

SCHOOL DISTRICT
OF
MAPLE SHADE



Maple Shade Board of Education
Maple Shade, New Jersey

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2012

**Comprehensive Annual
Financial Report**

of the

Maple Shade Board of Education

Maple Shade, New Jersey

For the Fiscal Year Ended June 30, 2012

**Prepared by
Maple Shade Board of Education
Finance Department**

MAPLE SHADE SCHOOL DISTRICT

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Introductory Section



MAPLE SHADE BOARD OF EDUCATION

Administration Building

170 Frederick Avenue, Maple Shade, N.J. 08052-3299

Michael Livengood
Superintendent of Schools

Joseph Langowski
Assistant Superintendent of Curriculum

Diana Cawood
School Business Administrator/Board Secretary

July 27, 2012

Honorable President and
Members of the Board of Education
Maple Shade Township Public Schools
Maple Shade, N. J. 08052

Dear Board Members:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Maple Shade Township School District for the fiscal year ended June 30, 2012. This CAFR includes the District's Basic Financial Statement prepared in accordance with Governmental Accounting Standards Board Statement 34. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the 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 and the U.S. Office of Management and Budget circular A-133, "Audits of State and Local Governments", and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations, findings, and recommendations, are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES:**

The Maple Shade Public Schools is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Maple Shade Public 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 all educational programs aligned with the New Jersey Core Content Standards for both regular education and special needs students. The Maple Shade school district completed the 2011-2012 fiscal year with an enrollment of 2,155 students based upon the average daily enrollment (ADE). The following details the changes in the student enrollment of the District over the last 10 years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2002-03	2,104	(1.08%)
2003-04	2,140	1.71%
2004-05	2,154	.65%
2005-06	2,147	(.32%)
2006-07	2,082	(3.03%)
2007-08	2,026	(2.69%)
2008-09	2,008	(.89%)
2009-10	2,076	3.39%
2010-11	2,133	2.75%
2011-12	2,155	(1.03%)

2) **ECONOMIC CONDITION AND OUTLOOK:**

The "Main Street" project is still being worked on in the business section of town. With a 2% cap on taxes for the upcoming budget cycle, the district will face another difficult budget process. A newly settled contract with the MSEA, which includes increases closer to the 2% cap should help with future budgets. Other factors, such as energy and health care costs all regularly exceed 2% by a large margin. It will still be a challenge to put together a spending plan within a 2% cap.

3) **MAJOR INITIATIVES:**

Lighting upgrades are being completed in our High School and the Maude Wilkins School. All interior and exterior door locks were replaced in the High School. We will be doing a pilot project this year using iPads and online textbooks rather than traditional texts in High School Chemistry classes.

The Board of Education will be transitioning to paperless Board meetings, utilizing iPads for meetings.

We have greatly increased the number of honors and advanced placement courses at the High School. This has given our top students opportunities to take more challenging coursework that will better prepare them for college.

4) **INTERNAL ACCOUNTING CONTROLS:**

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP).

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

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

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

5) **BUDGETARY CONTROLS:**

In addition to internal 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 project 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 of June 30, 2012.

6) **CASH MANAGEMENT:**

The investment policy of the district is guided in large part by 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 provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law required governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

7) **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.

8) **OTHER INFORMATION:**

Independent Audit-State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Inverso & Stewart, CPA. 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 related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general-purpose financial statements and combining any individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

9) **ACKNOWLEDGEMENTS:**

We would like to express our appreciation to the members of the Maple Shade Board 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. We further extend our appreciation to the district personnel who on a day-to-day basis help carry out financial transactions in a responsible, efficient, and dedicated manner.



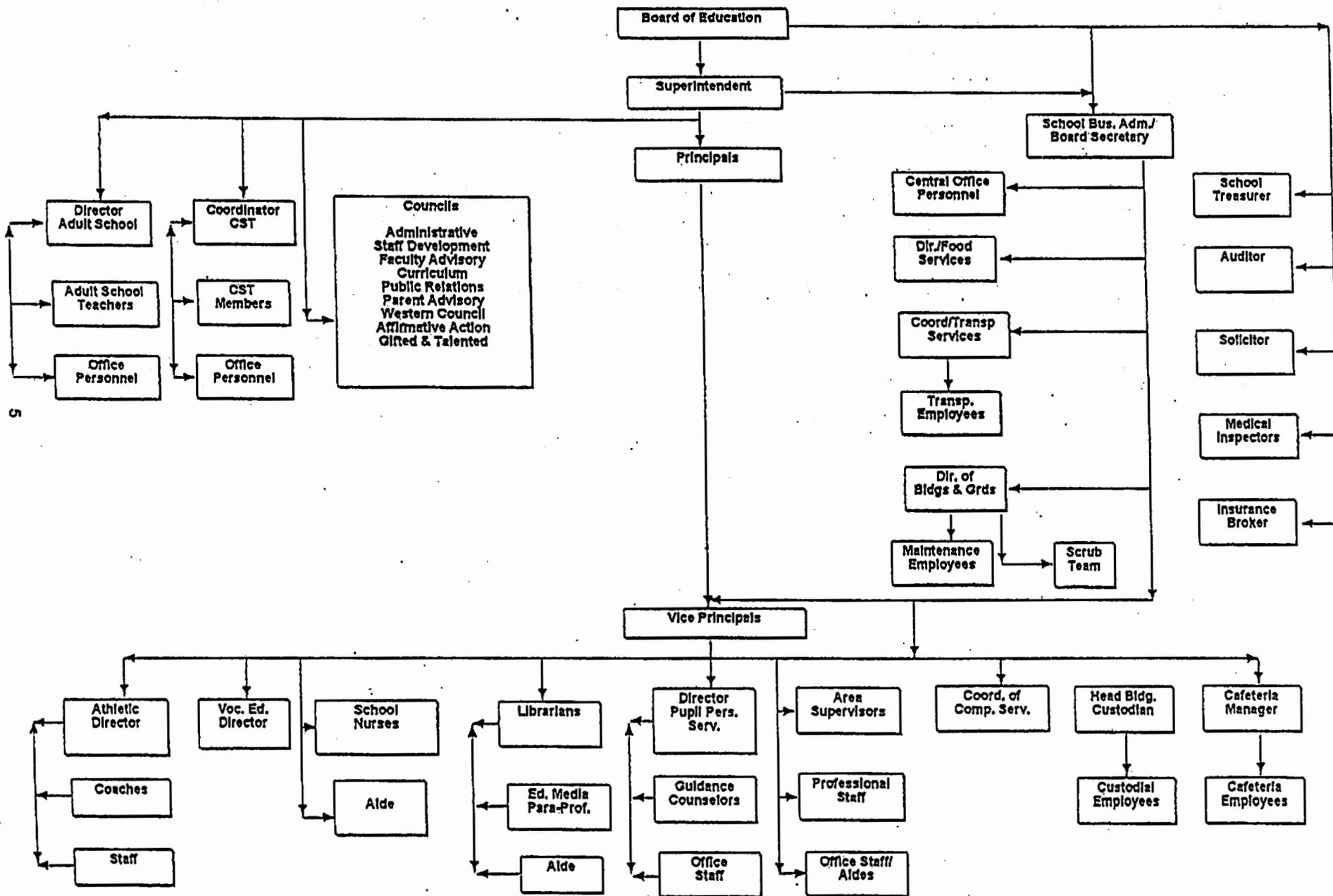
Michael Livengood
Superintendent of Schools



Diana Cawood
School Business Administrator
Board Secretary

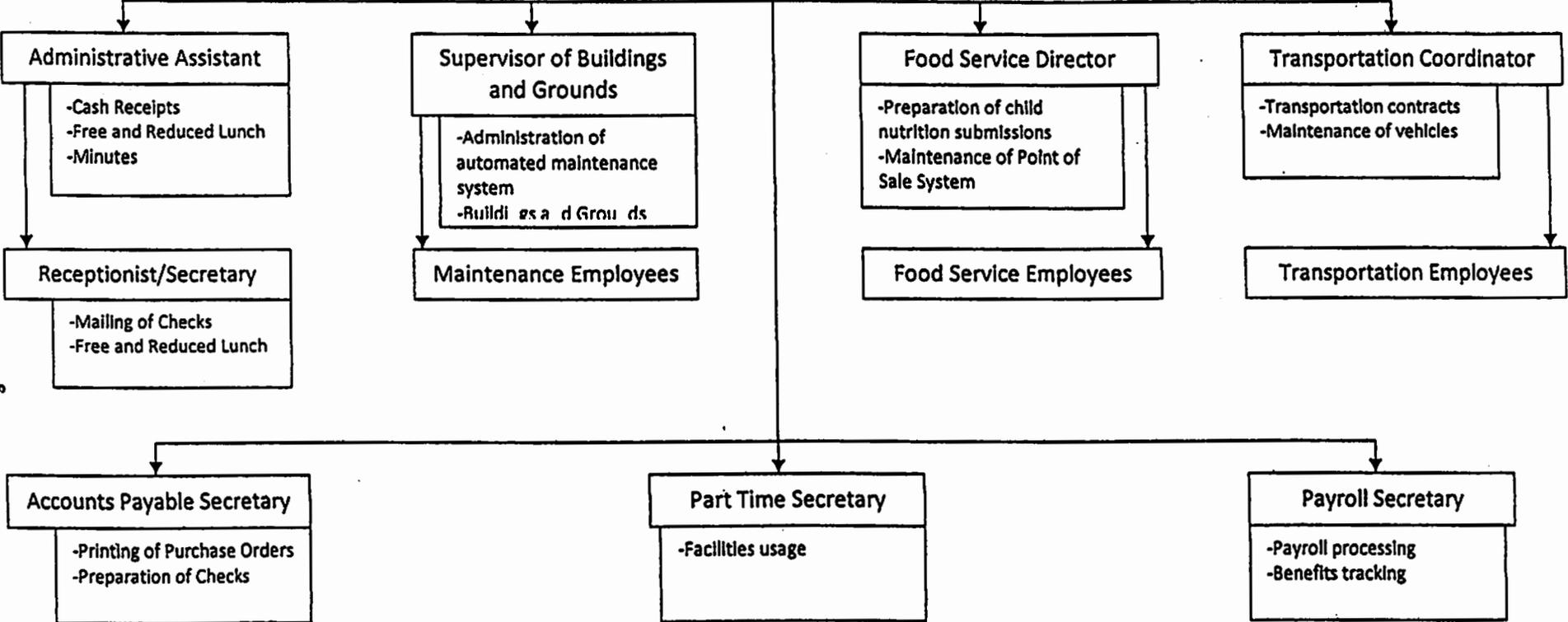
MAPLE SHADE BOARD OF EDUCATION

Organizational Chart (Unit Control)



MAPLE SHADE BOARD OF EDUCATION
BUSINESS OFFICE ORGANIZATIONAL CHART

Business Administrator



**MAPLE SHADE BOARD OF EDUCATION
MAPLE SHADE, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2012**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Theresa H. Maerten - President	2013
Bernadine Caukins-Mealey - Vice President	2014
Glenn T. Adams	2012
Charles Kauffman	2014
Gregory H. Lovell	2012
Michael R. McClure	2014
William Natale	2013
Heather Gatton	2012
Ellen R. Wiest	2013

Other Officials

Michael Livengood, Superintendent

Joseph Langowski, Assistant Superintendent
of Curriculum

Diana Cawood, Board Secretary &
School Business Administrator

Denise Lawler, Treasurer

Frank Cavallo, Esq., Solicitor

MAPLE SHADE SCHOOL DISTRICT
Consultants and Advisors

Audit Firm

Inverso & Stewart, LLC
12000 Lincoln Drive West
Suite 402
Marlton, NJ 08053

Attorney

Frank Cavallo, Esq.
c/o Parker McCay
9000 Midlantic Drive
Suite 300
P.O. Box 5054
Mount Laurel, NJ 08054

Official Depository

Columbia Savings Bank
253 East Main Street
Maple Shade, NJ 08052

Financial Section

INVERSO & STEWART, LLC

**Certified Public Accountants
Registered Municipal Accountants**

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-Member of-
American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
Maple Shade School District
County of Burlington
Maple Shade, New Jersey

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 Maple Shade School District, in the County of Burlington, State of New Jersey (School District), as of and for the fiscal year ended June 30, 2012, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Maple Shade School District, in the County of Burlington, State of New Jersey, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2012 on our consideration of the Maple Shade School District, in the County of Burlington, State of New Jersey's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis and budgetary comparison information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Maple Shade School District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and State of New Jersey Circular 04-04-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and are not a required part of the financial statements. In addition, the introductory section, combining statements and related major fund supporting statements and schedules, and statistical section listed in the table of contents are also presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedules of Expenditures of Federal Awards and State Financial Assistance, combining statements and related major fund supporting statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
July 27, 2012

INVERSO & STEWART, LLC

**Certified Public Accountants
Registered Municipal Accountants**

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**-Member of-
American Institute of CPAs
New Jersey Society of CPAs**

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*

The Honorable President and Members
of the Board of Education
Maple Shade School District
County of Burlington
Maple Shade, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Maple Shade School District (School District), in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2012, which collectively comprise the School District's basic financial statements and have issued our report thereon dated July 27, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

Management of the Maple Shade School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Maple Shade School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Maple Shade 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 Division of Finance, Department of Education, State of New Jersey.

This report is intended solely for the information and use of the management of the School District, the Division of Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
July 27, 2012

Required Supplementary Information - Part I

Management's Discussion and Analysis

**Maple Shade Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012**

As management of the Board of Education of Maple Shade Township, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$11,644,462 (*net assets*).
- Governmental activities have unrestricted net assets deficit of \$1,208,737. The accounting treatments in the governmental funds for compensated absences payable, and the last two state aid payments, and the state statute that prohibits school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.
- The total net assets of the School District increased \$1,525,619 from the prior fiscal year-end balance. The majority of the increase is attributable to the results of operations in the General Fund and reductions in long term debt.
- Fund balance of the School District's governmental funds increased by \$1,052,416 resulting in an ending fund balance of \$3,728,588. The majority of this increase is due to expenditures in the capital projects fund.
- Business-type activities have unrestricted net assets of \$292,870, which may be used to meet the School District's ongoing obligations of the food service operations, school store and school age child care program.
- The School District's long-term obligations decreased by \$686,878 which is the result of the payment of bonds and an increase in compensated absences.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

District-wide Financial Statements

The *district-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The district-wide financial statements include the statement of net assets and the statement of activities.

The *statement of net assets* presents information about all of the School District's assets and liabilities. The difference between the assets and liabilities is reported as net assets. Over time, changes in net assets may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net assets of the School District changed during the current fiscal year. Changes in net assets are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the district-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover all or most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities consolidate the Food Service Fund, School Store and the School Age Child Care Program.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

Governmental funds account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary funds are used to present the same functions as the business-type activities presented in the district-wide financial statements. The School District maintains one type of proprietary fund - the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the district-wide financial statements, only in more detail.

The School District's three enterprise funds (Food Service Fund, School Store and School Age Child Care Program) are listed individually and are considered to be major funds.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

District-wide Financial Analysis

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements, equipment and vehicles. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2012. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2012.

The liabilities of the primary government activities exceeded assets by \$11,249,255 with an unrestricted deficit balance of \$1,208,737. The net assets of the primary government do not include internal balances.

A net investment of \$8,741,419 in land, improvements, buildings, equipment and vehicles provides services to the School District's 2,155 public school students. Net assets of \$1,080,315 have been restricted to provide resources for future capital expansion and renovation projects. Also, \$650,000 has been restricted for maintenance reserve while \$1,986,258 has been restricted for budget appropriation.

As mentioned earlier, deficit unrestricted net assets are primarily due to the accounting treatment for compensated absences payable and the last two state aid payments, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

Maple Shade Township School District9
Comparative Summary of Net Assets
As of June 30, 2012 and 2011

	Governmental Activities		Business-Type Activities		District-Wide	
	2012	2011	2012	2011	2012	2011
Assets:						
Current assets	\$ 4,171,831	\$ 3,245,291	\$ 390,824	\$ 377,496	\$ 4,562,655	\$ 3,622,787
Capital assets	<u>31,270,923</u>	<u>31,729,186</u>	<u>102,337</u>	<u>118,668</u>	<u>31,373,260</u>	<u>31,847,854</u>
Total assets	<u>35,442,754</u>	<u>34,974,477</u>	<u>493,161</u>	<u>496,164</u>	<u>35,935,915</u>	<u>35,470,641</u>
Liabilities:						
Current Liabilities	2,001,584	2,198,881	61,956	43,363	2,063,540	2,242,244
Noncurrent Liabilities	<u>22,191,915</u>	<u>23,088,132</u>	<u>35,998</u>	<u>21,422</u>	<u>22,227,913</u>	<u>23,109,554</u>
Total liabilities	<u>24,193,499</u>	<u>25,287,013</u>	<u>97,954</u>	<u>64,785</u>	<u>24,291,453</u>	<u>25,351,798</u>
Net assets	<u>\$ 11,249,255</u>	<u>\$ 9,687,464</u>	<u>\$ 395,207</u>	<u>\$ 431,379</u>	<u>\$ 11,644,462</u>	<u>\$ 10,118,843</u>
Net assets consist of:						
Invested in capital						
Assets	\$ 8,741,419	\$ 8,713,998	\$ 102,337	\$ 118,668	\$ 8,843,756	\$ 8,832,666
Restricted net assets	3,716,573	2,655,747			3,716,573	2,655,747
Unrestricted net assets	<u>-1,208,737</u>	<u>-1,682,281</u>	<u>292,870</u>	<u>312,711</u>	<u>-915,867</u>	<u>-1,369,570</u>
Net assets	<u>\$ 11,249,255</u>	<u>\$ 9,687,464</u>	<u>\$ 395,207</u>	<u>\$ 431,379</u>	<u>\$ 11,644,462</u>	<u>\$ 10,118,843</u>

Maple Shade Township School District
Comparative Schedule of Changes in Net Assets
As of and for the Fiscal Years Ended June 30, 2012 and 2011

	Governmental Activities		Business-Type Activities		District-Wide	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program Revenues						
Charges for services			\$ 857,567	\$ 816,542	\$ 857,567	\$ 816,542
Operating grants and Contributions	\$ 3,597,544	\$ 3,592,718	482,494	373,460	4,080,038	3,966,178
Capital grants and Contributions						
General Revenues:						
Property Taxes	23,040,236	22,572,782			23,040,236	22,572,782
Unrestricted State Aid	8,505,465	7,781,878			8,505,465	7,781,878
Tuition	263,233	239,695			263,233	239,695
Other Revenues	152,411	212,746	3,418	4,647	155,829	217,393
Total Revenues	35,558,889	34,399,819	1,343,479	1,194,649	36,902,368	35,594,468
Expenses:						
Governmental Activities:						
Instruction	15,049,836	14,060,078			15,049,836	14,060,078
Tuition	1,210,734	1,109,530			1,210,734	1,109,530
Related Services	3,553,237	3,568,044			3,553,237	3,568,044
Administrative Services	1,883,254	1,758,893			1,883,254	1,758,893
Operations and Maintenance	3,030,699	2,764,603			3,030,699	2,764,603
Transportation	938,997	1,248,863			938,997	1,248,863
Central Services	628,705	534,546			628,705	534,546
Employee benefits	6,851,864	6,684,782			6,851,864	6,684,782
Interest on long-term Debt	774,348	1,005,371			774,348	1,005,371
Other	75,424	62,276			75,424	62,276
Business-Type Activities:						
Food Service Operations			973,565	873,538	973,565	873,538
School Store			13,332	9,053	13,332	9,053
SACC Program			392,754	356,182	392,754	356,182
Total Expenses	33,997,098	32,796,986	1,379,651	1,238,773	35,376,749	34,035,759
Increase in net assets						
Before transfers	1,561,791	1,602,833	-36,172	-44,124	1,525,619	1,558,709
Transfers		100,000		-100,000		
Changes in net assets	1,561,791	1,702,833	-36,172	-144,124	1,525,619	1,558,709
Net assets, July 1,	9,687,464	7,984,631	431,379	575,503	10,118,843	8,560,134
Net assets, June 30,	\$ 11,249,255	\$ 9,687,464	\$ 395,207	\$ 431,379	\$ 11,644,462	\$ 10,118,843

Governmental Activities

Governmental activities increased the net assets of the School District by \$1,561,791 during the current fiscal year. Key elements of the increase in net assets for governmental activities are as follows:

- Serial bonds decreased by \$392,000.
- Results of operations in the Governmental Funds increased \$1,052,416.

