

**Glassboro Board of Education  
Comprehensive Annual Financial Report  
For the Year Ended June 30, 2013**

**SCHOOL DISTRICT  
OF  
GLASSBORO, NEW JERSEY**

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

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2013**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

of the

Glassboro Board of Education  
Glassboro, New Jersey

For the Fiscal Year Ended June 30, 2013

Prepared by:

Glassboro Board of Education Administration

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## **INTRODUCTORY SECTION**

# Glassboro Public Schools

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Glassboro, New Jersey 08028

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Danielle Sochor  
Director of Curriculum & Personnel



Walter S. Pudelko III, CPA  
Business Administrator

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

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October 1, 2013

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

Dear Members of the Board,

Please accept, for your review, the comprehensive annual financial report for the Glassboro Public Schools covering the year ending June 30, 2013. Responsibility for the accuracy of the data, completeness and fairness of presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Government and Non-Profit Organizations," and the New Jersey OMB's Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

EQUAL OPPORTUNITY EMPLOYER

**1. REPORTING ENTITY AND ITS SERVICES**

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

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and vocational as well as special education for handicapped students. The District's average daily enrollment for 2012-2013 fiscal year was 2,181 students, which is 41 students less than the previous year's average daily enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Fiscal Year	Average Daily Enrollment Student Enrollment
2012-13	2,181
2011-12	2,222
2010-11	2,217
2009-10	2,115
2008-09	2,215
2007-08	2,248
2006-07	2,375
2005-06	2,347
2004-05	2,324
2003-04	2,430

**2. ECONOMIC CONDITIONS AND OUTLOOK**

The Borough of Glassboro continues to experience development and expansion. This trend is expected to continue with the successes of the Economic Redevelopment Authority, Rowan University, and the community growth potentials. Over the past ten school years, the District's Average Daily Enrollment has decreased by 263 students or 11%.

**3. MAJOR INITIATIVES**

J. Harvey Rodgers School

Provide all resident 5 year olds with a full day Kindergarten programming, provide all resident 4 year olds with a half day Pre-K programming and integrate student with disabilities with typically developing peers to the fullest extent possible.

Continue the implementation of a Balanced Literacy Model as well as Everyday Math with a focus on differentiated small group instructional routines with the goal of increasing student achievement on benchmark assessments.

Continue the implementation of Creative Curriculum in all Pre-K classrooms with the goal of developing pro-social behaviors and academic growth through structured play routines.

Implement all "universal" routines for School wide Positive Behavior Support (PBS) with the goal of addressing student behavior through proactive, systemic procedures.

Continue with all PLC initiatives including data review meetings, book studies, action research and "in-house" professional development.

### Dorothy L. Bullock School

Grades 1-3

Dorothy L. Bullock School teachers and administration continue to strengthen School Leadership Teams and Professional Learning Communities to build school culture. The teams were able to look at student data to make appropriate instructional decisions for student success and to review research based readings for improving instruction. The teams used diagnostic tools such as, DIBELS, STAR Math, and STAR Reading, Benchmarks and MAP. Teachers continue to implement Accelerated Reading and Accelerated Math into their program to differentiate instruction meeting the needs of advanced learners as well as at-risk students. Teachers also continue to strengthen student writing with the new implementation of the Lucy Calkins Program; Units of Study. Students participate in an end of year culminating activity to share their most special writing pieces of the year. The Bullock staff continues to be committed to meeting the needs of all Students through a very well planned I & RS committee and are using strategies from the much acclaimed work of Ruby Payne; Understanding Poverty.

Bullock School continues to offer high quality character education programs as well as its popular June Pride Day which is in its 7<sup>th</sup> year. Our parents continue to be a positive driving force in our school and dedicate many hours to our students through volunteering, PTO, and other school activities.

### Thomas E. Bowe School

Grades 4-6

Thomas E. Bowe School has established a School Improvement Team (SIT). The functions of the SIT are the following: sharing information, empowering staff and students, providing a venue to support and monitor progress. The School Improvement Team will work to review curriculum standards and data to make suggestions for instructional change. Data will be reviewed and disaggregated to provide accurate information for teachers to reflect and increase pupil performance. Everyday Math has been implemented in 6<sup>th</sup> grade. Teachers will utilize various forms of instructional data such as benchmarks and unit tests to guide their instruction. Map, Star Reading and Accelerated Reader are some of the technological tools to support student growth. Guided reading, Writer's Workshop and The Science of Teaching and Learning are powerful tools to assist as we look to educate the whole child. Bowe School has a Renaissance Program that provides incentive for positive academic and behavioral outcomes. Parental improvement through the PTO and various other components are essential to Bowe School. The PTO conducts fundraisers and special activities to support the school.

### Intermediate School

Grades 7-8

Lion's Quest, a Character Education Program, which is implemented in through our health classes and supported throughout the other disciplines. The purpose remains to promote a peaceful school through lessons, assemblies, monthly slogans, positive values and spirit days.

The Character Education Program is further supported by the Days of Peace and Respect initiative where each grade level competes against each other to reach the benchmarks rewards for no fights or bullying. As we strive to maintain an environment where our students feel safe, they can then focus on their academic achievement. To encourage academic success, the Renaissance Program has been reinstated.

Intermediate School also has a School Leadership team which shares information and empowers staff to make collaborative decisions benefitting the entire school community. This team has and will continue to work in making suggestions for instructional change. Data will be reviewed and disaggregated to provide accurate information for teachers to reflect and increase pupil performance. Teachers will utilize various forms of instructional data such as benchmarks and unit tests, Map, and Study Island to support growth. Guided reading, Writer's Workshop and The Science of Teaching and Learning are powerful tools assisting staff as we work towards educating the whole child.

Glassboro High School  
Grades 9-12

Core Plus Program has been shown to enhance students' mathematical achievement and attitudes toward mathematics. Each course advances students' understanding of mathematics along interwoven strands of algebra and functions, statistics and probability, geometry and trigonometry, and discrete mathematics. Our teachers continue to receive professional development through outside consultants and our Math Coach.

Freshman Mentoring/Transition: A major component of Freshman Transition is the Mentoring Program. Over fifty juniors and seniors volunteered to be freshman mentors. The students are assigned mentors and provide freshmen with mentoring sessions including themes of respect, responsibility, and tolerance.

The Science of Teaching and Learning highlights and educates the participants to the hidden rules that govern how each of us behaves in our social class. Teachers are working diligently in delivering instruction in a diversified format with concrete models to enhance student comprehension and retention. Teachers have learned to be culturally aware in the classroom utilizing strategies to enhance instruction and ultimately bridge the achievement gap in our school.

PLC initiatives including data review meetings, book studies, action research and "in-house" professional development will continue throughout the school year utilizing delayed openings and half day schedules for collaboration.

Read 180 is built on scientifically based research and collaboration of reading experts. Developed in clinical and classroom settings, Read 180 brings together the essential building blocks of effective reading intervention to break the cycle of failure, accelerate instruction, and allow struggling readers to experience success. Students complete instructional software geared toward expanding reading fluency, reading comprehension and retention, along with writing techniques that will help students succeed in high school and beyond.

4. **INTERNAL ACCOUNTING CONTROLS**

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

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

## **5. BUDGETARY CONTROLS**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2013.

## **6. ACCOUNTING SYSTEM AND REPORTS**

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

## **7. DEBT ADMINISTRATION**

At June 30, 2013, the District's outstanding debt issues included \$9,625,000 of general obligation bonds.

On December 19, 2006, bonds in the 2001 and 2002 series were refinanced for an amount of \$9,485,000. The current outstanding balance is \$8,230,000 and the bonds mature in 2018. The rate of interest will fluctuate from 3.75% to 5%.

On September 10, 2009, bonds in the 2004 series were refinanced for an amount of \$4,095,000. The current outstanding balance is \$1,395,000 and the bonds mature in 2017. The rate of interest will fluctuate from 2.5% to 4%.

## **8. CASH MANAGEMENT**

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

9. **RISK MANAGEMENT**

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

10. **OTHER INFORMATION**

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Petroni & Associates LLC was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996, and the related OMB Circular No. A-133 and New Jersey State Treasury Circular Letter 04-04. The auditor's report on the basic financial statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. **ACKNOWLEDGEMENTS**

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

Respectfully submitted,



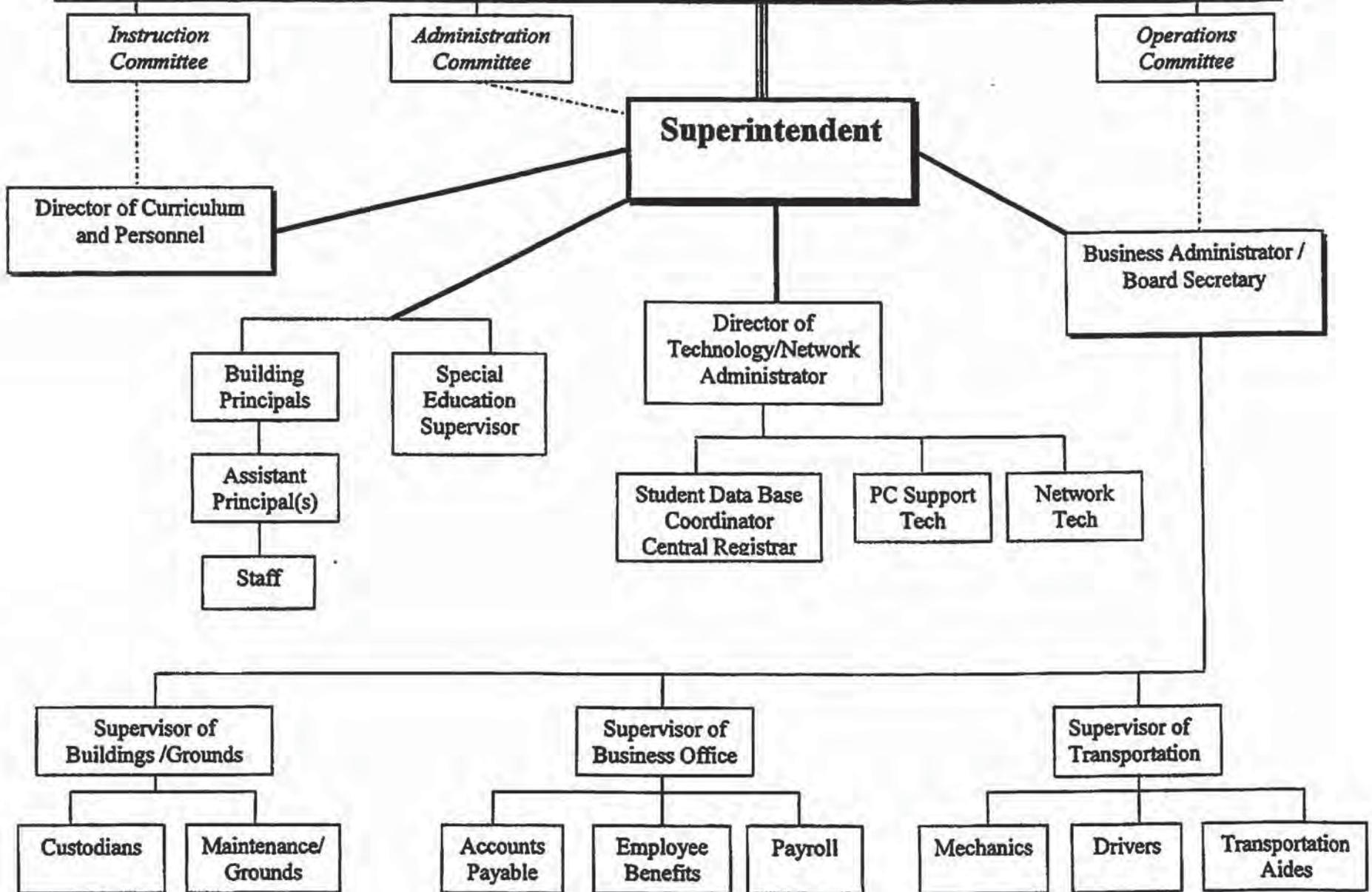
Mark J. Silverstein, MBA, Ed.D.  
Superintendent of Schools



Walter S. Pudelko, III, CPA  
Business Administrator/  
Board Secretary

# GLASSBORO SCHOOL DISTRICT ORGANIZATIONAL CHART

## BOARD OF EDUCATION



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

**ROSTER OF OFFICIALS**  
**June 30, 2013**

MEMBERS OF THE BOARD OF EDUCATION

Term Expires

Peter J. Calvo, President	2013
Christine Kane, Vice President	2015
Susette Jones	2014
Edward Keith	2015
June H. Longley	2014
Anthony Marino	2013
Melvin McDonald	2015
Ben Stephens	2013
Elizabeth Volz	2014

OTHER OFFICIALS

Dr. Mark J. Silverstein, Superintendent  
Walter Pudelko III, CPA, Business Administrator/Board Secretary  
Karyn Paccione, Treasurer

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

**CONSULTANTS AND ADVISORS**

**ARCHITECTS**

Fraytak Veisz Hopkins Duthie, P.C.  
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**AUDIT FIRM**

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Glassboro, NJ 08028

**ATTORNEY**

Parker McCay PA  
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Mt. Laurel, NJ 08054

**OFFICIAL DEPOSITORY**

TD Bank  
Delsea Drive & Dalton Road  
Glassboro, NJ 08028

Susquehanna Bank  
600 North Delsea Drive  
Glassboro, NJ 08028

## **FINANCIAL SECTION**

# PETRONI & ASSOCIATES LLC

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

Nick L. Petroni, CPA, RMA

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

## INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Glassboro School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Glassboro Board of Education as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Glassboro Board of Education's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the schedule of state financial assistance as required by NJ OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of state financial

assistance as required by NJ OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of state financial assistance as required by NJ OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 1, 2013, on our consideration of the Glassboro Board of Education's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Government Auditing Standards* in considering Glassboro Board of Education's internal control over financial reporting and compliance.

PETRONI & ASSOCIATES LLC



Nick L. Petroni  
Certified Public Accountant  
Licensed Public School Accountant #542

October 1, 2013

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

**GLASSBORO SCHOOL DISTRICT  
GLASSBORO, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED**

The discussion and analysis of Glassboro School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB's) Statement No. 34 - Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued in June 1999. Certain comparative information between the current year (2012-2013) and the prior year (2011-2012) is required to be presented in the MD&A.

**Financial Highlights**

Key financial highlights for 2013 are as follows:

- \* General revenues accounted for \$38,852,321 in revenue or 93 percent of all revenues.
- \* Program specific revenues in the form of charges for services and grants and contributions accounted for \$2,977,616 or 8 percent of total revenues of \$41,829,937.
- \* The School District had \$40,979,465 in expenses; only \$2,977,616 of these expenses offset by program specific charges for services, grants or contributions.
- \* Among governmental funds, the General Fund had \$37,226,025 in revenues and the General Fund's fund balance increased \$116,537 over 2012.

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

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

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

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

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

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

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and ask the question, "How did we do financially during 2013?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current years revenues and expenses regardless of when cash is received or paid.

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

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

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

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

### **Fund Financial Statements**

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

### **Governmental Funds**

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

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

## Reporting the School District's Most Significant Funds (Continued)

### Enterprise Fund

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

### Notes to the Financial Statements

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

### The School District as a Whole

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

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

Table 1 provides a summary of the School District's net position for 2013 with comparative data from 2012.

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

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current & other assets	2,561,842	2,424,532	237,478	143,083	2,799,320	2,567,615
Capital assets	20,884,229	21,914,966	64,944	80,656	20,949,173	21,995,622
Total assets	<u>23,446,071</u>	<u>24,339,498</u>	<u>302,422</u>	<u>223,739</u>	<u>23,748,493</u>	<u>24,563,237</u>
Long-term liabilities	11,976,522	13,736,006			11,976,522	13,736,006
Other liabilities	440,809	414,999	68,458		509,267	414,999
Total liabilities	<u>12,417,331</u>	<u>14,151,005</u>	<u>68,458</u>		<u>12,485,789</u>	<u>14,151,005</u>
Net position:						
Invested in capital assets, net of debt	10,594,644	9,878,118	21,625	32,990	10,616,269	9,911,108
Restricted	2,892,083	2,774,030			2,892,083	2,774,030
Unrestricted	(2,457,987)	(2,463,655)	212,339	190,749	(2,245,648)	(2,272,906)
Total net position	<u>11,028,740</u>	<u>10,188,493</u>	<u>233,964</u>	<u>223,739</u>	<u>11,262,704</u>	<u>10,412,232</u>

The District's combined net position was \$11,262,704 on June 30, 2013. This was an increase from the prior year.

Table 2 shows changes in net position for fiscal year 2013 with comparative data from 2012.

## The School District as a Whole (Continued)

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

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	7,000	7,000	297,364	295,552	304,364	302,552
Operating grants & contributions	2,049,157	1,937,408	624,095	592,899	2,673,252	2,530,307
General revenues:						
Property taxes	18,972,464	18,221,217			18,972,464	18,221,217
Grants & entitlements	19,261,387	18,955,677			19,261,387	18,955,677
Other	616,992	808,462	1,478	1,237	618,470	809,699
Total revenues	<u>40,907,000</u>	<u>39,929,764</u>	<u>922,937</u>	<u>889,688</u>	<u>41,829,937</u>	<u>40,819,452</u>
Expenses:						
Instruction	14,951,021	14,383,529			14,951,021	14,383,529
Support services	23,439,465	21,999,313			23,439,465	21,999,313
Capital outlay	210,156	244,572			210,156	244,572
Transfer to charter schools	58,539	31,661			58,539	31,661
Unallocated depreciation	969,265	1,088,023			969,265	1,088,023
Interest on debt	438,307	493,551			438,307	493,551
Food service			912,712	867,873	912,712	867,873
Total expenses	<u>40,066,753</u>	<u>38,240,649</u>	<u>912,712</u>	<u>867,873</u>	<u>40,979,465</u>	<u>39,108,522</u>
Change in net position	840,247	1,689,115	10,225	21,815	850,472	1,710,930
Beginning net position	10,188,493	8,499,378	223,739	201,924	10,412,232	8,701,302
Ending net position	<u>11,028,740</u>	<u>10,188,493</u>	<u>233,964</u>	<u>223,739</u>	<u>11,262,704</u>	<u>10,412,232</u>

### Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Property taxes made up 47 percent of revenues for governmental activities for the Glassboro School District for fiscal year 2013. The District's total revenues were \$40,907,000 for the year ended June 30, 2013. Federal, state, and local grants accounted for another 48 percent of revenue.

