TOWNSHIP OF HADDON
SCHOOL DISTRICT
HADDON TOWNSHIP, NEW JERSEY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2011

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INTRODUCTORY SECTION

HADDON TOWNSHIP BOARD OF EDUCATION

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October 17, 2011

Honorable President and
Members of the Board of Education
Haddon Township School District
County of Camden, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Haddon Township School District for the fiscal year ended June 30, 2011, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the 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 of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the District's Management's Discussion and Analysis, 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 U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Governments and Non-Profit Organizations", and the State of New Jersey Circular 04-04-OMB, "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 compliance and on internal control over financial reporting and administrative findings - financial, compliance and performance, is included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** Haddon Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Haddon Township Board of Education and 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, vocational, as well as special education for handicapped youngsters. The District completed the 2010-11 fiscal year with an average daily enrollment of 2,110 students, which is 61 students lower than the previous year's average daily enrollment. The following details the changes in the student enrollment of the District over the last five years.

1. **REPORTING ENTITY AND ITS SERVICES (Cont'd.):**

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2010-2011	2,110	-2.81%
2009-2010	2,171	-0.13%
2008-2009	2,174	3.22%
2007-2008	2,106	-0.52%
2006-2007	2,117	-1.39%

2. **ECONOMIC CONDITION AND OUTLOOK:** The Township of Haddon is mainly a residential community with two shopping centers. Numerous retail shops, professional offices and eating establishments are located along Haddon Avenue, a primary artery through Westmont proper. A large number of businesses have been long established in the community. The economic condition of the Township of Haddon is stable. There is an area along Haddon Avenue (the old Dydee plant) which is being redeveloped. While some additional students will come from the project, the district expects to be able to accommodate said students within the current school capacity.

3. **MAJOR INITIATIVES:** Students continued to score above the state averages and achieve proficiency on the New Jersey ASK and the High School Proficiency Assessment. The seniors' average SAT and ACT scores continue to perform at national averages (84.4% of the class took the SAT's); 90% of the class went on to higher education, with 60% going to four year colleges.

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

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

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

5. **BUDGETARY CONTROLS:** In addition to internal 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, 2011.

6. **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

7. **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound fiscal management. The following schedule presents a summary of the general fund, special revenue fund and debt services fund revenues for the fiscal year ended June 30, 2011.

Revenue	Amount	Percent of Total
Local Sources	$21,876,956.72	66.21%
State Sources	10,055,792.52	30.43%
Federal Sources	1,108,275.99	3.36%
	$33,041,025.23	100.00%

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2011.

Expenditure	Amount	Percent of Total
Current Expense:		
Instruction	$11,158,458.51	35.84%
Undistributed Expenditures	17,257,907.12	55.44%
Special Revenue	1,470,537.08	4.72%
Capital Outlay	210,142.37	0.68%
Special Schools	22,783.88	0.07%
Charter Schools	24,519.00	0.08%
Debt Service:		
Principal	615,000.00	1.98%
Interest	372,140.00	1.19%
	$31,131,487.96	100.00%

8. **DEBT ADMINISTRATION:** As of June 30, 2011, the District's outstanding debt issues included $8,755,000.00 of general obligation bonds. As of June 30, 2011, the district's borrowing capacity is $48,257,809.00.

9. **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The Law 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.

10. **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.

11. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman and Company 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 Amendments of 1996 and the related OMB Circular A-133 and the State of New Jersey Circular 04-04-OMB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

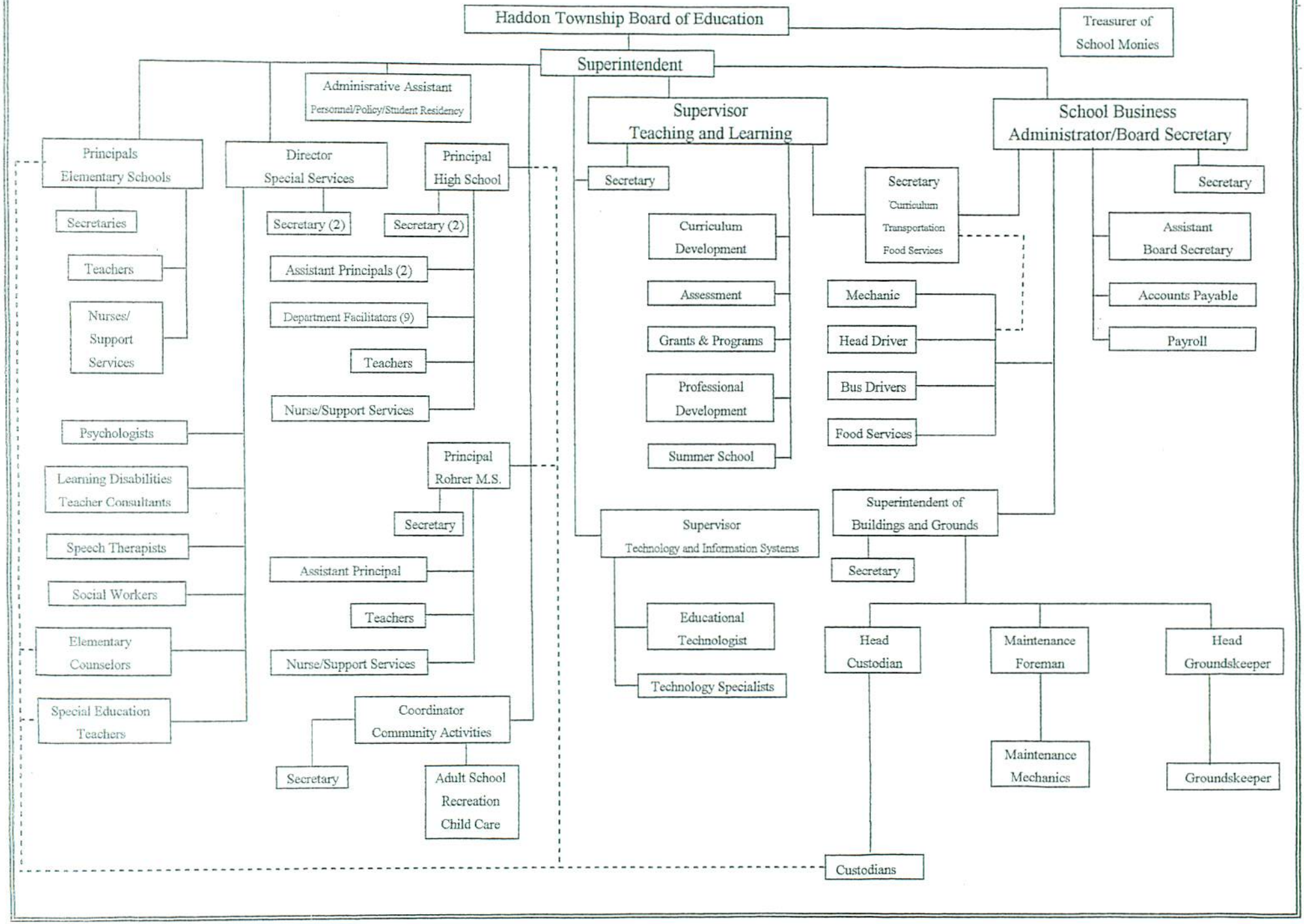
12. ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Haddon Township Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial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

Respectfully submitted,

Dr. Mark J. Raivetz
Superintendent

Dr. Lisa A. Palmer
School Business Administrator/
Board Secretary

Functional Organizational Chart 2009-2010



HADDON TOWNSHIP BOARD OF EDUCATION
WESTMONT, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2011

Members of the Board of Education	Term Expires
Mark Cavallo, President	2013
Bonnie Richards, Vice President	2013
Charles Albino	2012
Wendy Caputi	2012
Robert Brown	2012
James Mulroy	2013
Laura Chudd	2014
William Mann	2014
John Kendall	2014

Other Officials

Dr. Mark J. Raivetz, Superintendent

Dr. Lisa A. Palmer, Business Administrator/Board Secretary

Denise Adams, Treasurer

HADDON TOWNSHIP BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

Audit Firm

Bowman & Company LLP
601 White Horse Road
Voorhees, NJ 08043-2493

Attorney

Alan R. Schmoll, Esquire
Capehart and Scatchard
C.S. 5016, Suite 300
Laurel Corporate Center
8000 Midlantic Drive
Mt. Laurel, NJ 08054

Official Depositories

1st Colonial National Bank
1040 Haddon Avenue
Collingswood, NJ 08108

NJARM
224 Strawbridge Drive
Moorestown, NJ 08057

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Haddon School District
Westmont, New Jersey 08108

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 Township of Haddon School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2011, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township of Haddon School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Haddon School District in the County of Camden, State of New Jersey as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 13, 2011 on our consideration of the Township of Haddon School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Kirk N. Applegate

Kirk N. Applegate
Certified Public Accountant
Public School Accountant No. CS 20CS00223300

Voorhees, New Jersey
October 13, 2011

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

The Honorable President and
Members of the Board of Education
Township of Haddon School District
Westmont, New Jersey 08108

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Haddon School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated October 13, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the school district's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Kirk N. Applegate

Kirk N. Applegate
Certified Public Accountant
Public School Accountant No. 20CS00223300

Voorhees, New Jersey
October 13, 2011

REQUIRED SUPPLEMENTARY INFORMATION
PART I

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011
(Unaudited)

The discussion and analysis of the Township of Haddon School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. 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.

Financial Highlights

Key financial highlights for 2011 are as follows:

- In total, net assets increased $1,621,193.12.
- General revenues accounted for $31,177,789.48 in revenue or 94.36% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for $1,863,235.75 or 5.64% of total revenues of $33,041,025.23.
- The School District had $31,215,021.98 in expenses; $3,485,339.83 of these expenses was offset by program specific charges for services, grants or contributions.
- Among governmental funds, the General Fund had $30,587,349.42 in revenues and $28,891,819.88 in expenditures. The General Fund's balance increased by $1,841,470.99 from 2010.

Overview of the Financial Statements

The financial section of this annual report consists of two parts: Part I, management's discussion and analysis (this section), the basic financial statements with the accompanying note disclosures and Part II, budgetary comparison schedules, notes to the to the required supplementary information and other supplementary information. The basic financial statements include two kinds of statements that present different views of the School District.

- The first two statements, Exhibit A-1 and A-2 are district wide financial statements that provide both long-term and short term information about the School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the School District's operations in more detail than the district-wide statements.

The governmental fund statements tell how general government services were financed in the short term as well as what remains for future spending.

Proprietary fund statements offer short term and long term financial information about those types of activities that operate like a business.

Overview of the Financial Statements (Cont'd)

Fiduciary fund statements provide information about the financial relationships in which the School District acts as a trustee or agent for the benefit of others, to whom the resources belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The statements are followed by another section, Part II, which contains required supplementary information that further explains and supports the information in the financial statements including; budget schedules, reconciliations and individual fund statements.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets and the Statement of Activities include all assets and liabilities of the School District using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets 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 facility condition, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District reports governmental and business type activities. Governmental activities are the activities where most of the School District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and special schools.

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 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 determined 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 and governmental funds is reconciled in the financial statements.

Enterprise Fund

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

Notes to the Financial Statements

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

The School District as a Whole

The Statement of Net Assets provides the perspective of the School District as a whole.

The following schedule provides a summary of the School District's net assets for 2011 and 2010.

TOWNSHIP OF HADDON SCHOOL DISTRICT'S NET ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and Other Assets	$ 2,439,675	$ 2,041,479	$ 221,222	$ 230,336	$ 2,660,897	$ 2,271,816
Capital Assets	21,873,091	22,421,465	53,580	44,957	21,926,671	22,466,422
Total Assets	24,312,766	24,462,944	274,802	275,294	24,587,567	24,738,238
Long-term Liabilities Outstanding	8,690,223	9,198,370			8,690,223	9,198,370
Other Liabilities	1,100,661	2,350,688	29,431	43,120	1,130,092	2,393,808
Total Liabilities	9,790,884	11,549,058	29,431	43,120	9,820,315	11,592,178
Net Assets:						
Invested in Capital Assets, Net of Related Debt	13,276,372	13,236,925	53,580	44,957	13,329,952	13,281,882
Restricted	1,238,648	150,415			1,238,648	150,415
Unrestricted (Deficit)	6,862	(473,454)	191,791	187,216	198,653	(286,238)
Total Net Assets	$ 14,521,882	$ 12,913,886	$ 245,371	$ 232,174	$ 14,767,253	$ 13,146,060

The District's combined net assets were $14,767,252.90 on June 30, 2011. This was a increase of $1,621,193.12.

The net assets of the business type activities increased by $13,197.16.

The School District as a Whole (Cont'd)

The following schedule shows changes in net assets for fiscal year 2011 and 2010.

TOWNSHIP OF HADDON SCHOOL DISTRICT'S CHANGES IN NET ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues:						
Charges for Services	$ 151,567	$ 89,550	$ 552,792	$ 610,503	$ 704,359	$ 700,053
Operating Grants and Contributions	1,863,236	1,934,260	170,952	144,864	2,034,187	2,079,124
Property Taxes	21,484,016	20,799,133			21,484,016	20,799,133
Grants and Contributions not Restricted to Specific Programs	9,300,833	10,410,061			9,300,833	10,410,061
Other	241,375	156,948			241,375	156,948
Total Revenues	33,041,026.69	33,389,952	723,744	755,367	33,764,770	34,145,319
Expenses:						
Instruction	12,298,961	13,873,719			12,298,961	13,873,719
Support Services	18,916,061	20,246,169			18,916,061	20,246,169
Other		128,108			-	128,108
Food Service			668,801	720,021	668,801	720,021
Other			259,755	277,014	259,755	277,014
Total Expenses	31,215,022	34,247,996	928,556	997,034	32,143,578	35,245,030
Increase (Decrease) in Net Assets before Transfers	1,826,005	(858,044)	(204,812)	(241,667)	1,621,193	(1,099,711)
Special Items						
Transfers	(218,009)	(222,402)	218,009	222,402	-	-
Increase in Net Assets	1,607,996	(1,080,447)	13,197	(19,265)	1,621,193	(1,099,711)
Net Assets, July 1	12,913,886	13,994,332	232,174	251,439	13,146,060	14,245,771
Net Assets, June 30	$ 14,521,882	$ 12,913,886	$ 245,371	$ 232,174	$ 14,767,253	$ 13,146,060

Governmental Activities

Property taxes and federal and state aid made up 98.81% of revenues for governmental activities for the School District for fiscal year 2011. Federal, state and local grants accounted for 33.79% of revenue.

The total net cost of all programs and services for 2011 and 2010 was $27,729,682.15 and $30,534,214.01, respectively. Instruction comprises 40.39% of District net cost of services for 2011.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The schedule below shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

TOWNSHIP OF HADDON SCHOOL DISTRICT
NET COSTS OF GOVERNMENTAL ACTIVITIES

		2011		2010	
Governmental Activities	Source	Total Costs of Services	Net Costs of Services	Total Costs of Services	Net Costs of Services
Instruction:					
Regular	A-2	$ 9,986,478	$ 8,888,924	$ 11,105,807	$ 10,334,088
Special Education	A-2	1,584,967	1,584,967	1,672,145	1,672,145
Other Special Instruction	A-2	175,242	175,242	362,412	362,412
Other Instruction	A-2	552,275	552,275	733,355	733,355
Community Services Program/Operations	A-2			128,108	128,108
Support Services:					
Tuition	A-2	1,586,004	1,079,270	2,316,315	1,405,116
Student and Instruction Related Services	A-2	3,194,898	3,194,898	3,370,838	3,370,838
School Administrative Services	A-2	1,920,988	1,920,988	2,166,351	2,119,661
Other Administrative Services	A-2	488,545	488,545	482,896	482,896
Plant Operations and Maintenance	A-2	2,971,026	2,971,026	3,294,675	3,294,675
Pupil Transportation	A-2	799,698	799,698	801,929	801,929
Unallocated Benefits	A-2	7,299,838	5,418,786	7,185,158	5,207,948
Special Schools	A-2	22,784	22,784	57,719	57,719
Charter Schools	A-2	24,519	24,519	14,672	14,672
Capital Outlay	A-2	63,742	63,742	6,963	
Interest on Long-term Debt	A-2	395,186	395,186	419,196	419,196
Unallocated Depreciation	A-2	131,393	131,393	112,017	112,017
Unallocated Amortization of Deferred Costs	A-2	17,441	17,441	17,441	17,441
Total Governmental Activities		$ 31,215,022	$ 27,729,682	$ 34,247,996	$ 30,534,214

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Tuition expenses include the cost to the School District to send pupils living within the District to private schools and/or schools outside the District area.

Student and instruction related services include the activities designed to assess and improve the well being of students and to supplement the teaching process.

School Administrative and General and Business Administrative services include expenses associated with establishing and administering policy for the School District and include board of education services and executive administration services.

Governmental Activities (Cont'd)

Plant operation and maintenance of plant activities 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 activities.

Unallocated benefits include the cost of benefits for the School District staff for social security, retirement contributions, workers' compensation, health benefits and other employee benefits.

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

The School District's funds are accounted for using the modified accrual basis of accounting. Total revenues amounted to $33,041,025.23 and expenditures were $31,349,496.96. The net change in the Capital Projects Fund was a decrease of $145,939.74.

General Fund Budgeting Highlights

The School District's budget is prepared in accordance with New Jersey Law. The most significant budgeted fund is the General Fund.

During the course of the 2011 fiscal year, the School District modified its General Fund budget numerous times. The net change in the total budget modification primarily resulted from the rollover of previous year's encumbrances.

Capital Assets

At the end of fiscal year 2011, the School District had $21,926,670.65 invested in land, buildings, furniture, equipment and vehicles. The following schedule shows a summary of the fiscal 2011 balances.

TOWNSHIP OF HADDON SCHOOL DISTRICT'S CAPITAL ASSETS
(NET OF ACCUMULATED DEPRECIATION)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	$ 1,121,580	$ 1,121,580			$ 1,121,580	$ 1,121,580
Land Improvements	223,907	250,865			223,907	250,865
Building Improvements	19,707,822	20,251,531			19,707,822	20,251,531
Equipment	550,310	598,144	$ 53,580	$ 44,957	603,890	643,102
Vehicles	269,472	199,345			269,472	199,345
Total	$ 21,873,091	$ 22,421,465	$ 53,580	$ 44,957	$ 21,926,671	$ 22,466,422

Debt Administration

As of June 30, 2011, the School District had $8,755,000.00 of outstanding debt.

Township of Haddon School District
Long-term Debt Schedule

Governmental Activity	Balance June 30, 2011	Balance June 30, 2010	Increase/ Decrease	% Change
General Serial Bonds	$ 8,755,000.00	$ 9,370,000.00	($ 615,000.00)	-6.56%
Compensated Absences	738,503.68	628,829.82	109,673.86	17.44%
Total	$ 9,493,503.68	$ 9,998,829.82	($ 505,326.14)	-5.05%

Economic Factors and Next Year's Budget

The Haddon Township School District is in good financial condition presently. While the District does not foresee significant growth, future finances are not without challenges in an era of uncertain State funding.

