

SCHUYLKILL TECHNOLOGY CENTER
SINGLE AUDIT REPORT
MAR LIN, PENNSYLVANIA
FOR THE YEAR ENDED JUNE 30, 2009

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JONES & CO.
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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Board of School Directors
Schuylkill Technology Center
Mar Lin, Pennsylvania

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 Schuylkill Technology Center, as of and for the year ended June 30, 2009, which collectively comprise the School's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Schuylkill Technology Center'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, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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 Schuylkill Technology Center, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the 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 a report dated January 15, 2010 on our consideration of the Schuylkill Technology Center internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis on pages 7 through 18 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. 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 performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is 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 is not a required part of the financial statements of the Schuylkill Technology Center. The combining statement of special revenue funds, as listed in the table of contents, are presented for purposes of additional analysis and are also not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects, in relation to the financial statements taken as a whole.

Jones & Co., P. C.

January 15, 2010
Pottsville, Pennsylvania

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

Board of School Directors
Schuylkill Technology Center
Marlin, Pennsylvania

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Schuylkill Technology Center as of and for the year ended June 30, 2009, which collectively comprise the Schuylkill Technology Center's basic financial statements and have issued our report thereon dated January 15, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Schuylkill Technology Center's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Schuylkill Technology Center's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Schuylkill Technology Center's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Schuylkill Technology Center's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Schuylkill Technology Center's financial statements that is more than inconsequential will not be prevented or detected by the Schuylkill Technology Center's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Schuylkill Technology Center's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 Schuylkill Technology Center'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.

This report is intended solely for the information and use of the audit committee, management, board of directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Jones & Co., P.C.

January 15, 2010
Pottsville, Pennsylvania

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of School Directors
Schuylkill Technology Center
Marlin, Pennsylvania

Compliance

We have audited the compliance of Schuylkill Technology Center with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2009. Schuylkill Technology Center's major federal 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 programs is the responsibility of Schuylkill Technology Center's management. Our responsibility is to express an opinion on Schuylkill Technology Center'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; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 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 program occurred. An audit includes examining, on a test basis, evidence about Schuylkill Technology Center'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 Schuylkill Technology Center's compliance with those requirements.

In our opinion, the Schuylkill Technology Center complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Schuylkill Technology Center is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Schuylkill Technology Center's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Schuylkill Technology Center's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Schuylkill Technology Center's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Schuylkill Technology Center's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Schuylkill Technology Center's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 board of directors, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specific parties.

Jones & Co., P.C.

January 15, 2010
Pottsville, Pennsylvania

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

Our discussion and analysis of the Schuylkill Technology Center's financial performance provides an overall view of the School's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of School's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis (MD&A) – for State and Local Governments issued June 1999.

JOINT VENTURE

Schuylkill Technology Center is a joint venture of twelve public schools in Schuylkill County, PA organized under the Public School Code of PA, namely:

Blue Mountain School District	Saint Clair School District
Mahanoy Area School District	Schuylkill Haven School District
Minersville Area School District	Shenandoah Valley School District
Pottsville Area School District	Tamaqua Area School District
Pine Grove School District	Tri Valley School District
North Schuylkill School District	Williams Valley School District

The School provides career and technology programs for high school students who are residents of the participating school districts and out of school youths and adults. Career and Technology programs are provided at 2 campuses; 1 South (Mar Lin) and 1 North (Frackville) and include the following programs:

- Regular Instruction – Social Studies
- Agriculture;
- Marketing;
- Health Occupations;
 - Home Economics – Child Care, and Food Preparation
- Technology
 - Drafting, Electronics and Computer Technology
- Trade and Industry
 - Auto Body, Auto Mechanics, Carpentry, Cosmetology, Electrical, Machine Trades, Plumbing, Small Engine Repair and Welding.

In addition, a post secondary program is offered for adults in the area of heavy equipment operation, Commercial Driver Licensing and Licensed Practical Nursing.

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

Each district is responsible for a share of the operating budget based on student enrollment using a formula described within the Articles of Agreement.

As a result of an amendment to the articles of agreement made in October of 2004, the formula used to calculate the district contributions was changed from a 21% projection of enrollment to a 17% projection beginning with the 2005-2006 school year.

Continuing Education for out of school youths and adults receives no school district funding and operates on student paid tuition, and state and federal grants that become available.

FINANCIAL HIGHLIGHTS

The twelve participating school districts provide the largest sum of revenue, which supports the secondary education programs and totaled \$4,692,053 for 2008-2009. This amount is based on a funding formula that is agreed upon by all districts as part of the Articles of Agreement.

Total contributions from participating school districts was over 78% of the secondary program's revenue for 2008-2009. The balance of revenue was made up of both state and federal grants and local tuition.

At year end of the 2008-2009 school year, secondary programs revenue exceeded expenditures and the school ended up with a surplus of \$507,228 of which \$471,180 was placed in the capital reserve fund and excess funds totaling \$36,048 was placed in the fund balance to bring the fund balance to the allowable amount of \$350,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts:

- Management's Discussion and Analysis (this section);
- The basic financial statements, and
- Notes to the financial statements.

The basic financial statements include two types of statements that present different views of the Schuylkill Technology Center. The first 2 statements are government-wide financial statements – the Statement of Net Assets and the Statement of Activities. These provide both long-term and short-term information about the School's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the School's operations in more detail than the government-wide statements.

The governmental fund statements tell how the School's services were financed for the current period as well as what remains for future spending.

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

Proprietary funds statements offer short and long-term financial information about the activities of the food service operations. These activities are operated as a business entity.

Fiduciary funds statements provide information about the financial relationships in which the School acts solely as a trustee or agent for the benefit of others.

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

Entity-wide Statements

The entity-wide statements report information about the School as a whole, using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the School's assets and liabilities. All of the current year's revenues and expenditures are accounted for in the statement of activities, regardless of when cash is received or paid.

The entity-wide statements report the School's net assets and how they have changed. Net assets, the difference between the School's assets and liabilities, are one way to measure the School's financial health or position.

Over time, increases or decreases in the School's net assets are an indication of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the School, you need to consider additional factors, such as change in the member district contributions and the projected enrollment of the students.

The entity-wide financial statements of the school are divided into two categories:

Governmental activities – All of the School's basic services are included here, such as instruction, administration and community services. Participating school district contributions, state and federal subsidies, grants and tuition finance most of these activities

Business Type activities – The school operates a food service operation and charges fees to staff, students and visitors to help cover the cost of the food service operation. The post secondary program is also reported as a business type activity.

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

Fund Financial Statements

Governmental funds – Most of the School's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the School's services. Because this information does not encompass the long-term focus on the School-wide statements, we provide additional information with the governmental funds statements to explain the relationship between them.

Proprietary funds – These funds are used to account for the School's activities that are similar to business operations in the private sector; or where reporting is on determining net income, financial position, changes in financial position, and a significant portion of funding through user charges. The food service operation and post secondary programs are reported in this fund.