The total cost of all programs and services was \$40,066,753. Instruction comprises 38 percent of District expenses.

### Business-Type Activities

Revenues for the District's business-type activity (food service program) was comprised of charges for services and federal and state reimbursements.

- \* Food service income exceeded expenditures by \$10,225.
- \* Charges for services represent \$297,364 of food service revenue.
- \* Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$624,095.

## Statement of Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for the year 2013, with comparative data for 2012. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

**Table 3**

	Total Cost of Services		Net Cost of Services	
	2013	2012	2013	2012
Instruction	14,951,021	14,383,529	13,483,618	12,939,282
Support services:				
Pupil & instructional staff	6,024,512	5,521,732	5,443,293	5,030,185
General administration, school administration & business operation	3,001,336	2,791,430	3,001,336	2,791,430
Operation & maintenance of facilities	2,849,602	2,889,225	2,849,602	2,889,225
Pupil transportation	2,081,236	2,018,285	2,081,236	2,018,285
Interest	438,307	493,551	438,307	493,551
Other	10,720,739	11,010,770	10,713,204	10,113,705
	<u>40,066,753</u>	<u>39,108,522</u>	<u>38,010,596</u>	<u>36,275,663</u>

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

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

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

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

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

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

"Other" includes special schools and unallocated depreciation.

## The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$41,073,487 and expenditures were \$41,055,528.

## General Fund Budgeting Highlights

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

### General Fund Budgeting Highlights (Continued)

During the course of the fiscal year 2013, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control program budgets but provide flexibility for program management.

For the General Fund, the final budget basis revenue and other financing sources, not including non-budgeted state contributions, was \$34,074,524 which was \$486,478 more than original budgeted estimates of \$33,588,046.

The General Fund expenditures did not exceed the revenues and other financing sources of the School District for the year.

### Capital Assets

At the end of the fiscal year 2013 the School District had \$20,884,229 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2013 balances compared to 2012.

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

	<u>2013</u>	<u>2012</u>
Sites	235,104	235,104
Site improvements	702,580	766,647
Building & building improvements	18,602,307	19,339,101
Machinery & equipment	<u>1,409,182</u>	<u>1,654,770</u>
	<u>20,949,173</u>	<u>21,995,622</u>

Overall capital assets decreased \$1,046,449 from fiscal year 2012 to fiscal year 2013. For more detailed information, please refer to the Notes to the Financial Statements.

### Debt Administration

At June 30, 2013, the School District had \$11,976,522 of outstanding debt. Of this amount, \$1,686,937 is for compensated absences; \$664,585 for various capital leases; and \$9,625,000 of serial bonds for school construction.

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

	<u>2013</u>	<u>2012</u>
Refunding Bonds of 2006	8,230,000	9,065,000
Refunding Bonds of 2009	<u>1,395,000</u>	<u>1,920,000</u>
	<u>9,625,000</u>	<u>10,985,000</u>

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

**For the Future**

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

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

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

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

## **BASIC FINANCIAL STATEMENTS**

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

GLASSBORO SCHOOL DISTRICT  
Statement of Net Position  
June 30, 2013

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	1,697,424	123,746	1,821,170
Due from other funds	68,458		68,458
Receivables, net	1,093,916	102,530	1,196,446
Inventory		11,202	11,202
Restricted assets:			
Cash and cash equivalents	1		1
Sites	235,104		235,104
Other capital assets, net	20,649,125	64,944	20,714,069
Total Assets	<u>23,744,028</u>	<u>302,422</u>	<u>24,046,450</u>
<b>LIABILITIES</b>			
Cash deficit	297,957		297,957
Due to other funds		68,458	68,458
Accounts payable	275,494		275,494
Payable to state government	25,265		25,265
Deferred revenue	140,050		140,050
Noncurrent liabilities:			
Due within one year	1,679,696		1,679,696
Due beyond one year	10,296,826		10,296,826
Total liabilities	<u>12,715,288</u>	<u>68,458</u>	<u>12,783,746</u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	10,594,644	21,625	10,616,269
Restricted for:			
Debt service	1		1
Other purposes	2,892,082		2,892,082
Unrestricted	(2,457,987)	212,339	(2,245,648)
Total net position	<u><u>11,028,740</u></u>	<u><u>233,964</u></u>	<u><u>11,262,704</u></u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
Statement of Activities  
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
Instruction:							
Regular	9,027,811				(9,027,811)		(9,027,811)
Special education	4,870,826		1,467,403		(3,403,423)		(3,403,423)
Other special instruction	559,694				(559,694)		(559,694)
School sponsored activities	386,549				(386,549)		(386,549)
Other instruction	104,815				(104,815)		(104,815)
Community service programs	1,326				(1,326)		(1,326)
Support services:							
Tuition	2,225,349				(2,225,349)		(2,225,349)
Student & instructional related services	3,799,163	7,000	574,219		(3,217,944)		(3,217,944)
General administration	653,590				(653,590)		(653,590)
School administrative services	1,400,253				(1,400,253)		(1,400,253)
Central services	667,542				(667,542)		(667,542)
Administrative information technology	279,951				(279,951)		(279,951)
Plant operations & maintenance	2,849,602				(2,849,602)		(2,849,602)
Pupil transportation	2,081,236				(2,081,236)		(2,081,236)
Unallocated benefits	9,482,779				(9,482,779)		(9,482,779)
Capital outlay	210,156		7,535		(202,621)		(202,621)
Transfer to Charter Schools	58,539				(58,539)		(58,539)
Interest on long-term debt	438,307				(438,307)		(438,307)
Unallocated depreciation	969,265				(969,265)		(969,265)
Total governmental activities	<u>40,066,753</u>	<u>7,000</u>	<u>2,049,157</u>		<u>(38,010,596)</u>		<u>(38,010,596)</u>
Business-type activities:							
Food Service	912,712	297,364	624,095			8,747	8,747
Total business-type activities	<u>912,712</u>	<u>297,364</u>	<u>624,095</u>			<u>8,747</u>	<u>8,747</u>
Total primary government	<u>40,979,465</u>	<u>304,364</u>	<u>2,673,252</u>		<u>(38,010,596)</u>	<u>8,747</u>	<u>(38,001,849)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					17,377,451		17,377,451
Taxes levied for debt service					1,595,013		1,595,013
Other local government units					15,334		15,334
Federal and state aid not restricted					19,261,387		19,261,387
Tuition received					481,604		481,604
Transportation fees					187,014		187,014
Investment earnings					37,322	1,478	38,800
Miscellaneous Income					69,233		69,233
Prior year payable canceled					2,065		2,065
Prior year receivable canceled					(17,032)		(17,032)
Loss on retirement of asset					(158,548)		(158,548)
Total general revenues, special items, extraordinary items and transfers					<u>38,850,843</u>	<u>1,478</u>	<u>38,852,321</u>
Change in net position					840,247	10,225	850,472
Net position - beginning					10,188,493	223,739	10,412,232
Net position - end					<u>11,028,740</u>	<u>233,964</u>	<u>11,262,704</u>

See accompanying notes to the basic financial statements.

## **FUND FINANCIAL STATEMENTS**

GLASSBORO SCHOOL DISTRICT  
Balance Sheet  
Governmental Funds  
June 30, 2013

	Major Funds			Total Governmental Funds
	General Fund	Special Revenue Fund	Debt Service Fund	
<b>ASSETS</b>				
Cash and cash equivalents	1,692,656		1	1,692,657
Receivables from other governments	274,503	443,199		717,702
Due from other funds	68,458			68,458
Other - tuition	203,687			203,687
Other - transportation	172,421			172,421
Other - refunds	106			106
<b>Total Assets</b>	<b>2,411,831</b>	<b>443,199</b>	<b>1</b>	<b>2,855,031</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Cash deficit		297,957		297,957
Accounts payable	256,569	18,925		275,494
Payable to state government		25,265		25,265
Deferred revenue		140,050		140,050
<b>Total liabilities</b>	<b>256,569</b>	<b>482,197</b>		<b>738,766</b>
Fund balances:				
Restricted for:				
Excess surplus - designated for subsequent year's expenditures	1,605,570			1,605,570
Excess surplus	1,205,775			1,205,775
Assigned to:				
Debt service fund			1	1
Designated for subsequent year's expenditures	15,948			15,948
Year-end encumbrances	64,789			64,789
Unassigned:				
General fund	(736,820)			(736,820)
Special revenue fund		(38,998)		(38,998)
<b>Total fund balances</b>	<b>2,155,262</b>	<b>(38,998)</b>	<b>1</b>	<b>2,116,265</b>
<b>Total liabilities and fund balances</b>	<b>2,411,831</b>	<b>443,199</b>	<b>1</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of assets is \$37,427,546 and the accumulated depreciation is \$16,543,317 (See Note 7).

20,884,229

Internal service funds are used by management to charge the cost of certain activities to individual funds. Assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.

4,768

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Note 8).

(11,976,522)

Net assets of governmental activities

11,028,740

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2013

	Major Funds			Total Governmental Funds
	General Fund	Special Revenue Fund	Debt Service Fund	
<b>REVENUES:</b>				
Local sources:				
Local tax levy	17,377,451		1,595,013	18,972,464
Other local government units restricted	15,334			15,334
Tuition charges	481,604			481,604
Transportation fees	187,014			187,014
Miscellaneous	106,527	27,287		133,814
	18,167,930	27,287	1,595,013	19,790,230
State sources	18,996,873	460,596	203,292	19,660,761
Federal sources	61,222	1,561,274		1,622,496
<b>Total revenues</b>	<b>37,226,025</b>	<b>2,049,157</b>	<b>1,798,305</b>	<b>41,073,487</b>
<b>EXPENDITURES:</b>				
Current:				
Regular instruction	9,033,758			9,033,758
Special education instruction	3,132,148	1,738,678		4,870,826
Other special instruction	559,694			559,694
School sponsored activities	386,549			386,549
Other instruction	104,815			104,815
Community service programs	1,326			1,326
Support:				
Tuition	2,225,349			2,225,349
Student & instruction related services	3,242,577	574,219		3,816,796
General administration	653,590			653,590
School administrative services	1,385,088			1,385,088
Central services	667,542			667,542
Administrative information technology	279,951			279,951
Plant operations and maintenance	2,849,602			2,849,602
Pupil transportation	2,081,236			2,081,236
Unallocated benefits	9,482,779			9,482,779
Debt Service:				
Principal			1,360,000	1,360,000
Interest			438,307	438,307
Capital outlay	792,246	7,535		799,781
Transfer to charter schools	58,539			58,539
<b>Total expenditures</b>	<b>36,936,789</b>	<b>2,320,432</b>	<b>1,798,307</b>	<b>41,055,528</b>
Excess (deficiency) of revenues over expenditures	289,236	(271,275)	(2)	17,959
Other financing sources (uses):				
Capital leases (non-budgeted)	105,285			105,285
Transfers in	2,065	263,017		265,082
Transfers out	(280,049)			(280,049)
<b>Total other financing sources (uses)</b>	<b>(172,699)</b>	<b>263,017</b>		<b>90,318</b>
<b>Net change in fund balances</b>	<b>116,537</b>	<b>(8,258)</b>	<b>(2)</b>	<b>108,277</b>
Fund balance - July 1	2,038,725	(30,740)	3	2,007,988
<b>Fund balance - June 30</b>	<b>2,155,262</b>	<b>(38,998)</b>	<b>1</b>	<b>2,116,265</b>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
 of Governmental Funds to the Statement of Activities  
 For the Year Ended June 30, 2013

Total net change in fund balances - governmental funds (from B-2)		108,277
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation expense	(969,266)	
Capital outlays	97,077	
Loss on retirement of asset	(158,548)	
		(1,030,737)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
Bond principal		1,360,000
Capital lease obligation principal		492,548
<p>Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.</p>		
Capital lease proceeds		(105,285)
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. Net revenue (expense) of internal service funds if reported with governmental activities.</p>		
		3,223
<p>In the statement of activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount the difference is an addition to the reconciliation.</p>		
		12,221
Change in net position of governmental activities		840,247

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
Statement of Net Position  
Proprietary Funds  
June 30, 2013

	Business-type Activities Enterprise Funds		Governmental Activities - Internal Service Fund
	Major Fund Food Service	Totals	
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	123,746	123,746	4,768
Receivables, net	102,530	102,530	
Inventory	11,202	11,202	
Total current assets	<u>237,478</u>	<u>237,478</u>	<u>4,768</u>
Noncurrent assets:			
Furniture, machinery & equipment	430,720	430,720	
Less accumulated depreciation	365,776	365,776	
Total noncurrent assets	<u>64,944</u>	<u>64,944</u>	
Total assets	<u>302,422</u>	<u>302,422</u>	<u>4,768</u>
<b>LIABILITIES</b>			
Interfund Payables	<u>68,458</u>	<u>68,458</u>	
<b>NET POSITION</b>			
Invested in capital assets net of related debt	21,625	21,625	
Unrestricted	212,339	212,339	4,768
Total net position	<u>233,964</u>	<u>233,964</u>	<u>4,768</u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
Statement of Revenues, Expenses, and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended June 30, 2013

	Business-type Activities Enterprise Funds		Governmental Activities - Internal Service Fund
	Major Fund Food Service	Totals	
Operating revenues:			
Charges for services:			
Daily sales - non-reimbursable programs	257,338	257,338	
Special functions	40,026	40,026	
Workers' compensation contributions			7,000
Total operating revenues	<u>297,364</u>	<u>297,364</u>	<u>7,000</u>
Operating expenses:			
Cost of sales	424,404	424,404	
Salaries	255,922	255,922	
Employee benefits	80,167	80,167	
Contracted services	38,527	38,527	
Operations and maintenance	15,288	15,288	
Supplies and materials	65,454	65,454	
Miscellaneous expenditures	14,063	14,063	
Claims expense			3,805
Depreciation	18,887	18,887	
Total operating expenses	<u>912,712</u>	<u>912,712</u>	<u>3,805</u>
Operating income (loss)	<u>(615,348)</u>	<u>(615,348)</u>	<u>3,195</u>
Non-operating revenues (expenses):			
Interest earned	1,478	1,478	28
State sources:			
State school lunch program	11,072	11,072	
Federal sources:			
School breakfast program	104,963	104,963	
National school lunch program	431,752	431,752	
Performance based lunch program	12,029	12,029	
Food distribution program	64,279	64,279	
Total non-operating revenues (expenses)	<u>625,573</u>	<u>625,573</u>	<u>28</u>
Change in net position	10,225	10,225	3,223
Total net position - beginning	<u>223,739</u>	<u>223,739</u>	<u>1,545</u>
Total net position - ending	<u><u>233,964</u></u>	<u><u>233,964</u></u>	<u><u>4,768</u></u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2013

	Business-type Activities Enterprise Funds		Governmental Activities - Internal Service Fund
	Major Fund	Totals	
	Food Service		
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers	299,225	299,225	
Receipts for internal service activities			7,000
Payments to employees	(255,922)	(255,922)	
Payments for employee benefits	(80,167)	(80,167)	
Payments to suppliers	(490,559)	(490,559)	
Payment for claims			(3,805)
Net cash provided by (used for) operating activities	<u>(527,423)</u>	<u>(527,423)</u>	<u>3,195</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
State Sources	11,011	11,011	
Federal Sources	543,829	543,829	
Net cash provided by (used for) non-capital financing activities	<u>554,840</u>	<u>554,840</u>	
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>			
Purchase of capital assets	(3,175)	(3,175)	
Net cash provided by investing activities	<u>(3,175)</u>	<u>(3,175)</u>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest earned	1,478	1,478	28
Net cash provided by investing activities	<u>1,478</u>	<u>1,478</u>	<u>28</u>
Net increase (decrease) in cash and cash equivalents	25,720	25,720	3,223
Balances - beginning of year	98,026	98,026	1,545
Balances - end of year	<u>123,746</u>	<u>123,746</u>	<u>4,768</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(615,348)	(615,348)	3,195
Adjustment to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	18,887	18,887	
Food distribution program	64,279	64,279	
(Increase) decrease in accounts receivable	1,856	1,856	
(Increase) decrease in inventory	2,903	2,903	
Net cash provided by (used for) operating activities	<u>(527,423)</u>	<u>(527,423)</u>	<u>3,195</u>

See accompanying notes to the basic financial statements.

GLASSBORO SCHOOL DISTRICT  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2013

	Unemployment Compensation Trust	Agency Fund
<b>ASSETS</b>		
Cash and cash equivalents	418,942	587,109
Total assets	<u>418,942</u>	<u>587,109</u>
<b>LIABILITIES</b>		
Payroll deductions and withholdings		215,334
Accrued salaries and wages		213,737
Due to student groups		158,038
Total liabilities		<u>587,109</u>
<b>NET POSITION</b>		
Held in trust for unemployment claims	<u><u>418,942</u></u>	

GLASSBORO SCHOOL DISTRICT  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended June 30, 2013

	Unemployment Compensation Trust
<b>ADDITIONS:</b>	
Contributions	29,342
Interest earned	4,136
Total additions	<u>33,478</u>
<b>DEDUCTIONS:</b>	
Unemployment claims	<u>40,869</u>
Change in net position	(7,391)
Net position - beginning of year	<u>426,333</u>
Net position - end of year	<u><u>418,942</u></u>

See accompanying notes to the basic financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**Introduction**

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

The financial statements of the Board of Education of Glassboro School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the GASB and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict the GASB pronouncements. Although the District has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the District has chosen not to do so. The more significant accounting policies established in GAAP and used by the District are discussed below.

**A. Reporting Entity**

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

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

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

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

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

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

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

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

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

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

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

**C. Basic Financial Statements – Fund Financial Statements**

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

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

The non-major funds are combined in a column in the fund financial statements. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

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

The following fund types are used by the District:

**GOVERNMENTAL FUNDS**

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

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

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

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

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

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

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

**PROPRIETARY FUNDS**

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

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

The District's Enterprise Fund is comprised of the Food Service Fund.

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

**FIDUCIARY FUNDS**

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

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

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

**D. Basis of Accounting**

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**D. Basis of Accounting (Continued)**

accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, claims and judgments, and compensated absences, are recorded when due.

**E. Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue and Debt Service Funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in NJAC 6:23-2(g). All budget amendments/transfers of appropriations must be made by School Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

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

**F. Encumbrances**

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

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

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**G. Cash and Cash Equivalents**

Cash and cash equivalents 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. U.S. Treasury agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

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

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

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

**H. Inventories**

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

**I. Interfund Transactions**

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

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

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the Statement of Net Position, except

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**I. Interfund Transactions**

for amounts due between governmental and business-type activities or governmental and agency funds, which are presented as internal balances.

