

**TEANECK BOARD OF EDUCATION**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**Teaneck, New Jersey**

**COMPREHENSIVE ANNUAL**

**FINANCIAL REPORT**

**of the**

**Teaneck Board of Education**

**Teaneck, New Jersey**

**For The Fiscal Year Ended June 30, 2008**

**Prepared by**

**Business Office**

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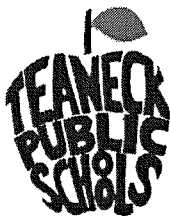
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## **INTRODUCTORY SECTION**



## Teaneck Public Schools

One Merrison Street  
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Business Administrator/ Board Secretary

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September 23, 2008

Honorable President and  
Members of the Board of Education  
Teaneck Public School District  
County of Bergen, New Jersey

Dear Board Members:

I am pleased to submit The Comprehensive Annual Financial Report of the Teaneck Public School District (hereafter the "District") for the fiscal year ending June 30, 2008. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of our knowledge, 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 the 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.

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Teaneck Public School's MD&A can be found immediately following the "Independent Auditors Report".

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 independent auditor's report, management's discussion and analysis (MD&A) and the basic financial statements including the districtwide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 44. The basic financial statements also include individual fund financial statements, notes to the financial statements and required supplemental information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act as Amended and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations", and the New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the supplementary information section of this report.

## **1) REPORTING ENTITY AND ITS SERVICES**

The Teaneck School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB No. 14. All funds of the District are included in this report. The Teaneck Board of Education and all of 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, as well as special education for handicapped students through the age of 21. In the 2007-2008 fiscal year, the District's official enrollment was 4,350 resident students, which is 132 students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years:

### **Official Enrollment (October 15 annual count date)**

Fiscal Year	Student Enrollment	Percent Change
2007-08	4,350	-2.9%
2006-07	4,482	-1.0%
2005-06	4,526	-0.1%
2004-05	4,531	-2.0%
2003-04	4,626	-1.3%
2002-03	4,685	-1.2%
2001-02	4,740	-0.8%
2000-01	4,777	+0.4%
1999-00	4,760	+1.3%
1998-99	4,699	+1.3%

These figures exclude enrollments for charter and nonpublic school students residing in the township for which funds are appropriated and expended in the school district budget.

## **2) ECONOMIC CONDITION AND OUTLOOK**

The local economy continues to reflect the state of the economy in the region. The unemployment rate in Teaneck decreased over the past year from 3.7% to 3.2%, which is below the 3.4% reported for Bergen County. The per capita income increased for Bergen County, rising to \$61,264 or 8.6% higher than the previous year's revised statistics of \$56,435 in 2005. These statistics were obtained from the New Jersey Department of Labor and the United States Bureau of Economic Analysis, U.S. Department of Commerce, respectively, and represent the most recent data available.

In accordance with mandates by the state, the district's budget continues to include a line for Charter School expenditures. In fiscal year 2007, there were two such schools to which Teaneck students attended, Teaneck and Englewood. The 2007-08 budget included \$2,494,073 expended for tuition and transportation of Teaneck resident students to the Teaneck Community Charter School and the Englewood on the Palisades Charter School.

The current demographic trend is a slight decline in overall district enrollment. Enrollment had dropped 1.8% and 1.0% in 2006-07 and 2007-08 respectively. Enrollment in Bryant School, grades pre-k and kindergarten, spiked 17.1% in 2007-08. All enrollment data is provided as per the district's 2008-2009 Application for State School Aid (ASSA) using the October 15<sup>th</sup> official student count.

The major funding source for the budget continues to be local property taxes. Although state aid did increase as a percentage of the budget from 8.4% in 2007 to 8.5% in 2008, property taxes represented 87% and 86.9% of the total budget during that same period. In the future, unless the



state appropriates a major increase in state aid to local school districts, property taxes will continue to be primary source of educational funding in Teaneck.

### **3) MAJOR INITIATIVES**

#### ***The "Achievement Challenge in Teaneck" (ACT)***

In the spring of the 2004-05 school year, the Superintendent of Schools announced a major new initiative that focused on the overall achievement of all students attending the Teaneck Public Schools. The initiative, entitled Achievement Challenge in Teaneck (ACT) is directed at all students as both a short-term action plan and a long-range vision and planning tool to improve the success of all students with a special emphasis on narrowing the "achievement gap" between ethnic groups of students. During the 2006-07 school year, five broad-based "Research and Design Teams," comprised of community members, parents and staff, met to review and establish goals and recommendations for consideration of the Superintendent. The Teams were (a) Academic Intervention Strategies, (b) Learning Communities/Middle School Structure, (c) Early Childhood, (d) Academic Environment/School Climate, and (e) Community Resources. An Advisory Council/Steering Committee was a part of this process. In addition, the district contracted with Dr. Pedro Noguera of The Steinhardt School of Education at New York University, to study all aspects of the district and provide a report to the Superintendent and the Board. The report was submitted in December 2006, along with updates throughout the school year. In the 2007-2008 school year, the emphasis on student achievement was continued. Analysis of data was a key component to improving instruction. Meetings were held with the community to gather input and increase community participation. Dr. Noguera re-evaluated our progress, indicating our movement in the right direction with respect to academic progress and parental participation in their children's progress.

#### ***Instructional Initiatives***

Emphasis continued on student achievement with specific focus on special education students. Additional staffing was devoted to providing the least restrictive environment for classified children by strengthening the in-class support program. After-school programs were extended and transportation was added to increase student participation. A revision of the SRA program was also put into action with students participating in a two week summer program.

#### ***Facilities Improvement***

In December 2000 the district voters approved a \$19,694,380 million facilities referendum. This was the second successful referendum issue in the past seven years. The State of New Jersey, under the Educational Facilities Construction and Financing Act (EFCFA), funded forty (40%) percent of the total project costs, \$7,877,752. Bonds for the district's share, \$11,816,628, were sold on April 18, 2001.

These improvements addressed mechanical needs and auditorium renovations at the three secondary schools, as well as significant construction and renovations within the walls of Teaneck High School to both expand and improve its educational spaces. Work was completed in the middle school auditoriums in the summer of 2001. The improvements to the High School's Memorial Gym renovation and structural addition of the second floor (internal addition) over the Elizabeth Street gym were also completed during the summer of 2001. Work has been completed on the renovation of the High School's auditorium, mechanical upgrades throughout the facility, classroom renovations, improvements to the student multi-cultural center and construction of a Teacher Planning Center.

Several additional projects to complete the high school facility were approved and completed, including locker replacement, masonry re-pointing of the exterior brickwork, and the renovation of the Library Media Center.

Improvements to the high school's stairwells and a project for the renovation of finishes in the classrooms at Benjamin Franklin Middle School were approved as a part of the fiscal year 2005 budget and were completed during the 2005-06 school year. The same renovations for the Thomas

Jefferson Middle School were completed in the summer of 2006, thus completing the district's Facility Improvement Program adopted almost ten years ago.

The heating and cooling controls at Teaneck High School were upgraded during the 2007-08 school year.

Capital projects targeted at core building systems will be the focus of the next stage of improvements. Roof projects are scheduled for Whittier Elementary School and Thomas Jefferson Middle School are planned for summer 2008.

The district continues to operate its own fiber optic wide area network. This expansion of the district's bandwidth capabilities meets the growing technology needs of the educational programs.

#### **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 financial assistance, the district also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the district management.

As a part of the district's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that 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 the 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 capital improvements and accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section of this report.

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, 2008. These are re-appropriated automatically into the following fiscal year, and as a result, increase the approved budget.

#### **6) ACCOUNTING SYSTEM AND REPORTS**

Effective July 1, 1993 the Division of Finance, Department of Education of the State of New Jersey, required all school districts to change its accounting method from a comprehensive basis of accounting other than generally accepted accounting principles to an accounting and reporting system in acceptance with generally accepted accounting principles. The district's accounting records reflect New Jersey Statutes (N.J.S.A. 18:4-14) that requires a uniform system of double-entry

bookkeeping consistent with the generally accepted accounting principles, (GAAP) established by GASB for use in all school districts.

The accounting system of the District is organized on the basis of funds in accordance with the Uniform Minimum Chart of Accounts (Handbook 2R2) for New Jersey Public Schools. These funds are explained in the Notes to the Financial Statements.

The district continues to maintain a budgetary/finance software package which provides decentralized access to requisitions, purchase order status, account records and program reporting. Appropriate internal controls are established for both purchasing and line item expenditures.

## **7) DEBT ADMINISTRATION**

As of June 30, 2008, the district has four (4) outstanding general obligation bond issues. The first issuance was April 2001 to finance construction projects at Teaneck High School, Benjamin Franklin Middle School and Thomas Jefferson Middle School. The debt maturity is January 2015 and the outstanding principal is \$2,075,000. The second issuance was February 2002 and also matures in January 2015. This was a refinancing of a previous bond issuance and the outstanding principal balance is \$2,890,000. The third issue, financed in February 2003, relates to the district's Early Retirement Pension Obligation. Previously, this obligation had been funded through the general current expense budget; however, funding the obligation through debt service was made possible in fiscal year 2003 by an act of the New Jersey Legislature. This issue has an 18-year repayment schedule that matures in January 2021. The outstanding principal balance is \$5,140,000. Finally, the last issuance is the refinancing of the callable bonds issued in April 2001. The bonds were issued in July 2006 and mature in January 2031. The principal balance outstanding is \$9,285,000. The refinancing of both the Early Retirement Pension Obligation and the 1993 Bond Issue will provide a net savings to the taxpayers of Teaneck of \$2 million over the life of the debt.

## **8) CASH MANAGEMENT**

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

## **9) RISK MANAGEMENT**

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG), a joint insurance pool comprised of forty school districts, for its entire insurance coverage, including but not limited to workers' compensation, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, contents and fidelity bonds.

## **10) INDEPENDENT AUDIT**

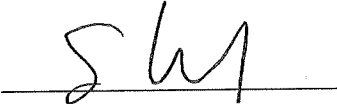
State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci, & Higgins, CPA's was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act as Amended and the related OMB Circular A-133 and State Treasury Circular Letter 04-04 OMB. The auditor's report on the basic 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.

#### **11) ACKNOWLEDGEMENTS**

The administration wishes to express its appreciation to the entire business office staff, whose continued efforts and tenacity to ensure the implementation of GAAP and the Board of Education's business policies and regulations make the efficient operation of the district possible. The Business office staff thanks the school district auditors for technical expertise and patience in providing guidance in accounting in general, and this report in particular.

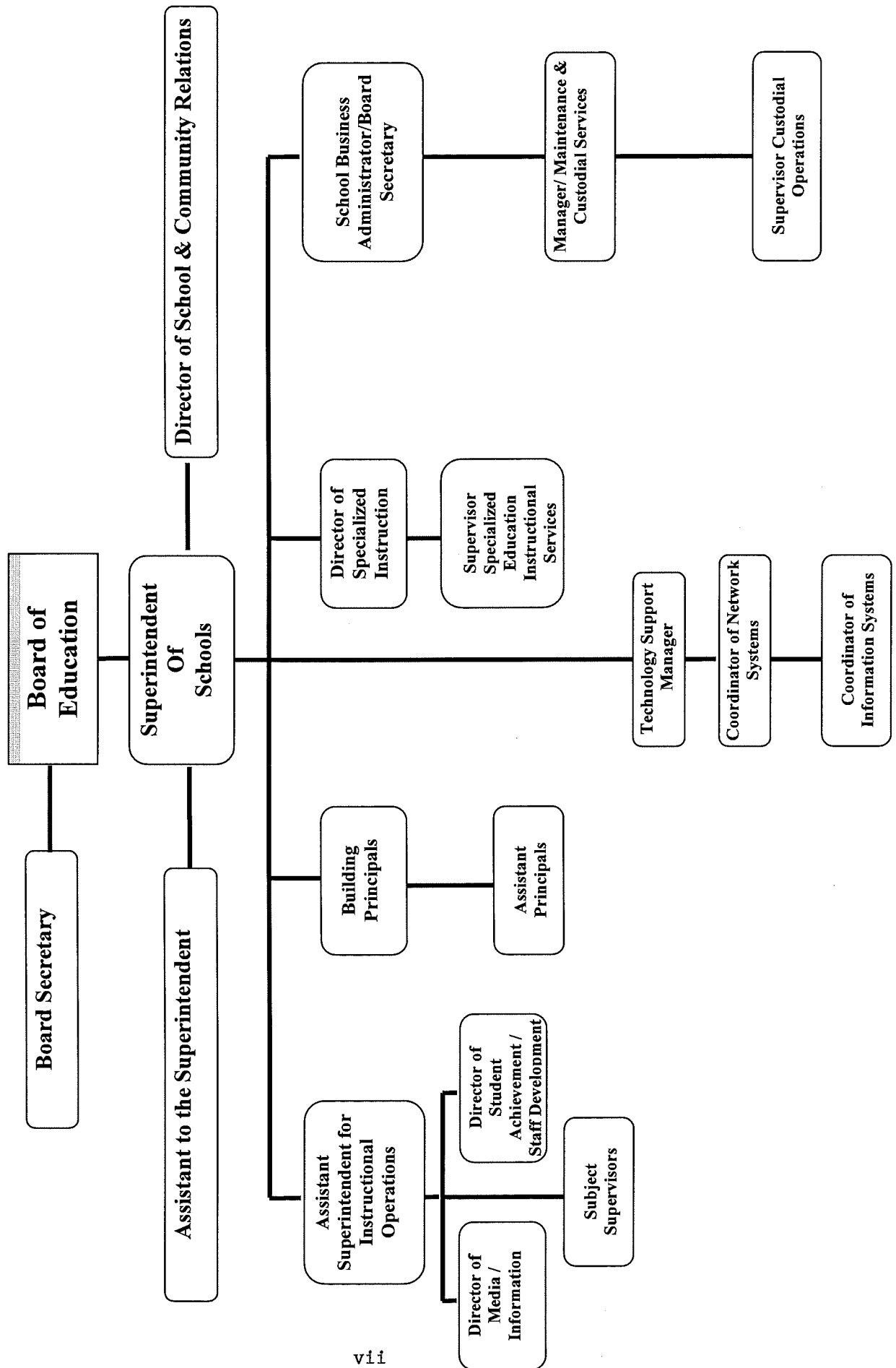
Respectfully Submitted,

A handwritten signature in dark ink, appearing to read 'S Gately', is written over a horizontal line.

Sean Gately  
Business Administrator/Board Secretary



# Teaneck Public Schools Administrative Organizational Chart 2007-2008



**TEANECK BOARD OF EDUCATION  
TEANECK, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2008**

<b><u>MEMBERS OF THE BOARD</u></b>	<b><u>TERM EXPIRES</u></b>
Dr. Henry Pruitt, President	2010
Dr. Ardie Walser, Vice President	2011
Jack Aaker	2009
Margaret Angeli	2011
Joseph Cliffe	2011
Dr. David Diuguid	2009
Margaret Fisher	2010
Gervonn Rice	2009
Sebastian Rodriguez	2010

Judy McKay served as a member of the Board through the end of her term, April 30, 2008.

**OTHER OFFICIALS**

John F. Czeterko, Superintendent of Schools

Robert S. Finger, Business Administrator/Board Secretary  
(July 1, 2007 to January 31, 2008)

Jerome F. Bohnert, Interim Business Administrator/Board Secretary  
(February 1, 2008 to June 13, 2008)

Sean Gately, Business Administrator/Board Secretary  
(June 16, 2008 to June 30, 2008)

Karla Starks, Coordinator of Fiscal Services/Assistant Board Secretary

Anthony Bianchi, Treasurer of School Monies

# **TEANECK PUBLIC SCHOOLS**

## **Consultants and Advisors**

### Attorney

Schenck, Price, Smith, King  
10 Washington Street  
Morristown, NJ 07963

### Auditor

Lerch, Vinci & Higgins, LLP  
17-17 Route 208  
Fair Lawn, NJ 07410

### Architect

DiCarla/Rubino  
30 Galesi Drive  
Wayne, NJ 07470

### Insurance Broker

LDP Consulting Group, Inc.  
80 Lambert Lane  
Lambertville, NJ 08530

### Official Depository

Commerce Bank  
540 River Street  
Hackensack, NJ 07601

## **FINANCIAL SECTION**



# LERCH, VINCI & HIGGINS, LLP

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DEBORAH KOZAK, CPA, PSA  
DEBRA GOLLE, CPA  
CINDY JANACEK, CPA, RMA

## INDEPENDENT AUDITORS' REPORT

Honorable President and Members  
of the Board of Trustees  
Teaneck Board of Education  
Teaneck, New Jersey

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 Teaneck Board of Education as of and for the fiscal year ended June 30, 2008, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board of Education'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 the Government Auditing Standards, issued by the Comptroller General of the United States and 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 Teaneck Board of Education'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, 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 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 Teaneck Board of Education as of June 30, 2008, 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 September 15, 2008 on our consideration of the Teaneck Board of Education'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 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 considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by the 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 Teaneck Board of Education's basic financial statements. The accompanying introductory section, combining fund financial statements, financial schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Additionally, 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 New Jersey OMB's Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid", and are not a required part of the basic financial statements. The combining fund financial statements and schedules of expenditures of federal awards and state financial assistance 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 section, financial schedules and statistical section 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.

  
LERCH, VINCI & HIGGINS, LLP  
Certified Public Accountants  
Public School Accountants

  
Gary J. Vinci  
Public School Accountant  
PSA Number CS00829

Fair Lawn, New Jersey  
September 15, 2008

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **TEANECK BOARD OF EDUCATION**

### **Management's Discussion and Analysis**

This section of the Teaneck Board of Education's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2008. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

#### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2007-2008 fiscal year include the following:

- The assets of the Teaneck Board of Education exceeded its liabilities at the close of the fiscal year by \$27,225,210 (net assets).
- Overall revenues were \$95,460,152. General revenues accounted for \$76,398,594 or 80% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$19,061,558 or 20% of total revenues.
- The school district had \$95,506,563 in expenses; only \$19,061,558 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) and available net assets were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$9,941,187.
- The General Fund fund balance at June 30, 2008 was \$8,943,701 a decrease of \$343,818 when compared with the beginning balance at July 1, 2007.

# TEANECK BOARD OF EDUCATION

## Management's Discussion and Analysis

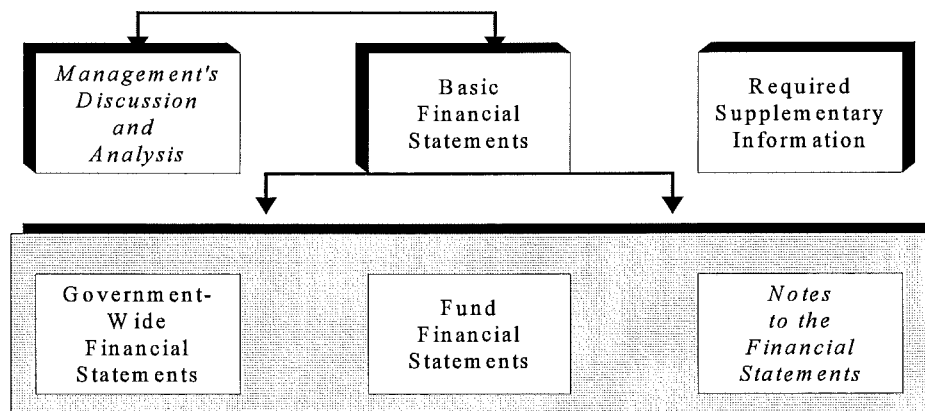
### OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditors' Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
  - The governmental funds statements tell how basic services were financed in the short term as well as what remains for future spending.
  - Proprietary funds statements offer short-term and long-term financial information about the activities the district operated like businesses.
  - Fiduciary funds statements provide information about the financial relationships in which the District acts solely 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 statements and provide more detailed data. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1



# TEANECK BOARD OF EDUCATION

## Management's Discussion and Analysis

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

**Figure A-2**

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular instruction, special Education and building maintenance	Activities the district operates similar to private businesses: Internal Service and Enterprise Funds	Instances in which the district administers resources on behalf of someone else, such as Unemployment, Payroll Agency, and Student Activities
Required financial statements	Statements of net assets Statement of activities	Balance Sheet Statement of Revenues, Expenditures and changes in fund balances	Statement of Net Assets Statement of revenue, expenses, and changes in fund net assets Statement of cash flows	Statements of Fiduciary net assets Statement of changes in fiduciary net assets
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources Focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term funds do not currently contain capital assets.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and dedications during the year, regardless of when cash is received or paid.

### District-wide financial statements

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

The two district-wide statements report the District's net assets and how they have changed. Net assets – the difference between the District's assets and liabilities – is one way to measure the District's financial health or position.

# TEANECK BOARD OF EDUCATION

## Management's Discussion and Analysis

### District-wide financial statements (continued)

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements the District's activities are shown in two categories:

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration and plant operations and maintenance. Property taxes and state aids finance most of these activities.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund and Community School Fund are included under this category.

### Fund financial statements

The fund financial statements provide more detailed information about the District's funds – focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has three kinds of funds:

- *Governmental funds* – Most of the District'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 District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements.

# TEANECK BOARD OF EDUCATION

## Management's Discussion and Analysis

### Fund financial statements (continued)

*Enterprise Funds* – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has two enterprise funds.

- Food Service (Cafeteria)
- Community School

• *Fiduciary funds* – The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

### Notes to the Basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found following the basic financial statements.

### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for these funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons.