Fiduciary funds – The School is the trustee, or fiduciary, for assets that belong to others, such as student activities funds and payroll liabilities. The School is responsible for ensuring that those to whom the assets belong are used only for their intended purposes and assets reported in these funds. All of the School's fiduciary activities are reported separate of the fiduciary net assets. We exclude these activities from the entity-wide financial statements because the School cannot use these assets to finance program services.

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

FINANCIAL ANALYSIS OF THE TECHNOLOGY CENTER AS A WHOLE

The School's total net assets increased from \$2,227,710 to \$2,682,571, an increase of \$454,861 or 20%. (See Table A-1)

Table A-1
Fiscal Year Ended June 30, 2008 and June 30, 2009
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2008	2009	2008	2009	2008	2009
Current and Other Assets	1,515,086	1,483,561	646,795	630,812	2,161,881	2,114,373
Capital Assets	1,474,102	1,390,432	-0-	-0-	1,474,102	1,390,432
Total Assets	\$2,989,188	\$2,873,993	\$646,795	\$630,812	\$3,635,983	\$3,504,805
Current Liabilities	843,437	333,732	391,026	338,723	1,234,463	672,455
Long-term Liabilities	173,810	149,779	-0-	-0-	173,810	149,779
Total Liabilities	\$1,017,247	\$ 483,511	\$391,026	\$338,723	\$1,408,273	\$ 822,234
Invested in capital assets, net of related debt	1,474,102	1,390,432	-0-	-0-	1,474,102	1,390,432
Unrestricted total net assets	497,839	1,000,050	255,769	292,089	753,608	1,292,139
Total Net Assets	\$ 1,971,941	\$2,390,482	\$255,769	\$292,089	\$2,227,710	\$2,682,571
Total Liabilities & Net Assets	\$ 2,989,188	\$2,873,993	\$646,795	\$630,812	\$3,635,983	\$3,504,805

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

Table A-2
Change in Net Assets
For the Year Ended June 30, 2009

	Governmental Activities		Business-Type Activities		Total	
	2008	2009	2008	2009	2008	2009
Revenues						
Program Revenues						
Charges for Services	103,820	60,617	486,358	562,612	590,178	623,229
Operating Grants & Contributions	1,224,739	1,036,213	1,301,327	1,103,408	2,526,066	2,139,621
General Revenues						
State Subsidies & Contributions	4,327,627	4,692,053			4,327,627	4,692,053
Investment Income	44,553	23,818	1,825	2,934	46,378	26,753
Transfers In (Out)	(25,300)	(78,365)	25,300	78,365		
Other	31,565	-0-			31,565	-0-
Prior Period Adj						
Total Revenues	\$5,707,004	\$5,734,337	\$1,814,810	\$1,747,319	\$7,521,814	\$7,481,656
Expenses						
Instructional	3,198,507	2,855,929			3,198,507	2,855,929
Instructional Support	319,657	269,292			319,657	269,292
Administrative	985,263	845,641			985,263	845,641
Operation & Maintenance of facilities	913,234	954,169			913,234	954,169
Pupil Transportation	366,745	382,126			366,745	382,126
Student Activities	17,018	8,639			17,018	8,639
Community Services						
Food Services			209,169	207,206	209,169	207,206
Other Enterprise Fund (Post Secondary)			1,617,982	1,503,793	1,617,982	1,503,793
Total Expenses	\$5,800,424	\$5,315,796	\$1,827,151	\$1,710,999	\$7,628,575	\$7,026,795
Increase (decrease) in net assets	<u>\$(93,420)</u>	<u>\$418,540</u>	<u>\$(12,341)</u>	<u>\$ 36,320</u>	<u>\$(105,761)</u>	<u>\$454,861</u>

Table A-2

Changes in net assets: The School's total revenues were \$7,481,656 for the year ended June 30, 2009 (see Table A-2). Member district contributions make up \$4,692,053 or 63% of the total revenue for the year. The balance of the revenue came from Charges for Services, Other State and Federal Subsidies, Grants, Investment Income and Tuition.

The total cost of all programs and services was \$7,026,795. The School's costs related to education and servicing students amounted to \$3,515,986 or 50% (Instruction, Instructional Student Support, Pupil Transportation, Student Activities), Administration costs accounted for \$845,641, 12%, Operation and Maintenance of Facilities accounted for \$954,169, 13%, Food Service Costs \$207,206, or 3%, and Post Secondary expenses of \$1,503,793, or 12% (see Table A-2).

Total revenue exceeded expenditures increasing net assets by \$454,861.

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

**Table A-3
Fiscal Year Ended June 30, 2009
Net Cost of Governmental and Business-type Activities**

The table below presents the expenditures of both Governmental-type and Business-type Activities of the School.

Table A-3 shows the School's largest functions – instructional programs, instructional student support, administration, pupil health, business services, operation and maintenance of plants, pupil transportation services, central services, student activities as well as each program's net cost (total cost less revenues generated by the activity). This table also shows the net cost offset by other related grants, subsidies and contributions to show the remaining financial needs supported by local revenue and other miscellaneous revenues

Table A-3
Net Cost of governmental and business-type activities

Description	Total Cost of Services		Net Cost of Services	
	2008	2009	2008	2009
Instruction	3,198,507	2,855,929	2,481,434	2,258,663
Instructional Student Support	319,657	269,292	252,274	216,953
Administration	985,263	845,641	750,379	675,670
Operation and Maintenance of Facilities	913,234	954,169	684,497	753,107
Pupil Transportation	366,745	382,126	283,209	307,618
Student Activities	17,018	8,639	17,018	6,955
Food Service	209,169	207,206	43,542	37,362
Other Enterprise Fund (Post Secondary)	1,617,982	1,503,793	(4,076)	7,617
Total Expenses	\$7,628,575	\$7,026,795	\$4,508,277	\$4,263,945

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

FUND BALANCES

The Schools fund balance of \$1,142,602 increased \$471,171 from the prior year. The schedule below summarizes the fund balances and the total change in fund balances as of June 30, 2008 and 2009:

	Fund Balance June 30, 2008	Fund Balance June 30, 2009	Increase Decrease)
General Fund	313,952	350,000	36,048
Post Secondary	298,826	292,773	(6,053)
Capital Reserve	399,710	799,829	400,119
Cafe	(41,057)	-0-	41,057
Total	<u>\$971,431</u>	<u>\$1,442,602</u>	<u>\$471,171</u>

GENERAL FUND – EXPENDITURES (BUDGET vs. ACTUAL)

	Budget Final	Actual Cost	Variance Positive (Negative)
EXPENDITURES - General Fund			
Regular Programs	309,037	277,013	32,024
Vocational Programs	2,800,957	2,536,419	264,538
Other Instructional Programs	-0-	4,746	(4,746)
Pupil Personnel Services	252,920	198,614	54,306
Instructional Staff Services	64,434	52,545	11,889
Administrative Services	583,533	518,800	64,733
Pupil Health	44,229	32,950	11,279
Business Services	333,217	327,994	5,223
Operation of Plant	1,086,990	955,269	131,721
Student Transportation Service	345,000	381,992	(36,992)
Student Activities	22,681	8,774	13,907
Total Expenditures	5,842,998	5,295,116	547,882
Interfund Transfers out		471,180	(471,180)
NET CHANGE IN FUND BALANCE	(106,800)	39,102	145,902
Fund Balance – Beginning of Year	350,000	313,952	(36,048)
Prior period adjustment		(3,054)	(3,054)
FUND BALANCE – END OF YEAR	<u>243,200</u>	<u>350,000</u>	<u>106,800</u>