**J. Capital Assets**

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

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

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

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

**K. Compensated Absences**

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

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

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

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the Governmental Funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**K. Compensated Absences (Continued)**

fund liability and represents a reconciling item between the fund level and District-wide presentations.

**L. Deferred Revenue**

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

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

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

**N. Net Position**

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

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

**O. Fund Balance**

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

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

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**O. Fund Balance (Continued)**

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

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

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

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

**P. Revenues**

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

**Q. Expenditures**

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**R. Accrued Salaries and Wages**

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

**S. Allocation of Indirect Expenses**

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

**T. Extraordinary and Special Items**

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

**U. Use of Estimates**

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

**V. Accounting Changes**

The District has implemented GASB No. 63, which modified the terminology of net assets to net position. This change did not result in any monetary restatement, but the district has restated prior years to reflect net position instead of net assets.

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

In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 65 "Items Previously Reported as Assets and Liabilities." This statement, which clarifies the reporting requirements related to deferred assets and liabilities, is effective for fiscal periods beginning after December 15, 2012, is not anticipated to have any effect on the District's financial reporting.

In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 66 "Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62." This statement, which resolves conflicts between Statements No. 10 and No. 54 provides more flexibility in fund classifications for risk based activities, is effective for fiscal periods beginning after December 15, 2012, is not anticipated to have any effect on the District's financial reporting.

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27." This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the District's financial reporting.

In January 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 69 "Government Combinations and Disposals of Government Operations." This statement, which is effective for fiscal periods beginning after December 15, 2013, will not have any effect on the District's financial reporting.

In April 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 70 "Accounting and Financial Reporting for Nonexchange Financial Guarantees." This statement is effective for fiscal periods beginning after June 15, 2013, will not have any effect on the District's financial reporting.

**NOTE 2: CASH AND CASH EQUIVALENTS**

Custodial Credit Risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's policy is based on New Jersey statutes requiring cash be deposited only in New Jersey banking institutions that participate in the Governmental Unit Deposit Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes NJSA 18A:20-37 that are treated as cash equivalents. The carrying amount of the District's cash and cash equivalents at June 30, 2013 and 2012, was \$2,529,265 and \$2,460,413. As of June 30, 2013 and 2012, \$0 of the District's bank balance of \$2,883,724 and \$3,106,786, respectively, was exposed to Custodial Credit Risk.

**NOTE 3: INVESTMENTS**

As of June 30, 2013, the District had no investments.

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

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

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 4: RECEIVABLES**

Receivables at June 30, 2013, consisted of intergovernmental and other receivables. All receivables are considered collectible in full. A summary of the principal items of the receivables are as follows:

	Governmental Activities	Business-type Activities
State aid	274,503	1,927
Federal aid	443,199	99,377
Other	376,214	1,226
	<u>1,093,916</u>	<u>102,530</u>

**NOTE 5: INTERFUND RECEIVABLES AND PAYABLES**

	Interfund Receivable	Interfund Payable
General fund	68,458	
Enterprise fund		68,458
	<u>68,458</u>	<u>68,458</u>

The following interfund balances remained on the balance sheet at June 30, 2013:

**NOTE 6: INVENTORY**

Inventory in the Food Service Fund at June 30, 2013, consisted of the following:

Food	7,523
Supplies	<u>3,679</u>
	<u>11,202</u>

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 7: CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2013, was as follows:

	Balance June 30, 2012	Additions	Disposals	Balance June 30, 2013
Governmental activities:				
Sites	235,104			235,104
Site improvements	1,897,789		5,500	1,892,289
Building & building improvements	31,051,233		230,750	30,820,483
Machinery & equipment	4,431,143	97,077	48,550	4,479,670
Totals at historical costs	<u>37,615,269</u>	<u>97,077</u>	<u>284,800</u>	<u>37,427,546</u>
Less accumulated depreciation for:				
Site improvements	1,131,142	64,067	5,500	1,189,709
Building & building improvements	11,712,132	578,246	72,202	12,218,176
Machinery & equipment	2,857,029	326,953	48,550	3,135,432
Total accumulated depreciation	<u>15,700,303</u>	<u>969,266</u>	<u>126,252</u>	<u>16,543,317</u>
Total capital assets, net of depreciation	<u>21,914,966</u>	<u>(872,189)</u>	<u>158,548</u>	<u>20,884,229</u>
Business-type activities:				
Machinery & equipment	427,544	3,175		430,719
Accumulated depreciation	346,888	18,887		365,775
Total capital assets, net of depreciation	<u>80,656</u>	<u>(15,712)</u>		<u>64,944</u>

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

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

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

Permanently funded debt as of June 30, 2013, consisted of the following:

\$9,500,000 General Obligation Refunding Bonds dated December 19, 2006, payable in annual installments through August 15, 2018. Interest is paid semi-annually at the rates of 3.75% to 5% per annum. The balance remaining at June 30, 2013, was \$8,230,000.

\$4,095,000 General Obligation Refunding Bonds dated September 1, 2009, payable in annual installments through May 15, 2017. Interest is paid semi-annually at the rates of 2.5% to 4% per annum. The balance remaining at June 30, 2013, was \$1,395,000.

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

A. Long-term Obligation Activity

Changes in long-term obligations for the fiscal year ended June 30, 2013, are as follows:

	Balance June 30, 2012	Additions	Reductions	Balance June 30, 2013	Due Within One Year
Bonds payable	10,985,000		1,360,000	9,625,000	1,425,000
Capital leases	1,051,848	105,285	492,548	664,585	254,696
Compensated absences	1,699,158	222,690	234,911	1,686,937	
	<u>13,736,006</u>	<u>327,975</u>	<u>2,087,459</u>	<u>11,976,522</u>	<u>1,679,696</u>

B. Bonds Payable

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

June 30	Principal	Interest	Total
2014	1,425,000	381,963	1,806,963
2015	1,470,000	330,700	1,800,700
2016	1,535,000	264,350	1,799,350
2017	1,615,000	188,300	1,803,300
2018	1,755,000	108,100	1,863,100
2019-2020	1,825,000	36,500	1,861,500
	<u>9,625,000</u>	<u>1,309,913</u>	<u>10,934,913</u>

C. Bonds Authorized but Not Issued

As of June 30, 2013, the Board had no authorized but not issued bonds.

D. Other

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

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

Rebatable arbitrage liabilities related to District debt are not recorded in Governmental Funds. There is no recognition in the balance sheet or income statement until rebatable amounts are due and payable to the federal government. Thus, rebatable arbitrage liabilities related to governmental debt will be accrued as incurred at least annually (at fiscal yearend) on the District-wide financial statements.

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

D. Other (Continued)

For the year ended June 30, 2013, it is not necessary for the Board to establish a liability for arbitrage rebate.

E. Capital Lease Payable

The District has entered into lease purchase agreements for the acquisition of a telephone system, school buses, computers and various copiers. The lease agreements range from four to ten years, and carry interest rates ranging from 0% to 6.29%. The following is a schedule of future minimum lease payments under capital leases, together with the net present value of the minimum lease payments as of June 30, 2013.

June 30	Principal	Interest	Total
2014	254,697	26,489	281,186
2015	195,363	14,430	209,793
2016	118,838	7,566	126,404
2017	68,579	3,417	71,996
2018	27,108	920	28,028
	664,585	52,822	717,407

**NOTE 9: PENSION PLANS**

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

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

**Funding Policy** - The contribution policy is set by NJSA 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997, and NJSA 18:66 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Effective with the first payroll to be paid on or after October 1, 2011, the employee contributions for TPAF and PERS increased from 5.5% of employees' annual compensation, as defined, to 6.5%. Subsequent increases will be phased in over 7 years (each July 1) to bring the total pension contribution rate to 7.5% as of July 1, 2018. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for, cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The District's contributions to PERS for the years ending June 30, 2013, 2012 and 2011, were \$477,918, \$566,815 and \$492,501, respectively, equal to the required contributions for each year.

During the fiscal year ended June 30, 2013, the State of New Jersey contributed \$2,055,571 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the District \$1,098,143 during the year ended June 30, 2013, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

The District's total payroll for the years ended June 30, 2013, 2012 and 2011, were \$21,640,158, \$20,857,301 and \$20,710,110, respectively. Covered payroll was \$5,083,199, \$4,886,266 and \$4,794,649 for PERS and \$15,556,407, \$15,066,038 and \$15,164,542 for TPAF for the same years.

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contributes amounts for each pay period to Prudential

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District contributed \$7,453 for the fiscal year 2013.

**NOTE 10: POST-RETIREMENT BENEFITS**

P.L. 1987, c. 384 and P.L. 1990, c. 6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, C. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2012, there were 97,661 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 the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$146.6 million toward Chapter 126 benefits for 16,618 eligible retired members in Fiscal Year 2012.

**NOTE 11: DEFERRED COMPENSATION**

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

AXA Equitable Tax Shelter	Lincoln Investment Planning, Inc.
Metropolitan Life Insurance	MG Trust Company/Aspire Financial

**NOTE 12: COMPENSATED ABSENCES**

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences." A liability for compensated absences attributable to services already rendered and 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.

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

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

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 13: LABOR CONTRACTS**

As of June 30, 2013, the District has a total of approximately 451 employees. Of this total, 373 employees are represented by unions as follows:

Glassboro Education Association (GEA) - 260 employees  
 Glassboro Principals and Supervisors Association (GPSA) - 13 employees  
 Glassboro Educational Support Professional Association (GESPA) - 100 employees

The union agreements expired on June 30, 2013.

**NOTE 14: RISK MANAGEMENT**

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

**Property and Liability Insurance:**

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

**New Jersey Unemployment Compensation Insurance:**

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

<u>Fiscal Year</u>	<u>District Contribution</u>	<u>Employee Contribution</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2012-2013	866	28,476	40,869	418,942
2011-2012	3,032	34,244	38,861	426,333
2010-2011	521,995	54,843	167,396	424,028

**NOTE 15: CAPITAL RESERVE ACCOUNT**

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

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department,

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 15: CAPITAL RESERVE ACCOUNT (CONTINUED)**

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

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

**NOTE 16: FUND BALANCE APPROPRIATED**

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

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

Specific classifications of fund balance are summarized below:

**RESTRICTED**

General Fund - In accordance with NJSA 18A:7F-7, \$2,811,345 is restricted as excess surplus (\$1,605,570 of the total restricted amount has been appropriated and included as anticipated revenue for the year ending June 30, 2014).

**ASSIGNED**

General Fund - The District has appropriated and included as an anticipated revenue for the year ending June 30, 2014, \$15,948 of general fund balance as of June 30, 2013. As of June 30, 2013, the District had \$64,789 of encumbrances outstanding for purchase orders and contracts signed by the District, but not completed, as of the close of the fiscal year.

Debt Service - The debt service fund balance as of June 30, 2013, was \$1.

**UNASSIGNED**

General Fund - As of June 30, 2013, a deficit of \$736,820 of fund balance was unassigned.

Special Revenue Fund - As of June 30, 2013, the fund balance was a deficit of \$38,998, thus resulting in the fund balance classification of unassigned.

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 17: CALCULATION OF EXCESS SURPLUS**

The designation of Reserved Fund Balance - Excess surplus is a required calculation pursuant to NJSA 18A:7F-7, as amended. New Jersey School Districts are required to reserve General Fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2013, is \$2,811,345.

**NOTE 18: DEFICIT FUND BALANCES**

The District has a deficit fund balance of \$736,820 in the General Fund and \$38,998 in the Special Revenue Fund as of June 30, 2013, as reported in the fund statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e. if one government recognizes an asset; the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the District cannot recognize the June state aid payment(s) on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the General and Special Revenue Fund balance deficit does not alone indicate that the District is facing financial difficulties.

Pursuant to NJSA 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP statements of \$736,820 is less than the last state aid payment.

**NOTE 19: CONTINGENT LIABILITIES**

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

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

**NOTE 20: ECONOMIC DEPENDENCY**

The District is heavily reliant on state aid and local tax levy to fund the District's operations. State sources accounted for approximately 51% of the District's 2012-2013 general fund revenue, while local tax levy accounted for approximately 47%.

**GLASSBORO SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 21: SUBSEQUENT EVENTS**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2013 and October 1, 2013, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

## **BUDGETARY COMPARISON SCHEDULES**

GLASSBORO SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local Sources:					
Local tax levy	17,377,451		17,377,451	17,377,451	
Other local government units - restricted	18,500		18,500	15,334	(3,166)
Tuition	210,674		210,674	481,604	270,930
Transportation fees	31,500		31,500	187,014	155,514
Miscellaneous	96,000		96,000	106,527	10,527
Total - local sources	<u>17,734,125</u>		<u>17,734,125</u>	<u>18,167,930</u>	<u>433,805</u>
State sources:					
School choice aid	84,144		84,144	84,144	
Extraordinary aid	100,212		100,212	105,038	4,826
Categorical special education aid	1,139,946		1,139,946	1,139,946	
Equalization aid	14,152,383		14,152,383	14,152,383	
Categorical security aid	241,152		241,152	241,152	
Categorical transportation aid	88,615		88,615	88,615	
Reimbursed nonpublic school transportation costs				24,958	24,958
Other programs				9,136	9,136
TPAF - post retirement medical (on-behalf non-budgeted)				1,090,853	1,090,853
Teachers' pension & annuity fund (on-behalf non-budgeted)				964,718	964,718
Reimbursed TPAF social security contributions (non-budgeted)				1,098,143	1,098,143
Total - state sources	<u>15,806,452</u>		<u>15,806,452</u>	<u>18,999,086</u>	<u>3,192,634</u>
Federal sources:					
Medical assistance program	47,469		47,469	59,814	12,345
Education jobs fund		1,408	1,408	1,408	
Total - federal sources	<u>47,469</u>	<u>1,408</u>	<u>48,877</u>	<u>61,222</u>	<u>12,345</u>
Total revenues	<u>33,588,046</u>	<u>1,408</u>	<u>33,589,454</u>	<u>37,228,238</u>	<u>3,638,784</u>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>EXPENDITURES:</b>					
Current expense:					
Regular programs - instruction:					
Kindergarten - Salaries of Teachers	750,191	55,000	805,191	761,004	44,187
Grades 1-5 - salaries of teachers	2,959,131	(95,677)	2,863,454	2,846,269	17,185
Grades 6-8 - salaries of teachers	2,005,307	(117,412)	1,887,895	1,829,422	58,473
Grades 9-12 - salaries of teachers	2,977,578	(11,232)	2,966,346	2,965,972	374
Regular programs - home instruction:					
Salaries of teachers	47,500	2,359	49,859	49,859	
Purchased professional - educational services	33,500	(2,315)	31,185	31,181	4
Regular programs - undistributed instruction:					
Other salaries for instruction	34,238	27,291	61,529	60,803	726
Purchased technical services	12,984	2,950	15,934	15,934	
Other purchased services	113,898	11,406	125,304	109,893	15,411
General supplies	278,655	56,117	334,772	317,633	17,139
Textbooks	60,800	(15,796)	45,004	41,843	3,161
Other objects	4,955	(910)	4,045	3,945	100
Total regular programs - instruction	<u>9,278,737</u>	<u>(88,219)</u>	<u>9,190,518</u>	<u>9,033,758</u>	<u>156,760</u>
Special education instruction:					
Learning and/or language disabilities:					
Salaries of teachers	570,507	86,971	657,478	657,478	
Other salaries for instruction	130,626	45,186	175,812	174,381	1,431
General supplies	12,200	(1,135)	11,065	11,063	2
Other objects		1,564	1,564	1,563	1
Total learning and/or language disabilities	<u>713,333</u>	<u>132,586</u>	<u>845,919</u>	<u>844,485</u>	<u>1,434</u>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Behavioral disabilities:					
Salaries of teachers	21,041		21,041	19,125	1,916
General supplies	500	475	975	974	1
Textbooks	500	(500)			
Other objects	500	(500)			
Total behavioral disabilities	<u>22,541</u>	<u>(525)</u>	<u>22,016</u>	<u>20,099</u>	<u>1,917</u>
Multiple disabilities:					
Salaries of teachers	58,082		58,082	55,287	2,795
Other salaries for instruction		11,023	11,023	8,534	2,489
General supplies	500	6	506	63	443
Textbooks	500	(500)			
Other objects	500		500		500
Total multiple disabilities	<u>59,582</u>	<u>10,529</u>	<u>70,111</u>	<u>63,884</u>	<u>6,227</u>
Resource room/resource center:					
Salaries of teachers	2,037,019	(51,137)	1,985,882	1,985,882	
Other salaries for instruction	298,882	(200,348)	98,534	93,638	4,896
Other purchased services		600	600		600
General supplies	23,570	(3,133)	20,437	20,061	376
Total multiple disabilities	<u>2,359,471</u>	<u>(254,018)</u>	<u>2,105,453</u>	<u>2,099,581</u>	<u>5,872</u>
Preschool disabilities - part time:					
Salaries of teachers	82,200	788	82,988	82,988	
Other salaries for instruction	20,514		20,514	19,785	729
General supplies	1,500		1,500	1,326	174
Total preschool disabilities - part time	<u>104,214</u>	<u>788</u>	<u>105,002</u>	<u>104,099</u>	<u>903</u>
Total special education - instruction	<u>3,259,141</u>	<u>(110,640)</u>	<u>3,148,501</u>	<u>3,132,148</u>	<u>16,353</u>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Basic skills/remedial - instruction:					
Salaries of teachers	290,079	111,858	401,937	401,937	
Bilingual education - instruction:					
Salaries of teachers	131,734	26,347	158,081	157,722	359
Other objects	400		400	35	365
Total bilingual education - instruction	132,134	26,347	158,481	157,757	724
School-sponsored co-curricular activities - inst.:					
Salaries	64,074	5,648	69,722	68,321	1,401
School-sponsored co-curricular athletics - inst.:					
Salaries	206,507	14,924	221,431	221,431	
Purchased services	66,744	(6,432)	60,312	59,127	1,185
Supplies and materials	29,371	10,673	40,044	32,331	7,713
Other objects	6,450	(1,100)	5,350	5,339	11
Total school-sponsored co-curricular athletics - inst.	309,072	18,065	327,137	318,228	8,909
Summer school - instruction:					
Salaries of teachers	55,000	(10,781)	44,219	44,219	
Other purchased services		14,820	14,820	14,820	
Total summer school - instruction	55,000	4,039	59,039	59,039	
Summer school - support:					
Salaries	10,500	(4,039)	6,461	6,373	88
Total summer school	65,500		65,500	65,412	88