### DISTRICT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$27,225,210 as of June 30, 2008. See Table A-1.



# TEANECK BOARD OF EDUCATION

## Management's Discussion and Analysis

By far the largest portion of the District's net assets reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Table A-1**  
**Statement of Net Assets**  
**As of June 30, 2008 and 2007**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b><u>2008</u></b>	<b><u>2007</u> (Restated)</b>	<b><u>2008</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2007</u> (Restated)</b>
Current Assets	\$ 12,146,405	\$ 13,213,263	\$ 756,316	\$ 820,332	\$ 12,902,721	\$ 14,033,595
Capital Assets	<u>39,382,355</u>	<u>39,648,326</u>	<u>161,028</u>	<u>118,735</u>	<u>39,543,383</u>	<u>39,767,061</u>
<b>Total Assets</b>	<u>51,528,760</u>	<u>52,861,589</u>	<u>917,344</u>	<u>939,067</u>	<u>52,446,104</u>	<u>53,800,656</u>
Other Liabilities	2,261,144	2,677,653	443,510	476,998	2,704,654	3,154,651
Long-Term Liabilities	<u>22,516,240</u>	<u>23,374,384</u>	<u>-</u>	<u>-</u>	<u>22,516,240</u>	<u>23,374,384</u>
<b>Total Liabilities</b>	<u>24,777,384</u>	<u>26,052,037</u>	<u>443,510</u>	<u>476,998</u>	<u>25,220,894</u>	<u>26,529,035</u>
Net Assets:						
Invested in Capital Assets, net of related debt	25,514,557	25,187,935	161,028	118,735	25,675,585	25,306,670
Restricted	229,174	324,375			229,174	324,375
Unrestricted	<u>1,007,645</u>	<u>1,297,242</u>	<u>312,806</u>	<u>343,334</u>	<u>1,320,451</u>	<u>1,640,576</u>
<b>Total Net Assets</b>	<u>\$ 26,751,376</u>	<u>\$ 26,809,552</u>	<u>\$ 473,834</u>	<u>\$ 462,069</u>	<u>\$ 27,225,210</u>	<u>\$ 27,271,621</u>

# TEANECK BOARD OF EDUCATION

## Management's Discussion and Analysis

**Table A-2**  
**Changes in Net Assets**  
**For the Fiscal Years Ended June 30, 2008 and 2007**

	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>	
	<b><u>Activities</u></b>		<b><u>Activities</u></b>			
	<b><u>2008</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 152,733	\$ 234,868	\$ 1,579,531	\$ 1,479,338	\$ 1,732,264	\$ 1,714,206
Operating Grants and Contributions	16,684,940	15,462,501	504,607	486,507	17,189,547	15,949,008
Capital Grants and Contributions	74,259	13,594	65,488	3,790	139,747	17,384
General Revenues						
Property Taxes	75,224,043	73,156,938			75,224,043	73,156,938
State and Federal Aid	835,868	658,131			835,868	658,131
Other	338,683	505,862	-	-	338,683	505,862
<b>Total Revenues</b>	<b><u>93,310,526</u></b>	<b><u>90,031,894</u></b>	<b><u>2,149,626</u></b>	<b><u>1,969,635</u></b>	<b><u>95,460,152</u></b>	<b><u>92,001,529</u></b>
<b>Expenses</b>						
Instruction						
Regular	35,644,622	33,233,572			35,644,622	33,233,572
Special Education	14,678,854	13,342,213			14,678,854	13,342,213
Vocational Education Tuition	253,650	530,038			253,650	530,038
Other Instruction	4,040,837	4,131,219			4,040,837	4,131,219
Support Services						
Student and Instruction Related Serv.	12,406,377	11,120,386			12,406,377	11,120,386
School Administrative Services	4,208,866	3,834,824			4,208,866	3,834,824
General Administrative Services	1,481,314	1,465,891			1,481,314	1,465,891
Plant Operations and Maintenance	10,801,577	9,540,485			10,801,577	9,540,485
Pupil Transportation	5,174,060	4,967,222			5,174,060	4,967,222
Business and Other Support Services	1,368,503	1,494,306			1,368,503	1,494,306
Charter Schools	2,388,987	2,040,585			2,388,987	2,040,585
Interest on Long-Term Debt	921,055	969,897			921,055	969,897
Food Services			1,282,444	1,156,163	1,282,444	1,156,163
Other Business Activities			855,417	799,129	855,417	799,129
Transfers	-	-	-	-	-	-
<b>Total Expenses</b>	<b><u>93,368,702</u></b>	<b><u>86,670,638</u></b>	<b><u>2,137,861</u></b>	<b><u>1,955,292</u></b>	<b><u>95,506,563</u></b>	<b><u>88,625,930</u></b>
<b>Change in Net Assets</b>	<b>(58,176)</b>	<b>3,361,256</b>	<b>11,765</b>	<b>14,343</b>	<b>(46,411)</b>	<b>3,375,599</b>
<b>Net Assets, Beginning of Year (Restated)</b>	<b><u>26,809,552</u></b>	<b><u>23,448,296</u></b>	<b><u>462,069</u></b>	<b><u>447,726</u></b>	<b><u>27,271,621</u></b>	<b><u>23,896,022</u></b>
<b>Net Assets, End of Year</b>	<b><u>\$ 26,751,376</u></b>	<b><u>\$ 26,809,552</u></b>	<b><u>\$ 473,834</u></b>	<b><u>\$ 462,069</u></b>	<b><u>\$ 27,225,210</u></b>	<b><u>\$ 27,271,621</u></b>

# TEANECK BOARD OF EDUCATION

## Management's Discussion and Analysis

**Governmental Activities.** The District's total governmental activities' revenues, which includes State and Federal grants, were \$93,310,526 for the year ended June 30, 2008, a 3.6 percent increase from the previous year. Property taxes of \$75,224,043 represented 81% of revenues. Another significant portion of revenues is intergovernmental aid; total State, Federal and formula aid was \$17,595,067. Another source of revenues is miscellaneous income which includes items such as rentals, prior year refunds, etc. The smallest component of revenues is charges for services which includes tuition from other LEAs and transportation fees.

The total cost of all governmental activities programs and services was \$93,368,702. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$54,617,963 (58)% of total expenditures. Student support services, exclusive of administration, total \$12,406,377 or (13)% of total expenditures (See Table A-4).

Total governmental activities expenses surpassed revenue, decreasing net assets \$58,176 from the previous year. This increase is predominantly due to the realization of revenue from the State and Federal sources and property taxes.

Table A-3 Revenues by Source- Governmental Activities  
For Fiscal Year 2008

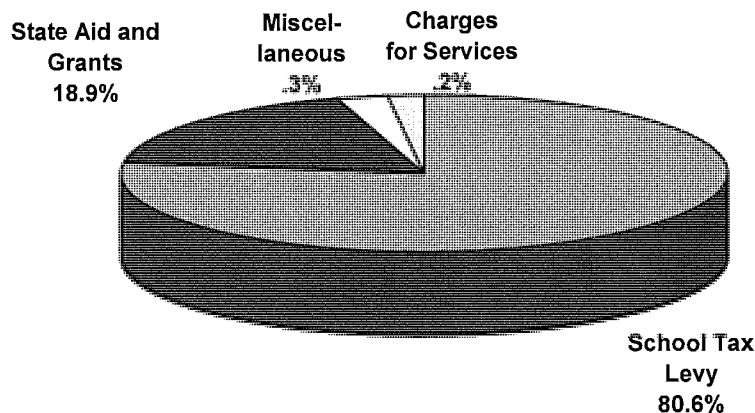
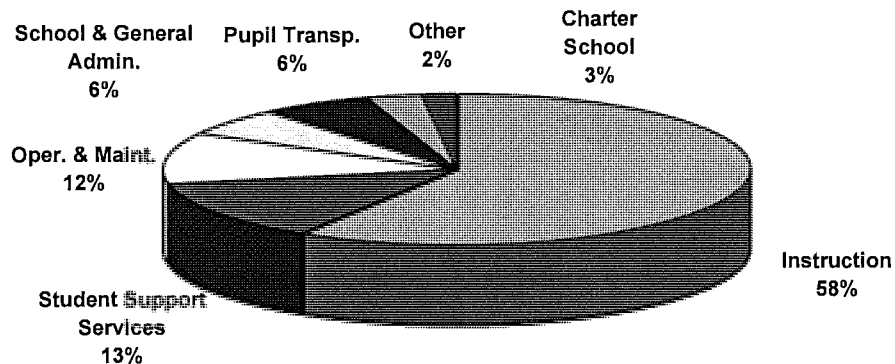


Table A-4 Expenditures by Type- Governmental Activities  
For Fiscal Year 2008



**Net Cost of Governmental Activities.** The District's total cost of services was \$93,368,702 for the fiscal year ended June 30, 2008. After applying program revenues, derived from charges for services of \$152,733; operating grants and contributions of \$16,684,940 and capital grants and contributions of

# TEANECK BOARD OF EDUCATION

## Management's Discussion and Analysis

\$74,259, the net cost of services of the District was \$76,456,770 for the fiscal year ended June 30, 2008. See Table A-5.

**Table A-5**  
**Total and Net Cost of Governmental Activities**  
**For the Fiscal Years Ended June 30, 2008 and 2007**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2008</u>	<u>2007</u> (Restated)	<u>2008</u>	<u>2007</u> (Restated)
Instruction				
Regular	\$ 35,644,622	\$ 33,233,572	\$ 29,111,267	\$ 27,256,413
Special Education	14,678,854	13,342,213	8,981,673	7,850,145
Vocational Educational Instruction	253,650	530,038	253,650	530,038
Other Instruction	4,040,837	4,131,219	3,320,333	3,352,829
Support Services				
Student and Instruction Related Svcs.	12,406,377	11,120,386	10,494,233	9,596,562
School Administrative Services	4,208,866	3,834,824	4,208,866	3,834,824
General Administrative Services	1,481,314	1,465,891	1,106,248	1,121,600
Plant Operations and Maintenance	10,801,577	9,540,485	10,727,318	9,512,786
Pupil Transportation	5,174,060	4,967,222	3,599,966	3,426,184
Business and Other Support Services	1,368,503	1,494,306	1,343,174	1,467,812
Charter Schools	2,388,987	2,040,585	2,388,987	2,040,585
Interest on Long-Term Debt	921,055	969,897	921,055	969,897
<b>Total</b>	<u>\$ 93,368,702</u>	<u>\$ 86,670,638</u>	<u>\$ 76,456,770</u>	<u>\$ 70,959,675</u>

**Business-Type Activities** – The District's total business-type activities revenues were \$2,149,626 for the fiscal year ended June 30, 2008. Charges for services accounted for \$1,579,531, or 73% of total revenues. Operating and Capital grants and contributions accounted for \$570,095, or 27% of total revenue for the year.

The total cost of all business-type activities programs and services was \$2,137,861 for the fiscal year ended June 30, 2008. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District and the operation of the after school child care and adult education programs.

Total business-type activities revenues surpassed expenses by \$11,765.

# TEANECK BOARD OF EDUCATION

## Management's Discussion and Analysis

### FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$9,941,187. As of June 30, 2007, the fund balance was \$10,581,961. This slight reduction is predominately attributable to the district utilizing prior year fund balance to offset the current year expenditures. This amount is not reported as a revenue in the District's financial statements.

Revenues for the District's governmental funds were \$93,310,526, while total expenses were \$93,951,300. The net change in the fund balance for the year was a decrease of \$640,774.

**General Fund** - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students from pre-kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

The following schedule presents a comparison of General Fund Revenues for the fiscal years ended June 30, 2008 and 2007.

	<u>Year Ended June 30, 2008</u>	<u>Year Ended June 30, 2007</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Local Sources				
Property Tax Levy	\$ 73,468,869	\$ 71,386,061	\$ 2,082,808	2.92%
Tuition	123,683	204,637	(80,954)	-39.56%
Interest	229,648	342,185	(112,537)	-32.89%
State Sources	14,009,782	13,793,549	216,233	1.57%
Miscellaneous	<u>136,689</u>	<u>191,830</u>	<u>(55,141)</u>	-28.74%
Total General Fund Revenues	<u>\$ 87,968,671</u>	<u>\$ 85,918,262</u>	<u>\$ 2,050,409</u>	2.39%

Total General Fund Revenues increased by \$2,050,409 or 2% over the previous year.

Local property taxes remained stable, increasing 3% over the previous year. State aid revenues increased \$216,233 or 2%. Tuition, interest and other miscellaneous revenues decreased from the previous year.

## TEANECK BOARD OF EDUCATION

### Management's Discussion and Analysis

The following schedule presents a comparison of General Fund expenditures for the fiscal years ended June 30, 2008 and 2007.

	<u>Year Ended June 30, 2008</u>	<u>Year Ended June 30, 2007</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Instruction	\$ 30,998,968	\$ 29,446,880	\$ 1,552,088	5.27%
Support Services	53,948,854	50,911,033	3,037,821	5.97%
Capital Outlay	638,759	462,514	176,245	38.11%
Charter School	<u>2,388,987</u>	<u>2,040,585</u>	<u>348,402</u>	17.07%
Total Expenditures	<u>\$ 87,975,568</u>	<u>\$ 82,861,012</u>	<u>\$ 5,114,556</u>	6.17%

Total General Fund expenditures increased \$5,114,556 or 6% from the previous year. The District also experienced significant increases in areas of student related instructional services, pupil transportation and operation and maintenance of plant services.

In 2007-2008 General Fund expenditures and other financing uses exceeded revenues by \$343,818. As a result, total fund balance decreased to \$8,943,701 at June 30, 2008. After deducting statutory transfers and reserves, the unreserved undesignated fund balance increased from \$1,071,563 at June 30, 2007 to \$1,219,147 at June 30, 2008.

**Special Revenue Fund** - The Special Revenue Fund includes all restricted Federal and State sources utilized in the operations of the district in providing educational services to students with special needs.

Revenues of the Special Revenue Fund were \$3,511,026, for the year ended June 30, 2008. Federal sources accounted for 49% of the total Special Revenue Fund revenue for the year. Total Special Revenue Fund revenues increased \$1,183,943 from the previous year. State sources increased \$903,817, while Federal sources increased \$280,638.

Expenditures of the Special Revenue Fund were \$3,536,390 instructional expenditures were \$1,855,283 and expenditures for the support services were \$1,681,107 of total expended for the year ended June 30, 2008.

**Capital Projects** - The capital projects expenditures exceeded revenues and other financing sources by \$256,882 resulting in a fund balance of \$1,012,762 at June 30, 2008. This decrease is a result of the utilization of available funds for the completion of the District's capital projects.

# TEANECK BOARD OF EDUCATION

## Management's Discussion and Analysis

### Proprietary Funds

The District maintains an Enterprise Fund to account for activities which are supported in part through user fees.

**Enterprise Fund** - The District uses Enterprise Funds to report activities related to the Food Services program as well as other business-type activities. The District's Enterprise Fund provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

### GENERAL FUND BUDGETARY HIGHLIGHTS

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

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into two categories

- Implementing budgets for specially funded projects, which include both federal and state grants, reinstating prior year purchase orders being carried over, and budgeting for clearing, resale, and gifts.
- Increases in appropriations for the funding of capital projects approved in the Long-Range Facilities Plan.

### CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2008 amounts to \$39,543,383 (net of accumulated depreciation). The capital assets consist of land, land improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2007-08 amounted to 1,588,993 for governmental activities and \$23,195 for business-type activities.

**Capital Assets at June 30, 2008 and 2007**  
(Net of Accumulated Depreciation)

	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>	
	<b><u>2008</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>
Land	\$ 1,601,471	\$ 1,601,471			\$ 1,601,471	\$ 1,601,471
Improvements Other than Buildings	884,015	271,823			884,015	271,823
Building and Building Improvements	35,470,156	36,200,108			35,470,156	36,200,108
Machinery and Equipment	1,426,713	1,507,924	\$ 161,028	\$ 118,735	1,587,741	1,626,659
Construction in Progress	-	67,000	-	-	-	67,000
<b>Total Capital Assets, Net</b>	<b><u>\$ 39,382,355</u></b>	<b><u>\$ 39,648,326</u></b>	<b><u>\$ 161,028</u></b>	<b><u>\$ 118,735</u></b>	<b><u>\$ 39,543,383</u></b>	<b><u>\$ 39,767,061</u></b>

## **TEANECK BOARD OF EDUCATION**

### **Management's Discussion and Analysis**

Additional information on the District's capital assets are presented in the "Notes to the Basic Financial Statements".

#### **LONG TERM LIABILITIES**

At year end, the District's long-term liabilities consisted of compensated absences payable of \$3,283,972, bonds payable of \$19,390,000 and claims and judgments of \$116,041.

Additional information of the District's long-term liabilities is presented in the "Notes to the Basic Financial Statements".

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

Currently, the District is in good financial condition. Everyone associated with Teaneck School District is grateful for the community support, as evidenced by the successful passage of the District's annual budget for the past six consecutive years.

Many factors were considered by the District's administration during the process of developing the fiscal year 2008-2009 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered when adopting the budget for fiscal year 2008-2009. Budgeted expenditures in the General Fund increased \$8,704,838 or 10.5% percent in fiscal year 2008-2009. Increases in contractual salaries and charter school payments are the primary reasons for the increase.

#### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact Sean Gately, School Business Administrator/Board Secretary, Teaneck Board of Education, One Merrison Street, Teaneck, NJ 07666.



## **BASIC FINANCIAL STATEMENTS**

**TEANECK BOARD OF EDUCATION**  
**STATEMENT OF NET ASSETS**  
**AS OF JUNE 30, 2008**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,594,731	\$ 664,547	\$ 2,259,278
Investment	45,564		45,564
Receivables, net	9,933,824	45,402	9,979,226
Inventory		23,240	23,240
Prepaid Items		23,127	23,127
Deferred Charge	365,056		365,056
Restricted Assets			
Restricted Cash and Cash Equivalents			
Capital Reserve Account - Cash	207,230		207,230
Capital Assets			
Not Being Depreciated	1,601,471		1,601,471
Being Depreciated, Net	<u>37,780,884</u>	<u>161,028</u>	<u>37,941,912</u>
Total Assets	<u>51,528,760</u>	<u>917,344</u>	<u>52,446,104</u>
<b>LIABILITIES</b>			
Accounts Payable	554,663	119,754	674,417
Accrued Interest Payable	420,982		420,982
Intergovernmental Payables	91,456		91,456
Unearned Revenue	1,194,043	323,756	1,517,799
Noncurrent Liabilities			
Due Within One Year	1,477,600		1,477,600
Due Beyond One Year	<u>21,038,640</u>	<u>-</u>	<u>21,038,640</u>
Total Liabilities	<u>24,777,384</u>	<u>443,510</u>	<u>25,220,894</u>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	25,514,557	161,028	25,675,585
Restricted for			
Debt Service	21,944		21,944
Capital Projects	207,230		207,230
Unrestricted	<u>1,007,645</u>	<u>312,806</u>	<u>1,320,451</u>
Total Net Assets	<u>\$ 26,751,376</u>	<u>\$ 473,834</u>	<u>\$ 27,225,210</u>

The accompanying Notes to the Basic Financial Statements are an Integral Part of this Statement.

**TEANECK BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
Instruction							
Regular	\$ 35,644,622		\$ 6,533,355		\$ (29,111,267)		\$ (29,111,267)
Special Education	14,678,854	\$ 123,683	5,573,498		(8,981,673)		(8,981,673)
Vocational Education	253,650				(253,650)		(253,650)
Other Instruction	4,040,837		720,504		(3,320,333)		(3,320,333)
Support Services							
Student and Instruction Related Services	12,406,377		1,912,144		(10,494,233)		(10,494,233)
School Administrative Services	4,208,866				(4,208,866)		(4,208,866)
General Administrative Services	1,481,314		375,066		(1,106,248)		(1,106,248)
Plant Operations and Maintenance	10,801,577			\$ 74,259	(10,727,318)		(10,727,318)
Pupil Transportation	5,174,060	29,050	1,545,044		(3,599,966)		(3,599,966)
Business and Other Support Services	1,368,503		25,329		(1,343,174)		(1,343,174)
Charter Schools	2,388,987				(2,388,987)		(2,388,987)
Interest on Long-Term Debt	921,055	-	-	-	(921,055)	-	(921,055)
Total Governmental Activities	93,368,702	152,733	16,684,940	74,259	(76,456,770)	-	(76,456,770)
<b>Business-Type Activities</b>							
Food Service	1,282,444	809,596	454,285	65,488		\$ 46,925	46,925
Community School	855,417	769,935	50,322	-	-	(35,160)	(35,160)
Total Business-Type Activities	2,137,861	1,579,531	504,607	65,488	-	11,765	11,765
Total Primary Government	\$ 95,506,563	\$ 1,732,264	\$ 17,189,547	\$ 139,747	(76,456,770)	11,765	(76,445,005)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					73,468,869		73,468,869
Taxes Levied for Debt Service					1,755,174		1,755,174
Federal and State Aid -Unrestricted					835,868		835,868
Investment Earnings					231,044		231,044
Miscellaneous Income					107,639	-	107,639
Total General Revenues					76,398,594	-	76,398,594
Change in Net Assets					(58,176)	11,765	(46,411)
Net Assets, Beginning of Year (Restated)					26,809,552	462,069	27,271,621
Net Assets, End of Year					\$ 26,751,376	\$ 473,834	\$ 27,225,210

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

## **FUND FINANCIAL STATEMENTS**

**TEANECK BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2008**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 705,220	\$ 871,867		\$ 17,644	\$ 1,594,731
Investments	45,564				45,564
Receivables (Net)					
Receivables From Other Governments	432,336	210	\$ 9,470,250		9,902,796
Other Receivables	942	30,086			31,028
Due from Other Funds	8,072,559				8,072,559
Restricted Cash and Cash Equivalents	<u>207,230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>207,230</u>
Total Assets	<u>\$ 9,463,851</u>	<u>\$ 902,163</u>	<u>\$ 9,470,250</u>	<u>\$ 17,644</u>	<u>\$ 19,853,908</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts Payable	\$ 513,898	\$ 36,173	\$ 4,592		\$ 554,663
Due to Other Funds			8,072,559		8,072,559
Intergovernmental Payable					
State		61,643			61,643
Federal		28,058			28,058
Other		1,755			1,755
Deferred Revenue	<u>6,252</u>	<u>807,454</u>	<u>380,337</u>	<u>-</u>	<u>1,194,043</u>
Total Liabilities	<u>520,150</u>	<u>935,083</u>	<u>8,457,488</u>	<u>-</u>	<u>9,912,721</u>
Fund Balances					
Reserved for					
Encumbrances	564,933		33,498		598,431
Capital Reserve Account	207,230				207,230
Debt Service			4,300		4,300
Excess Surplus - Designated for					
for Subsequent Year's Expenditures	3,876,209				3,876,209
Excess Surplus	<u>3,076,182</u>				<u>3,076,182</u>
Unreserved, reported in:					
Designated for Subsequent					
Year's Expenditures					
General Fund	1,219,147				1,219,147
Special Revenue Fund		(32,920)			(32,920)
Capital Projects Fund			974,964		974,964
Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 17,644</u>	<u>17,644</u>
Total Fund Balances	<u>8,943,701</u>	<u>(32,920)</u>	<u>1,012,762</u>	<u>17,644</u>	<u>9,941,187</u>
Total Liabilities and Fund Balances	<u>\$ 9,463,851</u>	<u>\$ 902,163</u>	<u>\$ 9,470,250</u>	<u>\$ 17,644</u>	

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 \$57,561,105 and the accumulated depreciation is \$18,178,750.