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

GENERAL FUND – EXPENDITURES (2008 vs. 2009)

	2008 Cost	2009 Cost	Difference Increase (Decrease)
EXPENDITURES - General Fund			
Regular Programs	304,575	277,013	(27,562)
Vocational Programs	2,820,761	2,536,419	(284,342)
Other Instructional Programs	5,566	4,746	(820)
Adult Education Programs	-0-	-0-	-0-
Pupil Personnel Services	232,325	198,614	(33,711)
Instructional Staff Services	62,869	52,545	(10,324)
Administrative Services	646,061	518,800	(127,261)
Pupil Health	801	32,950	32,149
Business Services	339,202	327,994	(11,208)
Operation of Plant	913,234	955,269	42,035
Student Transportation Service	366,745	381,992	15,247
Other Support Services	-0--	-0-	-0-
Student Activities	17,018	8,774	(8,244)
Total Expenditures	5,709,157	5,295,116	414,041
			(7.2% decrease)

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

BUDGETARY PROCESS

General Fund Budget

Annually in October and November, the School Administration prepares the General Fund Program Budget for the following fiscal year. The Program Budget is presented to the Chief School Administrators at their November Meeting for review, discussion and approval. At the meeting of the School's Board of Directors in December, the budget is presented for review and approval. Following the approval of the budget by the Board of Directors, the Administration forwards copies of the program budget to the twelve member districts of the School. Included with the program budget are individual ballots and a resolution that must be completed by each member district. During the months of February and March, the local member districts are required to approve the program budget, indicate on the individual ballot how each member voted and adopt the resolution. An original resolution and each signed ballots are then forwarded to the School. A program budget is approved when a majority of the twelve school districts and a majority of the 108 board members, using the proportionate vote as calculated by the Pennsylvania Department of Education, vote in favor of the budget.

Over the course of the year, the School reviews expenditures and makes appropriate adjustments per the Director of Finance and Assistant Business Manager's recommendations to cover unexpected expenditures in the annual operating budget that exceed the original line item budget.

The General Fund Budget was prepared utilizing \$106,800 of beginning fund balance. Actual results reflected an increase in the General Fund balance of \$507,228 of which \$471,180 was placed in the capital reserve fund and the excess of \$36,048 was placed in the fund balance to bring the fund balance to the allowable amount of \$350,000.

The main reason revenue exceeded expenditures was programs and positions were eliminated and never filled.

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

The Technology Center has invested to date, \$1,390,432 net of accumulated depreciation, in capital assets that includes the land, buildings and equipment. Currently, Board Policy states "anything to be considered as equipment must be valued at a minimum of \$1,500.00". Computer equipment is recorded as equipment when the value of all components equal or exceed the \$1,500.00 threshold. Depreciation expense for the year totaled \$250,321.

DEBT ADMINISTRATION

The Non-Current Liabilities consist of accrued vacation pay, sick leave and retirement incentives for qualifying employees of the Center. Additional detailed information about the Non-current Liabilities is included in the financial statements.

LABOR RELATIONS

The Schuylkill Technology Center Education Association, an affiliation of the Pennsylvania State Teachers Association (PSEA), represents the teachers of the technology center. This group, which represents approximately 41 employees, has the responsibility of bargaining for these employees. The 2008-2009 was the first year of a five-year agreement that will end on August 31, 2013. The current agreement provides for a compressed salary schedule with an average increase of \$1,500.

The Schuylkill Technology Center Education Support Services Association, an affiliation of the Pennsylvania State Teachers Association (PSEA), represents the non-professional personnel. This group consists of secretaries, teacher aides, custodians, bus drivers and cafeteria personnel. This group, which represents approximately 37 employees, has the responsibility of bargaining for these employees. The 2008-2009 year was the first year of a five-year agreement. The current agreement provides for an annual increase of \$.50 per hour.

The Schuylkill Technology Center approved a (3) three year contract for the Act 93 and Compensation Plan Personnel during the 2009-2010 year. This Act 93 plan consists of 5 administrators and the Compensation Plan consists of 8 employees. Representatives from each of the various levels meet annual with the administration to discuss salaries and benefits provided by the compensation plan. The Administrators of the Technology Center meet with a Committee of the Board of Directors to prepare recommendations to the Board as a whole for increases in salaries and /or benefits. The Act 93 Plan was approved for a (3) year period beginning July 1, 2009 through June 30, 2012.

**SCHUYLKILL TECHNOLOGY CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

FACTORS BEARING ON THE TECHNOLOGY CENTER'S FUTURE

The major issue facing the Technology Center, and all school entities throughout the Commonwealth is future retirement cost. It is projected that rates will increase dramatically over the next 2 (two) years.

Another area of concern is the Commonwealth's ability to fund the Technology Center and school districts when Federal Stimulus Funds expire at the end of 2011. Due to the current economic conditions and projected revenue shortfall at the state level, funding in (2) years is a concern

Additionally, the School Administration is currently reviewing a feasibility study for renovations and improvements to the North and South Campus Buildings. Several future projects include, but are not limited to, the replacement of the fire alarm system in the Buildings, upgrade of the heating and ventilating system, replacement of carpeting throughout the Buildings, resurfacing of the parking lots at both buildings and comply with American's With Disabilities Act requirements for handicapped access to both buildings. In reviewing the feasibility study, one recommendation the board will be considering is to close the north campus and consolidate all programs into the south campus, a recommendation that will have a considerable impact on the budget.

CONTACTING THE TECHNOLOGY CENTER FINANCIAL MANAGEMENT

This financial report is designed to provide the Board of Directors, the Administration and citizens of the member districts with a general overview of the Technology Center's finances and to show the Board's accountability for the monies received. If you have any questions about this report or wish to request additional financial information, please contact Charles J Mannello, CPA, Business Manager, Schuylkill Technology Center, P O Box 130, 17 Maple Avenue, Mar Lin, PA 17951.