Contacting the School District's Financial Management

This financial report is designed to provide citizen groups, taxpayers, parents, students, other local officials and investors and creditors with a general overview of the School District's finances and to show its accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Joan Saylor, Ed.D., School Business Administrator/Board Secretary, at Haddon Township Board of Education Administration office, 500 Rhoads Avenue, Westmont, NJ 08108 or email at jsaylor@haddontwpschools.com.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Net Assets
June 30, 2011

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	$ 1,553,630.17	$ 216,196.54	$ 1,769,826.71
Receivables, net	108,846.08	1,083.92	109,930.00
Intergovernmental Receivables	604,011.20		604,011.20
Inventory		3,941.46	3,941.46
Prepaid Expenses	1,564.00		1,564.00
Deferred Costs	171,623.47		171,623.47
Capital Assets, net	21,873,090.90	53,579.75	21,926,670.65
Total Assets	24,312,765.82	274,801.67	24,587,567.49
LIABILITIES:			
Accounts Payable	49,023.20	3,466.45	52,489.65
Accrued Interest Payable	68,533.85		68,533.85
Intergovernmental Payable	101,504.60		101,504.60
Deferred Revenue	236,599.73	25,964.24	262,563.97
Noncurrent Liabilities:			
Due within One Year	645,000.00		645,000.00
Due beyond One Year	8,690,222.52		8,690,222.52
Total Liabilities	9,790,883.90	29,430.69	9,820,314.59
NET ASSETS:			
Invested in Capital Assets, Net of Related Debt	13,276,372.06	53,579.75	13,329,951.81
Restricted:			
Capital Projects	950,000.00		950,000.00
Debt Service	474.43		474.43
Other Purposes	288,173.81		288,173.81
Unrestricted	6,861.62	191,791.23	198,652.85
Total Net Assets	$ 14,521,881.92	$ 245,370.98	$ 14,767,252.90

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2011

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-Type Activities	Net (Expense) Revenue and Changes in Net Assets: Total
Governmental Activities:							
Instruction:							
Regular	$ 9,986,477.72		$ 1,097,553.96		$ (8,888,923.76)		$ (8,888,923.76)
Special Education	1,584,967.27				(1,584,967.27)		(1,584,967.27)
Other Special Instruction	175,241.93				(175,241.93)		(175,241.93)
Other Instruction	552,274.56				(552,274.56)		(552,274.56)
Support Services:							
Tuition	1,586,003.56	$ 151,567.00	355,166.87		(1,079,269.69)		(1,079,269.69)
Student and Instruction Related Services	3,194,897.98				(3,194,897.98)		(3,194,897.98)
School Administrative Services	1,920,988.47				(1,920,988.47)		(1,920,988.47)
Other Administrative Services	488,544.77				(488,544.77)		(488,544.77)
Plant Operations and Maintenance	2,971,025.54				(2,971,025.54)		(2,971,025.54)
Pupil Transportation	799,697.77				(799,697.77)		(799,697.77)
Unallocated Benefits	7,299,838.41		1,881,052.00		(5,418,786.41)		(5,418,786.41)
Special Schools	22,783.88				(22,783.88)		(22,783.88)
Charter Schools	24,519.00				(24,519.00)		(24,519.00)
Capital Outlay	63,741.56				(63,741.56)		(63,741.56)
Interest on Long-Term Debt	395,185.97				(395,185.97)		(395,185.97)
Unallocated Depreciation	131,393.07				(131,393.07)		(131,393.07)
Unallocated Amortization of Deferred Costs	17,440.52				(17,440.52)		(17,440.52)
Total Governmental Activities	31,215,021.98	151,567.00	3,333,772.83	$ -	(27,729,682.15)	$ -	(27,729,682.15)
Business-Type Activities:							
Food Service	668,800.65	274,682.20	170,951.62			(223,166.83)	(223,166.83)
Other	259,754.94	278,109.93				18,354.99	18,354.99
Total Business-Type Activities	928,555.59	552,792.13	170,951.62	-	-	(204,811.84)	(204,811.84)
Total Primary Government	$ 32,143,577.57	$ 704,359.13	$ 3,504,724.45	$ -	(27,729,682.15)	(204,811.84)	(27,934,493.99)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					20,500,988.00		20,500,988.00
Taxes Levied for Debt Service					983,028.00		983,028.00
Federal and State Aid not Restricted					7,830,295.68		7,830,295.68
Miscellaneous Income					241,373.72		241,373.72
Cancellation of Accounts Payable					1.71		1.71
Transfers:							
Governmental					(218,009.00)	218,009.00	
Total General Revenues, Special Items, Extraordinary Items and Transfers					29,337,678.11	218,009.00	29,555,687.11
Change in Net Assets					1,607,995.96	13,197.16	1,621,193.12
Net Assets -- July 1					12,913,885.96	232,173.82	13,146,059.78
Net Assets -- June 30					$ 14,521,881.92	$ 245,370.98	$ 14,767,252.90

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

FUND FINANCIAL STATEMENTS

TOWNSHIP OF HADDON SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	$ 1,553,155.74			$ 474.43	$ 1,553,630.17
Receivables, net	38,479.08	$ 70,367.00			108,846.08
Receivables from Other Governments	321,404.20	282,607.00			604,011.20
Prepaid Expenses	1,564.00				1,564.00
Interfund	16,969.67				16,969.67
Total Assets	$ 1,931,572.69	$ 352,974.00	$ -	$ 474.43	$ 2,285,021.12
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	$ 49,023.20				$ 49,023.20
Payable to State Government		$ 101,504.60			101,504.60
Interfund		16,969.67			16,969.67
Deferred Revenue	2,100.00	234,499.73			236,599.73
Total Liabilities	51,123.20	352,974.00	$ -	$ -	404,097.20
Fund Balances:					
Non-Spendable:					
Prepaid Expenses	1,564.00				1,564.00
Restricted:					
Capital Reserve	950,000.00				950,000.00
Maintenance Reserve	25,000.00				25,000.00
Current Expense Emergency Reserve	125,000.00				125,000.00
Excess Surplus (2010-11)	138,173.81				138,173.81
Debt Service Fund				474.43	474.43

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Fund Balances (Cont'd):					
Assigned:					
Designated for Subsequent Year's Expenditures	$ 268,637.00				$ 268,637.00
Other Purposes	258,950.00				258,950.00
Unassigned:					
General Fund	113,124.68				113,124.68
Total Fund Balances	1,880,449.49	$ -	$ -	474.43	1,880,923.92
Total Liabilities and Fund Balances	$ 1,931,572.69	$ 352,974.00	$ -	$ 474.43	2,285,021.12
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 $32,812,248.32, and the accumulated depreciation is $10,939,157.42					21,873,090.90
Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds.					(9,335,222.52)
Accrued interest on bonds payable, is not due and payable in the current period and therefore are not reported as liabilities in the funds.					(68,533.85)
Deferred Costs, such as bond issue costs, are not recorded as an asset in the governmental funds.					171,623.47
Net assets of governmental activities					$ 14,521,881.92

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

TOWNSHIP OF HADDON 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	Total Governmental Funds
REVENUES:					
Local Tax Levy	$ 20,500,988.00			$ 983,028.00	$ 21,484,016.00
Tuition Charges	151,567.00				151,567.00
Miscellaneous	241,262.99			110.73	241,373.72
State Sources	9,682,200.75	$ 373,591.77			10,055,792.52
Federal Sources	11,330.68	1,096,945.31			1,108,275.99
Total Revenues	30,587,349.42	1,470,537.08	$ -	983,138.73	33,041,025.23
EXPENDITURES:					
Current:					
Regular Instruction	8,845,974.75	1,097,553.96			9,943,528.71
Special Education Instruction	1,584,967.27				1,584,967.27
Other Special Instruction	175,241.93				175,241.93
Other Instruction	552,274.56				552,274.56
Support Services and Undistributed Costs:					
Tuition	1,586,003.56				1,586,003.56
Student and Instruction Related Services	2,838,235.61	355,166.87			3,193,402.48
School Administrative Services	1,920,988.47				1,920,988.47
Other Administrative Services	487,747.13				487,747.13
Plant Operations and Maintenance	2,500,541.52				2,500,541.52
Pupil Transportation	752,042.53				752,042.53
Unallocated Benefits	7,172,348.30	17,816.25			7,190,164.55
Special Schools	22,783.88				22,783.88
Transfer of Funds to Charter Schools	24,519.00				24,519.00
Debt Service:					
Principal				615,000.00	615,000.00
Interest and Other Charges				372,140.00	372,140.00
Capital Outlay	210,142.37				210,142.37
Total Expenditures	28,673,810.88	1,470,537.08		987,140.00	31,131,487.96
Excess (Deficiency) of Revenues over Expenditures	1,913,538.54	-	-	(4,001.27)	1,909,537.27

(Continued)

TOWNSHIP OF HADDON 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	Total Governmental Funds
OTHER FINANCING SOURCES (USES):					
Operating Transfers Out	$ (218,009.00)		$ (145,939.74)		$ (363,948.74)
Cancellation of Prior Year Special Revenue State Aid Payable	1.71				1.71
Transfer in - Unspent Capital Project Funds	145,939.74				145,939.74
Total Other Financing Sources and Uses	(72,067.55)	$ -	(145,939.74)	$ -	(218,007.29)
Net Change in Fund Balances	1,841,470.99	-	(145,939.74)	(4,001.27)	1,691,529.98
Fund Balance -- July 1	38,978.50	-	145,939.74	4,475.70	189,393.94
Fund Balance -- June 30	$ 1,880,449.49	$ -	$ -	$ 474.43	$ 1,880,923.92

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

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

Total Net Change in Fund Balances - Governmental Funds		$ 1,691,529.98
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation Expense	$ (694,774.48)	
Capital Asset Additions	146,400.81	
		(548,373.67)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.		615,000.00
In the statement of activities, deferred loss on refunding bonds is amortized and recorded as interest expense, In the governmental funds, the deferred loss on refunding is not recorded.		(27,178.79)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)		4,132.82
In the statement of activities, amortization of deferred costs in the statement of activities is accrued, In the governmental funds, amortization is not recorded.		(17,440.52)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-);when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		(109,673.86)
Change in Net Assets of Governmental Activities		$ 1,607,995.96

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Net Assets
Proprietary Funds
June 30, 2011

	Business-Type Activities - Enterprise Funds							
	Food Service	Latchkey Program	Adult School	Summer Institute	Summer Recreation	Summer Enrichment	Wellness Program	Totals
ASSETS:								
Current Assets:								
Cash and Cash Equivalents	$ 54,326.35	$ 114,627.29	$ 8,648.14	$ 1,453.78	$ 32,931.12	$ 4,119.86	$ 90.00	$ 216,196.54
Accounts Receivable:								
Other		1,083.92						1,083.92
Inventories	3,941.46							3,941.46
Total Current Assets	58,267.81	115,711.21	8,648.14	1,453.78	$ 32,931.12	4,119.86	90.00	221,221.92
Noncurrent Assets:								
Furniture, Machinery and Equipment	204,079.94							204,079.94
Less: Accumulated Depreciation	150,500.19							150,500.19
Total Noncurrent Assets	53,579.75	-	-	-	-	-	-	53,579.75
Total Assets	111,847.56	115,711.21	8,648.14	1,453.78	32,931.12	4,119.86	90.00	274,801.67
LIABILITIES:								
Current Liabilities:								
Accounts Payable	3,466.45							3,466.45
Deferred Revenue					25,964.24			25,964.24
Total Current Liabilities	3,466.45	-	-	-	25,964.24	-	-	29,430.69
Total Liabilities	3,466.45	-	-	-	25,964.24	-	-	29,430.69
NET ASSETS:								
Invested in Capital Assets Net of Related Debt	53,579.75							53,579.75
Unrestricted	54,801.36	115,711.21	8,648.14	1,453.78	6,966.88	4,119.86	90.00	191,791.23
Total Net Assets	$ 108,381.11	$ 115,711.21	$ 8,648.14	$ 1,453.78	$ 6,966.88	$ 4,119.86	$ 90.00	$ 245,370.98

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

	Business-Type Activities - Enterprise Fund							
	Food Service	Latchkey Program	Adult School	Summer Institute	Summer Recreation	Summer Enrichment	Wellness Program	Total Enterprise
OPERATING REVENUES:								
Charges for Services:								
Daily Sales - Reimbursable Programs	$ 150,347.02							$ 150,347.02
Daily Sales - Non-Reimbursable Programs	124,335.18							124,335.18
Community Service Activity		$ 191,784.43	$ 43,205.50		$ 43,120.00	$ -		278,109.93
Total Operating Revenues	274,682.20	191,784.43	43,205.50	$ -	43,120.00	-	$ -	552,792.13
OPERATING EXPENSES:								
Salaries	322,465.41	146,237.75	22,196.20		38,788.45	-		529,687.81
Employee Benefits	53,497.41	7,486.71	1,626.34		7,279.83	-		69,890.29
Food Service Management Fee	41,120.62							41,120.62
Other Purchased Services		5,484.03	16,038.77			-		21,522.80
General Supplies	25,276.63	13,065.66	74.62		806.63			39,223.54
Miscellaneous		113.95			556.00			669.95
Depreciation	6,386.73							6,386.73
Cost of Sales	220,053.85							220,053.85
Total Operating Expenses	668,800.65	172,388.10	39,935.93	-	47,430.91	-	-	928,555.59
Operating Income (Loss)	(394,118.45)	19,396.33	3,269.57	-	(4,310.91)	-	-	(375,763.46)
NONOPERATING REVENUES (EXPENSES):								
State Sources:								
State School Lunch Program	4,466.43							4,466.43
Federal Sources:								
National School Lunch Program	111,311.07							111,311.07
National Breakfast Program	2,838.92							2,838.92
Food Distribution Program	22,574.82							22,574.82
Food Service Company Guarantee	29,760.38							29,760.38
Total Nonoperating Revenues (Expenses)	170,951.62	-	-	-	-	-	-	170,951.62
Income (Loss) before Contributions and Transfers	(223,166.83)	19,396.33	3,269.57	-	(4,310.91)	-	-	(204,811.84)
Operating Transfers In (Out) - General Fund	218,009.00	-	-	-	-	-	-	218,009.00
Change in Net Assets	(5,157.83)	19,396.33	3,269.57	-	(4,310.91)	-	-	13,197.16
Total Net Assets -- July 1	113,538.94	96,314.88	5,378.57	1,453.78	11,277.79	4,119.86	90.00	232,173.82
Total Net Assets -- June 30	$ 108,381.11	$ 115,711.21	$ 8,648.14	$ 1,453.78	$ 6,966.88	$ 4,119.86	$ 90.00	$ 245,370.98

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

	Business-Type Activities - Enterprise Funds							
	Food Service	Latchkey Program	Adult School	Summer Institute	Summer Recreation	Summer Enrichment	Wellness Program	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES:								
Receipts from Customers	$ 289,333.78	$ 191,471.41	$ 43,205.50		$ 25,964.24			$ 549,974.93
Payments to Employees	(322,465.41)							(322,465.41)
Payments for Employee Benefits	(53,497.41)							(53,497.41)
Payments to Food Management Company	(37,654.17)							(37,654.17)
Payments to Vendors	(218,392.85)	(172,388.10)	(39,935.93)		(47,430.91)			(478,147.79)
Net Cash Provided by (used for) Operating Activities	(342,676.06)	19,083.31	3,269.57	$ -	(21,466.67)	$ -	$ -	(341,789.85)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:								
Capital Acquisitions	(15,009.00)	-	-	-	-	-	-	(15,009.00)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
State Sources	4,840.72							4,840.72
Federal Sources	120,677.42							120,677.42
Food Service Company Guarantee	29,760.38							
Operating Subsidies and Transfers from/to other Funds	218,009.00							218,009.00
Net Cash Provided by (used for) Non-Capital Financing Activities	373,287.52	-	-	-	-	-	-	343,527.14
Net Increase (Decrease) in Cash and Cash Equivalents	15,602.46	19,083.31	3,269.57		(21,466.67)			(13,271.71)
Balances -- July 1	38,723.89	95,543.98	5,378.57	1,453.78	54,397.79	4,119.86	90.00	199,707.87
Balances -- June 30	$ 54,326.35	$ 114,627.29	$ 8,648.14	$ 1,453.78	$ 32,931.12	$ 4,119.86	$ 90.00	$ 216,196.54
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:								
Operating Income (Loss)	$ (394,118.45)	$ 19,396.33	$ 3,269.57	$ -	$ (4,310.91)	$ -	$ -	$ (375,763.46)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:								
Depreciation and Net Amortization	6,386.73							6,386.73
Federal Commodities	22,574.82							22,574.82
(Increase) Decrease in Accounts Receivable, net	14,651.58	(313.02)						14,338.56
(Increase) Decrease in Inventories	4,362.81							4,362.81
Increase (Decrease) in Accounts Payable	3,466.45							3,466.45
Increase (Decrease) in Deferred Revenue					(17,155.76)	-		(17,155.76)
Total Adjustments	51,442.39	(313.02)	-	-	(17,155.76)	-	-	33,973.61
Net Cash Provided by (used for) Operating Activities	$ (342,676.06)	$ 19,083.31	$ 3,269.57	$ -	$ (21,466.67)	$ -	$ -	$ (341,789.85)

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

	Trust Funds	Agency Funds	
	Unemployment Compensation Trust	Student Activity	Payroll
ASSETS:			
Cash and Cash Equivalents	$ 554,542.50	$ 157,732.45	$ 113,079.23
LIABILITIES:			
Payable to District (General Fund)		87.00	6,108.05
Payable to Student Groups		157,645.45	
Payroll Deductions and Withholdings			106,971.18
Total Liabilities	-	$ 157,732.45	$ 113,079.23
NET ASSETS:			
Held in Trust for Unemployment Claims and Other Purposes	$ 554,542.50		

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2011

	Unemployment Compensation Trust
ADDITIONS:	
Contributions:	
Plan member	$ 259,588.80
Investment earnings:	
Interest	4,076.25
Total Additions	263,665.05
DEDUCTIONS:	
Unemployment Claims	97,520.69
Change in Net Assets	166,144.36
Net Assets -- July 1	388,398.14
Net Assets -- June 30	$ 554,542.50

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity - The Township of Haddon School District (hereafter referred to as the "School District") is a Type II district located in the County of Camden, 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. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to educate students in grades Pre K through 12 at it's seven schools. The School District has an approximate enrollment at June 30, 2011 of 2,110.

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

Basis of Presentation - The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities, and to its proprietary funds, provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described in this note.

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Basis of Presentation (Cont'd)

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

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

General Fund - The general fund is the general operating fund of the School District. 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 classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, as they pertain to governmental entities, state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

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

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Governmental Funds (Cont'd)

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

Enterprise Funds - The enterprise funds are used to account for operations

1. that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that the costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or

2. where the School District has decided that periodic determination of revenues earned, expenses incurred, and / or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The School District's enterprise funds are:

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

Latchkey Program Fund - This fund accounts for the financial activity related to providing after-school services.