39,382,355

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is:

(420,982)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 2)

(22,151,184)

Net assets of governmental activities

\$ 26,751,376

**TEANECK BOARD OF EDUCATION**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Local Sources					
Local Property Tax Levy	\$ 73,468,869			\$ 1,755,174	\$ 75,224,043
Tuition	123,683				123,683
Transportation	29,050				29,050
Interest	229,648		\$ 1,396		231,044
Miscellaneous	<u>107,639</u>	<u>\$ 224,311</u>	<u>-</u>	<u>-</u>	<u>331,950</u>
Total - Local Sources	<u>73,958,889</u>	<u>224,311</u>	<u>1,396</u>	<u>1,755,174</u>	<u>75,939,770</u>
State Sources	14,009,782	1,578,311	74,259		15,662,352
Federal Sources	<u>-</u>	<u>1,708,404</u>	<u>-</u>	<u>-</u>	<u>1,708,404</u>
Total Revenues	<u>87,968,671</u>	<u>3,511,026</u>	<u>75,655</u>	<u>1,755,174</u>	<u>93,310,526</u>
<b>EXPENDITURES</b>					
Current					
Regular Instruction	34,280,943	1,066,041			35,346,984
Special Education Instruction	13,910,604	789,242			14,699,846
Vocational Education	253,650				253,650
Other Instruction	4,050,555				4,050,555
Support Services					
Student and Instruction Related Services	10,798,096	1,634,241			12,432,337
General Administrative Services	1,446,207				1,446,207
School Administrative Services	4,035,116				4,035,116
Plant Operations and Maintenance	9,658,327				9,658,327
Pupil Transportation	5,127,858	46,866			5,174,724
Business and Other Support Services	1,371,661				1,371,661
Transfer to Charter Schools	2,388,987				2,388,987
Debt Service					
Principal				870,000	870,000
Interest and Other Charges				899,884	899,884
Capital Outlay	<u>653,564</u>	<u>-</u>	<u>669,458</u>	<u>-</u>	<u>1,323,022</u>
Total Expenditures	<u>87,975,568</u>	<u>3,536,390</u>	<u>669,458</u>	<u>1,769,884</u>	<u>93,951,300</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(6,897)</u>	<u>(25,364)</u>	<u>(593,803)</u>	<u>(14,710)</u>	<u>(640,774)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	1,396		338,317		339,713
Transfers Out	<u>(338,317)</u>	<u>-</u>	<u>(1,396)</u>	<u>-</u>	<u>(339,713)</u>
Total Other Financing Sources and Uses	<u>(336,921)</u>	<u>-</u>	<u>336,921</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(343,818)	(25,364)	(256,882)	(14,710)	(640,774)
Fund Balance (Deficit), Beginning of Year	<u>9,287,519</u>	<u>(7,556)</u>	<u>1,269,644</u>	<u>32,354</u>	<u>10,581,961</u>
Fund Balance (Deficit), End of Year	<u>\$ 8,943,701</u>	<u>\$ (32,920)</u>	<u>\$ 1,012,762</u>	<u>\$ 17,644</u>	<u>\$ 9,941,187</u>

**TEANECK BOARD OF EDUCATION  
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, 2008**

**Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)** **\$ (640,774)**

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	\$ (1,588,993)	
Capital Outlays	<u>1,323,022</u>	
		(265,971)

Repayment of debt 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.

Bond Principal	870,000
----------------	---------

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.

14,907

The issuance of long-term debt (accrued insurance liability and capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long term debt and related items.

Accrued Insurance Liability	196,036
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Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

(36,078)

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.

(196,296)

**Change in Net Assets of Governmental Activities (Exhibit A-2)** **\$ (58,176)**

**TEANECK BOARD OF EDUCATION  
PROPRIETARY FUNDS  
STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2008**

	<b>Business-Type Activities- Enterprise Funds</b>		
	<b>Food Services</b>	<b>Community School</b>	<b>Totals</b>
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	\$ 157,975	\$ 506,572	\$ 664,547
Intergovernmental Accounts Receivable	28,004		28,004
Other Receivables	17,398		17,398
Inventories	23,240		23,240
Prepaid Items	-	23,127	23,127
Total Current Assets	226,617	529,699	756,316
Noncurrent Assets			
Machinery and Equipment	399,844	9,607	409,451
Less: Accumulated Depreciation	(238,816)	(9,607)	(248,423)
Total Noncurrent Assets	161,028	-	161,028
Total Assets	387,645	529,699	917,344
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	117,747	2,007	119,754
Deferred Revenue	11,517	312,239	323,756
Total Current Liabilities	129,264	314,246	443,510
<b>NET ASSETS</b>			
Invested in capital assets	161,028	-	161,028
Unrestricted	97,353	215,453	312,806
Total Net Assets	\$ 258,381	\$ 215,453	\$ 473,834



**TEANECK BOARD OF EDUCATION  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	Business-Type Activities- Enterprise Funds		
	Food Services	Community School	Totals
<b>OPERATING REVENUES</b>			
Charges for Services			
Daily Sales-Reimbursable Programs	\$ 738,410		\$ 738,410
Special Functions	50,360		50,360
Vending Sales	20,826		20,826
Program Fees	-	\$ 769,935	769,935
Total Operating Revenues	809,596	769,935	1,579,531
<b>OPERATING EXPENSES</b>			
Salaries and Employee Benefits	525,973	466,694	992,667
Purchased Professional and Technical Services		134,027	134,027
Contracted Services- Transportation		37,065	37,065
Communications/ Telephone	1,429	2,559	3,988
Postage		5,853	5,853
Travel	359	689	1,048
Other Purchased Services	77,141	96,051	173,192
Supplies and Materials	75,552	22,596	98,148
Depreciation	23,153	42	23,195
Cost of Sales	578,837		578,837
Miscellaneous	-	89,841	89,841
Total Operating Expenses	1,282,444	855,417	2,137,861
Operating Income/(Loss)	(472,848)	(85,482)	(558,330)
<b>NONOPERATING REVENUES/(EXPENSES)</b>			
State Sources			
School Lunch Program	19,543		19,543
School Breakfast Program	3,098		3,098
Federal Sources			
School Breakfast Program	34,627		34,627
National School Lunch Program	325,776		325,776
Food Distribution Program (U.S.D.A. Commodities)	71,241		71,241
Local Sources	-	50,322	50,322
Total Nonoperating Revenues/ (Expenses)	454,285	50,322	504,607
Net Income/(Loss)	(18,563)	(35,160)	(53,723)
Capital Contributions - Food Service Management Company	65,488	-	65,488
Change in Net Assets	46,925	(35,160)	11,765
Total Net Assets, Beginning of Year	211,456	250,613	462,069
Total Net Assets, End of Year	\$ 258,381	\$ 215,453	\$ 473,834

The accompanying Notes to the Basic Financial Statements are an Integral Part of this Statement.

**TEANECK BOARD OF EDUCATION  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<b>Business-Type Activities- Enterprise Funds</b>		
	<b>Food Services</b>	<b>Community School</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 808,027	\$ 712,262	\$ 1,520,289
Payments to Employees' Salaries and Benefits	(525,973)	(466,694)	(992,667)
Payments to Suppliers for Goods and Services	(640,000)	(383,730)	(1,023,730)
Net Cash Provided by (Used for) Operating Activities	(357,946)	(138,162)	(496,108)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
State, Federal, and Local Sources	380,292	50,322	430,614
Net Cash Provided by Noncapital Financing Activities	380,292	50,322	430,614
Net Increase/(Decrease) in Cash and Cash Equivalents	22,346	(87,840)	(65,494)
Cash and Cash Equivalents, Beginning of Year	135,629	594,412	730,041
Cash and Cash Equivalents, End of Year	\$ 157,975	\$ 506,572	\$ 664,547
<b>Reconciliation of Operating (Loss) to Net Cash Provided by (Used for) Operating Activities</b>			
Operating Income/ (Loss)	\$ (472,848)	\$ (85,482)	\$ (558,330)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Used by Operating Activities			
Depreciation	23,153	42	23,195
USDA Commodities	71,241		71,241
Change in Assets and Liabilities			
(Increase)/Decrease in Accounts Receivable(net)	(1,569)		(1,569)
(Increase)/Decrease in Prepaid Expenses		3,116	3,116
Increase/(Decrease) in Accounts Payable	19,489	1,836	21,325
Increase/(Decrease) in Deferred Revenue	2,861	(57,674)	(54,813)
(Increase)/Decrease in Inventory	(273)	-	(273)
Total Adjustments	114,902	(52,680)	62,222
Net Cash Provided by (Used for) Operating Activities	\$ (357,946)	\$ (138,162)	\$ (496,108)
<b>Noncash Investing, Capital and Financing Activities</b>			
Contribution of Capital Assets from Food Service Management Company	\$ 65,488	\$ -	\$ 65,488

The accompanying Notes to the Basic Financial Statements are an Integral Part of this Statement.

**TEANECK BOARD OF EDUCATION  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET ASSETS  
AS OF JUNE 30, 2008**

	<b>Unemployment Compensation <u>Trust Fund</u></b>	<b>Private Purpose <u>Scholarships Fund</u></b>	<b><u>Agency Fund</u></b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ -	\$ 133,784	\$ 465,767
Total Assets	<u>-</u>	<u>133,784</u>	<u>\$ 465,767</u>
<b>LIABILITIES</b>			
Payroll Deductions and Withholdings			\$ 354,747
Due to Student Groups	<u>-</u>	<u>-</u>	<u>111,020</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>\$ 465,767</u>
<b>NET ASSETS</b>			
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ -</u>	<u>\$ 133,784</u>	

The accompanying Notes to the Basic Financial Statements are an Integral Part of this Statement.

**TEANECK BOARD OF EDUCATION  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<b>Unemployment Compensation <u>Trust Fund</u></b>	<b>Private Purpose Scholarships <u>Fund</u></b>
<b>ADDITIONS</b>		
Contributions		
Donations		\$ 113,475
Investment Earnings		
Interest	\$ 323	1,000
	<u>323</u>	<u>1,000</u>
Total Additions	<u>323</u>	<u>114,475</u>
<b>DEDUCTIONS</b>		
Unemployment Claims and Contributions	10,591	
Scholarships Awarded		10,757
Administrative Expenses	-	512
	<u>10,591</u>	<u>11,269</u>
Total Deductions	<u>10,591</u>	<u>11,269</u>
Change in Net Assets Before Transfers	(10,268)	103,206
Operating Transfer		
Transfers Out	(2,507)	-
	<u>(2,507)</u>	<u>-</u>
Change in Net Assets	(12,775)	103,206
Net Assets, Beginning of Year (Restated)	12,775	30,578
	<u>12,775</u>	<u>30,578</u>
Net Assets, End of Year	\$ -	\$ 133,784
	<u>\$ -</u>	<u>\$ 133,784</u>

The accompanying Notes to the Basic Financial Statements are an Integral Part of this Statement.

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Teaneck Board of Education (the "Board" or the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Teaneck Board of Education this includes general operations, food service, before and after school child care, adult education and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

**B. District-wide and Fund Financial Statements**

The district-wide financial statements report information on all of the nonfiduciary activities of the Board of Education. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. The District considers all of its governmental and enterprise funds to be major funds.

TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the Agency Fund which does not have a measurement focus. All assets and all liabilities associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Assets. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due.

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

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

The *special revenue fund* accounts for the proceeds of revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal and state financial programs, with the exception of grants for major capital projects and the school breakfast and lunch programs.

The *capital projects fund* accounts for the proceeds from the sale of bonds, lease purchases and other revenues used for the acquisition or construction of major capital facilities.

The *debt service fund* accounts for the accumulation of resources for and the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for teachers and special events.

The *community school fund* accounts for the activities of the District's community school which provides for the operation of the after school child care and adult education programs.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

Additionally, the government reports the following fund types:

The *fiduciary trust fund* is used to account for resources legally held in trust for the state unemployment insurance claims, for private donations for scholarship awards, payroll related activities for private donations for scholarship awards and student related activities which are supported and controlled by student organizations and clubs. All resources of the fund, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

Private-sector standards of accounting and financial reporting issued by the Financial Accounting Standards Board (FASB) prior to December 1, 1989, generally are followed in both the district-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Board has elected not to follow FASB guidance issued subsequent to December 1, 1989.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund, of the community school enterprise fund and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

**D. Assets, Liabilities and Net Assets or Equity**

***1. Deposits and Investments***

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 are reported at fair value and are limited by N.J.S.A. 18A:20-37.



**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities and Net Assets or Equity (Continued)**

***2. Receivables and Payables***

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

*Tuition Revenues* - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

*Tuition Expenditures* - Tuition charges for the fiscal years 2006-2007 and 2007-2008 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenue is recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred revenues. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1<sup>st</sup> in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

***3. Inventories***

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities at year-end is reported as deferred revenue.

***4. Prepaid Items***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both district-wide and fund financial statements.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities and Net Assets or Equity (Continued)**

***5. Restricted Assets***

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts and/or their use is limited by state or county regulations for capital projects and/or Lease-Purchase Agreements for capital projects and/or certificates of participation, principal and interest.

***6. Capital Assets***

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost if purchased or estimated historical cost if constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	45
Building Improvements	20-45
Heavy Equipment	10
Office Equipment and Furniture	10-15
Computer Equipment	5-7

***7. Compensated Absences***

It is the District's policy to permit employees to accumulate earned but unused vacation, personal, and sick leave benefits. A long-term liability of accumulated vacation, personal and sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated vacation, personal and sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities and Net Assets or Equity (Continued)**

***8. Long-Term Obligations***

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Gains and losses resulting from debt refundings are deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

***9. Fund Equity***

Reservations of fund balances of governmental funds are created to either (1) satisfy legal covenants that require a portion of the fund balance to be segregated or (2) identify the portion of the fund balance that is appropriated for future expenditures.

**Reserved for Encumbrances** - This reserve was created to represent encumbrances outstanding at the end of the year based on purchase orders and contracts awarded for which the goods or services have not yet been received at June 30.

**Reserved for Excess Surplus – Designated for Subsequent Year's Expenditures** - This reserve was created to represent the June 30, 2007 audited excess surplus that was appropriated in the 2008/2009 original budget certified for taxes.

**Reserved for Excess Surplus** – This reserve was created to represent the June 30, 2008 audited excess surplus that is required to be appropriated in the 2009/10 original budget certified for taxes.

**Reserved for Capital Reserve Account** – This reserve was created by budget appropriation to fund future capital expenditures (See Note 3.)

Designations of fund balance represent tentative management plans that are subject to change.

**Designated for Subsequent Year's Expenditures** – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2008/2009 District budget certified for taxes.

***10. Reclassifications***

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 2 RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of certain differences between the governmental fund balance sheet and the district-wide statement of net assets**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the district-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$22,151,184 difference are as follows:

Bonds Payable	\$19,390,000
Add: Issuance Premium (to be amortized as interest expense)	50,256
Less:	
Deferred Charge for Issuance Costs (to be amortized over life of debt)	(365,056)
Deferred Charge on Refunding (to be amortized as interest expense)	(324,029)
Claims and Judgments	116,041
Compensated Absences	<u>3,283,972</u>

Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$22,151,184</u>
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**NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

In accordance with the requirements of the New Jersey Department of Education (“the Department”), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent and is voted upon at the annual school election on the third Tuesday in April. Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account 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. 6:20-2A.2(m)1. The Board approved several budget transfers during 2007/2008. During 2007/2008 the Board increased the original budget by \$3,779,939. The increase was funded by grant awards and the reappropriation of prior year general fund encumbrances, and the appropriation of additional capital reserve funds.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of the certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Continued)**

Encumbrance accounting is employed in the governmental funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services which are reappropriated and honored during the subsequent fiscal year.

**B. Deficit Fund Equity**

The District has an unreserved/undesignated deficit fund balance of \$32,920 in the Special Revenue Fund as of June 30, 2008 as reported in the fund financial statements (modified accrual basis). P.L. 2003, c.97 mandates that in the event a state school aid payment is not made until the following school budget year, districts must record these state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2007/2008 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these state aid payments, the Special Revenue Fund balance deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund balance deficits in the future.

**C. Capital Reserve Account**

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**C. Capital Reserve Account (Continued)**

The activity of the capital reserve for the fiscal year ended June 30, 2008 is as follows:

Balance, July 1, 2007	\$	287,721
Deposits		
Interest Earnings		7,826
Approved by Voters in District Budget		<u>250,000</u>
		545,547
Withdrawals		
Approved by Voters in District Budget	\$	300,000
Board Resolution November 14, 2007		<u>38,317</u>
Total Withdrawals		<u>338,317</u>
Balance, June 30, 2008	\$	<u>207,230</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan.

**D. Calculation of Excess Surplus**

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (S1701) the designation for Reserved Fund Balance – Excess Surplus is 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 fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2008 is \$6,952,391. Of this amount, \$3,876,209 was designated and appropriated in the 2008/2009 original budget certified for taxes and the remaining amount of \$3,076,182 will be appropriated in the 2009/2010 original budget certified from taxes.

**NOTE 4 DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

**Deposits**

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to maintain additional collateral in the amount of 5% of the average public deposits and to deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Deposits and Investments (Continued)**

**Deposits (Continued)**

Bank balances are insured up to \$100,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$100,000 for each failed brokerage firm. At June 30, 2008, the book value of the Board's deposits was \$3,066,059 and bank balances of the Board's cash and deposits amounted to \$5,348,487. The Board's deposits which are displayed on the balance sheets and statement of net assets as "cash and cash equivalents" are categorized as:

<b><u>Depository Account</u></b>	<b><u>Bank Balance</u></b>
Insured	\$ 5,101,526
Uninsured and Collateralized	<u>246,961</u>
	<u>\$ 5,348,487</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2008 the Board's bank balance of \$246,961 was exposed to custodial credit risk as follows:

<b><u>Depository Account</u></b>	<b><u>Bank Balance</u></b>
Uninsured and Collateralized	<u>\$ 246,961</u>

**Investments**

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2008, the Board had the following investments:

<b><u>Investment:</u></b>	<b><u>Bank Balance</u></b>
U.S. Government Securities	<u>\$ 45,564</u>

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Deposits and Investments (Continued)**

**Investments (Continued)**

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial risk. As of June 30, 2008, \$45,564 of the Board's investments was exposed to custodial credit risk as follows:

	<b><u>Fair Value</u></b>
Uninsured and Collateralized:	
Collateral held by counterparty's trust department or agent in the Board's name	\$ <u>45,564</u>

Interest Rate Risk – The Board 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.

The fair value of the above-listed investment was based on quoted market prices.

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

**B. Receivables**

Receivables as of year-end for the district's individual major funds, in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Accounts	\$ 942	\$ 30,086		\$ 17,398	\$ 48,426
Intergovernmental	<u>432,336</u>	<u>210</u>	<u>\$ 9,470,250</u>	<u>28,004</u>	<u>9,930,800</u>
Gross Receivables	433,278	30,296	9,470,250	45,402	9,979,226
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 433,278</u>	<u>\$ 30,296</u>	<u>\$ 9,470,250</u>	<u>\$ 45,402</u>	<u>\$ 9,979,226</u>



**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**B. Receivables (Continued)**

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	<u>Unearned</u>
General Fund	
Unexpended Grant	\$ 6,252
Special Revenue Fund	
Unencumbered Grant Draw Downs	696,543
Grant Draw Downs Reserved for Encumbrances	110,911
Capital Projects Fund	
School Construction Corporation School Facility Grants	<u>380,337</u>
 Total Deferred Revenue for Governmental Funds	 <u>\$1,194,043</u>

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2008 was as follows:

	Balance, July 1, 2007	Increases	Decreases	Adjustments	Balance, June 30, 2008
<b>Governmental Activities:</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 1,601,471				\$ 1,601,471
Construction in Progress	67,000	-	\$ (67,000)	-	-
Total Capital Assets, Not Being Depreciated	<u>1,668,471</u>	<u>-</u>	<u>(67,000)</u>	<u>-</u>	<u>1,601,471</u>
 Capital Assets, Being Depreciated:					
Buildings and Building Improvements	46,655,862	\$ 185,648			46,841,510
Improvements Other Than Buildings	2,835,038	682,368			3,517,406
Machinery and Equipment	5,078,712	522,006	-	-	5,600,718
Total Capital Assets Being Depreciated	<u>54,569,612</u>	<u>1,390,022</u>	<u>-</u>	<u>-</u>	<u>55,959,634</u>
 Less Accumulated Depreciation for:					
Buildings and Building Improvements	(10,455,754)	(915,600)			(11,371,354)
Improvements Other Than Buildings	(2,563,215)	(70,176)			(2,633,391)
Machinery and Equipment	(3,570,788)	(603,217)	-	-	(4,174,005)
Total Accumulated Depreciation	<u>(16,589,757)</u>	<u>(1,588,993)</u>	<u>-</u>	<u>-</u>	<u>(18,178,750)</u>
 Total Capital Assets, Being Depreciated, Net	<u>37,979,855</u>	<u>(198,971)</u>	<u>-</u>	<u>-</u>	<u>37,780,884</u>
 Governmental Activities Capital Assets, Net	<u>\$ 39,648,326</u>	<u>\$ (198,971)</u>	<u>\$ (67,000)</u>	<u>\$ -</u>	<u>\$39,382,355</u>

**TEANECK BOARD OF EDUCATION**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Capital Assets (Continued)**

	Balance, July 1, 2007	Increases	Decreases	Adjustments	Balance, June 30, 2008
<b>Business-Type Activities:</b>					
Capital Assets, Being Depreciated:					
Machinery and Equipment	\$ 343,963	\$ 65,488	-	-	\$ 409,451
Total Capital Assets Being Depreciated	<u>343,963</u>	<u>65,488</u>	<u>-</u>	<u>-</u>	<u>409,451</u>
Less Accumulated Depreciation for:					
Machinery and Equipment	(225,228)	(23,195)	-	-	(248,423)
Total Accumulated Depreciation	<u>(225,228)</u>	<u>(23,195)</u>	<u>-</u>	<u>-</u>	<u>(248,423)</u>
Total Capital Assets, Being Depreciated, Net	<u>118,735</u>	<u>42,293</u>	<u>-</u>	<u>-</u>	<u>161,028</u>
Business-Type Activities Capital Assets, Net	<u>\$ 118,735</u>	<u>\$ 42,293</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161,028</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

**Governmental activities:**

Instruction

Regular	\$ 403,806
Other	889
Total Instruction	<u>404,695</u>

Support Services

Student and Instruction Related Services	5,366
School Administration	83,117
Operations and Maintenance of Plant	1,095,815
Total Support Services	<u>1,184,298</u>

Total Depreciation Expense - Governmental Activities	<u>\$ 1,588,993</u>
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Business-Type Activities:

Food Service Fund	\$ 23,153
Community School Fund	42

Total Depreciation Expense-Business-Type Activities	<u>\$ 23,195</u>
---	------------------

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Capital Assets (Continued)**

Construction commitments

The District has the following active construction projects as of June 30, 2008:

<u>Project</u>	<u>Estimated Commitment</u>
Teaneck High School Roof	\$ 200,000
Thomas Jefferson Creek Restoration	62,595
Teaneck High School Building Controls	<u>29,912</u>
	<u>\$ 292,507</u>

**D. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2008, is as follows:

**Due to/from other funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects Fund	<u>\$ 8,072,559</u>

The above balance is the result of expenditures paid by one fund on behalf of another fund to cover cash balances which were in an overdraft position.