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other supplemental/at-risk programs - instruction:					
Salaries of teachers		15,855	15,855	15,854	1
Other salaries for instruction		15,145	15,145	13,894	1,251
Other purchased services		95	95	95	
General supplies		11,565	11,565	6,772	4,793
Total other supplemental/at-risk programs - instruction		42,660	42,660	36,615	6,045
Other supplemental/at-risk programs - support:					
Other purchased services		2,840	2,840	2,788	52
Total other supplemental/at-risk programs		45,500	45,500	39,403	6,097
Community services programs/operations:					
Salaries		2,500	2,500	1,326	1,174
Total instruction and at-risk programs	13,398,737	11,059	13,409,796	13,218,290	191,506
Undistributed expenditures - instruction:					
Tuition to other LEA's within the state - regular	84,000	(3,252)	80,748	80,432	316
Tuition to other LEA's within the state - special	69,310	(10,400)	58,910	58,910	
Tuition to county voc. school district - regular	118,560	(35,360)	83,200	83,200	
Tuition to county voc. school district - special		8,320	8,320	8,320	
Tuition to CSSD & regional day schools	806,536	36,698	843,234	822,871	20,363
Tuition to private schools for the disabled - within state	949,371	159,782	1,109,153	1,109,152	1
Tuition - state facilities	62,464		62,464	62,464	
Total undistributed expenditures - instruction	2,090,241	155,788	2,246,029	2,225,349	20,680
Undistributed expenditures - attendance and social work:					
Salaries	61,680	21,268	82,948	82,498	450
Purchased professional and technical services	9,644	917	10,561	10,561	
Other purchased services		5,600	5,600	5,600	
Supplies and materials	1,800	10,251	12,051	11,436	615
Total undistributed expenditures - attendance and social work	73,124	38,036	111,160	110,095	1,065

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - health services:					
Salaries	307,143	13,555	320,698	320,520	178
Purchased professional and technical services	5,170	(3,793)	1,377	275	1,102
Supplies and materials	6,600	(57)	6,543	6,499	44
Other objects	220	250	470	313	157
Total undistributed expenditures - health services	<u>319,133</u>	<u>9,955</u>	<u>329,088</u>	<u>327,607</u>	<u>1,481</u>
Undistributed expenditures - speech, OT, PT & related services:					
Salaries	235,343	1,932	237,275	237,274	1
Purchased professional - educational services	125,620	30,905	156,525	152,431	4,094
Supplies and materials	6,500		6,500	5,917	583
Total undistributed expenditures - speech, OT, PT & related services	<u>367,463</u>	<u>32,837</u>	<u>400,300</u>	<u>395,622</u>	<u>4,678</u>
Undistributed expenditures - other supp. serv. students - extra. serv.:					
Salaries	97,760	88,105	185,865	183,162	2,703
Purchased professional - educational services	200,000	(62,506)	137,494	137,494	
Total Undistributed expenditures - other supp. serv. students - extra. serv.	<u>297,760</u>	<u>25,599</u>	<u>323,359</u>	<u>320,656</u>	<u>2,703</u>
Undistributed expenditures - guidance:					
Salaries of other professional staff	560,817	(9,233)	551,584	550,908	676
Salaries of secretarial and clerical assistants	128,018	6,964	134,982	134,981	1
Purchased professional - educational services	5,100		5,100	2,395	2,705
Purchased professional and technical services	30,643	(852)	29,791	29,636	155
Supplies and materials	9,016	5,583	14,599	8,800	5,799
Other objects	1,455	(275)	1,180	651	529
Total undistributed expenditures - guidance	<u>735,049</u>	<u>2,187</u>	<u>737,236</u>	<u>727,371</u>	<u>9,865</u>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - child study team:					
Salaries of other professional staff	699,610	(4,015)	695,595	695,274	321
Salaries of secretarial and clerical assistants	102,519	443	102,962	102,961	1
Purchased professional - educational services	29,500	4,493	33,993	25,547	8,446
Purchased professional and technical services	7,000	9,455	16,455	16,455	
Miscellaneous purchased services	3,200	(875)	2,325	514	1,811
Supplies and materials	6,400	(185)	6,215	5,791	424
Other objects	800	15	815	815	
Total undistributed expenditures - child study team	849,029	9,331	858,360	847,357	11,003
Undistributed expenditures - improvement of inst. services:					
Salaries of supervisors of instruction	118,849	4,998	123,847	123,846	1
Salaries of other professional staff	25,000	(3,725)	21,275	21,275	
Salaries of secretaries and clerical assistants	82,646	(535)	82,111	79,667	2,444
Salaries of facilitators, math and literacy coaches	134,539	3,734	138,273	137,118	1,155
Purchased professional - technical services	30,000	(14,282)	15,718	2,463	13,255
Other purchased services	1,300	188	1,488	775	713
Supplies and materials	5,000	(2,690)	2,310	2,269	41
Other objects	3,150	(1,887)	1,263	1,263	
Total undistributed expenditures - improvement of inst. services	400,484	(14,199)	386,285	368,676	17,609
Undistributed expenditures - eddo. media serv./sch. library:					
Salaries	153,699	(39,484)	114,215	108,871	5,344
Purchased professional and technical services	5,600	(189)	5,411	5,410	1
Supplies and materials	9,050	(5,433)	3,617	2,966	651
Total Undistributed expenditures - eddo. media serv./sch. library	168,349	(45,106)	123,243	117,247	5,996
Undistributed expenditures - instructional staff training					
Salaries of other professional staff		14,872	14,872	14,872	
Purchased professional - educational services	4,300	8,276	12,576	12,575	1
Other purchased services	300	499	799	499	300
Total undistributed expenditures - instructional staff training	4,600	23,647	28,247	27,946	301

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - supp. serv. - general administration:					
Salaries	215,652	1,019	216,671	216,670	1
Legal services	102,000	17,545	119,545	110,272	9,273
Audit fees	32,500	(4,955)	27,545	27,545	
Architectural/engineering services	6,975	12,500	19,475	13,225	6,250
Other purchased professional services		48,660	48,660	41,647	7,013
Communications/telephone	98,724	(20,703)	78,021	77,170	851
BOE other purchased services	1,500	(420)	1,080	1,079	1
Other purchased services	126,398	12,435	138,833	137,579	1,254
General supplies	4,000	(1,149)	2,851	2,158	693
Judgments against the school district	25,000	500	25,500	500	25,000
Miscellaneous expenditures	11,400	(416)	10,984	10,966	18
BOE membership dues and fees	16,000	(1,220)	14,780	14,779	1
<b>Total Undistributed expenditures - supp. serv. - general administration</b>	<b>640,149</b>	<b>63,796</b>	<b>703,945</b>	<b>653,590</b>	<b>50,355</b>
Undistributed expenditures - supp. serv. - school administration:					
Salaries of principals/assistant principals/program directors	956,771	(4,619)	952,152	941,634	10,518
Salaries of secretarial and clerical assistants	369,977	34,386	404,363	401,639	2,724
Purchased professional and technical services	9,643	(194)	9,449	9,449	
Other purchased services	4,300	(309)	3,991	3,147	844
Supplies and materials	13,019	(1,497)	11,522	9,886	1,636
Other objects	20,810	107	20,917	19,333	1,584
<b>Total undist. expend. - supp. serv. - school administration</b>	<b>1,374,520</b>	<b>27,874</b>	<b>1,402,394</b>	<b>1,385,088</b>	<b>17,306</b>
Undist. expend. - central services					
Salaries	485,698	34,608	520,306	511,416	8,890
Purchased professional services	87,990	35,066	123,056	98,051	25,005
Purchased technical services	24,500	366	24,866	24,866	
Miscellaneous purchased services	12,800	8,008	20,808	20,806	2
Supplies and materials	9,000	(28)	8,972	6,615	2,357
Miscellaneous expenditures	4,300	1,800	6,100	5,788	312
<b>Total undistributed expenditures - central services</b>	<b>624,288</b>	<b>79,820</b>	<b>704,108</b>	<b>667,542</b>	<b>36,566</b>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - admin. info. tech.					
Salaries	180,460	14,789	195,249	195,248	1
Purchased technical services	5,000		5,000	3,760	1,240
Other purchased services	98,926	(24,041)	74,885	74,884	1
Supplies and materials	5,000	785	5,785	5,259	526
Other objects	800		800	800	
Total undistributed expenditures - admin. info. tech.	<u>290,186</u>	<u>(8,467)</u>	<u>281,719</u>	<u>279,951</u>	<u>1,768</u>
Undistributed expenditures - required maintenance for school facilities:					
Salaries	125,032		125,032	124,893	139
Cleaning, repair and maintenance services	77,880	17,811	95,691	85,671	10,020
General supplies	46,053	1,188	47,241	46,879	362
Total undistributed expenditures - required maintenance for school facilities	<u>248,965</u>	<u>18,999</u>	<u>267,964</u>	<u>257,443</u>	<u>10,521</u>
Undistributed expenditures - custodial services:					
Salaries	1,178,107	131	1,178,238	1,164,288	13,950
Salaries of non-instructional aides	100,011	8,888	108,899	100,736	8,163
Purchased professional and technical services	98,400	1,345	99,745	99,745	
Cleaning, repair and maintenance services	23,152	4,922	28,074	26,778	1,296
Other purchased property services	63,200	(9,921)	53,279	43,703	9,576
Insurance	96,418	9,775	106,193	106,170	23
Miscellaneous purchased services	1,695	(500)	1,195	1,195	
General supplies	59,200	(11,556)	47,644	45,844	1,800
Energy (natural gas)	255,000		255,000	212,353	42,647
Energy (electricity)	570,000	3,306	573,306	472,741	100,565
Energy (oil)	3,225	(567)	2,658	2,658	
Energy (gasoline)	12,000	8,685	20,685	20,109	576
Other objects	1,000	1,606	2,606	2,606	
Total undistributed expenditures - custodial services	<u>2,461,408</u>	<u>16,114</u>	<u>2,477,522</u>	<u>2,298,926</u>	<u>178,596</u>
Undistributed expenditures - care and upkeep of grounds:					
Salaries	185,034		185,034	170,630	14,404
Cleaning, repair and maintenance services	17,000	2,587	19,587	19,586	1
General supplies	9,000	(1,209)	7,791	7,791	
Total undistributed expenditures - care and upkeep of grounds	<u>211,034</u>	<u>1,378</u>	<u>212,412</u>	<u>198,007</u>	<u>14,405</u>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures - security:					
Purchased professional and technical services	91,395	(1,000)	90,395	90,395	
General supplies	4,831		4,831	4,831	
Total undistributed expenditures - security	<u>96,226</u>	<u>(1,000)</u>	<u>95,226</u>	<u>95,226</u>	
Total undistributed expenditures - oper. & maint. of plant services	<u>3,017,633</u>	<u>35,491</u>	<u>3,053,124</u>	<u>2,849,602</u>	<u>203,522</u>
Undistributed expenditures - student transportation services:					
Salaries of non-instructional aides	181,565	14,980	196,545	196,311	234
Salaries for pupils trans. (bet. home & school) - regular	632,508	38,746	671,254	670,645	609
Salaries for pupils trans. (bet. home & school) - special	277,205	17,171	294,376	294,373	3
Salaries for pupils trans. (other than bet. home & school)	70,588	(15,879)	54,709	44,784	9,925
Salaries for pupils trans. (bet. home & school) - nonpublic school	65,588	(13,125)	52,463	50,074	2,389
Management fee - ESC & CSA trans. program	600	1	601	601	
Other purchased professional/technical services	1,890		1,890	1,890	
Cleaning, repair and maintenance services	21,677	19,290	40,967	40,185	782
Contract services - aid in lieu of payments	108,640	(17,750)	90,890	90,889	1
Contract services (bet. home & school) vendors	14,280	(14,280)			
Contract services (bet. home & school) joint agreements		8,123	8,123	8,123	
Contract services (spl. ed students) joint agreements		14,300	14,300	14,300	
Contract services (regular students) ESCs & CTSA's	127,378	(10,859)	116,519	114,935	1,584
Contract services (special ed. students) ESCs & CTSA's	234,718	28,880	263,598	263,597	1
Miscellaneous purchased services - transportation	45,532	1,764	47,296	47,296	
General supplies	2,349	(1,145)	1,204	1,204	
Transportation supplies	229,572	15,775	245,347	238,934	6,413
Other objects	3,600	(437)	3,163	3,095	68
Total undistributed expenditures - student transportation services:	<u>2,017,690</u>	<u>85,555</u>	<u>2,103,245</u>	<u>2,081,236</u>	<u>22,009</u>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Unallocated benefits - employee benefits:					
Group insurance	41,000		41,000	38,488	2,512
Social security contributions	492,147	11,581	503,728	503,685	43
Other retirement contributions - PERS	652,792	(171,885)	480,907	480,906	1
Other retirement contributions - regular		8,365	8,365	5,730	2,635
Unemployment compensation	1,000		1,000	866	134
Workmen's compensation	235,953	(11,078)	224,875	223,721	1,154
Health benefits	5,655,958	(424,907)	5,231,051	5,034,608	196,443
Tuition reimbursement	40,000		40,000	37,174	2,826
Other employee benefits	24,000	(7,200)	16,800	3,887	12,913
Total unallocated benefits - employee benefits	<u>7,142,850</u>	<u>(595,124)</u>	<u>6,547,726</u>	<u>6,329,065</u>	<u>218,661</u>
On-behalf contributions:					
On-behalf TPAF pensions contributions (non-budgeted)				1,090,853	(1,090,853)
On-behalf TPAF OPEB (post retirement medical) contributions (non-budgeted)				964,718	(964,718)
Reimbursed TPAF social security contributions (non-budgeted)				1,098,143	(1,098,143)
Total on-behalf contributions				<u>3,153,714</u>	<u>(3,153,714)</u>
Total personal services - employee benefits	<u>7,142,850</u>	<u>(595,124)</u>	<u>6,547,726</u>	<u>9,482,779</u>	<u>(2,935,053)</u>
Total undistributed expenditures	<u>20,412,548</u>	<u>(72,980)</u>	<u>20,339,568</u>	<u>22,867,714</u>	<u>(2,528,146)</u>
Total general current expense	<u>33,811,285</u>	<u>(61,921)</u>	<u>33,749,364</u>	<u>36,086,004</u>	<u>(2,336,640)</u>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Capital outlay:					
Equipment:					
Preschool	5,958		5,958	5,957	1
Kindergarten	7,622	2,486	10,108	10,107	1
Grades 1 to 5	34,834		34,834	34,833	1
Grades 6 to 8	21,337		21,337	21,337	
Grades 9 to 12	49,867	(25,000)	24,867	24,867	
Undistributed - central services	7,074		7,074	7,074	
Undistributed - admin. info. tech.	270,798	11,233	282,031	282,004	27
Undistributed - care and upkeep of grounds	8,500	(1,350)	7,150	7,150	
School buses - regular	105,993		105,993	105,992	1
School buses - special	55,047	46,690	101,737	101,737	
Total equipment	<u>567,030</u>	<u>34,059</u>	<u>601,089</u>	<u>601,058</u>	<u>31</u>
Facilities acquisition and construction services:					
Construction services	6,834		6,834	6,834	
Other objects	79,069		79,069	79,069	
Total facilities acquisition and construction services	<u>85,903</u>		<u>85,903</u>	<u>85,903</u>	
Assets acquired under capital leases (non-budgeted)					
Undistributed expenditures:					
Network equipment				105,285	(105,285)
Total assets acquired under capital leases (non-budgeted)				<u>105,285</u>	<u>(105,285)</u>
Total capital outlay	<u>652,933</u>	<u>34,059</u>	<u>686,992</u>	<u>792,246</u>	<u>(105,254)</u>
Transfer to charter schools	<u>29,269</u>	<u>29,270</u>	<u>58,539</u>	<u>58,539</u>	
Total expenditures	<u>34,493,487</u>	<u>1,408</u>	<u>34,494,895</u>	<u>36,936,789</u>	<u>(2,441,894)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(905,441)</u>		<u>(905,441)</u>	<u>291,449</u>	<u>1,196,890</u>

GLASSBORO SCHOOL DISTRICT  
Budgetary Comparison Schedule  
General Fund  
For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Other financing sources:					
Operating transfer in:					
Prior year payables canceled				2,065	2,065
Operating transfer out:					
Transfer to special revenue fund - preschool program	(263,017)		(263,017)	(263,017)	(17,032)
Prior year receivables canceled				(17,032)	(17,032)
Capital leases (non-budgeted)				105,285	105,285
Total other financing sources	<u>(263,017)</u>		<u>(263,017)</u>	<u>(172,699)</u>	<u>90,318</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	(1,168,458)		(1,168,458)	118,750	1,287,208
Fund balance - July 1	<u>3,481,932</u>		<u>3,481,932</u>	<u>3,481,932</u>	
Fund balance - June 30	<u>2,313,474</u>		<u>2,313,474</u>	<u>3,600,682</u>	<u>1,287,208</u>
Recapitulation:					
Restricted fund balance:					
Excess surplus designated for subsequent year's expenditures				1,605,570	
Excess surplus - current year				1,205,775	
Assigned fund balance:					
Designated for subsequent year's expenditures				15,948	
Year-end encumbrances				64,789	
Unassigned fund balance				708,600	
				<u>3,600,682</u>	
Reconciliation to governmental fund statements (GAAP):					
Last state aid payment not recognized on GAAP basis				(1,445,420)	
Fund balance per governmental funds (GAAP)				<u>2,155,262</u>	

GLASSBORO SCHOOL DISTRICT  
 Education Jobs Fund  
 Budget and Actual  
 For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Federal sources		1,408	1,408	1,408	
Total Revenues		<u>1,408</u>	<u>1,408</u>	<u>1,408</u>	
EXPENDITURES:					
Support services:					
Salaries of other professional staff		1,155	1,155	1,155	
Personal services - employee benefits		253	253	253	
Total support services		<u>1,408</u>	<u>1,408</u>	<u>1,408</u>	
Total expenditures		<u>1,408</u>	<u>1,408</u>	<u>1,408</u>	

GLASSBORO SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 Special Revenue Fund  
 For the Fiscal Year Ended June 30, 2013