Adult School Fund - This fund accounts for financial activity related to providing adult school services.

Summer Recreation – This fund accounts for financial activity related to providing summer recreation services.

Wellness Program – This fund accounts for financial activity related to providing wellness services.

Summer Institute – This fund accounts for financial activity related to providing teachers with additional summer instructional training.

Summer Enrichment – This fund accounts for financial activity related to providing summer enrichment services.

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Pension trust funds are used to account for resources held in trust for employees and their beneficiaries based on defined benefit pension agreements, defined contribution agreements, other postemployment benefit agreements, and other employee benefit arrangements. Investment trust funds are used to report the external portion of an investment pool as defined in GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Private-purpose trust funds are used to account for the principal and income for all other trust arrangements that benefit individuals, private organizations, or other governments. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The School District has three fiduciary funds, an unemployment compensation trust fund, a student activity fund, and payroll fund.

Measurement Focus

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

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

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

Basis of Accounting

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Basis of Accounting (Cont'd)

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (property) taxes are susceptible to accrual. As under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of the restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

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

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

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Budgets / Budgetary Control (Cont'd) - The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3 includes all amendments to the adopted budget, if any.

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

Encumbrances - Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as deferred revenues at fiscal year end.

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

N.J.S.A. 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 Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

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

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2011 and 2010 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed.

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

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2011.

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

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

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

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

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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. As of June 30, 2011, the amounts earned by these employees were disbursed to the employees' own individual accounts.

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

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

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

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

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

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

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

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. Such authority of the business administrator is established by way of a formal job description for the position, approved by the Board of Education.

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 governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program, adult school program fees, wellness program fees, summer recreation fees, summer enrichment fees, summer institute program fees and fees for the school age child care program. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Interfund Activity - Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources / uses in governmental funds and after non-operating revenues / expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

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

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first $250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, athletic and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule below.

As of June 30, 2011, the School District's bank balances of $3,887,248.85 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$ 706,208.47
Collateralized by securities held by the pledging financial institution	2,931,040.38
Total	$ 3,637,248.85

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of $1.00 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 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 activity of the capital reserve for the July 1, 2010 to June 30, 2011 fiscal year is as follows:

Beginning Balance July 1, 2010	$ 1.00
Increased by:	
Deposit – Approved by Board on June 23, 2011	949,999.00
Ending Balance June 30, 2011	$ 950,000.00

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2011 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds.

	General Fund	Special Revenue Fund	Proprietary Funds	Total
Intergovernmental	$ 321,404.20	$ 282,607.00		$ 604,011.20
Other	38,479.08	70,367.00	$ 1,083.92	109,930.00
Total	$ 359,883.28	$ 352,974.00	$ 1,083.92	$ 713,941.20

Note 5: INVENTORY

Inventory in the food service fund at June 30, 2011 consisted of the following:

Food	$ 2,810.12
Supplies	1,131.34
	$ 3,941.46

Note 6: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2011 was as follows:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	$ 1,121,580.00			$ 1,121,580.00
Capital Assets, being Depreciated:				
Land Improvements	805,497.00			805,497.00
Building and Improvements	28,702,154.00	$ 12,859.44		28,715,013.44
Equipment	1,234,844.51	59,741.37	$ 50,000.00	1,244,585.88
Vehicles	851,772.00	73,800.00		925,572.00
Total Capital Assets, being Depreciated	31,594,267.51	146,400.81	50,000.00	31,690,668.32
Less Accumulated Depreciation for:				
Land Improvements	554,632.05	26,958.24		581,590.29
Building and Improvements	8,450,623.32	556,567.96		9,007,191.28
Equipment	636,700.45	57,575.08		694,275.53
Vehicles	652,427.12	53,673.20	50,000.00	656,100.32
Total Accumulated Depreciation	10,294,382.94	694,774.48 *	50,000.00	10,939,157.42
Total Capital Assets, being Depreciated, Net	21,299,884.57	(548,373.67)		20,751,510.90
Governmental Activities Capital Assets, Net	$ 22,421,464.57	$ (548,373.67)	$ -	$ 21,873,090.90
Business-Type Activities:				
Total Capital Assets, being Depreciated:				
Equipment	$ 201,280.94	$ 15,009.00	$ 12,210.00	$ 228,499.94
Less Accumulated Depreciation	156,323.45	6,386.73	12,210.00	174,920.18
Total Business-Type Activities Capital Assets, Net	$ 44,957.49	$ 8,622.27	$ -	$ 53,579.76

* Depreciation expense was charged to governmental functions as follows:

Instruction	$ 42,949.01
Student and Instruction Related Services	1,495.50
School Administrative Services	797.64
Plant Operations and Maintenance	470,484.02
Pupil Transportation	47,655.24
Unallocated	131,393.07
Total Depreciation Expense	$ 694,774.48

Note 7: LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2011, the following changes occurred in long-term obligations:

Governmental Activities:					
General Obligation Bonds	$ 9,370,000.00		$ 615,000.00	$ 8,755,000.00	$ 645,000.00
Compensated Absences	628,829.82	$ 109,673.86		738,503.68	
	9,998,829.82	109,673.86	615,000.00	9,493,503.68	645,000.00
Deferred Amount on Refunding	(185,459.95)	-	(27,178.79)	(158,281.16)	-
Governmental Activity Long-term Liabilities	$ 9,813,369.87	$ 109,673.86	$ 587,821.21	$ 9,335,222.52	$ 645,000.00

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

Principal and interest due on bonds outstanding is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2012	$ 645,000.00	$ 335,881.25	$ 980,881.25
2013	675,000.00	309,900.00	984,900.00
2014	705,000.00	282,800.00	987,800.00
2015	730,000.00	254,537.50	984,537.50
2016	760,000.00	225,112.50	985,112.50
2017	795,000.00	195,006.25	990,006.25
2018	820,000.00	164,725.00	984,725.00
2019	855,000.00	131,181.25	986,181.25
2020	885,000.00	94,206.25	979,206.25
2021	930,000.00	56,800.00	986,800.00
2022	955,000.00	19,100.00	974,100.00
	$ 8,755,000.00	$ 2,069,250.00	$ 10,824,250.00

Bonds Authorized but not Issued - As of June 30, 2011, the School District had no authorizations to issue additional bonded debt.

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

Note 8: OPERATING LEASES

At June 30, 2011, the School District had operating lease agreements in effect for copy machines and telephone system. The future minimum rental payments under the operating lease agreements are as follows:

Fiscal Year Ending June 30,	Amount
2012	$ 71,299.13
2013	71,299.13
2014	71,299.13
	$ 213,897.39

Rental payments under operating leases for the fiscal year ended June 30, 2011 were $94,213.36

Note 9: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. In addition, School District employees, who qualify, will participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This too is administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund (TPAF) is a cost-sharing contributory defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66. The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. 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, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

Note 9: PENSION PLANS (CONT'D)

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. 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, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The School District is billed annually for its normal contribution plus any accrued liability.

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

Fiscal Year	Normal Contribution	Accrued Liability	Total Liability	Non-Contributory Group Life Insurance	School District
2011	$ 140,781.00	$ 224,326.00	$ 365,107.00	$ 27,730.00	$ 392,837.00
2010	115,046.00	147,820.00	262,866.00	-	262,866.00
2009	101,403.00	117,285.00	218,688.00	-	218,688.00

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 the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 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 provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. 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, statute also requires the return to the normal rate when such surplus pension assets no longer exist. The District had eight employees enrolled in this plan for the year ending June 30, 2011.

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

Fiscal Year	Group Life Insurance	Long-term Disability	Total Liability	Paid by School District
2011	$ 145.49	$ 60.95	$ 206.44	$ 206.44

Note 10: POST-RETIREMENT BENEFITS

P.L. 1987, c.384 of 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 postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2010, there were 87,288 retirees eligible for postemployment 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 retire from a board of education or county college with 25 years of service. The State paid $126.3 million toward Chapter 126 benefits for 14,050 eligible retired members in fiscal year 2010.

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2011, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement costs were $42,130.00 and $894,840.00, respectively.

Note 12: RISK MANAGEMENT

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

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

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

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

Fiscal Year Ended June 30,	School District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2011	$ 223,984.00	$ 35,604.80	$ 97,520.69	$ 554,542.50
2010	50,170.00	41,728.36	69,814.69	388,398.14
2009	NONE	40,978.17	34,150.04	361,744.99

Note 12: RISK MANAGEMENT (Cont'd)

Joint Insurance Pool - The School District is a member of the Burlington County Insurance Pool Joint Insurance Fund.

The Fund provides the School District with the following coverage:

Property (Including Crime and Auto Physical Damage)
General Liability
Automobile Liability
Workers' Compensation
School Board Legal Liability
Boiler and Machinery
Environmental Legal Liability

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

The Fund publishes its own financial report which can be obtained from the following address:

Burlington County Insurance Pool
Joint Insurance Fund
P.O. Box 449
Marlton, New Jersey 08053

Note 13: DEFERRED COMPENSATION

The School District offers its employees a choice of four deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment Planning
Siracusa Benefits Program
Midland National Life Insurance Company
Equitable

Note 14: COMPENSATED ABSENCES

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

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days which may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2011, the liability for compensated absences in the governmental activities fund type was $738,503.68.

Note 15: INTERFUND BALANCES AND TRANSFERS

The following interfund balances were recorded on the various balance sheets as June 30, 2011:

Fund	Interfunds Receivable	Interfunds Payable
General	$ 16,969.67	
Special Revenue		$ 16,969.67
	$ 16,969.67	$ 16,969.67

District's are not permitted to have a cash deficit in the Special Revenue Fund, as a result an interfund was created to comply with this requirement.

Note 16: PRIOR YEAR DEFEASANCE OF DEBT

On August 24, 2005, the School District issued $9,995,000.00 in Refunding School Bonds with varying interest rates from 3.125% to 4.50% to advance refund $7,525,000.00 of outstanding 2001 Series bonds with interest rates of 4.625% to 5.00% and $1,938,000.00 of outstanding 2002 Series bonds with interest rates of 4.50% to 5.00%. The net proceeds of $9,982,885.28 (after payment of issuance costs) were used to purchase U.S. Treasury Securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2001 and 2002 Series bonds. As a result, the 2001 and 2002 Series bonds are considered to be defeased and the liability for those bonds has been removed from the general long-term debt account group.

Note 17: FUND BALANCES

NONSPENDABLE

As stated in note 1, the nonspenable 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 nonspendable fund balances of the School District, as of June 30, 2011, are summarized as follows:

General Fund - The School District disbursed funds in 2010-11 that were for the subsequent year's budget. As a result, because the prepaid expense is recorded as an asset, it is necessary to set aside fund balance at fiscal year-end by an amount equal to the prepayment. As of June 30, 2011, the nonspendable fund balance was $1,564.00.

RESTRICTED

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (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. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund -

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general 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, 2011 is $138,173.81.

For Capital Reserve Account - As of June 30, 2011, the balance in the capital reserve account is $950,000.00. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Maintenance Reserve Account - As of June 30, 2011, the balance in the maintenance reserve account is $25,000.00. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

For Emergency Reserve - As of June 30, 2011, the balance in the emergency reserve is $125,000.00. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1).

Debt Service Fund - In accordance with N.J.S.A. 18A:7F-41(c)(2), the School District has established a debt service reserve in the amount of $474.43 as of June 30, 2011. These funds were derived from interest earned on deposits. The funds are to be used for tax relief.

Note 17: FUND BALANCES (Cont'd)

ASSIGNED

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund -

For Subsequent Year's Expenditures - The School District has appropriated and included as anticipated revenue for the fiscal year ending June 30, 2012 $268,637.00 of general fund balance at June 30, 2011.

Other Purposes - As of June 30, 2011, the School District had $258,950.00 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance in its General Fund as of June 30, 2011 was $811,464.68.

Note 18: LITIGATION

The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 20,500,988.00		$ 20,500,988.00	$ 20,500,988.00	
Tuition	29,000.00	$ 116,250.00	145,250.00	151,567.00	$ 6,317.00
Participation Fees		45,630.00	45,630.00	48,830.00	3,200.00
Donations		7,500.00	7,500.00	7,500.00	
Service Provided to Other Districts		74,087.00	74,087.00	76,618.52	2,531.52
Miscellaneous	66,263.00		66,263.00	108,314.47	42,051.47
Total - Local Sources	20,596,251.00	$ 243,467.00	20,839,718.00	20,893,817.99	54,099.99
State Sources:					
Equalization Aid	7,317,455.00	(1,005,042.00)	6,312,413.00	6,312,413.00	
Special Education Categorical Aid	81,996.00	1,005,042.00	1,087,038.00	1,087,038.00	
Extraordinary Aid				263,759.00	263,759.00
Additional N.J. Nonpublic School Transportation Aid				7,134.00	7,134.00
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)				936,970.00	936,970.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				926,265.75	926,265.75
Total - State Sources	7,399,451.00	-	7,399,451.00	9,533,579.75	2,134,128.75
Federal Sources:					
Medicaid Reimbursement	21,941.00		21,941.00	11,330.68	(10,610.32)
Total Revenues	28,017,643.00	243,467.00	28,261,110.00	30,438,728.42	2,177,618.42

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool	$ 54,565.00	$ 99,505.00	$ 154,070.00	$ 140,176.20	$ 13,893.80
Kindergarten	242,387.00	(46,000.00)	196,387.00	194,611.30	1,775.70
Grades 1-5	2,688,621.00	177,500.00	2,866,121.00	2,860,673.84	5,447.16
Grades 6-8	1,616,906.00	61,300.00	1,678,206.00	1,646,637.14	31,568.86
Grades 9-12	3,323,070.00	(9,650.00)	3,313,420.00	3,193,286.78	120,133.22
Regular Programs - Home Instruction:					
Salaries of Teachers	13,000.00	17,154.00	30,154.00	30,153.34	0.66
Other Purchased Services	5,000.00	(354.00)	4,646.00	4,424.80	221.20
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	29,182.00	23,132.00	52,314.00	50,781.45	1,532.55
Other Purchase Services for Instruction	154,390.00	(29,830.00)	124,560.00	123,883.55	676.45
General Supplies	479,327.00	88,733.99	568,060.99	551,917.60	16,143.39
Textbooks	110,910.00	(52,405.00)	58,505.00	48,461.75	10,043.25
Other Objects	500.00	752.00	1,252.00	967.00	285.00
Total Regular Programs	8,717,858.00	329,837.99	9,047,695.99	8,845,974.75	201,721.24
Special Education - Instruction:					
Learning and / or Language Disabilities:					
Salaries of Teachers	331,616.00	(158,532.00)	173,084.00	169,706.68	3,377.32
Other Salaries for Instruction	82,732.00	46,042.00	128,774.00	116,079.90	12,694.10
General Supplies	9,000.00	(189.99)	8,810.01	8,665.88	144.13
Total Learning and / or Language Disabilities	423,348.00	(112,679.99)	310,668.01	294,452.46	16,215.55

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Special Education - Instruction (Cont'd):					
Behavioral Disabilities:					
Salaries of Teachers	$ 57,030.00	$ (57,030.00)			
Other Salaries for Instruction	17,407.00	(5,887.00)	$ 11,520.00	$ 10,260.00	$ 1,260.00
General Supplies	2,500.00	(950.00)	1,550.00		1,550.00
Total Behavioral Disabilities	76,937.00	(63,867.00)	13,070.00	10,260.00	2,810.00
Resource Room / Resource Center:					
Salaries of Teachers	922,052.00	58,475.00	980,527.00	978,218.21	2,308.79
Other Salaries for Instruction	124,826.00	28,200.00	153,026.00	136,840.75	16,185.25
General Supplies	18,000.00		18,000.00	15,545.47	2,454.53
Total Resource Room / Resource Center	1,064,878.00	86,675.00	1,151,553.00	1,130,604.43	20,948.57
Preschool Disabilities - Part-Time:					
Salaries of Teachers	80,287.00	24,380.00	104,667.00	104,617.40	49.60
Other Salaries for Instruction	58,455.00	(27,855.00)	30,600.00	29,164.15	1,435.85
General Supplies	3,000.00	(500.00)	2,500.00	1,614.33	885.67
Total Preschool Disabilities - Part-Time	141,742.00	(3,975.00)	137,767.00	135,395.88	2,371.12
Home Instruction:					
Salaries of Teachers	38,000.00	(24,600.00)	13,400.00	4,864.45	8,535.55
Other Purchase Services	5,000.00	6,260.00	11,260.00	9,390.05	1,869.95
Total Home Instruction	43,000.00	(18,340.00)	24,660.00	14,254.50	10,405.50
Total Special Education - Instruction	1,749,905.00	(112,186.99)	1,637,718.01	1,584,967.27	52,750.74
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	16,104.00	17,448.00	33,552.00	33,532.00	20.00
Other Purchased Services	6,000.00	(650.00)	5,350.00	4.43	5,345.57
General Supplies	8,500.00	650.00	9,150.00	7,960.04	1,189.96
Total Basic Skills / Remedial - Instruction	30,604.00	17,448.00	48,052.00	41,496.47	6,555.53

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Bilingual Education - Instruction:					
Salaries of Teachers	$ 146,181.00	$ (10,552.00)	$ 135,629.00	$ 129,025.00	$ 6,604.00
Other Purchase Services	1,000.00		1,000.00		1,000.00
General Supplies	6,000.00		6,000.00	4,720.46	1,279.54
Textbooks	2,000.00		2,000.00		2,000.00
Total Bilinqual Education - Instruction	155,181.00	(10,552.00)	144,629.00	133,745.46	10,883.54
School Sponsored Cocurricular Activities - Instruction:					
Salaries	73,040.00	11,528.00	84,568.00	84,330.67	237.33
Supplies and Materials		29,008.00	29,008.00	22,967.84	6,040.16
Other Objects		6,767.00	6,767.00	6,087.45	679.55
Transfers to Cover Deficits	71,775.00	(71,775.00)			
Total School Sponsored Cocurricular Activities - Instruction	144,815.00	(24,472.00)	120,343.00	113,385.96	6,957.04
School Sponsored Athletics - Instruction:					
Salaries	186,061.00	77,229.00	263,290.00	263,016.86	273.14
Other Purchased Services	2,000.00	1,078.00	3,078.00	1,987.97	1,090.03
Supplies and Materials		92,820.00	92,820.00	92,232.10	587.90
Other Objects		83,004.00	83,004.00	81,651.67	1,352.33
Transfers to Cover Deficits	176,217.00	(176,217.00)			
Total School Sponsored Athletics - Instruction	364,278.00	77,914.00	442,192.00	438,888.60	3,303.40
Total Instruction	11,162,641.00	277,989.00	11,440,630.00	11,158,458.51	282,171.49