SCHUYLKILL TECHNOLOGY CENTER

STATEMENT OF NET ASSETS

JUNE 30, 2009

ASSETS	Governmental Activities	Business-Type Activities	Total
CURRENT ASSETS			
Cash and cash equivalents	\$ 108,388.	\$ 282,163.	\$ 390,551.
Investments	1,112,434.	151,963.	1,264,397.
Due from other governments	215,988.	184,179.	400,167.
Other receivables	13,336.	9,080.	22,416.
Inventories	33,415.	3,060.	36,475.
Prepaid expenses	<u>0.</u>	<u>367.</u>	<u>367.</u>
TOTAL CURRENT ASSETS	1,483,561.	630,812.	2,114,373.
NON-CURRENT ASSETS			
Land	124,948.	0.	124,948.
Site improvements (net)	492.	0.	492.
Building and building improvements (net)	0.	0.	0.
Furniture and equipment (net)	<u>1,264,992.</u>	<u>0.</u>	<u>1,264,992.</u>
TOTAL NON-CURRENT ASSETS	1,390,432.	0.	1,390,432.
TOTAL ASSETS	<u><u>\$ 2,873,993.</u></u>	<u><u>\$ 630,812.</u></u>	<u><u>\$ 3,504,805.</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Internal balances	\$ (151,358.)	\$ 151,358.	\$ 0.
Due to other governments	4,671.	0.	4,671.
Accounts payable	95,896.	48,773.	144,669.
Accrued salaries and benefits	374,523.	126,840.	501,363.
Deferred revenues	<u>10,000.</u>	<u>11,068.</u>	<u>21,068.</u>
TOTAL CURRENT LIABILITIES	333,732.	338,039.	671,771.
NON-CURRENT LIABILITIES			
Long-term portion of compensated absences	<u>149,779.</u>	<u>0.</u>	<u>149,779.</u>
TOTAL LIABILITIES	483,511.	338,039.	821,550.
NET ASSETS			
Invested in capital assets net of related debt	1,390,432.	0.	1,390,432.
Unrestricted	<u>1,000,050.</u>	<u>292,773.</u>	<u>1,292,823.</u>
TOTAL NET ASSETS	2,390,482.	292,773.	2,683,255.
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,873,993.</u></u>	<u><u>\$ 630,812.</u></u>	<u><u>\$ 3,504,805.</u></u>

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2009

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Charges for Services	Operating Grants and Contributions		Governmental Activities	Business-Type Activities
	Expenses				Total
GOVERNMENTAL ACTIVITIES					
Instruction	\$2,855,929.	\$ 44,871.	\$ 552,395.	\$(2,258,663.)	\$(2,258,663.)
Instructional student support	269,292.	0.	52,339.	(216,953.)	(216,953.)
Administrative and financial support services	845,641.	0.	169,971.	(675,670.)	(675,670.)
Operation and maintenance of plant services	954,169.	15,746.	185,316.	(753,107.)	(753,107.)
Pupil transportation	382,126.	0.	74,508.	(307,618.)	(307,618.)
Student activities	8,639.	0.	1,684.	(6,955.)	(6,955.)
TOTAL GOVERNMENTAL ACTIVITIES	5,315,796.	60,617.	1,036,213.	(4,218,966.)	(4,218,966.)
BUSINESS-TYPE ACTIVITIES					
Food services	207,206.	87,720.	82,124.	0.	(37,362.)
Post-secondary education	1,503,793.	475,586.	1,021,274.	0.	(6,933.)
TOTAL PRIMARY GOVERNMENT	7,026,795.	623,923.	2,139,611.	(4,218,966.)	(4,263,261.)
GENERAL REVENUES AND TRANSFERS					
Receipts from member districts				4,692,053.	4,692,053.
Investment earnings				23,819.	26,753.
Transfers				(78,365.)	0.
TOTAL GENERAL REVENUES AND TRANSFERS				4,637,507.	4,718,806.
CHANGE IN NET ASSETS				418,541.	455,545.
NET ASSETS - BEGINNING				1,974,995.	2,230,764.
PRIOR PERIOD ADJUSTMENT				(3,054.)	(3,054.)
NET ASSETS - ENDING				\$ 2,390,482.	\$2,683,255.

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2009

	<u>General</u>	<u>Capital Reserve</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 108,388.	\$ 0.	\$ 108,388.
Investments	712,073.	400,361.	1,112,434.
Due from other funds	151,358.	399,468.	550,826.
Due from other governments	215,988.	0.	215,988.
Other receivables	13,186.	0.	13,186.
Inventories	<u>33,415.</u>	<u>0.</u>	<u>33,415.</u>
TOTAL ASSETS	<u>\$ 1,234,408.</u>	<u>\$ 799,829.</u>	<u>\$2,034,237.</u>
LIABILITIES AND FUND BALANCES			
Due to other funds	\$ 399,318.	\$ 0.	\$ 399,318.
Due to other governments	4,671.	0.	4,671.
Accounts payable	95,896.	0.	95,896.
Accrued salaries and benefits	374,523.	0.	374,523.
Deferred revenues	<u>10,000.</u>	<u>0.</u>	<u>10,000.</u>
TOTAL LIABILITIES	<u>884,408.</u>	<u>0.</u>	<u>884,408.</u>
FUND BALANCES			
Unreserved - undesignated	350,000.	799,829.	1,149,829.
TOTAL FUND BALANCES	<u>350,000.</u>	<u>799,829.</u>	<u>1,149,829.</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,234,408.</u>	<u>\$ 799,829.</u>	<u>\$ 2,034,237.</u>

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET ASSETS

GOVERNMENTAL FUNDS

AS OF JUNE 30, 2009

Total fund balances - governmental funds	\$ 1,149,829.
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Amounts reported for governmental activities in the statement
of net assets are different because:

Capital assets used in governmental activities are not financial
resources and, therefore, are not reported as assets in
governmental funds.

Cost of capital assets	8,924,673.	
Less: accumulated depreciation	<u>(7,534,241.)</u>	1,390,432.

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

Compensated absences	<u>(149,779.)</u>
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TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES	\$ 2,390,482.
	<u><u>=====</u></u>

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2009

	<u>General</u>	<u>Capital Reserve</u>	<u>Total Governmental Funds</u>
REVENUES			
Local sources	\$ 4,747,369.	\$ 7,304.	\$ 4,754,673.
State sources	765,336.	0.	765,336.
Federal sources	<u>292,693.</u>	<u>0.</u>	<u>292,693.</u>
TOTAL REVENUES	5,805,398.	7,304.	5,812,702.
EXPENDITURES			
Instruction	2,818,178.	0.	2,818,178.
Support services	2,468,164.	0.	2,468,164.
Non-instructional services	<u>8,774.</u>	<u>0.</u>	<u>8,774.</u>
TOTAL EXPENDITURES	5,295,116.	0.	5,295,116.
EXCESS REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	<u>510,282.</u>	<u>7,304.</u>	<u>517,586.</u>
OTHER FINANCING SOURCES (USES)			
Interfund transfers	(471,180.)	392,815.	(78,365.)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(471,180.)</u>	<u>392,815.</u>	<u>(78,365.)</u>
NET CHANGE IN FUND BALANCES	<u>39,102.</u>	<u>400,119.</u>	<u>439,221.</u>
FUND BALANCES - BEGINNING	313,952.	399,710.	713,662.
PRIOR PERIOD ADJUSTMENT	<u>(3,054.)</u>	<u>0.</u>	<u>(3,054.)</u>
FUND BALANCES - ENDING	<u>\$ 350,000.</u>	<u>\$ 799,829.</u>	<u>\$ 1,149,829.</u>