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
State sources	529,754		529,754	468,854	(60,900)
Federal sources	1,844,694		1,844,694	1,620,312	(224,382)
Other sources	20,195		20,195	19,477	(718)
<b>Total Revenues</b>	<u>2,394,643</u>		<u>2,394,643</u>	<u>2,108,643</u>	<u>(286,000)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	982,640	19,961	1,002,601	921,058	81,543
Other salaries for instruction	102,252		102,252	96,432	5,820
Purchased professional - educational services	156,413	(240)	156,173	119,527	36,646
Other purchased services	588,743	(105,452)	483,291	483,291	
General supplies	90,352	2,307	92,659	71,095	21,564
Textbooks	4,703		4,703	4,404	299
Other objects	625	(21)	604	604	
<b>Total instruction</b>	<u>1,925,728</u>	<u>(83,445)</u>	<u>1,842,283</u>	<u>1,696,411</u>	<u>145,872</u>
Support services:					
Salaries of program directors	46,774		46,774	46,774	
Salaries of other professional staff	96,052	34,164	130,216	78,010	52,206
Salaries of secretaries and clerical assistants	76,769	304	77,073	69,006	8,067
Personal services - employee benefits	373,246	26,246	399,492	352,104	47,388
Purchased professional and technical services	70,570	15,150	85,720	66,596	19,124
Other purchased services	49,934	5,581	55,515	51,919	3,596
Supplies and materials	11,052	2,000	13,052	3,305	9,747
<b>Total support services</b>	<u>724,397</u>	<u>83,445</u>	<u>807,842</u>	<u>667,714</u>	<u>140,128</u>
Facilities acquisition and construction services:					
Buildings	7,535		7,535	7,535	
<b>Total facilities acquisition and construction services</b>	<u>7,535</u>		<u>7,535</u>	<u>7,535</u>	
<b>Total expenditures</b>	<u>2,657,660</u>		<u>2,657,660</u>	<u>2,371,660</u>	<u>286,000</u>
Other financing sources:					
Transfer in from general fund	263,017		263,017	263,017	
<b>Total outflows</b>	<u>2,394,643</u>		<u>2,394,643</u>	<u>2,108,643</u>	<u>286,000</u>

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

GLASSBORO SCHOOL DISTRICT  
 Required Supplementary Information  
 Budget-to-GAAP Reconciliation  
 Note to RSI  
 For the Fiscal Year Ended June 30, 2013

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

	General Fund	Special Revenue Fund
Sources/inflows of resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule.	37,228,238	2,108,643
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(51,228)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,443,207	30,740
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the following year.	(1,445,420)	(38,998)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - Governmental Funds.	37,226,025	2,049,157
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	36,936,789	2,108,643
Difference - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		(51,228)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - Governmental Funds.	36,936,789	2,057,415

## OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND**

GLASSBORO SCHOOL DISTRICT  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2013

	Total Brought Forward (Exhibit E-1a)	Title I	Title I (2011-2012)	Title II Part A	Title II Part A (2011-2012)	Total 2013
<b>REVENUES:</b>						
Federal sources	792,188	603,083	54,112	170,849	80	1,620,312
State sources	468,854					468,854
Other sources	19,477					19,477
<b>Total revenues</b>	<b>1,280,519</b>	<b>603,083</b>	<b>54,112</b>	<b>170,849</b>	<b>80</b>	<b>2,108,643</b>
<b>EXPENDITURES:</b>						
Instruction:						
Salaries of teachers	450,898	380,386		89,774		921,058
Other salaries for instruction	96,432					96,432
Purchased professional educational services	64,415	1,000	54,112			119,527
Other purchased services	483,291					483,291
General supplies	23,595	47,500				71,095
Textbooks	4,404					4,404
Other objects	604					604
<b>Total instruction</b>	<b>1,123,639</b>	<b>428,886</b>	<b>54,112</b>	<b>89,774</b>		<b>1,696,411</b>
Support services:						
Salaries of program directors	46,774					46,774
Salaries of other professional staff	67,464	6,802		3,744		78,010
Salaries of secretarial and clerical asst.	69,006					69,006
Personal services-employees benefits	143,791	158,429		49,884		352,104
Purchased professional and technical services	47,950	5,250		13,396		66,596
Other purchased services	35,666	2,122		14,051	80	51,919
Supplies and materials	1,711	1,594				3,305
<b>Total support services</b>	<b>412,362</b>	<b>174,197</b>		<b>81,075</b>	<b>80</b>	<b>667,714</b>
Facilities acquisition and construction services:						
Buildings	7,535					7,535
<b>Total facilities acquisition and construction services</b>	<b>7,535</b>					<b>7,535</b>
<b>Total expenditures</b>	<b>1,543,536</b>	<b>603,083</b>	<b>54,112</b>	<b>170,849</b>	<b>80</b>	<b>2,371,660</b>
Other financing sources						
Transfer in from general fund	263,017					263,017
<b>Total outflows</b>	<b>1,280,519</b>	<b>603,083</b>	<b>54,112</b>	<b>170,849</b>	<b>80</b>	<b>2,108,643</b>

GLASSBORO SCHOOL DISTRICT  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2013

	Total Brought Forward (Exhibit E-1b)	Title III	IDEA Basic	IDEA Basic (2011-2012)	IDEA Preschool	Total Carried Forward
<b>REVENUES:</b>						
Federal sources	111,639	20,245	545,579	91,585	23,140	792,188
State sources	468,854					468,854
Other sources	19,477					19,477
<b>Total revenues</b>	<b>599,970</b>	<b>20,245</b>	<b>545,579</b>	<b>91,585</b>	<b>23,140</b>	<b>1,280,519</b>
<b>EXPENDITURES:</b>						
Instruction:						
Salaries of teachers	402,870	10,618		37,410		450,898
Other salaries for instruction	96,432					96,432
Purchased professional educational services	64,415					64,415
Other purchased services	247		459,904		23,140	483,291
General supplies	18,953	3,893	749			23,595
Textbooks	4,404					4,404
Other objects	604					604
<b>Total instruction</b>	<b>587,925</b>	<b>14,511</b>	<b>460,653</b>	<b>37,410</b>	<b>23,140</b>	<b>1,123,639</b>
Support services:						
Salaries of program directors	46,774					46,774
Salaries of other professional staff	27,320	384		39,760		67,464
Salaries of secretarial and clerical asst.	21,566		39,533	7,907		69,006
Personal services-employees benefits	128,909	5,350	3,024	6,508		143,791
Purchased professional and technical services	8,074		39,876			47,950
Other purchased services	34,884		782			35,666
Supplies and materials			1,711			1,711
<b>Total support services</b>	<b>267,527</b>	<b>5,734</b>	<b>84,926</b>	<b>54,175</b>		<b>412,362</b>
Facilities acquisition and construction services:						
Buildings	7,535					7,535
<b>Total facilities acquisition and construction services</b>	<b>7,535</b>					<b>7,535</b>
<b>Total expenditures</b>	<b>862,987</b>	<b>20,245</b>	<b>545,579</b>	<b>91,585</b>	<b>23,140</b>	<b>1,543,536</b>
Other financing sources						
Transfer in from general fund	263,017					263,017
<b>Total outflows</b>	<b>599,970</b>	<b>20,245</b>	<b>545,579</b>	<b>91,585</b>	<b>23,140</b>	<b>1,280,519</b>

GLASSBORO SCHOOL DISTRICT  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2013

	Total Brought Forward (Exhibit E-1c)	Genesis	Perkins Basic Entitlement	Race to the Top	Nonpublic Textbook	Nonpublic Nursing Services	Total Carried Forward
<b>REVENUES:</b>							
Federal sources		50,000	18,681	42,958			111,639
State sources	457,923				4,404	6,527	468,854
Other sources	19,477						19,477
<b>Total revenues</b>	<b>477,400</b>	<b>50,000</b>	<b>18,681</b>	<b>42,958</b>	<b>4,404</b>	<b>6,527</b>	<b>599,970</b>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of teachers	361,849	41,021					402,870
Other salaries for instruction	96,432						96,432
Purchased professional educational services	51,428		6,460			6,527	64,415
Other purchased services	247						247
General supplies	8,272		10,681				18,953
Textbooks					4,404		4,404
Other objects			604				604
<b>Total instruction</b>	<b>518,228</b>	<b>41,021</b>	<b>17,745</b>		<b>4,404</b>	<b>6,527</b>	<b>587,925</b>
Support services:							
Salaries of program directors	46,774						46,774
Salaries of other professional staff	26,450		870				27,320
Salaries of secretarial and clerical asst.	21,566						21,566
Personal services-employees benefits	119,864	8,979	66				128,909
Purchased professional and technical services				8,074			8,074
Other purchased services				34,884			34,884
<b>Total support services</b>	<b>214,654</b>	<b>8,979</b>	<b>936</b>	<b>42,958</b>			<b>267,527</b>
Facilities acquisition and construction services:							
Buildings	7,535						7,535
<b>Total facilities acquisition and construction services</b>	<b>7,535</b>						<b>7,535</b>
<b>Total expenditures</b>	<b>740,417</b>	<b>50,000</b>	<b>18,681</b>	<b>42,958</b>	<b>4,404</b>	<b>6,527</b>	<b>862,987</b>
Other financing sources							
Transfer in from general fund	263,017						263,017
<b>Total outflows</b>	<b>477,400</b>	<b>50,000</b>	<b>18,681</b>	<b>42,958</b>	<b>4,404</b>	<b>6,527</b>	<b>599,970</b>

GLASSBORO SCHOOL DISTRICT  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2013

	Total Brought Forward (Exhibit E-1d)	Nonpublic Handicapped Services			Nonpublic Auxiliary Services		Total Carried Forward
		Corr Speech	Exam & Class	Supp Inst	Comp Ed	Transp	
<b>REVENUES:</b>							
State sources	406,495	10,156	10,026	7,424	18,894	4,928	457,923
Other sources	19,477						19,477
<b>Total revenues</b>	<b>425,972</b>	<b>10,156</b>	<b>10,026</b>	<b>7,424</b>	<b>18,894</b>	<b>4,928</b>	<b>477,400</b>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of teachers	361,849						361,849
Other salaries for instruction	96,432						96,432
Purchased professional educational services		10,156	10,026	7,424	18,894	4,928	51,428
Other purchased services	247						247
General supplies	8,272						8,272
<b>Total instruction</b>	<b>466,800</b>	<b>10,156</b>	<b>10,026</b>	<b>7,424</b>	<b>18,894</b>	<b>4,928</b>	<b>518,228</b>
Support services:							
Salaries of program directors	46,774						46,774
Salaries of other professional staff	26,450						26,450
Salaries of secretarial and clerical asst.	21,566						21,566
Personal services-employees benefits	119,864						119,864
<b>Total support services</b>	<b>214,654</b>						<b>214,654</b>
Facilities acquisition and construction services:							
Buildings	7,535						7,535
<b>Total facilities acquisition and construction services</b>	<b>7,535</b>						<b>7,535</b>
<b>Total expenditures</b>	<b>688,989</b>	<b>10,156</b>	<b>10,026</b>	<b>7,424</b>	<b>18,894</b>	<b>4,928</b>	<b>740,417</b>
Other financing sources							
Transfer in from general fund	263,017						263,017
<b>Total outflows</b>	<b>425,972</b>	<b>10,156</b>	<b>10,026</b>	<b>7,424</b>	<b>18,894</b>	<b>4,928</b>	<b>477,400</b>

GLASSBORO SCHOOL DISTRICT  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2013

	Nonpublic Technology Service	Preschool Education Aid (Exhibit E-2)	Housing Authority Genesis	NJSB Safety Grant	Exxon/ Mobil	Seed to Success	Total Carried Forward
<b>REVENUES:</b>							
State sources	1,736	404,759					406,495
Other sources			1,160	7,535	824	9,958	19,477
<b>Total revenues</b>	<b>1,736</b>	<b>404,759</b>	<b>1,160</b>	<b>7,535</b>	<b>824</b>	<b>9,958</b>	<b>425,972</b>
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of teachers		351,520	1,078			9,251	361,849
Other salaries for instruction		96,432					96,432
Other purchased services					247		247
General supplies	1,736	5,959			577		8,272
<b>Total instruction</b>	<b>1,736</b>	<b>453,911</b>	<b>1,078</b>		<b>824</b>	<b>9,251</b>	<b>466,800</b>
Support services:							
Salaries of program directors		46,774					46,774
Salaries of other professional staff		26,450					26,450
Salaries of secretarial and clerical asst.		21,566					21,566
Personal services-employees benefits		119,075	82			707	119,864
<b>Total support services</b>		<b>213,865</b>	<b>82</b>			<b>707</b>	<b>214,654</b>
Facilities acquisition and construction services:							
Buildings				7,535			7,535
<b>Total facilities acquisition and construction services</b>				<b>7,535</b>			<b>7,535</b>
<b>Total expenditures</b>	<b>1,736</b>	<b>667,776</b>	<b>1,160</b>	<b>7,535</b>	<b>824</b>	<b>9,958</b>	<b>688,989</b>
Other financing sources							
Transfer in from general fund		263,017					263,017
<b>Total outflows</b>	<b>1,736</b>	<b>404,759</b>	<b>1,160</b>	<b>7,535</b>	<b>824</b>	<b>9,958</b>	<b>425,972</b>

GLASSBORO SCHOOL DISTRICT  
Special Revenue Fund  
Preschool Education Aid Schedules(s) of Expenditures  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2013

DISTRICT-WIDE TOTAL

	Total		Variance
	Budgeted	Actual	
<b>EXPENDITURES:</b>			
Instruction:			
Salaries of teachers	359,656	351,520	8,136
Other salaries for instruction	102,252	96,432	5,820
General supplies	12,343	5,959	6,384
Total instruction	<u>474,251</u>	<u>453,911</u>	<u>20,340</u>
Support services:			
Salaries of program directors	46,774	46,774	
Salaries of other professional staff	26,450	26,450	
Salaries of secretarial and clerical asst.	21,566	21,566	
Personal services - employees benefits	134,370	119,075	15,295
Total support services	<u>229,160</u>	<u>213,865</u>	<u>15,295</u>
Total expenditures	<u><u>703,411</u></u>	<u><u>667,776</u></u>	<u><u>35,635</u></u>

CALCULATION OF BUDGET & CARRYOVER

Total revised 2012-13 Preschool Education Aid Allocation	423,738
Add: Actual Preschool Education Aid Carryover (June 30, 2012)	26,900
Add: Budgeted Transfer from General Fund	<u>263,017</u>
Total Preschool Education Aid Funds available for 2012-13 Budget	713,655
Less: 2012-13 Budgeted Preschool Education Aid (including prior year budgeted carryover)	<u>(703,411)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2013	10,244
Add: June 30, 2013 Unexpended Preschool Education Aid	<u>35,635</u>
2012-13 Carryover - Preschool Education Aid/Preschool Programs	<u>45,879</u>
2012-13 Preschool Education Aid Carryover Budgeted for Preschool Programs 2013-14	<u><u>10,244</u></u>

## PROPRIETARY FUNDS

GLASSBORO SCHOOL DISTRICT  
Enterprise Funds  
Combining Schedule of Net Position  
For the Fiscal Year Ended June 30, 2013

	Food Service Fund	Total Enterprise Fund
	<u>          </u>	<u>          </u>
<b>ASSETS</b>		
Cash and cash equivalents	123,746	123,746
Receivables, net	102,530	102,530
Inventory	11,202	11,202
Capital assets, net	64,944	64,944
	<u>302,422</u>	<u>302,422</u>
<b>LIABILITIES</b>		
Interfund Payables	<u>68,458</u>	<u>68,458</u>
<b>NET POSITION</b>		
Investment in capital assets, net of related debt	21,625	21,625
Unrestricted	212,339	212,339
	<u>233,964</u>	<u>233,964</u>
Total net position	<u><u>233,964</u></u>	<u><u>233,964</u></u>

GLASSBORO SCHOOL DISTRICT  
Enterprise Funds  
Combining Schedule of Revenues, Expenses,  
and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2013

	Food Service Fund	Total Enterprise Fund
Operating Revenues:		
Charges for Services:		
Daily sales - non-reimbursable programs	257,338	257,338
Special functions	40,026	40,026
Total operating revenue	297,364	297,364
Operating Expenses		
Cost of sales	424,404	424,404
Salaries	255,922	255,922
Employee benefits	80,167	80,167
Contracted services	38,527	38,527
Operations and maintenance	15,288	15,288
Supplies and materials	65,454	65,454
Miscellaneous expenditures	14,063	14,063
Depreciation	18,887	18,887
Total operating expenses	912,712	912,712
Operating income (loss)	(615,348)	(615,348)
Non-operating revenues (expenses):		
Interest earned	1,478	1,478
State sources:		
State school lunch program	11,072	11,072
Federal sources:		
School breakfast program	104,963	104,963
National school lunch program	431,752	431,752
Performance based lunch program	12,029	12,029
Food distribution program commodities	64,279	64,279
Total non-operating revenues (expenses)	625,573	625,573
Change in net position	10,225	10,225
Total net position - beginning	223,739	223,739
Total net position - ending	233,964	233,964

GLASSBORO SCHOOL DISTRICT  
Enterprise Funds  
Combining Schedule of Cash Flows  
For the Fiscal Year Ended June 30, 2013

	Food Service Fund	Total Enterprise Fund
Cash flows from operating activities:		
Receipts from customers	299,225	299,225
Payments to employees	(255,922)	(255,922)
Payments for employee benefits	(80,167)	(80,167)
Payments to suppliers	(490,559)	(490,559)
Net cash provided by (used for) operating activities	(527,423)	(527,423)
Cash flows from non-capital financing activities:		
State sources	11,011	11,011
Federal sources	543,829	543,829
Net cash provided by non-capital financing activities	554,840	554,840
Cash flows from capital financing activities:		
Purchase of capital assets	(3,175)	(3,175)
Net cash provided by capital financing activities	(3,175)	(3,175)
Cash flows from investing activities		
Interest earned	1,478	1,478
Net cash provided by investing activities	1,478	1,478
Net increase (decrease) in cash and cash equivalents	25,720	25,720
Balance - beginning of year	98,026	98,026
Balance - end of year	123,746	123,746
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	(615,348)	(615,348)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	18,887	18,887
Food distribution program	64,279	64,279
(Increase) decrease in accounts receivable	1,856	1,856
(Increase) decrease in inventory	2,903	2,903
Net cash provided by (used for) operating activities	(527,423)	(527,423)

GLASSBORO SCHOOL DISTRICT  
Internal Service Fund  
Combining Schedule of Net Position  
For the Fiscal Year Ended June 30, 2013

	Workmen's Compensation Fund
<b>ASSETS</b>	
Cash and cash equivalents	4,768
	4,768
<b>NET POSITION</b>	
Unrestricted	4,768
	4,768