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular	$ 15,954.00	$ 20,600.00	$ 36,554.00	$ 25,155.56	$ 11,398.44
Tuition to Other LEAs Within the State-Special	181,162.00	(25,000.00)	156,162.00	61,275.56	94,886.44
Tuition to County Vocational - Regular	19,950.00		19,950.00	19,950.00	
Tuition to CSSD and Regular Day Schools	598,360.00	(40,000.00)	558,360.00	377,330.09	181,029.91
Tuition to Private Schools for the Disabled - Within State	1,191,225.00	(93,553.00)	1,097,672.00	849,073.33	248,598.67
Tuition to Private Schools for the Disabled - Outside State	389,500.00	(20,600.00)	368,900.00	145,702.02	223,197.98
Tuition - State Facilities	30,750.00		30,750.00	30,750.00	
Tuition - Other	77,160.00		77,160.00	76,767.00	393.00
Total Undistributed Expenditures - Instruction	2,504,061.00	(158,553.00)	2,345,508.00	1,586,003.56	759,504.44
Undistributed Expenditures - Attendance and Social Work:					
Salaries	77,032.00	31,779.00	108,811.00	108,589.76	221.24
Other Purchased Services	500.00	100.00	600.00	531.31	68.69
Total Undistributed Expenditures - Attendance and Social Work	77,532.00	31,879.00	109,411.00	109,121.07	289.93
Undistributed Expenditures - Health Services:					
Salaries	329,645.00	(8,279.00)	321,366.00	321,245.68	120.32
Other Purchased Services	19,800.00	(1,221.00)	18,579.00	17,954.00	625.00
Supplies and Materials	9,722.00	(1,360.00)	8,362.00	7,967.29	394.71
Miscellaneous		85.00	85.00	85.00	
Total Undistributed Expenditures - Health Services	359,167.00	(10,775.00)	348,392.00	347,251.97	1,140.03
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Salaries	271,313.00	(18,200.00)	253,113.00	253,080.43	32.57
Purchased Professional - Educational Services	340,130.00	(18,500.00)	321,630.00	320,570.28	1,059.72
Total Undistributed Expenditures - Other Support Services - Students - Related Services	611,443.00	(36,700.00)	574,743.00	573,650.71	1,092.29

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Other Support Services -					
Students - Extraordinary Service					
Salaries	$ 32,224.00	$ (32,224.00)			
Purchased Professional- Educational Services	66,926.00	93,000.00	$ 159,926.00	$ 159,258.25	$ 667.75
Total Undistributed Expenditures - Extraordinary Service	99,150.00	60,776.00	159,926.00	159,258.25	667.75
Undistributed Expenditures - Guidance					
Salaries of Other Professional Staff	456,728.00	(31,750.00)	424,978.00	415,204.68	9,773.32
Salaries of Secretarial and Clerical Assistants	84,850.00		84,850.00	82,379.04	2,470.96
Other Purchased Services	7,000.00	(475.00)	6,525.00	2,901.68	3,623.32
Supplies and Materials	9,000.00	(2,525.00)	6,475.00	6,044.20	430.80
Other Objects	6,500.00		6,500.00	2,639.72	3,860.28
Total Undistributed Expenditures - Guidance	564,078.00	(34,750.00)	529,328.00	509,169.32	20,158.68
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	533,732.00	16,804.00	550,536.00	550,392.59	143.41
Salaries of Secretarial and Clerical Assistants	84,850.00	2,000.00	86,850.00	86,757.94	92.06
Purchased Professional- Educational Services		4,395.00	4,395.00	4,095.00	300.00
Miscellaneous Purchased Services (400-500 Series other than Residential Costs)	2,500.00	2,450.00	4,950.00	4,934.91	15.09
Supplies and Materials	11,309.00	(625.00)	10,684.00	10,262.68	421.32
Miscellaneous		1,051.00	1,051.00	1,051.00	
Total Undistributed Expenditures - Child Study Teams	632,391.00	26,075.00	658,466.00	657,494.12	971.88
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	92,987.00	(850.00)	92,137.00	91,360.30	776.70
Salaries of Other Professional Staff	29,000.00	(10,000.00)	19,000.00	15,315.45	3,684.55
Salaries of Secretarial and Clerical Assistants	36,100.00	3,350.00	39,450.00	39,449.34	0.66
Other Objects	2,050.00		2,050.00	1,618.00	432.00
Total Undistributed Expenditures - Improvement of Instruction Services	160,137.00	(7,500.00)	152,637.00	147,743.09	4,893.91

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Educational Media Services / School Library:					
Salaries	$ 235,585.00	$ (36,154.00)	$ 199,431.00	$ 174,723.70	$ 24,707.30
Purchased Professional and Technical Services	30,000.00	(1,700.00)	28,300.00	26,450.00	1,850.00
Other Purchased Services	46,935.00	12,500.00	59,435.00	54,001.28	5,433.72
Supplies and Materials	39,010.00	650.00	39,660.00	26,142.17	13,517.83
Miscellaneous		50.00	50.00	50.00	
Total Undistributed Expenditures - Educational Media Services / School Library	351,530.00	(24,654.00)	326,876.00	281,367.15	45,508.85
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	23,223.00	500.00	23,723.00	23,720.38	2.62
Salaries - Other Professional Staff		5,552.00	5,552.00	2,775.45	2,776.55
Salaries of Secretarial and Clerical Assistants	4,928.00	200.00	5,128.00	5,107.92	20.08
Purchased Professional- Educational Services		11,852.00	11,852.00	10,313.00	1,539.00
Other Purchased Services	33,500.00	(20,452.00)	13,048.00	7,033.26	6,014.74
Supplies and Materials	2,700.00	(100.00)	2,600.00	2,579.92	20.08
Miscellaneous		1,650.00	1,650.00	1,650.00	
Total Undistributed Expenditures - Instructional Staff Training Services	64,351.00	(798.00)	63,553.00	53,179.93	10,373.07
Undistributed Expenditures - Support Services - General Administration:					
Salaries	244,202.00		244,202.00	237,892.04	6,309.96
Legal Services	31,000.00		31,000.00	30,006.21	993.79
Audit Fees	35,500.00		35,500.00	35,500.00	
Communications/Telephone	70,000.00	5,200.00	75,200.00	75,112.63	87.37
BOE Other Purchased Services		218.00	218.00	177.84	40.16
Other Purchased Services	95,300.00	(19,700.00)	75,600.00	70,106.49	5,493.51
General Supplies	10,300.00	2,500.00	12,800.00	11,902.47	897.53
BOE In-House Training and Meeting Supplies	2,000.00		2,000.00		2,000.00
Miscellaneous Expenditures	23,320.00	(5,000.00)	18,320.00	12,344.50	5,975.50
BOE Membership Dues and Fees	15,000.00	(218.00)	14,782.00	14,704.95	77.05
Total Undistributed Expenditures - Support Services - General Administration	526,622.00	(17,000.00)	509,622.00	487,747.13	21,874.87

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals	$ 906,726.00	$ 15,075.00	$ 921,801.00	$ 921,719.38	$ 81.62
Salaries of Other Professional Staff	145,286.00	(42,225.00)	103,061.00	102,231.33	829.67
Salaries of Secretarial and Clerical Assistants	325,086.00	31,400.00	356,486.00	355,777.30	708.70
Other Purchased Services	32,124.00	(1,650.00)	30,474.00	24,670.17	5,803.83
Supplies and Materials	59,942.00	(19,883.00)	40,059.00	34,091.21	5,967.79
Other Objects	18,875.00	302.00	19,177.00	14,370.39	4,806.61
Total Undistributed Expenditures - Support Services - School Administration	1,488,039.00	(16,981.00)	1,471,058.00	1,452,859.78	18,198.22
Undistributed Expenditures- Support Services- Central Services:					
Salaries	310,620.00	45,300.00	355,920.00	355,796.80	123.20
Purchased Technical Services	42,400.00	(10,300.00)	32,100.00	30,909.00	1,191.00
Miscellaneous Purchased Services	15,000.00	(2,750.00)	12,250.00	6,960.00	5,290.00
Supplies and Materials	15,500.00	3,050.00	18,550.00	17,980.87	569.13
Miscellaneous Expenditures	7,100.00	(1,300.00)	5,800.00	4,790.00	1,010.00
Total Undistributed Expenditures- Support Services- Central Services	390,620.00	34,000.00	424,620.00	416,436.67	8,183.33
Undistributed Expenditures- Support Services- Administration Information Technology:					
Salaries	123,669.00	(61,750.00)	61,919.00	48,784.00	13,135.00
Purchased Technical Services	15,000.00	2,000.00	17,000.00		17,000.00
Other Purchased Services	2,500.00	1,750.00	4,250.00	2,908.02	1,341.98
Total Undistributed Expenditures- Support Services- Administration Information Technology	141,169.00	(58,000.00)	83,169.00	51,692.02	31,476.98

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Required Maintenance for School Facilities					
Salaries	$ 238,239.00	$ (29,200.00)	$ 209,039.00	$ 207,841.86	$ 1,197.14
Cleaning, Repair and Maintenance Services	112,500.00	41,050.00	153,550.00	152,201.40	1,348.60
General Supplies	131,400.00	(49,242.00)	82,158.00	61,714.57	20,443.43
Miscellaneous		3,442.00	3,442.00	3,442.00	
Total Undistributed Expenditures - Required Maintenance for School Facilities	482,139.00	(33,950.00)	448,189.00	425,199.83	22,989.17
Undistributed Expenditures - Operation and Maintenance of Plant Services:					
Salaries	1,029,503.00	28,053.00	1,057,556.00	1,007,857.36	49,698.64
Cleaning, Repair, and Maintenance Service	74,753.00	32,375.00	107,128.00	97,779.71	9,348.29
Other Purchased Property Services	73,000.00	3,000.00	76,000.00	68,843.62	7,156.38
Insurance	110,725.00		110,725.00	110,724.00	1.00
Miscellaneous Purchased Services	35,000.00		35,000.00	26,554.99	8,445.01
General Supplies	118,000.00	21,708.00	139,708.00	133,752.97	5,955.03
Energy (Electricity)	460,950.00	(111,000.00)	349,950.00	342,348.37	7,601.63
Energy (Natural Gas)	216,300.00	(6,250.00)	210,050.00	209,148.88	901.12
Miscellaneous		1,942.00	1,942.00	1,942.00	
Total Undistributed Expenditures - Operation and Maintenance of Plant Services	2,118,231.00	(30,172.00)	2,088,059.00	1,998,951.90	89,107.10
Undistributed Expenditures - Security					
Salaries	66,091.00	20,870.00	86,961.00	76,389.79	10,571.21

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transportation- Regular	$ 121,657.00	$ 3,800.00	$ 125,457.00	$ 124,713.18	$ 743.82
Salaries for Pupil Transportation- Special	252,109.00	41,970.00	294,079.00	285,601.84	8,477.16
Salaries for Pupil Transportation- Other		19,941.00	19,941.00	19,538.38	402.62
Salaries for Non- Public Transportation	28,009.00	(19,892.00)	8,117.00	5,297.22	2,819.78
Cleaning, Repair, and Maintenance Service	5,000.00	(600.00)	4,400.00	1,379.94	3,020.06
Contracted Services - (Special Education Students) -ESCs & CTSAs	184,500.00	(23,500.00)	161,000.00	156,444.51	4,555.49
Contracted Services - Aid In Lieu of Payments - Nonpublic Schools	58,900.00	(13,328.00)	45,572.00	45,572.00	
Contracted Services (Other than Between Home and School) - Vendors		702.00	702.00	702.00	
Contracted Services (Special Educ. Students) - Joint Agreements		25,700.00	25,700.00	24,153.08	1,546.92
Miscellaneous Purchased Services-Transportation	14,000.00		14,000.00	8,651.25	5,348.75
Supplies and Materials	80,000.00	48.00	80,048.00	79,839.13	208.87
Miscellaneous		150.00	150.00	150.00	
Total Undistributed Expenditures - Student Transportation Services	744,175.00	34,991.00	779,166.00	752,042.53	27,123.47
Undistributed Expenditures - Unallocated Benefits - Employee Benefits:					
Social Security Contributions - Other	423,000.00	(100,275.00)	322,725.00	320,331.96	2,393.04
Other Retirement Contributions	335,000.00	58,882.00	393,882.00	393,880.75	1.25
Unemployment Compensation	382,598.00	6,570.00	389,168.00	389,167.89	0.11
Workers Compensation	180,000.00	(53,207.00)	126,793.00	126,793.00	
Health Benefits	3,736,980.00	175,732.00	3,912,712.00	3,909,490.72	3,221.28
Tuition Reimbursements	50,000.00	23,200.00	73,200.00	42,526.00	30,674.00
Other Employee Benefits	46,316.00	114,960.00	161,276.00	126,922.23	34,353.77
Total Undistributed Expenditures - Unallocated Benefits - Employee Benefits	5,153,894.00	225,862.00	5,379,756.00	5,309,112.55	70,643.45
On-behalf T.P.A.F. Pension Contributions (non-budgeted)				936,970.00	(936,970.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				926,265.75	(926,265.75)
Total On-behalf Contributions	-	-	-	1,863,235.75	(1,863,235.75)
Total Undistributed Expenditures	16,534,820.00	4,620.00	16,539,440.00	17,257,907.12	(718,467.12)
Total Current Expense	27,697,461.00	282,609.00	27,980,070.00	28,416,365.63	(436,295.63)

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Capital Outlay:					
Equipment:					
Grades 9-12	$ 4,600.00	$ 9,860.00	$ 14,460.00	$ 14,415.80	$ 44.20
Undistributed Expenditures:					
Required Maintenance - Equipment		29,120.00	29,120.00	29,116.96	3.04
Custodial Services - Equipment		23,100.00	23,100.00	23,021.36	78.64
Student Transportation:					
Equipment		2,505.00	2,505.00	2,504.25	0.75
School Buses - Special	100,000.00	(26,194.00)	73,806.00	73,800.00	6.00
Total Equipment	104,600.00	38,391.00	142,991.00	142,858.37	132.63
Facilities Acquisition and Construction Services					
Other Objects	67,284.00		67,284.00	67,284.00	
Total Capital Outlay	171,884.00	38,391.00	210,275.00	210,142.37	132.63
Special Schools:					
Summer School - Instruction:					
Salaries of Teachers	16,161.00	(5,185.00)	10,976.00	10,949.32	26.68
Salaries - Other Instruction		1,625.00	1,625.00	1,624.72	0.28
Other Purchased Services	3,000.00	(1,008.00)	1,992.00	293.75	1,698.25
General Supplies	4,000.00	(3,992.00)	8.00	7.92	0.08
Total Summer School - Instruction	23,161.00	(8,560.00)	14,601.00	12,875.71	1,725.29
Summer School - Support Services:					
Salaries	8,240.00	5,560.00	13,800.00	9,908.17	3,891.83
Total Special Schools	31,401.00	(3,000.00)	28,401.00	22,783.88	5,617.12
Transfer of Funds to Charter Schools	9,666.00	14,853.00	24,519.00	24,519.00	-
Total Expenditures	27,910,412.00	332,853.00	28,243,265.00	28,673,810.88	(430,545.88)
Excess (Deficiency) of Revenues Over (Under) Expenditures	107,231.00	(89,386.00)	17,845.00	1,764,917.54	1,747,072.54

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Other Financing Sources (Uses):					
Operating Transfers Out:					
Transfer to Food Service Fund - Board Contribution	$ (185,000.00)	$ (33,009.00)	$ (218,009.00)	$ (218,009.00)	$ -
Transfer in - Unspent Capital Project Funds				145,939.74	145,939.74
Cancellation of Prior Year Special Revenue Fund - Due to State				1.71	1.71
Total Other Financing Sources (Uses)	(185,000.00)	(33,009.00)	(218,009.00)	(72,067.55)	145,941.45
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ (77,769.00)	$ (122,395.00)	$ (200,164.00)	$ 1,692,849.99	$ 1,893,013.99
Fund Balances, July 1	885,939.50	-	885,939.50	885,939.50	-
Fund Balances, June 30	$ 808,170.50	$ (122,395.00)	$ 685,775.50	$ 2,578,789.49	$ 1,893,013.99

RECAPITULATION:	
Non-Spendable Fund Balance:	
Prepaid Expenses	$ 1,564.00
Restricted Fund Balance:	
Capital Reserve	950,000.00
Maintenance Reserve	25,000.00
Current Expense Emergency Reserve	125,000.00
Excess Surplus (2010-11)	138,173.81
Assigned Fund Balance:	
Year-End Encumbrances	258,950.00
Designated for Subsequent Year's Expenditures	268,637.00
Unassigned Fund Balance	811,464.68
	2,578,789.49
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payment not recognized on GAAP Basis	(698,340.00)
Fund Balance per Governmental Funds (GAAP)	$ 1,880,449.49

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
State Sources:					
Nonpublic Aid	$ 455,405.00	$ -	$ 455,405.00	$ 373,591.77	$ (81,813.23)
Total - State Sources	455,405.00	-	455,405.00	373,591.77	(81,813.23)
Federal Sources:					
No Child Left Behind					
Title I	233,534.78		233,534.78	128,655.75	(104,879.03)
Title I - ARRA	11,259.67		11,259.67	2,564.72	(8,694.95)
Title I - SIA - ARRA	1,004.00		1,004.00	1,004.00	
Title IIA	63,357.00		63,357.00	57,826.58	(5,530.42)
Title IID	255.00		255.00	248.78	(6.22)
Title III	13,197.00		13,197.00	13,197.00	
Title III-Immigrant	6,401.00		6,401.00	3,662.85	(2,738.15)
Title IV	128.00		128.00	128.00	
I.D.E.I.A., Part B	719,544.26		719,544.26	574,052.36	(145,491.90)
I.D.E.I.A., Part B - ARRA	295,867.38		295,867.38	295,867.38	
I.D.E.I.A., Part B, Preschool Incentive	18,293.00		18,293.00	17,347.00	(946.00)
Total - Federal Sources	1,362,841.09	-	1,362,841.09	1,094,554.42	(268,286.67)
Total Revenues	$ 1,818,246.09	$ -	$ 1,818,246.09	$ 1,468,146.19	$ (350,099.90)

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
Instruction:					
Salaries of Teachers	$ 154,491.72	$ (1,754.00)	$ 154,491.72	$ 130,076.07	$ 24,415.65
Purchased Professional - Technical Services	109,543.56	(28,336.00)	109,543.56	94,662.50	14,881.06
Other Purchased Services (400-500 series)	782,902.20	31,036.00	782,902.20	735,948.45	46,953.75
General Supplies	184,261.38	(946.00)	184,261.38	88,847.18	95,414.20
Textbooks	67,753.00		67,753.00	46,717.82	21,035.18
Other Objects	400.00		400.00		400.00
Total Instruction	1,299,351.86	-	1,299,351.86	1,096,252.02	203,099.84
Support Services:					
Other Salaries	464.00		464.00		464.00
Personal Services - Employee Benefits	47,878.53		47,878.53	17,816.25	30,062.28
Purchased Professional - Educational Services	17,724.00		17,724.00	268,199.22	(250,475.22)
Purchased Professional - Technical Services	55,432.00		55,432.00	6,901.00	48,531.00
Other Purchased Services (400-500 series)	90,024.70		90,024.70	78,977.70	11,047.00
Other Objects	307,371.00		307,371.00		307,371.00
Total Support Services	518,894.23	-	518,894.23	371,894.17	147,000.06
Total Expenditures	1,818,246.09	-	1,818,246.09	1,468,146.19	350,099.90
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -	$ -