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ 439,221.
Governmental funds report capital outlays as expenditures. 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 depreciation exceeded capital outlays in the current period.	(83,670.)
In the Statement of Activities, certain operating expenses - compensated absences (vacation and sick days) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of resources used. This amount represents the difference between the amount earned versus the amount used.	<u>62,990.</u>
CHANGE IN NET ASSETS - GOVERNMENTAL ACTIVITIES	\$ 418,541. =====

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance With
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Local sources	\$ 4,758,468.	\$ 4,758,468.	\$ 4,747,369.	\$ (11,099.)
State sources	688,165.	688,165.	765,336.	77,171.
Federal sources	<u>289,565.</u>	<u>289,565.</u>	<u>292,693.</u>	<u>3,128.</u>
TOTAL REVENUES	<u>5,736,198.</u>	<u>5,736,198.</u>	<u>5,805,398.</u>	<u>69,200.</u>
EXPENDITURES				
Regular programs	309,037.	309,037.	277,013.	32,024.
Vocational services	2,811,529.	2,800,957.	2,536,419.	264,538.
Other instructional programs	0.	0.	4,746.	(4,746.)
Pupil personnel services	252,920.	252,920.	198,614.	54,306.
Instructional staff services	63,934.	64,434.	52,545.	11,889.
Administrative services	569,661.	583,533.	518,800.	64,733.
Pupil health	49,029.	44,229.	32,950.	11,279.
Business services	333,217.	333,217.	327,994.	5,223.
Operation and maintenance of plant services	1,085,990.	1,086,990.	955,269.	131,721.
Student transportation services	345,000.	345,000.	381,992.	(36,992.)
Student activities	<u>22,681.</u>	<u>22,681.</u>	<u>8,774.</u>	<u>13,907.</u>
TOTAL EXPENDITURES	<u>5,842,998.</u>	<u>5,842,998.</u>	<u>5,295,116.</u>	<u>547,882.</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	<u>(106,800.)</u>	<u>(106,800.)</u>	<u>510,282.</u>	<u>617,082.</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	0.	0.	(471,180.)	(471,180.)
TOTAL FINANCING SOURCES (USES)	<u>0.</u>	<u>0.</u>	<u>(471,180.)</u>	<u>(471,180.)</u>
NET CHANGE IN FUND BALANCES	<u>(106,800.)</u>	<u>(106,800.)</u>	<u>39,102.</u>	<u>145,902.</u>
FUND BALANCE - BEGINNING OF YEAR	350,000.	350,000.	313,952.	(36,048.)
PRIOR PERIOD ADJUSTMENT	<u>0.</u>	<u>0.</u>	<u>(3,054.)</u>	<u>(3,054.)</u>
FUND BALANCE - END OF YEAR	<u>\$ 243,200.</u>	<u>\$ 243,200.</u>	<u>\$ 350,000.</u>	<u>\$ 106,800.</u>

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2009

	Post-Secondary <u>Education</u>	Food <u>Service</u>	<u>Total</u>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 279,600.	\$ 2,563.	\$ 282,163.
Investments	130,963.	21,000.	151,963.
Due from other governments	183,870.	309.	184,179.
Other receivables	9,080.	0.	9,080.
Inventories	0.	3,060.	3,060.
Prepaid expenses	<u>0.</u>	<u>367.</u>	<u>367.</u>
TOTAL CURRENT ASSETS	<u>\$ 603,513.</u>	<u>\$ 27,299.</u>	<u>\$ 630,812.</u>
LIABILITIES			
CURRENT LIABILITIES			
Due to other funds	\$ 137,807.	\$ 13,551.	\$ 151,358.
Accounts payable	48,773.	0.	48,773.
Accrued salaries and benefits	114,589.	12,251.	126,840.
Deferred revenues	<u>9,571.</u>	<u>1,497.</u>	<u>11,068.</u>
TOTAL CURRENT LIABILITIES	310,740.	27,299.	338,039.
NET ASSETS			
Unrestricted (deficit)	<u>292,773.</u>	<u>0.</u>	<u>292,773.</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 603,513.</u>	<u>\$ 27,299.</u>	<u>\$ 630,812.</u>

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2009

	<u>Post-Secondary Education</u>	<u>Food Service</u>	<u>Total</u>
OPERATING REVENUES			
Food service revenue	\$ 0.	\$ 87,720.	\$ 87,720.
Charges for services	<u>475,586.</u>	<u>0.</u>	<u>475,586.</u>
TOTAL OPERATING REVENUES	475,586.	87,720.	563,306.
OPERATING EXPENSES			
Salaries	867,082.	78,099.	945,181.
Employee benefits	386,554.	39,297.	425,851.
Purchased professional services	24,475.	6,367.	30,842.
Purchased property services	89,310.	0.	89,310.
Other purchased services	34,093.	0.	34,093.
Supplies	102,039.	83,443.	185,482.
Dues	<u>240.</u>	<u>0.</u>	<u>240.</u>
TOTAL OPERATING EXPENSES	1,503,793.	207,206.	1,710,999.
OPERATING (LOSS)	<u>(1,028,207.)</u>	<u>(119,486.)</u>	<u>(1,147,693.)</u>
NON-OPERATING REVENUES (EXPENSES)			
Interfund transfers	0.	78,365.	78,365.
Earnings on investments	2,880.	54.	2,934.
State sources	400,776.	10,329.	411,105.
Federal sources	<u>620,498.</u>	<u>71,795.</u>	<u>692,293.</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	1,024,154.	160,543.	1,184,697.
CHANGE IN NET ASSETS	<u>(4,053.)</u>	<u>41,057.</u>	<u>37,004.</u>
NET ASSETS - BEGINNING OF YEAR	296,826.	(41,057.)	255,769.
NET ASSETS - END OF YEAR	<u><u>\$ 292,773.</u></u>	<u><u>\$ 0.</u></u>	<u><u>\$ 292,773.</u></u>

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2009

	Post-Secondary Education	Food Service	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from users	\$ 464,657.	\$ 87,720.	\$ 552,377.
Cash payments to suppliers for goods and services	(263,036.)	(109,530.)	(372,566.)
Cash payments to employees for services	<u>(1,247,099.)</u>	<u>(117,162.)</u>	<u>(1,364,261.)</u>
NET CASH (USED FOR) OPERATING ACTIVITIES	(1,045,478.)	(138,972.)	(1,184,450.)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Operating transfers in	0.	78,365.	78,365.
State sources	400,776.	10,329.	411,105.
Federal sources	<u>620,498.</u>	<u>71,795.</u>	<u>692,293.</u>
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	1,021,274.	160,489.	1,181,763.
CASH FLOWS FROM INVESTING ACTIVITIES			
Earnings on investments	2,880.	54.	2,934.
Withdrawals (Deposits) from/to investment pools	<u>132,891.</u>	<u>(21,000.)</u>	<u>111,891.</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	135,771.	(20,946.)	114,825.
NET INCREASE IN CASH AND CASH EQUIVALENTS	111,567.	571.	112,138.
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>168,033.</u>	<u>1,992.</u>	<u>170,025.</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 279,600.	\$ 2,563.	\$ 282,163.
	=====	=====	=====
OPERATING (LOSS)	(1,028,207.)	\$(119,486.)	\$(1,147,693.)
ADJUSTMENTS TO RECONCILE OPERATING (LOSS) TO NET CASH (USED FOR):			
(Increase) Decrease in accounts receivable	9,229.	6,381.	15,610.
(Increase) Decrease in inventories	0.	383.	383.
(Increase) Decrease in prepaid expenses	0.	235.	235.
Increase (Decrease) in accounts payable	12,879.	0.	12,879.
Increase (Decrease) in accrued salaries/benefits	8,667.	234.	8,901.
Increase (Decrease) in deferred revenue	(33,762.)	382.	(33,380.)
Increase (Decrease) in advances from other funds	<u>(14,284.)</u>	<u>(27,101.)</u>	<u>(41,385.)</u>
TOTAL ADJUSTMENTS	(17,271.)	(19,486.)	(36,757.)
TOTAL CASH (USED FOR)	<u>\$(1,045,478.)</u>	<u>\$(138,972.)</u>	<u>\$(1,184,450.)</u>
	=====	=====	=====