GLASSBORO SCHOOL DISTRICT  
Internal Service Fund  
Combining Schedule of Revenues, Expenses,  
and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2013

	Workmen's Compensation Fund
Operating revenue:	
Workers' compensation contributions	7,000
Operating expenses:	
Claims expense	3,805
Operating income (loss)	3,195
Non-operating revenues (expenses):	
Interest earned	28
Net income (loss)	3,223
Total net position - beginning	1,545
Total net position - ending	4,768

GLASSBORO SCHOOL DISTRICT  
Internal Service Fund  
Combining Schedule of Cash Flows  
For the Fiscal Year Ended June 30, 2013

	Workmen's Compensation Fund
Cash flows from operating activities:	
Receipts for internal service activities	7,000
Payments for claims	(3,805)
Net cash provided by (used for) operating activities	3,195
Cash flows from investing activities:	
Interest earned	28
Net cash provided by investing activities	28
Balance - beginning of year	1,545
Balance - end of year	4,768
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	3,195
Net cash provided by (used for) operating activities	3,195

## FIDUCIARY FUNDS

GLASSBORO SCHOOL DISTRICT  
Combining Statement of Fiduciary Net Position  
For the Fiscal Year Ended June 30, 2013

	Unemployment Compensation Trust	Agency Funds	Total 2013
<b>ASSETS</b>			
Cash and cash equivalents	418,942	587,109	1,006,051
Total assets	<u>418,942</u>	<u>587,109</u>	<u>1,006,051</u>
<b>LIABILITIES</b>			
Payroll deductions and withholdings		215,334	215,334
Accrued salaries and wages		213,737	213,737
Due to student groups		158,038	158,038
Total liabilities		<u>587,109</u>	<u>587,109</u>
<b>NET POSITION</b>			
Held in trust for unemployment claims	418,942		418,942
Total net position	<u>418,942</u>		<u>418,942</u>

GLASSBORO SCHOOL DISTRICT  
Combining Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended June 30, 2013

	Unemployment Compensation Trust	Total 2013
<b>ADDITIONS:</b>		
Contributions	29,342	29,342
Interest earned	4,136	4,136
Total additions	<u>33,478</u>	<u>33,478</u>
<b>DEDUCTIONS:</b>		
Unemployment claims	40,869	40,869
Change in net position	(7,391)	(7,391)
Net position - beginning	<u>426,333</u>	<u>426,333</u>
Net position - end	<u>418,942</u>	<u>418,942</u>

GLASSBORO SCHOOL DISTRICT  
 Student Activity Agency Fund  
 Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2013</u>
ACTIVITIES:					
Dorothy L. Bullock School	10,354	16,979	16,912	169	10,590
J.H. Rodgers Memorial School	1,768	4,321	4,305	84	1,868
Thomas E. Bowe School	36,229	34,960	39,810	85	31,464
Intermediate School	23,639	40,967	42,642	(313)	21,651
High School	75,718	211,144	203,565	4,274	87,571
Special Services/Other	8,320	20,859	19,986	(4,299)	4,894
	<u>156,028</u>	<u>329,230</u>	<u>327,220</u>		<u>158,038</u>

GLASSBORO SCHOOL DISTRICT  
Payroll Agency Fund  
Schedule of Receipts and Disbursements  
For the Fiscal Year Ended June 30, 2013

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
<b>ASSETS</b>				
Cash and cash equivalents	372,637	24,294,893	24,238,459	429,071
Total assets	<u>372,637</u>	<u>24,294,893</u>	<u>24,238,459</u>	<u>429,071</u>
<b>LIABILITIES</b>				
Accrued salaries and wages	180,822	13,126,899	13,093,984	213,737
Payroll deductions and withholdings	191,815	11,165,973	11,142,454	215,334
Interfund payable		2,021	2,021	
Total liabilities	<u>372,637</u>	<u>24,294,893</u>	<u>24,238,459</u>	<u>429,071</u>

## **LONG-TERM DEBT**

GLASSBORO SCHOOL DISTRICT  
 Schedule of Serial Bonds  
 June 30, 2013

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2012	Retired	Balance June 30, 2013
			Date	Amount				
Refunding School Bonds, Series 2006	12/19/06	9,500,000	8/15/13	1,050,000	3.750%	9,065,000	835,000	8,230,000
			8/15/14	1,110,000	4.000%			
			8/15/15	1,190,000	5.000%			
			8/15/16	1,300,000	5.000%			
			8/15/17	1,755,000	4.000%			
			8/15/18	1,825,000	4.000%			
Refunding School Bonds, Series 2009	9/10/09	4,095,000	5/15/14	375,000	2.500%	1,920,000	525,000	1,395,000
			5/15/15	360,000	4.000%			
			5/15/16	345,000	4.000%			
			5/15/17	315,000	4.000%			
						<u>10,985,000</u>	<u>1,360,000</u>	<u>9,625,000</u>

GLASSBORO SCHOOL DISTRICT  
Schedule of Obligations Under Capital Leases  
For the Fiscal Year Ended June 30, 2013

Purpose	Date of Lease	Term of Lease	Amount of Original Lease		Interest Rate	Balance June 30, 2012	Issued	Retired	Balance June 30, 2013
			Principal	Interest					
School buses	7/30/03	10 Years	115,900	28,445	5.25%	13,716		13,716	
School buses	7/30/03	10 Years	43,300	10,627	5.25%	5,124		5,124	
School buses	7/30/04	10 Years	121,192	33,422	5.88%	28,398		13,793	14,605
School buses	7/1/05	10 Years	200,100	40,831	4.17%	66,645		21,314	45,331
School buses	9/13/06	10 Years	316,950	76,866	4.46%	146,767		33,515	113,252
School buses	12/19/06	10 Years	176,850	43,817	4.55%	85,126		18,578	66,548
School buses	2/21/08	10 Years	99,990	21,797	4.68%	53,197		9,689	43,508
School buses	9/12/08	10 Years	69,895	14,975	4.60%	43,631		6,479	37,152
Computers	7/1/09	4 Years	906,711	None	None	226,678		226,678	
Copiers	12/28/10	4 Years	338,273	45,247	6.29%	214,430		84,802	129,628
Network equipment	9/3/11	4 Years	79,073	5,341	3.24%	61,845		19,386	42,459
School buses	9/20/11	7 Years	81,263	7,075	2.88%	68,643		10,645	57,998
School buses	1/27/12	7 Years	44,570	3,881	2.88%	37,648		5,838	31,810
Network equipment	8/1/12	5 Years	105,285	9,669	2.14%		105,285	22,991	82,294
						<u>1,051,848</u>	<u>105,285</u>	<u>492,548</u>	<u>664,585</u>

GLASSBORO SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 Debt Service Fund  
 For the Fiscal Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local sources:					
Local tax levy	1,595,013		1,595,013	1,595,013	
State sources:					
Debt service aid type II	<u>203,292</u>		<u>203,292</u>	<u>203,292</u>	
Total revenues	<u>1,798,305</u>		<u>1,798,305</u>	<u>1,798,305</u>	
EXPENDITURES:					
Regular debt service:					
Interest	438,307		438,307	438,307	
Redemption of principal	<u>1,360,000</u>		<u>1,360,000</u>	<u>1,360,000</u>	
Total expenditures	<u>1,798,307</u>		<u>1,798,307</u>	<u>1,798,307</u>	
Excess (deficiency) of revenues over (under) expenditures	(2)		(2)	(2)	
Fund balance, July 1	<u>3</u>		<u>3</u>	<u>3</u>	
Fund balance, June 30	<u><u>1</u></u>		<u><u>1</u></u>	<u><u>1</u></u>	

**STATISTICAL SECTION (UNAUDITED)**

GLASSBORO SCHOOL DISTRICT  
Statistical Section

Contents	Page
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	100-105
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	106-109
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	110-113
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	114-115
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the district provides and the activities it performs.	116-120

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

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

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental activities:</b>										
Invested in capital assets, net of related debt	11,397,805	11,345,488	6,228,177	6,212,121	7,185,379	8,014,551	8,126,925	9,025,089	9,878,118	10,594,644
Restricted	2,898,212	1,776,142	1,150,690	964,718	1,149,462	1,886,591	1,070,568	1,799,540	2,774,030	2,892,083
Unrestricted	(925,677)	(996,659)	(1,352,488)	(1,337,006)	(1,754,838)	(2,545,010)	(2,360,909)	(2,325,251)	(2,463,655)	(2,457,987)
<b>Total governmental activities net position</b>	<b>13,370,340</b>	<b>12,124,971</b>	<b>6,026,379</b>	<b>5,839,833</b>	<b>6,580,003</b>	<b>7,356,132</b>	<b>6,836,584</b>	<b>8,499,378</b>	<b>10,188,493</b>	<b>11,028,740</b>
<b>Business-type activities:</b>										
Invested in capital assets, net of related debt	28,751	137,479	122,296	107,113	91,930	76,747	61,565	47,278	32,990	21,625
Unrestricted	103,666	100,472	88,035	87,720	105,278	52,104	124,326	154,646	190,749	212,339
<b>Total governmental activities net position</b>	<b>132,417</b>	<b>237,951</b>	<b>210,331</b>	<b>194,833</b>	<b>197,208</b>	<b>128,851</b>	<b>185,891</b>	<b>201,924</b>	<b>223,739</b>	<b>233,964</b>
<b>District-wide:</b>										
Invested in capital assets, net of related debt	11,426,556	11,482,967	6,350,473	6,319,234	7,277,309	8,091,298	8,188,490	9,072,367	9,911,108	10,616,269
Restricted	2,898,212	1,776,142	1,150,690	964,718	1,149,462	1,886,591	1,070,568	1,800,153	2,774,030	2,892,083
Unrestricted	(822,011)	(896,187)	(1,264,453)	(1,249,286)	(1,649,560)	(2,492,906)	(2,236,583)	(2,171,218)	(2,272,906)	(2,245,648)
<b>Total district-wide net position</b>	<b>13,502,757</b>	<b>12,362,922</b>	<b>6,236,710</b>	<b>6,034,666</b>	<b>6,777,211</b>	<b>7,484,983</b>	<b>7,022,475</b>	<b>8,701,302</b>	<b>10,412,232</b>	<b>11,262,704</b>

Source: District records.

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

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses:</b>										
Governmental activities:										
Instruction:										
Regular	6,962,768	6,877,404	7,094,790	7,236,217	7,941,161	9,528,742	9,786,955	8,859,404	8,976,002	9,027,811
Special education	5,834,802	5,822,337	5,876,739	5,958,477	6,181,766	2,725,660	2,890,714	3,212,700	3,188,639	4,870,826
Other special instruction	87,763	153,582	303,989	417,873	382,619	1,981,784	2,264,542	2,162,713	1,815,288	559,694
Other instruction	321,046	381,426	395,742	405,657	412,955	400,575	524,418	383,760	403,600	492,690
Support services:										
Tuition	1,813,056	1,908,293	2,127,473	2,405,530	2,375,920	2,208,288	1,962,359	1,900,756	1,995,833	2,225,349
Student & instructional related services	3,860,017	3,912,001	4,265,763	3,990,569	4,214,751	3,934,507	3,894,998	3,611,726	3,525,899	3,799,163
School administration services	1,286,932	1,168,320	1,170,793	1,264,389	1,199,725	1,326,955	1,392,744	1,349,197	1,278,562	1,400,253
General & business administrative services	1,208,612	1,557,927	1,583,896	1,406,119	1,387,454	1,372,823	1,476,094	1,436,766	1,512,868	1,601,083
Plant operations & maintenance	2,333,349	2,513,370	2,834,461	2,978,196	3,052,419	3,118,769	2,986,573	3,032,171	2,889,225	2,849,602
Pupil transportation	1,479,231	1,566,972	1,962,275	1,806,594	2,063,048	1,888,124	1,925,499	1,806,204	2,018,285	2,081,236
Employee benefits	4,843,802	5,333,654	5,619,361	7,077,665	7,628,471	6,935,662	7,828,318	8,221,190	8,778,641	9,482,779
Capital outlay	756,438	1,711,557	355,173	789,757	128,838	178,888	1,069,913	83,374	244,572	210,156
Special schools	73,667	97,583	110,885	119,928	107,851	124,330				
Transfer to charter school		18,609			1,957			30,665	31,661	58,539
Interest on long-term debt	1,115,857	816,495	784,426	600,733	687,676	644,984	528,742	531,772	493,551	438,307
Unallocated depreciation	575,982	640,201	913,832	997,395	1,018,831	1,028,800	1,027,835	975,910	1,088,023	969,265
<b>Total governmental activities expenses</b>	<b>32,553,322</b>	<b>34,461,122</b>	<b>35,418,207</b>	<b>37,455,099</b>	<b>38,785,442</b>	<b>37,398,891</b>	<b>39,559,704</b>	<b>37,598,308</b>	<b>38,240,649</b>	<b>40,066,753</b>
Business-type activities:										
Food service	836,826	864,934	947,715	943,211	884,958	978,790	878,870	832,884	867,873	912,712
Print shop	41,995	42,165	36,101	12,753	13,706					
<b>Total business-type activities expenses</b>	<b>878,821</b>	<b>907,099</b>	<b>983,816</b>	<b>955,964</b>	<b>898,664</b>	<b>978,790</b>	<b>878,870</b>	<b>832,884</b>	<b>867,873</b>	<b>912,712</b>
<b>Total district-wide expenses</b>	<b>33,432,143</b>	<b>35,368,221</b>	<b>36,402,023</b>	<b>38,411,063</b>	<b>39,684,106</b>	<b>38,377,681</b>	<b>40,438,574</b>	<b>38,431,192</b>	<b>39,108,522</b>	<b>40,979,465</b>
<b>Program revenues:</b>										
Governmental activities:										
Charges for services:										
General & business administrative services	45,000	40,000				15,000		2,300	7,000	7,000
Operating grants & contributions	4,251,852	4,287,305	4,195,914	4,114,756	4,335,039	2,216,128	2,418,049	2,597,744	1,937,408	2,049,157
<b>Total governmental activities program revenues</b>	<b>4,296,852</b>	<b>4,327,305</b>	<b>4,195,914</b>	<b>4,114,756</b>	<b>4,335,039</b>	<b>2,231,128</b>	<b>2,418,049</b>	<b>2,600,044</b>	<b>1,944,408</b>	<b>2,056,157</b>
Business-type activities:										
Charges for services:										
Food service	311,123	381,701	414,653	446,138	401,047	373,647	358,789	316,140	295,552	297,364
Print shop	36,668	36,578	26,471	14,825	7,999					
Operating grants & contributions	426,718	413,216	457,330	476,781	490,303	516,359	576,980	532,698	592,899	624,095
Capital grants & contributions		113,650								
<b>Total business-type activities revenues</b>	<b>774,509</b>	<b>945,145</b>	<b>898,454</b>	<b>937,744</b>	<b>899,349</b>	<b>890,006</b>	<b>935,769</b>	<b>848,838</b>	<b>888,451</b>	<b>921,459</b>
<b>Total district program revenues</b>	<b>5,071,361</b>	<b>5,272,450</b>	<b>5,094,368</b>	<b>5,052,500</b>	<b>5,234,388</b>	<b>3,121,134</b>	<b>3,353,818</b>	<b>3,448,882</b>	<b>2,832,859</b>	<b>2,977,616</b>
<b>Net (expense)/revenue:</b>										
Governmental activities	(28,256,470)	(30,133,817)	(31,222,293)	(33,340,343)	(34,450,403)	(35,167,763)	(37,141,655)	(34,998,264)	(36,296,241)	(38,010,596)
Business-type activities	(104,312)	38,046	(85,362)	(18,220)	685	(88,784)	56,899	15,954	20,578	8,747
<b>Total district-wide net expense</b>	<b>(28,360,782)</b>	<b>(30,095,771)</b>	<b>(31,307,655)</b>	<b>(33,358,563)</b>	<b>(34,449,718)</b>	<b>(35,256,547)</b>	<b>(37,084,756)</b>	<b>(34,982,310)</b>	<b>(36,275,663)</b>	<b>(38,001,849)</b>

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

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General revenues & other changes in net position:										
Governmental activities:										
Property taxes levied for general purposes	11,964,873	12,238,198	13,935,072	15,166,787	16,071,230	15,480,677	16,209,184	16,977,715	16,756,877	17,377,451
Taxes levied for debt service	1,526,842	1,381,574	1,463,125	1,416,064	1,295,868	1,458,054	1,462,916	1,498,557	1,464,340	1,595,013
Other governmental units	200,000	222,521	242,811	101,442	61,806	34,951	42,404	30,233	18,371	15,334
Unrestricted grants & contributions	13,971,920	14,689,267	14,898,749	15,916,503	16,687,506	18,114,603	18,287,464	17,597,793	18,955,677	19,261,387
Tuition received	85,745	127,730	306,216	280,458	368,546	361,318	178,711	230,822	351,180	481,604
Transportation fees	102,910	28,329	32,807	39,614	108,487	151,222	98,320	72,422	106,626	187,014
Investment earnings	650	70,993	117,778	123,762	80,804	20,239	19,389	3,204	35,181	37,322
Miscellaneous income	189,401	231,414	112,248	165,060	270,235	328,359	315,991	243,441	303,484	69,233
Transfers	(88,608)	(100,000)	(50,000)			(20,000)				
Premiums received on sale of refunding bonds	29,254			53,000						
Accrued interest on sale of refunding bonds	8,888									
Cost of issuance on sale of refunding bonds	(115,512)									
Net proceeds refunding bond issue							30,000			
Transfer to sinking fund	(102,719)									
Loss on retirement of asset	(12,976)	(1,578)		(114,289)			(8,591)	(2,370)	(6,657)	(158,548)
Prior year payable canceled			30,744	42,313	45,540	15,728	459	24,366	536	2,065
Prior year receivable canceled			(7,720)	(36,917)	(4,843)	(1,259)	(14,140)	(52,279)	(259)	(17,032)
Capital contributed by Borough					205,394					
Contracts payable canceled								37,154		
Total governmental activities	27,760,668	28,888,448	31,081,830	33,153,797	35,190,573	35,943,892	36,622,107	36,661,058	37,985,356	38,850,843
Business-type activities:										
Investment earnings	470	1,546	2,742	2,722	1,690	427	141	79	1,237	1,478
Transfers	88,608	100,000	50,000			20,000				
Loss on retirement of asset	(2,437)									
Prior year payable canceled			5,000							
Total business-type activities	86,641	101,546	57,742	2,722	1,690	20,427	141	79	1,237	1,478
Total district-wide	27,847,309	28,989,994	31,139,572	33,156,519	35,192,263	35,964,319	36,622,248	36,661,137	37,986,593	38,852,321
Change in net position:										
Governmental activities	(495,802)	(1,245,369)	(140,463)	(186,546)	740,170	776,129	(519,548)	1,662,794	1,689,115	840,247
Business-type activities	(17,671)	139,592	(27,620)	(15,498)	2,375	(68,357)	57,040	16,033	21,815	10,225
Total district-wide	(513,473)	(1,105,777)	(168,083)	(202,044)	742,545	707,772	(462,508)	1,678,827	1,710,930	850,472

Source: District records.