TOWNSHIP OF HADDON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
For the Fiscal Year Ended June 30, 2011

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) "revenues" from the budgetary comparison schedules	$ 30,438,728.42	$ 1,468,146.19
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		2,390.89
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	846,961.00	
State aid payment is recognized as revenue for budgetary purposes, not recognized for GAAP statements until subsequent year	(698,340.00)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$ 30,587,349.42	$ 1,470,537.08
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	$ 28,673,810.88	$ 1,468,146.19
Encumbrances for goods or services ordered but not received are reported in the year the orders are placed for budgetary purposes, but in the year the goods or services are received for financial reporting purposes.		2,390.89
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	$ 28,673,810.88	$ 1,470,537.08

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

TOWNSHIP OF HADDON SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2011

	No Child Left Behind								Total Carried Forward
	Title I	Title I - ARRA	Title I - SIA	Title IIA	Title IID	Title III	Title III-Immigrant	Title IV	
REVENUES:									
Federal Sources	$ 128,655.75	$ 2,564.72	$ 1,004.00	$ 57,826.58	$ 248.78	$ 13,197.00	$ 3,662.85	$ 128.00	$ 207,287.68
State Sources									
Total Revenues	128,655.75	2,564.72	1,004.00	57,826.58	248.78	13,197.00	3,662.85	128.00	207,287.68
EXPENDITURES:									
Instruction:									
Salaries of Teachers	71,978.50			46,493.00			1,358.90		119,830.40
Purchased Professional - Technical Services									
Other Purchased Services (400-500 series)	3,587.25								3,587.25
General Supplies	40,368.08	2,117.72	1,004.00		49.78		2,200.00		45,739.58
Textbooks									
Total Instruction	115,933.83	2,117.72	1,004.00	46,493.00	49.78	-	3,558.90	-	169,157.23
Support Services:									
Personal Services - Employee Benefits	10,121.92			6,806.58			103.95		17,032.45
Purchased Professional - Educational Services				4,527.00		13,197.00			17,724.00
Purchased Professional - Technical Services	1,500.00								1,500.00
Other Purchased Services (400-500 series)	1,100.00	447.00			199.00			128.00	1,874.00
Total Support Services	12,721.92	447.00	-	11,333.58	199.00	13,197.00	103.95	128.00	38,130.45
Total Expenditures	128,655.75	2,564.72	1,004.00	57,826.58	248.78	13,197.00	3,662.85	128.00	207,287.68
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2011

	Total Brought Forward	I.D.E.I.A. Part B Basic	I.D.E.I.A. Part B Basic - ARRA	I.D.E.I.A. Part B Preschool Incentive	I.D.E.I.A. Part B Preschool Incentive - ARRA	Nonpublic Textbook Aid, Ch. 194, L. 1979	NJ Nonpublic Nursing Aid	Total Carried Forward
REVENUES:								
Federal Sources	$ 207,287.68	$ 574,052.36	$ 295,867.38	$ 17,347.00				$ 1,094,554.42
State Sources						$ 46,717.82	$ 76,398.73	123,116.55
Total Revenues	207,287.68	574,052.36	295,867.38	17,347.00		46,717.82	76,398.73	1,217,670.97
EXPENDITURES:								
Instruction:								
Salaries of Teachers	119,830.40		10,245.67					130,076.07
Purchased Professional - Technical Services		53,000.00	41,662.50					94,662.50
Other Purchased Services (400-500 series)	3,587.25	520,012.79	195,001.41	17,347.00				735,948.45
General Supplies	45,739.58	334.60	42,773.00					88,847.18
Textbooks						46,717.82		46,717.82
Total Instruction	169,157.23	573,347.39	289,682.58	17,347.00	-	46,717.82	-	1,096,252.02
Support Services:								
Personal Services - Employee Benefits	17,032.45		783.80					17,816.25
Purchased Professional - Educational Services	17,724.00							17,724.00
Purchased Professional - Technical Services	1,500.00		5,401.00					6,901.00
Other Purchased Services (400-500 series)	1,874.00	704.97					76,398.73	78,977.70
Total Support Services	38,130.45	704.97	6,184.80	-	-	-	76,398.73	121,418.95
Total Expenditures	207,287.68	574,052.36	295,867.38	17,347.00		46,717.82	76,398.73	1,217,670.97
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2011

		N.J. Nonpublic Auxiliary Services Ch. 192			N.J. Nonpublic Handicapped Services Ch. 193			
	Total Brought Forward	Compensatory Education	English as a Second Language	Home Instruction	Supplemental Instruction	Examination and Classification	Corrective Speech	Total
REVENUES:								
Federal Sources	$ 1,094,554.42							$ 1,094,554.42
State Sources	123,116.55	$ 156,426.00	$ 5,317.00	$ 13,471.22	$ 27,199.00	$ 46,670.00	$ 1,392.00	373,591.77
Total Revenues	1,217,670.97	156,426.00	5,317.00	13,471.22	27,199.00	46,670.00	1,392.00	1,468,146.19
EXPENDITURES:								
Instruction:								
Salaries of Teachers	130,076.07							130,076.07
Purchased Professional - Technical Services	94,662.50							94,662.50
Other Purchased Services (400-500 series)	735,948.45							735,948.45
General Supplies	88,847.18							88,847.18
Textbooks	46,717.82							46,717.82
Total Instruction	1,096,252.02	-	-	-	-	-	-	1,096,252.02
Support Services:								
Personal Services - Employee Benefits	17,816.25							17,816.25
Purchased Professional - Educational Services	17,724.00	156,426.00	5,317.00	13,471.22	27,199.00	46,670.00	1,392.00	268,199.22
Purchased Professional - Technical Services	6,901.00							6,901.00
Other Purchased Services (400-500 series)	78,977.70							78,977.70
Total Support Services	121,418.95	156,426.00	5,317.00	13,471.22	27,199.00	46,670.00	1,392.00	371,894.17
Total Expenditures	1,217,670.97	156,426.00	5,317.00	13,471.22	27,199.00	46,670.00	1,392.00	1,468,146.19
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

CAPITAL PROJECTS FUND

Capital Projects Fund
Summary Statement of Project Expenditures
For the Fiscal Year Ended June 30, 2011

Project Title / Issue	Original Date	Appropriations	Expenditures to Date Prior Years	Other Financing Sources (Uses) Interfund Transfer	Unexpended Balance June 30, 2011
2002 EDA Grant/Bond Sale					
Haddon Twp High School & New Construction	April 15, 2002	$ 9,008,203.45	$ 8,862,263.71	$ (145,939.74)	$ -

TOWNSHIP OF HADDON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Summary Statement of Project Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis
For the Fiscal Year Ended June 30, 2011

Revenues and Other Financing Sources	
State Sources--SCC Grant	
Bond Proceeds and Transfers	
	$ -
Expenditures and Other Financing Uses	
Construction Services	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-
Other Financing Sources (Uses):	
Interfund Transfer	(145,939.74)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(145,939.74)
Fund Balance -- July 1	$ 145,939.74

TOWNSHIP OF HADDON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
Haddon Township High School Rehabilitation and New Construction
From Inception and for the Fiscal Year Ended June 30, 2011

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources--SCC Grant	$ 4,650,428.98		$ 4,650,428.98	$ 4,650,428.98
Bond Proceeds and Transfers	8,196,995.42		8,196,995.42	8,051,055.68
Total Revenues	12,847,424.40	$ -	12,847,424.40	12,701,484.66
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	1,027,423.92		1,027,423.92	1,027,423.92
Construction Services	11,674,060.74		11,674,060.74	11,674,060.74
Total Expenditures	12,701,484.66	-	12,701,484.66	12,701,484.66
Excess (Deficiency) of Revenues Over (Under) Expenditures	145,939.74	-	145,939.74	-
Other Financing Sources (Uses):				
Interfund Transfer		(145,939.74)	(145,939.74)	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ 145,939.74	$ (145,939.74)	$ -	$ -

Additional Project Information:

Project Number	#201403
Grant Date	5/30/02
Bond Authorization Date	2/26/01 & 1/17/02
Bonds Authorized	$ 8,275,522.91
Bonds Issued	$ 8,275,522.91
Original Authorized Cost	$ 13,509,004.60
Additional Authorized Cost	$ (807,519.94)
Revised Authorized Cost	$ 12,701,484.66
Percentage Increase over Original Authorized Cost	-5.98%
Percentage Completion	100.00%
Original Target Completion Date	8/30/2006
Revised Target Completion Date	N/A

PROPRIETARY FUNDS

TOWNSHIP OF HADDON SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Net Assets
June 30, 2011

	Food Service	Latchkey Program	Adult School	Summer Institute	Summer Recreation	Summer Enrichment	Wellness Program	Total
ASSETS:								
Current Assets:								
Cash and Cash Equivalents	$ 54,326.35	$ 114,627.29	$ 8,648.14	$ 1,453.78	$ 32,931.12	$ 4,119.86	$ 90.00	$ 216,196.54
Accounts Receivable:								
Other		1,083.92						1,083.92
Inventories	3,941.46							3,941.46
Total Current Assets	58,267.81	115,711.21	8,648.14	1,453.78	32,931.12	4,119.86	90.00	221,221.92
Noncurrent Assets:								
Furniture, Machinery and Equipment	204,079.94							204,079.94
Less Accumulated Depreciation	150,500.19							150,500.19
Total Noncurrent Assets	53,579.75	-	-	-	-	-	-	53,579.75
Total Assets	111,847.56	115,711.21	8,648.14	1,453.78	32,931.12	4,119.86	90.00	274,801.67
LIABILITIES:								
Current Liabilities:								
Accounts Payable	3,466.45							3,466.45
Deferred Revenue					25,964.24			25,964.24
Total Current Liabilities	3,466.45	-	-	-	25,964.24	-	-	29,430.69
Total Liabilities	3,466.45	-	-	-	25,964.24	-	-	29,430.69
NET ASSETS:								
Invested in Capital Assets	53,579.75							53,579.75
Unrestricted	54,801.36	115,711.21	8,648.14	1,453.78	6,966.88	4,119.86	90.00	191,791.23
Total Net Assets	$ 108,381.11	$ 115,711.21	$ 8,648.14	$ 1,453.78	$ 6,966.88	$ 4,119.86	$ 90.00	$ 245,370.98

TOWNSHIP OF HADDON SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Fiscal Year Ended June 30, 2011

	Food Service	Latchkey Program	Adult School	Summer Institute	Summer Recreation	Summer Enrichment	Wellness Program	Total
OPERATING REVENUES:								
Charges for Services:								
Daily Sales - Reimbursable Programs	$ 150,347.02							$ 150,347.02
Daily Sales - Non-Reimbursable Programs	124,335.18							124,335.18
Community Service Activities		$ 191,784.43	$ 43,205.50		$ 43,120.00			278,109.93
Total Operating Revenues	274,682.20	191,784.43	43,205.50	$ -	43,120.00	$ -	$ -	552,792.13
OPERATING EXPENSES:								
Salaries	322,465.41	146,237.75	22,196.20		38,788.45			529,687.81
Employee Benefits	53,497.41	7,486.71	1,626.34		7,279.83			69,890.29
Food Service Management Fee	41,120.62							41,120.62
Other Purchased Services		5,484.03	16,038.77					21,522.80
General Supplies	25,276.63	13,065.66	74.62		806.63			39,223.54
Depreciation	6,386.73							6,386.73
Miscellaneous		113.95			556.00			669.95
Cost of Sales	220,053.85							220,053.85
Total Operating Expenses	668,800.65	172,388.10	39,935.93	-	47,430.91	-	-	928,555.59
Operating Income / (Loss)	(394,118.45)	19,396.33	3,269.57	-	(4,310.91)	-	-	(375,763.46)
NONOPERATING REVENUES (EXPENSES):								
State Sources:								
State School Lunch Program	4,466.43							4,466.43
Federal Sources:								
National School Lunch Program	111,311.07							111,311.07
National Breakfast Program	2,838.92							2,838.92
Food Distribution Program	22,574.82							22,574.82
Food Service Company Guarantee	29,760.38							29,760.38
Total Nonoperating Revenues (Expenses)	170,951.62	-	-	-	-	-	-	170,951.62
Income (Loss) before Transfers	(223,166.83)	19,396.33	3,269.57	-	(4,310.91)		-	(204,811.84)
Operating Transfer In - General Fund	218,009.00	-	-	-	-	-	-	218,009.00
Change in Net Assets	(5,157.83)	19,396.33	3,269.57	-	(4,310.91)	-	-	13,197.16
Net Assets -- July 1	113,538.94	96,314.88	5,378.57	1,453.78	11,277.79	4,119.86	90.00	232,173.82
Net Assets -- June 30	$ 108,381.11	$ 115,711.21	$ 8,648.14	$ 1,453.78	$ 6,966.88	$ 4,119.86	$ 90.00	$ 245,370.98

TOWNSHIP OF HADDON SCHOOL DISTRICT
Enterprise Fund
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2011

	Food Service	Latchkey Program	Adult School	Summer Institute	Summer Recreation	Summer Enrichment	Wellness Program	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:								
Receipts from Customers	$ 289,333.78	$ 191,471.41	$ 43,205.50		$ 25,964.24			$ 549,974.93
Payments to Employees	(322,465.41)							(322,465.41)
Payments for Employee Benefits	(53,497.41)							(53,497.41)
Payments to Food Management Company	(37,654.17)							(37,654.17)
Payments to Vendors	(218,392.85)	(172,388.10)	(39,935.93)		(47,430.91)			(478,147.79)
Net Cash Provided by (used for) Operating Activities	(342,676.06)	19,083.31	3,269.57	$ -	(21,466.67)	$ -	$ -	(341,789.85)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:								
Capital Acquisitions	(15,009.00)	-	-	-	-	-	-	(15,009.00)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:								
State Sources	4,840.72							4,840.72
Federal Sources	120,677.42							120,677.42
Food Service Company Guarantee	29,760.38							29,760.38
Operating Subsidies and Transfers from/to Other Funds	218,009.00							218,009.00
Net Cash Provided by (used for) Non-Capital Financing Activities	373,287.52	-	-	-	-	-	-	373,287.52
Net Increase (Decrease) in Cash and Cash Equivalents	15,602.46	19,083.31	3,269.57	-	(21,466.67)	-	-	31,497.67
Cash and Cash Equivalents -- July 1	38,723.89	95,543.98	5,378.57	1,453.78	54,397.79	4,119.86	90.00	199,707.87
Cash and Equivalents -- June 30	$ 54,326.35	$ 114,627.29	$ 8,648.14	$ 1,453.78	$ 32,931.12	$ 4,119.86	$ 90.00	$ 231,205.54
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:								
Operating Income (Loss)	$ (394,118.45)	$ 19,396.33	$ 3,269.57	$ -	$ (4,310.91)	$ -	$ -	$ (375,763.46)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:								
Depreciation and Net Amortization	6,386.73							6,386.73
Federal Commodities	22,574.82							22,574.82
(Increase) Decrease in Accounts Receivable-Other, net	14,651.58	(313.02)						14,338.56
(Increase) Decrease in Inventories	4,362.81							4,362.81
Increase (Decrease) in Accounts Payable	3,466.45							3,466.45
Increase (Decrease) in Deferred Revenue					(17,155.76)			(17,155.76)
Total Adjustments	51,442.39	(313.02)	-	-	(17,155.76)	-	-	33,973.61
Net Cash Provided by (used for) Operating Activities	$ (342,676.06)	$ 19,083.31	$ 3,269.57	$ -	$ (21,466.67)	$ -	$ -	$ (341,789.85)

FIDUCIARY FUNDS

TOWNSHIP OF HADDON SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Assets
June 30, 2011

	Trust Funds	Agency Funds		
	Unemployment Compensation Trust	Student Activity	Payroll	Total
ASSETS:				
Cash and Cash Equivalents	$ 554,542.50	$ 157,732.45	$ 113,079.23	$ 825,354.18
LIABILITIES:				
Payable to District (General Fund)		$ 87.00	$ 6,108.05	6,195.05
Payable to Student Groups		157,645.45		157,645.45
Payroll Deductions and Withholdings			106,971.18	106,971.18
Total Liabilities	-	$ 157,732.45	$113,079.23	270,811.68
NET ASSETS:				
Held in Trust for Unemployment Claims and Other Purposes	554,542.50			554,542.50
Total Net Assets	$ 554,542.50			$ 554,542.50

TOWNSHIP OF HADDON SCHOOL DISTRICT
Fiduciary Funds
Statement of Changes in Fiduciary Net Assets
For the Fiscal Year Ended June 30, 2011

	Unemployment Compensation Trust
ADDITIONS:	
Contributions:	
Plan Member	$ 259,588.80
Investment Earnings:	
Interest	4,076.25
Total Additions	263,665.05
DEDUCTIONS:	
Unemployment Claims	97,520.69
Change in Net Assets	166,144.36
Net Assets -- July 1	388,398.14
Net Assets -- June 30	$ 554,542.50

TOWNSHIP OF HADDON SCHOOL DISTRICT
Fiduciary Funds
Student Activity Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2011

	Balance June 30, 2010	Cash Receipts	Cash Disbursements	Balance June 30, 2011
ELEMENTARY SCHOOLS:				
Edison School	$ 2,649.28	$ 796.47	$ 362.25	$ 3,083.50
Jennings School	211.20	1,168.41	761.25	618.36
Stoy School	1,132.22	920.71	409.32	1,643.61
Strawbridge School	5,554.58	1,118.20	291.60	6,381.18
Van Sciver School	3,431.99	3,224.52	563.00	6,093.51
Total Elementary Schools	12,979.27	7,228.31	2,387.42	17,820.16
SENIOR HIGH SCHOOLS:				
Haddon Township	141,343.72	325,775.82	327,755.02	139,364.52
COMMUNITY ACTIVITIES:				
Community Activity	200.50			200.50
Peace Night	256.07	4.20		260.27
	456.57	4.20	-	460.77
Total Student Activity	$ 154,779.56	$ 333,008.33	$ 330,142.44	$ 157,645.45

TOWNSHIP OF HADDON SCHOOL DISTRICT
Fiduciary Funds
Payroll Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2011

	Balance June 30, 2010	Receipts	Disbursements	Balance June 30, 2011
ASSETS:				
Cash and Cash Equivalents	$ 130,598.69	$ 8,403,780.48	$ 8,421,299.94	$ 113,079.23
Total Assets	$ 130,598.69	$ 8,403,780.48	$ 8,421,299.94	$ 113,079.23
LIABILITIES:				
Payroll Deductions and Withholdings	$ 127,079.25	$ 8,401,055.69	$ 8,421,163.76	$ 106,971.18
Due General Fund	3,519.44	2,724.79	136.18	6,108.05
Total Liabilities	$ 130,598.69	$ 8,403,780.48	$ 8,421,299.94	$ 113,079.23

LONG-TERM DEBT

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2011

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance June 30, 2010	Issued	Paid	Balance June 30, 2011
School District	4-15-02	$ 2,803,000.00				$ 135,000.00	$ -	$ 135,000.00	$ -
School District	8-24-05	9,995,000.00	4-15-12	$ 645,000.00	4.006%				
			4-15-13	675,000.00	3.870%				
			4-15-14	705,000.00	3.982%				
			4-15-15	730,000.00	3.897%				
			4-15-16	760,000.00	4.000%				
			4-15-17	795,000.00	3.750%				
			4-15-18	820,000.00	3.750%				
			4-15-19	855,000.00	4.250%				
			4-15-20	885,000.00	4.250%				
			4-15-21	930,000.00	4.000%				
			4-15-22	955,000.00	4.000%	9,235,000.00		480,000.00	8,755,000.00
						$ 9,370,000.00	$ -	$ 615,000.00	$ 8,755,000.00

TOWNSHIP OF HADDON SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2011

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 983,028.00		$ 983,028.00	$ 983,028.00	
Excess Escrow Account Funds				20.00	$ 20.00
Interest Earned on Deposits				90.73	90.73
Total Revenues	983,028.00	$ -	983,028.00	983,138.73	110.73
EXPENDITURES:					
Regular Debt Service:					
Interest	372,140.00		372,140.00	372,140.00	
Redemption of Principal	615,000.00		615,000.00	615,000.00	
Total Regular Debt Service	987,140.00	-	987,140.00	987,140.00	-
Total Expenditures	987,140.00	-	987,140.00	987,140.00	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,112.00)	-	(4,112.00)	(4,001.27)	110.73
Fund Balance, July 1	4,475.70	-	4,475.70	4,475.70	-
Fund Balance, June 30	$ 363.70	$ -	$ 363.70	$ 474.43	$ 110.73

Recapitulation

Restricted - Designated for Subsequent Year's Expenditures	$ 364.00
Restricted Fund Balance	110.43
	$ 474.43

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. Note that Exhibits J-1 and J-2 are only presented for the last nine fiscal years as the School District's first year of implementation of the Governmental Accounting Standards Board Statement No. 34 was for the fiscal year ended June 30, 2003; thus, ten year comparative financial information is unavailable.