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER

STATEMENT OF NET ASSETS

FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2009

	Private Purpose Trust	Agency	Activity	Total Fiduciary Funds
ASSETS				
Cash and cash equivalents	\$ 15,831.	\$ 9,859.	\$ 17,361.	\$ 43,051.
Investments	<u>17,323.</u>	<u>0.</u>	<u>0.</u>	<u>17,323.</u>
TOTAL ASSETS	<u>\$ 33,154.</u>	<u>\$ 9,859.</u>	<u>\$ 17,361.</u>	<u>\$ 60,374.</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Due to other funds	\$ 150.	\$ 0.	\$ 0.	\$ 150.
Payroll deductions and withholdings	0.	9,859.	0.	9,859.
Other current liabilities	<u>0.</u>	<u>0.</u>	<u>17,361.</u>	<u>17,361.</u>
TOTAL LIABILITIES	150.	9,859.	17,361.	27,370.
NET ASSETS				
Restricted	33,004.	0.	0.	33,004.
TOTAL NET ASSETS	<u>33,004.</u>	<u>0.</u>	<u>0.</u>	<u>33,004.</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 33,154.</u>	<u>\$ 9,859.</u>	<u>\$ 17,361.</u>	<u>\$ 60,374.</u>

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER
STATEMENT OF CHANGES IN NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	Private Purpose <u>Trust</u>
ADDITIONS	
Other additions	\$ 1,597.
DEDUCTIONS	
Scholarships awarded	<u>100.</u>
CHANGES IN NET ASSETS	1,497.
NET ASSETS - BEGINNING OF FISCAL YEAR	<u>31,507.</u>
NET ASSETS - END OF FISCAL YEAR	\$ 33,004. =====

See notes to financial statements
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Schuylkill Technology Center provides vocational education and training to students of the twelve member school districts which provides financial support to the School. The School also provides various vocational education and training programs to adults which are funded by tuition charges to students and federal grants. The board has designated the North Center as the Schuylkill Training and Technology Center, adopted a separate operating budget, and established a separate Proprietary Fund to record the direct and overhead charges for the operation of the Schuylkill Training and Technology Center in order to distinguish between costs relating to the operation of secondary and adults classes.

The financial statements of the Schuylkill Technology Center have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the School are described below.

In June 1999, the Governmental Accounting Standards Board (GASB) approved Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis -for State and Local Governments.

The financial statements include:

- Management's Discussion and Analysis (MD&A), providing an analysis of the School's overall financial position and results of operations.
- Financial statements prepared using full-accrual accounting for all of the School's activities.
- A change in the fund financial statements to focus on major funds.

The School has implemented the provisions of Statement No. 34 as well as other new standards related to note disclosure, non-exchange transactions and certain liabilities and expenditures.

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

REPORTING ENTITY

The School includes all funds, agencies and boards for which the School is financially accountable. Government Accounting Standards Board (GASB) Statement 14 states the primary basis of determining whether outside agencies and organizations should be considered component units of the School and included in the School's financial statements is financial accountability. Financial accountability has been defined as follows: A primary government has substantive authority to appoint a voting majority of the component unit's board; the primary government is either able to impose its will on a component unit or there is a potential for the component unit to provide specific financial burdens on the primary government; and the component unit is fiscally dependent on the primary government. The School has no component units.

BASIS OF PRESENTATION

School-wide statements - The statement of net assets and the statement of activities provide information about the financial activities of the overall School, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the School. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-Type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each business-type activity of the School and for each function of the School's governmental activities.

- Direct Expenses are those that are clearly identifiable with a specific program.
- Program revenues include 1) charges to students or recipients who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.
- Unrestricted grants and other items not properly included among program revenues are reported as general revenues.

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

BASIS OF PRESENTATION - continued

Depreciation expense can be specifically identified by function and is included in the direct expenses of each function. The effect of interfund activity has been removed from these statements.

Fund Financial Statements - The fund financial statements provide information about the School's funds, including fiduciary funds. Separate statements for each fund category - *governmental, proprietary and fiduciary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Enterprise fund operating revenues are related to charges for food in the School's cafeteria and operation of the School's post-secondary education operations. The primary non-operating revenues are federal nutrition program grants, commodities received from the U.S. Department of Agriculture, and federal and state grants and subsidies.

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

The School reports the following major governmental funds:

General Fund - The General Fund is the School's primary operating fund. It accounts for all financial resources of the School, except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

BASIS OF PRESENTATION - continued

The School reports the following major proprietary fund types:

Food Service Fund - The Food Service Fund is used to account for all financial transactions related to the food service operation.

Post-Secondary Education Fund - This fund was established to segregate this operation from the General Fund beginning July 1, 2005.

Other fund types:

Trust and Agency Funds - These funds account for assets held by the School as an agent for various student groups and clubs.

BASIS OF ACCOUNTING

The School-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the School gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities are reported as other financing sources.

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

BASIS OF ACCOUNTING - continued

All business-type activities and enterprise funds of the School follow FASB Statements and Interpretations on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

BUDGETING

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general and special revenue funds. All unencumbered budget appropriations, except capital projects, lapse at the end of each fiscal year.

At the fund level, actual expenditures cannot exceed budgeted appropriations, however, with proper approval by the board, budgetary transfers between account can be made. The budgeted financial statements represented in this report reflect the final budget authorization, including all transfers.

DEPOSITS AND INVESTMENTS

The School's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments with a maturity of one year or less at the time of purchase are recorded at cost or amortized cost. Those with a maturity of greater than one year are reported at fair value. Changes in the fair value of investments are recorded as investment income.

INVENTORY

Inventories are recorded using the consumption method of accounting and consist of purchased food, supplies, and surplus commodities received from the federal government. Food and supply purchases are recorded at invoice cost, computed on a first-in, first-out method. Surplus commodities are stated at standard costs, as determined by the Department of Agriculture. In the financial statements, commodities received are recorded as deferred revenue until consumed.