Business-type Activities

Business-type activities decreased the School District's net assets slightly. Key elements of the decrease in net assets for business-type activities are as follows:

- The Food Service Fund, School Store, and School Age Child Care had net losses of \$3,076, \$3,372 and \$29,724 respectively.

Financial Analysis of the Governmental Funds

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

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

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$3,728,588, an increase of \$1,052,416 in comparison with the prior year. The majority of the increase is attributable to the results of operations in the general fund.

The unassigned fund balance for the School District at the end of the fiscal year includes an unassigned fund balance for the General Fund of \$12,015. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) as restricted cash reserved for future capital outlay expenditures of \$1,080,315, 2) \$1,086,663 appropriated as a revenue source in the subsequent year's budget, 3) \$650,000 reserved for maintenance, 4) \$2,800 year-end encumbrances, 5) \$896,795 reserved for excess surplus.

General Fund Budgetary Highlights

At the end of the current fiscal year, unreserved fund balance (budgetary basis) of the general fund was \$733,200 while total fund balance (budgetary basis) was \$4,440,593. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$30,936,819. Unreserved fund balance (budgetary basis) represents 2.37% of expenditures while total fund balance (budgetary basis) represents 14.35 % of that same amount.

Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2012, totaled \$31,373,260 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was \$474,594, or a 1.5% decrease. The decrease is due to depreciation.

Capital Asset (net of accumulated depreciation) June 30, 2012 and 2011

	Governmental Activities		Business-Type Activities		District-Wide	
	2012	2011	2012	2011	2012	2011
Land	\$ 412,248	\$ 412,248			\$ 412,248	\$ 412,248
Buildings and Building Improvements	30,037,603	30,825,131			30,073,603	30,825,131
Equipment	821,072	491,807	\$ 102,337	\$ 118,668	923,409	610,475
Net assets	<u>\$ 31,270,923</u>	<u>\$ 31,729,186</u>	<u>\$ 102,337</u>	<u>\$ 118,668</u>	<u>\$ 31,373,260</u>	<u>\$ 31,847,854</u>

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Long-term debt – During the fiscal year ended June 30, 2012, the School District had \$22,266,000 in serial bonds payable, \$263,504 in capital leases, and \$1,555,434 in compensated absences.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$66,244,202. The available amount as of June 30, 2012 is \$43,978,202.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District's budget for the 2012-2013 fiscal year.

- For the 2012-13 fiscal year the School District will be receiving an increase in state aid. The local tax levy in the General Fund increased \$416,434 over the previous year, resulting in a 4 cent tax increase. Salaries continue to increase contractually; however, the District has managed to control costs. The 2012-13 General Fund Budget is \$934,600 greater than the previous year or a 4.45 % increase.

For the Future

The Maple Shade Township School District is in good financial condition presently. However, a major concern is the reliance on local property taxes as state aid has remained stagnant. Maple Shade is primarily a residential community with few large ratables; thus the burden is focused on homeowners to share the tax burden.

In conclusion, the Maple Shade Township 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.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Maple Shade Township School District Business Administrator, 170 Frederick Avenue, Maple Shade, New Jersey, 08052.

Basic Financial Statements

District-Wide Financial Statements

MAPLE SHADE SCHOOL DISTRICT
Statement of Net Assets
June 30, 2012

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	\$2,206,167	\$326,767	\$2,532,934
Receivables, net	458,877	30,518	489,395
Inventory		33,020	33,020
Internal balance	(519)	519	
Restricted assets:			
Capital Reserve Account	1,080,315		1,080,315
Deferred bond issuance costs - net	426,991		426,991
Capital assets, net (Note 5)	<u>31,270,923</u>	<u>102,337</u>	<u>31,373,260</u>
Total assets	<u>35,442,754</u>	<u>493,161</u>	<u>35,935,915</u>
LIABILITIES:			
Accounts payable	23,249	6,562	29,811
Payable to state government	18,485		18,485
Internal balance	(31,367)	31,367	
Other liabilities	5,885	1,450	7,335
Deferred revenue		22,577	22,577
Accrued Interest	92,309		92,309
Noncurrent liabilities (Note 7):			
Due within one year	1,893,023		1,893,023
Due beyond one year	<u>22,191,915</u>	<u>35,998</u>	<u>22,227,913</u>
Total liabilities	<u>24,193,499</u>	<u>97,954</u>	<u>24,291,453</u>
NET ASSETS:			
Invested in capital assets, net of related debt	8,741,419	102,337	8,843,756
Restricted for:			
Debt Service	9,180		9,180
Capital Projects	1,080,315		1,080,315
Other purposes	2,627,078		2,627,078
Unrestricted	<u>(1,208,737)</u>	<u>292,870</u>	<u>(915,867)</u>
Total net assets	<u>\$11,249,255</u>	<u>\$395,207</u>	<u>\$11,644,462</u>

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:						
Instruction:						
Regular	\$10,039,639		\$307,252	(\$9,732,387)		(\$9,732,387)
Special Education	4,321,755		573,984	(3,747,771)		(3,747,771)
Other instruction	688,442			(688,442)		(688,442)
Support Services:						
Tuition	1,210,734			(1,210,734)		(1,210,734)
Student & instruction related services	3,553,237		88,378	(3,464,859)		(3,464,859)
General administrative services	649,255			(649,255)		(649,255)
School administrative services	1,233,999			(1,233,999)		(1,233,999)
Central services	628,705			(628,705)		(628,705)
Plant operations and maintenance	3,030,699		48,574	(2,982,125)		(2,982,125)
Pupil transportation	938,997			(938,997)		(938,997)
Employee benefits	6,851,864		2,250,630	(4,601,234)		(4,601,234)
Interest on long-term debt	774,348		328,726	(445,622)		(445,622)
Unallocated depreciation and amortization	75,424			(75,424)		(75,424)
Total governmental activities	33,997,098		3,597,544	(30,399,554)		(30,399,554)
Business-type activities:						
School Store	13,332	\$9,957			(\$3,375)	(3,375)
School Age Child Care	392,754	360,547			(32,207)	(32,207)
Food Service Program	973,565	487,063	482,494		(4,008)	(4,008)
Total business-type activities	1,379,651	857,567	482,494		(39,590)	(39,590)
Total primary government	\$35,376,749	\$857,567	\$4,080,038	(\$30,399,554)	(\$39,590)	(\$30,439,144)
General revenues:						
Taxes:						
				20,821,703		20,821,703
				2,218,533		2,218,533
				8,505,465		8,505,465
				263,233		263,233
				152,411	3,418	155,829
				31,961,345	3,418	31,964,763
				1,561,791	(36,172)	1,525,619
				9,687,464	431,379	10,118,843
				\$11,249,255	\$395,207	\$11,644,462

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

Fund Financial Statements

MAPLE SHADE SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2012

ASSETS	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$2,196,987			\$9,180	\$2,206,167
Receivables, net	298,889	\$159,898			458,787
Interfund receivable	174,535	1,914			176,449
Restricted cash and cash equivalents	1,080,315				1,080,315
Total assets	\$3,750,726	\$161,812	-	\$9,180	\$3,921,718
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	23,000	249			23,249
Intergovernmental payable:					
State		18,485			18,485
Interfund payables	2,433	143,078			145,511
Deferred revenues					
Other liabilities	5,885				5,885
Total liabilities	31,318	161,812	-	-	193,130
Fund Balances:					
Restricted for:					
Reserve for excess surplus	896,795				896,795
Reserve for excess surplus designated for subsequent years expenditures	777,483				777,483
Capital reserve	1,080,315				1,080,315
Maintenance reserve	650,000				650,000
Assigned to:					
Year-end encumbrances	2,800				2,800
Designated for subsequent years expenditures	300,000			9,180	309,180
Unassigned:	12,015				12,015
Total fund balances	3,719,408	-	-	9,180	3,728,588
Total liabilities and fund balances	\$3,750,726	-	-	\$9,180	

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

The cost associated with the issues of various bonds are expensed in the governmental funds in the year the bonds are issued, but are capitalized in the Statement of Net Assets. The bond issuance costs are \$704,177 and the accumulated amortization is \$277,186. 426,991

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$45,000,360 and the accumulated depreciation is \$13,729,437 31,270,923

Accrued interest on debt is not due and payable in the current period and therefore is not reported as a liability in the funds. (92,309)

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. (24,084,938)

Net assets of governmental activities \$11,249,255

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
for the Fiscal Year Ended June 30, 2012

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Local tax levy	\$20,821,703			\$2,218,533	\$23,040,236
Tuition charges	263,233				263,233
Transportation fees	29,972				29,972
Miscellaneous	122,439				122,439
Total revenues-local sources	21,237,347			2,218,533	23,455,880
Local sources					
State sources	10,404,246	\$77,789		328,726	10,810,761
Federal sources	351,849	940,399			1,292,248
Total revenues	31,993,442	1,018,188		2,547,259	35,558,889
EXPENDITURES:					
Current expense:					
Regular instruction	8,852,557	307,252			9,159,809
Special education instruction	3,747,771	573,984			4,321,755
Other instruction	688,442				688,442
Support services and undistributed costs:					
Tuition	1,210,734				1,210,734
Student & instruction related services	3,464,859	88,378			3,553,237
General administrative services	552,307				552,307
School administrative services	1,233,999				1,233,999
Central services	628,705				628,705
Plant operations and maintenance	2,638,851				2,638,851
Pupil transportation	938,997				938,997
Unallocated employee benefits	6,803,290	48,574			6,851,864
Capital outlay	176,307				176,307
Debt service:					
Principal				1,590,000	1,590,000
Interest and other charges				961,466	961,466
Total expenditures	30,936,819	1,018,188		2,551,466	34,506,473
Excess (deficiency) of revenues over (under) expenditures	1,056,623			(4,207)	1,052,416
Other Financing Sources (Uses):					
Transfers in					
Transfers out					
Total other financing sources (uses)					
Net change in fund balance	1,056,623			(4,207)	1,052,416
Fund balances, July 1	2,662,785			13,387	2,676,172
Fund balances, June 30	\$3,719,408	-	-	\$9,180	\$3,728,588

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

MAPLE SHADE SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
for the Fiscal Year Ended June 30, 2012

Total net change in fund balances - governmental funds (from B-2)		\$1,052,416
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p style="margin-left: 40px;">Capital outlays are reported in the governmental funds as expenditures. However, on 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 current fiscal year.</p>		
Depreciation expense	(\$969,480)	
Capital outlay	511,217	(458,263)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is reported in the statement of activities.		15,847,000
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is reported in the statement of activities.		93,684
The issuance of bonds increases long-term liabilities, however has no effect on net assets.		(15,455,000)
Bond issuance costs are reported in the governmental fund as expenditures in year the bonds are issued. However, on the statement of activities, the costs are amortized over the life of the bonds.		93,642
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition to the reconciliation.		187,118
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) 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 (+).		201,194
Change in net assets of governmental activities		\$1,561,791

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Net Assets
Proprietary Funds
June 30, 2012

	Business-type Activities			Total
	School Store	School Age Child Care	Food Service Program	
ASSETS:				
Current assets:				
Cash and cash equivalents	\$735	\$29,614	\$296,418	\$326,767
Accounts receivable		14,884	15,634	30,518
Interfund receivables			1,471	1,471
Inventories	6,584		26,436	33,020
Total current assets	7,319	44,498	339,959	391,776
Noncurrent assets:				
Equipment			389,608	389,608
Less accumulated depreciation			(287,271)	(287,271)
Total noncurrent assets			102,337	102,337
Total assets	\$7,319	\$44,498	\$442,296	\$494,113
LIABILITIES				
Current liabilities:				
Accounts Payable	\$78	\$275	\$6,209	\$6,562
Compensated Absences Payable			35,998	35,998
Deferred Revenue		22,577		22,577
Other liabilities	1,450			1,450
Interfund Payable		20,058	12,261	32,319
Total liabilities	1,528	42,910	54,468	98,906
NET ASSETS				
Invested in capital assets net of related debt			102,337	102,337
Unrestricted	5,791	1,588	285,491	292,870
Total net assets	\$5,791	\$1,588	\$387,828	\$395,207

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
for the Fiscal Year Ended June 30, 2012

	Business-type Activities			Total
	Enterprise Funds			
	<u>School Store</u>	<u>School Age Child Care</u>	<u>Food Service Program</u>	
Operating revenues:				
Charges for services:				
Daily sales-reimbursable programs			\$292,842	\$292,842
Daily sales-non-reimbursable programs			190,683	190,683
Special functions			3,538	3,538
Program fees		\$360,547		360,547
Book store sales	\$9,957			9,957
Total operating revenue	<u>9,957</u>	<u>360,547</u>	<u>487,063</u>	<u>857,567</u>
Operating expenses:				
Salaries		255,707	322,230	577,937
Employee benefits		60,231	131,343	191,574
Supplies and materials		13,126	60,744	73,870
Depreciation			16,331	16,331
Management fee			14,228	14,228
Equipment				
Repairs and maintenance of equipment			9,271	9,271
Cost of sales	13,332	19,652	415,602	448,586
Purchased property services		34,000		34,000
Other costs		10,038	3,816	13,854
Total operating expenses	<u>13,332</u>	<u>392,754</u>	<u>973,565</u>	<u>1,379,651</u>
Operating income (loss)	<u>(3,375)</u>	<u>(32,207)</u>	<u>(486,502)</u>	<u>(522,084)</u>
Nonoperating revenues (expenses):				
State sources:				
State school lunch program			10,672	10,672
Federal sources:				
National school lunch program			342,514	342,514
National school breakfast program			45,495	45,495
U.S.D.A. commodities			83,813	83,813
Local sources:				
Interest revenue	3	113	932	1,048
Miscellaneous		2,370		2,370
Total nonoperating revenues	<u>3</u>	<u>2,483</u>	<u>483,426</u>	<u>485,912</u>
Net income (loss) before contributions and transfers	<u>(3,372)</u>	<u>(29,724)</u>	<u>(3,076)</u>	<u>(36,172)</u>
Operating Transfer Out				
Change in net assets	<u>(3,372)</u>	<u>(29,724)</u>	<u>(3,076)</u>	<u>(36,172)</u>
Total net assets - beginning	<u>9,163</u>	<u>31,312</u>	<u>390,904</u>	<u>431,379</u>
Total net assets - ending	<u>\$5,791</u>	<u>\$1,588</u>	<u>\$387,828</u>	<u>\$395,207</u>

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
for the Fiscal Year Ended June 30, 2012

	Business-type Activities			Total
	Enterprise Funds			
	School Store	School Age Child Care	Food Service Program	
Cash flows from operating activities:				
Receipts from customers	\$10,304	\$357,300	\$486,314	\$853,918
Payments to employees		(319,361)	(426,735)	(746,096)
Payments to suppliers	(10,418)	(60,056)	(428,299)	(498,773)
Net cash used for operating activities	<u>(114)</u>	<u>(22,117)</u>	<u>(368,720)</u>	<u>(390,951)</u>
Cash flows from noncapital financing activities:				
Operating transfer out				
Miscellaneous		2,370		2,370
State and Federal sources			392,424	392,424
Net cash provided by non-capital financing activities		<u>2,370</u>	<u>392,424</u>	<u>394,794</u>
Cash flows from capital activities:				
Purchases of fixed assets				
Cash flows from investing activities:				
Interest and dividends	3	113	932	1,048
Net cash provided by investing activities	<u>3</u>	<u>113</u>	<u>932</u>	<u>1,048</u>
Net increase in cash and cash equivalents	(111)	(19,634)	24,636	4,891
Balances - beginning of year	<u>846</u>	<u>49,248</u>	<u>271,782</u>	<u>321,876</u>
Balances - end of year	<u>\$735</u>	<u>\$29,614</u>	<u>\$296,418</u>	<u>\$326,767</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:				
Operating income (loss)	(\$3,375)	(\$32,207)	(\$486,502)	(522,084)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation			16,331	16,331
Federal commodities			83,813	83,813
(Increase) decrease in accounts receivable		(10,720)		(10,720)
(Increase) decrease in interfund receivable			(749)	(749)
(Increase) decrease in inventories	3,372		5,686	9,058
Increase (decrease) in deferred revenue		7,473		7,473
Increase (decrease) in interfund payable, net		14,807	2,804	17,611
Increase (decrease) in compensated absences payable			14,576	14,576
Increase (decrease) in accounts payable	(111)	(1,470)	(4,679)	(6,260)
Total adjustments	<u>3,261</u>	<u>10,090</u>	<u>117,782</u>	<u>131,133</u>
Net cash provided by (used for) operating activities	<u>(\$114)</u>	<u>(\$22,117)</u>	<u>(\$368,720)</u>	<u>(\$390,951)</u>

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	Private Purpose Trust Fund	Unemployment Compensation Insurance Trust Fund	Flexible Benefits Account	Agency Fund
ASSETS:				
Cash and cash equivalents	\$25,917	\$195,348	\$3,462	\$314,715
Total assets	<u>25,917</u>	<u>195,348</u>	<u>3,462</u>	<u>314,715</u>
 LIABILITIES:				
Accounts payable		\$17,558		
Payroll deductions and withholdings				\$163,934
Interfund payable				90
Due to student groups				150,691
Total liabilities		<u>17,558</u>		<u>\$314,715</u>
 NET ASSETS:				
Held in trust for unemployment claims and other purposes	<u>\$25,917</u>	<u>\$177,790</u>	<u>\$3,462</u>	

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

MAPLE SHADE SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2012

	Private Purpose Trust Fund Scholarship Fund	Flexible Benefits Account	Unemployment Compensation Insurance Trust Fund
ADDITIONS:			
Contributions:			
Contribution		\$9,526	\$51,992
Donations	\$9,800		
Miscellaneous			
Total Contributions	<u>9,800</u>	<u>9,526</u>	<u>51,992</u>
Investment earnings:			
Interest	290		719
Net investment earnings	<u>290</u>		<u>719</u>
Total additions	<u>10,090</u>	<u>9,526</u>	<u>52,711</u>
DEDUCTIONS:			
Unemployment claims			114,064
Flexible Benefits payments		6,064	
Scholarships awarded	11,950		
Total deductions	<u>11,950</u>	<u>6,064</u>	<u>114,064</u>
Change in net assets	(1,860)	3,462	(61,353)
Net assets - beginning of the year	<u>27,777</u>		<u>239,143</u>
Net assets - end of the year	<u>\$25,917</u>	<u>\$3,462</u>	<u>\$177,790</u>

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

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Township of Maple Shade School District ("School District") is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 12. The Maple Shade School District has an approximate enrollment at June 30, 2012 of 2,155 students.