TOWNSHIP OF HADDON SCHOOL DISTRICT

Net Assets by Component

Last Nine Fiscal Years (Accrual Basis of Accounting)

Unaudited

	Fiscal Year Ended June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities:									
Invested in Capital Assets, Net of Related Debt	$ 13,276,372	$ 13,236,925	$ 13,238,101	$ 13,258,256	$ 13,290,313	$ 13,286,306	$ 13,312,548	$ 13,482,427	$ 6,338,937
Restricted	1,238,648	150,415	1,248,803	1,594,341	1,522,539	927,322	514,482	997,317	1,251,394
Unrestricted (Deficit)	6,862	(473,454)	(492,571)	(263,517)	2,666	(84,844)	220,168	815,705	391,170
Total Governmental Activities Net Assets	$ 14,521,882	$ 12,913,886	$ 13,994,332	$ 14,589,080	$ 14,815,517	$ 14,128,784	$ 14,047,198	$ 15,295,449	$ 7,981,501
Business-type Activities:									
Invested in Capital Assets, Net of Related Debt	$ 53,580	$ 44,957	$ 50,992	$ 57,150	$ 63,308	$ 64,384	$ 75,628	$ 75,284	$ 83,159
Unrestricted	191,791	187,216	200,447	141,556	58,133	53,660	43,245	35,596	37,324
Total Business-type Activities Net Assets	$ 245,371	$ 232,174	$ 251,439	$ 198,706	$ 121,441	$ 118,044	$ 118,873	$ 110,880	$ 120,483
District-wide:									
Invested in Capital Assets, Net of Related Debt	$ 13,329,952	$ 13,281,882	$ 13,289,093	$ 13,315,406	$ 13,353,621	$ 13,350,690	$ 13,388,176	$ 13,557,711	$ 6,422,096
Restricted	1,238,648	150,415	1,248,803	1,594,341	1,522,539	927,322	514,482	997,317	1,251,394
Unrestricted	198,653	(286,238)	(292,125)	(121,962)	60,799	(31,184)	263,413	851,301	428,494
Total District-wide Net Assets	$ 14,767,253	$ 13,146,060	$ 14,245,771	$ 14,787,785	$ 14,936,958	$ 14,246,828	$ 14,166,071	$ 15,406,329	$ 8,101,984

Source: District Records (Exhibit A-1)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Changes in Net Assets
Last Nine Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:									
Governmental Activities:									
Instruction:									
Regular	$ 9,986,478	$ 11,105,807	$ 10,673,361	$ 10,229,020	$ 10,043,424	$ 9,656,973	$ 9,552,282	$ 9,287,529	$ 8,657,686
Special Education	1,584,967	1,672,145	1,590,708	1,397,476	1,290,823	1,226,084	1,214,998	1,162,230	963,065
Other Special Education	175,242	362,412	352,149	277,584	195,614	267,172	226,158	202,995	316,218
Other Instruction	552,275	733,355	701,887	678,301	616,388	640,396	580,457	555,635	511,903
Community Service Programs		128,108	122,709	112,046	153,709	152,745	174,659	177,447	164,573
Support Services:									
Tuition	1,586,004	2,316,315	1,879,906	1,891,274	1,659,079	1,634,090	1,326,679	1,405,643	1,338,964
Student and Instruction Related Services	3,194,898	3,370,838	3,279,634	3,116,040	2,528,267	2,437,327	2,228,656	2,275,224	2,035,279
School Administrative Services	1,920,988	2,166,351	2,073,442	2,078,088	1,958,601	1,861,708	1,844,645	1,734,482	1,644,136
General and Business Administrative Services	488,545	482,896	490,724	499,635	459,082	458,927	493,060	526,730	472,339
Plant Operations and Maintenance	2,971,026	3,294,675	3,153,172	3,178,751	3,504,518	3,147,831	2,967,617	2,855,622	2,443,325
Pupil Transportation	799,698	801,929	778,599	791,294	716,773	710,348	656,482	571,844	541,333
Unallocated Benefits	7,299,838	7,185,158	6,477,462	7,401,411	6,178,294	6,198,426	5,510,624	4,916,041	4,326,735
Special Schools	22,784	57,719	55,160	48,010	36,487	56,229	101,154	88,602	111,560
Charter Schools	24,519	14,672							
Capital Outlay	63,742	6,963	193,581	268,696	282,395	79,039	386,009		
Interest on Long-term Debt	395,186	419,196	443,945	471,121	497,255	380,568	604,157	530,217	769,920
Amortization of Bond Issuance Costs	17,441	17,441	127,704	19,080	127,645	16,267	4,626	4,626	4,626
Unallocated Depreciation	131,393	112,017	19,080	127,704	19,080	150,478	121,227	101,795	
Total Governmental Activities Expenses	31,215,022	34,247,996	32,413,222	32,585,529	30,267,434	29,074,607	27,993,490	26,396,662	24,301,662
Business-type Activities:									
Food Service	668,801	720,021	738,855	693,636	667,237	655,187	661,007	632,212	557,353
Other	259,755	277,014	259,094	181,870	183,589	146,954	114,895	118,401	95,642
Total Business-type Activities Expense	928,556	997,034	997,949	875,506	850,827	802,141	775,902	750,613	652,995
Total District Expenses	$ 32,143,578	$ 35,245,030	$ 33,411,171	$ 33,461,035	$ 31,118,260	$ 29,876,748	$ 28,769,392	$ 27,147,275	$ 24,954,657

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Changes in Net Assets
Last Nine Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Program Revenues:									
Governmental Activities:									
Charges for Services:									
Instruction: Tuition	$ 151,567.00	$ 89,550	$ 28,703	$ 72,719	$ 54,350	$ 25,750	$ 20,077	$ 26,948	$ 17,300
Operating Grants and Contributions	3,333,773	3,624,232	3,146,259	4,178,698	3,221,425	3,288,020	2,977,195	2,808,882	1,469,745
Capital Grants and Contributions							55,254		
Total Governmental Activities Program Revenues	3,485,340	3,713,782	3,174,962	4,251,417	3,275,775	3,313,770	3,052,526	2,835,830	1,487,045
Business-type activities:									
Charges for services									
Food Service	274,682	336,691	362,543	380,197	371,749	395,538	416,507	403,025	377,157
Other	278,110	273,812	282,588	215,823	173,100	152,372	128,833	125,202	83,515
Operating Grants and Contributions	170,952	144,864	132,114	118,561	103,180	102,903	99,701	86,184	74,805
Total Business-type Activities Program Revenues	723,744	755,367	777,245	714,580	648,029	650,812	645,041	614,411	535,477
Total District Program Revenues	$ 4,209,084	$ 4,469,149	$ 3,952,207	$ 4,965,997	$ 3,923,804	$ 3,964,582	$ 3,697,567	$ 3,450,241	$ 2,022,522
Net (Expense)/Revenue:									
Governmental Activities	$ (27,729,682)	$ (30,534,214)	$ (29,238,260)	$ (28,334,112)	$ (26,991,658)	$ (25,760,838)	$ (24,940,964)	$ (23,560,832)	$ (22,814,617)
Business-type Activities	(204,812)	(241,667)	(220,704)	(160,926)	(202,798)	(151,329)	(130,861)	(136,202)	(117,518)
Total District-wide Net Expense	$ (27,934,494)	$ (30,775,881)	$ (29,458,964)	$ (28,495,038)	$ (27,194,456)	$ (25,912,166)	$ (25,071,825)	$ (23,697,034)	$ (22,932,135)

(Continued)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Changes in Net Assets
Last Nine Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Revenues and Other Changes in Net Assets:									
Governmental Activities:									
Property Taxes Levied for General Purposes, Net	$ 20,500,988	$ 19,818,314	$ 19,056,071	$ 18,712,714	$ 18,335,228	$ 16,347,855	$ 14,497,649	$ 14,317,455	$ 14,317,455
Taxes Levied for Debt Service	983,028	980,819	1,101,375	938,212	1,027,245	1,083,860	1,106,759	1,129,278	1,129,278
Unrestricted Grants and Contributions	7,830,296	8,720,089	8,691,296	8,493,970	8,254,592	8,291,748	8,258,675	8,155,122	8,155,122
Miscellaneous Income	241,374	156,403	120,694	199,686	263,186	260,885	450,649	442,341	442,341
Other	2	545	(11,328)	3,243	4,335	5,077	(354,976)		
Disposal / Deletion of Assets			(40,595)	(150)			(141,045)		
Transfers	(218,009)	(222,402)	(274,000)	(240,000)	(206,195)	(147,000)	(125,000)	(126,600)	(126,600)
Total Governmental Activities	29,337,678	29,453,768	28,643,513	28,107,675	27,678,391	25,842,425	23,692,711	23,917,596	23,917,596
Business-type Activities:									
Investment Earnings								27,450	27,450
Cancellation of Accounts Receivable			(563)	(1,810)					
Transfers	218,009	222,402	274,000	240,000	206,195	150,500	125,000	126,600	126,600
Total Business-type Activities	218,009	222,402	273,437	238,191	206,195	150,500	125,000	154,050	154,050
Total District-wide	$ 29,555,687	$ 29,676,170	$ 28,916,950	$ 28,345,865	$ 27,884,586	$ 25,992,925	$ 23,817,711	$ 24,071,646	$ 24,071,646
Change in Net Assets:									
Governmental Activities	$ 1,607,996	$ (1,080,447)	$ (594,747)	$ (226,437)	$ 686,733	$ 81,587	$ (1,248,253)	$ 356,764	$ 1,102,979
Business-type Activities	13,197	(19,265)	52,733	77,264	3,397	(829)	(5,861)	17,848	36,532
Total District	$ 1,621,193	$ (1,099,711)	$ (542,014)	$ (149,173)	$ 690,130	$ 80,758	$ (1,254,114)	$ 374,612	$ 1,139,511

Source: District Records (Exhibit A-2)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Nine Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,								
	2011 (A)	2010	2009	2008	2007	2006	2005	2004	2003
General Fund:									
Reserved		$ 122,395	$ 109,593	$ 116,060	$ 241,055	$ 168,115	$ 87,523	$ 186,382	$ 79,757
Reserve for Excess Surplus									42,412
Capital Reserve		1	1	1	1	1	1	1	1
Unreserved		(83,418)	987,947	1,674,267	1,559,866	880,214	684,382	1,044,374	922,938
Non-Spendable:									
Prepaid Expenses	$ 1,564								
Restricted:									
Capital Reserve	950,000								
Maintenance Reserve	25,000								
Current Expense Emergency Reserve	125,000								
Excess Surplus	138,174								
Assigned:									
Designated for Subsequent Year's Expenditures	268,637								
Other Purposes	258,950								
Unassigned	113,125								
Total General Fund	$ 1,880,449	$ 38,979	$ 1,097,540	$ 1,790,327	$ 1,800,922	$ 1,048,330	$ 771,906	$ 1,230,757	$ 1,045,108
All Other Governmental Funds:									
Unreserved, Reported in:									
Special Revenue Fund									$ (4,840.00)
Capital Projects Fund		$ 145,940	$ 151,640	$ 151,640	$ 163,400	$ 210,431	$ 338,106	987,256	1,130,969
Debt Service Fund		4,476	14,891	30,266	65,648	56,161	16,696	10,061	3,095
Restricted:									
Debt Service Fund	$ 474								
Total All Other Governmental Funds	$ 474	$ 150,415	$ 166,531	$ 181,906	$ 229,047	$ 266,592	$ 354,802	$ 997,317	$ 1,129,224

(A) The District Implemented GASB 54

Source: District Records (Exhibit B-1)

TOWNSHIP OF HADDON SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Revenues:										
Tax Levy	$ 21,484,016	$ 20,799,133	$ 20,157,446	$ 19,650,926	$ 19,362,473	$ 17,431,715	$ 15,604,408	$ 15,446,733	$ 13,470,873	$ 12,468,855
Tuition Charges	151,567	89,550	28,703	72,719	54,350	25,750	20,077	26,948	17,300	11,130
Miscellaneous	241,374	156,403	123,690	202,929	267,521	260,885	450,649	442,341	391,585	484,677
Private Sources										4,749
State Sources	10,055,793	9,759,655	11,083,293	12,033,277	10,786,995	10,938,564	10,636,465	10,296,167	9,361,100	15,526,918
Federal Sources	1,108,276	2,584,666	754,262	639,391	689,022	641,204	654,658	667,837	557,988	579,198
Total Revenue	33,041,025	33,389,407	32,147,394	32,599,242	31,160,361	29,298,117	27,366,257	26,880,026	23,798,846	29,075,527
Expenditures:										
Instruction										
Regular Instruction	9,943,529	11,060,863	10,612,733	10,165,182	9,971,600	9,578,484	9,472,872	9,209,919	8,566,078	8,202,185
Special Education Instruction	1,584,967	1,672,145	1,590,708	1,397,476	1,290,823	1,226,084	1,214,998	1,162,230	963,065	945,330
Other Special Instruction	175,242	362,412	352,149	277,584	195,614	267,172	226,158	202,995	316,218	336,729
Other Instruction	552,275	733,355	701,887	678,301	616,388	640,396	580,457	555,635	511,903	508,149
Adult / Continuing Education Programs		128,108	122,709	112,046	153,709	152,745	174,659	177,447	164,573	158,883
Support Services:										
Tuition	1,586,004	2,316,315	1,879,906	1,891,274	1,659,079	1,634,090	1,326,679	1,405,643	1,338,964	1,349,131
Student and Instruction Related Services	3,193,402	3,367,924	3,276,447	3,112,847	2,524,769	2,433,456	2,225,056	2,270,954	2,028,863	1,900,213
School Administrative Services	1,920,988	2,166,351	2,072,862	2,076,964	1,957,477	1,859,357	1,840,547	1,728,707	1,625,467	1,141,439
Other Administrative Services	487,747	482,098	489,685	497,642	456,205	457,044	489,219	522,763	472,339	791,982
Plant Operations and Maintenance	2,500,542	2,821,509	2,677,661	2,705,137	3,030,271	2,672,280	2,488,448	2,390,674	1,958,400	1,858,141
Pupil Transportation	752,043	760,835	742,473	752,532	680,802	665,905	608,034	523,661	496,576	458,287
Unallocated Benefits	7,190,165	7,193,143	6,620,666	7,274,376	6,153,821	5,907,024	5,528,236	4,922,864	4,269,558	3,278,021
Special Schools	22,784	57,719	55,160	48,010	36,487	56,229	101,154	88,602	111,560	122,432
Charter Schools	24,519	14,672								
Capital Outlay	210,142	113,181	193,581	383,096	375,496	256,171	496,968	302,852	2,651,408	11,603,762
Debt Service:										
Principal	615,000	595,000	752,000	590,000	653,000	795,000	600,000	590,000	570,000	455,000
Interest and Other Charges	372,140	396,598	426,606	454,512	483,579	366,544	614,163	644,738	674,439	568,849
Total Expenditures	31,131,488	34,242,227	32,567,231	32,416,978	30,239,120	28,967,980	27,987,648	26,699,684	26,719,411	33,678,533
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,909,537	(852,820)	(419,838)	182,264	921,242	330,138	(621,391)	180,342	(2,920,565)	(4,603,006)
Other Financing Sources (Uses):										
Sale of Bonds										2,803,000
Accounts Receivable/Payable Canceled	2	545	(14,324)			5,077	(354,976)			
Transfers In/Out	(218,009)	(222,402)	(274,000)	(240,000)	(206,195)	(147,000)	(125,000)	(126,600)	(100,000)	(94,000)
Total Other Financing Sources (Uses)	(218,007)	(221,857)	(288,324)	(240,000)	(206,195)	(141,923)	(479,976)	(126,600)	(100,000)	2,709,000
Net Change in Fund Balances	$ 1,691,530	$ (1,074,677)	$ (708,162)	$ (57,736)	$ 715,047	$ 188,215	$ (1,101,367)	$ 53,742	$ (3,020,565)	$ (1,894,006)
Debt Service as a Percentage of Noncapital Expenditures	3.2%	2.9%	3.6%	3.3%	3.8%	4.0%	4.4%	4.7%	5.2%	4.6%

Source: District Records (Exhibit B-2)

TOWNSHIP OF HADDON SCHOOL DISTRICT
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Refunds of Prior Year Expenses	$ 20,518.04	$ 19,427.35	$ 12,136.00	$ 9,792.00	$ 10,080.00			$ 2,334.56	$ 7,837.22	$ 11,293.76
Telephone Commissions								5.20	57.21	147.00
Transportation Jointures	5,078.32									
Use of Facilities Fees		3,130.00		2,690.00	4,704.00	$ 4,654.00	$ 4,872.02	1,726.30	1,894.45	1,500.00
Athletic Event Receipts	36,656.00									
Recycling Refund			38.38							
Camp Fees	600.00	1,430.00	1,130.00							
Sale of Obsolete Equipment				205.00	100.00	122.39		187.00	631.00	105.00
Services Provided for Other LEAs	76,618.52									
Transcript Fees									16.00	29.00
Photocopy Usage									391.00	687.65
Summer School						28,930.00	26,905.00	28,261.50	22,175.00	31,263.00
Restitution			400.00		1,900.00		1,000.00	80.00		284.00
Township Share of Prior Years Community Activities		84,831.03	70,383.96	65,919.64	91,586.99	87,244.73	79,523.59	80,563.51	83,182.53	75,082.64
Adult Education Fees									37,386.00	40,414.00
Interest on Investments	42,723.90	38,420.71	24,880.73	91,958.84	115,651.00	71,088.73	35,841.53	21,390.27	25,431.31	42,321.68
Proceeds from Sale of Bid Specifications									600.00	2,200.00
Summer Recreation						16,781.50	25,750.50	30,017.00	32,274.50	29,154.00
Wellness Program							380.00	920.00	920.00	1,055.00
Participation Fees	48,830.00									
Donations	7,500.00									
Obligations	856.90	1,582.84	1,918.00	1,968.50	2,160.17	3,685.00	3,912.93	5,521.80	3,004.04	3,385.13
Rohrer Foundation Donation							200,000.00	200,000.00		
Public Record Fees								265.75		
Flu Shot Reimbursement										620.00
PSE&G Smart Start Building Rebates	450.00							36,508.29		
Prior Year Tuition Refund		4,869.23	2,841.00		4,033.00					
Homeless Student Tuition - Paid by State					8,195.00					
E-Rate Refunds					798.40	15,572.81	44,040.51	5,330.89	10,196.35	12,579.70
Safety Incentive Award			600.00		3,722.00					
Miscellaneous	1,431.31	2,348.26	2,254.12	4,296.37	769.77	4,292.16	8,561.17	11,255.22	3,919.30	7,730.24
Transportation Refund				12,076.21		8,714.29	7,816.70	7,941.10	17,599.56	16,007.04
	$ 241,262.99	$ 156,039.42	$ 116,582.19	$ 188,906.56	$ 243,700.33	$ 241,085.61	$ 438,603.95	$ 432,308.39	$ 247,515.47	$ 275,858.84

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

Year Ended Dec. 31		Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (1)	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
2011	(A)	$ 5,046,200.00	$ 1,055,730,800.00		$ 134,699,800.00	$ 5,233,900.00	$ 62,080,700.00	$ 1,262,791,400.00	$ 916,736.00	$ 1,263,708,136.00	$ 2,351,500.00	$1,260,439,900.00	$ 1.709
2010		2,725,000.00	566,764,500.00	-	78,116,000.00	3,349,400.00	32,174,000.00	683,128,900.00	509,300.00	683,638,200.00	105,521,700.00	1,436,102,294.00	3.092
2009		2,658,600.00	565,633,300.00	-	78,203,000.00	3,557,000.00	32,174,000.00	682,225,900.00	473,486.00	682,699,386.00	105,874,800.00	1,446,688,300.00	2.999
2008		2,848,700.00	564,026,900.00	-	78,165,400.00	4,262,200.00	32,160,900.00	681,464,100.00	465,861.00	681,929,961.00	105,702,900.00	1,357,885,189.00	2.919
2007		2,677,100.00	562,685,200.00	-	78,238,900.00	4,323,300.00	32,160,900.00	680,085,400.00	457,942.00	680,543,342.00	105,137,800.00	1,228,968,108.00	2.866
2006		2,846,900.00	561,088,400.00	-	80,796,300.00	4,818,300.00	32,160,900.00	681,710,800.00	509,769.00	682,220,569.00	104,465,000.00	1,247,693,816.00	2.697
2005		2,884,900.00	558,785,100.00	-	80,631,200.00	4,967,800.00	32,160,900.00	679,429,900.00	642,547.00	680,072,447.00	104,209,500.00	1,089,647,035.00	2.428
2004		2,756,000.00	556,795,000.00	-	80,016,400.00	4,967,800.00	32,160,900.00	676,696,100.00	735,796.00	677,431,896.00	104,075,800.00	951,151,667.00	2.292
2003		3,143,500.00	554,856,800.00	-	79,709,300.00	4,967,800.00	32,160,900.00	674,835,300.00	889,152.00	675,724,452.00	103,805,200.00	846,971,524.00	2.139
2002		3,388,200.00	552,670,300.00	-	78,468,300.00	4,689,800.00	31,713,300.00	670,929,900.00	946,379.00	671,876,279.00	104,338,200.00	751,427,251.00	1.931

(A) Reassessment

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax rates are per $100

Source: Camden County Board of Taxation

TOWNSHIP OF HADDON SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate per $100 of Assessed Value)
Unaudited

	District Direct Rate			Overlapping Rates			
Year Ended Dec. 31	Basic Rate	General Obligation Debt Service (2)	Total Direct School Tax Rate	Special Districts	Township of Haddon	Camden County	Total Direct and Overlapping Tax Rate
2011	$ 1.631	$ 0.078	$ 1.709	$ 0.035	$ 0.614	$ 0.757	$ 3.115
2010	2.948	0.144	3.092	0.868	1.080	1.371	6.411
2009	2.847	0.152	2.999	0.861	1.081	1.313	6.254
2008	2.769	0.150	2.919	0.864	1.094	1.267	6.144
2007	2.722	0.144	2.866	0.799	0.975	1.288	5.928
2006	2.542	0.155	2.697	0.680	0.843	1.302	5.522
2005	2.267	0.161	2.428	0.678	0.775	1.170	5.051
2004	2.127	0.165	2.292	0.695	0.668	1.024	4.679
2003	1.994	0.145	2.139	0.683	0.618	1.084	4.524
2002	1.799	0.132	1.931	0.668	0.534	1.025	4.158

Source: Municipal Tax Collector

TOWNSHIP OF HADDON SCHOOL DISTRICT
Principal Property Tax Payers
Current Year and Ten Years Ago
Unaudited

	2011			2001		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Kimco Realty Corp	$ 17,765,500	1	1.41%	$ 10,419,200	2	1.57%
Haddon View Assoc	11,364,600	2	0.90%	19,981,800	1	3.00%
Haddon Hills % Goldberg	9,161,900	3	0.73%	8,209,000	3	1.23%
Commonwealth/Media Real Estate	8,380,300	4	0.66%	4,956,500	5	0.74%
ILCL Center Assoc	4,604,200	5	0.36%	3,536,500	6	0.53%
FW-NJ Westmont Shopping Center	3,638,700	6	0.29%	2,465,000	7	0.37%
Lawland Associates	3,132,800	7	0.25%	2,151,600	8	0.32%
Colls/ W Investors LLC	2,952,200	8	0.23%			
RPW Investment Holdings	1,833,200	9	0.15%			
Peter Frasca	264,500	10	0.02%	1,933,500	9	0.29%
First States Investors				5,006,900	4	0.75%
Alfred Whetterhahn				1,642,900	10	0.25%
Total	$ 63,097,900		3.59%	$ 60,302,900		7.50%

Source: District CAFR & Municipal Tax Assessor

TOWNSHIP OF HADDON SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	$ 21,484,016	$ 21,484,133	100.00%	
2010	20,799,133	20,799,133	100.00%	-
2009	20,157,446	20,157,446	100.00%	-
2008	19,650,926	19,650,926	100.00%	-
2007	19,362,473	19,362,473	100.00%	-
2006	17,431,715	17,431,715	100.00%	-
2005	15,604,408	15,604,408	100.00%	-
2004	15,446,733	15,446,733	100.00%	-
2003	13,470,873	13,470,873	100.00%	-
2002	12,468,855	12,468,855	100.00%	-

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

Source: District Records

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities: General Obligation Bonds (1)	Governmental Activities: Certificates of Participation	Governmental Activities: Capital Leases	Governmental Activities: Bond Anticipation Notes (BANs)	Business-Type Activities: Capital Leases	Total District	Percentage of Personal Income (2)	Per Capita Personal Income (3)
2011	$ 8,755,000.00					$ 8,755,000.00	N/A	N/A
2010	8,755,000.00	-	-	-	-	8,755,000.00	N/A	$ 595
2009	9,965,000.00	-	-	-	-	9,965,000.00	1.68%	694
2008	10,717,000.00	-	-	-	-	10,717,000.00	1.81%	747
2007	11,307,000.00	-	-	-	-	11,307,000.00	1.96%	786
2006	11,960,000.00	-	-	-	-	11,960,000.00	2.15%	829
2005	12,223,000.00	-	-	-	-	12,223,000.00	2.34%	845
2004	12,823,000.00	-	-	-	-	12,823,000.00	2.54%	885
2003	13,413,000.00	-	-	-	-	13,413,000.00	2.74%	921
2002	13,983,000.00	-	-	-	-	13,983,000.00	2.95%	957

N/A - Information not Available

Sources:
(1) District Records
(2) Personal income has been estimated based upon the municipal population and per capita personal income presented.
(3) Per capita personal income by municipality-estimated based upon the 2000 Census published by the US Bureau of Economic Analysis

TOWNSHIP OF HADDON SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Net Assessed Valuation Taxable (2)	Per Capita (3)
2011	$ 8,755,000.00		$ 8,755,000.00	0.69%	Unavailable
2010	8,755,000.00	-	8,755,000.00	1.51%	595
2009	9,965,000.00	-	9,965,000.00	1.73%	694
2008	10,717,000.00	-	10,717,000.00	1.86%	747
2007	11,307,000	-	11,307,000	1.97%	786
2006	11,960,000	-	11,960,000	2.07%	829
2005	12,223,000	-	12,223,000	2.12%	845
2004	12,823,000	-	12,823,000	2.24%	885
2003	13,413,000	-	13,413,000	2.35%	921
2002	13,983,000	-	13,983,000	2.46%	957

Sources:
(1) District Records
(2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
(3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

Township of Haddon School District
Direct and Overlapping Governmental Activities Debt
As of December 31, 2010
Unaudited

	Gross Debt	Deductions	Statutory Net Debt Outstanding	Net Debt Outstanding Allocated to Haddon Township
Municipal Debt: (1)				
Haddon Township School District	$ 9,370,000.00	$ 9,370,000.00	$ -	$ -
Haddon Township Water, Sewer Utility	13,485,688.00	13,485,688.00	-	-
Haddon Township	24,814,358.00	497,382.00	24,316,976.00	24,316,976.00
	47,670,046.00	23,353,070.00	24,316,976.00	24,316,976.00
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (2)				
General:				
Bonds	887,249,348.00	733,597,839.00 (3)	153,651,509.00	5,263,542.97 (4)
	887,249,348.00	733,597,839.00	153,651,509.00	5,263,542.97
	$ 934,919,394.00	$ 756,950,909.00	$ 177,968,485.00	$ 29,580,518.97

Sources:
(1) 2010 Annual Debt Statement
(2) County's 2010 Audit Report
(3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
(4) Such debt is allocated as a proportion of the Township's share of the total 2010 Equalized Value, which is 3.43%.
The source for this computation was the 2010 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2011

	Equalized valuation basis (1)		
	2010	$1,406,193,701	
	2009	1,429,344,018	
	2008	1,440,422,955	
	[A]	$4,275,960,674	
Average equalized valuation of taxable property	**[A/3]**	$1,425,320,225	
Debt limit (4% of average equalization value) (2)	**[B]**	57,012,809	**(1)**
Total Net Debt Applicable to Limit	**[C]**	8,755,000	
Legal Debt Margin	**[B-C]**	$ 48,257,809	

	Fiscal Year Ended June 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Debt limit	$ 57,012,808.99	$ 56,273,103.49	$53,844,303.88	$49,158,724.32	$43,821,392.08	$38,473,369.75	$33,959,722.00	$30,768,257.00	$28,577,775.00	$27,518,692.00
Total net debt applicable to limit (3)	8,755,000	9,370,000	9,965,000.00	10,717,000.00	11,307,000.00	11,960,000.00	12,223,000.00	12,823,000.00	13,413,000.00	13,983,000.00
Legal debt margin	$ 48,257,808.99	$ 46,903,103.49	$43,879,303.88	$38,441,724.32	$32,514,392.08	$26,513,369.75	$21,736,722.00	$17,945,257.00	$15,164,775.00	$13,535,692.00
Total net debt applicable to the limit as a percentage of debt limit	15.36%	16.65%	18.51%	21.80%	25.80%	31.09%	35.99%	41.68%	46.94%	50.81%

Sources:
(1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
(2) Limit set by NJSA 18A:24-19 for a K through 12 district.
(3) District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

TOWNSHIP OF HADDON SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2010	14,707	Unavailable	Unavailable	7.3%
2009	14,369	$ 593,181,058.00	$ 41,282.00	6.9%
2008	14,351	593,212,936.00	41,336.00	4.4%
2007	14,387	576,228,124.00	40,052.00	3.3%
2006	14,423	555,054,732.00	38,484.00	3.6%
2005	14,472	522,844,416.00	36,128.00	3.3%
2004	14,488	504,559,088.00	34,826.00	2.1%
2003	14,557	490,236,089.00	33,677.00	2.4%
2002	14,614	474,648,106.00	32,479.00	2.3%
2001	14,594	461,330,934.00	31,611.00	1.6%

Source:
(1) Population information provided by the NJ Dept of Labor and Workforce Development
(2) Personal income has been estimated based upon the municipal population and per capita personal income presented
(3) Per capita personal income by municipality-estimated based upon the 2000 Census published by the US Bureau of Economic Analysis
(4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

TOWNSHIP OF HADDON SCHOOL DISTRICT
Principal Non-Governmental Employers
Current Year and Ten Years Ago
Unaudited

	2010			2001		
Employer	**Employees**	**Rank**	**Percentage of Total Municipal Employment**	**Employees**	**Rank**	**Percentage of Total Municipal Employment**
		1				
Information is not available		2				
		3				
		4				
		5				
		6				
		7				
		8				
		9				
		10				
	-			-		

Source: Individual Employers

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

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

	Fiscal Year Ended June 30,									
Function/Program	2011 (A)	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction										
Regular	121.4	151.5	150.5	141.5	141.8	142.8	143.8	146.8	144.3	147.9
Special education	39.7	33.0	32.0	31.1	30.1	29.1	29.3	28.6	27.8	24.7
Other special education	-	-	-	-	-	-	-	-	-	-
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition		-	-	-	-	-	-	-	-	-
Student & instruction related services	36.4	28.0	27.0	26.8	26.8	25.8	25.8	24.0	20.0	18.0
General administrative services	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
School administrative services	17.7	26.5	26.5	27.0	27.0	26.0	25.0	25.0	26.0	26.3
Business administrative services	6.0	7.0	7.0	7.0	6.5	6.5	6.5	6.5	6.5	6.5
Plant operations and maintenance	31.0	30.0	26.5	27.7	27.2	27.2	27.2	26.2	26.2	25.7
Pupil transportation	18.7	23.0	22.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	-	-	-	-	-
Community Education and Recreation	-	-	-	-	-	-	-	-	-	-
Total	273.9	301.0	293.5	282.1	280.4	278.4	278.6	278.1	271.8	270.1

Source: District Records

(A) During 2010-11 school year, the District changed employee count to align with N.J.D.O.E. budget schedule for budgeted full-time equivalents.

TOWNSHIP OF HADDON 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 Elementary	Pupil/Teacher Ratio Middle School	Pupil/Teacher Ratio High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2011	2,110	$ 29,694,811	$ 14,073	-7.81%	139 (a)	1:20.7	1:18.0	1:17.0	2,110	2,005	-2.81%	95.35%
2010	2,171	33,140,635	15,265	6.45%	199	1:20.5	1:15.5	1:13.2	2,171	2,070	-0.14%	95.35%
2009	2,174	31,174,802	14,340	-2.52%	198	1:20.6	1:15.7	1:13.2	2,174	2,073	3.32%	95.35%
2008	2,106	30,980,239	14,710	8.39%	199	1:13.5	1:8.2	1:9.8	2,106	2,014	-0.52%	95.62%
2007	2,117	28,732,134	13,572	5.68%	189	1:14.6	1:8.4	1:10.8	2,117	1,999	-1.40%	94.44%
2006	2,147	27,572,154	12,842	9.69%	190	1:18.2	1:21.1	1:20.6	2,147	2,050	-0.46%	95.48%
2005	2,157	26,283,826	11,708	7.60%	192	1:19.0	1:20.9	1:20.1	2,157	2,059	-3.17%	95.47%
2004	2,227	25,162,094	10,881	11.37%	192	1:19.0	1:20.9	1:20.1	2,227	2,118	-0.86%	95.10%
2003	2,247	22,826,545	9,770	9.52%	190	1:19.8	1:20.9	1:20.0	2,247	2,140	-0.63%	95.26%
2002	2,261	21,085,204	8,921	0.93%	188	1:20.3	N/A	1:18.4	2,261	2,151	1.60%	95.15%

(a) Teaching staff includes only Full-time equivalents of instructional, certificated staff.