SCHUYLKILL TECHNOLOGY CENTER

NOTES TO FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

CAPITAL ASSETS

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The School defines capital assets as assets with an initial, individual cost of more than \$1,500. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Description</u>	<u>Useful Life</u>
Land	Not depreciated
Land Improvements	20 years
Buildings and Improvements	15-30 years
Furniture and Equipment	5-15 years
Vehicles	3-15 years

COMPENSATED ABSENCES

Compensated absences are those for which employees receive pay. A liability is recorded through the use of estimates, which apply historical data to current factors. The School maintains records of unused absences and applies current and/or contracted compensation rates to the various types of compensated absences. Sick leave is recorded using the termination payment method, which has no current maximum per employee. The School allows only restricted sabbatical leave and therefore, has no recorded liability in advance of the sabbatical. The School also records estimated vested retirement incentives for employees.

FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a restricted purpose.

SCHUYLKILL TECHNOLOGY CENTER

NOTES TO FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

NET ASSETS

Net assets represent the difference between assets and liabilities in the School-wide financial statements. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets.

NOTE 2 - DEPOSITS AND INVESTMENTS:

DEPOSITS

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the School's deposits may not be returned. The deposit policy of the School adheres to state statutes and prudent business practice. Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and include investments with original maturities of three months or less. Cash and cash equivalents consist of demand deposits at various financial institutions.

Under Section 440.1 of the Public School Code of 1949, as amended, the School is permitted to:

Deposit in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation to the extent that such accounts are so insured and, for any amounts above the insured maximum, provided that approved collateral as provided by law is pledged by the depository.

At June 30, 2009, the carrying amount of the School's deposits was \$433,602. and the bank balance was \$734,241. Of the bank balance, \$250,000. was covered by federal depository insurance coverage and \$484,241. was uninsured and collateralized with securities held by the pledging institution's trust department, but not in the School's name.

INVESTMENTS

As of June 30, 2009, the School had the following investment:

PA School District Liquid Asset Fund (PSDLAF)	\$1,281,720.
	=====

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 2 - DEPOSITS AND INVESTMENTS - continued

INVESTMENTS - continued

All assets contained in the Pennsylvania School District Liquid Asset Fund (PSDLAF) are invested in accordance with Title 24 of the Pennsylvania Statutes Article 4, Section 440.1 (2001). Each school district or government agency owns shares of the Fund, which invests the pooled assets. Since the Fund has the characteristics of a mutual fund, it would not be reported by risk category in accordance with Governmental Accounting Standards Board Statement #3. PSDLAF acts like a money market mutual fund in that its objective is to maintain a stable net asset of \$1 per share.

Interest Rate Risk

The School does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. It is the practice of the School to limit its interest rate risk by investing in securities with maturity dates under one year.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The School has no investments subject to custodial credit risk.

Credit Risk

Under Section 4440.1 of the Public School Code of 1949, as amended, the School is permitted to invest its monies as follows:

Obligations of (1) the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, (2) the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth, or (3) any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 2 - DEPOSITS AND INVESTMENTS - continued

INVESTMENTS - continued

Concentration Risk

The School does not have a policy that would limit the amount it may invest in any one issuer.

NOTE 3 - CAPITAL ASSETS:

A summary of capital asset activity during the fiscal year follows:

	<u>Balance</u> <u>June 30, 2008</u>	<u>Net</u> <u>Additions</u>	<u>Balance</u> <u>June 30, 2009</u>
Governmental Activities:			
Capital Assets, Not Being Depreciated			
Land	\$ 124,948.	\$ 0.	\$ 124,948.
Total Capital Assets, Not Being Depreciated	<u>124,948.</u>	<u>0.</u>	<u>124,948.</u>
Capital Assets, Being Depreciated:			
Site Improvements	20,825.	0.	20,825.
Buildings and Improvements	4,136,241.	0.	4,136,241.
Furniture and Equipment	<u>4,476,008.</u>	<u>166,651.</u>	<u>4,642,659.</u>
Total Capital Assets, Being Depreciated	8,633,074.	166,651.	8,799,725.
Accumulated Depreciation For:			
Site Improvements	(20,192.)	(141.)	(20,333.)
Building and Improvements	(4,126,225.)	(10,016.)	(4,136,241.)
Furniture and Equipment	<u>(3,137,503.)</u>	<u>(240,164.)</u>	<u>(3,377,667.)</u>
Total Accumulated Depreciation	<u>(7,283,920.)</u>	<u>(250,321.)</u>	<u>(7,534,241.)</u>
Governmental Activities			
Capital Assets, Net	<u><u>\$ 1,474,102.</u></u>	<u><u>\$ (83,670.)</u></u>	<u><u>\$1,390,432.</u></u>

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3 - CAPITAL ASSETS - continued

Depreciation expense was charged to functions of the School as follows:

Instructional	\$225,289.
Support services	<u>25,032.</u>
Total Depreciation Expense	<u><u>\$250,321.</u></u>

NOTE 4 - CHANGES IN LONG-TERM DEBT:

A summary of the changes in long-term debt follows:

	<u>Compensated</u> <u>Absences</u>
Long-Term Debt - July 1, 2008	\$212,769.
Net Change	<u>(62,990.)</u>
Long-Term Debt - June 30, 2009	<u><u>\$149,779.</u></u>

COMPENSATED ABSENCES

Compensated absences at June 30, 2009, consist of the following:

Retirement Incentive	\$ 51,394.
Sick Leave	54,523.
Vacation	<u>43,862.</u>
Total	<u><u>\$149,779.</u></u>

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 5 - PENSION PLAN:

PLAN DESCRIPTION

The Schuylkill Technology Center contributes to the Pennsylvania Public School System Employees' Retirement System (the "System"), a multiple-employer defined benefit public employee retirement system administered by the Pennsylvania Public School Employees' Retirement System Board. The System provides retirement and disability retirement benefits, legislative mandated ad hoc cost-of-living adjustments, and has a health insurance premium assistance program. The Pennsylvania Public School Employees Retirement Code (the "Code") assigns the Authority to establish and amend benefit provisions to the System by the Pennsylvania General Assembly. The System issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Pennsylvania Public School System Employees Retirement System, P.O. Box 125, Harrisburg, Pa 17108.

FUNDING POLICY

The contribution policy is set by the Code and requires contributions by active members, employers, and the Commonwealth. Active members who joined the System prior to July 22, 1983, contribute at 5.25 percent (Membership Class TC) or at 6.50 percent (Membership Class TD) of the member's qualifying compensation. Members who joined the System on or after July 22, 1983 and who were active or inactive as of July 1, 2001, contribute at 6.25 percent (Membership Class TC) or at 7.50 percent (Membership Class TD) of the member's qualifying compensation. Members who joined the System after June 30, 2001 contribute at 7.50 percent (automatic Membership Class T-D). For all new hires and for members who elected Class T-D membership, the higher contribution rates began with service rendered on or after January 1, 2002. Contributions required of employers are based upon an actuarial valuation. For fiscal year ended June 30, 2009, the rate of employer's contribution was 4.76 percent of covered payroll. The 4.76 percent rate is composed of a pension contribution rate of 4.00 percent for pension benefits and .76 for healthcare insurance premium assistance. The employer and Commonwealth share such cost. The School's contributions (net of any reimbursement from the Commonwealth) to the System for the years ended June 30, 2009, 2008, and 2007, were \$68,143., \$104,344., and \$104,888., respectively, equal to the required contributions for each year.