**Interfund Transfers**

	<u>Transfer In:</u>	
	<u>General Fund</u>	<u>Capital Projects Fund</u>
Transfer Out:		
General Fund		\$ 338,317
Capital Projects Fund	<u>\$ 1,396</u>	<u>-</u>
	<u>\$ 1,396</u>	<u>\$ 338,317</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Long-Term Debt**

**General Obligation Bonds**

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2008 are comprised of the following issues:

\$11,816,000, 2001 Bonds, due in annual installments of \$175,000 to \$550,000 through July 15, 2014, interest at 4.875%	\$2,075,000
\$4,270,000, 2003 Refunding Bonds, due in annual installments of \$390,000 to \$425,000 through July 1, 2014, interest at 3.00% to 4.00%	2,890,000
\$6,450,000 2003 Pension Refunding Bonds, due in annual installments of \$280,000 to \$545,000 through July 1, 2020, interest at 4.00% to 5.675	5,140,000
\$9,305,000, 2006 Refunding Bonds, due in annual installments of \$20,000 to \$580,000 through July 15, 2030, interest at 3.75% to 4.50%	<u>9,285,000</u>
	<u>\$19,390,000</u>

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

**Governmental Activities:**

Year Ended <u>June 30,</u>	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2009	\$ 900,000	\$ 868,016	\$ 1,768,016
2010	945,000	831,259	1,776,259
2011	980,000	790,650	1,770,650
2012	1,035,000	747,863	1,782,863
2013	1,085,000	700,784	1,785,784
2014-2018	5,515,000	2,707,335	8,222,335
2019-2023	4,410,000	1,461,129	5,871,129
2024-2028	2,845,000	696,714	3,541,714
2029-2031	<u>1,675,000</u>	<u>112,838</u>	<u>1,787,838</u>
	<u>\$ 19,390,000</u>	<u>\$ 8,916,588</u>	<u>\$ 28,306,588</u>

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Long-Term Debt (Continued)**

**Statutory Borrowing Power**

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2008 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 224,704,147
Less: Net Debt	<u>19,390,590</u>
Remaining Borrowing Power	<u>\$ 205,313,557</u>

**Prior-Year Defeasance of Debt**

In prior years, the District defeased certain serial bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements. On June 30, 2008 \$8,991,000 of bonds outstanding are considered defeased.

**Changes in long-term liabilities**

Long-term liability activity for the year ended June 30, 2008, was as follows:

	Balance, July 1, 2007 (Restated)	Additions	Reductions	Balance, June 30, 2008	Due Within One Year
<b>Governmental Activities:</b>					
Bonds Payable	\$ 20,260,000		\$ 870,000	\$ 19,390,000	\$ 900,000
Add: Unamortized Premium	52,385		2,129	50,256	
Less: Unamortized Amount on Refunding	(337,754)	-	(13,725)	(324,029)	-
	19,974,631	-	858,404	19,116,227	900,000
Claims and Judgments	312,077		196,036	116,041	
Compensated Absences	3,087,676	\$ 469,921	273,625	3,283,972	577,600
Governmental Activity Long-Term Liabilities	<u>\$ 23,374,384</u>	<u>\$ 469,921</u>	<u>\$ 1,328,065</u>	<u>\$ 22,516,240</u>	<u>\$ 1,477,600</u>

For the governmental activities, claims and judgements and compensated absences are generally liquidated by the general fund.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 5 OTHER INFORMATION**

**A. Risk Management**

The District is exposed to various risks of loss related to general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; termination of employees and natural disasters. The Board has obtained insurance coverage to guard against these events to minimize the exposure to the District should they occur.

Prior to June 30, 2005, the District was self-insured for a worker's compensation plan for its employees. Effective July 1, 2005, the District elected to participate in an insurance pool rather than remain self-insured. However, the District remains liable for the run out of those claims incurred prior to this date. Transactions related to the plan are accounted for in the General Fund. The District funds the entire cost of the plan. Claims are paid directly by the plan up to a maximum of \$250,000 for any one accident or occurrence, with any excess benefit being reimbursed through a Re-Insurance Agreement with Reliance National. The reinsurance policy also contains an aggregate loss provision in the amount of \$250,000 employers limit \$1,000,000. A contingent liability exists with respect to reinsurance, which would become an actual liability in the event the reinsuring company may not be able to meet their obligations to the District under existing reinsurance agreements.

Estimates of claims payable and of claims incurred, but not reported at June 30, 2008, are reported as claims and judgments payable and accrued liability for insurance claims. These estimates were determined based on claim information supplied by the claims administrator and actuary. The unpaid claims liability of \$116,041 reported at June 30, 2008 is based on the requirements of the Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the balances of claims liabilities for the workmen's compensation plan for the fiscal years ended June 30, 2008 and 2007 are as follows:

	<u>Fiscal Year Ended</u>	
	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Unpaid Claims, Beginning of Fiscal Year	\$ 312,077	\$ 382,172
Incurred Claims (Including IBNR's)	41,564	186,762
Claim Payments	<u>(237,600)</u>	<u>(256,857)</u>
Unpaid Claims, End of Fiscal Year	<u>\$ 116,041</u>	<u>\$ 312,077</u>

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the funds, to report claims on a timely basis, cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which they were a member.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 5 OTHER INFORMATION (Continued)**

**A. Risk Management (Continued)**

NESBIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the respective insurance funds are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

**B. Contingent Liabilities**

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2008, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**C. Federal Arbitrage Regulations**

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2008, the District reported no estimated arbitrage earnings due to the IRS.

**D. Employee Retirement Systems and Pension Plans**

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all eligible Board employees:

**Public Employees' Retirement System (PERS)** – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

**Teachers' Pension and Annuity Fund (TPAF)** – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 5 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Other Pension Funds**

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for the system.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems, funds, and trust. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

**Basis of Accounting**

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

**Investment Valuation**

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund, Common Pension Fund A, Common Pension Fund B, Common Pension Fund D and Common Pension Fund E. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290.

**Significant Legislation**

Chapter 108, P.L. 2003, effective July 1, 2003 provided that the State Treasurer shall reduce the normal and accrued liability contributions payable by employers other than the State, excluding the contribution payable from the benefit enhancement fund, to a percentage of the amount certified annually by the retirement system, which for PERS will be as follows: for payments due in the State fiscal year ending June 30, 2005, 20 percent; for payments due in the State fiscal year ending June 30, 2006, not more than 40 percent; for payments due in the State fiscal year ending June 30, 2007, not more than 60 percent; and for payments due in the State fiscal year ending June 30, 2008, not more than 80 percent.

Chapter 42, P.L. 2002 permitted local government units to issue refunding bonds to retire unfunded accrued liability resulting from early retirement benefits under PERS and TPAF, effective July 12, 2002.



**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 5 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Contribution Requirements**

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS and 5.0% for TPAF of the employee's annual compensation, as defined through June 30, 2007. Employers are required to contribute at an actuarially determined rate in all Funds except the SACT. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and TPAF.

During the year ended June 30, 2007 for TPAF, which is a cost sharing plan with special funding situations, annual pension cost equals annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997.

During the years ended June 30, 2008, 2007 and 2006 the Board was required to contribute for PERS and the State of New Jersey was required to contribute for TPAF for normal cost pension contributions or post-retirement medical benefits the following amounts:

<u>Year Ended</u> <u>June 30,</u>	<u>PERS</u>	<u>On-behalf</u> <u>TPAF</u>
2008	\$ 568,173	\$ 5,208,586
2007	319,564	5,308,816
2006	125,514	2,966,522

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,569,807 during the year ended June 30, 2008 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount, along with the on-behalf TPAF pension contribution, has been included in the district-wide financial statements and the fund financial statements as a revenue and expenditure in accordance with GASB No. 24.

**E. Post Retirement Medical Benefits**

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above trusts. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

**Basis of Accounting**

The financial statements of the health benefit programs are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the health benefit programs. Benefits or refunds are recognized when due and payable in accordance with the terms of the health benefit programs.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 5 OTHER INFORMATION (Continued)**

**E. Post Retirement Medical Benefits (Continued)**

**Investment Valuation**

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of Treasury, Division of Investment, issues publicly available financial reports. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 2909, Trenton, New Jersey 08625-0290.

**Funding Policy**

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System to fund post-retirement medical benefits for those State and participating local government employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2007, there were 75,860 retirees receiving post-retirement medical benefits. The cost of these benefits is funded through contributions by the State and participating local governments in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

PERS and TPAF retirees health benefits coverage is funded through each of their respective pension fund systems via an annual appropriation. The State made post-retirement medical (PRM) contributions of \$592.7 million for TPAF and \$224.3 million for PERS in Fiscal Year 2007.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education with 25 years of service. The State paid \$110.3 million toward Chapter 126 benefits for 11,747 eligible retired members in fiscal year 2007.

The State will set the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the years ended June 30, 2008, 2007 and 2006 were \$2,696,625, \$2,690,077 and \$2,615,838, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

**TEANECK BOARD OF EDUCATION  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 5 OTHER INFORMATION (Continued)**

**F. Restatements**

	Beginning Balance Prior to Restatement	Restatement	Beginning Balance Restated
Assets			
Deferred Charge	\$ 280,998	\$ 108,540	\$ 389,538
Total Assets	52,753,049	108,540	52,861,589
Liabilities			
Accrued Interest Payable	452,971	(17,082)	435,889
Noncurrent Liabilities			
Due Within One Year	1,311,500	20,000	1,331,500
Due Beyond One Year	22,034,253	8,631	22,042,884
Total Liabilities	26,040,488	11,549	26,052,037
Net Assets			
Invested in Capital Assets	25,108,026	79,909	25,187,935
Unrestricted	1,280,160	17,082	1,297,242
Total Net Assets	26,712,561	96,991	26,809,552

The above restatement was required to report the transactions of the School Refunding Bonds, dated July 15, 2006, which were not included in the District's prior year financial statements.

## **BUDGETARY COMPARISON SCHEDULES**

**TEANECK BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>REVENUES</b>					
Local Sources					
Local Property Tax Levy	\$ 73,468,869		\$ 73,468,869	\$ 73,468,869	
Tuition - Intergovernmental	100,000		100,000	123,683	\$ 23,683
Transportation Fees				29,050	29,050
Interest	285,000		285,000	229,649	(55,351)
Rentals	50,000		50,000	24,274	(25,726)
Miscellaneous	-	-	-	83,365	83,365
Total Local Sources	<u>73,903,869</u>	<u>-</u>	<u>73,903,869</u>	<u>73,958,890</u>	<u>55,021</u>
State Sources					
Transportation Aid	1,351,777		1,351,777	1,351,777	
Special Education Aid	3,431,277		3,431,277	3,431,277	
Bilingual Education	111,104		111,104	111,104	
Consolidated Aid	506,682		506,682	506,682	
Additional Formula Aid	322,352		322,352	322,352	
Extraordinary Aid	350,000		350,000	319,297	(30,703)
Nonpublic Transportation Aid	40,000		40,000	147,166	107,166
Other State Aid - Teacher Mentoring				12,592	12,592
TPAF Pension - Normal Contributions (Non-Budget)				2,511,961	2,511,961
TPAF Pension - Post Retirement Contributions (Non-Budget)				2,696,625	2,696,625
TPAF Social Security Contributions (Non-Budget)	-	-	-	2,569,807	2,569,807
Total State Sources	<u>6,113,192</u>	<u>-</u>	<u>6,113,192</u>	<u>13,980,640</u>	<u>7,867,448</u>
Total Revenues	<u>80,017,061</u>	<u>-</u>	<u>80,017,061</u>	<u>87,939,530</u>	<u>7,922,469</u>
<b>CURRENT EXPENDITURES</b>					
Regular Programs - Instruction					
Salaries of Teachers					
Preschool/Kindergarten	1,374,835	\$ (120,206)	1,254,629	1,254,627	2
Grades 1-5	6,687,710	(44,534)	6,643,176	6,637,347	5,829
Grades 6-8	5,897,496	(144,866)	5,752,630	5,738,320	14,310
Grades 9-12	7,724,287	331,188	8,055,475	8,055,470	5
Regular Programs - Home Instruction					
Salaries of Teachers	18,000		18,000		18,000
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	478,515		478,515	424,318	54,197
Purchased Professional-Educational Svcs.	5,800	4,048	9,848	5,789	4,059
Purchased Technical Services	25,000	8,400	33,400	17,204	16,196
Other Purchased Services	192,450	(15,998)	176,452	175,748	704
General Supplies	843,116	468,813	1,311,929	1,016,966	294,963
Textbooks	85,810	17,981	103,791	97,741	6,050
Other Objects	12,925	(6,107)	6,818	3,541	3,277
Total Regular Programs	<u>23,345,944</u>	<u>498,719</u>	<u>23,844,663</u>	<u>23,427,071</u>	<u>417,592</u>
Special Education					
Learning / Language Disabilities					
Salaries of Teachers	433,070	79,208	512,278	512,278	
Other Salaries for Instruction	325,140	(78,544)	246,596	216,683	29,913
General Supplies	5,355	(1,248)	4,107	1,936	2,171
Textbooks	100	-	100	100	-
Total Learning / Language Disabilities	<u>763,665</u>	<u>(584)</u>	<u>763,081</u>	<u>730,997</u>	<u>32,084</u>

**TEANECK BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>CURRENT EXPENDITURES (Continued)</b>					
Special Education (Continued)					
Visual Impairments					
Other Purchased Services	\$ 200	-	\$ 200	-	\$ 200
Total Visual Impairments	200	-	200	-	200
Behavioral Disabilities					
Salaries of Teachers	123,950	\$ 339	124,289	\$ 124,289	
Other Salaries for Instruction	64,845	(32,004)	32,841	32,841	
Other Purchased Services	1,200		1,200		1,200
General Supplies	900		900		900
Other Objects	10,500	-	10,500	-	10,500
Total Behavioral Disabilities	201,395	(31,665)	169,730	157,130	12,600
Multiple Disabilities					
Salaries of Teachers	47,500	2,500	50,000	50,000	
Other Salaries for Instruction	65,685	8,753	74,438	74,438	
General Supplies	2,250	(2,000)	250	-	250
Total Multiple Disabilities	115,435	9,253	124,688	124,438	250
Resource Room / Resource Center					
Salaries of Teachers	3,247,978	(359,951)	2,888,027	2,832,125	55,902
Other Salaries for Instruction	195,090	87,724	282,814	282,810	4
General Supplies	7,050	(967)	6,083	5,901	182
Total Resource Room / Resource Center	3,450,118	(273,194)	3,176,924	3,120,836	56,088
Preschool Disabilities - Part - Time					
Salaries of Teachers	45,500	53,725	99,225	99,225	
Other Salaries for Instruction	32,745	-	32,745		32,745
General Supplies	700	(600)	100	100	-
Total Preschool Disabilities - Part - Time	78,945	53,125	132,070	99,325	32,745
Preschool Disabilities - Full - Time					
Salaries of Teachers	183,300		183,300	164,120	19,180
Other Salaries for Instruction	160,845	124,658	285,503	285,502	1
General Supplies	1,000	(1,000)	-	-	-
Total Preschool Disabilities - Full - Time	345,145	123,658	468,803	449,622	19,181
Home Instruction					
Salaries of Teachers	40,000	118,013	158,013	158,013	
Purchased Professional-Educational Svcs.	25,000	(11,400)	13,600	3,457	10,143
Total Home Instruction	65,000	106,613	171,613	161,470	10,143
Total Special Education	5,019,903	(12,794)	5,007,109	4,843,818	163,291

**TEANECK BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>CURRENT EXPENDITURES (Continued)</b>					
Basic Skills/Remedial					
Salaries of Teachers	\$ 1,602,315	\$ 50,000	\$ 1,652,315	\$ 1,394,999	\$ 257,316
Other Salaries for Instruction	53,485	(59)	53,426	35,567	17,859
Total Basic Skills/Remedial	1,655,800	49,941	1,705,741	1,430,566	275,175
Bilingual Education					
Salaries of Teachers	302,625	59	302,684	302,683	1
Total Bilingual Education	302,625	59	302,684	302,683	1
School Sponsored Co-Curricular Activities					
Salaries	276,162	3,101	279,263	279,263	
Purchased Services	3,600	(2,195)	1,405	1,405	
Supplies and Materials	14,500	(2,149)	12,351	12,350	1
Other Objects	21,458	22,870	44,328	44,327	1
Transfers to Cover Deficit	2,200	(685)	1,515	1,515	-
Total School Sponsored Co-Curricular Activities	317,920	20,942	338,862	338,860	2
School Sponsored Athletics - Instruction					
Salaries	446,980	(17,686)	429,294	429,294	
Purchased Services	57,775	6,823	64,598	64,598	
Supplies and Materials	69,150	10,294	79,444	79,205	239
Other Objects	13,600	12,885	26,485	25,293	1,192
Transfers to Cover Deficit	50,000	7,580	57,580	57,580	-
Total School Sponsored Athletics - Instruction	637,505	19,896	657,401	655,970	1,431
Other Instructional Programs - Instruction					
Purchased Services	6,871	(6,871)	-	-	-
Total Other Instructional Programs - Instruction	6,871	(6,871)	-	-	-
Total - Instruction	31,286,568	569,892	31,856,460	30,998,968	857,492
Community Services Programs/Operations					
Salaries	37,600	-	37,600	-	37,600
Undistributed Expenditures					
Instruction					
Tuition - Other LEA's Within State - Regular	420,000	13,370	433,370	431,194	2,176
Tuition - Other LEA's Within State - Special	1,215,755	(94,900)	1,120,855	1,087,263	33,592
Tuition to County Voc. School Dist.-Special	289,900	(20,000)	269,900	253,650	16,250
Tuition to CSSD & Reg. Day Schools	2,470,730	(272,053)	2,198,677	2,122,489	76,188
Tuition to Private Schools - Disabled Within State	3,618,335	148,517	3,766,852	3,766,071	781
Tuition - State Facilities	110,491		110,491	110,491	
Tuition - Other	108,615	-	108,615	74,000	34,615
Total Undistributed Expenditures - Instruction	8,233,826	(225,066)	8,008,760	7,845,158	163,602

**TEANECK BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Attendance and Social Work Services					
Salaries	\$ 67,505	\$ 20,000	\$ 87,505	\$ 77,927	\$ 9,578
Other Purchased Services	650	-	650	625	25
Total Attendance and Social Work Services	<u>68,155</u>	<u>20,000</u>	<u>88,155</u>	<u>78,552</u>	<u>9,603</u>
Health Services					
Salaries	595,126		595,126	584,855	10,271
Purchased Professional and Technical Svcs.	135,000	(1,361)	133,639	118,565	15,074
Other Purchased Services	1,100		1,100		1,100
Supplies and Materials	<u>7,265</u>	<u>(268)</u>	<u>6,997</u>	<u>4,507</u>	<u>2,490</u>
Total Health Services	<u>738,491</u>	<u>(1,629)</u>	<u>736,862</u>	<u>707,927</u>	<u>28,935</u>
Other Support Services - Students - Related Services					
Salaries	416,340	70,001	486,341	486,341	
Purchased Professional & Educational Services	274,000	126,000	400,000	355,873	44,127
Supplies and Materials	3,000	(3,000)			
Other Objects	<u>100</u>	<u>-</u>	<u>100</u>	<u>-</u>	<u>100</u>
Total Other Support Services - Students - Related Services	<u>693,440</u>	<u>193,001</u>	<u>886,441</u>	<u>842,214</u>	<u>44,227</u>
Other Support Services-Students-Extra					
Salaries	630,045	(46,266)	583,779	491,328	92,451
Purchased Professional-Educational Services	120,000	77,262	197,262	177,732	19,530
Supplies and Materials	<u>7,200</u>	<u>(7,200)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Support Services-Extra	<u>757,245</u>	<u>23,796</u>	<u>781,041</u>	<u>669,060</u>	<u>111,981</u>
Other Support Services-Students-Regular					
Salaries of Other Professional Staff	1,542,511	27,334	1,569,845	1,569,845	
Salaries of Secretarial and Clerical Assistants	286,845	431	287,276	287,275	1
Other Salaries	97,485	(16,111)	81,374	81,374	
Other Purchased Prof. and Tech. Services	35,000	(477)	34,523	31,990	2,533
Other Purchased Services	6,375	(3,300)	3,075	865	2,210
Supplies and Materials	<u>38,204</u>	<u>24,790</u>	<u>62,994</u>	<u>54,409</u>	<u>8,585</u>
Total Other Support Services-Students-Regular	<u>2,006,420</u>	<u>32,667</u>	<u>2,039,087</u>	<u>2,025,758</u>	<u>13,329</u>
Other Support Services - Students - Special					
Salaries of Other Professional Staff	1,555,475	11,180	1,566,655	1,515,504	51,151
Salaries of Secretarial and Clerical Assistants	169,355	21,820	191,175	190,306	869
Purchased Professional-Educational Services	30,000	(30,000)			
Other Purchased Prof. and Tech. Services	3,500	(3,500)			
Other Purchased Services	9,255	(1,735)	7,520	5,756	1,764
Residential Costs	166,000	(39,000)	127,000	117,545	9,455
Miscellaneous Purchased Services	3,500	800	4,300	1,816	2,484
Supplies and Materials	<u>15,000</u>	<u>(5,000)</u>	<u>10,000</u>	<u>9,498</u>	<u>502</u>
Total Other Support Services - Students - Special	<u>1,952,085</u>	<u>(45,435)</u>	<u>1,906,650</u>	<u>1,840,425</u>	<u>66,225</u>



**TEANECK BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Improvement of Instruction Services					
Salaries of Supervisors of Instruction	\$ 600,957	\$ (1,060)	\$ 599,897	\$ 546,535	\$ 53,362
Salaries of Other Professional Staff		8,000	8,000	7,602	398
Salaries of Secretarial and Clerical Assistants	164,465	2,240	166,705	159,523	7,182
Other Salaries	1,500	(490)	1,010	306	704
Purchased Professional-Educational Services	21,000	1,493	22,493	15,826	6,667
Other Purchased Services	11,800	259	12,059	12,059	
Supplies and Materials	8,500	25,219	33,719	33,402	317
Total Improvement of Instruction Services	808,222	35,661	843,883	775,253	68,630
Educational Media Services/School Library					
Salaries	556,415		556,415	554,544	1,871
Purchased Professional and Technical Services	58,075	1,806	59,881	59,863	18
Other Purchased Services	100		100		100
Supplies and Materials	45,310	6,925	52,235	48,038	4,197
Other Objects	150	-	150	110	40
Total Educational Media Services/School Library	660,050	8,731	668,781	662,555	6,226
Instructional Staff Training Services					
Salaries of Supervisors of Instruction	552,983	(2,316)	550,667	550,664	3
Salaries of Other Professional Staff	56,200	(33,150)	23,050	23,048	2
Salaries of Secretarial and Clerical Assistants	88,600	(10,311)	78,289	78,288	1
Other Salaries	7,200	(1,243)	5,957	5,956	1
Purchased Professional-Educational Svcs.	50,250	19,793	70,043	68,034	2,009
Other Purchased Services	15,800	8,540	24,340	24,095	245
Supplies and Materials	12,000	1,073	13,073	13,070	3
Other Objects	250	-	250	250	-
Total Instructional Staff Training Services	783,283	(17,614)	765,669	763,405	2,264
Support Services General Administration					
Salaries	464,614	1,529	466,143	466,141	2
Legal Services	360,000	(24,711)	335,289	286,196	49,093
Audit Fees	47,500	8,648	56,148	56,148	-
Purchased Technical Services	8,000	2,325	10,325	10,325	
Communications/Telephone	205,800	(2,748)	203,052	137,769	65,283
Other Purchased Services	152,695	6,598	159,293	121,104	38,189
BOE Other Purchased Services	36,000	396	36,396	17,822	18,574
General Supplies	8,500	200	8,700	5,894	2,806
BOE In-House Training/Meeting Supplies	4,000		4,000	2,548	1,452
Judgments Against the School District	25,000	50,000	75,000	52,000	23,000
Miscellaneous Expenditures	26,500	3,876	30,376	18,641	11,735
BOE Membership Dues and Fees	34,100	-	34,100	33,066	1,034
Total Support Services General Administration	1,372,709	46,113	1,418,822	1,207,654	211,168

**TEANECK BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Support Services School Administration					
Salaries of Principals/Asst. Principals	\$ 1,509,494	\$ (28,034)	\$ 1,481,460	\$ 1,480,808	\$ 652
Salaries of Other Professional Staff	195,705	(1,530)	194,175	193,819	356
Salaries of Secretarial and Clerical Assistants	1,060,715	37,717	1,098,432	1,098,424	8
Purchased Professional and Technical Services					
Other Purchased Service	29,395	9,069	38,464	38,123	341
Supplies and Materials	92,650	33,607	126,257	110,143	16,114
Other Objects	1,879	217	2,096	2,089	7
Total Support Services School Administration	<u>2,889,838</u>	<u>51,046</u>	<u>2,940,884</u>	<u>2,923,406</u>	<u>17,478</u>
Central Services					
Salaries	683,075		683,075	607,722	75,353
Purchased Professional Services	1,500	680	2,180	2,180	
Purchased Technical Services	53,800	14,840	68,640	56,211	12,429
Misc. Purchased Services	128,500	1,140	129,640	108,952	20,688
Supplies and Materials	44,500	(8,683)	35,817	27,126	8,691
Interest on Lease Purchase Agreements	35,662		35,662		35,662
Miscellaneous Expenditures	2,500	-	2,500	564	1,936
Total Central Services	<u>949,537</u>	<u>7,977</u>	<u>957,514</u>	<u>802,755</u>	<u>154,759</u>
Admin. Info. Tech					
Salaries	106,320	12,932	119,252	119,252	
Purchased Technical Services	71,000	27,657	98,657	93,457	5,200
Other Purchased Services	82,050	22,578	104,628	84,627	20,001
Supplies and Materials	5,000	5,574	10,574	10,498	76
Total Admin. Info. Tech.	<u>264,370</u>	<u>68,741</u>	<u>333,111</u>	<u>307,834</u>	<u>25,277</u>
Required Maintenance for School Facilities					
Salaries	883,390	(52,980)	830,410	813,439	16,971
Purchased Professional and Technical Services	20,000	(9,236)	10,764	9,558	1,206
Cleaning, Repair & Maintenance Services	752,000	145,717	897,717	745,587	152,130
General Supplies	235,500	119,428	354,928	330,852	24,076
Total Required Maintenance for School Facilities	<u>1,890,890</u>	<u>202,929</u>	<u>2,093,819</u>	<u>1,899,436</u>	<u>194,383</u>
Other Operation & Maintenance of Plant					
Salaries	3,643,435	(42,511)	3,600,924	3,600,214	710
Purchased Professional and Technical Services	25,000	4,000	29,000	24,460	4,540
Cleaning, Repair & Maintenance Services	222,155	(22,124)	200,031	190,610	9,421
Other Purchased Property Services	55,100	(7,172)	47,928	47,928	
Insurance	380,700		380,700	364,424	16,276
Other Purchased Services	227,700	13,498	241,198	205,017	36,181
General Supplies	413,370	(65,638)	347,732	281,842	65,890
Energy	1,697,445	(32,547)	1,664,898	1,660,653	4,245
Other Objects	17,000	(6,947)	10,053	6,486	3,567
Total Required Maintenance for School Facilities	<u>6,681,905</u>	<u>(159,441)</u>	<u>6,522,464</u>	<u>6,381,634</u>	<u>140,830</u>

**TEANECK BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Regular	\$ 105,355	\$ 6,339	\$ 111,694	\$ 111,691	\$ 3
Salaries for Pupil Transportation (Between Home and School) - Special	12,300	(6,342)	5,958	3,790	2,168
Salaries for Pupil Transportation (Between Home and School) - NonPublic Sch	37,265	3	37,268	37,268	
Other Purchased Prof. and Technical Serv.	10,000	7,000	17,000	13,792	3,208
Contracted Services - Aid in Lieu of Payments - Non-Public Schools	256,060	113,413	369,473	341,277	28,196
Contracted Services (Between Home and School) - Vendors	2,204,905	(261,000)	1,943,905	1,848,155	95,750
Contracted Services (Other Than Between Home and School) - Vendors	219,900	8,117	228,017	217,880	10,137
Contracted Services (Spec Ed) - Vendors	431,780	(73,740)	358,040	321,663	36,377
Contracted Services (Reg. Students) - ESCs & CTSAs	290,000	60,000	350,000	348,855	1,145
Contracted Services (Spl. Ed. Students)-ESCs & CTSAs	1,707,800	162,000	1,869,800	1,831,751	38,049
Miscellaneous Purchased Services - Transportation	3,000	(3,000)			
Supplies and Materials	2,000	3,000	5,000	4,056	944
Total Student Transportation Services	5,280,365	15,790	5,296,155	5,080,178	215,977
Unallocated Benefits					
Group Insurance/Disability	357,940		357,940	331,746	26,194
Social Security Contributions	1,017,723	1,063	1,018,786	956,149	62,637
TPAF Contributions - ERIP					
Other Retirement Contributions - Regular	463,900	119,690	583,590	579,851	3,739
Unemployment	90,450	677	91,127	90,583	544
Workmen's Compensation	496,400	100,117	596,517	511,638	84,879
Health Benefits	9,484,039	(221,547)	9,262,492	8,393,370	869,122
Tuition Reimbursement	240,000	13,217	253,217	220,295	32,922
Other Employee Benefits	386,500	1,200	387,700	273,625	114,075
Total Unallocated Benefits	12,536,952	14,417	12,551,369	11,357,257	1,194,112
TPAF Pension - Normal Contributions (Non-Budget)				2,511,961	(2,511,961)
TPAF Pension - Post Retirement Contributions (Non-Budget)				2,696,625	(2,696,625)
TPAF Social Security Contributions (Non-Budget)	-	-	-	2,569,807	(2,569,807)
Total On-Behalf Contributions	-	-	-	7,778,393	(7,778,393)
Total Undistributed Expenditures	48,567,783	271,684	48,839,467	53,948,854	(5,109,387)
Total Current Expenditures	79,891,951	841,576	80,733,527	84,947,822	(4,214,295)

**TEANECK BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>CURRENT EXPENDITURES (Continued)</b>					
<b>CAPITAL OUTLAY</b>					
Equipment					
Undistributed Expenditures					
Instruction	\$ 10,000	\$ (3,048)	\$ 6,952	\$ 5,950	\$ 1,002
Support Serv. - Students		6,795	6,795	6,795	
Support Serv. - Inst. Staff	3,500	5,959	9,459	9,459	
School Administration		9,793	9,793	9,793	
Central Services		2,692	2,692	2,692	
Admin. Info. Tech		55,970	55,970	51,685	4,285
Operation and Maintenance of Plant Services	-	561,912	561,912	552,385	9,527
Total Equipment	13,500	640,073	653,573	638,759	14,814
Facilities Acquisition and Construction Serv. Construction Services	43,000	-	43,000	-	43,000
Increase in Capital Reserve	250,000	-	250,000	-	250,000
Total Facilities Acquisition and Construction Serv.	250,000	-	250,000	-	250,000
Total Capital Outlay	306,500	640,073	946,573	638,759	307,814
Transfer of Funds to Charter Schools	2,210,304	178,683	2,388,987	2,388,987	-
Total Expenditures	82,408,755	1,660,332	84,069,087	87,975,568	(3,906,481)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,391,694)	(1,660,332)	(4,052,026)	(36,038)	4,015,988
Other Financing Sources (Uses)					
Transfers In		-		1,396	1,396
Capital Reserve - Transfer to Capital Projects	(300,000)	(38,317)	(338,317)	(338,317)	-
Total Other Financing Sources (Uses)	(300,000)	(38,317)	(338,317)	(336,921)	1,396
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(2,691,694)	(1,698,649)	(4,390,343)	(372,959)	4,017,384
Fund Balances, Beginning of Year	9,815,389	-	9,815,389	9,815,389	-
Fund Balances, End of Year	\$ 7,123,695	\$ (1,698,649)	\$ 5,425,046	\$ 9,442,430	\$ 4,017,384
<b>Recapitulation</b>					
Reserved for					
Encumbrances				\$ 564,933	
Capital Reserve Account				207,230	
Excess Surplus				3,076,182	
Excess Surplus - Designated for Subsequent Year's Expenditures				3,876,209	
Unreserved					
Undesignated				1,717,876	
				9,442,430	
<b>Reconciliation to Governmental Funds Statements (GAAP)</b>					
2007/2008 State Aid Payment Not Recognized on GAAP Basis				(179,432)	
2007/2008 Extraordinary Aid Revenue Not Recognized on GAAP Basis				(319,297)	
Fund Balance Per Governmental Funds (GAAP)				\$ 8,943,701	

**TEANECK BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES</b>					
Intergovernmental					
State	\$ 682,118	\$ 1,037,541	\$ 1,719,659	\$ 1,568,850	\$ (150,809)
Federal	1,613,655	952,893	2,566,548	1,753,179	(813,369)
Local Sources					
Miscellaneous	229,130	90,856	319,986	218,930	(101,056)
Total Revenues	2,524,903	2,081,290	4,606,193	3,540,959	(1,065,234)
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	545,230	817,215	1,362,445	1,005,636	356,809
Other Salaries for Instruction		164,932	164,932	148,989	15,943
Purchased Professional/Educational Services	3,500	4,009	7,509	6,500	1,009
Purchased Prof. and Technical Services	35,515	(16,622)	18,893	17,623	1,270
Other Purchased Services		1,500	1,500	1,453	47
Tuition	300,000	47,394	347,394	347,394	-
General Supplies	257,325	200,121	457,446	224,685	232,761
Textbooks	36,400	25,473	61,873	41,025	20,848
Other Objects	9,000	11,597	20,597	13,186	7,411
Total Instruction	1,186,970	1,255,619	2,442,589	1,806,491	636,098
Support Services					
Salaries	463,580	104,595	568,175	479,442	88,733
Salaries of Other Professional Staff		65,208	65,208	46,500	18,708
Personal Services-Employee Benefits	75,916	101,242	177,158	134,468	42,690
Purchased Professional/Educational Services	147,567	141,821	289,388	240,076	49,312
Purchased Prof. and Technical Services	398,000	268,293	666,293	564,445	101,848
Contracted Services-Transportation	40,500	22,395	62,895	46,866	16,029
Rentals	24,000	(7,682)	16,318	12,601	3,717
Other Purchased Professional Svcs	7,000	-	7,000		7,000
Travel	49,800	40,766	90,566	55,254	35,312
Other Purchased Services	63,080	49,601	112,681	65,030	47,651
Supplies and Materials	49,610	45,199	94,809	83,650	11,159
Energy	11,380	(7,142)	4,238	4,135	103
Indirect Costs	5,300	(3,619)	1,681	1,674	7
Miscellaneous Expenditures	2,200	(1,370)	830	327	503
Total Support Services	1,337,933	819,307	2,157,240	1,734,468	422,772
Facilities Acquisition and Construction					
Instructional Equipment		6,363	6,363		6,363
Noninstructional Equipment	-	1	1	-	1
Total Facilities Acq. & Construction	-	6,364	6,364	-	6,364
Total Expenditures	2,524,903	2,081,290	4,606,193	3,540,959	1,065,234
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -		\$ -
Less:					
2007/08 State Aid Payments Not Received on GAAP Basis				(32,920)	
Fund Balance, (GAAP Basis) June 30, 2008				<u>\$ (32,920)</u>	

**TEANECK BOARD OF EDUCATION  
GENERAL AND SPECIAL REVENUE FUNDS  
NOTES TO BUDGETARY COMPARISON SCHEDULE  
BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 87,939,530	\$ 3,540,959
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2007 (net of cancellations)		106,342
Encumbrances, June 30, 2008		(110,911)
The last State Aid payment is recognized as revenue for budgetary purposes. This differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenditure (GASB No. 33)		
State Aid payments recognized for GAAP purposes not recognized for Budgetary statements (2006/07 State Aid)	527,869	7,556
State Aid payments recognized for budgetary purposes not recognized for GAAP statements (2007/08 State Aid)	<u>(498,728)</u>	<u>(32,920)</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 87,968,671</u>	<u>\$ 3,511,026</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 87,975,568	\$ 3,540,959
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Encumbrances, June 30, 2007 (net of cancellations)		106,342
Encumbrances, June 30, 2008	<u>-</u>	<u>(110,911)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 87,975,568</u>	<u>\$ 3,536,390</u>

**SCHOOL LEVEL SCHEDULES**

**GENERAL FUND**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**



**TEANECK BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

REVENUES														
Intergovernmental														
State	\$ 4,895	\$ 107,521	\$ 38,373	\$ 23,896	\$ 9,001	\$ 2,800	\$ 339	\$ 95,629	\$ 137,441	\$ 37,268	\$ 653,395	\$ 491,091	\$ 424,364	\$ 1,568,850
Federal	-	-	-	-	-	-	-	-	-	-	1,284,945	11,071	-	1,753,179
Other	-	-	-	-	-	-	-	-	-	-	-	-	218,930	218,930
Total Revenues	\$ 4,895	\$ 107,521	\$ 38,373	\$ 23,896	\$ 9,001	\$ 2,800	\$ 339	\$ 95,629	\$ 137,441	\$ 37,268	\$ 1,938,340	\$ 502,162	\$ 643,294	\$ 3,540,959
EXPENDITURES														
Instruction														
Salaries of Teachers	\$ 19,979			\$ 5,184				\$ 40,736	\$ 88,897	\$ 28,907	\$ 643,659	\$ 11,509	\$ 166,765	\$ 1,005,636
Other Salaries for Instruction										318	28,671		120,000	148,989
Purchased Prof and Educ Svcs								5,100					1,400	6,500
Purchased Technical Services													675	17,623
Tuition											16,948			347,394
Other Purchased Services											347,394			347,394
General Supplies	\$ 4,895			635	\$ 2,121	\$ 9	12,711		11,327	\$ 213	124,787	1,033	66,954	224,685
Textbooks	-	-	-	-	-	-	-	-	-	-	-	-	13,186	41,025
Other Objects	-	-	-	-	-	-	-	-	-	-	-	-	-	13,186
Total Instruction	4,895	19,979	-	-	5,819	2,121	9	58,547	100,224	29,438	1,161,459	53,567	370,433	1,806,491
Support Services														
Salaries	22,569	\$ 15,581	\$ 19,796	510				5,457	16,366	3,519	37,236	287,363	71,045	479,442
Salaries of Other Prof. Staff											-	-	46,500	46,500
Personal Svcs. -Emp. Benefits	3,255	1,192	1,514	435				3,534	8,052	2,505	61,669	787	51,525	134,468
Purchased Prof & Educ Svcs	23,326	6,427	1,960	450		42					84,134	123,737	-	240,076
Purchased Prof and Tech Svcs	7,000										529,009		28,436	564,445
Rentals													12,601	12,601
Contracted Svcs. -Transportation				361				27,901	12,799		3,554		2,251	46,866
Travel	23,824	3,835		1,426				190			11,211	149	14,619	55,254
Other Purchased Services											24,899	7,991	32,140	65,030
Supplies and Materials	7,568	11,338		626		637	330			1,806	25,169	26,894	9,282	83,650
Energy													4,135	4,135
Other Objects													327	327
Indirect Costs	-	-	-	-	-	-	-	-	-	-	-	1,674	-	1,674
Total Support Services	-	87,542	38,373	23,896	3,182	679	330	37,082	37,217	7,830	776,881	448,595	272,861	1,734,468
Total Expenditures	\$ 4,895	\$ 107,521	\$ 38,373	\$ 23,896	\$ 9,001	\$ 2,800	\$ 339	\$ 95,629	\$ 137,441	\$ 37,268	\$ 1,938,340	\$ 502,162	\$ 643,294	\$ 3,540,959

TEANECK BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	IDE.E.A. - Part B-Basic	IDE.E.A. - Part B-Basic Carryover	IDE.E.A. - Part B-Basic Summer	NCLB Title III	NCLB Title III Carryover	NCLB Title III 800	Instructional Supplemental Aid	Targeted At-Risk Aid	Tech Prep	IDE.E.A. - Part B Preschool	Total Exhibit E-1a
<b>REVENUES</b>											
Intergovernmental											
State							\$ 171,145	\$ 482,250	\$ 192,149	\$ 19,954	\$ 653,395
Federal	\$ 801,166	\$ 145,959	\$ 106,348	\$ 9,410	\$ 8,378	\$ 1,581	-	-	-	-	1,284,945
Total Revenues	\$ 801,166	\$ 145,959	\$ 106,348	\$ 9,410	\$ 8,378	\$ 1,581	\$ 171,145	\$ 482,250	\$ 192,149	\$ 19,954	\$ 1,938,340
<b>EXPENDITURES</b>											
Instruction											
Salaries of Teachers	\$ 9,768	\$ 20,196	\$ 51,460	\$ 6,090	\$ 6,090		\$ 171,145	\$ 385,000			\$ 643,659
Other Salaries for Instruction		2,671	26,000								28,671
Purchased Prof and Tech Svcs								16,948			16,948
Tuition	347,394										347,394
Other Purchased Services											-
General Supplies	28,187		3,132	\$ 7,615	1,822			27,538	\$ 56,493		124,787
Textbooks											-
Other Objects											-
Total Instruction	385,349	22,867	80,592	7,615	7,912	-	171,145	429,486	56,493	-	1,161,459
Support Services											
Salaries			4,992						32,244		37,236
Salaries of Other Prof. Staff											-
Personal Svcs. -Emp. Benefits	747	155	6,308	466				51,250	2,743		61,669
Indirect Costs						800					-
Purchased Prof & Educ Svcs.									83,334	19,954	84,134
Purchased Prof and Tech Svcs	385,765	101,766	13,088						8,436		529,009
Purchased Technical Services											-
Rentals											-
Contracted Svcs. -Transportation									3,554		3,554
Travel	9,346			1,795					70		11,211
Other Purchased Services	457	21,171				781			2,490		24,899
Supplies and Materials	19,502		1,368					1,514	2,785		25,169
Other Objects											-
Total Support Services	415,817	123,092	25,756	1,795	466	1,581	-	52,764	135,656	19,954	776,881
Total Expenditures	\$ 801,166	\$ 145,959	\$ 106,348	\$ 9,410	\$ 8,378	\$ 1,581	\$ 171,145	\$ 482,250	\$ 192,149	\$ 19,954	\$ 1,938,340

TEANECK BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>NonPublic Chapter 193</u>			<u>NonPublic Chap 192</u>				<u>Title III Immigrant</u>	<u>Forum</u>	<u>Total Exhibit E-1b</u>
	<u>Exam. &amp; Class.</u>	<u>Speech</u>	<u>Supp. Instr.</u>	<u>Nonpublic Nursing</u>	<u>Nonpublic Technology Initiative</u>	<u>Nonpublic Textbook Aid</u>	<u>Home Inst</u>	<u>Compensatory Education Services</u>		
<b>REVENUES</b>										
Intergovernmental										
State	\$ 47,765	\$ 6,045	\$ 9,747	\$ 57,283	\$ 28,568	\$ 41,025	\$ 210	\$ 2,687	\$ 297,761	\$ 491,091
Federal										11,071
Other	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 47,765	\$ 6,045	\$ 9,747	\$ 57,283	\$ 28,568	\$ 41,025	\$ 210	\$ 2,687	\$ 297,761	\$ 502,162
<b>EXPENDITURES</b>										
Instruction										
Salaries of Teachers									\$ 1,225	\$ 11,509
General Supplies									1,033	1,033
Other Objects									-	-
Textbooks	-	-	-	-	-	\$ 41,025	-	-	-	41,025
Total Instruction	-	-	-	-	-	41,025	-	-	2,258	53,567
Support Services										
Salaries									287,363	287,363
Salaries of Other Prof. Staff									-	-
Personal Svcs. -Emp. Benefits									787	787
Purchased Prof & Educ Svcs.							\$ 210	\$ 2,687	149	149
Travel									7,991	7,991
Other Purchased Services										26,894
Supplies and Materials					\$ 26,894				-	26,894
Indirect Costs					1,674				-	1,674
Total Support Services	47,765	6,045	9,747	57,283	28,568	-	210	2,687	295,503	448,595
Total Expenditures	\$ 47,765	\$ 6,045	\$ 9,747	\$ 57,283	\$ 28,568	\$ 41,025	\$ 210	\$ 2,687	\$ 297,761	\$ 502,162

TEANECK BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Forum Twp Funds	PACES	Lowell Montclair Grant	Hawthorne Montclair Grant	Proise	Fitterman Family	TWT Incentive	Hawthorne Puffin Grant	Forum - Juvenile Justice	TJMS Puffin	ETS Whittier	Governors Autism Grant	Total Exhibit E-1c
<b>REVENUES</b>													
Intergovernmental													
State													
Federal													
Other	\$ 59,308	\$ 2,474	\$ 495	\$ 463	\$ 180	\$ 619	\$ 130,219	\$ 1,400	\$ 23,422	\$ 327	\$ 23	\$ 424,364	\$ 424,364
Total Revenues	\$ 59,308	\$ 2,474	\$ 495	\$ 463	\$ 180	\$ 619	\$ 130,219	\$ 1,400	\$ 23,422	\$ 327	\$ 23	\$ 424,364	\$ 643,294
<b>EXPENDITURES</b>													
Instruction													
Salaries of Teachers	\$ 17,404								\$ 13,825			\$ 135,536	\$ 166,765
Other Salaries for Instruction												120,000	120,000
Purchased Prof and Educ Svcs								\$ 1,400	675				1,400
Purchased Prof and Tech Svcs													675
Tuition													-
Other Purchased Services									1,453			47,997	1,453
General Supplies	15,807	\$ 447	\$ 200	\$ 463					2,017	\$ 23			66,954
Textbooks													
Other Objects	11,190	-	-	-	-	-	-	-	434	-	-	1,562	13,186
Total Instruction	44,401	447	200	463	-	-	-	1,400	18,404	-	23	305,095	370,433
Support Services													
Salaries						\$ 71,045							71,045
Salaries of Other Prof. Staff												46,500	46,500
Personal Svcs. -Emp. Benefits						20,577			1,160			29,788	51,525
Indirect Costs													-
Purchased Prof and Educ Svcs.													-
Purchased Prof and Tech Svcs									793			27,643	28,436
Rentals													12,601
Travel	2,699	62										11,564	14,619
Contracted Svcs. -Transportation		250							2,001				2,251
Other Purchased Services	12,208	265										708	32,140
Supplies and Materials		1,450	295		\$ 180	\$ 619			1,064			3,066	9,282
Energy							4,135						4,135
Other Objects	-	-	-	-	-	-	-	-	-	\$ 327	-	-	327
Total Support Services	14,907	2,027	295	-	180	619	130,219	-	5,018	327	-	119,269	272,861
Total Expenditures	\$ 59,308	\$ 2,474	\$ 495	\$ 463	\$ 180	\$ 619	\$ 130,219	\$ 1,400	\$ 23,422	\$ 327	\$ 23	\$ 424,364	\$ 643,294

**EXHIBIT E-2**

**TEANECK BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
DEMONSTRABLY EFFECTIVE PROGRAM AID  
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

THIS SCHEDULE IS NOT APPLICABLE

**EXHIBIT E-3**

**EARLY CHILDHOOD PROGRAM AID  
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

THIS SCHEDULE IS NOT APPLICABLE

**EXHIBIT E-4**

**DISTANCE LEARNING NETWORK AID  
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

THIS SCHEDULE IS NOT APPLICABLE

**TEANECK BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
INSTRUCTIONAL SUPPLEMENT AID (ISA)  
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	June 30, 2008		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Instruction			
Salaries of Teachers	\$ 176,145	\$ 171,145	\$ 5,000
 Total Instruction	 176,145	 171,145	 5,000
 Total Expenditures	 <u>\$ 176,145</u>	 <u>\$ 171,145</u>	 <u>\$ 5,000</u>

**Calculation of Budget and Carryover**

Total 2007-2008 Instructional Supplement Aid (ISA) Allocation	\$ 176,145
Actual Instructional Supplement Carryover (June 30, 2007)	<u>1,251</u>
Total Instructional Supplement Aid Available for 2007-2008 Budget	177,396
Less: 2007-2008 Budgeted Instructional Supplement Aid	<u>176,145</u>
Available and Unbudgeted Instructional Supplement Aid Funds as of June 30, 2008	1,251
Add: 2007-2008 Unexpended Instructional Supplement Aid	<u>5,000</u>
2007-2008 Carryover Available for Transfer to the General Fund	<u>\$ 6,251</u>
 2007-2008 Carryover Budgeted in 2008-2009	 <u>\$ -</u>

**TEANECK BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
TARGETED AT-RISK (TARA) AID  
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**District-Wide Totals**

	<b>June 30, 2008</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
Instruction			
Salaries of Teachers	\$ 385,000	\$ 385,000	-
Purchased Professional and Technical Services	16,948	16,948	
General Supplies	27,538	27,538	-
Total Instruction	429,486	429,486	-
Support Services			
Personal Services - Employee Benefits	51,250	51,250	
Supplies and Materials	1,514	1,514	-
Total Support Services	52,764	52,764	-
Total Expenditures	\$ 482,250	\$ 482,250	\$ -

**Calculation of Budget and Carryover**

Total 2007-2008 Targeted At-Risk Aid (TARA) Allocation	\$ 482,250
Less: TARA Transferred to General Fund - Tax Relief	-
TARA Available for 2007-2008 Program Budget	482,250
2007-2008 TARA Expended/Obligated	482,250
2007-2008 Actual Carryover - TARA	\$ -
2007-2008 TARA Carryover Budgeted as Unrestricted General Fund Revenue for 2008-2009	\$ -

**TEANECK BOARD OF EDUCATION**  
**SPECIAL REVENUE FUND**  
**TARGETED AT-RISK (TARA) AID**  
**SCHEDULE OF EXPENDITURES - BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**Program: K-8 Math and/or Language Arts**

	June 30, 2008		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Instruction			
Salaries of Teachers	\$ 385,000	\$ 385,000	-
Purchased Professional and Technical Services	16,948	16,948	
General Supplies	<u>27,538</u>	<u>27,538</u>	<u>-</u>
Total Instruction	<u>429,486</u>	<u>429,486</u>	<u>-</u>
Support Services			
Personal Services - Employee Benefits	51,250	51,250	
Supplies and Materials	<u>1,514</u>	<u>1,514</u>	<u>-</u>
Total Support Services	<u>52,764</u>	<u>52,764</u>	<u>-</u>
Total Expenditures	<u>\$ 482,250</u>	<u>\$ 482,250</u>	<u>\$ -</u>



**CAPITAL PROJECTS FUND**

**TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

<u>Project Title/Description</u>	<u>Appropriations</u>	<u>Prior Years</u>	<u>Expenditures to Date</u> <u>Current Year</u>	<u>Cancelled</u>	<u>Balance</u> <u>June 30, 2008</u>
Renovations to Schools	\$ 12,963,590	\$ 12,963,000		\$ 569	\$ 21
Alterations & Renovations to High School and the Middle Schools	19,694,380	18,959,640	\$ 185,648		549,092
Replacement of Locker Fronts	426,000	383,819			42,181
Wide Area Network Upgrade	725,944	700,112			25,832
High School Media Center Renovations	1,088,260	894,462			193,798
High School Brick Repointing	487,000	484,875			2,125
Hawthorne Elementary School Classroom/ Corridor Renovations and Improvements	381,240	293,543			87,697
Lowell Elementary School Roof Renovations	266,585	216,154			50,431
Whittier Elementary School Gym Floor Replacement	103,474	83,670			19,804
Benjamin Franklin Renovations	728,681	610,517			118,164
Sidewalk Replacement	200,000	192,263			7,737
Thomas Jefferson Middle School Renovations	1,334,096	1,334,096			-
Teaneck High School Building Controls	488,317	12,000	446,405		29,912
Teaneck High School Roofing	200,000				200,000
Thomas Jefferson Creek Restoration	100,000	-	37,405	-	62,595
	<u>\$ 39,187,567</u>	<u>\$ 37,128,151</u>	<u>\$ 669,458</u>	<u>\$ 569</u>	<u>\$ 1,389,389</u>

**Reconciliation of Fund Balance, June 30, 2008**

Project Balances Available	\$ 1,389,389
Debt Authorized But Not Issued	(590)
Interest to be Utilized for Payment of Lease Purchase Principal and Interest	<u>4,300</u>
Fund Balance, June 30, 2008 - Budgetary Basis	1,393,099

**Reconciliation to Governmental Funds Statements (GAAP)**

Deferred Revenue	<u>(380,337)</u>
Fund Balance June 30, 2008 - GAAP Basis	<u>\$ 1,012,762</u>

**TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**Revenues and Other Financing Sources**

Revenues	
Interest Earnings	\$ 1,396
Other Financing Sources	
Transfer from Capital Reserve	<u>338,317</u>
Total Revenues	<u>339,713</u>

**Expenditures and Other Financing Uses**

Expenditures	
Purchased Professional and Technical Services	4,592
Construction Services	664,866
Other Financing Uses	
Transfer to General Fund	<u>1,396</u>
Total Expenditures	<u>670,854</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures (331,141)

Fund Balance - Beginning of Year 1,724,240

Fund Balance - End of Year \$ 1,393,099

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
RENOVATIONS TO SCHOOLS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds	\$ 12,963,000		\$ 12,963,000	\$ 12,963,500
Local Contribution- Bonds Authorized Not Issued Cancelled	(569)	-	(569)	-
Total Revenues	12,962,431	-	12,962,431	12,963,500
<b>Expenditures and Other Financing Uses</b>				
Unallocated	12,963,000	-	12,963,000	12,963,500
Total Expenditures and Other Financing Uses	12,963,000	-	12,963,000	12,963,500
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (569)	\$ -	\$ (569)	\$ -

## Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	
Bonds Authorized	12,963,500
Bonds Issued	12,963,000
Original Authorized Cost	12,963,500
Additional Authorized Cost	
Revised Authorized Cost	12,963,500
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
ALTERATIONS AND RENOVATIONS TO HIGH SCHOOL AND THE MIDDLE SCHOOL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources- SCC Grant	\$ 7,877,752		\$ 7,877,752	\$ 7,877,752
Bond Proceeds	11,816,000	-	11,816,000	11,816,628
 Total Revenues	 19,693,752	 -	 19,693,752	 19,694,380
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	665,317	\$ 4,592	669,909	665,317
Construction Services	15,832,057	181,056	16,013,113	16,566,797
Unallocated	2,462,266	-	2,462,266	2,462,266
 Total Expenditures and Other Financing Uses	 18,959,640	 185,648	 19,145,288	 19,694,380
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 \$ 734,112	 \$ (185,648)	 \$ 548,464	 \$ -

**Additional Project Information:**

Project Number	SP200422,SP200422-C1,SP200422-C2
Grant Date	various
Bond Authorization Date	4/1/2001
Bonds Authorized	11,826,628
Bonds Issued	11,816,000
Original Authorized Cost	19,694,380
Additional Authorized Cost	
Revised Authorized Cost	19,694,380
 Percentage Increase over Original Authorized Cost	 N/A
Percentage Completion	N/A
Original Target Completion Date	06/2006
Revised Target Completion Date	N/A

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
LEASE PURCHASE - ACQUISITION OF COMPUTERS, RELATED TECHNOLOGY  
EQUIPMENT AND FURNITURE AND OTHER ACQUISITIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Lease Purchase Proceeds	\$ 1,807,251		\$ 1,807,251	\$ 1,807,251
Interest Earnings	15,529	-	15,529	-
<b>Total Revenues</b>	<u>1,822,780</u>	<u>-</u>	<u>1,822,780</u>	<u>1,807,251</u>
<b>Expenditures and Other Financing Uses</b>				
Equipment Purchases	1,807,251		1,807,251	1,807,251
Transfer to General Fund	10,601	-	10,601	-
<b>Total Expenditures and Other Financing Uses</b>	<u>1,817,852</u>	<u>-</u>	<u>1,817,852</u>	<u>1,807,251</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 4,928</u>	<u>\$ -</u>	<u>\$ 4,928</u>	<u>\$ -</u>

## Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Lease Purchase Issued	\$ 1,807,251
Revised Authorized Cost	1,807,251

Percentage Increase over Original Authorized  
Cost

N/A

Percentage Completion  
Original Target Completion Date  
Revised Target Completion Date

100%  
N/A  
N/A

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
REPLACEMENT OF LOCKER FRONTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources- SCC Grant	\$ 170,400		\$ 170,400	\$ 170,400
Transfer from Capital Reserve	255,600	-	255,600	255,600
 Total Revenues	 426,000	 -	 426,000	 426,000
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	31,215		31,215	
Construction Services	350,095		350,095	
Equipment Purchases	2,509	-	2,509	-
 Total Expenditures and Other Financing Uses	 383,819	 -	 383,819	 426,000
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 \$ 42,181	 \$ -	 \$ 42,181	 \$ -

## Additional Project Information:

Project Number	5150-050-04-1000
Grant Date	1/30/2004
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	426,000
Additional Authorized Cost	
Revised Authorized Cost	426,000
 Percentage Increase over Original Authorized Cost	 N/A
Percentage Completion	100%
Original Target Completion Date	4/29/2004
Revised Target Completion Date	9/30/2004

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
WIDE AREA NETWORK UPGRADE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources- SCC Grant	\$ 290,376		\$ 290,376	\$ 290,376
Transfer from Capital Reserve	435,568	-	435,568	435,568
<b>Total Revenues</b>	<u>725,944</u>	<u>-</u>	<u>725,944</u>	<u>725,944</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	13,010		13,010	
Construction Services	617,226		617,226	
Unallocated	69,876	-	69,876	-
<b>Total Expenditures and Other Financing Uses</b>	<u>700,112</u>	<u>-</u>	<u>700,112</u>	<u>725,944</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 25,832</u>	<u>\$ -</u>	<u>\$ 25,832</u>	<u>\$ -</u>

## Additional Project Information:

Project Number	Various
Grant Date	
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	725,944
Additional Authorized Cost	
Revised Authorized Cost	725,944
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A



**TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
HIGH SCHOOL MEDIA CENTER RENOVATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources- SCC Grant	\$ 411,704		\$ 411,704	\$ 411,704
Transfer from Capital Reserve	676,556	-	676,556	676,556
 Total Revenues	 1,088,260	 -	 1,088,260	 1,088,260
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	73,280		73,280	
Construction Services	790,477		790,477	
Equipment Purchases	6,185		6,185	
Unallocated	24,520	-	24,520	-
 Total Expenditures and Other Financing Uses	 894,462	 -	 894,462	 1,088,260
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 \$ 193,798	 \$ -	 \$ 193,798	 \$ -
 <b>Additional Project Information:</b>				
Project Number	5150-050-03-0908			
Grant Date	3/17/2004			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	1,088,260			
Additional Authorized Cost				
Revised Authorized Cost	1,088,260			
 Percentage Increase over Original Authorized Cost		-		
Percentage Completion				
Original Target Completion Date				
Revised Target Completion Date	12/1/2005			

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
HIGH SCHOOL BRICK REPOINTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources- SCC Grant	\$ 193,950	\$ 850	\$ 194,800	\$ 194,800
Transfer from Capital Reserve	<u>292,200</u>	<u>-</u>	<u>292,200</u>	<u>292,200</u>
 Total Revenues	 <u>486,150</u>	 <u>850</u>	 <u>487,000</u>	 <u>487,000</u>
 <b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	46,744		46,744	
Construction Services	437,875		437,875	
Equipment Purchases	<u>256</u>	<u>-</u>	<u>256</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 <u>484,875</u>	 <u>-</u>	 <u>484,875</u>	 <u>487,000</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>\$ 1,275</u>	 <u>\$ 850</u>	 <u>\$ 2,125</u>	 <u>\$ -</u>

## Additional Project Information:

Project Number	5150-050-03-1292
Grant Date	1/30/2004
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	487,000
Additional Authorized Cost	
Revised Authorized Cost	487,000
 Percentage Increase over Original Authorized Cost	 N/A
Percentage Completion	100%
Original Target Completion Date	N/A
Revised Target Completion Date	12/15/2005

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
HAWTHORNE ELEMENTARY SCHOOL CLASSROOM/CORRIDOR  
RENOVATIONS AND IMPROVEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources- SCC Grant	\$ 128,118		\$ 128,118	\$ 128,118
Transfer from Capital Reserve	253,122	-	253,122	253,122
Total Revenues	381,240	-	381,240	381,240
<b>Expenditures and Other Financing Uses</b>				
Construction Services	293,543	-	293,543	-
Total Expenditures and Other Financing Uses	293,543	-	293,543	381,240
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 87,697	\$ -	\$ 87,697	\$ -

## Additional Project Information:

Project Number	5150-110-04-1000
Grant Date	3/18/2004
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	381,240
Additional Authorized Cost	
Revised Authorized Cost	381,240
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	N/A
Revised Target Completion Date	3/21/2005

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
LOWELL ELEMENTARY SCHOOL ROOF RENOVATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources- SCC Grant	\$ 88,954		\$ 88,954	\$ 88,954
Transfer from Capital Reserve	<u>177,631</u>	<u>-</u>	<u>177,631</u>	<u>177,631</u>
 Total Revenues	 <u>266,585</u>	 <u>-</u>	 <u>266,585</u>	 <u>266,585</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	10,360		10,360	
Construction Services	<u>205,794</u>	<u>-</u>	<u>205,794</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 <u>216,154</u>	 <u>-</u>	 <u>216,154</u>	 <u>266,585</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>\$ 50,431</u>	 <u>\$ -</u>	 <u>\$ 50,431</u>	 <u>\$ -</u>
 Additional Project Information:				
Project Number	5150-130-04-00Qs			
Grant Date	6/9/2004			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	222,385			
Additional Authorized Cost	44,200			
Revised Authorized Cost	266,585			
 Percentage Increase over Original Authorized Cost	 20%			
Percentage Completion	100%			
Original Target Completion Date	12/3/2004			
Revised Target Completion Date	10/1/2005			

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
WHITTIER ELEMENTARY GYM FLOOR REPLACEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources- SCC Grant	\$ 41,390		\$ 41,390	\$ 41,390
Transfer from Capital Reserve	62,084	-	62,084	62,084
 Total Revenues	 103,474	 -	 103,474	 103,474
 <b>Expenditures and Other Financing Uses</b>				
Construction Services	83,670	-	83,670	-
 Total Expenditures and Other Financing Uses	 83,670	 -	 83,670	 103,474
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 \$ 19,804	 \$ -	 \$ 19,804	 \$ -

## Additional Project Information:

Project Number	5150-150-05-0ARQ
Grant Date	4/7/2005
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	103,474
Additional Authorized Cost	
Revised Authorized Cost	103,474
 Percentage Increase over Original Authorized Cost	 N/A
Percentage Completion	100%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
BENJAMIN FRANKLIN RENOVATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources- SCC Grant	\$ 255,415		\$ 255,415	\$ 255,415
Transfer from Capital Reserve	473,266	-	473,266	473,266
 Total Revenues	 728,681	 -	 728,681	 728,681
<b>Expenditures and Other Financing Uses</b>				
Construction Services	610,517	-	610,517	-
 Total Expenditures and Other Financing Uses	 610,517	 -	 610,517	 728,681
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 118,164	\$ -	\$ 118,164	\$ -
 Additional Project Information:				
Project Number	5150-060-05-1000			
Grant Date				
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	723,573			
Additional Authorized Cost				
Revised Authorized Cost	723,573			
 Percentage Increase over Original Authorized Cost		-		
Percentage Completion				
Original Target Completion Date				
Revised Target Completion Date				

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
SIDEWALK REPLACEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	\$ 200,000	-	\$ 200,000	\$ 200,000
Total Revenues	200,000	-	200,000	200,000
<b>Expenditures and Other Financing Uses</b>				
Construction Services	192,263	-	192,263	200,000
Total Expenditures and Other Financing Uses	192,263	-	192,263	200,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 7,737	\$ -	\$ 7,737	\$ -

## Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	200,000
Additional Authorized Cost	
Revised Authorized Cost	200,000
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	
Original Target Completion Date	
Revised Target Completion Date	

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
THOMAS JEFFERSON MIDDLE SCHOOL RENOVATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	\$ 1,334,096	-	\$ 1,334,096	\$ 1,334,096
 Total Revenues	 1,334,096	 -	 1,334,096	 1,334,096
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	20,620		20,620	
Construction Services	1,313,476	-	1,313,476	1,334,096
 Total Expenditures and Other Financing Uses	 1,334,096	 -	 1,334,096	 1,334,096
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 \$ -	 \$ -	 \$ -	 \$ -

## Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	1,334,096
Additional Authorized Cost	
Revised Authorized Cost	1,334,096

Percentage Increase over Original Authorized  
Cost

Percentage Completion

Original Target Completion Date

Revised Target Completion Date



TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
TEANECK HIGH SCHOOL BUILDING CONTROLS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	450,000	\$ 38,317	\$ 488,317	\$ 488,317
Total Revenues	450,000	38,317	488,317	488,317
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	12,000		12,000	
Construction Services	-	446,405	446,405	-
Total Expenditures and Other Financing Uses	12,000	446,405	458,405	488,317
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 438,000	\$ (408,088)	\$ 29,912	\$ -
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	450,000			
Additional Authorized Cost	38,317			
Revised Authorized Cost	488,317			
Percentage Increase over Original Authorized Cost		9%		
Percentage Completion		94%		
Original Target Completion Date	2008			
Revised Target Completion Date	2008			

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
TEANECK HIGH SCHOOL ROOFING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	-	\$ 200,000	\$ 200,000	\$ 200,000
 Total Revenues	-	200,000	200,000	200,000
 <b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	-		-	
Construction Services	-	-	-	-
 Total Expenditures and Other Financing Uses	-	-	-	200,000
 Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 200,000	\$ 200,000	\$ -

## Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	200,000
Additional Authorized Cost	-
Revised Authorized Cost	200,000
 Percentage Increase over Original Authorized Cost	0%
Percentage Completion	0%
Original Target Completion Date	2008
Revised Target Completion Date	2008

TEANECK BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
THOMAS JEFFERSON CREEK RESTORATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	-	\$ 100,000	\$ 100,000	\$ 100,000
 Total Revenues	-	100,000	100,000	100,000
 <b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	-	-	-	-
Construction Services	-	37,405	37,405	-
 Total Expenditures and Other Financing Uses	-	37,405	37,405	100,000
 Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 62,595	\$ 62,595	\$ -

## Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	100,000
Additional Authorized Cost	-
Revised Authorized Cost	100,000
 Percentage Increase over Original Authorized Cost	0%
Percentage Completion	37%
Original Target Completion Date	2008
Revised Target Completion Date	2008

## **PROPRIETARY FUNDS**

**EXHIBIT G-1**

**TEANECK BOARD OF EDUCATION  
PROPRIETARY FUND  
COMBINING STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2008**

THIS STATEMENT IS NOT APPLICABLE

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

**EXHIBIT G-2**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

THIS STATEMENT IS NOT APPLICABLE

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**EXHIBIT G-3**

**COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

THIS STATEMENT IS NOT APPLICABLE

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

## **FIDUCIARY FUNDS**

**TEANECK BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
AS OF JUNE 30, 2008**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
<b>ASSETS</b>			
Cash	\$ 111,020	\$ 354,747	\$ 465,767
Total Assets	<u>\$ 111,020</u>	<u>\$ 354,747</u>	<u>\$ 465,767</u>
<b>LIABILITIES</b>			
Payroll Deductions and Withholdings Due to Student Groups	\$ 111,020	\$ 354,747 -	\$ 354,747 111,020
Total Liabilities	<u>\$ 111,020</u>	<u>\$ 354,747</u>	<u>\$ 465,767</u>

**TEANECK BOARD OF EDUCATION  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOT APPLICABLE

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8



**TEANECK BOARD OF EDUCATION  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	Balance, July 1, <u>2007</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2008</u>
<b>ELEMENTARY SCHOOLS</b>				
Hawthorne	\$ 757	\$ 14,055	\$ 13,125	\$ 1,687
Lowell	<u>1,353</u>	<u>14,476</u>	<u>12,798</u>	<u>3,031</u>
 Total Elementary Schools	 <u>2,110</u>	 <u>28,531</u>	 <u>25,923</u>	 <u>4,718</u>
<b>MIDDLE SCHOOLS</b>				
Thomas Jefferson	30,704	67,097	73,653	24,148
Benjamin Franklin	<u>3,940</u>	<u>30,915</u>	<u>29,599</u>	<u>5,256</u>
 Total Middle Schools	 <u>34,644</u>	 <u>98,012</u>	 <u>103,252</u>	 <u>29,404</u>
<b>HIGH SCHOOL</b>				
Teaneck High School	<u>63,652</u>	<u>180,648</u>	<u>171,375</u>	<u>72,925</u>
<b>OTHER</b>				
Athletic	1,323	76,884	76,632	1,575
Music	<u>2,348</u>	<u>1,400</u>	<u>1,350</u>	<u>2,398</u>
 Total Other	 <u>3,671</u>	 <u>78,284</u>	 <u>77,982</u>	 <u>3,973</u>
 Total All Schools	 <u>\$ 104,077</u>	 <u>\$ 385,475</u>	 <u>\$ 378,532</u>	 <u>\$ 111,020</u>

**TEANECK BOARD OF EDUCATION  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<b>Balance, July 1, <u>2007</u></b>	<b>Cash <u>Receipts</u></b>	<b>Cash <u>Disbursements</u></b>	<b>Balance, June 30, <u>2008</u></b>
<b>ASSETS</b>				
Cash	\$ 21,882	\$ 51,842,080	\$ 51,509,215	\$ 354,747
Total Assets	<u>\$ 21,882</u>	<u>\$ 51,842,080</u>	<u>\$ 51,509,215</u>	<u>\$ 354,747</u>
<b>LIABILITIES</b>				
Payroll Deductions and Withholdings	\$ 2,136	\$ 21,552,223	\$ 21,199,612	\$ 354,747
Accrued Salaries and Wages		30,289,857	30,289,857	
Due to Unemployment Trust Fund	<u>19,746</u>	<u>-</u>	<u>19,746</u>	<u>-</u>
Total Liabilities	<u>\$ 21,882</u>	<u>\$ 51,842,080</u>	<u>\$ 51,509,215</u>	<u>\$ 354,747</u>

## **LONG-TERM DEBT**

**TEANECK BOARD OF EDUCATION  
SCHEDULE OF SERIAL BONDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2007 (Restated)</u>	<u>Issued</u>	<u>Paid</u>	<u>Balance, June 30, 2008</u>
Various Capital Improvements-District-wide	4/1/01	\$ 11,816,000	7/15/08	\$ 175,000	4.875	%			
			7/15/09	205,000	4.875				
			7/15/10	230,000	4.875				
			7/15/11	265,000	4.875				
			7/15/12	305,000	4.875				
			7/15/13	345,000	4.875				
			7/15/14	550,000	4.875				
					\$ 2,230,000		\$ 155,000	\$ 2,075,000	
School Refunding Bonds	2/15/2003	4,270,000	7/1/08	425,000	3.00	%			
			7/1/09	425,000	4.00				
			7/1/10	415,000	3.50				
			7/1/11	420,000	3.70				
			7/1/12	410,000	4.00				
			7/1/13	405,000	4.00				
			7/1/14	390,000	4.00				
					3,315,000		425,000	2,890,000	
School Refunding Bonds (Pension Series 2003)	2/15/2003	6,450,000	7/1/08	280,000	4.00	%			
			7/1/09	295,000	4.25				
			7/1/10	310,000	4.50				
			7/1/11	325,000	4.625				
			7/1/12	345,000	5.00				
			7/1/13	365,000	5.00				
			7/1/14	385,000	5.00				
			7/1/15	405,000	5.00				
			7/1/16	430,000	5.625				
			7/1/17	455,000	5.625				
			7/1/18	485,000	5.625				
			7/1/19	515,000	5.625				
			7/1/20	545,000	5.625				
					5,410,000	-	270,000	5,140,000	
School Refunding Bonds	7/15/2006	9,305,000	7/15/08-09	20,000	3.75	%			
			7/15/10-13	25,000	var				
			7/15/14	30,000	4.00				
			7/15/15	580,000	var				
			7/15/16-17	575,000	var				
			7/15/18	570,000	4.25				
			7/15/19	580,000	4.25				
			7/15/20	575,000	4.20				
			7/15/21-22	570,000	4.20				
			7/15/23	565,000	4.50				
			7/15/24	575,000	4.50				
			7/15/25-26	570,000	4.50				
			7/15/27	565,000	4.50				
			7/15/28-29	560,000	4.50				
			7/15/30	555,000	4.50				
Totals						\$ 20,260,000	\$ -	\$ 870,000	\$ 19,390,000

**TEANECK BOARD OF EDUCATION  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

THIS SCHEDULE IS NOT APPLICABLE

**TEANECK BOARD OF EDUCATION  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES</b>					
Local Sources					
Local Tax Levy	\$ 1,755,174	-	\$ 1,755,174	\$ 1,755,174	-
Total Revenues	<u>1,755,174</u>	<u>-</u>	<u>1,755,174</u>	<u>1,755,174</u>	<u>-</u>
<b>EXPENDITURES</b>					
Regular Debt Service					
Principal	937,528	\$ (49,885)	887,643	870,000	\$ 17,643
Interest	<u>850,000</u>	<u>49,885</u>	<u>899,885</u>	<u>899,884</u>	<u>1</u>
Total Expenditures	<u>1,787,528</u>	<u>-</u>	<u>1,787,528</u>	<u>1,769,884</u>	<u>17,644</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(32,354)		(32,354)	(14,710)	(17,644)
Fund Balance, Beginning of Year	<u>32,354</u>	<u>-</u>	<u>32,354</u>	<u>32,354</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,644</u>	<u>\$ (17,644)</u>

## STATISTICAL SECTION

This part of the Teaneck Board of Education's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

### Contents

### Exhibits

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

J-1 to J-5

#### **Revenue Capacity**

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

J-6 to J-9

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

J-10 to J-13

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

J-14 and J-15

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

J-16 to J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**TEANECK BOARD OF EDUCATION**  
**NET ASSETS BY COMPONENT**  
**LAST SIX FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	2003	2004	Fiscal Year Ended June 30,		2007	2008
			2005	2006		
<b>Governmental Activities</b>						
Invested in Capital Assets, Net of Related Debt	\$ 9,002,715	\$ 14,862,018	\$ 22,868,603	\$ 24,173,348	\$ 25,187,935	\$ 25,514,557
Restricted	3,760,786	2,272,936	2,142,023	536,883	324,375	229,174
Unrestricted	525,173	(4,101,443)	(11,933,350)	(953,246)	1,297,242	1,007,645
Total Governmental Activities Net Assets	<u>\$ 13,288,674</u>	<u>\$ 13,033,511</u>	<u>\$ 13,077,276</u>	<u>\$ 23,756,985</u>	<u>\$ 26,809,552</u>	<u>\$ 26,751,376</u>
<b>Business-Type Activities</b>						
Invested in Capital Assets	\$ 220,758	\$ 158,593	\$ 136,606	\$ 121,884	\$ 118,735	\$ 161,028
Restricted	253,400					
Unrestricted	208,567	256,930	250,417	317,915	343,334	312,806
Total Business-Type Activities Net Assets	<u>\$ 682,725</u>	<u>\$ 415,523</u>	<u>\$ 387,023</u>	<u>\$ 439,799</u>	<u>\$ 462,069</u>	<u>\$ 473,834</u>
<b>District-wide</b>						
Invested in Capital Assets, Net of Related Debt	\$ 9,223,473	\$ 15,020,611	\$ 23,005,209	\$ 24,295,232	\$ 25,306,670	\$ 25,675,585
Restricted	4,014,186	2,272,936	2,142,023	536,883	324,375	229,174
Unrestricted	733,740	(3,844,513)	(11,682,933)	(635,331)	1,640,576	1,320,451
Total District Net Assets	<u>\$ 13,971,399</u>	<u>\$ 13,449,034</u>	<u>\$ 13,464,299</u>	<u>\$ 24,196,784</u>	<u>\$ 27,271,621</u>	<u>\$ 27,225,210</u>

Source: District Records

## Note:

GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only six years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.



**TEANECK BOARD OF EDUCATION**  
**CHANGES IN NET ASSETS**  
**LAST SIX FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,					
	2003	2004	2005	2006	2007	2008
<b>Expenses</b>						
<b>Governmental Activities</b>						
Instruction						
Regular	\$ 28,694,913	\$ 29,719,687	\$ 31,160,121	\$ 30,526,336	\$ 33,233,572	\$ 35,644,622
Special Education	10,322,847	10,847,482	11,650,870	12,928,439	13,342,213	14,678,854
Vocational	695,613	697,467	722,213	686,935	530,038	253,650
Other Instruction	3,605,784	3,746,571	3,826,374	4,010,844	4,131,219	4,040,837
Support Services:						
Student & Instruction Related Services	9,300,245	8,625,768	9,577,878	11,242,305	11,120,386	12,406,377
School Administrative Services	3,580,648	3,249,220	3,386,010	3,528,222	3,834,824	4,208,866
General Administration	1,595,222	1,753,771	1,665,867	1,300,385	1,465,891	1,481,314
Plant Operations and Maintenance	8,432,852	8,477,970	8,698,453	9,376,412	9,540,485	10,801,577
Pupil Transportation	4,109,634	4,205,799	4,778,426	4,718,265	4,967,222	5,174,060
Business and Other Support Services	1,081,754	937,802	1,366,593	1,425,850	1,494,306	1,368,503
Charter Schools	1,360,091	1,567,180	1,702,891	1,882,124	2,040,585	2,388,987
Interest on Long-Term Debt	896,805	1,045,821	1,014,275	1,023,267	969,897	921,055
Loss on Disposal of Capital Assets		1,529,758	78,461			
<b>Total Governmental Activities Expenses</b>	<b>73,676,408</b>	<b>76,404,296</b>	<b>79,628,432</b>	<b>82,649,384</b>	<b>86,670,638</b>	<b>93,368,702</b>
<b>Business-Type Activities:</b>						
Food Service	973,124	1,282,939	1,075,534	1,109,797	1,156,163	1,282,444
Loss on Disposal of Capital Assets		95,299	7,640			
Community School	625,722	635,442	718,397	777,445	799,129	855,417
<b>Total Business-Type Activities Expense</b>	<b>1,598,846</b>	<b>2,013,680</b>	<b>1,801,571</b>	<b>1,887,242</b>	<b>1,955,292</b>	<b>2,137,861</b>
<b>Total District Expenses</b>	<b>\$ 75,275,254</b>	<b>\$ 78,417,976</b>	<b>\$ 81,430,003</b>	<b>\$ 84,536,626</b>	<b>\$ 88,625,930</b>	<b>\$ 95,506,563</b>
<b>Program Revenues</b>						
<b>Governmental Activities:</b>						
Charges for Services:						
Instruction (Tuition)	\$ 34,458	\$ 21,594	\$ 34,758	\$ 13,690	\$ 12,465	
Special Education (Tuition)	92,201	89,313	103,044	146,930	192,172	123,683
Student and Instruction Related Services	92,540	100,910	102,272	93,170		
Pupil Transportation			40,533	31,816	30,231	29,050
Operating Grants and Contributions	11,007,727	12,049,664	12,298,920	13,371,086	15,462,501	16,684,940
Capital Grants and Contributions	56,532	-	4,525	8,946,805	13,594	74,259
<b>Total Governmental Activities Program Revenues</b>	<b>11,283,458</b>	<b>12,261,481</b>	<b>12,584,052</b>	<b>22,603,497</b>	<b>15,710,963</b>	<b>16,911,932</b>
<b>Business-Type Activities:</b>						
Charges for Services						
Food Service	695,275	701,213	685,543	729,821	760,083	809,596
Community School	660,693	700,932	749,440	726,803	719,255	769,935
Operating Grants and Contributions	313,785	341,503	338,088	433,394	486,507	504,607
Capital Grants and Contributions					3,790	65,488
<b>Total Business Type Activities Program Revenues</b>	<b>1,669,753</b>	<b>1,743,648</b>	<b>1,773,071</b>	<b>1,890,018</b>	<b>1,969,635</b>	<b>2,149,626</b>
<b>Total District Program Revenues</b>	<b>\$ 12,953,211</b>	<b>\$ 14,005,129</b>	<b>\$ 14,357,123</b>	<b>\$ 24,493,515</b>	<b>\$ 17,680,598</b>	<b>\$ 19,061,558</b>
<b>Net (Expense)/Revenue</b>						
Governmental Activities	\$ (62,392,950)	\$ (64,142,815)	\$ (67,044,380)	\$ (60,045,887)	\$ (70,959,675)	\$ (76,456,770)
Business-Type Activities	70,907	(270,032)	(28,500)	2,776	14,343	11,765
<b>Total District-Wide Net Expense</b>	<b>\$ (62,322,043)</b>	<b>\$ (64,412,847)</b>	<b>\$ (67,072,880)</b>	<b>\$ (60,043,111)</b>	<b>\$ (70,945,332)</b>	<b>\$ (76,445,005)</b>

**TEANECK BOARD OF EDUCATION**  
**CHANGES IN NET ASSETS**  
**LAST SIX FISCAL YEARS**  
(Unaudited)  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,					
	2003	2004	2005	2006	2007	2008
<b>General Revenues and Other Changes in Net Assets</b>						
<b>Governmental Activities:</b>						
Property Taxes Levied for General Purposes, Net	\$ 58,432,104	\$ 61,126,989	\$ 64,266,441	\$ 67,872,613	\$ 71,386,061	\$ 73,468,869
Taxes Levied for Debt Service	1,259,114	1,790,672	1,757,205	1,778,539	1,770,877	1,755,174
Federal and State Aid - Restricted	39,635	3,683	25,963			
Federal and State Aid - Unrestricted		500,850	679,755	685,824	658,131	835,868
Investment Earnings	195,301	61,847	106,635	183,490	344,263	231,044
Miscellaneous Income	288,180	403,611	252,146	253,923	161,599	107,639
Adjustments to Capital Assets				1,207		
Transfers	-	-	-	(50,000)		
<b>Total Governmental Activities</b>	<b>60,214,334</b>	<b>63,887,652</b>	<b>67,088,145</b>	<b>70,725,596</b>	<b>74,320,931</b>	<b>76,398,594</b>
<b>Business-Type Activities:</b>						
Miscellaneous Income		2,830				
Transfers				50,000		
<b>Total Business-Type Activities</b>	<b>-</b>	<b>2,830</b>	<b>-</b>	<b>50,000</b>	<b>-</b>	<b>-</b>
<b>Total District-Wide</b>	<b>\$ 60,214,334</b>	<b>\$ 63,890,482</b>	<b>\$ 67,088,145</b>	<b>\$ 70,775,596</b>	<b>\$ 74,320,931</b>	<b>\$ 76,398,594</b>
<b>Change in Net Assets</b>						
Governmental Activities	\$ (2,178,616)	\$ (255,163)	\$ 43,765	\$ 10,679,709	\$ 3,361,256	\$ (58,176)
Business-Type Activities	70,907	(267,202)	(28,500)	52,776	14,343	11,765
<b>Total District</b>	<b>\$ (2,107,709)</b>	<b>\$ (522,365)</b>	<b>\$ 15,265</b>	<b>\$ 10,732,485</b>	<b>\$ 3,375,599</b>	<b>\$ (46,411)</b>

Source: District Records

**Note:**

GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only six years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

**TEANECK BOARD OF EDUCATION  
FUND BALANCES - GOVERNMENTAL FUNDS  
LAST SIX FISCAL YEARS**

(Unaudited)

(modified accrual basis of accounting)

	Fiscal Year Ended June 30,					
	2003	2004	2005	2006	2007	2008
General Fund						
Reserved	\$ 4,034,064	\$ 4,553,477	\$ 5,321,786	\$ 5,065,041	\$ 8,072,251	\$ 7,724,554
Unreserved	3,810,196	2,905,202	2,136,356	1,615,228	1,215,268	1,219,147
Total General Fund	<u>\$ 7,844,260</u>	<u>\$ 7,458,679</u>	<u>\$ 7,458,142</u>	<u>\$ 6,680,269</u>	<u>\$ 9,287,519</u>	<u>\$ 8,943,701</u>
All Other Governmental Funds						
Reserved	\$ 6,530,066	\$ 2,360,074	\$ 130,518	\$ 1,593,018	\$ 646,918	\$ 37,798
Unreserved	(6,128,642)	(7,936,369)	(7,478,776)	587,825	647,524	959,688
Total All Other Governmental Funds	<u>\$ 401,424</u>	<u>\$ (5,576,295)</u>	<u>\$ (7,348,258)</u>	<u>\$ 2,180,843</u>	<u>\$ 1,294,442</u>	<u>\$ 997,486</u>

Source: District Records

**Note:**

GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only six years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

**TEANECK BOARD OF EDUCATION**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST SIX FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	Fiscal Year Ended June 30,					
	2003	2004	2005	2006	2007	2008
<b>Revenues</b>						
Property Tax Levy	\$ 59,691,218	\$ 62,917,661	\$ 66,023,646	\$ 69,651,152	\$ 73,156,938	\$ 75,224,043
Tuition Charges	126,659	110,907	137,802	160,620	204,637	123,683
Transportation				31,816	30,231	29,050
Interest Earnings	189,178	61,847	106,635	183,490	344,263	231,044
Miscellaneous	545,616	653,560	633,559	448,061	386,422	331,950
State Sources	9,343,270	10,598,557	10,964,730	21,147,823	14,481,637	15,662,352
Federal Sources	1,503,188	1,851,688	1,702,792	1,661,754	1,427,766	1,708,404
<b>Total Revenues</b>	<b>71,399,129</b>	<b>76,194,220</b>	<b>79,569,164</b>	<b>93,284,716</b>	<b>90,031,894</b>	<b>93,310,526</b>
<b>Expenditures</b>						
Instruction						
Regular Instruction	28,549,866	29,650,392	31,039,378	30,639,436	32,813,841	35,346,984
Special Education Instruction	10,314,256	10,847,482	11,616,417	12,966,809	13,332,981	14,699,846
Vocational Education	695,613	697,467	722,213	686,935	530,038	253,650
Other Instruction	3,943,934	4,122,140	4,193,269	3,975,103	4,125,038	4,050,555
Support Services:						
Student & Inst. Related Services	8,973,287	8,492,311	9,394,007	11,095,991	11,078,954	12,432,337
General Administration	1,479,234	1,770,563	1,625,480	1,238,231	1,532,168	1,446,207
School Administrative Services	3,514,564	3,238,962	3,328,951	3,572,804	3,684,283	4,035,116
Plant Operations and Maintenance	7,076,476	7,464,871	7,644,984	8,369,649	8,611,592	9,658,327
Pupil Transportation	4,109,634	4,205,799	4,777,295	4,719,755	4,966,864	5,174,724
Business and Other Support Services	1,075,092	931,694	1,353,602	1,416,551	1,492,488	1,371,661
Charter Schools	1,360,091	1,567,180	1,702,891	1,882,124	2,040,585	2,388,987
Capital Outlay	11,204,038	8,092,199	2,169,774	1,666,023	1,881,282	1,323,022
Debt Service:						
Principal	400,000	790,000	760,000	1,238,499	1,275,891	870,000
Interest and Other Charges	859,114	990,597	1,013,403	1,015,578	945,040	899,884
<b>Total Expenditures</b>	<b>83,555,199</b>	<b>82,861,657</b>	<b>81,341,664</b>	<b>84,483,488</b>	<b>88,311,045</b>	<b>93,951,300</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,156,070)	(6,667,437)	(1,772,500)	8,801,228	1,720,849	(640,774)
<b>Other Financing sources (uses)</b>						
Bond Sale Premium to Debt Service Fund	(6,123)					
Capital Leases (non-budgeted)		304,137				
Proceeds from Refunding	10,855,248					
Payments to Escrow Agent	(10,849,125)					
Transfers In	406,314	1,633,416	250,316	2,007,362	450,000	339,713
Transfers Out	(400,191)	(1,633,416)	(250,316)	(2,057,362)	(450,000)	(339,713)
<b>Total Other Financing Sources (Uses)</b>	<b>6,123</b>	<b>304,137</b>	<b>-</b>	<b>(50,000)</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$(12,149,947)</b>	<b>\$ (6,363,300)</b>	<b>\$ (1,772,500)</b>	<b>\$ 8,751,228</b>	<b>\$ 1,720,849</b>	<b>\$ (640,774)</b>
Debt Service as a Percentage of Noncapital Expenditures	1.74%	2.38%	2.24%	2.72%	2.57%	1.91%

\* Noncapital expenditures are total expenditures less capital outlay.

Source: District Records

**Note:**

GASB requires that ten years of statistical data be presented. However, since the District implemented the new reporting model contained in GASB No. 34 in fiscal year 2003 only six years of information are available. Each year thereafter, an additional year's data will be included until ten years of data is present.