Sources: District Records

TOWNSHIP OF HADDON SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
District Building										
Elementary										
Thomas Edison (1930, 2002)										
Square Feet	22,615	22,615	22,615	22,615	22,615	22,615	22,615	22,615	22,615	22,615
Capacity (students)	154	154	154	154	154	154	154	154	154	154
Enrollment	191	191	185	185	133	136	154	148	168	173
Clyde Jennings (1924, 2002)										
Square Feet	23,922	23,922	23,922	23,922	23,922	23,922	23,922	23,922	23,922	23,922
Capacity (students)	135	135	135	135	135	135	135	135	135	135
Enrollment	132	132	145	145	144	139	136	133	158	157
Stoy (1928, 1955)										
Square Feet	22,345	22,345	22,345	22,345	22,345	22,345	22,345	22,345	22,345	22,345
Capacity (students)	186	186	186	186	186	186	186	186	186	186
Enrollment	191	191	199	199	178	179	183	219	243	253
Strawbridge (1926, 1955)										
Square Feet	26,983	26,983	26,983	26,983	26,983	26,983	26,983	26,983	26,983	26,983
Capacity (students)	283	283	283	283	283	283	283	283	283	283
Enrollment	252	252	247	247	247	252	249	243	303	301
Van Sciver										
Square Feet	34,782	34,782	34,782	34,782	34,782	34,782	34,782	34,782	34,782	34,782
Capacity (students)	326	326	326	326	326	326	326	326	326	326
Enrollment	302	302	297	297	282	298	271	257	331	341
Wm. G. Rohrer Middle School (2003)										
Square Feet	46,454	46,454	46,454	46,454	46,454	46,454	46,454	46,454	-	-
Capacity (students)	476	476	476	476	476	476	476	476	-	-
Enrollment	471	471	409	409	434	465	515	531	-	-
Haddon Twp. High School (1951, 1964, 1994)										
Square Feet	184,877	184,877	184,877	184,877	184,877	184,877	184,877	184,877	184,877	184,877
Capacity (students)	785	785	785	785	785	785	785	785	1,271	1,271
Enrollment	632	632	662	662	707	701	681	694	1,046	1,039
Other										
Administration Building										
Square Feet	2,910	2,910	2,910	2,910	2,910	2,910	2,910	2,910	2,910	2,910

Number of Schools at June 30, 2011
- Elementary = 5
- Middle School = 1
- High School = 1
- Other = 3

Source: District Records

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years
Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES (11-000-261-XXX)

		Fiscal Year Ended June 30,									
School Facilities	School # (s)	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Haddon Township High School	050	$ 229,693	$ 290,108	$ 319,616	$ 284,961	$ 386,375	$ 244,506	$ 193,264	$ 227,401	$ 206,480	$ 202,903
Thomas A. Edison Elementary School	060	24,891	32,912	24,192	21,634	20,820	20,782	18,192	49,780	22,753	24,714
Clyde S. Jennings Elementary School	070	27,350	31,795	20,000	25,164	20,248	22,282	18,568	35,563	22,928	26,143
James Stoy Elementary School	080	28,621	51,989	19,766	24,362	20,584	26,082	18,005	18,824	22,738	24,419
Strawbridge Elementary School	090	23,369	45,501	23,451	26,394	38,515	24,482	20,065	16,058	28,630	29,487
Van Sciver Elementary School	100	44,397	42,000	72,263	86,174	51,211	28,582	28,920	24,308	31,256	38,011
Wm. G. Rohrer Middle School	110	46,880	45,382	13,052	42,886	41,667	34,203	30,362	56,095		
Total School Facilities		$ 425,200	$ 539,688	$ 492,340	$ 511,575	$ 579,420	$ 400,919	$ 327,376	$ 428,029	$ 334,785	$ 345,677

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

Source: District Records

TOWNSHIP OF HADDON SCHOOL DISTRICT
Insurance Schedule
June 30, 2011
Unaudited

			Coverage	Deductible
School Alliance Insurance Fund:				
Property and Auto Physical Damage	(1)	$	150,000,000	
Boiler and Machinery	(1)		125,000,000	
Excess Liability	(1)		Various	
General and Auto Liability	(2)		10,000,000	
Workers Compensation	(4)		Statutory	
School Board Legal Liability				
Legal Liability Policy	(3)		10,000,000	-

(1) Limit each occurrence, No annual aggregate
(2) Limit each occurrence, annual unaggregated
(3) Per claim/ annual aggregate
(4) Each accident

Source: District Records

SINGLE AUDIT SECTION

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

The Honorable President and
Members of the Board of Education
Township of Haddon School District
Westmont, New Jersey 08108

Compliance

We have audited Township of Haddon School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2011. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

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

In our opinion, the Township of Haddon School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2011.

22400

Internal Control Over Compliance

Management of the Township of Haddon School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Kirk N. Applegate

Kirk N. Applegate
Certified Public Accountant
Public School Accountant No. 20CS00223300

Voorhees, New Jersey
October 13, 2011

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2011

Pass-through Grantor/Program Title	CFDA Number	State Project Number	Award Amount	Grant Period From	Grant Period To	Balance June 30, 2010
General Fund:						
U.S. Department of Education:						
Medical Assistance Program (SEMI)	93.778	N/A	11,330.68	7-1-10	6-30-11	
Medical Assistance Program (SEMI)	93.778	N/A	12,244.25	7-1-09	6-30-10	$ (6,371.53)
						(6,371.53)
U.S. Department of Homeland Security						
Federal Emergency Management Agency	97.XXX	N/A	10,683.60	N/A	N/A	
Total General Fund						(6,371.53)
Special Revenue Fund:						
U.S. Department of Education:						
Passed-through State Department of Education:						
N.C.L.B.:						
Title I, Part A	84.010A	NCLB189011	131,550.00	9-1-10	8-31-11	
Title I, Part A	84.010A	NCLB189010	133,829.00	9-1-09	8-31-10	25,372.51
Title I, Part A	84.010A	NCLB189009	115,471.00	9-1-08	8-31-09	(23,231.00)
Title I - SIA	84.010A	NCLB189009	2,843.00	9-1-08	8-31-09	(1,035.50)
ARRA - Title I - Part A	84.389	NCLB189010	44,008.00	7-1-09	8-31-11	(33,624.28)
ARRA - Title I - SIA Part A	84.389	NCLB189010	2,876.00	7-1-09	8-31-11	(2,000.33)
Title II - Part A	84.367A	NCLB189011	60,319.00	9-1-10	8-31-11	
Title II - Part A	84.367A	NCLB189010	60,188.00	9-1-09	8-31-10	(57,148.81)
Title II - Part A	84.367A	NCLB189009	61,521.00	9-1-08	8-31-09	(4,050.00)
Title II - Part D	84.318X	NCLB189011	255.00	9-1-10	8-31-11	
Title II - Part D	84.318X	NCLB189010	1,363.00	9-1-09	8-31-10	(1,363.00)
Title II - Part D	84.318X	NCLB189009	958.00	9-1-08	8-31-09	(340.00)
Title III - Immigrant	84.365A	NCLB189011	6,401.00	9-1-10	8-31-11	
Title III	84.365A	NCLB189011	13,197.00	9-1-10	8-31-11	
Title IV	84.186A	NCLB189010	6,260.00	9-1-09	8-31-10	(2,985.89)
Title IV	84.186A	NCLB189009	6,136.00	9-1-08	8-31-09	(4,876.00)
I.D.E.A.						
Basic	84.027	IDEA189011	590,340.00	9-1-10	8-31-11	
Basic	84.027	IDEA189010	581,882.00	9-1-09	8-31-10	155,625.26
Basic	84.027	IDEA189009	565,598.00	9-1-08	8-31-09	(189,649.00)
ARRA - Basic	84.391	IDEA189010	703,834.00	7-1-09	8-31-11	(407,966.62)
PreSchool Incentive	84.173	IDEA189011	17,347.00	9-1-10	8-31-11	
PreSchool Incentive	84.173	IDEA189010	16,278.00	9-1-09	8-31-10	(4,515.04)
PreSchool Incentive	84.173	IDEA189009	16,063.00	9-1-08	8-31-09	(735.00)
ARRA - PreSchool Incentive	84.392	IDEA189010	25,450.00	7-1-09	8-31-11	(25,450.00)
Total U.S. Department of Education						(577,972.70)
Total Special Revenue Fund						(577,972.70)
Enterprise Fund:						
U.S. Department of Agriculture:						
Passed-through State Department of Education:						
Child Nutrition Cluster:						
Non-Cash Assistance (Food Distribution):						
National School Lunch Program	10.550	Unavailable	22,574.82	7-1-10	6-30-11	
Cash Assistance:						
National Breakfast Program	10.553	Unavailable	2,838.92	7-1-10	6-30-11	
National Breakfast Program	10.553	Unavailable	3,001.42	7-1-09	6-30-10	(238.12)
National School Lunch Program	10.555	Unavailable	111,311.07	7-1-10	6-30-11	
National School Lunch Program	10.555	Unavailable	102,384.30	7-1-09	6-30-10	(6,289.32)
Total Enterprise Fund:						(6,527.44)
Total Federal Financial Assistance						$ (590,871.67)

(A) See Note 5 to the Schedules of Expenditures of Federal Awards and State Financial Assistance

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

Carry-over (Walkover) Amount	Cash Received	Adjustments (A)	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2011		
					Accounts Receivable	Deferred Revenue	Due to Grantor
	$ 6,711.71		$ 11,330.68		$ (4,618.97)		
	6,371.53						
$ -	13,083.24	$ -	11,330.68	$ -	(4,618.97)	$ -	$ -
	10,683.60		10,683.60				
-	23,766.84	-	22,014.28	-	(4,618.97)	-	-
61,132.51	79,770.00	(25,639.26)	128,655.75		(80,276.00)	66,883.50	
(61,132.51)	30,495.00	5,265.00					
		23,231.00					
	2,843.00		1,004.00				803.50
	37,206.00		2,564.72		(6,802.00)	7,819.00	
					(2,876.00)	875.67	
3,039.19	51,020.00	(3,039.18)	57,826.58		(12,337.00)	5,530.43	
(3,039.19)	57,150.00	3,038.00					
	4,050.00						
		(0.22)	248.78		(255.00)	6.00	
	1,363.00						
	340.00						
	3,558.00		3,662.85		(2,843.00)	2,738.15	
	13,197.00		13,197.00				
	8,531.00	(0.46)	128.00				5,416.65
	4,876.00						
204,695.26	586,458.00	(189,305.69)	574,052.36		(117,697.00)	145,492.21	
(204,695.26)	49,070.00						
	343.00	189,306.00					
	656,459.00		295,867.38		(47,375.00)	-	
	17,347.00		17,347.00				
	7,014.00	(2,498.96)					
		735.00					
	25,450.00						
-	1,636,540.00	1,091.23	1,094,554.42	-	(270,461.00)	229,344.96	6,220.15
-	1,636,540.00	1,091.23	1,094,554.42	-	(270,461.00)	229,344.96	6,220.15
	22,574.82		22,574.82				
	2,838.92		2,838.92				
	238.12						
	111,311.07		111,311.07				
	6,289.32						
-	143,252.25	-	136,724.81	-	-	-	-
$ -	$ 1,803,559.09	$ 1,091.23	$ 1,253,293.51	$ -	$ (275,079.97)	$ 229,344.96	$ 6,220.15

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2011

State Grantor/ Program Title	State Project Number	Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2010 Deferred Revenue/ Accounts Receivable	Balance at June 30, 2010 Due to Grantor
General Fund:						
State Department of Education:						
Equalization Aid	11-495-034-5120-078	$ 6,312,413.00	7-1-10	6-30-11		
Equalization Aid	10-495-034-5120-078	5,705,505.00	7-1-09	6-30-10	$ (675,271.56)	
Security Aid	10-495-034-5120-084	110,616.00	7-1-09	6-30-10	(19,075.96)	
Special Education Categorical Aid	11-495-034-5120-089	1,087,038.00	7-1-10	6-30-11		
Special Education Categorical Aid	10-495-034-5120-089	1,065,723.00	7-1-09	6-30-10	(119,461.30)	
Transportation Aid	10-495-034-5120-014	192,239.00	7-1-09	6-30-10	(33,152.18)	
Nonpublic School Transportation Aid	11-495-034-5120-014	7,134.00	7-1-10	6-30-11		
Nonpublic School Transportation Aid	10-495-034-5120-014	6,989.00	7-1-09	6-30-10	(6,989.00)	
Extraordinary Special Education Costs Aid	11-100-034-5120-473	263,759.00	7-1-10	6-30-11		
Extraordinary Special Education Costs Aid	10-100-034-5120-473	306,144.00	7-1-09	6-30-10	(306,144.00)	
T.P.A.F. Social Security Aid	11-495-034-5095-002	925,265.75	7-1-10	6-30-11		
T.P.A.F. Social Security Aid	10-495-034-5095-002	1,053,672.06	7-1-09	6-30-10	(52,596.10)	
Total General Fund					(1,212,690.10)	$ -
Special Revenue Fund:						
State Department of Education:						
Nonpublic Aid:						
Textbook Aid (Ch. 194, L. 1977)	11-100-034-5120-064	67,753.00	7-1-10	6-30-11		
Textbook Aid (Ch. 194, L. 1977)	10-100-034-5120-064	79,943.00	7-1-09	6-30-10		23,645.28
Auxiliary Services (Ch. 192, L. 1977)	11-100-034-5120-067					
Compensatory Education		176,413.00	7-1-10	6-30-11		
English as a Second Language		8,538.00	7-1-10	6-30-11		
Home Instruction		13,471.22	7-1-10	6-30-11		
Auxiliary Services (Ch. 192, L. 1977)	10-100-034-5120-067					
Compensatory Education		207,678.00	7-1-09	6-30-10		1,844.00
English as a Second Language		9,787.00	7-1-09	6-30-10		3,956.00
Home Instruction		20,031.00	7-1-09	6-30-10	(20,031.00)	
Handicapped Services (Ch. 193, L. 1977)	11-100-034-5120-066					
Corrective Speech		17,211.00	7-1-10	6-30-11		
Examination and Classification		53,097.00	7-1-10	6-30-11		
Supplementary Instruction		52,112.00	7-1-10	6-30-11		
Handicapped Services (Ch. 193, L. 1977)	10-100-034-5120-066					
Corrective Speech		19,728.00	7-1-09	6-30-10		18,838.00
Examination and Classification		55,746.00	7-1-09	6-30-10		1,662.00
Supplementary Instruction		59,732.00	7-1-09	6-30-10		30,472.00
Nursing Services	11-100-034-5120-070	80,281.00	7-1-10	6-30-11		
Nursing Services	10-100-034-5120-070	94,802.00	7-1-09	6-30-10		14,127.43
Total Special Revenue Fund					(20,031.00)	94,544.71
Enterprise Fund:						
State Department of Agriculture:						
State School Lunch Aid	11-100-010-3350-023	4,466.43	7-1-10	6-30-11		
State School Lunch Aid	10-100-010-3350-023	6,000.92	7-1-09	6-30-10	(368.48)	
State School Breakfast Program	10-100-010-3350-021	210.00	7-1-09	6-30-10	(5.80)	
Total Enterprise Fund					(374.28)	-
Total State Financial Assistance					$ (1,233,095.38)	$ 94,544.71

(A) See Note 5 to the Schedules of Expenditures of Federal Awards and State Financial Assistance
(B) Passed through to Camden County Educational Services Commission

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

Carryover/ Walkover Amount	Cash Received	Adjustments (A)	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2011: Accounts Receivable	Balance at June 30, 2011: Deferred Revenue/ Interfund Payable	Balance at June 30, 2011: Due to Grantor	Memo: Budgetary Receivable June 30, 2011	Memo: Cumulative Total Expenditures
	$ 5,716,664.68		$ 6,312,413.00		(595,748.32)			$ (595,748.32)	$ 6,312,413.00
	675,271.56								
	19,075.96								
	984,446.32		1,087,038.00		(102,591.68)			(102,591.68)	1,087,038.00
	119,461.30								
	33,152.18								
			7,134.00		(7,134.00)				7,134.00
	6,989.00								
			263,759.00		(263,759.00)				263,759.00
	306,144.00								
	880,373.52		926,265.75		(45,892.23)				
	52,596.10								
$ -	8,794,174.62	$ -	8,596,609.75	$ -	(1,015,125.23)	$ -	$ -	(698,340.00)	7,670,344.00
	67,753.00		46,717.82				21,035.18		46,717.82
		(0.28)		23,645.00					
	176,413.00 (B)		156,426.00				19,987.00		156,426.00
	8,538.00 (B)		5,317.00				3,221.00		5,317.00
		0.22	13,471.22		(13,471.00)				13,471.22
				1,844.00					
				3,956.00					
	20,031.00								
	17,211.00 (B)		1,392.00				15,819.00		1,392.00
	53,097.00 (B)		46,670.00				6,427.00		46,670.00
	52,112.00 (B)		27,199.00				24,913.00		27,199.00
				18,838.00					
		(1.00)		1,661.00					
				30,472.00					
	80,281.00		76,398.73				3,882.27		76,398.73
		(0.43)		14,127.00					
-	475,436.00	(1.49)	373,591.77	94,543.00	(13,471.00)	-	95,284.45	-	373,591.77
	4,466.43		4,466.43						4,466.43
	368.48								
	5.80								
-	4,840.71	-	4,466.43	-	-	-	-	-	4,466.43
$ -	$ 9,274,451.33	$ (1.49)	$ 8,974,667.95	$ 94,543.00	$ (1,028,596.23)	$ -	$ 95,284.45	$ (698,340.00)	$ 8,048,402.20

TOWNSHIP OF HADDON SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2011

Note 1: GENERAL

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

Note 2: BASIS OF ACCOUNTING

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

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 for 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 the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more 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 June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is $148,621.00 for the general fund and $2,390.89 for the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Note 3: RELATIONSHIP TO FINANCIAL STATEMENTS (CONT'D)

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

Fund	Federal	State	Total
General	$ 11,330.68	$ 8,596,609.75	$ 8,607,940.43
Special Revenue	1,096,945.31	373,591.77	1,470,537.08
Food Service	136,724.81	4,466.43	141,191.24
Total Awards and Financial Assistance	$ 1,108,275.99	$ 8,970,201.52	$ 10,078,477.51

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

Amounts reported in the column entitled "Adjustments" represent favorable differences incurred in the liquidation of encumbrances charged as budgetary basis expenditures in fiscal year 2009-2010 and the combining of program years for federal programs.

Note 6: OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distribution, respectively. 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 fiscal year ended June 30, 2011.

Note 7: MAJOR PROGRAMS

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

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	____ yes X no
Were significant deficiencies identified that were not considered to be a material weakness?	____ yes X none reported
Noncompliance material to financial statements noted?	____ yes X no

Federal Awards

Internal control over compliance:	
Material weaknesses identified?	____ yes X no
Were significant deficiencies identified that were considered to be material weaknesses?	____ yes X none reported
Type of auditor's report on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a))?	____ yes X no

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
84.027	I.D.E.A. Part B Basic
84.173	I.D.E.A. Part B Preschool Incentive
84.391	A.R.R.A. - I.D.E.A. Part B Basic

Dollar threshold used to determine Type A programs	$300,000.00
Auditee qualified as low-risk auditee?	X yes ____ no

TOWNSHIP OF HADDON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over compliance:

Material weaknesses identified? ____ yes __X__ no

Were significant deficiencies identified that were considered to be material weaknesses? ____ yes __X__ none reported

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

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a)) or New Jersey Circular 98-07-OMB? ____ yes __X__ no

Identification of major programs:

GMIS Numbers	Name of State Program
11-495-034-5120-078	Equalization Aid
11-495-034-5120-089	Special Education Categorical Aid
11-495-034-5095-002	TPAF Social Security Aid

Dollar threshold used to determine Type A programs: $300,000.00

Auditee qualified as low-risk auditee? __X__ yes ____ no

HADDON TOWNSHIP BOARD OF EDUCATION
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 2- Schedule of Financial Statement Findings

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

N/A - None

HADDON TOWNSHIP BOARD OF EDUCATION
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 3- Schedule of Federal Award Findings and Questioned Costs

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

N/A - None

HADDON TOWNSHIP BOARD OF EDUCATION
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

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

N/A - None

HADDON TOWNSHIP BOARD OF EDUCATION
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

N/A - None

FEDERAL AWARDS

N/A -None

STATE FINANCIAL ASSISTANCE PROGRAMS

N/A -None