

**BOARD OF EDUCATION OF THE**  
**TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT**  
**SUMMARY OF AUDIT REPORT**

The following is a summary of the audit for the fiscal year July 1, 2009, to June 30, 2010, as required by N.J.S.A.18A:23-4 and 5.

**TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT**

Balance Sheet  
Governmental Funds  
June 30, 2010

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
<b>ASSETS:</b>						
Cash and Cash Equivalents	\$ 10,891,881.28	\$ 99,280.00	\$ 629,583.63		\$ 8,583.61	\$ 11,629,328.52
Receivables, net:						
Interfunds Receivable:						
Enterprise Fund	279,402.85					279,402.85
Unemployment Compensation Trust Fund	63,896.43					63,896.43
General Fund					157.24	157.24
Student Activity Fund					846.59	846.59
Capital Projects Fund				\$ 2,806.63		2,806.63
Payroll Fund	26,385.50					26,385.50
Receivables from Other Governments:						
State of New Jersey	845,033.01	30,590.70	1,332,427.00			2,208,050.71
Federal	32,309.50	2,478,538.06				2,510,847.56
Other Receivables	136,191.06	40,613.00				176,804.06
Inventory	174,503.38					174,503.38
<b>Total Assets</b>	<b>\$ 12,449,603.01</b>	<b>\$ 2,649,021.76</b>	<b>\$ 1,962,010.63</b>	<b>\$ 2,806.63</b>	<b>\$ 9,587.44</b>	<b>\$ 17,073,029.47</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 308,062.86	\$ 536,479.02	\$ 7,770.00			\$ 852,311.88
Interfunds Payable:						
Permanent Fund	157.24					157.24
Debt Service Fund			2,806.63			2,806.63
Workers Compensation Claims	189,069.73					189,069.73
Payable to Federal Government		214,808.41				214,808.41
Payable to State Government		47,932.22				47,932.22
Deferred Revenue		213,700.08				213,700.08
<b>Total Liabilities</b>	<b>497,289.83</b>	<b>1,012,919.73</b>	<b>10,576.63</b>	<b>-</b>	<b>-</b>	<b>1,520,786.19</b>
<b>Fund Balances:</b>						
<b>Reserved for:</b>						
Encumbrances	34,681.44		\$ 1,258,534.00			1,293,215.44
Supplies Inventory	174,503.38					174,503.38
Excess Surplus -- Designated for						
Subsequent Years Expenditures	4,172,801.00					4,172,801.00
Emergency Reserve	861,066.67					861,066.67
Capital Reserve	7,053,501.71					7,053,501.71
Restricted					8,000.00	8,000.00
Unreserved -- Undesignated	(344,241.02)	1,636,102.03		\$ 2,806.63	1,587.44	1,296,255.08
Unreserved -- Designated for						
Subsequent Year's Expenditures			692,900.00			692,900.00
<b>Total Fund Balances</b>	<b>11,952,313.18</b>	<b>1,636,102.03</b>	<b>1,951,434.00</b>	<b>2,806.63</b>	<b>9,587.44</b>	<b>15,552,243.28</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 12,449,603.01</b>	<b>\$ 2,649,021.76</b>	<b>\$ 1,962,010.63</b>	<b>\$ 2,806.63</b>	<b>\$ 9,587.44</b>	
<b>Amounts reported for governmental activities in the statement of net assets (A-1) are different because:</b>						
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$72,166,911.00 and the accumulated depreciation is \$29,840,758.00.						42,326,153.00
Governmental funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of the difference in the treatment of the long-term debt related items.						184,455.00
Interest on long term debt is accrued on the Statement of Net Assets regardless when due.						(300,598.45)
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.						(32,833,442.20)
<b>Net assets of governmental activities</b>						<b>\$ 24,928,810.63</b>

**TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT**  
 Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 For the Fiscal Year Ended June 30, 2010

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
<b>REVENUES:</b>						
Local Tax Levy	\$ 34,260,911.00	\$ 2,210,496.00				\$ 36,471,407.00
Tuition	681,545.45					681,545.45
Miscellaneous	464,390.64	7,610.12			44.83	474,852.22
State Sources	38,783,631.04	1,464,894.40	\$ 1,332,427.00			43,544,511.44
Federal Sources	7,714,964.03	5,246,557.42				12,961,521.45
<b>Total Revenues</b>	<b>81,905,442.16</b>	<b>6,719,061.94</b>	<b>1,332,427.00</b>	<b>4,176,661.63</b>	<b>44.83</b>	<b>94,133,837.56</b>
<b>EXPENDITURES:</b>						
Regular Instruction	24,279,900.46				500.00	24,280,400.46
Special Education Instruction	6,782,173.11	3,247,537.99				10,029,711.10
Other Special Instruction	908,311.71					908,311.71
Other Instruction	826,136.89					826,136.89
Support Services and Undistributed Costs:						
Tuition	6,052,945.39	2,446,235.60				8,499,180.99
Student and Instruction Related Services	7,669,278.27	533,028.96				8,202,307.23
School Administrative Services	3,014,467.09					3,014,467.09
Other Administrative Services	3,143,796.34					3,143,796.34
Plant Operations and Maintenance	8,579,056.39					8,579,056.39
Pupil Transportation	4,340,527.59	10,104.00				4,350,631.59
Unallocated Benefits	14,969,918.62	304,561.46				15,274,480.08
Reimbursed TPAF Pension, Medical and Social Security	5,250,311.44					5,250,311.44
Transfer to Charter Schools	1,471,433.00					1,471,433.00
Debt Service:						
Principal				2,895,000.00		2,895,000.00
Interest and Other Charges				1,279,055.00		1,279,055.00
Capital Outlay	2,328,850.47	19,923.89	322,535.87			2,671,310.23
<b>Total Expenditures</b>	<b>89,617,106.77</b>	<b>6,561,391.90</b>	<b>322,535.87</b>	<b>4,174,055.00</b>	<b>500.00</b>	<b>100,675,589.54</b>
Excess (Deficiency) of Revenues over Expenditures	(7,711,664.61)	157,670.04	1,009,891.13	2,806.63	(455.17)	(6,541,751.98)
<b>OTHER FINANCING SOURCES (USES):</b>						
Change in Supplies Inventory	19,236.58					19,236.58
Assets Acquired Under Capital Lease	433,892.00					433,892.00
Operating Transfers In	465,000.00		728,473.00			1,193,473.00
Operating Transfers Out	(1,222,021.10)					(1,222,021.10)
<b>Total Other Financing Sources and Uses</b>	<b>(303,892.52)</b>	<b>-</b>	<b>728,473.00</b>	<b>-</b>	<b>-</b>	<b>424,580.48</b>
<b>Net Change in Fund Balances</b>	<b>(8,015,557.13)</b>	<b>157,670.04</b>	<b>1,738,364.13</b>	<b>2,806.63</b>	<b>(455.17)</b>	<b>(6,117,171.50)</b>
<b>Fund Balance -- July 1</b>	<b>19,967,870.31</b>	<b>1,478,431.99</b>	<b>213,069.87</b>	<b>-</b>	<b>10,042.61</b>	<b>21,669,414.78</b>
<b>Fund Balance -- June 30</b>	<b>11,952,313.18</b>	<b>1,636,102.03</b>	<b>1,951,434.00</b>	<b>2,806.63</b>	<b>9,587.44</b>	<b>15,552,243.28</b>

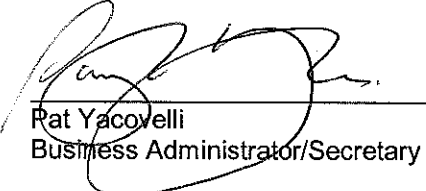
## RECOMMENDATIONS

### FINANCIAL PLANNING, ACCOUNTING AND REPORTING

That parental consent forms be obtained for at least ninety percent of SEMI eligible students in order to maximize participation in the SEMI program.

The above summary was prepared from the Comprehensive Annual Financial Report of the Board of Education of the Township of Pennsauken School District for the fiscal year July 1, 2009, to June 30, 2010. This Comprehensive Annual Financial Report submitted by Joseph J. Hoffmann, Public School Accountant of Bowman & Company LLP, is on file at the Board Secretary's office and may be inspected by any interested person. The information included herein is not intended to represent complete financial information as presented in the Comprehensive Annual Financial Report.

A Corrective Action Plan, which outlines actions the Township of Pennsauken School District will take to correct the finding listed above, will be prepared in accordance with state requirements. A copy of it will be placed on file and made available for public inspection in the office of the Board Secretary in the Township of Pennsauken School District within 30 days of this notice.



Pat Yacovelli  
Business Administrator/Secretary