The primary criteria for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School district over which the Board exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Basis of Presentation

The basic financial statements of the 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. The School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989 to its governmental and business-type activities and to its proprietary funds, provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

The School District's basic financial statements consists of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Statements - The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net assets presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America 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 which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

In addition to the capital outlay sub-fund, the School District is accountable for an additional sub-fund, the Education Jobs Fund ("Ed Jobs"), resulting from federal legislation signed into law on August 10, 2010. The Ed Jobs program was created to provide funding assistance to states in order to save or create education jobs for the period from the September 30, 2010 through September 30, 2012. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education. Ed Jobs revenues and expenditures are recorded in the general fund (fund 18) on a reimbursement basis. As such, revenue is not included in the fiscal year surplus, and no portion of general fund balance at June 30, 2012 is considered to be attributable to Ed Jobs. Ed Jobs expenditures are included as a component of overall general fund expenditures, and are also included in general fund expenditures for purposes of the excess surplus calculation.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenues sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which 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 and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Funds - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those in the private sector.

Enterprise Funds – The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that all costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the School District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The School District's enterprise funds are:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

School Age Child Care Fund - This fund accounts for the financial activity related to providing day care services for School District students before and after school and during the summer.

School Store - This fund accounts for all the revenues and expenses pertaining to the operations of the school store.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net assets) is segregated into investment in capital assets, net of related debt, and unrestricted net assets, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into two classifications: trust funds and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds (i.e. payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has four fiduciary funds; an unemployment compensation trust fund, a private purpose scholarship fund, a student activity fund, and a payroll fund.

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets.

Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e. revenues) and decreases (i.e. expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as 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 School 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 School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end; tuition, grants, fees, and rentals.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as deferred revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for their approval. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund. 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 budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

Encumbrances - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, 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.

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. Treasury and 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.

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

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents and Investments (Continued) - N.J.S.A. 17:9-41et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (GUDPA), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2012 and 2011 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

Inventories - Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out basis.

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed, and is not recorded since any amounts are considered immaterial to the basic financial statements.

Inventories recorded in the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2012.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Deferred Expenditures - Deferred expenditures are disbursements that are made in one period, but are more accurately reflected as an expenditure/expense in the next fiscal period. Unlike prepaid expenses, deferred expenditures are not regularly recurring cost of operations.

Short-Term Interfund Receivables / Payables - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and the proprietary fund statement of net assets.

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued) - All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business -Type Activities Estimated Lives</u>
Land Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

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

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

Deferred Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, 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, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets 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.

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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:

Nonspendable – The nonspendable 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” criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2012.

Restricted – This 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 (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This 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. 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 imposing the commitment.

Assigned – This 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 – This fund balance classification is the residual classification for the General Fund. It 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 governmental 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, it is the School District’s policy to spend restricted fund balances first. Likewise, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program and program fees for the before and after school program. Non-operating revenues principally consist of interest income earned on various interest bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

Interfund Activity - Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. 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 proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District’s deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17.9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. Banks that qualify as public depositories under New Jersey statutes hold cash deposits, with bank balances totaling \$4,966,824 at June 30, 2012.

3. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District 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 School District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school 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 fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school 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 N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-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.

The activity of the capital reserve for the July 1, 2011 to June 30, 2012 fiscal year is as follows:

Balance – July 1, 2011		\$684,992
Increased by:		
Interest earned	\$1,963	
Return of unspent withdraw	143,360	
Board resolution	450,000	595,323
		1,280,315
Decreased by:		
Budget withdrawal		200,000
Balance – June 30, 2012		\$1,080,315

The June 30, 2012 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects.

The withdrawals from the capital reserve were utilized to fund facilities projects approved by the New Jersey Department of Education, consistent with the School District’s LRFP.

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

4. ACCOUNTS RECEIVABLES

Accounts receivables at June 30, 2012 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2012 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Proprietary Funds</u>	<u>Total</u>
Intergovernmental	\$259,476	\$159,898	\$15,634	\$435,008
Other	39,413		14,884	54,297
Total Accounts Receivable	\$298,889	\$159,898	\$30,518	\$489,305

5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2012, was as follows:

	<u>Balance June 30, 2011</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2012</u>
<u>Governmental Activities:</u>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 412,248			\$ 412,248
Construction in progress				
Total capital assets, not being Depreciated	412,248			412,248
<i>Capital Assets, being depreciated:</i>				
Site Improvements	612,656	\$ 14,260		626,916
Building and Building Improvements	41,270,589			41,270,589
Equipment	2,198,450	496,957	\$ 4,800	2,690,607
Totals at historical cost	44,081,695	511,217	4,800	44,588,112
<i>Less Accumulated Depreciation:</i>				
Site Improvements	(591,131)	(3,435)		(594,566)
Building and Building Improvements	(10,466,983)	(798,353)		(11,265,336)
Equipment	(1,706,643)	(167,692)	(4,800)	(1,869,535)
Totals accumulated depreciation	(12,764,757)	(969,480)	(4,800)	(13,729,437)
Total Capital Assets, being depreciated, net	31,316,938	(458,263)		30,858,675
Governmental Activities Capital Assets, Net	\$ 31,729,186	\$ (458,263)		\$ 31,270,923
	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2012</u>
<u>Business-Type Activities:</u>				
<i>Capital Assets, being depreciated:</i>				
Equipment	\$ 389,608			\$ 389,608
Less accumulated depreciation	(270,940)	\$ (16,331)		(287,271)
Business-Type Activities Capital Assets, Net	\$ 118,668	\$ (16,331)	-	\$ 102,337

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

5. CAPITAL ASSETS (CONTINUED)

Depreciation expense in the amount of \$969,480 was charged to governmental functions as follows:

unction	Amount
Regular Instruction	\$ 678,636
Administration	96,948
Plant Operations and Maintenance	145,422
Unallocated	48,474
Total depreciation expense	\$ 969,480

6. INVENTORY

Inventory in the food service fund at June 30, 2012 consisted of the following:

	Food Service	School Age Child Care
Food	\$ 23,139	
Supplies	3,297	\$ 6,584
	\$ 26,436	\$ 6,584

7. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2012, the following changes occurred in long-term obligations:

<u>Governmental Activities:</u>	<u>Principal Outstanding July 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2012</u>	<u>Amounts Due Within One Year</u>
Compensated Absences	\$ 1,756,628		\$ 201,194	\$ 1,555,434	
Capital Leases	357,188		93,684	263,504	\$ 97,023
General Obligation Bonds	22,658,000	\$ 15,455,000	15,847,000	22,266,000	1,796,000
Total Governmental Activity	\$ 24,771,816	\$ 15,455,000	\$ 16,141,878	\$ 24,084,938	\$ 1,893,023
<u>Business-Type Activities:</u>	<u>Principal Outstanding July 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2012</u>	<u>Amounts Due Within One Year</u>
Compensated Absences	\$ 21,422	\$ 14,576	-	\$ 35,998	-

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

7. LONG-TERM OBLIGATIONS

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the School District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are as follows:

1992 General Obligation Bonds dated July 15, 1992 in the amount of \$366,000 due in annual installments through July 15, 2012, bearing interest rate of 5.85%.

2004 Refunding Bonds dated March 1, 2004 in the amount of \$5,245,000 due in annual installments through March 1, 2020, bearing interest rate of 4.00%.

2005 General Obligation Bonds dated March 1, 2005 in the amount of \$1,200,000 due in annual installments through March 1, 2030, bearing interest rate of 4.125%.

2012 Refunding Bonds dated April 1, 2012 in the amount of \$15,455,000 due in annual installments through March 1, 2020, bearing interest rate of 2.00% to 3.50%.

As of June 30, 2012, principal and interest due on bonds outstanding is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,796,000	\$ 647,879	\$ 2,443,879
2014	1,375,000	666,419	2,041,419
2015	1,485,000	612,418	2,097,418
2016	1,530,000	569,519	2,099,519
2017	1,520,000	521,294	2,041,294
2018-2022	6,690,000	1,831,169	8,521,169
2023-2027	4,920,000	961,344	5,881,344
2028-2030	2,950,000	200,675	3,150,675
	<u>\$ 22,266,000</u>	<u>\$ 6,010,717</u>	<u>\$ 28,276,717</u>

As of June 30, 2012 the School District had no authorizations to issue additional bonded debt.

On April 1, 2012 the School District issued \$15,455,000 in general obligation refunding bonds with a variable interest rate of 2.00% to 3.50% to advance refund \$14,257,000 of outstanding callable 2005 series bonds with a variable interest rate of 4.25% to 4.50%. The net proceeds of \$15,426,365 (after payment of issuance costs) were used to purchase U.S. Treasury Bills. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2005 series bonds.

The School District advanced refunded the 2005 series bonds to reduce its total debt service payments over the next eighteen years by \$700,834 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$552,795.

Compensated Absences - Compensated absences will be paid from the fund from which the employees' salaries are paid.

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

7. LONG-TERM OBLIGATIONS (CONTINUED)

Capital Leases

The District is leasing six school buses totaling \$487,780 under capital leases. The following is a schedule of the future minimum lease payments under these capital lease agreements:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 97,023	\$ 8,027	\$ 105,050
2014	84,627	4,857	89,484
2015	<u>81,854</u>	<u>2,442</u>	<u>84,296</u>
	<u>\$ 263,504</u>	<u>\$ 15,326</u>	<u>\$ 278,830</u>

8. OPERATING LEASES

At June 30, 2012, the School District had operating lease agreements in effect for copy machines. Total rental payments for such leases were \$51,192 for the fiscal year ended June 30, 2012. The future minimum lease payments for these leases are as follows:

<u>Year Ended</u>	<u>Amount</u>
June 30, 2013	\$ 44,761
June 30, 2014	<u>23,387</u>
Total future minimum lease payments	<u>\$ 68,148</u>

9. PENSION PLANS

Description of Plans – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute, and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Program (DCRP). Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295.

Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund is a cost-sharing contributory defined benefit pension plan which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. Chapter 78 P.L. 2011 changed the employee contribution rate as follows: Effective with the first payroll check to be paid on or after October 1, 2011 plan members rate will increase to 6.5% with an additional increase of .14% beginning in July 2012 and continuing each year until the rate reaches 7.5% in July 2018. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exists.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years.

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. Chapter 78 P.L. 2011 changed the employee contribution rate as follows: Effective with the first payroll check to be paid on or after October 1, 2011 plan members rate will increase to 6.5% with an additional increase of .14% beginning in July 2012 and continuing each year until the rate reaches 7.5% in July 2018. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exists.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Paid by School District</u>
2012	\$ 131,220	\$ 262,440	\$ 25,081	\$ 418,741
2011	145,139	231,269	28,588	404,996
2010	123,843	159,123	39,241	322,207

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. 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 provisions are established by N.J.S.A. 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 contribute 5.5% of their annual covered salary. Chapter 78 P.L. 2011 changed the employee contribution rate as follows: Effective with the first payroll check to be paid on or after October 1, 2011 plan members rate will increase to 6.5% with an additional increase of .14% beginning in July 2012 and continuing each year until the rate reaches 7.5% in July 2018. The State Treasurer has the right under the current law to make temporary reductions in 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. The employee contributions along with the School District's contribution for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

9. PENSION PLANS (CONTINUED)

The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Year</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2012	\$6,463	\$6,463
2011	4,900	4,900
2010	-0-	-0-

Related Party Investments – The Division of Pensions and Benefits does not invest in securities issued by the School District.

10. POST-RETIREMENT BENEFITS

The School District contributes to the New Jersey State Health Benefits Program (SHBP), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP was established to provide medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Program Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pension issues a publicly available financial report that includes financial statements and required supplementary information for SHBP. That report may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295.

P.L. 1987, c.384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2011 there were 87,288 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a 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 free health benefits to members of PERS and Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in fiscal year 2011.

The State establishes the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contribution to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the year ended June 30, 2012 was \$829,116, which equaled the required contributions. The State's contribution to the SHBP Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2012, the School District has recognized as revenues and expenditures \$412,442 of on-behalf payments made by the State of New Jersey for normal retirement costs related to TPAF and \$1,009,072 for employer's share of social security contributions for TPAF members, as calculated on their base salaries.

12. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters.

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

Joint Insurance Pool - The School District is a member of the School Alliance Insurance Fund and the New Jersey School Boards Association Insurance Group (NJSBAIG) for workers compensation. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Comprehensive Annual Financial Report.

Annual contributions to the Fund are determined by the Fund's Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund's Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

The Fund publishes its own financial report which can be obtained at: School Alliance Insurance Fund, c/o PEGAS, 51 Everett Drive, Lawrenceville, New Jersey, 08648 and www.njsbaig.com.

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State.

The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two fiscal years:

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011-2012	\$ 22,000	\$ 29,992	\$ 719	\$ 114,064	\$ 177,790
2010-2011	22,000	54,955	1,718	140,122	239,143
2009-2010	293,500	15,431	491	75,541	300,592

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

13. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

14. COMPENSATED ABSENCES

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2012, the liability for compensated absences in the governmental activities and proprietary fund types was \$1,555,434 and \$35,998, respectively.

15. INTERFUND BALANCES AND TRANSFERS

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2013. The following interfund balances were recorded on the various balance sheets as of June 30, 2012:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 174,535	\$ 2,433
Special Revenue	1,914	143,078
Proprietary	1,471	32,319
Fiduciary		90
	<hr/>	<hr/>
	\$ 177,920	\$ 177,920

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

16. CONTINGENCIES

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

At June 30, 2012, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, deferred revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

17. FLEXIBLE BENEFITS PROGRAM

The School District offers its employees a Flexible Benefits Program. The purpose of the program is to provide a tax incentive for plan participants incurring dependent care expenses and medical, dental or prescription expenses not covered by other insurance. The School District, who is the plan administrator, has contracted with a third party administrator to act as its agent to furnish reimbursement services. The plan participants redirect a prescribed amount of their gross pay (tax-free) into a reimbursement account and then in-turn submit claims to the third party administrator for repayment. Because of Internal Revenue Service regulations, if at the end of any plan year unexpended funds remain, these funds will be forfeited by the participants and returned to the School District.

The following is a summary of School District contributions, employee contributions, reimbursements to the plan participants for benefits paid and the ending balance of the School District's fiduciary fund for the current and prior two years.

<u>Fiscal Year</u>	<u>Interest Earnings</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2011-2012	\$	\$	9,526	\$ 6,064
2010-2011				\$ 3,462
2009-2010				

18. DEFICIT UNRESTRICTED NET ASSETS

As of June 30, 2012, a deficit of \$1,208,737 existed in the Unrestricted Net Assets of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Assets reported on Exhibited A-1 as follows:

Balances June 30, 2012	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ 12,015
Add – Unamortized Bond Issuance Costs	426,991
Liabilities:	
Accrued interest Payable	(92,309)
Compensated Absences	(1,555,434)
Unrestricted Net Assets (Deficit)	<u>\$ (1,208,737)</u>

**Maple Shade School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

19. FUND BALANCES

RESTRICTED

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund:

Excess Surplus – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict 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, 2012 is \$896,795 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$777,483 of excess fund balance generated during the 2010-2011 fiscal year has been restricted and designated for utilization in the 2012-2013 budget.

Capital Reserve – As of June 30, 2012, the balance in the capital reserve account is \$1,080,315. Of this amount \$417,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2013 and \$663,315 is restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan.

Maintenance Reserve Account – As of June 30, 2012, the balance in the maintenance reserve account is \$650,000. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Debt Service Fund – As of June 30, 2012, the restricted fund balance amount was \$9,180 of which \$9,180 has been designated for utilization in the 2012-2013 budget.

ASSIGNED

As stated in Note 1, 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. Specific assignments of the School District's fund balance are summarized as follows:

General Fund:

Other Purposes – At June 30, 2012 the School District has \$2,800 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

Designated for Subsequent Year's Expenditures – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2013, \$300,000 of general fund balance at June 30, 2012.