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 6 - RISK MANAGEMENT:

The School is a member of the Schuylkill County Health and Welfare Trust - a nonprofit organization which is an association of several governmental entities established to share the costs of providing health, dental, vision, prescription drug, and income protection coverage to employees. Members of the Trust include: Schuylkill County Intermediate Unit No.29, Schuylkill County A.V.T.S., Tri-Valley School District, Pine Grove Area School District, Tamaqua School District, and Williams Valley School District. The Trust is co-insured with outside insurance companies against any claim in excess of \$85,000. As of June 30, 2009, the date of the latest audit report, the Trust has reserves in the amount of \$7,423,619. Contribution rates are set by the Trust based on previous years cost experience. The School would share with other members, any costs in excess of the Trust's reserves.

The School is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School provides for these risks by the purchase of commercial insurance.

NOTE 7 - POST EMPLOYMENT BENEFITS:

The School provides employer paid health insurance to eligible employees upon retirement until age 65. Employees retiring within one year of achieving eligibility status receive 100% paid medical coverage premiums. As retirement is extended beyond the initial eligibility date, the percentage of paid medical coverage decreases to 55%. At June 30, 2009, there were ten participants receiving benefits totaling \$41,628.

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES:

Interfund balances at June 30, 2009, consisted of the following individual fund receivables and payables.

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 151,358.	\$ 399,318.
Private Purpose Trust Fund	0.	150.
Capital Reserve	399,468.	0.
Post-Secondary Education	0.	137,807.
Food Service	<u>0.</u>	<u>13,551.</u>
Total	<u>\$ 550,826.</u>	<u>\$ 550,826.</u>

NOTE 9 - PRIOR PERIOD ADJUSTMENTS:

At June 30, 2008, accounts payable in the general fund was understated by \$3,054. The effect of this adjustment was to increase beginning accounts payable and decrease fund balance by \$3,054., respectively.

SUPPLEMENTAL INFORMATION

SCHUYLKILL TECHNOLOGY CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

A. SUMMARY OF AUDIT RESULTS

1. Auditor's report expresses an unqualified opinion on the general purpose financial statements of Schuylkill Technology Center.
2. No significant deficiencies relating to the audit of the financial statements are reported in the report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards.
3. No instances of noncompliance material to the financial statements of Schuylkill Technology Center were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs is reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Schuylkill Technology Center expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for Schuylkill Technology Center.
7. The programs tested as major programs were: Perkins - CFDA #84.048.
8. The threshold for distinguishing types A and B Programs was \$300,000.
9. Schuylkill Technology Center was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SCHUYLKILL TECHNOLOGY CENTER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2009

Federal Grantor/Pass Through Grantor/Program Title		Passed Through Grantor's Number		Program or Award Amount		Grant Period Beginning/Ending Date		Total Received For Year		Accrued or (Deferred) Revenue July 1, 2008		Revenue Recognized		Expenditures		Accrued or (Deferred) Revenue June 30, 2009	
Source Code	Federal CFDA Number																
(D)	84.063	N/A	N/A	N/A	07-01-08/06-30-09			\$ 122,385.	\$ 31,556.	\$ 90,829.	\$ 0.					\$ 0.	
PASSED THROUGH STATE DEPARTMENT OF EDUCATION:																	
(I)	84.048	380-09-9076	286,065.	08-27-08/06-30-09				234,053.	0.	286,065.	52,012.			286,065.		52,012.	
(I)	84.048	381-09-9027	34,389.	07-01-08/06-30-09				0.	0.	34,389.	34,389.			34,389.		34,389.	
(I)	84.048	380-08-8075	270,756.	07-01-07/06-30-08				73,843.	73,843.	0.	0.			0.		0.	
(I)	84.048	119-08-825	75,000.	07-01-07/06-30-08				37,500.	37,500.	0.	0.			0.		0.	
(I)	94.004	019-08-0009	3,500.	07-01-08/06-30-09				2,722.	0.	3,500.	778.			3,500.		778.	
PASSED THROUGH PA HIGHER EDUCATION ASSISTANCE AGENCY:																	
(I)	84.032	N/A	N/A	07-01-08/06-30-09				472,420.	71,548.	429,280.	28,408.			429,280.		28,408.	
								942,923.	214,447.	844,063.	115,587.			844,063.		115,587.	
Federal Family Education Loans																	
TOTAL U.S. DEPARTMENT OF EDUCATION																	

U.S. DEPARTMENT OF EDUCATION

Pell Grants

PASSED THROUGH STATE DEPARTMENT

OF EDUCATION:

Perkins - Secondary
Perkins - Post Secondary
Perkins - Secondary
Perkins
Learn and Serve America

PASSED THROUGH PA HIGHER EDUCATION

ASSISTANCE AGENCY:

Federal Family Education Loans

TOTAL U.S. DEPARTMENT OF EDUCATION

Federal Grantor/Pass Through Grantor/Program Title				Program or Award Amount	Grant Period Beginning/Ending Date	Total Received For Year	Accrued or (Deferred) Revenue July 1, 2008	Revenue Recognized	Expenditures	Accrued or (Deferred) Revenue June 30, 2009
Source Code	Federal CFDA Number	Passed Through Grantor's Number								
U.S. DEPARTMENT OF AGRICULTURE										
PASSED THROUGH DEPARTMENT OF										
EDUCATION:										
(I)	10.555	1-29-54-690-7		N/A	07-01-08/06-30-09	\$ 60,318.	\$ 0.	\$ 60,468.	\$ 60,468.	\$ 150.
(S)	N/A	1-29-54-690-7		N/A	07-01-08/06-30-09	4,627.	0.	4,637.	4,637.	10.
PASSED THROUGH DEPARTMENT OF										
AGRICULTURE:										
(I)	10.555	1-29-54-690-7		N/A	07-01-08/06-30-09	11,708.	(336.)	10,475.	(C) 10,475.	(D) (1,569.)
						76,653.	(336.)	75,580.	75,580.	(1,409.)
						(4,627.)	0.	(4,637.)	(4,637.)	(10.)
LESS: STATE FUNDS										
						\$1,014,949.	\$214,111.	\$ 915,006.	\$ 915,006.	\$ 114,168.
TOTAL FEDERAL ASSISTANCE										

Source Code Legend:

- (I) Indicates Indirect Funding
- (D) Indicates Direct Funding
- (S) Indicates State Matching Funds

Other Code Legend:

- (A) Total amount of commodities received
- (B) Beginning inventory at July 1, 2008
- (C) Total amount of commodities used
- (D) Ending inventory at June 30, 2009

See notes to Schedule of Federal Financial Assistance
which are an integral part of this statement.

SCHUYLKILL TECHNOLOGY CENTER
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES:

The accompanying Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting.