124,448	(124,448)						12,445	124,448
Extraordinary Aid	18-495-034-5120-044	339,602	7/1/17	6/30/18				(339,602)			\$ (339,602)				339,602
Extraordinary Aid	17-495-034-5120-044	235,568	7/1/16	6/30/17	\$ (235,568)		223,533								235,568
Lead Testing for School's Aid	18-495-034-5120-104	18,780	7/1/17	6/30/18			18,780	(18,780)							18,780
Reimbursement of Nonpublic Transportation	N/A	41,180	7/1/17	6/30/18				(41,180)			(41,180)				41,180
Reimbursement of Nonpublic Transportation	N/A	25,926	7/1/16	6/30/17	(25,926)		25,926								25,926
On-behalf TPAF Pension Contribution	18-495-034-5095-002	2,300,451	7/1/17	6/30/18			2,300,451	(2,300,451)							2,300,451
On-behalf TPAF Post-retirement Contribution	18-495-034-5095-001	1,485,812	7/1/17	6/30/18			1,485,812	(1,485,812)							1,485,812
On-behalf TPAF Long-term Disability Insurance	18-495-034-5095-004	1,947	7/1/17	6/30/18			1,947	(1,947)							1,947
Reimbursed TPAF Social Security Aid	18-495-034-5094-003	1,145,870	7/1/17	6/30/18			1,145,870	(1,145,870)							1,145,870
Reimbursed TPAF Social Security Aid	17-495-034-5094-003	1,123,784	7/1/16	6/30/17	(55,807)		55,807								1,123,784
Total General Fund					(317,301)		21,829,217	(21,904,733)			(380,782)			1,548,754	23,290,011
Special Revenue Fund:															
Preschool Education Aid	18-495-034-5120-086	412,020	7/1/17	6/30/18			412,020	(412,020)						41,202	412,020
NJ Nonpublic Aid:															
Textbook Aid	18-100-034-5120-064	3,944	7/1/17	6/30/18			3,944	(3,614)					\$ 330		3,614
Textbook Aid	17-100-034-5120-064	4,957	7/1/16	6/30/17		\$ 63				\$ (63)					4,984
Auxiliary Services:															
Compensatory Education	18-100-034-5120-067	10,630	7/1/17	6/30/18			10,630	(4,872)					5,758		4,872
Compensatory Education	17-100-034-5120-067	11,645	7/1/16	6/30/17		5,464				(5,464)					6,181
Transportation	18-100-034-5120-067	2,168	7/1/17	6/30/18			2,168	(1,395)					773		1,395
Transportation	17-100-034-5120-067	2,797	7/1/16	6/30/17		1,077				(1,077)					1,720
Handicapped Services:															
Corrective Speech	18-100-034-5120-066	11,606	7/1/17	6/30/18			11,606	(9,107)					2,499		9,107
Corrective Speech	17-100-034-5120-066	15,903	7/1/16	6/30/17		5,301				(5,301)					10,602
Examination and Classification	18-100-034-5120-066	11,830	7/1/17	6/30/18			11,830	(8,190)					3,640		8,190
Examination and Classification	17-100-034-5120-066	9,549	7/1/16	6/30/17		2,705				(2,705)					6,844
Supplementary Instruction	18-100-034-5120-066	5,551	7/1/17	6/30/18			5,551	(3,330)					2,221		3,330
Supplementary Instruction	17-100-034-5120-066	6,278	7/1/16	6/30/17		2,512				(2,512)					3,766
Nursing Services Aid	18-100-034-5120-070	6,984	7/1/17	6/30/18			6,984	(6,984)							6,984
Technology Initiative	18-100-034-5120-373	2,664	7/1/17	6/30/18			2,664	(2,488)					176		2,488
Technology Initiative	17-100-034-5120-373	2,236	7/1/16	6/30/17		1				(1)					2,235
Security Aid	18-100-034-5120-509	5,400	7/1/17	6/30/18			5,400	(4,788)					612		4,788
Security Aid	17-100-034-5120-509	4,300	7/1/16	6/30/17		1,825				(1,825)					2,475
Total Special Revenue Fund						18,948		472,797	(456,788)		(18,948)		16,009	41,202	1,432,352
Debt Services Fund:															
Debt Service Aid Type II	18-100-034-5120-075	683,919	7/1/17	6/30/18			683,919	(683,919)							683,919
Total Debt Service Fund							683,919	(683,919)							683,919

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, 2018

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2017				Adjustments/ Repayment of Prior Years' Balances	Balance June 30, 2018			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 Agriculture															
Enterprise Fund:															
National School Lunch Program (State Share)	18-100-010-3350-023	9,727	7/1/17	6/30/18				9,213	(9,727)		(514)				9,727
National School Lunch Program (State Share)	17-100-010-3350-023	9,783	7/1/16	6/30/17	(593)			593							9,783
Total Enterprise Fund					(593)			9,806	(9,727)		(514)				19,510
Total State Financial Assistance					<u>\$ (317,894)</u>	<u>\$ 18,948</u>		<u>\$ 22,995,739</u>	<u>\$ (23,055,167)</u>	<u>\$ (18,948)</u>	<u>\$ (381,296)</u>		<u>\$ 16,009</u>	<u>\$ 1,589,956</u>	<u>\$ 25,425,792</u>
Less: On-behalf TPAF Pension System Contributions									(3,788,210)						
Total for State Financial Assistance - Major Program Determination									<u>\$ (19,266,957)</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, 2018

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, 2018

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$2,501) for the General Fund and (\$59,143) 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:

	Federal	State	Total
General Fund	\$ 93,023	\$ 21,902,232	\$ 21,995,255
Special Revenue Fund	2,276,659	464,483	2,741,142
Debt Service Fund		683,919	683,919
Food Service Fund	723,875	9,727	733,602
Total awards & financial assistance	<u>\$ 3,093,557</u>	<u>\$ 23,060,361</u>	<u>\$ 26,153,918</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, 2018. 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, 2018.

NOTE 6: ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT MAJOR PROGRAM DETERMINATION

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are excluded from State single audit major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amounts subject to State single audit and major program determination.

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
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2018

NOTE 8: ADJUSTMENTS TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The amount of \$29 shown as an adjustment to the Perkins Basic Entitlement grant was due to the liquidation of a prior year encumbrance that was charged as an expenditure in the prior fiscal year.

GLASSBORO SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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>
84.377	S377A160031	School Improvement Grant

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, 2018

Section II – Financial Statement Findings

No matters were reported.

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

FEDERAL AWARDS

No matters were reported.

STATE AWARDS

No matters were reported.

GLASSBORO SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Finding 2017-001:

State Program - State Aid Public Cluster - Eligibility

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.

Current Status – Corrective action was taken.