UNASSIGNED

As stated in Note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund – As of June 30, 2012, \$12,015 of general fund balance was unassigned.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$20,821,703		\$20,821,703	\$20,821,703	
Tuition	74,784		74,784	263,233	\$188,449
Transportation fees from other LEAs	25,000		25,000	29,972	4,972
Capital reserve interest	300		300	1,735	1,435
Other restricted miscellaneous revenue					
Unrestricted miscellaneous revenue	73,000		73,000	120,704	47,704
Total local sources	20,994,787		20,994,787	21,237,347	242,560
State sources:					
Extraordinary Aid	100,000		100,000	247,122	147,122
Nonpublic Transportation Aid				12,354	12,354
Categorical Education Aid	1,104,268		1,104,268	1,104,268	
Equalization Aid	6,555,006		6,555,006	6,855,380	300,374
Other state Aid				780	780
On-behalf TPAF pension contributions (non-budgeted)				412,442	412,442
On-behalf TPAF Post Retirement Medical (non-budgeted)				829,116	829,116
Reimbursed TPAF social security contributions (non-budgeted)				1,009,072	1,009,072
Total state sources	7,759,274		7,759,274	10,470,534	2,711,260
Federal sources:					
Medicaid Reimbursement	41,472		41,472	49,057	7,585
Education Jobs Fund	293,594	\$9,198	302,792	302,792	
	335,066	9,198	344,264	351,849	7,585
TOTAL REVENUES	29,089,127	9,198	29,098,325	32,059,730	2,961,405
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	526,160	(1,000)	525,160	523,635	1,525
Grades 1-5	3,497,304	(25,440)	3,471,864	3,410,361	61,503
Grades 6-8	1,766,496	(5,600)	1,760,896	1,683,295	77,601
Grades 9-12	2,620,644	30,720	2,651,364	2,643,212	8,152
Total Instruction	8,410,604	(1,320)	8,409,284	8,260,503	148,781
Regular Programs - Home Instruction:					
Salaries of teachers	32,809	(20,000)	12,809	8,189	4,620
Purchased professional - educ services	5,000	10,000	15,000	10,625	4,375
Total Home Instruction	37,809	(10,000)	27,809	18,814	8,995

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2012

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	\$77,756		\$77,756	\$77,218	\$538
Purchased professional - educ services	20,792	\$6,856	27,648	27,261	387
Other purchased services	94,648	(24,140)	70,508	61,435	9,073
General supplies	237,010	73,876	310,886	308,232	2,654
Textbooks	79,157	10,858	90,015	89,772	243
Other objects	12,123	(467)	11,656	9,322	2,334
Total Undistributed Instruction	521,486	66,983	588,469	573,240	15,229
Total - Regular Programs - Instruction	8,989,899	55,663	9,025,562	8,852,557	173,005
Special Educ Instruction: Learning/Lang.					
Salaries of teachers	936,632	47,538	984,170	980,304	3,866
Other salaries for instruction	364,919	(69,974)	294,945	294,909	36
General supplies	20,750	(13,549)	7,201	6,291	910
Textbooks	10,040	(2,000)	8,040	7,999	41
Total Learning/Language Disabilities	1,332,341	(37,985)	1,294,356	1,289,503	4,853
Special Educ Instruction: Behavioral Disabilities					
Salaries of teachers	153,318	(7,401)	145,917	145,890	27
Other salaries for instruction	53,432	(23,088)	30,344	30,132	212
General supplies	2,181	(900)	1,281	1,000	281
Textbooks	1,000		1,000	979	21
Total Behavioral Disabilities	209,931	(31,389)	178,542	178,001	541
Special Educ Instruction: Multiple Disabilities					
Salaries of teachers	343,041	96,955	439,996	439,750	246
Other salaries for instruction	226,984	(87,821)	139,163	135,349	3,814
Other purchased services	280		280		280
General supplies	10,183	(1,713)	8,470	5,882	2,588
Textbooks	7,154	(4,483)	2,671	1,713	958
Total Multiple Disabilities	587,642	2,938	590,580	582,694	7,886
Special Educ Instruction: Res. Room/Res. Center					
Salaries of teachers	791,791	209,550	1,001,341	1,001,328	13
Other salaries for instruction	181,790	31,231	213,021	213,019	2
General supplies	7,859	(1,800)	6,059	3,881	2,198
Textbooks	6,300		6,300	3,800	2,500
Total Resource Room/Resource Center	987,740	238,981	1,226,721	1,222,008	4,713
Special Educ Instruction: Autism					
Salaries of teachers	53,832	4,591	58,423	58,423	
Other salaries for instruction	53,481		53,481	52,631	850
General supplies	1,300		1,300	1,032	268
Total Autism	108,613	4,591	113,204	112,086	1,118

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2012

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Educ Instruction: Preschool Disabilities - Part Time					
Salaries of teachers	\$182,058	\$4,564	\$186,622	\$186,242	\$380
Other Salaries for Instruction	73,116	36,999	110,115	109,614	501
Other Purchased Services (400-500 series)	45		45		45
General supplies	1,305		1,305	1,251	54
Other objects	90		90	51	39
Total Preschool Disabilities - Part Time	256,614	41,563	298,177	297,158	1,019
Special Educ Instruction: Home Instruction					
Salaries of teachers	45,623	(2,400)	43,223	43,176	47
Purchased Professional- Educational Services	16,000	8,900	24,900	23,145	1,755
Other objects	127		127		127
Total Home Instruction	61,750	6,500	68,250	66,321	1,929
Total Special Education - Instruction	3,544,631	225,199	3,769,830	3,747,771	22,059
Basic skills/Remedial - Instruction					
Salaries of teachers	70,495	(43,499)	26,996	12,594	14,402
Purchased Professional - Educational Services	1,000		1,000		1,000
General supplies	2,500	(2,150)	350		350
Total Basic Skills/Remedial - Instruction	73,995	(45,649)	28,346	12,594	15,752
Bilingual Education - Instruction					
Salaries of teachers	208,523	(60,000)	148,523	124,588	23,935
General supplies	3,000		3,000	3,000	
Total Bilingual Education - Instruction	211,523	(60,000)	151,523	127,588	23,935
School-Sponsored Cocurricular Act - Inst.					
Salaries	92,957	5,000	97,957	91,396	6,561
Other objects	16,300		16,300	16,300	
Total School-Sponsored Cocurr. Act. - Inst	109,257	5,000	114,257	107,696	6,561
School-Sponsored Athletics - Inst.					
Salaries	301,080	12,369	313,449	313,448	1
Other purchased services	20,800		20,800	20,561	239
Supplies and Materials	50,250		50,250	50,124	126
Other objects	60,250	(3,804)	56,446	56,431	15
Total School-Sponsored Athletics - Inst	432,380	8,565	440,945	440,564	381
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - regular	65,692	10,608	76,300	76,299	1
Tuition to other LEAs within the state - spec	130,126	11,314	141,440	141,439	1
Tuition county voc. school dist. - regular	150,285	(6,985)	143,300	143,300	
Tuition county voc. school dist. - special	59,415	(30,755)	28,660	28,660	
Tuition to CSSD & reg. day schools	414,080	(86,607)	327,453	327,452	1
Tuition to priv. sch. for the disabled w/ state	363,256	32,007	395,263	395,263	
Tuition to priv. sch. disabled & other LEAs	60,781		60,781	60,756	25
Tuition - State Facilities	30,750		30,750	30,750	
Tuition - other		6,815	6,815	6,815	
Total Undistributed Expenditures - Instruction	1,274,365	(63,603)	1,210,762	1,210,734	28
Undistributed Expenditures - Attendance & Social Work					
Salaries	27,173		27,173	27,014	159
Total Undistributed Expenditures - Instruction	27,173		27,173	27,014	159

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2012

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Health Services					
Salaries	\$251,435	\$17,000	\$268,435	\$268,228	\$207
Purchased professional and tech. services	18,000	(3,455)	14,545	5,884	8,681
Other purchased services	50		50		50
Supplies and Materials	4,917	371	5,288	5,119	169
Other Objects	2,575	349	2,924	2,875	49
Total Undistributed Expenditures - Health Svcs.	276,977	14,285	291,242	282,086	9,156
Undist. Expend. - Speech, OT, PT & Rel. Serv.					
Salaries	327,776	(49,635)	278,141	244,963	33,178
Purchased professional - educ services	16,400	1,650	18,050	18,050	
Other objects	1,750		1,750	1,639	111
Total Undst. Expend. - Speech, OT, PT & Rel. Serv.	345,926	(47,985)	297,941	264,652	33,289
Undist. Expend. - Guidance					
Salaries of other professional staff	540,900	2,000	542,900	542,701	199
Salaries of secretarial and clerical assistants	72,102		72,102	71,109	993
Supplies and materials	1,360		1,360	699	661
Other Objects					
Total Undst. Expend. - Guidance	614,362	2,000	616,362	614,509	1,853
Undist. Expend. - Child Study Team					
Salaries of other professional staff	638,736		638,736	638,432	304
Salaries of secretarial and clerical assistants	53,815	(1,207)	52,608	52,398	210
Purchased professional - educ services	391,000	249,824	640,824	640,824	
Other purchased prof. and tech. services	314,000	229,070	543,070	543,067	3
Supplies and materials	32,232	(18,082)	14,150	14,149	1
Other objects	5,826		5,826	3,503	2,323
Total Undst. Expend. - Child Study Team	1,435,609	459,605	1,895,214	1,892,373	2,841
Undist. Expend. - Improvement of Instr. Services					
Salaries of supervisor of instruction	138,763		138,763	138,763	
Other Salaries	25,000		25,000	25,000	
Other purchased prof. and tech. services	7,500	4,217	11,717	11,682	35
Supplies and materials	7,100	(107)	6,993	6,993	
Other objects	1,800		1,800	1,800	
Total Undst. Expend. - Improvement of Instr. Services	180,163	4,110	184,273	184,238	35
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	165,056	267	165,323	165,322	1
Purchased professional and tech. services	12,300	(4,327)	7,973	6,643	1,330
Supplies and materials	8,788		8,788	8,249	539
Total Undst. Expend. - Educ. Media Serv./Sch. Library	186,144	(4,060)	182,084	180,214	1,870
Undist. Expend. - Instructional Staff Training Services					
Purchased professional and tech. services	18,000	1,800	19,800	19,773	27
Total Undst. Expend. - Instructional Staff Training Services	18,000	1,800	19,800	19,773	27

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2012

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Supp. Serv. General Admin.					
Salaries	\$253,807	\$1,000	\$254,807	\$254,553	\$254
Legal services	58,000	(9,002)	48,998	47,954	1,044
Audit fees	23,700		23,700	23,700	
Architectural/Engineering Fees	500	11,500	12,000	9,500	2,500
Other purchased professional services	12,925	(1,650)	11,275	5,409	5,866
Communications / telephone	87,750	880	88,630	79,481	9,149
BOE Other Purchased Services	7,500	(3,500)	4,000	3,953	47
Other purchased services	68,024	(8,850)	59,174	55,442	3,732
General supplies	1,500	14,300	15,800	14,664	1,136
Misc. expenditures	6,000	37,600	43,600	42,368	1,232
BOE membership dues and fees	18,128		18,128	15,283	2,845
Total Undst. Expend. - Supp. Serv. General Admin.	537,834	42,278	580,112	552,307	27,805
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	751,075	10,780	761,855	761,850	5
Salaries of other professional staff	209,466	(1,080)	208,376	205,808	2,568
Salaries of secretarial and clerical assistants	219,927		219,927	219,227	700
Purchased professional and technical services	1,300	300	1,600	1,600	
Other purchased services	15,000	(6,390)	8,610	4,471	4,139
Supplies and materials	46,350	599	46,949	41,043	5,906
Total Undst. Expend. - Supp. Serv. School Admin.	1,243,118	4,199	1,247,317	1,233,999	13,318
Undist. Expend. - Central Services					
Salaries	285,154	(665)	284,489	284,489	
Purchased Professional Services	16,000	3,022	19,022	19,022	
Purchased Technical Services	17,432	(17,432)			
Misc. purchased services	12,200	(2,205)	9,995	9,984	11
Supplies and Materials	4,100	(600)	3,500	3,449	51
Misc. expenditures	8,500	70,035	78,535	78,488	47
Total Undst. Expend. - Central Services	343,386	52,155	395,541	395,432	109
Undist. Expend. - Admin. Info. Tech.					
Salaries	119,490	(299)	119,191	119,190	1
Purchased technical services	46,754	6,955	53,709	53,406	303
Other purchased services	800	270	1,070	966	104
Supplies and materials	63,000	(3,269)	59,731	59,711	20
Total Undst. Expend. - Admin. Info. Tech.	230,044	3,657	233,701	233,273	428
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	284,013		284,013	281,534	2,479
Cleaning, repair, and maintenance services	338,525	186,912	525,437	512,481	12,956
Travel		500	500		500
General supplies	30,000	(400)	29,600	27,691	1,909
Other objects	13,500	(250)	13,250	13,246	4
Total Undst. Expend. - Required Maint. Sch. Facilities	666,038	186,762	852,800	834,952	17,848

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2012

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Other Oper. & Maint. of Plant					
Salaries	\$801,002	\$61,502	\$862,504	\$789,398	\$73,106
Salaries of Non-Instructional Aides	75,968		75,968	69,807	6,161
Purchased professional & tech. services	17,000	(5,141)	11,859	4,871	6,988
Cleaning, repair, and maintenance services	9,050		9,050	7,719	1,331
Insurance	95,000	(23,800)	71,200	60,024	11,176
Misc. purchased services	2,500	200	2,700	2,661	39
General supplies	77,000	(12,517)	64,483	63,248	1,235
Energy (Electricity)	644,534	(180,566)	463,968	157,357	306,611
Energy (Natural Gas)	515,285	149,249	664,534	576,814	87,720
Total Undst. Expend. - Other oper. & Maint. of Plant	2,237,339	(11,073)	2,226,266	1,731,899	494,367
Undist. Expend. - Security					
Purchased professional & tech. services	61,000	11,000	72,000	72,000	
Total Undst. Expend. - Security	61,000	11,000	72,000	72,000	
Total Undst. Expend. - Oper. & Maint. of Plant Services	2,964,377	186,689	3,151,066	2,638,851	512,215
Undist. Expend. - Student Trans. Services					
Salaries of non-instructional aids	71,298		71,298	59,834	11,464
Salaries for pupil trans (bet home & sch) - reg.	251,856	(16,300)	235,556	231,951	3,605
Salaries for pupil trans (bet home & sch) - spec ed.	69,656	(2,700)	66,956	62,068	4,888
Salaries for pupil trans (other than bet home & sch)	60,000	(20,000)	40,000	31,855	8,145
Salaries -Student Trans Home -School -Nonpublic	15,000		15,000	4,677	10,323
Other purchased prof. and tech. services	16,000		16,000	6,783	9,217
Cleaning, repair, and maintenance services	116,000	(8,000)	108,000	78,237	29,763
Lease Purchase Payments - School Buses	114,400	(9,500)	104,900	104,480	420
Contr. serv. (other than bet. home & sch.) - Vend.	600		600		600
Contr. serv. (bet home & sch) - joint agreements	27,090	14,500	41,590	41,336	254
Contr. serv. (sp ed stds) - vendors	84,000	19,000	103,000	98,851	4,149
Contr. serv. - aid in lieu of payments-nonpub school	54,000	15,000	69,000	68,357	643
Contr. serv. - aid in lieu of payments-Charter School	1,800	(1,100)	700		700
Travel		3,600	3,600	3,156	444
Misc. purchased services - transportation	50,000		50,000	49,535	465
Transportation supplies	90,000	8,000	98,000	97,877	123
Other objects	2,500	(2,500)			
Total Undst. Expend. - Student Trans. Services	1,024,200		1,024,200	938,997	85,203
Unallocated Benefits - Employee Benefits					
Social security contributions	377,878	35,000	412,878	389,698	23,180
Other retirement contributions - PERS	440,550	(59,999)	380,551	359,143	21,408
Other retirement contributions - Regular	3,500		3,500		3,500
Unemployment Compensation	22,000		22,000	22,000	
Workmen's compensation	225,000	(47,000)	178,000	173,997	4,003
Health benefits	4,147,857	(457,173)	3,690,684	3,340,503	350,181
Tuition reimbursement	25,000	5,000	30,000	28,145	1,855
Other Employee Benefits	295,344	(20,369)	274,975	239,174	35,801
Total Unallocated Benefits - Employee Benefits	5,537,129	(544,541)	4,992,588	4,552,660	439,928
On-behalf TPAF pension contributions (non-budgeted)				412,442	(412,442)
On-behalf TPAF Post Retirement Medical (non-budgeted)				829,116	(829,116)
Reimbursed TPAF social security contributions (non-budgeted)				1,009,072	(1,009,072)
Total Undistributed Expenditures - TPAF				2,250,630	(2,250,630)

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2012

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Total Undistributed Expenditures	<u>\$16,238,807</u>	<u>\$110,569</u>	<u>\$16,349,376</u>	<u>\$17,471,742</u>	<u>(\$1,122,366)</u>
Total General Current Expense	<u>29,580,492</u>	<u>299,347</u>	<u>29,879,839</u>	<u>30,760,512</u>	<u>(880,673)</u>
EXPENDITURES:					
CAPITAL OUTLAY:					
Equipment:					
Instruction		12,250	12,250	12,250	
Required Maintenance School Facilities		51,467	51,467	51,467	
Total Equipment		<u>63,717</u>	<u>63,717</u>	<u>63,717</u>	
Facilities Acquisition and Construction Services					
Construction Services	200,000		200,000	56,640	143,360
Other objects	55,950		55,950	55,950	
Total Facilities Acquisition and Construction Services	<u>255,950</u>		<u>255,950</u>	<u>112,590</u>	<u>143,360</u>
Assets acquired under capital leases (non-budgeted):					
Equipment					
School buses					
Total Assets Acquired Under Capital Lease					
Total Capital Outlay	<u>255,950</u>	<u>63,717</u>	<u>319,667</u>	<u>176,307</u>	<u>143,360</u>
Transfer of Funds to Charter Schools					
Total Expenditures	<u>\$29,836,442</u>	<u>\$363,064</u>	<u>\$30,199,506</u>	<u>\$30,936,819</u>	<u>(\$737,313)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	<u>(747,315)</u>	<u>(353,866)</u>	<u>(1,101,181)</u>	<u>1,122,911</u>	<u>2,224,092</u>
Other Financing Sources:					
Proceeds of Capital Lease					
Operating Transfer In - Enterprise Fund					
Total Other Financing Sources					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	<u>(747,315)</u>	<u>(353,866)</u>	<u>(1,101,181)</u>	<u>1,122,911</u>	<u>2,224,092</u>
Fund Balance, July 1	<u>3,317,682</u>		<u>3,317,682</u>	<u>3,317,682</u>	
Fund Balance, June 30	<u>\$2,570,367</u>	<u>(\$353,866)</u>	<u>\$2,216,501</u>	<u>\$4,440,593</u>	<u>\$2,224,092</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

**MAPLE SHADE BOARD OF EDUCATION
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2012**

(Continued from prior page)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Recapitulation of fund balance:					
Restricted Fund Balance:					
Reserve for Excess Surplus				\$896,795	
Reserve for Excess Surplus - Designated for Subsequent Year's Expenditures				777,483	
Maintenance Reserve				650,000	
Capital Reserve				1,080,315	
Assigned Fund Balance					
Year-end Encumbrances				2,800	
Designated for Subsequent Year's Expenditures				300,000	
Unassigned Fund Balance				<u>733,200</u>	
				4,440,593	
 Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>(721,185)</u>	
Fund balance per Governmental Funds (GAAP)				<u><u>\$3,719,408</u></u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**MAPLE SHADE BOARD OF EDUCATION
 Budgetary Comparison Schedule
 General Fund
 Education Jobs Fund
 Fiscal Year Ended June 30, 2012**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Federal sources:					
Education Jobs Fund	<u>\$293,594</u>	<u>\$9,198</u>	<u>\$302,792</u>	<u>\$302,792</u>	
Total Revenues	<u>293,594</u>	<u>9,198</u>	<u>302,792</u>	<u>302,792</u>	
EXPENDITURES:					
CURRENT EXPENSE:					
Special Education - Instruction:					
Learning and/or Language Disabilities					
Salaries of teachers	<u>189,040</u>	<u>9,198</u>	<u>198,238</u>	<u>198,238</u>	
Total Learning/Language Disabilities	<u>189,040</u>	<u>9,198</u>	<u>198,238</u>	<u>198,238</u>	
Special Education - Instruction:					
Behavioral Disabilities					
Salaries of teachers	<u>22,599</u>		<u>22,599</u>	<u>22,599</u>	
Total Behavioral Disabilities	<u>22,599</u>		<u>22,599</u>	<u>22,599</u>	
Special Education - Instruction:					
Multiple Disabilities					
Salaries of teachers	<u>81,955</u>		<u>81,955</u>	<u>81,955</u>	
Total Multiple Disabilities	<u>81,955</u>		<u>81,955</u>	<u>81,955</u>	
Total General Current Expense	<u>293,594</u>	<u>9,198</u>	<u>302,792</u>	<u>302,792</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures:					
Fund Balance, July 1					
Fund Balance, June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

