

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, 2010, to June 30, 2011, as required by N.J.S.A.18A:23-4 and 5.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Balance Sheet
Governmental Funds
June 30, 2011

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
ASSETS:						
Cash and Cash Equivalents	\$ 11,023,530.68			\$ 2,806.63	\$ 8,125.21	\$ 11,034,462.52
Receivables, net:						
Interfunds Receivable:						
Enterprise Fund	618,387.93					618,387.93
Unemployment Compensation Trust Fund	63,896.43					63,896.43
General Fund					157.24	157.24
Special Revenue Fund	1,156,182.82					1,156,182.82
Student Activity Fund					846.59	846.59
Capital Projects Fund	546,443.00					546,443.00
Payroll Fund	403,530.24					403,530.24
Receivables from Other Governments:						
State of New Jersey	730,303.95	\$ 4,208.00	\$ 1,332,427.00			2,066,938.95
Federal	55,667.70	2,977,171.07				3,032,838.77
Other Receivables	77,081.43	83,586.00				160,667.43
Inventory	183,922.48					183,922.48
Total Assets	\$ 14,858,946.66	\$ 3,064,965.07	\$ 1,332,427.00	\$ 2,806.63	\$ 9,129.04	\$ 19,268,274.40
LIABILITIES AND FUND BALANCES:						
Liabilities:						
Accounts Payable	\$ 1,005,525.12	\$ 273,088.75	\$ 101,609.00			\$ 1,380,222.87
Interfunds Payable:						
General Fund		1,156,182.82	546,443.00			1,702,625.82
Permanent Fund	157.24					157.24
Workers Compensation Claims	137,359.00					137,359.00
Payable to Federal Government		32,384.40				32,384.40
Payable to State Government		90,510.15				90,510.15
Deferred Revenue		379,349.98				379,349.98
Total Liabilities	1,143,041.36	1,931,516.10	648,052.00	-	-	3,722,609.46
Fund Balances:						
Nonspendable Fund Balance:						
Reserve for Supplies Inventory	183,922.48					183,922.48
Permanent					\$ 8,000.00	8,000.00
Restricted:						
Capital Reserve	7,124,360.91					7,124,360.91
Emergency Reserve	869,716.91					869,716.91
Excess Surplus	2,231,110.71					2,231,110.71
Capital Projects			684,375.00			684,375.00
Debt Service				\$ 2,806.63		2,806.63
Other Purposes					1,129.04	1,129.04
Assigned:						
Reserve for Encumbrances	94,335.12					94,335.12
Subsequent Year's Expenditures	905,487.75					905,487.75
Unassigned	2,306,971.42	1,133,448.97				3,440,420.39
Total Fund Balances	13,715,905.30	1,133,448.97	684,375.00	2,806.63	9,129.04	15,545,664.94
Total Liabilities and Fund Balances	\$ 14,858,946.66	\$ 3,064,965.07	\$ 1,332,427.00	\$ 2,806.63	\$ 9,129.04	

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 the assets is \$73,407,235.00 and the accumulated depreciation is \$31,682,975.00.	41,724,260.00
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.	163,960.00
Interest on long term debt is accrued on the Statement of Net Assets regardless when due.	(267,013.72)
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.	(29,802,365.14)

Net assets of governmental activities \$ 27,364,506.08

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
REVENUES:						
Local Tax Levy	\$ 34,631,347.00			\$ 2,428,961.00		\$ 37,060,308.00
Tuition	618,550.00					618,550.00
Miscellaneous	410,397.22	\$ 3,701.78			\$ 41.60	414,140.60
State Sources	50,172,442.34	1,430,656.79		1,618,344.00		53,221,443.13
Federal Sources	268,003.02	4,307,016.27				4,575,019.29
Total Revenues	86,100,739.58	5,741,374.84	-	4,047,305.00	41.60	95,889,461.02
EXPENDITURES:						
Regular Instruction	23,520,545.06				500.00	23,521,045.06
Special Education Instruction	6,209,801.28	3,602,407.62				9,812,208.90
Other Special Instruction	755,374.31					755,374.31
Other Instruction	779,026.57					779,026.57
Support Services and Undistributed Costs:						
Tuition	6,340,680.23	1,692,505.00				8,033,185.23
Student and Instruction Related Services	6,196,449.27	302,891.05				6,499,340.32
School Administrative Services	2,664,395.97					2,664,395.97
Other Administrative Services	2,726,085.46					2,726,085.46
Plant Operations and Maintenance	7,740,013.33					7,740,013.33
Pupil Transportation	4,068,100.64					4,068,100.64
Unallocated Benefits	16,350,218.48	646,224.23				16,996,442.71
Reimbursed TPAF Pension, Medical and Social Security	5,296,018.07					5,296,018.07
Transfer to Charter Schools	1,579,217.00					1,579,217.00
Debt Service:						
Principal				2,885,000.00		2,885,000.00
Interest and Other Charges				1,162,305.00		1,162,305.00
Capital Outlay	42,779.94		\$ 1,267,059.00			1,309,838.94
Total Expenditures	84,268,705.61	6,244,027.90	1,267,059.00	4,047,305.00	500.00	95,827,597.51
Excess (Deficiency) of Revenues over Expenditures	1,832,033.97	(502,653.06)	(1,267,059.00)	-	(458.40)	61,863.51
OTHER FINANCING SOURCES (USES):						
Change in Supplies Inventory	9,419.10					9,419.10
Cancellation of Prior Year Accounts Receivable	(38,359.00)					(38,359.00)
Cancellation of Special Revenue Grant Balances	(8,501.95)					(8,501.95)
Operating Transfers Out	(31,000.00)					(31,000.00)
Total Other Financing Sources and Uses	(68,441.85)	-	-	-	-	(68,441.85)
Net Change in Fund Balances	1,763,592.12	(502,653.06)	(1,267,059.00)	-	(458.40)	(6,578.34)
Fund Balance -- July 1	11,952,313.18	1,636,102.03	1,951,434.00	2,806.63	9,587.44	15,552,243.28
Fund Balance -- June 30	\$ 13,715,905.30	\$ 1,133,448.97	\$ 684,375.00	\$ 2,806.63	\$ 9,129.04	\$ 15,545,664.94

RECOMMENDATIONS

FINANCIAL PLANNING, ACCOUNTING AND REPORTING

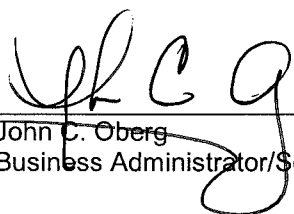
That control procedures be implemented to insure full compliance with New Jersey Administrative Code and The Audit Program as promulgated by the New Jersey State Department of Education as they pertain to withdrawals to fund "other capital projects".

STUDENT BODY ACTIVITIES

That control procedures be implemented to insure the proper recording and timely depositing of the middle school activity receipts.

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, 2010, to June 30, 2011. 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.



John C. Oberg
Business Administrator/Secretary