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

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General fund:										
Restricted								1,438,703	2,609,121	2,811,345
Assigned								293,817	164,906	80,737
Unassigned								(647,620)	(735,302)	(736,820)
Reserved	1,299,366	1,262,313	874,789	648,664	996,598	1,848,233	1,012,555			
Unreserved	262,092	199,849	20,736	146,216	29,249	(739,486)	(692,331)			
Total general fund	<u>1,561,458</u>	<u>1,462,162</u>	<u>895,525</u>	<u>794,880</u>	<u>1,025,847</u>	<u>1,108,747</u>	<u>320,224</u>	<u>1,084,900</u>	<u>2,038,725</u>	<u>2,155,262</u>
All other governmental funds:										
Reserved	88,447	17,054	45,397	163,463	18,869	7,613		67,020	3	1
Unreserved, reported in:										
Special revenue fund	(98,751)	(97,062)	(102,748)	(94,802)	(114,367)	(42,925)	(48,008)	(39,192)	(30,740)	(38,998)
Capital projects fund	1,493,345	451,378	258,847	133,722	126,382	29,611	29,611			
Debt service fund	17,054	45,397	15,978	18,869	7,613	1,134	28,402			
Total all other governmental funds	<u>1,500,095</u>	<u>416,767</u>	<u>217,474</u>	<u>221,252</u>	<u>38,497</u>	<u>(4,567)</u>	<u>10,005</u>	<u>27,828</u>	<u>(30,737)</u>	<u>(38,997)</u>

Source: District records.

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

	Fiscal Year Ending June 30									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues:</b>										
Tax levy	13,491,715	13,619,772	15,398,197	16,582,851	17,367,098	16,938,731	17,672,100	18,476,272	18,221,217	18,972,464
Other local government units - restricted	200,000	222,521	242,811	101,442	61,806	34,951	42,404	30,233	18,371	15,334
Tuition charges	85,745	127,730	306,216	280,458	368,546	361,318	178,711	230,822	351,180	481,604
Transportation fees	102,910	28,329	32,807	39,614	108,487	151,222	98,320	72,422	106,626	187,014
Interest earnings	34,892	72,310	115,048	136,137	88,178	20,193				
Miscellaneous	155,080	229,892	114,657	165,574	267,623	340,376	356,608	264,153	352,455	133,814
State sources	16,287,369	17,074,723	17,189,692	18,264,328	19,453,615	18,716,904	16,130,738	18,050,221	18,830,097	19,660,761
Federal sources	1,936,403	1,901,849	1,904,971	1,743,731	1,553,782	1,601,810	4,553,547	2,127,808	2,049,184	1,622,496
<b>Total revenue</b>	<b>32,294,114</b>	<b>33,277,126</b>	<b>35,304,399</b>	<b>37,314,135</b>	<b>39,269,135</b>	<b>38,165,505</b>	<b>39,032,428</b>	<b>39,251,931</b>	<b>39,929,130</b>	<b>41,073,487</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular instruction	6,797,401	6,842,525	7,051,020	7,208,298	7,826,444	9,486,667	9,786,955	8,810,736	8,918,629	9,033,758
Special education instruction	5,834,802	5,822,337	5,876,739	5,958,477	6,181,766	2,725,660	2,967,361	3,212,700	3,188,639	4,870,826
Other special instruction	87,763	153,582	303,989	417,873	382,619	1,981,784	2,264,542	2,162,713	1,815,288	559,694
Other instruction	321,046	381,426	395,742	405,657	412,955	400,575	524,418	383,760	403,600	492,690
<b>Support services:</b>										
Tuition	1,813,056	1,908,293	2,127,473	2,405,530	2,375,920	2,208,288	1,962,359	1,900,756	1,995,833	2,225,349
Student & instruction related services	3,860,017	3,912,001	4,203,444	3,960,150	4,099,478	3,888,371	3,913,014	3,604,211	3,514,360	3,816,796
School administrative services	1,128,442	1,152,566	1,161,823	1,264,389	1,199,725	1,326,955	1,392,744	1,349,197	1,278,562	1,385,088
Other administrative services	1,208,612	1,557,927	1,483,283	1,380,523	1,325,758	1,353,109	1,523,460	1,472,780	1,515,592	1,601,083
Plant operations & maintenance	2,333,349	2,513,370	2,834,461	2,978,196	3,052,419	3,118,769	2,986,573	3,032,171	2,889,225	2,849,602
Pupil transportation	1,479,231	1,566,972	1,962,275	1,806,594	2,063,048	1,888,124	1,925,499	1,806,204	2,018,285	2,081,236
Employee benefits	4,843,802	5,333,654	5,619,361	7,077,665	7,628,471	6,935,662	7,828,318	8,221,190	8,778,641	9,482,779
Special schools	73,667	97,583	110,885	119,928	107,851	124,330				
Transfer to charter school			18,609		1,957			30,665	31,661	58,539
Capital outlay	1,195,912	1,920,211	1,289,603	2,145,507	927,429	926,755	1,815,424	1,028,091	1,092,187	799,781
<b>Debt services:</b>										
Principal	915,000	1,020,000	1,055,000	1,090,000	1,135,000	1,180,000	1,280,000	1,270,000	1,305,000	1,360,000
Interest	1,115,857	816,495	784,426	600,733	687,676	644,984	528,742	531,772	493,551	438,307
<b>Total expenditures</b>	<b>33,007,957</b>	<b>34,998,942</b>	<b>36,278,133</b>	<b>38,819,520</b>	<b>39,408,516</b>	<b>38,190,033</b>	<b>40,699,409</b>	<b>38,816,946</b>	<b>39,239,053</b>	<b>41,055,528</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(713,843)</b>	<b>(1,721,816)</b>	<b>(973,734)</b>	<b>(1,505,385)</b>	<b>(139,381)</b>	<b>(24,528)</b>	<b>(1,666,981)</b>	<b>434,985</b>	<b>690,077</b>	<b>17,959</b>
<b>Other financing sources (uses):</b>										
Capital leases (non-budgeted)	159,200	639,192	234,780	1,403,122	146,896	69,895	906,711	338,273	204,906	105,285
Transfers in	14,143	16,501	46,721	54,999	53,152	16,862	656	24,366	536	265,082
Transfers out	(102,751)	(116,501)	(73,697)	(49,603)	(12,455)	(22,393)	(14,337)	(52,279)	(259)	(280,049)
Proceed from refunding	7,623,142									
Payments to escrow agent & costs	(7,620,231)									
Contracts payable canceled								37,154		
<b>Total other financing sources (uses)</b>	<b>73,503</b>	<b>539,192</b>	<b>207,804</b>	<b>1,408,518</b>	<b>187,593</b>	<b>64,364</b>	<b>893,030</b>	<b>347,514</b>	<b>205,183</b>	<b>90,318</b>
<b>Net change in fund balance</b>	<b>(640,340)</b>	<b>(1,182,624)</b>	<b>(765,930)</b>	<b>(96,867)</b>	<b>48,212</b>	<b>39,836</b>	<b>(773,951)</b>	<b>782,499</b>	<b>895,260</b>	<b>108,277</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>6.82%</b>	<b>5.88%</b>	<b>5.55%</b>	<b>4.83%</b>	<b>4.97%</b>	<b>5.15%</b>	<b>4.88%</b>	<b>5.01%</b>	<b>4.95%</b>	<b>4.68%</b>

Source: District records.

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

Fiscal Year Ended June 30,	Prior Year Refunds	Fees	Rentals	Tuition	Miscellaneous	Interest	Annual Totals
2004	60,668	6,660	3,895	63,585	20,272		155,080
2005	58,481	13,782	11,136	77,558	70,457		231,414
2006	81,834	7,241	16,442		9,140		114,657
2007	43,317	11,118	14,769	58,333	18,654		146,191
2008	226,993	10,852	13,086		16,692		267,623
2009	294,286	9,959	17,028		19,103		340,376
2010	219,947	7,651	13,231	46,943	49,475	19,361	356,608
2011	137,436	8,475	11,766	83,534	2,176	3,202	246,589
2012	129,963	9,596	13,690	146,500	74,069	35,167	408,985
2013	36,041	11,302	16,141		5,749	37,294	106,527

Source: District records.

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farmland	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax Exempt Property	Public Utilities	Net Valuation Taxable	Actual (County Equalized) Value	Total Direct School Tax Rate
2004	14,102,800	468,472,200	2,249,100	102,943,200	8,102,500	27,107,600	622,977,400		6,155,177	629,132,577	707,105,899	2.136
2005	19,858,200	477,275,100	2,317,800	102,392,100	8,116,200	27,107,600	637,067,000		5,366,197	642,433,197	786,752,359	2.241
2006	23,327,300	488,875,300	1,838,100	102,845,600	8,116,200	28,069,100	653,071,600		4,580,500	657,652,100	918,325,985	2.414
2007	21,787,800	503,148,100	1,838,100	103,127,300	8,641,200	27,974,100	666,516,600		4,149,418	670,666,018	1,055,886,503	2.515
2008	22,372,600	506,459,500	1,963,600	103,369,100	8,641,200	28,549,700	671,355,700		3,928,717	675,284,417	1,159,972,924	2.524
2009	22,727,000	505,855,400	1,963,600	106,027,400	8,641,200	28,758,300	673,972,900		3,619,316	677,592,216	1,220,769,864	2.539
2010	21,389,800	505,513,200	2,000,800	105,460,600	8,341,200	28,817,500	671,523,100		3,637,514	675,160,614	1,245,104,896	2.677
2011	47,616,600	883,217,800	3,198,400	181,429,800	12,319,200	57,259,700	1,185,041,500		7,816,927	1,192,858,427	1,255,462,612	1.538
2012	54,928,800	883,463,400	3,198,400	182,279,800	14,400,100	54,728,000	1,192,998,500		6,250,864	1,199,249,364	1,239,822,665	1.543
2013	47,763,500	889,836,800	3,190,200	178,235,000	13,364,900	53,769,800	1,186,160,200		5,620,182	1,191,780,382	1,197,344,427	1.581

Source: Municipal Tax Assessor.

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

Fiscal Year Ended June 30,	Glassboro School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Borough of Glassboro	Gloucester County	
2004	1.894	0.242	2.136	1.231	0.752	4.119
2005	2.014	0.227	2.241	1.291	0.841	4.373
2006	2.185	0.229	2.414	1.388	0.885	4.687
2007	2.300	0.215	2.515	1.451	0.935	4.901
2008	2.336	0.188	2.524	1.569	1.017	5.110
2009	2.320	0.219	2.539	1.643	1.063	5.245
2010	2.455	0.222	2.677	1.643	1.089	5.409
2011	1.413	0.125	1.538	0.947	0.613	3.098
2012	1.419	0.124	1.543	0.991	0.612	3.146
2013	1.448	0.133	1.581	1.034	0.652	3.267

Source: Municipal Tax Collector.

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

	2013			2004		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Park Crest Associates	19,000,000	1	1.59%	7,300,000	4	1.17%
Kranzco Realty Trust	17,500,000	2	1.47%	9,790,100	2	1.56%
Campus - Glassboro, LLC	17,000,000	3	1.43%			
LMX Doubletree Ctr	15,400,000	4	1.29%	10,121,500	1	1.62%
Glassboro Plaza, LLC	8,750,000	5	0.73%			
Glassboro Properties, LLC	8,581,100	6	0.72%			
Verizon - New Jersey	5,620,182	7	0.47%			
Hollybush Affordable Housing Inc.	4,777,900	8	0.40%	5,043,900	6	0.81%
Glassboro Associates LP	4,498,000	9	0.38%			
Hollybush Affordable Housing Inc.	4,390,900	10	0.37%			
Audubon Glassboro Trust				7,966,000	3	1.27%
Bell Atlantic				6,155,177	5	0.98%
Doubletree Partners, LLC				4,995,000	7	0.80%
ADM Cocoa				4,149,300	8	0.66%
Glassboro Commercial Associates				3,220,000	9	0.51%
The Doubletree Group, LLC				3,099,600	10	0.49%
	<u>52,018,082</u>		<u>4.36%</u>	<u>61,840,577</u>		<u>10.16%</u>

Source: County Assessor.

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2004	13,491,715	13,491,715	100.00%	
2005	13,619,772	13,619,772	100.00%	
2006	15,398,197	15,398,197	100.00%	
2007	16,582,851	16,582,851	100.00%	
2008	17,367,098	17,367,098	100.00%	
2009	16,938,731	16,938,731	100.00%	
2010	17,672,100	17,672,100	100.00%	
2011	18,476,272	18,476,272	100.00%	
2012	18,221,217	18,221,217	100.00%	
2013	18,972,464	18,972,464	100.00%	

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

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

Fiscal Year Ended June 30,	Governmental Activities				Total District	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)			
2004	20,403,000		823,756		21,226,756	3.36%	1,106
2005	19,383,000		1,321,178		20,704,178	3.12%	1,078
2006	18,328,000		1,292,460		19,620,460	2.78%	1,014
2007	17,185,000		2,145,849		19,330,849	2.59%	986
2008	16,050,000		1,690,551		17,740,551	2.22%	898
2009	14,870,000		1,142,577		16,012,577	2.02%	807
2010	13,560,000		1,507,732		15,067,732	1.96%	810
2011	12,290,000		1,367,777		13,657,777	1.74%	733
2012	10,985,000		1,051,848		12,036,848	N/A	N/A
2013	9,625,000		664,585		10,289,585	N/A	N/A

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

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Deductions			
2004	20,403,000		20,403,000	3.24%	1,063
2005	19,383,000		19,383,000	3.02%	1,009
2006	18,328,000		18,328,000	2.79%	947
2007	17,185,000		17,185,000	2.56%	877
2008	16,050,000		16,050,000	2.38%	812
2009	14,870,000		14,870,000	2.20%	749
2010	13,560,000		13,560,000	2.01%	729
2011	12,290,000		12,290,000	1.03%	660
2012	10,985,000		10,985,000	0.92%	N/A
2013	9,625,000		9,625,000	0.81%	N/A

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

GLASSBORO SCHOOL DISTRICT  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2013  
 Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Glassboro Borough	41,896,339	100.00%	41,896,339
Gloucester County General Obligation Debt	274,706,201	4.47%	12,274,298
Subtotal, overlapping debt			54,170,637
Glassboro District Direct Debt			9,625,000
Total direct and overlapping debt			63,795,637

Sources: Debt outstanding data provided by each governmental unit.

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

	Equalized valuation basis
2012	1,173,287,274
2011	1,200,163,561
2010	1,218,956,435
	<u>3,592,407,270</u>
Average equalized valuation of taxable property	<u>1,197,469,090</u>
Debt limit (4% of average equalized value)	47,898,764
Total net debt applicable to limit	<u>9,625,000</u>
Legal debt margin	<u>38,273,764</u>

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	26,220,885	27,969,673	31,069,517	35,463,617	40,466,500	44,655,764	47,435,650	48,595,183	48,638,352	47,898,764
Total net debt applicable to limit	20,403,000	19,383,000	18,328,000	17,185,000	16,050,000	14,870,000	13,560,000	12,290,000	10,985,000	9,625,000
Legal debt margin	<u>5,817,885</u>	<u>8,586,673</u>	<u>12,741,517</u>	<u>18,278,617</u>	<u>24,416,500</u>	<u>29,785,764</u>	<u>33,875,650</u>	<u>36,305,183</u>	<u>37,653,352</u>	<u>38,273,764</u>
Total net debt applicable to the limit as a percentage of debt limit	77.81%	69.30%	58.99%	48.46%	39.66%	33.30%	28.59%	25.29%	22.59%	20.09%

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

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

Fiscal Year Ended June 30,	Population	Personal Income	Per Capita Personal Income *	Unemployment Rate
2004	19,187	632,557,016	32,968	8.00%
2005	19,212	662,794,788	34,499	5.90%
2006	19,351	706,814,626	36,526	6.40%
2007	19,603	746,756,682	38,094	5.80%
2008	19,762	798,305,752	40,396	7.40%
2009	19,841	794,632,050	40,050	10.90%
2010	18,594	768,620,178	41,337	11.60%
2011	18,626	786,538,728	42,228	11.30%
2012	18,897	N/A	N/A	11.50%
2013	N/A	N/A	N/A	N/A

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

Source:

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

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

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

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

Employer	2013			2004		
	Employees	Rank	% of Total Municipal Employment	Employees	Rank	% of Total Municipal Employment
Underwood Memorial Hospital	1,825	1	N/A			
Kennedy Memorial Hospital	1,675	2	N/A			
County of Gloucester	1,500	3	N/A			
Washington Township School District	1,498	4	N/A	Information not available		
Rowan University	1,483	5	N/A			
Missa Bay, LLC	950	6	N/A			
Monroe Township School District	792	7	N/A			
US Foodservices	725	8	N/A			
Exxon Mobile Research & Development	700	9	N/A			
Delaware Valley Wholesale Florist	500	10	N/A			
	11,648					

Source: Gloucester County Department of Economic Development.

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

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

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Instruction										
Regular	154.0	145	155.5	157	164	158	163	135	138	138.8
Special education	64.5	72	69	70	66	64	66	61.3	59.8	52.5
Other instruction	2.5	6	10.5	13	15	14	9	4.5	7.2	9.2
Support Services										
Student & instruction related services	45	43	47.5	47	43	47.5	50.5	38.2	39.2	40.7
General administration	2	2	2	2	2	3	3	2.1	2.1	2.6
School administrative services	15	16	17	16	18	18	18	17.5	17.0	17.0
Other administrative services	3.5	3	3	3	3	3	3	3	3	3
Central services	8.5	9	9	9	9	7	7	7	7	7
Administrative information technology		2	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Plant operations & maintenance	38.5	36.5	38.5	38.5	38.5	38.5	41.0	44.3	38.6	38.6
Pupil transportation	32.5	32.5	32.5	32.5	39.0	40.0	43.0	28	30	29
Other support services	5	2	2	2	2	1	1	1	1	1
Total	<u>371</u>	<u>369</u>	<u>389</u>	<u>392.5</u>	<u>402.0</u>	<u>396.5</u>	<u>407.0</u>	<u>344.4</u>	<u>345.8</u>	<u>341.4</u>

Source: District Personnel Records.

GLASSBORO SCHOOL DISTRICT  
 Operating Statistics  
 Last Ten Fiscal Years  
 Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle	High				
2004	2,352	29,781,188	12,662	8.14%	195	14	12	12	2,430	2,296	-1.54%	94%
2005	2,369	31,242,236	13,188	4.15%	198	12	12	12	2,324	2,197	-4.36%	95%
2006	2,405	33,149,104	13,783	4.52%	204	12	12	12	2,347	2,212	0.99%	94%
2007	2,372	34,983,280	14,748	7.00%	206	12	10	11	2,375	2,216	1.19%	93%
2008	2,334	36,658,411	15,706	6.49%	207	21	19	21	2,248	2,135	-5.35%	95%
2009	2,298	35,438,294	15,421	4.56%	199	22	22	20	2,215	2,097	-6.74%	95%
2010	2,215	37,075,243	16,738	8.54%	198	13	11	17	2,115	2,000	-4.51%	95%
2011	2,234	35,987,083	16,109	-3.76%	182	18	26	18	2,217	2,085	4.82%	94%
2012	2,212	36,348,315	16,432	2.01%	183	18	12	10	2,222	2,121	0.23%	95%
2013	2,243	38,457,440	17,146	4.34%	197	11	6	9	2,181	2,061	-1.85%	94%

Source: Enrollment based on annual October District count.

GLASSBORO SCHOOL DISTRICT  
School Building Information  
Last Ten Fiscal Years  
Unaudited

District Building	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>Elementary</u>										
J. Harvey Rogers (1959)										
Square feet	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192	39,192
Capacity (students)	289	289	289	289	289	289	289	289	289	289
Enrollment	324	291	296	343	341	341	299	338	335	326
Dorothy Bullock (1993)										
Square feet	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700	87,700
Capacity (students)	580	580	580	580	580	580	580	580	580	580
Enrollment	514	536	544	521	510	510	481	480	479	497
Thomas E. Bowe (1972)										
Square feet	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514	75,514
Capacity (students)	571	571	571	571	571	571	571	571	571	571
Enrollment	477	492	700	522	523	523	490	470	459	446
<u>Middle</u>										
Intermediate (1934)										
Square feet	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671	60,671
Capacity (students)	466	466	466	466	466	466	466	466	466	466
Enrollment	366	332	339	327	314	314	346	341	315	331
<u>High</u>										
Glassboro High (1966)										
Square feet	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915	113,915
Capacity (students)	765	765	765	765	765	765	765	765	765	765
Enrollment	671	718	726	659	646	646	599	614	624	643

Number of Schools at June 30, 2013

  Elementary = 3

  Middle = 1

  High = 1

Source: District Office.

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

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

* School Facilities	Gross Square Footage	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Administration		91,665	24,759	39,001	40,411	26,774	25,069	25,743	26,936	25,583	27,824	358,609
Elsmere		1,500	1,994	1,080	1,500	1,500	2,581	3,591	4,791	1,915		24,427
High School	113,915	69,745	82,302	91,914	84,786	59,154	54,168	72,096	70,906	100,072	81,889	949,865
Intermediate	60,671	31,218	53,479	59,047	47,775	39,017	43,561	40,878	44,128	67,500	46,429	512,797
Bowe	75,514	41,551	41,347	38,311	34,857	19,122	22,846	23,169	25,876	23,325	27,518	379,386
Bullock	87,700	59,061	67,838	64,054	61,322	40,341	36,408	39,850	44,110	73,998	52,863	602,158
Rodgers	39,192	30,071	40,686	42,032	37,602	22,298	21,967	22,540	20,114	32,504	20,920	316,045
Total School Facilities		<u>324,811</u>	<u>312,405</u>	<u>335,439</u>	<u>308,253</u>	<u>208,206</u>	<u>206,600</u>	<u>227,869</u>	<u>236,861</u>	<u>324,897</u>	<u>257,443</u>	<u>3,143,289</u>

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

Source: District records.

GLASSBORO SCHOOL DISTRICT  
Insurance Schedule  
June 30, 2013  
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (Utica National Insurance Group)		
Property - Blanket Buildings & Grounds	88,193,051	1,000
Commercial General Liability	3,000,000	
Commercial Inland Marine - Data Processing	2,095,000	1,350
Commercial Crime (Western Surety Company)		
Employee Theft	100,000	500
Commercial Automobile Liability (Utica National Insurance Group)	1,000,000	10,000
Workers Compensation (Educational Risk Consortium)	2,000,000	
Commercial Umbrella Liability (Utica National Insurance Group)	10,000,000	
Student Accident Coverage (AIG Life Insurance)	250,000	
Surety Bonds		
Treasurer (Western Surety Company)	254,000	
Business Administrator/Board Secretary (Selective Insurance)	50,000	

Source: District records.

**SINGLE AUDIT SECTION**

# PETRONI & ASSOCIATES LLC

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

### Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Glassboro School District, in the County of Gloucester, State of New Jersey, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Glassboro School District's basic financial statements and have issued our report thereon dated October 1, 2013.

#### ***Internal Control over Financial Reporting***

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

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

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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

PETRONI & ASSOCIATES LLC



Nick L. Petroni  
Certified Public Accountant  
Licensed Public School Accountant #542

October 1, 2013

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## **REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY OMB CIRCULAR A-133 AND NEW JERSEY OMB 04-04**

### **Independent Auditor's Report**

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

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

We have audited the Glassboro School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Glassboro School District's major federal and state programs for the year ended June 30, 2013. Glassboro School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

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

Our responsibility is to express an opinion on compliance for each of the Glassboro School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and OMB Circular A-133 and New Jersey OMB's 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to

above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Glassboro School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

In our opinion, the Glassboro School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2013.

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

Management of Glassboro School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Glassboro School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133, and New Jersey OMB's 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Glassboro School District's internal control over compliance.

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

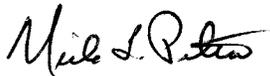
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and New Jersey OMB's 04-04. Accordingly, this report is not suitable for any other purpose.

**Report on Schedules of Expenditures of Federal Awards and State Financial Assistance  
Required by OMB Circular A-133 and New Jersey OMB 04-04**

We have audited the financial statements Glassboro School District as of and for the year ended June 30, 2013, and have issued our report thereon dated October 1, 2013, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and New Jersey OMB 04-04 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditure of federal awards and state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

PETRONI & ASSOCIATES LLC



Nick L. Petroni  
Certified Public Accountant  
Licensed Public School Accountant #542

October 1, 2013

GLASSBORO SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
for the Fiscal Year ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2012	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2013			Cumulative Total Expenditures
				From	To							Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Education															
General Fund:															
Medical Assistance Program	93.778	N/A	59,814	7/1/12	6/30/13			59,814	(59,814)						59,814
Medical Assistance Program	93.778	N/A	64,533	7/1/11	6/30/12	(11,404)		11,404							64,533
Education Jobs Fund	84.410A	ARRA	1,408	8/1/12	9/30/13			1,408	(1,408)						1,408
Education Jobs Fund	84.410A	ARRA	564,293	8/1/10	9/30/12	(192,384)		192,384							564,293
Total General Fund						(203,788)		265,010	(61,222)						690,048
U.S. Department of Education															
Passed-through State Department of Education															
Special Revenue Fund:															
Title I, Part A	84.010	NCLB173013	730,915	9/1/12	8/31/13			480,384	(603,083)	20,549 a		(102,150)			603,083
Title I, Part A	84.010	NCLB173012	595,304	9/1/11	8/31/12	(151,446)		205,558	(54,112)						526,145
IDEA Part B, Basic Regular	84.027	FT173013	637,233	9/1/12	8/31/13			287,707	(545,579)			(257,872)			545,579
IDEA Part B, Basic Regular	84.027	FT173012	683,484	9/1/11	8/31/12	(63,548)		155,133	(91,585)						642,126
IDEA Part B, Preschool	84.173	FT173013	25,552	9/1/12	8/31/13			13,500	(23,140)			(9,640)			23,140
IDEA Part B, Preschool	84.173	FT173012	26,463	9/1/11	8/31/12	(2,583)		2,583							25,830
IDEA Part B, Preschool	84.173	FT173010	24,636	9/1/09	8/31/10	(2,704)		2,704							23,935
Title II Part A	84.367	NCLB173013	172,918	9/1/12	8/31/13			134,517	(170,849)			(36,332)			170,849
Title II Part A	84.367	NCLB173012	189,860	9/1/11	8/31/12	(57,318)		57,398	(80)						162,373
Title III	84.365	NCLB173013	20,629	9/1/12	8/31/13			17,313	(20,245)			(2,932)			20,245
Title III	84.365	NCLB173012	26,936	9/1/11	8/31/12	(4,890)		4,890							26,936
Title IV	84.186	NCLB173010	9,069	9/1/09	8/31/10	11					(11)				8,611
Perkins Basic Entitlement	84.048	13-100-034-5060-027	18,711	7/1/12	6/30/13			13,221	(18,681)			(5,460)			18,681
Perkins Basic Entitlement	84.048	12-100-034-5060-027	21,278	7/1/11	6/30/12	(4,612)		4,612							21,205
Race to the Top	84.413A	N/A	42,958	7/1/12	6/30/13			42,958	(42,958)						42,958
U.S. Department of Housing and Urban Development															
Passed-through County of Gloucester															
Special Revenue Fund:															
Genesis	14.218	N/A	50,000	9/1/12	8/31/13			21,188	(50,000)			(28,812)			50,000
Genesis	14.218	N/A	90,000	9/1/11	8/31/12	(46,796)		46,796							90,000
Total Special Revenue Fund						(333,886)		1,490,462	(1,620,312)	20,549	(11)	(443,198)			3,001,696
U.S. Department of Agriculture															
Passed-through State Department of Education:															
Enterprise Fund:															
Food Distribution Program	10.550	N/A	64,279	7/1/12	6/30/13			64,279	(62,200)				2,079		62,200
Food Distribution Program	10.550	N/A	68,371	7/1/11	6/30/12	2,766			(2,766)						68,371
School Breakfast Program	10.553	N/A	104,963	7/1/12	6/30/13			84,221	(104,963)			(20,742)			104,963
School Breakfast Program	10.553	N/A	111,621	7/1/11	6/30/12	(6,720)		6,720							111,621
National School Lunch Program	10.555	N/A	443,781	7/1/12	6/30/13			365,146	(443,781)			(78,635)			443,781
National School Lunch Program	10.555	N/A	402,082	7/1/11	6/30/12	(20,586)		20,586							402,082
Total Enterprise Fund						(24,540)		540,952	(613,710)			(99,377)	2,079		1,193,018
Total Federal Financial Awards						(562,214)		2,296,424	(2,295,244)	20,549	(11)	(542,575)	2,079		4,884,762

a = payable canceled

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

GLASSBORO SCHOOL DISTRICT  
Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year ended June 30, 2013

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2012			Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance June 30, 2013			MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover (Walkover) Amount				Accounts Receivable	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education</b>															
<b>General Fund:</b>															
Extraordinary Aid	13-100-034-5120-473	105,038	7/1/12	6/30/13					(105,038)		(105,038)				105,038
Extraordinary Aid	12-100-034-5120-473	125,164	7/1/11	6/30/12	(125,164)		125,164								125,164
Special Education Categorical Aid	13-495-034-5120-089	1,139,946	7/1/12	6/30/13			1,139,946	(1,139,946)						104,910	1,139,946
Equalization Aid	13-495-034-5120-078	14,152,383	7/1/12	6/30/13			14,152,383	(14,152,383)						1,302,417	14,152,383
Security Aid	13-495-034-5120-084	241,152	7/1/12	6/30/13			241,152	(241,152)						22,194	241,152
School Choice Aid	13-495-034-5120-068	84,144	7/1/12	6/30/13			84,144	(84,144)						7,744	84,144
Transportation Aid	13-495-034-5120-014	88,615	7/1/12	6/30/13			88,615	(88,615)						8,155	88,615
Reimbursement of Nonpublic Transportation	N/A	24,958	7/1/12	6/30/13				(24,958)			(24,958)				24,958
Reimbursement of Nonpublic Transportation	N/A	22,726	7/1/11	6/30/12	(22,726)		22,726								22,726
Special Education Post School Cohort	N/A	1,800	7/1/12	6/30/13			1,800	(1,800)							1,800
Medicaid Administrative Claiming Program	N/A	7,336	7/1/12	6/30/13			7,336	(7,336)							7,336
On-behalf TPAF Pension Contribution	13-495-034-5095-006	964,718	7/1/12	6/30/13			964,718	(964,718)							964,718
On-behalf TPAF Postretirement Contribution	13-495-034-5095-001	1,090,853	7/1/12	6/30/13			1,090,853	(1,090,853)							1,090,853
Reimbursed TPAF Social Security Aid	13-495-034-5095-002	1,120,643	7/1/12	6/30/13			1,065,805	(1,120,643)			(54,838)				1,120,643
<b>Total General Fund</b>					<b>(147,890)</b>		<b>18,984,642</b>	<b>(19,021,586)</b>			<b>(184,834)</b>			<b>1,445,420</b>	<b>19,169,476</b>
<b>Special Revenue Fund:</b>															
Preschool Education Aid	13-495-034-5120-086	423,738	7/1/12	6/30/13			16,656	423,738	(404,759)			35,635		38,998	404,759
Preschool Education Aid	12-495-034-5120-086	423,168	7/1/11	6/30/12	10,132							10,132			426,563
Preschool Education Aid	11-495-034-5120-086	450,508	7/1/10	6/30/11	16,768		(16,656)					112			433,852
<b>NJ Nonpublic Aid:</b>															
Textbook Aid	13-100-034-5120-064	4,703	7/1/12	6/30/13				4,703	(4,404)					299	4,404
Textbook Aid	12-100-034-5120-064	4,888	7/1/11	6/30/12			798			(798)					4,090
<b>Auxiliary Services:</b>															
Compensatory Education	13-100-034-5120-067	34,279	7/1/12	6/30/13				34,279	(18,894)					15,385	18,894
Compensatory Education	12-100-034-5120-067	38,040	7/1/11	6/30/12			19,443			(19,443)					18,597
Transportation	13-100-034-5120-067	7,101	7/1/12	6/30/13				7,101	(4,928)					2,173	4,928
<b>Handicapped Services:</b>															
Corrective Speech	13-100-034-5120-066	11,718	7/1/12	6/30/13				11,718	(10,156)					1,562	10,156
Corrective Speech	12-100-034-5120-066	10,268	7/1/11	6/30/12			1,580			(1,580)					8,688
Examination and Classification	13-100-034-5120-066	14,970	7/1/12	6/30/13				14,970	(10,026)					4,944	10,026
Supplementary Instruction	13-100-034-5120-066	8,326	7/1/12	6/30/13				8,326	(7,424)					902	7,424
Nursing Services Aid	13-100-034-5120-070	6,527	7/1/12	6/30/13				6,527	(6,527)						6,527
Technology Initiative	13-100-034-5120-373	1,736	7/1/12	6/30/13				1,736	(1,736)						1,736
<b>Total Special Revenue Fund</b>					<b>26,900</b>	<b>21,821</b>	<b>513,098</b>	<b>(468,854)</b>	<b>(21,821)</b>			<b>45,879</b>	<b>25,265</b>	<b>38,998</b>	<b>1,360,644</b>
<b>Debt Services Fund:</b>															
Debt Service Aid Type II	13-100-034-5120-125	203,292	7/1/12	6/30/13				203,292	(203,292)						203,292
<b>Total Debt Service Fund</b>								<b>203,292</b>	<b>(203,292)</b>						<b>203,292</b>

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

GLASSBORO SCHOOL DISTRICT  
Schedule of Expenditures of State Financial Assistance  
for the Fiscal Year ended June 30, 2013

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2012		Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Balance June 30, 2013			MEMO		
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor					Accounts Receivable	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures	
State Department of Agriculture																
Enterprise Fund:																
National School Lunch Program (State Share)	13-100-010-3350-023	11,072	7/1/12	6/30/13				9,145	(11,072)		(1,927)					11,072
National School Lunch Program (State Share)	12-100-010-3350-023	10,825	7/1/11	6/30/12	(560)			560								10,825
Total Enterprise Fund					(560)			9,705	(11,072)		(1,927)					21,897
Total State Financial Assistance					(121,550)	21,821		19,710,737	(19,704,804)	(21,821)	(186,761)	45,879	25,265	1,484,418		20,755,309

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

GLASSBORO SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2013

**NOTE 1: GENERAL**

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

**NOTE 2: BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey OMB 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$2,213 for the general fund and \$59,486 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

GLASSBORO SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2013

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General fund	61,222	18,996,873	19,058,095
Special revenue fund	1,561,274	460,596	2,021,870
Debt service fund		203,292	203,292
Food service fund	613,023	11,072	624,095
Total awards & financial assistance	<u>2,235,519</u>	<u>19,671,833</u>	<u>21,907,352</u>

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

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

**NOTE 5: ADJUSTMENTS**

The amounts reported as adjustments on Schedule B are the result of the liquidation of encumbrances charged as budgetary basis expenditures in the prior fiscal year.

**NOTE 6: OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2013. 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, 2013.

GLASSBORO SCHOOL DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

2) Significant deficiencies identified?        yes   X   none reported

Noncompliance material to basic financial statements noted?        yes   X   no

**Federal Awards**

Internal Control over major programs:

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

2) Significant deficiencies identified?        yes   X   none reported

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

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?        yes   X   no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027	IDEA Cluster:
84.173	IDEA Basic
	IDEA Preschool

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?   X   yes        no

GLASSBORO SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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

**State Awards**

Dollar threshold used to distinguish between type A and type B programs: \$591,144

Auditee qualified as low-risk auditee?  X  yes   no

Internal Control over major programs:

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

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

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

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04?   yes  X  no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
495-034-5120-089	State Aid Public Cluster:
495-034-5120-078	Special Education Categorical Aid
495-034-5120-084	Equalization Aid
495-034-5120-068	Security Aid
100-034-5120-473	School Choice Aid
	Extraordinary Aid

GLASSBORO SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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

No matters were reported.

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

**FEDERAL AWARDS**

No matters were reported.

**STATE AWARDS**

No matters were reported.

GLASSBORO SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR-YEAR FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

No matters were reported.