MAPLE SHADE SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local sources					
State sources	\$109,000	(\$12,726)	\$96,274	\$77,789	(\$18,485)
Federal sources	<u>777,258</u>	<u>191,559</u>	<u>968,817</u>	<u>940,399</u>	<u>(28,418)</u>
Total revenues	<u>886,258</u>	<u>178,833</u>	<u>1,065,091</u>	<u>1,018,188</u>	<u>(46,903)</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	202,465	45,728	248,193	246,561	1,632
Purchased professional - tech. services	49,996	(3,924)	46,072	36,424	9,648
Other purchased services		300	300	300	
General supplies	2,398	14,259	16,657	16,439	218
Tuition	500,000	73,984	573,984	573,984	
Textbooks	<u>9,000</u>	<u>(1,472)</u>	<u>7,528</u>	<u>7,528</u>	
Total instruction	<u>763,859</u>	<u>128,875</u>	<u>892,734</u>	<u>881,236</u>	<u>11,498</u>
Support services:					
Personal services - employee benefits	20,381	28,193	48,574	48,574	
Purchased professional - educ. services	100,000	16,503	116,503	84,066	32,437
Purchase professional and technical services		3,377	3,377	432	2,945
Other purchased services (400-500)	318	1,181	1,499	1,499	
Supplies and materials	<u>1,700</u>	<u>682</u>	<u>2,382</u>	<u>2,381</u>	<u>1</u>
Total support services	<u>122,399</u>	<u>49,936</u>	<u>172,335</u>	<u>136,952</u>	<u>35,383</u>
Facilities acquisition and construction services:					
Buildings/Renovation					
Non-instructional equipment		<u>22</u>	<u>22</u>		<u>22</u>
Total facilities acq. and const. services		<u>22</u>	<u>22</u>		<u>22</u>
Transfer to Charter Schools					
Total expenditures	<u>886,258</u>	<u>178,833</u>	<u>1,065,091</u>	<u>1,018,188</u>	<u>46,903</u>
Total outflows	<u>886,258</u>	<u>178,833</u>	<u>1,065,091</u>	<u>1,018,188</u>	<u>46,903</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)					

**Maple Shade School District
Notes to Required Supplementary Information
Budgetary Comparison**

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 32,059,730	\$ 1,018,188
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	654,897	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(721,185)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 31,993,442</u>	<u>\$ 1,018,188</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 30,936,819	\$ 1,018,188
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 30,936,819</u>	<u>\$ 1,018,188</u>

Other Supplementary Information

**Special Revenue Fund
Detail Statements**

MAPLE SHADE SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2012
(With comparative totals for June 30, 2011)

	Brought Forward (Exh. E-1B)	Brought Forward (Exh. E-1C)	Brought Forward (Exh. E-1D)	Brought Forward (Exh. E-1E)	Totals	
					2012	2011
REVENUES:						
State sources	\$59,509			\$18,280	\$77,789	\$83,501
Federal sources		\$109,497	\$587,930	242,972	940,399	\$1,308,339
Local sources						
Total Revenues	59,509	109,497	587,930	261,252	1,018,188	1,391,840
EXPENDITURES:						
Instruction:						
Salaries of teachers		58,500		188,061	246,561	282,308
Purchase professional and technical services		24,988		11,436	36,424	49,680
Other purchased services		300			300	56,501
General supplies		11,469		4,970	16,439	11,505
Tuition			573,984		573,984	549,863
Textbooks				7,528	7,528	4,355
Total instruction		95,257	573,984	211,995	881,236	954,212
Support services:						
Salaries for Supervisor of Instruction						
Personal services-employee benefits		11,700		36,874	48,574	51,798
Purchased prof. and educational services	59,509		13,805	11,184	84,498	332,790
Other purchased services (400-500)		300		1,199	1,499	
Supplies and materials		2,240	141		2,381	1,576
Total support services	59,509	14,240	13,946	49,257	136,952	386,164
Facilities acquisition and const. serv.:						
Building/Renovation						
Non-instructional equipment						51,464
Total facilities acquisition and const. serv.:						51,464
Total Expenditures	59,509	109,497	587,930	261,252	1,018,188	1,391,840
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)						

MAPLE SHADE SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2012

	<u>Chapter 192 - Auxiliary Services</u>	<u>Chapter 193 - Handicapped Services</u>			<u>Carried Forward (Exh. E-1A)</u>
	<u>Comp. Education</u>	<u>Corrective Speech</u>	<u>Suppl. Instruction</u>	<u>Exam & Classification</u>	
REVENUES:					
State sources	\$28,825	\$13,902	\$9,049	\$7,733	\$59,509
Federal sources					
Local sources					
Total Revenues	<u>28,825</u>	<u>13,902</u>	<u>9,049</u>	<u>7,733</u>	<u>59,509</u>
EXPENDITURES:					
Instruction:					
Tuition					
Professional educational services					
Purchase professional and technical services					
Other purchased services					
Textbooks					
Other objects					
Total instruction					
Support services:					
Salaries of supervisors for instruction					
Personal services-employee benefits					
Professional educational services	28,825	13,902	9,049	7,733	59,509
Other purchased services (400-500)					
Other objects					
Total support services	<u>28,825</u>	<u>13,902</u>	<u>9,049</u>	<u>7,733</u>	<u>59,509</u>
Facilities acquisition and const. serv.:					
Instructional equipment					
Non-instructional equipment					
Total facilities acquisition and const. serv.:					
Total Expenditures	<u>28,825</u>	<u>13,902</u>	<u>9,049</u>	<u>7,733</u>	<u>59,509</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)					

MAPLE SHADE SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2012

E.S.E.A. as amended by No Child Left Behind (N.C.L.B.)

	<u>Title II - Part A</u> <u>Current Yr.</u>	<u>Title II - Part A</u> <u>Prior Yr.</u>	<u>Title III</u> <u>Current Yr.</u>	<u>Title III - Immigrant</u> <u>Current Yr.</u>	<u>Title III</u> <u>Prior Yr.</u>	<u>Totals</u>
REVENUES:						
State sources						
Federal sources	\$52,671	\$2,716	\$45,482	\$7,355	\$1,273	\$109,497
Local sources						
Total Revenues	<u>52,671</u>	<u>2,716</u>	<u>45,482</u>	<u>7,355</u>	<u>1,273</u>	<u>109,497</u>
EXPENDITURES:						
Instruction:						
Salaries of teachers	43,495		10,520	4,485		58,500
Purchase professional and technical services	477	2,716	20,404	1,391		24,988
Other purchased services			300			300
General supplies			10,354	582	533	11,469
Other objects						
Total instruction	<u>43,972</u>	<u>2,716</u>	<u>41,578</u>	<u>6,458</u>	<u>533</u>	<u>95,257</u>
Support services:						
Purchased prof. and educational services						
Personal services-employee benefits	8,699		2,104	897		11,700
Purchase professional and technical services						
Other purchased services			300			300
Supplies and materials			1,500		740	2,240
Other objects						
Total support services	<u>8,699</u>		<u>3,904</u>	<u>897</u>	<u>740</u>	<u>14,240</u>
Facilities acquisition and const. serv.:						
Instructional equipment						
Non-instructional equipment						
Total facilities acquisition and const. serv.:						
Total Expenditures	<u>52,671</u>	<u>2,716</u>	<u>45,482</u>	<u>7,355</u>	<u>1,273</u>	<u>109,497</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)						

MAPLE SHADE SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2012

	N.C.L.B	IDEA - Part B		Totals	
	Title II - Part D	Basic	Basic		Preschool
	Prior Yr.	Prior Yr.	Current Yr.	Current Yr.	
REVENUES:					
State sources					
Federal sources	\$141	\$380	\$569,730	\$17,679	\$587,930
Local sources					
Total Revenues	141	380	569,730	17,679	587,930
EXPENDITURES:					
Instruction:					
Salaries of teachers					
Salaries of aides					
Purchase professional and technical services					
General supplies					
Tuition			556,305	17,679	573,984
Textbooks					
Other purchased services					
Total instruction			556,305	17,679	573,984
Support services:					
Salaries of other professional staff					
Personal services-employee benefits					
Purchased prof. and educational services		380	13,425		13,805
Supplies and materials	141				141
Total support services	141	380	13,425		13,946
Facilities acquisition and const. serv.:					
Building/Renovation					
Non-instructional equipment					
Total facilities acquisition and const. serv.:					
Total Expenditures	141	380	569,730	17,679	587,930
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)					

MAPLE SHADE SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2012

	<u>E.S.E.A. as amended by No Child Left Behind (N.C.L.B.)</u>					<u>Totals</u>
	<u>Textbook</u>	<u>Nonpublic Nursing</u>	<u>Title I Prior Year</u>	<u>Title I ARRA Current Yr.</u>	<u>Title I Current Yr.</u>	
REVENUES:						
State sources	\$7,528	\$10,752				\$18,280
Federal sources			\$7,424	\$460	\$235,088	242,972
Local sources						
Total Revenues	<u>7,528</u>	<u>10,752</u>	<u>7,424</u>	<u>460</u>	<u>235,088</u>	<u>261,252</u>
EXPENDITURES:						
Instruction:						
Salaries of teachers			3,690		184,371	188,061
Professional educational services						
Purchase professional and technical services			3,302	460	7,674	11,436
General supplies					4,970	4,970
Textbooks	7,528					7,528
Total Instruction	<u>7,528</u>		<u>6,992</u>	<u>460</u>	<u>197,015</u>	<u>211,995</u>
Support services:						
Salaries for Supervisor of Instruction						
Purchased prof. and educational services		10,752	432			11,184
Personal services-employee benefits					36,874	36,874
Other purchased services					1,199	1,199
Supplies and materials						
Total support services		<u>10,752</u>	<u>432</u>		<u>38,073</u>	<u>49,257</u>
Facilities acquisition and const. serv.:						
Instructional equipment						
Non-instructional equipment						
Total facilities acquisition and const. serv.:						
Total Expenditures	<u>7,528</u>	<u>10,752</u>	<u>7,424</u>	<u>460</u>	<u>235,088</u>	<u>261,252</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)						

**Proprietary Funds
Detail Statements**

MAPLE SHADE SCHOOL DISTRICT
Enterprise Funds
Statement of Net Assets
as of June 30, 2012 and 2011

	School Store	School Age Child Care	Food Service	2012	2011
ASSETS:					
Current assets:					
Cash and cash equivalents	\$735	\$29,614	\$296,418	\$326,767	\$321,876
Accounts receivable:					
State			388	388	249
Federal			15,246	15,246	9,129
Other		14,884		14,884	4,164
Interfund			1,471	1,471	722
Inventories	6,584		26,436	33,020	42,078
Total current assets	7,319	44,498	339,959	391,776	378,218
Fixed assets:					
Equipment			389,608	389,608	389,608
Less Accumulated depreciation			(287,271)	(287,271)	(270,940)
Total fixed assets			102,337	102,337	118,668
Total assets	\$7,319	\$44,498	\$442,296	\$494,113	\$496,886
LIABILITIES:					
Current liabilities:					
Accounts payable	78	275	6,209	6,562	12,822
Compensated absences payable			35,998	35,998	21,422
Deferred revenue		22,577		22,577	15,104
Other liabilities	1,450			1,450	1,450
Interfund payable		20,058	12,261	32,319	14,709
Total current liabilities	1,528	42,910	54,468	98,906	65,507
NET ASSETS:					
Invested in capital assets, net of related debt			102,337	102,337	118,668
Unreserved retained earnings	5,791	1,588	285,491	292,870	312,711
Total net assets	\$5,791	\$1,588	\$387,828	\$395,207	\$431,379

MAPLE SHADE SCHOOL DISTRICT
Enterprise Funds
Comparative Statement of Revenues, Expenses and Changes in Fund Net Assets
for the Fiscal Years ended June 30, 2012 and 2011

	<u>School Store</u>	<u>School Age Child Care</u>	<u>Food Service</u>	<u>2012</u>	<u>2011</u>
OPERATING REVENUES:					
Local sources:					
Daily sales-reimbursable programs:					
School lunch program			\$292,842	\$292,842	\$303,688
Total-daily sales-reimbursable programs			292,842	292,842	303,688
Daily sales non-reimbursable programs					
School store sales	\$9,957		190,683	190,683	214,141
Program fees		\$360,547		9,957	10,083
Special functions			3,538	360,547	286,533
			3,538	3,538	2,097
Total operating revenue	<u>9,957</u>	<u>360,547</u>	<u>487,063</u>	<u>857,567</u>	<u>816,542</u>
OPERATING EXPENSES:					
Salaries		255,707	322,230	577,937	553,775
Employee benefits		60,231	131,343	191,574	157,511
Supplies and materials		13,126	60,744	73,870	40,585
Depreciation			16,331	16,331	16,330
Management fee			14,228	14,228	13,841
Equipment					19,662
Repairs and maintenance of equipment			9,271	9,271	14,880
Cost of Sales	13,332	19,652	415,602	448,586	372,129
Purchased property services		34,000		34,000	34,000
Other		10,038	3,816	13,854	16,060
Total operating expenses	<u>13,332</u>	<u>392,754</u>	<u>973,565</u>	<u>1,379,651</u>	<u>1,238,773</u>
Operating income (loss)	<u>(3,375)</u>	<u>(32,207)</u>	<u>(486,502)</u>	<u>(522,084)</u>	<u>(422,231)</u>
Non-operating revenues:					
State sources:					
State school lunch program			10,672	10,672	9,724
Federal sources:					
National school lunch program			342,514	342,514	325,721
National school breakfast program			45,495	45,495	
U.S.D.A. commodities			83,813	83,813	38,015
Operating transfers in					
Interest revenue	3	113	932	1,048	2,187
Miscellaneous		2,370		2,370	2,460
Total non-operating revenues	<u>3</u>	<u>2,483</u>	<u>483,426</u>	<u>485,912</u>	<u>378,107</u>
Net income (loss) before contributions and transfers	<u>(3,372)</u>	<u>(29,724)</u>	<u>(3,076)</u>	<u>(36,172)</u>	<u>(44,124)</u>
Operating transfer out					<u>(100,000)</u>
Change in net assets	<u>(3,372)</u>	<u>(29,724)</u>	<u>(3,076)</u>	<u>(36,172)</u>	<u>(144,124)</u>
Net Assets - July 1	<u>9,163</u>	<u>31,312</u>	<u>390,904</u>	<u>431,379</u>	<u>575,503</u>
Net Assets - June 30	<u>\$5,791</u>	<u>\$1,588</u>	<u>\$387,828</u>	<u>\$395,207</u>	<u>\$431,379</u>

MAPLE SHADE SCHOOL DISTRICT
Enterprise Funds
Statement of Cash Flows
for the Fiscal Years ended June 30, 2012 and 2011

	School Store	School Age Child Care	Food Service	2012	2011
Cash flows from operating activities:					
Cash receipts from customers	\$10,304	\$357,300	\$486,314	\$853,918	\$818,454
Cash payments to employees for services		(319,361)	(426,735)	(746,096)	(678,168)
Cash payments to suppliers for goods and services	(10,418)	(60,056)	(428,299)	(498,773)	(497,457)
Net cash used by operating activities	(114)	(22,117)	(368,720)	(390,951)	(357,171)
Cash flows from noncapital financing activities:					
Miscellaneous		2,370		2,370	2,460
Operating transfer out					(100,000)
Cash received from state and federal reimbursements			392,424	392,424	343,413
Net cash provided by noncapital financing activities		2,370	392,424	394,794	245,873
Cash flows from capital financing activities:					
Purchases of fixed assets					
Net cash used by capital financing activities					
Cash flows from investing activities:					
Interest on investments	3	113	932	1,048	2,187
Net cash provided by investing activities	3	113	932	1,048	2,187
Net increase (decrease) in cash and cash equivalents	(111)	(19,634)	24,636	4,891	(109,111)
Cash and cash equivalents, July 1	846	49,248	271,782	321,876	430,987
Cash and cash equivalents, June 30	\$735	\$29,614	\$296,418	\$326,767	\$321,876
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	(\$3,375)	(\$32,207)	(\$486,502)	(\$522,084)	(\$422,231)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:					
Depreciation			16,331	16,331	16,330
Federal commodities			83,813	83,813	38,015
Change in assets and liabilities:					
(Increase)/decrease in accounts receivable		(10,720)		(10,720)	5,543
(Increase)/decrease in interfund receivable			(749)	(749)	179
(Increase)/decrease in inventory	3,372		5,686	9,058	7,956
Increase/(decrease) in deferred revenue		7,473		7,473	(4,171)
Increase/(decrease) in interfund payable		14,807	2,804	17,611	2,203
Increase/(decrease) in compensated absences payable			14,576	14,576	21,422
Increase/(decrease) in accounts payable	(111)	(1,470)	(4,679)	(6,260)	(22,417)
Net cash used by operating activities	(114)	(22,117)	(368,720)	(390,951)	(357,171)

**Fiduciary Funds
Detail Statements**

MAPLE SHADE SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Net Assets
June 30, 2012
(With comparative totals for June 30, 2011)

	<u>Agency Funds</u>		<u>Private Purpose Trust Fund</u>	<u>Employee Benefit Trust Funds</u>		<u>Totals</u>	
	<u>Student Activity</u>	<u>Payroll</u>		<u>Flexible Benefits Program</u>	<u>Unemployment Compensation Insurance Fund</u>	<u>2012</u>	<u>2011</u>
ASSETS:							
Cash and cash equivalents	\$150,691	\$164,024	\$25,917	\$3,462	\$195,348	\$539,442	\$443,447
Interfund receivable							
TOTAL ASSETS	\$150,691	\$164,024	\$25,917	\$3,462	\$195,348	\$539,442	\$443,447
LIABILITIES AND FUND BALANCES:							
LIABILITIES:							
Accounts payable					\$17,558	\$17,558	\$6,269
Payroll deductions and withholdings		\$163,934				163,934	\$20,529
Interfund payable		90				90	3,285
Due to student groups	\$150,691					150,691	146,444
Total liabilities	150,691	164,024			17,558	332,273	176,527
FUND BALANCES:							
Reserved for unemployment claims					177,790	177,790	239,143
Reserved for flex benefits				\$3,462		3,462	
Unreserved			\$25,917			25,917	27,777
Total fund balances	---	---	25,917	3,462	177,790	207,169	266,920
TOTAL LIABILITIES AND FUND BALANCES	\$150,691	\$164,024	\$25,917	\$3,462	\$195,348	\$539,442	\$443,447

MAPLE SHADE SCHOOL DISTRICT
Fiduciary Fund
Comparative Statement of Changes in Fiduciary Net Assets
for the Fiscal Years ended June 30, 2012 and 2011

	Private Purpose Trust Fund	Employee Benefit Trust Funds		Totals	
		Flexble Benefits Program	Unemployment Compensation Insurance Fund	2012	2011
REVENUES:					
Local sources:					
Contributions		\$9,526	\$51,992	\$61,518	\$22,000
Donations	\$9,800			9,800	9,700
Interest on Investments	290		719	1,009	2,043
Total Revenues	10,090	9,526	52,711	72,327	33,743
EXPENDITURES:					
Current Expense:					
Undistributed Expenditures:					
Unemployment claims			114,064	114,064	140,122
Flex Benefit payments		6,064		6,064	
Scholarship payments	11,950			11,950	11,650
Total Expenditures	11,950	6,064	114,064	132,078	151,772
Excess (deficiency) of revenues over (under) expenditures	(1,860)	3,462	(61,353)	(59,751)	(118,029)
Fund Balance July 1	27,777		239,143	266,920	329,994
Fund Balance June 30	\$25,917	\$3,462	\$177,790	\$207,169	\$211,965

MAPLE SHADE SCHOOL DISTRICT
Student Activity Agency Fund
 Schedule of Receipts and Disbursements
 for the Fiscal Year ended June 30, 2012

	<u>Balance</u> <u>July 1, 2011</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Accounts</u> <u>Payable</u> <u>June 30, 2012</u>	<u>Balance</u> <u>June 30, 2012</u>
JUNIOR/SENIOR HIGH SCHOOLS:					
Maple Shade:					
Activities	<u>\$146,444</u>	<u>\$478,864</u>	<u>\$474,617</u>	<u>---</u>	<u>\$150,691</u>
Total	<u>\$146,444</u>	<u>\$478,864</u>	<u>\$474,617</u>	<u>---</u>	<u>\$150,691</u>

MAPLE SHADE SCHOOL DISTRICT
Payroll Agency Fund
 Schedule of Receipts and Disbursements
 for the Fiscal Year ended June 30, 2012

	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
ASSETS:				
Cash and cash equivalents	\$23,814	\$23,660,329	\$23,520,119	\$164,024
Interfund receivable				
Total assets	<u>\$23,814</u>	<u>\$23,660,329</u>	<u>\$23,520,119</u>	<u>\$164,024</u>
LIABILITIES:				
Payroll deductions and withholdings	\$20,529	\$11,362,695	\$11,219,290	\$163,934
Net payroll		12,296,341	12,296,341	
Interfund payable	3,285	1,293	4,488	90
Total liabilities	<u>\$23,814</u>	<u>\$23,660,329</u>	<u>\$23,520,119</u>	<u>\$164,024</u>

Long-Term Debt Schedules

MAPLE SHADE SCHOOL DISTRICT
General Long-Term Debt Account Group
Statement of Serial Bonds
June 30, 2012

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2011	Issued	Retired	Balance June 30, 2012
			Date	Amount					
Various Capital improvements to district facilities	7/15/92	\$5,861,000	07/15/12	\$366,000	5.85%	\$746,000		\$380,000	\$366,000
2004 Refunding Bonds	3/01/04	7,350,000	3/01/13	625,000	4.00%	5,855,000		610,000	5,245,000
			3/01/14	650,000	4.00%				
			3/01/15	660,000	4.00%				
			3/01/16	665,000	4.00%				
			3/01/17	665,000	4.00%				
			3/01/18	665,000	4.00%				
			3/01/19	665,000	4.00%				
			3/01/20	650,000	4.00%				
Balance forward						\$6,601,000	---	\$990,000	\$5,611,000

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MAPLE SHADE SCHOOL DISTRICT
General Long-Term Debt Account Group
Statement of Serial Bonds
June 30, 2012

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2011	Issued	Retired	Balance June 30, 2012
			Date	Amount					
Balance carried forward						\$6,601,000		\$990,000	\$5,611,000
School Bonds	3/01/2005	\$19,207,000	03/01/13 03/01/14	\$600,000 600,000	4.125% 4.250%	16,057,000		14,857,000	1,200,000
2012 Refunding Bond	4/01/2012	15,455,000	04/01/13 04/01/14 04/01/15 04/01/16 04/01/17 04/01/18 04/01/19 04/01/20 04/01/21 04/01/22 04/01/23 04/01/24 04/01/25 04/01/26 04/01/27 04/01/28 04/01/29 04/01/30	\$205,000 125,000 825,000 865,000 855,000 895,000 890,000 985,000 975,000 965,000 955,000 945,000 990,000 1,020,000 1,010,000 995,000 985,000 970,000	2.000% 2.000% 2.000% 2.500% 3.000% 3.000% 3.000% 3.000% 3.000% 3.000% 2.750% 3.000% 3.000% 3.125% 3.250% 3.250% 3.375% 3.500%		\$15,455,000		15,455,000
						<u>\$22,658,000</u>	<u>\$15,455,000</u>	<u>\$15,847,000</u>	<u>\$22,266,000</u>

MAPLE SHADE SCHOOL DISTRICT
General Long-Term Debt Account Group
Statement of Obligations Under Capital Leases
June 30, 2012

Purpose	Interest Rate Payable	Amount of Original Issue	Amount Outstanding 6/30/2011	Issued Current Year	Retired Current Year	Amount Outstanding 6/30/2012
Acquisition of One School Bus	5.75%	\$90,000	\$43,704		\$18,730	\$24,974
Acquisition of Five School Buses	2.98%	397,826	313,484		74,954	238,530
			<u>\$357,188</u>	<u>-</u>	<u>\$93,684</u>	<u>\$263,504</u>

MAPLE SHADE SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
Fiscal Year Ended June 30, 2012

	Original Budget	Budget Transfers	Final Budget	Update for Refunding Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$2,218,533		\$2,218,533	\$2,218,533	
Total revenues - local sources	<u>2,218,533</u>		<u>2,218,533</u>	<u>2,218,533</u>	
State sources:					
State aid	328,726		328,726	328,726	
Total revenues - state sources	<u>328,726</u>		<u>328,726</u>	<u>328,726</u>	
Total Revenues	<u>2,547,259</u>		<u>2,547,259</u>	<u>2,547,259</u>	
EXPENDITURES:					
Regular debt service:					
Interest	961,466		961,466	961,466	
Redemption of principal	1,590,000		1,590,000	1,590,000	
Total Expenditures	<u>2,551,466</u>		<u>2,551,466</u>	<u>2,551,466</u>	
Excess (Deficiency) of revenues over (under) expenditures	(4,207)		(4,207)	(4,207)	
Other Financing Sources (Uses):					
Transfer from Capital Projects					
Total Other Financing Sources (Uses)					
Net Change in Fund Balance	(4,207)		(4,207)	(4,207)	
Fund Balances, July 1	13,387		13,387	13,387	
Fund Balances, June 30	<u>\$9,180</u>	---	<u>\$9,180</u>	<u>\$9,180</u>	
Recapitulation of Excess (Deficiency) or revenues over (under) expenditures					
Budgeted Fund Balance	<u>(\$4,207)</u>		<u>(\$4,207)</u>	<u>(\$4,207)</u>	

Statistical Section

Maple Shade School District
 Net Assets by Component,
 Last Ten Fiscal Years
 (accrual basis of accounting)

Exhibit J-1

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities:										
Invested in capital assets, net of related debt	\$ (4,557,000)	\$ (5,133,693)	\$ (23,868,430)	\$ (17,551,610)	\$ (5,219,961)	\$ 7,145,932	\$ 7,641,059	\$ 8,413,713	\$ 8,713,998	\$ 8,741,419
Restricted for:										
Special revenue	(9,062)	(4,215)	(4,215)	(4,215)	(4,215)	(4,215)	-	-	-	-
Debt service		(67,668)	(176,785)	347,382	617,466	184,511	(156,464)	(258,448)	13,387	9,180
Other purposes	884,883	1,194,454	29,568,766	24,742,566	12,922,055	3,116,421	3,157,807	1,164,679	2,642,360	3,707,393
Unrestricted	(3,318,074)	(2,541,608)	(2,079,870)	(2,234,889)	(3,327,896)	(1,358,472)	(1,365,686)	(1,335,313)	(1,682,281)	(1,208,737)
Total governmental activities net assets	\$ (7,019,273)	\$ (6,572,730)	\$ 3,439,466	\$ 5,299,134	\$ 4,987,449	\$ 9,084,177	\$ 9,476,716	\$ 7,994,631	\$ 9,687,464	\$ 11,249,255
Business-type activities:										
Invested in capital assets, net of related debt		\$ 90,173	\$ 99,023	\$ 87,210	\$ 69,232	\$ 168,639	\$ 151,656	\$ 134,998	\$ 118,668	\$ 102,337
Unrestricted	\$ 372,997	309,283	317,537	279,756	329,882	341,464	374,756	440,505	312,711	292,870
Total business-type activities net assets	\$ 372,997	\$ 399,456	\$ 416,560	\$ 366,966	\$ 399,114	\$ 510,103	\$ 526,412	\$ 575,503	\$ 431,379	\$ 395,207
District-wide:										
Invested in capital assets, net of related debt	\$ (4,557,000)	\$ (5,043,520)	\$ (23,769,407)	\$ (17,464,400)	\$ (5,150,729)	\$ 7,314,571	\$ 7,992,715	\$ 8,548,711	\$ 8,832,666	\$ 8,843,756
Restricted:										
Special revenue	(9,062)	(4,215)	(4,215)	(4,215)	(4,215)	(4,215)	-	-	-	-
Debt service		(67,668)	(176,785)	347,382	617,466	184,511	(156,464)	(258,448)	13,387	9,180
Other purposes	884,883	1,194,454	29,568,766	24,742,566	12,922,055	3,116,421	3,157,807	1,164,679	2,642,360	3,707,393
Unrestricted	(2,945,077)	(2,232,325)	(1,762,333)	(1,955,233)	(2,998,014)	(1,017,008)	(990,930)	(894,808)	(1,369,570)	(915,867)
Total district net assets	\$ (6,646,276)	\$ (6,173,274)	\$ 3,856,026	\$ 5,666,100	\$ 5,388,563	\$ 9,594,280	\$ 10,003,128	\$ 8,560,134	\$ 10,118,843	\$ 11,644,462

Maple Shade School District
 Changes in Net Assets, Last Ten Fiscal Years
 (accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 10,929,126	\$ 11,904,401	\$ 11,213,037	\$ 9,022,443	\$ 10,641,834	\$ 7,631,259	\$ 9,789,776	\$ 9,573,089	\$ 9,303,929	\$ 10,039,639
Special education	2,745,617	2,600,064	3,724,655	3,109,676	3,223,456	3,574,567	3,663,886	4,113,909	4,035,411	4,321,755
Other instruction	656,575	750,381	885,288	589,565	617,495	688,331	781,141	860,585	720,738	688,442
Support Services:										
Tuition	1,542,561	1,750,755	1,254,324	1,137,328	1,213,046	1,150,435	1,426,284	1,343,235	1,109,530	1,210,734
Student & instruction related services	2,652,738	3,121,452	3,604,256	2,963,238	3,288,131	3,162,318	3,462,824	3,940,008	3,568,044	3,553,237
School administrative services	1,334,839	1,535,185	1,670,391	1,380,799	1,463,818	1,385,787	1,163,748	1,211,561	1,160,495	1,233,999
General and business administrative services	1,162,374	1,100,151	1,183,760	965,261	928,665	1,078,350	1,098,814	1,118,120	1,112,944	1,277,960
Plant operations and maintenance	1,963,439	2,628,254	3,091,000	2,295,129	2,629,187	1,045,245	3,478,281	3,497,489	2,764,603	3,030,699
Pupil transportation	717,717	1,048,955	975,074	707,864	788,874	861,010	736,817	780,931	1,248,863	938,997
Unallocated employee benefits				6,153,993	7,084,302	7,167,402	6,080,259	6,906,069	6,684,782	5,842,792
Special schools	3,600	2,407	3,150	4,630	2,871	4,965	5,477	-	-	-
Charter schools	132			-	-	-	-	-	-	-
Interest on long-term debt	734,129	1,259,848	771,726	1,642,899	1,410,462	1,265,495	1,140,382	1,070,066	1,005,371	774,348
Unallocated depreciation and amortization	29,724	42,003	48,277	46,601	47,266	73,034	77,813	63,319	62,276	75,424
Total governmental activities expenses	24,482,569	27,941,846	28,424,936	30,019,626	33,337,407	29,084,188	32,905,502	34,498,481	32,796,966	32,988,026
Business-type activities:										
School Store	10,062	9,805	9,969	10,793	8,412	12,465	11,041	12,545	9,053	13,332
After School Program	67,006	106,254	131,743	277,194	188,281	232,483	287,060	319,836	356,182	392,754
Food service	683,022	747,688	749,915	771,231	814,588	828,321	837,135	860,583	873,538	973,565
Total business-type activities expense	760,090	863,747	891,627	1,069,216	1,011,281	1,073,279	1,135,236	1,182,964	1,238,773	1,379,651
Total district expenses	\$ 25,252,659	\$ 28,805,593	\$ 29,316,563	\$ 31,078,844	\$ 34,348,688	\$ 30,157,477	\$ 34,040,738	\$ 35,691,445	\$ 34,035,759	\$ 34,367,677
Program Revenues:										
Governmental activities:										
Operating grants and contributions	2,780,010	2,959,899	3,133,956	3,915,007	4,130,306	4,061,710	3,200,322	3,483,372	3,592,718	2,588,472
Total governmental activities program revenues	2,780,010	2,959,899	3,133,956	3,915,007	4,130,306	4,061,710	3,200,322	3,483,372	3,592,718	2,588,472

(Continued)

Maple Shade School District
 Changes in Net Assets, Last Ten Fiscal Years
 (accrual basis of accounting)

Exhibit J-2

Fiscal Year Ending June 30,

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Business-type activities:										
Charges for services:										
School Store	\$ 10,523	\$ 9,628	\$ 10,792	\$ 10,108	\$ 11,607	\$ 13,152	\$ 10,744	\$ 13,203	\$ 10,083	\$ 9,957
After School Program	148,920	181,787	172,416	214,012	221,827	258,920	282,242	308,767	286,533	360,547
Food service	455,244	492,899	490,999	521,037	504,748	622,493	540,320	542,437	519,926	487,063
Operating grants and contributions	196,338	210,881	220,208	240,731	273,006	275,698	309,390	366,721	373,460	482,484
Capital grants and contributions										
Total business-type activities program revenues	<u>811,025</u>	<u>875,195</u>	<u>894,416</u>	<u>935,888</u>	<u>1,011,187</u>	<u>1,068,263</u>	<u>1,142,696</u>	<u>1,229,128</u>	<u>1,190,002</u>	<u>1,340,061</u>
Total district program revenues	<u>\$ 3,591,035</u>	<u>\$ 3,835,094</u>	<u>\$ 4,028,371</u>	<u>\$ 4,900,895</u>	<u>\$ 5,141,493</u>	<u>\$ 5,129,973</u>	<u>\$ 4,343,018</u>	<u>\$ 4,712,500</u>	<u>\$ 4,782,720</u>	<u>\$ 3,828,533</u>
Net (Expense)/Revenue:										
Governmental activities	\$ (21,712,559)	\$ (24,981,947)	\$ (25,290,980)	\$ (26,104,619)	\$ (29,207,101)	\$ (25,022,488)	\$ (20,705,180)	\$ (31,015,109)	\$ (29,204,268)	\$ (30,399,654)
Business-type activities	50,935	11,448	2,788	(73,330)	(94)	(5,016)	7,460	36,164	(48,771)	(39,590)
Total district-wide net expense	<u>\$ (21,661,624)</u>	<u>\$ (24,970,499)</u>	<u>\$ (25,288,192)</u>	<u>\$ (26,177,949)</u>	<u>\$ (29,207,195)</u>	<u>\$ (25,027,504)</u>	<u>\$ (20,697,720)</u>	<u>\$ (30,978,945)</u>	<u>\$ (29,253,039)</u>	<u>\$ (30,439,144)</u>
General Revenues and Other Changes in Net Assets:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 14,772,760	\$ 16,060,519	\$ 17,374,039	\$ 17,582,206	\$ 18,424,971	\$ 19,835,207	\$ 19,015,269	\$ 19,015,269	\$ 20,383,394	\$ 20,821,703
Taxes levied for debt service	945,127	947,103	771,526	2,093,145	1,883,504	1,598,139	2,167,074	2,167,074	2,189,388	2,218,533
Unrestricted grants and contributions	6,598,253	8,396,431	16,598,231	7,344,820	7,354,536	7,981,180	8,469,080	7,938,731	7,781,878	8,505,465
Tuition		118,669		-	-	63,846	128,594	133,383	239,695	263,233
Investment earnings	36,570	42,125		692,573	789,302	198,824	59,641	41,889	-	-
Miscellaneous income	145,963	144,765	559,380	266,343	483,103	444,020	258,061	226,678	212,746	152,411
Transfers		(10,000)	(10,000)	(14,800)	(20,000)				100,000	-
Total governmental activities	<u>22,498,673</u>	<u>25,659,602</u>	<u>35,293,176</u>	<u>27,964,287</u>	<u>28,895,416</u>	<u>29,119,216</u>	<u>30,097,719</u>	<u>29,523,024</u>	<u>30,907,101</u>	<u>31,981,345</u>
Business-type activities:			4,206	8,426	12,131	9,235	3,238	3,612	2,187	
Investment earnings			4,206	8,426	12,131	9,235	3,238	3,612	2,187	
Miscellaneous income	21,875	5,010	111	510	111	3,123	5,611	9,315	2,460	3,418
Transfers		10,000	10,000	14,800	20,000				(100,000)	-
Contribution of equipment						103,647	-	-	-	-
Total business-type activities	<u>21,875</u>	<u>15,010</u>	<u>14,316</u>	<u>23,736</u>	<u>32,242</u>	<u>116,005</u>	<u>8,949</u>	<u>12,927</u>	<u>(95,353)</u>	<u>3,418</u>
Total district-wide	<u>\$ 22,520,548</u>	<u>\$ 25,714,612</u>	<u>\$ 35,307,492</u>	<u>\$ 27,988,023</u>	<u>\$ 29,927,658</u>	<u>\$ 29,235,221</u>	<u>\$ 30,106,668</u>	<u>\$ 29,535,951</u>	<u>\$ 30,811,748</u>	<u>\$ 31,984,763</u>
Change in Net Assets:										
Governmental activities	\$ 788,114	\$ 717,655	\$ 10,002,196	\$ 1,859,668	\$ (311,685)	\$ 4,096,728	\$ 392,539	\$ (1,492,085)	\$ 1,702,833	\$ 1,561,791
Business-type activities	72,810	26,458	17,104	(49,594)	32,148	110,989	16,309	49,091	(144,124)	(38,172)
Total district-wide	<u>\$ 858,924</u>	<u>\$ 744,113</u>	<u>\$ 10,019,300</u>	<u>\$ 1,810,074</u>	<u>\$ (279,537)</u>	<u>\$ 4,207,717</u>	<u>\$ 408,848</u>	<u>\$ (1,442,994)</u>	<u>\$ 1,558,709</u>	<u>\$ 1,523,619</u>

Maple Shade School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

		Fiscal Year Ending June 30,									
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund:											
Reserved for:											
Encumbrances	\$	267,531	\$ 633,927	\$ 571,211	\$ 490,373	\$ 117,436	\$ -	\$ -	\$ 15,032	\$ 232,270	\$ 2,800
Capital reserve		138,568	139,962	141,602	2,055	2,144	402,725	433,723	234,292	684,992	1,080,315
Maintenance reserve							100,000	100,000	200,000	450,000	650,000
Legally restricted		150,000	16,684					1,509,245	706,195	497,615	1,077,483
Excess surplus		-	297,849	1,001,043	1,411,305	1,306,070	1,214,912	1,022,459		777,483	896,795
Unreserved		677,726	428,242	191,523	206,415	253,416	256,034	(95,645)	(37,369)	20,425	12,015
Total general fund	\$	<u>1,233,825</u>	<u>\$ 1,516,664</u>	<u>\$ 1,905,379</u>	<u>\$ 2,110,148</u>	<u>\$ 1,679,066</u>	<u>\$ 1,973,671</u>	<u>\$ 2,969,782</u>	<u>\$ 1,118,150</u>	<u>\$ 2,662,785</u>	<u>\$ 3,719,408</u>
All Other Governmental Funds											
Reserved:											
Encumbrances	\$	247,561	\$ 29,761	\$ 2,768,308			\$ 1,153,653	\$ 72,743	\$ -	\$ -	\$ -
Unreserved, reported in:											
Special revenue fund		(9,062)	(4,215)	(4,215)	(4,215)	(4,215)	(4,215)	-	-	-	-
Capital projects fund		61,203	53,840	25,086,602	22,838,832	11,496,405	235,490	19,637	9,160	-	-
Debt service fund			145,412	233,333	546,919	927,889	526,713	160,569	36,167	13,387	9,180
Total all other governmental funds	\$	<u>299,702</u>	<u>\$ 224,798</u>	<u>\$ 28,084,028</u>	<u>\$ 23,381,536</u>	<u>\$ 12,420,079</u>	<u>\$ 1,911,641</u>	<u>\$ 252,949</u>	<u>\$ 45,327</u>	<u>\$ 13,387</u>	<u>\$ 9,180</u>

Maple Shade School District
 Changes in Fund Balances, Governmental Funds,
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Exhibit J-4

Fiscal Year Ending June 30,

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Tax levy	\$ 15,717,887	\$ 17,007,622	\$ 18,145,565	\$ 19,675,351	\$ 20,288,475	\$ 20,431,346	\$ 21,182,343	\$ 21,182,343	\$ 22,572,782	\$ 23,040,236
Tuition charges	25,031	118,659	83,571	71,605	56,700	83,846	128,594	133,383	239,695	263,233
Transportation charges	10,848		27,074	88,422	86,533	82,300	77,687	98,338	56,149	29,972
Miscellaneous	146,853	186,890	438,735	800,889	1,129,152	560,544	245,050	175,266	156,597	122,439
State sources	8,456,054	9,021,959	18,277,232	9,727,727	10,549,327	11,186,034	10,793,248	9,061,352	10,019,406	9,801,689
Federal sources	922,210	1,080,533	1,158,991	1,079,169	935,515	846,856	871,119	2,355,716	1,355,190	1,282,248
Total revenue	25,278,683	27,415,683	38,141,168	31,441,163	33,045,702	33,180,926	33,298,041	33,006,396	34,399,819	34,549,817
Expenditures										
Instruction										
Regular instruction	8,380,471	8,791,683	8,666,313	8,636,319	9,276,514	9,022,538	8,743,701	8,878,579	8,526,584	9,159,809
Special education instruction	2,199,182	1,980,231	2,949,370	3,109,676	3,223,456	3,574,567	3,663,888	4,113,909	4,035,411	4,321,755
Other instruction	552,436	588,947	701,014	589,565	617,495	686,331	781,141	880,585	720,738	688,442
Support Services:										
Tuition	1,542,561	1,750,755	1,254,324	1,137,328	1,213,046	1,150,435	1,426,284	1,343,235	1,109,530	1,210,734
Student & instruction related services	2,419,828	2,520,770	2,854,431	2,963,238	3,288,131	3,162,318	3,462,824	3,940,008	3,568,044	3,553,237
General and business admin. services	802,046	866,840	906,970	930,232	892,308	988,456	1,001,362	1,020,797	1,017,706	1,181,012
School administrative services	1,080,530	1,181,771	1,322,700	1,380,799	1,463,818	1,385,787	1,163,748	1,211,661	1,180,495	1,233,999
Plant operations and maintenance	1,693,081	1,980,673	2,064,727	2,242,586	2,470,294	2,605,332	2,450,626	2,649,655	2,564,997	2,838,851
Pupil transportation	650,443	943,447	772,113	707,884	786,874	881,010	736,817	780,931	851,083	938,997
Other support services	4,316,078	5,073,805	5,728,402	6,153,993	7,084,302	7,167,402	6,080,259	6,906,069	6,684,782	5,842,792
Special Schools	3,600	2,407	3,150	4,830	2,871	4,965	5,477			
Capital outlay	290,440	296,252	547,021	5,360,338	11,479,576	10,191,902	1,477,178	644,737	568,150	176,307
Debt service:										
Principal	640,000	660,000	735,000	1,275,000	1,320,000	1,360,000	1,465,000	1,505,000	1,530,000	1,590,000
Interest and other charges	734,129	688,379	584,688	1,432,318	1,299,576	1,233,716	1,502,319	1,190,484	1,027,384	961,486
Total expenditures	25,304,825	27,325,960	29,090,223	35,924,086	44,418,261	43,394,759	33,960,622	35,065,650	33,384,904	33,497,401
Excess (Deficiency) of revenues over (under) expenditures	(26,142)	89,703	9,050,945	(4,482,923)	(11,372,559)	(10,213,833)	(662,581)	(2,059,254)	1,014,915	1,052,416
Other Financing sources (uses)										
Proceeds from borrowing	-	128,231	19,207,000	-	-	-	-	-	397,780	-
Transfers in					789,302	198,824	33,724	4,207	109,180	-
Transfers out		(10,000)	(10,000)	(14,800)	(809,302)	(198,824)	(33,724)	(4,207)	(9,180)	-
Total other financing sources (uses)	-	118,231	19,197,000	(14,800)	(20,000)	-	-	-	497,780	-
Net change in fund balances	\$ (26,142)	\$ 207,934	\$ 28,247,945	\$ (4,497,723)	\$ (11,392,559)	\$ (10,213,833)	\$ (662,581)	\$ (2,059,254)	\$ 1,512,695	\$ 1,052,416
Debt service as a percentage of noncapital expenditures	5.49%	4.99%	4.62%	8.86%	7.95%	7.81%	9.13%	7.83%	7.79%	7.66%
Source: District records										

Note: Noncapital expenditures are total expenditures less capital outlay.

Maple Shade School District
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-5

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<u>Fiscal Year Ending June 30,</u>	<u>Interest on Investments</u>	<u>Adult School Program Fees</u>	<u>Tuition</u>	<u>Transportation</u>	<u>Prior Year Refunds</u>	<u>Other Refunds</u>	<u>Use of Facilities</u>	<u>Miscellaneous</u>	<u>Total</u>
2003	\$ 35,793	\$ 2,805	\$ 25,031	\$ 10,848	\$ 43,483	\$ 33,328		\$ 31,244	\$ 182,532
2004	42,125	677	118,659		26,445	71,269		38,354	297,529
2005	50,510		93,571	27,074	34,438	89,733	\$ 24,042	19,161	338,529
2006	147,456		71,605	86,422	29,368	41,082	25,060	12,806	413,799
2007	212,448		56,700	86,553	40,464	72,615	12,000	2,323	483,103
2008	151,291		63,846	82,300	114,038	63,597	24,000	8,794	507,866
2009	59,641		128,594	77,687	57,758	53,745	31,135	4,012	412,572
2010	41,889		133,383	98,336	35,964	36,917	45,245	6,009	397,743
2011	20,098		239,695	56,149	8,277	65,791	46,270	16,141	452,421
2012	20,680		263,233	29,972	19,386	34,389	45,807	2,177	415,644
	<u>\$ 781,931</u>	<u>\$ 3,482</u>	<u>\$ 1,194,317</u>	<u>\$ 555,341</u>	<u>\$ 409,621</u>	<u>\$ 562,466</u>	<u>\$ 253,559</u>	<u>\$ 141,021</u>	<u>\$ 3,901,738</u>

Source: District records

Maple Shade School District
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Prop.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2003	\$ 8,738,500	\$ 446,341,300	\$ -	\$ -	\$ 202,873,800	\$ 14,210,600	\$ 137,021,000	\$ 809,183,200	\$ 1,858,352	\$ 811,041,552	\$ 56,837,500	2.097	\$ 907,602,763
2004	8,041,700	448,187,300	-	-	213,234,900	15,510,600	137,204,500	822,179,000	1,621,370	823,800,370	56,539,600	2.203	1,011,748,539
2005	8,011,300	450,036,100	-	-	210,557,300	15,602,100	137,204,500	821,411,300	1,559,517	822,970,817	56,698,700	2.391	1,137,973,441
2006	15,374,300	946,064,700	-	-	341,116,500	23,340,000	277,300,000	1,603,195,500	2,028,375	1,605,223,875	110,908,400	1.264	1,297,040,120
2007	13,704,900	950,167,700	-	-	337,908,500	23,405,000	265,500,000	1,590,686,100	2,087,067	1,592,773,167	115,568,900	1.283	1,490,788,108
2008	13,583,300	953,529,500	-	-	338,496,900	23,405,000	263,025,000	1,592,039,700	2,145,918	1,594,185,618	116,012,700	1.329	1,613,130,131
2009	11,813,100	957,291,700	-	-	336,843,500	23,405,000	261,895,000	1,591,248,300	2,178,723	1,593,427,023	117,355,400	1.330	1,655,760,404
2010	12,158,800	959,357,700	-	-	329,716,900	23,405,000	255,525,000	1,580,163,400	3,781,690	1,583,945,090	117,551,900	1.425	1,693,829,048
2011	12,070,000	959,428,100	-	-	323,266,900	23,405,000	251,425,000	1,569,593,000	2,959,527	1,572,552,527	117,438,400	1.465	1,654,349,835
2012	11,751,500	958,463,650	-	-	318,482,100	19,755,000	243,350,000	1,551,802,250	2,696,756	1,554,699,006	117,423,900	1.505	1,603,729,953

Source: Municipal Tax Assessor

Notes:

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

Reassessment occurs when ordered by the County Board of Taxation.

- a Taxable Value of Machinery, Improvements and Equipment of Telephones, Telegraph and Messenger System Companies.
- b Tax rates are per \$100.
- c Information not available.

**Maple Shade School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)**

Exhibit J-7

Fiscal Year Ended June 30,	Maple Shade School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Township of Maple Shade	Burlington County	
2003	\$ 1.980	\$ 0.117	\$ 2.097	\$ 0.484	\$ 0.569	\$ 3.150
2004	2.087	0.116	2.203	0.533	0.576	3.312
2005	2.275	0.116	2.391	0.729	0.628	3.748
2006	R 1.134	0.130	1.264	0.385	0.358	2.007
2007	1.166	0.117	1.283	0.464	0.393	2.140
2008	1.229	0.100	1.329	0.502	0.394	2.225
2009	1.194	0.136	1.330	0.533	0.396	2.259
2010	1.287	0.138	1.425	0.567	0.402	2.394
2011	1.324	0.141	1.465	0.618	0.398	2.481
2012	1.367	0.138	1.505	0.659	0.388	2.552

Source: Municipal Tax Collector

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

b Rates for debt service are based on each year's requirements.

R Revaluation.

**Maple Shade School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

Exhibit J-8

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Taxpayer	2011-2012	
	Taxable Assessed Value	% of Total District Net Assessed Value
Deerfield Association	\$ 98,000,000	6.23%
Maplewood Apartments, LLC	43,000,000	2.73%
Roberts Mill Apartments	28,000,000	1.78%
Village of Stoney Run, NJ LLC	26,250,000	1.67%
Holman Enterprises	21,600,000	1.37%
Blue Saber Properties	20,000,000	1.27%
Davis Enterprises	18,061,000	1.15%
Pickwick Apartments, LLC	13,000,000	0.83%
Public Storage	10,900,000	0.69%
Sin Ventures Maple Shade LLC	10,900,000	0.69%
Total	\$ 289,711,000	18.42%

Taxpayer	2002-2003	
	Taxable Assessed Value	% of Total District Net Assessed Value
Deerfield Associates	\$ 47,000,000	5.82%
Maple Shade Apartments	21,500,000	2.66%
Davis Enterprises	16,495,000	2.04%
Blenak/ Stoney Run	15,399,000	1.91%
Robert Mills	14,800,000	1.83%
Holman Enterprises	12,576,700	1.56%
Blue Saber	12,000,000	1.49%
Pacific Real Estate Company	11,000,000	1.36%
Public Storage	10,450,000	1.29%
Glazer, Herman & Sherin	8,450,000	1.05%
Total	\$ 169,670,700	21.01%

Source: Municipal Tax Assessor

**Maple Shade School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2003	\$15,717,887	\$15,717,887	100.00%	-
2004	17,007,622	17,007,622	100.00%	-
2005	18,145,565	18,145,565	100.00%	-
2006	19,675,351	19,675,351	100.00%	-
2007	20,288,475	20,288,475	100.00%	-
2008	20,431,346	20,431,346	100.00%	-
2009	21,182,343	21,182,343	100.00%	-
2010	21,182,343	21,182,343	100.00%	-
2011	22,572,782	22,572,782	100.00%	-
2012	23,040,236	23,040,236	100.00%	-

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

- a** School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

Maple Shade School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Exhibit J-10

	<u>Governmental Activities</u>				<u>Business-Type Activities</u>		Percentage of Personal Income ^a	Per Capita ^b	
	Fiscal Year Ended June 30,	General Obligation Bonds	Unfunded Pension Liability	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			Total District
100	2003	\$ 12,456,000	-	-	-	-	\$ 12,456,000	1.71%	650
	2004	12,641,000	-	-	-	-	12,641,000	1.67%	659
	2005	31,113,000	-	-	-	-	31,113,000	3.96%	1,611
	2006	29,838,000	-	-	-	-	29,838,000	3.55%	1,540
	2007	28,518,000	-	-	-	-	28,518,000	3.28%	1,488
	2008	27,158,000	-	\$ 90,000	-	-	27,248,000	2.98%	1,423
	2009	25,693,000	-	78,089	-	-	25,771,089	2.89%	1,345
	2010	24,188,000	-	61,389	-	-	24,249,389	2.67%	1,266
	2011	22,658,000	-	357,188	-	-	23,015,188	c	1,201
	2012	22,266,000	-	263,504	-	-	22,529,504	c	c

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

a Based on Per Capita Income for Burlington County

b Based on School District Population as of July 1,

c Not available

Maple Shade School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Exhibit J-11

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2003	\$ 12,456,000	-	\$ 12,456,000	1.54%	1,623
2004	12,641,000	-	12,641,000	1.53%	1,556
2005	31,113,000	-	31,113,000	3.78%	1,477
2006	29,838,000	-	29,838,000	1.86%	1,540
2007	28,518,000	-	28,518,000	1.79%	1,488
2008	27,158,000	-	27,158,000	1.70%	1,418
2009	25,693,000	-	25,693,000	1.61%	1,341
2010	24,188,000	-	24,188,000	1.53%	1,263
2011	22,658,000	-	22,658,000	1.44%	1,182
2012	22,266,000	-	22,266,000	1.43%	c

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

a See Exhibit J-6 for property tax data.

b Population data can be found in Exhibit J-14.

c Information not available.

Maple Shade School District
 Ratios of Overlapping Governmental Activities Debt
 As of December 31, 2011

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Township of Maple Shade	\$ 27,879,408	100.000%	\$ 27,879,408
Burlington County General Obligation Debt	375,374,050	3.308%	12,252,209
			<hr/>
Subtotal, overlapping debt			40,131,617
Maple Shade Township School District Direct Debt			<hr/> 22,278,000
Total direct and overlapping debt			<hr/> <u>\$ 62,409,617</u>

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

Note: Debt outstanding data provided by each governmental unit.
 Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Maple Shade. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

^a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

Maple Shade School District
 Legal Debt Margin Information,
 Last Ten Fiscal Years
 (dollars in thousands)

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2012

	Equalized valuation basis	
	2011	\$ 1,614,309,370
	2010	1,657,398,154
	2009	1,696,607,634
	[A]	<u>\$ 4,968,315,158</u>
Average equalized valuation of taxable property	[A/3]	\$ 1,656,105,053
Debt limit (4% of average equalized valuation)	[B]	66,244,202 ^a
Net bonded school debt	[C]	<u>22,266,000</u>
Legal debt margin	[B-C]	<u>\$ 43,978,202</u>

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt limit	\$ 33,657,678	\$ 36,428,886	\$ 40,277,680	\$ 45,476,335	\$ 52,217,766	\$ 58,502,941	\$ 63,462,435	\$ 66,139,907	\$ 66,843,262	\$ 66,244,202
Total net debt applicable to limit	<u>12,456,000</u>	<u>12,641,000</u>	<u>31,113,000</u>	<u>29,838,000</u>	<u>29,838,000</u>	<u>27,158,000</u>	<u>25,693,000</u>	<u>24,188,000</u>	<u>22,658,000</u>	<u>22,266,000</u>
Legal debt margin	<u>\$ 21,201,678</u>	<u>\$ 23,787,886</u>	<u>\$ 9,164,680</u>	<u>\$ 15,638,335</u>	<u>\$ 22,379,766</u>	<u>\$ 31,344,941</u>	<u>\$ 37,769,435</u>	<u>\$ 41,951,907</u>	<u>\$ 44,185,262</u>	<u>\$ 43,978,202</u>
Total net debt applicable to the limit as a percentage of debt limit	37.01%	34.70%	77.25%	65.61%	57.14%	46.42%	40.49%	36.57%	33.90%	33.61%

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

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

**Maple Shade School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Exhibit J-14

<u>Year</u>	<u>Population^a</u>	<u>Personal Income^b</u>	<u>Per Capita Personal Income^c</u>	<u>Unemployment Rate^d</u>
2003	19,171	\$ 727,692,818	\$ 37,958	5.3%
2004	19,178	757,837,848	39,516	4.8%
2005	19,313	785,768,718	40,686	3.5%
2006	19,378	840,326,970	43,365	3.9%
2007	19,169	870,655,980	45,420	3.5%
2008	19,154	913,128,642	47,673	4.8%
2009	19,165	891,095,840	46,496	8.3%
2010	19,147	907,395,477	47,391	8.8%
2011	19,167	e	e	8.6%
2012	e	e	e	e

Source:

- a Population information provided by the NJ Dept of Labor and Workforce Development
- b Personal income for Maple Shade Township.
- c Per Capita for Burlington County.
- d Unemployment data provided by the NJ Dept of Labor and Workforce Development
- e Not available.

Maple Shade School District
 Full-time Equivalent District Employees by Function/Program,
 Last Eight Fiscal Years

Exhibit J-16

<u>Function/Program</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Instruction								
Regular	125	121	121	126	114	175	117	126
Special education	42	43	42	44	40	39	74	83
Other special education	7	7	6	7	7			
Vocational								
Other instruction	1	1	1	1	1		7	4
Nonpublic school programs								
Adult/continuing education programs								
Support Services:								
Student & instruction related services	76	79	80	78	71	37	29	31
School administrative services	13	13	12	12	12	9	14	17
General and business administrative services	2	2	2	2	12	3	2	6
Plant operations and maintenance	24	25	24	24	30	45	34	35
Pupil transportation	13	15	15	15	25	25	13	14
Business and other support services	16	16	16	16	16	5	5	5
Special Schools	15	14	15	15	15			
Food Service	7	7	5	5	5			
Child Care								
Total	341	343	339	345	348	338	295	319

Source: District Personnel Records

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Maple Shade School District
 Operating Statistics,
 Last Ten Fiscal Years

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change In Average Daily Enrollment	Student Attendance Percentage
						Elementary	Junior/Senior High School				
2003	2,130	\$ 23,640,256	\$ 11,099	-	175	1:10.8	1:13.4	2,104.0	1,967.0	-1.08%	93.49%
2004	2,161	25,681,329	11,884	7.07%	175	1:10.8	1:13.4	2,140.0	1,998.0	1.71%	93.38%
2005	2,151	27,223,514	12,656	6.50%	175	1:10.8	1:13.4	2,154.0	2,000.0	0.65%	92.85%
2006	2,138	27,856,430	13,029	2.95%	172	1:10.8	1:13.4	2,147.0	2,006.0	-0.32%	93.43%
2007	2,083	30,319,109	14,556	11.72%	170	1:10.8	1:13.4	2,082.0	1,935.0	-3.03%	92.94%
2008	2,002	30,609,141	15,289	5.04%	178	1:10.8	1:13.4	2,026.0	1,892.0	-2.69%	93.39%
2009	2,017	29,516,125	14,634	-4.28%	170	1:10.8	1:13.4	2,008.0	1,894.3	-0.88%	94.34%
2010	2,070	31,725,429	15,326	4.73%	157	1:13.9	1:14.4	2,076.0	1,962.0	3.39%	94.51%
2011	2,134	30,259,370	14,180	-7.47%	166	1:12.8	1:12.7	2,132.6	2,024.9	2.73%	94.95%
2012	2,143	30,769,628	14,358	1.25%	164	1:12.8	1:13.5	2,154.5	2,088.6	1.03%	96.94%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

This schedule does not contain ten years of information as GASB #44 was implemented during the fiscal year ending June 30, 2006.

Maple Shade School District
 School Building Information
 Last Eight Fiscal Years

Exhibit J-18

	2005	2006	2007	2008	2009	2010	2011	2012
District Building								
Elementary								
Howard R. Yocum School (1959)								
Square Feet	69,067	69,067	69,067	70,811	70,811	70,811	70,811	70,811
Capacity (students)	358	358	358	378	464	464	464	464
Enrollment	483	487	508	515	519	542	566	571
Maude M. Wilkins Elementary (1926)								
Square Feet	38,029	38,029	38,029	65,029	65,029	65,029	65,029	65,029
Capacity (students)	575	575	575	576	576	578	578	578
Enrollment	365	334	298	296	314	337	348	355
Ralph J. Steinhauer School (1953)								
Square Feet	58,336	58,336	58,336	71,711	71,711	71,711	71,711	71,711
Capacity (students)	544	544	544	547	547	547	547	547
Enrollment	332	356	322	313	288	304	317	312
Maple Shade High School (1972)								
Square Feet	167,581	167,581	167,581	168,516	168,516	168,516	168,516	168,516
Capacity (students)	1,578	1,578	1,578	1,590	1,590	1,590	1,590	1,590
Enrollment	978	971	954	878	887	893	901	916

Number of Schools at June 30, 2011
 Elementary = 3
 Middle School = 0
 High School = 1

Source: District Facilities Office

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

This schedule does not contain ten years of information as GASB #44 was implemented during this fiscal year ending June 30, 2006.

Maple Shade School District
 Schedule of Required Maintenance
 Last Ten Fiscal Years

Exhibit J-19

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

* School Facilities	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
Maple Shade School District											
High School	\$ 267,169	\$ 313,978	\$ 326,324	\$ 331,517	\$ 404,356	\$ 343,623	\$ 271,869	\$ 192,054	\$ 296,414	\$ 374,142	\$ 3,121,446
Steinhauer School	94,295	110,816	115,173	117,006	142,715	146,237	115,726	140,093	114,372	144,363	1,240,796
Maude M. Wilkins School	57,625	67,721	70,384	71,504	87,214	132,587	104,924	135,974	124,558	157,221	1,009,712
Howard R. Yokum School	104,772	123,129	127,970	130,007	158,571	144,398	114,332	145,818	126,147	159,226	1,334,370
Total School Facilities	\$ 523,861	\$ 615,644	\$ 639,851	\$ 650,034	\$ 792,856	\$ 766,845	\$ 606,851	\$ 613,939	\$ 661,491	\$ 834,952	\$ 6,706,324

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

Source: District records

**Maple Shade School District
Insurance Schedule
June 30, 2012**

Exhibit J-20

	<u>Coverage</u>
Commercial Package Policy (1)	
Property	\$ 250,000,000
Liability General and Auto	5,000,000
Aggregate Excess Liability	10,000,000
Comprehensive Crime Coverage	2,500,000
Crime Coverage - Employee Dishonesty	100,000/400,000
Pollution Liability	1,000,000
School Board Legal Liability (1)	5,000,000
Workers Compensation (2)	Statutory
Umbrella Policy (1)	10,000,000
Student Athletic Accident Policy (3)	1,000,000
Surety Bonds (4)	
Treasurer	250,000
Board Secretary	110,000

- (1) School Alliance Insurance Fund
- (2) New Jersey School Board's Insurance
- (3) Berkley Life and Health Insurance Company
- (4) Ohio Casualty

Source: District records

Single Audit Section

INVERSO & STEWART, LLC

**Certified Public Accountants
Registered Municipal Accountants**

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American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04

The Honorable President and Members
of the Board of Education
Maple Shade School District
County of Burlington
Maple Shade, New Jersey

Compliance

We have audited Maple Shade School District (School District), in the County of Burlington, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement*, and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2012. The 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133 *Audits of State, Local Governments, and Non-Profit Organizations*; audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; and State of New Jersey Circular 04-04-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the 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. Our audit does not provide a legal determination on the School District's compliance with those requirements.

In our opinion, the Maple Shade School District, in the County of Burlington, State of New Jersey complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2012.

Internal Control Over Compliance

Management of the Maple Shade School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the School District's internal control over compliance with the requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, 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 School District's internal control over compliance.

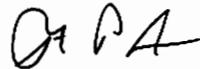
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the management of the School District, the Division of Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Public School Accountant

Marlton, New Jersey
July 27, 2012

MAPLE SHADE SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2012

Federal Grants/Pass-Through Grants/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period	June 30, 2011			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	June 30, 2012		
					Accounts Receivable	Deferred Revenue	Due to Grantor at						Accounts Receivable	Deferred Revenue	Due to Grantor at
U.S. Department of Education															
General Fund:															
Education Jobs Fund	84 410A	N/A	\$302,792	7/1/11 - 6/30/12					\$302,792	(\$302,792)					
Medical Assistance Program (SEMI)	93 778	N/A	49,057	7/1/11 - 6/30/12					49,057	(49,057)					
Medical Assistance Program (SEMI)	93 778	N/A	\$48,651	7/1/10 - 6/30/11	(\$18,883)				18,883						
Total General Fund					(18,883)				370,532	(351,849)					
Special Revenue Fund:															
No Child Left Behind (NCLB)															
Title I - Current Year	84 010A	NCLB-3010-12	236,598	9/1/11 - 8/31/12			(\$10,455)	139,747	(236,088)	\$1,953		(\$103,843)			
Title I - Prior Year	84 010A	NCLB-3010-11	208,590	9/1/10 - 8/31/11	(\$50,091)		6,334	51,151	(7,424)						
Title I - Prior Year 09-10	84 010A	NCLB-3010-10	194,001	9/1/09 - 8/31/10	(\$2,944)		4,121				(\$1,477)				
Title I - ARRA Prior Year	84 389	ARRA-3010-10	140,533	7/1/09 - 6/30/11	(33,130)			33,590	(400)						
Title II - Part A - Current Year	84 307A	NCLB-3010-12	52,671	9/1/11 - 8/31/12			(2,716)	38,773	(52,671)			(18,614)			
Title II - Part A - Prior Year	84 307A	NCLB-3010-11	57,508	9/1/10 - 8/31/11	(15,920)		2,716	15,920	(2,716)						
Title II - Part D - Prior Year	84 318X	NCLB-3010-11	405	9/1/10 - 8/31/11	(264)			207	(141)			(108)			
Title III - Current Year	84 305A	NCLB-3010-12	45,700	9/1/11 - 8/31/12				29,082	(45,482)			(16,400)			
Title III - Prior Year	84 305A	NCLB-3010-11	37,343	9/1/10 - 8/31/11	(16,478)			17,751	(1,273)						
Title III - Current Year - Immigrant	84 305A	NCLB-3010-12	7,355	9/1/11 - 8/31/12				1,518	(7,355)			(5,837)			
Individuals With Disabilities Act (I.D.E.A.)															
Part B - Basic - Current Year	84 027	FT-3010-12	583,682	9/1/11 - 8/31/12				554,633	(569,730)			(15,067)			
Part B - Basic - Prior Year	84 027	FT-3010-11	500,616	9/1/10 - 8/31/11	(444,578)			444,058	(380)						
Part B - Basic - ARRA	84 391	ARRA-3010-12	4,576	9/1/11 - 8/31/12				4,576			(4,576)				
Part B - Basic - ARRA	84 391	ARRA-3010-10	524,807	7/1/09 - 6/30/11	(205,512)			205,512							
Part B - Preschool - Current Year	84 173	PS-3010-12	18,013	9/1/11 - 8/31/12				17,679	(17,679)						
Part B - Preschool - Prior Year	84 173	PS-3010-11	16,580	9/1/10 - 8/31/11	(17,117)			17,117							
Total Special Revenue Fund					(785,619)			1,570,210	(940,309)	1,953	(6,053)	(150,639)			
U.S. Department of Agriculture															
Enterprise Fund:															
Food Distribution Program	10 550	N/A	83,813	9/1/11 - 6/30/12				83,813	(83,813)						
National School Lunch Program	10 555	N/A	342,514	9/1/11 - 6/30/12				330,035	(342,514)			(12,479)			
National School Lunch Program	10 555	N/A	295,209	9/1/10 - 6/30/11	(6,653)			6,953				(2,787)			
National School Breakfast Program	10 553	N/A	45,495	9/1/11 - 6/30/12				42,728	(45,495)						
National School Breakfast Program	10 553	N/A	30,512	9/1/10 - 6/30/11	(2,176)			2,176							
Total Enterprise Fund					(9,129)			465,705	(471,822)			(15,246)			
Total Federal Awards					(\$813,431)				\$2,406,456	(\$1,784,070)	\$1,953	(\$6,053)	(\$175,145)		

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

MAPLE SHADE SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2012

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2011			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	June 30, 2012		
				Accounts Receivable	Deferred Revenue	Due to Grantor at				Accounts Receivable	Deferred Revenue	Due to Grantor at
State Department of Education												
General Fund:												
Equalization Aid	12-485-034-5120-078	\$6,855,380	7/1/11 - 6/30/12				\$6,234,247	(\$6,855,380)		(\$621,133)		
Equalization Aid	11-485-034-5120-078	6,926,928	7/1/10 - 6/30/11	(\$556,624)			556,624					
Special Education Categorical Aid	12-485-034-5120-089	1,104,268	7/1/11 - 6/30/12				1,004,216	(1,104,268)		(100,052)		
Special Education Categorical Aid	11-485-034-5120-089	1,104,268	7/1/10 - 6/30/11	(98,273)			98,273					
Extraordinary Aid	12-100-034-5093-007	247,122	7/1/11 - 6/30/12					(247,122)		(247,122)		
Extraordinary Aid	11-100-034-5093-007	221,595	7/1/10 - 6/30/11	(221,595)			221,595					
Reimbursement of Nonpublic Transportation	12-485-034-5120-014	12,354	7/1/11 - 6/30/12					(12,354)		(12,354)		
Reimbursement of Nonpublic Transportation	11-485-034-5120-014	10,266	7/1/10 - 6/30/11	(10,266)			10,266					
Harrassement Intimidation and Bullying Aid	Not Available	780	7/1/11 - 6/30/12				780	(780)				
On Behalf TPAF - Pension	12-485-034-5095-007	412,442	7/1/11 - 6/30/12				412,442	(412,442)				
On Behalf TPAF Post Retirement Medical	12-485-034-5095-001	829,116	7/1/11 - 6/30/12				829,116	(829,116)				
Reimbursed TPAF Social Security Contributions	12-485-034-5095-002	1,009,072	7/1/11 - 6/30/12				1,009,072	(1,009,072)				
Total General Fund				(886,758)			10,376,631	(10,470,534)	--	(880,661)	--	--
Special Revenue Fund												
N.J. Nonpublic Aid:												
Textbook Aid	12-100-034-5120-064	7,528	7/1/11 - 6/30/12				7,528	(7,528)				
Textbook Aid	11-100-034-5120-064	9,606	7/1/10 - 6/30/11			5,251			\$5,251			
Nursing Aid	12-100-034-5120-070	10,752	7/1/11 - 6/30/12				10,752	(10,752)				
Auxiliary Services:												
Compensatory Education	12-100-034-5120-067	32,968	7/1/11 - 6/30/12				32,968	(28,825)				\$4,143
Compensatory Education	11-100-034-5120-067	39,352	7/1/10 - 6/30/11			11,637			11,637			
Handicapped Services:												
Examination & Classification	12-100-034-5120-066	14,497	7/1/11 - 6/30/12				14,497	(7,733)				6,764
Examination & Classification	11-100-034-5120-066	29,658	7/1/10 - 6/30/11			15,782			15,782			
Corrective Speech	12-100-034-5120-066	15,797	7/1/11 - 6/30/12				15,797	(13,902)				1,895
Corrective Speech	11-100-034-5120-066	21,123	7/1/10 - 6/30/11			6,484			6,484			
Supplemental Instruction	12-100-034-5120-066	14,732	7/1/11 - 6/30/12				14,732	(9,049)				5,683
Supplemental Instruction	11-100-034-5120-066	18,066	7/1/10 - 6/30/11			6,949			6,949			
Total Special Revenue Fund						46,113	96,274	(77,789)	46,113			18,485

(Continued)

MAPLE SHADE SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2012

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2011			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	June 30, 2012		
				Accounts Receivable	Deferred Revenue	Due to Grantor at				Accounts Receivable	Deferred Revenue	Due to Grantor at
Debt Service Fund												
Debt Service Aid Type II	12-486-034-6120-017	\$328,726	7/1/11 - 6/30/12	---	---	---	\$328,726	(\$328,726)	---	---	---	---
State Department of Agriculture												
Enterprise Fund:												
State School Lunch Program	12-100-010-3350-023	10,672	9/1/11 - 6/30/12				10,284	(10,672)		(\$388)		
State School Lunch Program	11-100-010-3350-023	9,724	9/1/10 - 6/30/11	(\$248)			248					
Total Enterprise Fund				(248)			10,532	(10,672)	---	(388)	---	---
Total State Financial Assistance				(\$887,006)	---	\$46,113	\$10,812,163	(\$10,887,721)	\$46,113	(\$881,049)	---	\$18,485

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

**Maple Shade School District
Notes to Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2012**

I. GENERAL

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

2. BASIS OF ACCOUNTING

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

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more of the 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 two June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is (\$66,288) or the general fund and \$-0- or the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$351,849	\$10,404,246	\$10,756,095
Special Revenue	940,399	77,789	1,018,188
Debt Service		328,726	328,726
Food Service	471,822	10,672	482,494
Total	\$1,764,070	\$10,821,433	\$12,585,503

**Maple Shade School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2012
(Continued)**

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.

5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distribution, respectively. TPAF Pension Contributions represents the amount paid by the State on behalf of the School District for the year ended June 30, 2012. 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, 2012.

6. MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

7. ADJUSTMENTS

Amounts reported in the column entitled "Adjustments" represent the following:

	<u>Federal</u>	<u>State</u>
Prior Year Payables Canceled	\$ <u>1,953</u>	\$ <u>-</u>

**MAPLE SHADE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Section 2 -- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

No findings identified.

**MAPLE SHADE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**Section 3 -- Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal and State programs, as required by OMB Circular A-133 and New Jersey Circular Letter 04-04.

FEDERAL AWARDS:

No findings and/or questioned costs identified.

STATE AWARDS:

No findings and/or questioned costs identified.

**MAPLE SHADE TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings

FEDERAL AWARDS

There were no prior year audit findings.

STATE AWARDS

There were no prior year audit findings.