**TEANECK BOARD OF EDUCATION  
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
LAST TEN YEARS  
(Unaudited)**

<u>Fiscal Year Ended June 30,</u>	<u>Tuition</u>	<u>Interest Earned</u>	<u>Transportation</u>	<u>Prior Year Refunds</u>	<u>Township (Forum)</u>	<u>Rentals</u>	<u>Miscellaneous</u>	<u>Total</u>
1999	\$ 98,734	\$ 389,701	\$	4,214	\$ 46,000		\$ 156,981	\$ 695,630
2000	92,136	464,383		7,667	46,000		166,721	776,907
2001	62,126	577,269		5,541	46,000		325,752	1,016,688
2002	73,114	236,679		3,577	48,000		150,707	512,077
2003	126,659	79,579			50,000	\$ 30,509	207,671	494,418
2004	110,907	51,278	\$ 47,709	38,251	50,000	59,273	208,378	565,796
2005	137,802	105,951	40,533		50,000	54,501	147,645	536,432
2006	160,620	181,952	31,816			41,841	212,082	628,311
2007	204,637	342,185	30,231			34,669	126,930	738,652
2008	123,683	229,648	29,050			24,274	83,365	490,020

Source: District Records

**TEANECK BOARD OF EDUCATION**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST EIGHT YEARS**  
(Unaudited)

Fiscal Year Ended June 30,	Total Assessed Value					Memo Only Tax Exempt Property	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
	Vacant Land	Residential	Commercial	Industrial	Apartment					
2001	\$ 12,480,100	\$ 2,168,431,600	\$ 276,610,500	\$ 24,652,300	\$ 89,276,800	\$ 366,422,700	\$ 4,192,584	\$ 2,575,643,884	\$3,116,908,430	2.085
2002	14,208,000	2,171,575,000	274,770,200	24,652,300	89,276,800	340,179,300	4,065,120	2,578,547,420	3,563,040,044	2.265
2003	13,178,500	2,182,768,500	274,118,500	24,616,200	89,651,800	338,750,900	3,284,259	2,587,617,759	3,582,294,092	2.369
2004	13,884,300	2,196,846,700	274,001,100	24,616,200	89,651,800	338,060,300	3,345,752	2,602,345,852	4,032,636,060	2.477
2005	14,132,600	2,214,425,400	272,815,200	24,341,200	107,514,300	338,537,700	3,121,751	2,636,350,451	4,545,262,225	2.570
2006	12,228,400	2,252,561,700	273,763,900	23,682,500	89,433,700	339,526,100	2,651,670,200	2,723,194	5,083,024,439	2.690
2007	25,474,400	5,242,322,900	561,376,500	46,853,000	199,453,200	559,534,400	5,198,681	6,080,678,681	5,747,636,530	1.220
2008	29,911,100	5,239,172,100	575,765,100	45,394,000	198,441,100	558,851,200	5,118,294	6,093,801,694	6,176,343,931	1.250

Source: County Abstract of Ratables

<sup>a</sup> Tax rates are per \$100

## Note:

GASB requires that ten years of statistical data be presented. However, since the District implemented GASB 44 in fiscal year 2006, only eight years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is presented.

**TEANECK BOARD OF EDUCATION**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN YEARS**  
**(Unaudited)**  
*(rate per \$100 of assessed value)*

Calendar Year	Overlapping Rates				Total Direct and Overlapping Tax Rate
	Total Direct School Tax Rate	Municipality	County of Bergen		
1999	\$ 2.015	\$ 1.115	\$ 0.260	\$	3.390
2000	2.085	1.171	0.264		3.520
2001	2.180	1.189	0.271		3.640
2002	2.265	1.258	0.307		3.830
2003	2.369	1.328	0.293		3.990
2004	2.477	1.384	0.319		4.180
2005	2.570	1.473	0.337		4.380
2006	2.690	1.602	0.348		4.640
2007	1.220	0.758	0.172		2.150
2008	1.250	0.758	0.189		2.197

Source: County Abstract of Ratables

**TEANECK BOARD OF EDUCATION  
PRINCIPAL PROPERTY TAXPAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)**

Taxpayer	2008		1999	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Glenpointe Associates	\$ 56,210,100	0.92 %	\$ 70,440,300	2.72 %
Teaneck Limited PTNP	44,400,000	0.73	27,000,000	1.04
Glenpointe Associates III	43,186,000	0.71		
Glenpoint Associates II	40,714,500	0.67	23,253,400	0.90
Glenpointe Associates	31,324,200	0.51		
Givaudan-Roure Fragrance Corp.	15,266,400	0.25	7,613,200	0.29
Teaneck Garden Owners Corp.	16,500,000	0.27	7,600,000	0.29
Care One at Teaneck, LLC	14,568,000	0.24		
Glenpoint Associates II	13,469,200	0.22		
NJ Bell Telephone			7,500,000	0.29
Cedar Holding Assoc.			7,312,200	0.28
Bonanno Real Estate			5,505,800	0.21
Individual Taxpayer	11,348,700	0.19	5,350,000	0.21
Mipal Realty Co.			5,257,700	0.20
	<u>\$ 286,987,100</u>	<u>4.71 %</u>	<u>\$ 166,832,600</u>	<u>6.43 %</u>

Source: Municipal Tax Assessor



**TEANECK BOARD OF EDUCATION  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
1999	\$ 51,308,708	\$ 51,308,708	100%	N/A
2000	52,304,097	52,304,097	100%	N/A
2001	54,970,891	54,970,891	100%	N/A
2002	57,136,644	57,136,644	100%	N/A
2003	59,691,218	59,691,218	100%	N/A
2004	62,917,661	62,917,661	100%	N/A
2005	66,023,646	66,023,646	100%	N/A
2006	69,651,152	69,651,152	100%	N/A
2007	73,156,938	73,156,938	100%	N/A
2008	75,224,043	75,224,043	100%	N/A

N/A - Not Applicable

**TEANECK BOARD OF EDUCATION  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST SIX FISCAL YEARS  
(Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Capital Leases			
2003	\$ 23,091,000	\$1,467,767	\$ 24,558,767	39,003	\$ 630
2004	22,301,000	1,352,887	23,653,887	39,594	597
2005	21,541,000	919,390	22,460,390	39,530	568
2006	20,751,000	470,891	21,221,891	39,261	541
2007	19,946,000	-	19,946,000	39,141	510
2008	19,390,000	-	19,390,000	39,019	497

Source: District records

Note:

GASB requires that ten years of statistical data be presented. However, since the District implemented GASB 44 in fiscal year 2006, only six years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is presented.

**TEANECK BOARD OF EDUCATION**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST SIX FISCAL YEARS**  
**(Unaudited)**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property		Per Capita
	General Obligation Bonds	Deductions				
2003	\$ 23,091,000		\$ 23,091,000	0.89 %	\$	592
2004	22,301,000		22,301,000	0.86		563
2005	21,541,000		21,541,000	0.82		545
2006	20,751,000		20,751,000	0.78		529
2007	20,260,000		20,260,000	0.33		519
2008	19,390,000		19,390,000	0.32		497

Source: District records

Note:

GASB requires that ten years of statistical data be presented. However, since the District implemented GASB 44 in fiscal year 2006, only six years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is presented.

**TEANECK BOARD OF EDUCATION**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF JUNE 30, 2008**  
**(Unaudited)**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Direct Debt:			
Teaneck Board of Education	\$ 19,390,590	\$ 19,390,590	
Township of Teaneck (1)	<u>20,382,293</u>	<u>-</u>	<u>\$ 20,382,293</u>
	<u>\$ 39,772,883</u>	<u>\$ 19,390,590</u>	<u>20,382,293</u>
Overlapping Debt Apportioned to the Municipality:			
Bergen County:			
County of Bergen (A)			19,570,539
Bergen County Utilities Authority - Water Pollution (B)			<u>15,208,851</u>
			<u>34,779,390</u>
Total Direct and Overlapping Debt			<u>\$ 55,161,683</u>

## Source:

(1) Township of Teaneck's 2007 Annual Debt Statement

(A) The debt for this entity was apportioned to the Township of Teaneck by dividing the municipality's 2007 equalized value by the total 2007 equalized value for Bergen County.

(B) The debt was computed based upon usage

TEANECK BOARD OF EDUCATION  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(Unaudited)

	Fiscal Year Ended June 30,									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	\$ 104,493,709	\$ 106,829,175	\$ 111,052,456	\$ 119,189,578	\$ 129,686,118	\$ 143,839,794	\$ 160,202,419	\$ 179,884,210	\$ 202,472,510	\$ 224,704,147
Total Net Debt Applicable to Limit	5,783,000	5,523,590	17,069,590	24,617,363	30,929,363	30,139,363	29,379,363	20,751,590	19,946,000	19,390,590
Legal Debt Margin	\$ 98,710,709	\$ 101,305,585	\$ 93,982,866	\$ 94,572,215	\$ 98,756,755	\$ 113,700,431	\$ 130,823,056	\$ 159,132,620	\$ 182,526,510	\$ 205,313,557
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.53%	5.17%	15.37%	20.65%	23.85%	20.95%	18.34%	11.54%	9.85%	8.63%

Source: Annual Debt Statements

Legal Debt Margin Calculation June 30, 2008

Equalized Valuation Basis	
2007	\$ 6,136,848,485
2006	5,687,838,267
2005	5,028,124,308
	<u>\$ 16,852,811,060</u>
Average Equalized Valuation of Taxable Property	\$ 5,617,603,687
Debt Limit (4 % of average equalization value)	224,704,147
Less: Total Net Debt Applicable to Limit	19,390,590
Legal Debt Margin	<u>\$ 205,313,557</u>

**EXHIBIT J-14**

**TEANECK BOARD OF EDUCATION  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(Unaudited)**

<u>Year</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
1998	38,614	45,798	3.90%
1999	38,573	46,893	3.90%
2000	39,250	51,240	3.90%
2001	39,113	52,143	3.90%
2002	39,003	51,521	5.30%
2003	39,594	50,682	5.20%
2004	39,530	54,095	4.30%
2005	39,261	56,435	3.50%
2006	39,141	61,264	3.70%
2007	39,019	N/A	3.20%

Source: New Jersey State Department of Education

**TEANECK BOARD OF EDUCATION  
PRINCIPAL EMPLOYERS,  
CURRENT YEAR AND FIVE YEARS AGO  
(Unaudited)**

<b>Employer</b>	<b>2008</b>		<b>2003</b>	
	<b>Employees</b>	<b>Percentage of Total Municipal Employment</b>	<b>Employees</b>	<b>Percentage of Total Municipal Employment</b>
Aramark Educational Services			40	0.20%
Fairleigh Dickinson University	INFORMATION NOT AVAILABLE		700	3.52%
Givaudan Fragrance Corporation			135	0.68%
Glenpointe Associates			266	1.34%
Holy Name Hospital			900	4.53%
Teaneck Board of Education			790	3.98%
Teaneck Township			541	2.72%
US Postal Service			99	0.50%

\*\* Estimated

Source: Employer Surveys

**TEANECK BOARD OF EDUCATION  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST THREE FISCAL YEARS  
(Unaudited)**

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Instruction			
Regular	286.9	292.5	283.0
Special Education	107.0	97.5	106.0
Other Instruction	1.0	1.0	1.0
Support Services:			
Student & Instruction Related Services	94.1	91.0	91.0
General Administration	5.0	5.5	5.0
School Administrative Services	32.5	31.0	35.0
Plant Operations and Maintenance	116.5	112.5	115.0
Pupil Transportation	9.0	10.0	10.0
Business and Other Support Services	13.0	11.0	10.0
Community School	5.0	5.0	5.0
Total	<u>670</u>	<u>657</u>	<u>661</u>

Source: District Personnel Records

Note:

GASB requires that ten years of statistical data be presented. As a result of the implementatin of GASB 44 in fiscal year 2006 only three years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is presented.



**TEANECK BOARD OF EDUCATION  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year	Enrollment <sup>a</sup>	Operating Expenditures <sup>b</sup>	Cost Per Pupil <sup>c</sup>	Percentage Change	Teacher/Pupil Ratio				Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle School	Senior High School				
1999	4,453	60,645,571	13,619	11.98%					4,453	4,235	-3.07%	95.10%
2000	4,478	62,648,369	13,990	2.73%					4,478	4,267	0.56%	95.29%
2001	4,324	63,842,504	14,765	5.54%					4,324	4,267	-3.44%	98.68%
2002	4,367	65,953,639	15,103	2.29%					4,367	4,167	0.99%	95.42%
2003	4,465	71,213,304	15,949	5.60%		12.8	14.6	13.1	4,465	4,250	2.24%	95.18%
2004	4,387	73,469,230	16,747	5.00%	448.36	13.7	11.1	11.5	4,387	4,172	-1.75%	95.10%
2005	4,256	77,578,173	18,228	8.84%	436.00	13.7	11.1	11.5	4,256	4,065	-2.99%	95.51%
2006	4,526	80,563,388	17,800	-2.35%	400.30	11.3	9.8	10.9	4,257	4,047	0.03%	95.06%
2007	4,482	84,212,622	18,789	5.56%	401.80	10.7	9.3	11	4,147	3,935	-2.59%	94.89%
2008	4,245	90,858,394	21,404	13.92%	428.30	9.7	8.5	10	4,021	3,839	-3.03%	95.47%

Sources: District records

Note: a Enrollment based on annual October district count.

b Operating expenditures equal total expenditures less debt service and capital outlay.

c Cost per pupil represents operating expenditures divided by enrollment.

**TEANECK BOARD OF EDUCATION  
SCHOOL BUILDING INFORMATION  
LAST THREE FISCAL YEARS  
(Unaudited)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b><u>District Building</u></b>			
<b><u>Elementary</u></b>			
Bryant-Kindergarten/Pre-K (1926)			
Square Feet	47,438	47,438	47,438
Capacity (students)	475	475	475
Enrollment	345	345	288
Whittier (1921)			
Square Feet	55,118	55,118	55,118
Capacity (students)	656	656	656
Enrollment	411	411	373
Hawthorne (1925)			
Square Feet	49,373	49,373	49,373
Capacity (students)	648	648	648
Enrollment	374	374	371
Lowell (1934)			
Square Feet	47,106	47,106	47,106
Capacity (students)	536	536	536
Enrollment	375	375	327
<b><u>Middle School</u></b>			
Thomas Jefferson M.S. (1958)			
Square Feet	105,216	105,216	105,216
Capacity (students)	894	894	894
Enrollment	690	690	669
Ben Franklin M.S. (1957)			
Square Feet	100,202	100,202	100,202
Capacity (students)	727	727	727
Enrollment	611	611	558
<b><u>High School</u></b>			
Teaneck High School (1926)			
Square Feet	215,808	215,808	215,808
Capacity (students)	1,625	1,625	1,625
Enrollment	1,459	1,459	1,396
Eugene Field School (1955)			
Square Feet	24,877	24,877	24,877
Capacity (students)	25	25	25
Enrollment			

Source: District Records

**Note:**

GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB 44 in fiscal year 2006 only three years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is presented.

**TEANECK BOARD OF EDUCATION**  
**GENERAL FUND**  
**SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES**  
**LAST SEVEN YEARS**  
**(Unaudited)**

<u>School Facilities</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Teaneck Sr. High (#050)	\$ 546,108	\$ 865,247	\$ 646,694	\$ 535,018	\$ 570,400	\$ 490,756	\$ 618,357
Benjamin Franklin Middle School (#060)	264,780	162,554	400,951	210,450	192,554	226,142	294,547
Thomas Jefferson Middle School (#070)	264,780	144,260	237,793	257,414	188,874	251,812	319,761
Bryant (#080)	115,841	88,128	91,315	103,093	94,815	119,133	140,552
Hawthorne (#110)	132,390	112,417	137,997	168,560	194,952	116,255	133,688
Lowell (#130)	115,841	102,186	55,326	51,205	93,269	95,672	132,144
Whittier (#150)	148,939	97,886	131,603	188,417	167,690	146,222	196,666
Eugene Field (#999)	<u>66,195</u>	<u>74,397</u>	<u>90,778</u>	<u>141,906</u>	<u>126,913</u>	<u>48,802</u>	<u>63,721</u>
District-Wide Total	<u>\$ 1,654,874</u>	<u>\$ 1,647,075</u>	<u>\$ 1,792,457</u>	<u>\$ 1,656,063</u>	<u>\$ 1,629,467</u>	<u>\$ 1,494,794</u>	<u>\$ 1,899,436</u>

Source: District Records

Note:

Beginning in fiscal year 2002, the New Jersey State Department of Education required District's to report maintenance expenditures by location, therefore, ten years of data is not available.

**TEANECK BOARD OF EDUCATION  
INSURANCE SCHEDULE  
JUNE 30, 2008  
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - Selective Insurance Co.		
Property-Blanket Building/Contents	\$ 162,649,185	\$ 5,000
Comprehensive General Liability (each occurrence)	1,000,000	
Comprehensive Crime Coverage	100,000/400,000 Excess	5,000
Boiler and Machinery - Selective Insurance Company		
Blanket Property Damage	162,649,185	5,000
Umbrella Liability - American Alternate Insurance Company	9,000,000	10,000 Retention
Excess Umbrella - (Fireman's Fund)	50,000,000 Group Aggregate	
Educator's Professional Liability - Ace American Insurance	1,000,000	10,000 Ded for SBLL
School Board Legal/Employment Practices Liability		25,000 Ded for EPL
Pollution Coverage - American Safety Casualty Ins. Co.	3,000,000 20,000 Group Aggregate	15,000

Source: NESBIG/Burton Agency

## **SINGLE AUDIT SECTION**

# LERCH, VINCI & HIGGINS, LLP

EXHIBIT K-1

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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DEBRA GOLLE, CPA  
CINDY JANACEK, CPA, RMA

## 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

Honorable President and Members  
of the Board of Trustees  
Teaneck Board of Education  
Teaneck, New Jersey

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 Teaneck Board of Education as of and for the fiscal year ended June 30, 2008, which collectively comprise the Teaneck Board of Education's basic financial statements and have issued our report thereon dated September 15, 2008. 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 audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Teaneck Board of Education'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 Teaneck Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Teaneck Board of Education'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 Teaneck Board of Education's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the Teaneck Board of Education's financial statements that is more than inconsequential will not be prevented or detected by the Teaneck Board of Education'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 the Teaneck Board of Education'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 the Teaneck Board of Education'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.

We noted certain matters that we have reported to management of the Teaneck Board of Education in a separate report entitled, "Auditors' Management Report on Administrative Findings – Financial, Compliance and Performance" dated September 15, 2008.

This report is intended solely for the information and use of the Board of Trustees, management, the New Jersey State Department of Education and other 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.

  
 LERCH, VINCI & HIGGINS, LLP  
 Certified Public Accountants  
 Public School Accountants

  
 Gary J. Vinci  
 Public School Accountant  
 PSA Number CS00829

Fair Lawn, New Jersey  
 September 15, 2008

# LERCH, VINCI & HIGGINS, LLP

EXHIBIT K-2

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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 AND NEW JERSEY OMB CIRCULAR 04-04

Honorable President and Members  
of the Board of Trustees  
Teaneck Board of Education  
Teaneck, New Jersey

### Compliance

We have audited the compliance of the Teaneck Board of Education with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" and the "New Jersey State Aid/Grant Compliance Supplement" that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2008. Teaneck Board of Education'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 requirement of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Teaneck Board of Education's management. Our responsibility is to express an opinion on Teaneck Board of Education'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 New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Those standards and circulars 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 Teaneck Board of Education'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 Teaneck Board of Education's compliance with those requirements.



In our opinion, Teaneck Board of Education complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2008.

### Internal Control Over Compliance

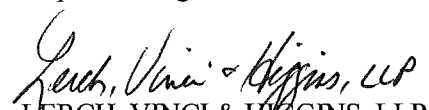
The management of Teaneck Board of Education is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered Teaneck Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal or state 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 the Board's internal control over compliance.


A control deficiency in the Board'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 or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Board's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the Board'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 or state program will not be prevented or detected by the Board'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 Trustees, management, the New Jersey State Department of Education and other 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.

  
 LERCH, VINCI & HIGGINS, LLP  
 Certified Public Accountants  
 Public School Accountants

  
 Gary J. Vinci  
 Public School Accountant  
 PSA Number CS00829

Fair Lawn, New Jersey  
 September 15, 2008

**TEANECK BOARD OF EDUCATION**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Federal CFDA Number	Federal/Grantor/Pass-Through Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2007	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year Balances	Adjustment Prior Year Orders	Balance, June 30, 2008 (Accounts Receivable)	Due to Grantor
	<b>U.S. Department of Education</b>											
	<b>Passed-through State Department of Education</b>											
	<b>Special Revenue Fund:</b>											
84.010	NCLB Title I	NCLB515008	9/1/07-8/31/08	\$ 272,397			\$ 272,397	\$ 95,629			\$ 176,768	
84.010	NCLB Title I, Carryover	NCLB515007	9/1/06-8/31/08	406,209	\$ 191,112	\$ 57,202	(57,202)	137,441			28,258	
84.010	NCLB Title I, Carryover	NCLB515006	9/1/05-8/31/06	330,922	11,861			9,010	\$ 3,531		2,851	
84.010	NCLB Title I, Carryover	NCLB515005	9/1/04-8/31/05	317,915	427				\$ 427			
84.010	NCLB Title III, Carryover	NCLB515007	9/1/07-8/31/08	25,060			25,060	9,410			15,650	
84.010	NCLB Title III, Carryover	NCLB515007	9/1/06-8/31/08	24,332	10,053	2,472		73		126	2,399	
84.010	NCLB Title III, Carryover	NCLB515007	9/1/06-8/31/07	24,332		(1,874)		8,305				
84.010	NCLB Title III, Carryover	NCLB515006	9/1/05-8/31/06	25,516	598	(598)						
84.010	NCLB Title III, Immigrant	NCLB515008	9/1/07-8/31/08	28,156			28,156	11,071			17,085	
84.186	NCLB Title V	NCLB515008	9/1/07-8/31/08	5,512			5,512	4,895			617	
84.186	NCLB Title V, Carryover	NCLB515007	9/1/06-8/31/08	6,437	327	(327)					471	
84.186	NCLB Title V	NCLB515007	9/1/06-8/31/07	6,437		(144)						
84.186	NCLB Title V	NCLB515006	9/1/05-8/31/06	11,217	144							
84.186	NCLB Title V	NCLB515005	9/1/04-8/31/05	15,842	70				70			
84.027	ID.E.A. Part B Basic	IDEA515008	9/1/07-8/31/08	1,043,159			1,043,159	801,166			241,993	
84.027	ID.E.A. Part B Basic	IDEA515007	9/1/06-8/31/08	981,804	222,328	(116,140)		21,171		160	102,889	
84.027	ID.E.A. Part B Basic, Carryover	IDEA515006	9/1/05-8/31/07	1,241,808	158,255	(7,920)		124,788				\$ 25,547
84.027	ID.E.A. Part B Basic, Carryover	IDEA515005	9/1/04-8/31/05	1,125,220	5,832				5,832			
84.173	ID.E.A. Part B, Preschool	IDEA515008	9/1/07-8/31/08	29,676			29,676	19,954			9,722	
84.173	ID.E.A. Part B, Preschool	IDEA515007	9/1/06-8/31/08	29,081	29,081	(29,081)					29,081	
84.173	ID.E.A. Part B, Preschool, Carryover	IDEA515006	9/1/05-8/31/06	47,733	2,512							2,512
84.173	ID.E.A. Part B, Preschool, Carryover	IDEA515005	9/1/04-8/31/05	45,404	1,531				1,531			
84.367	NCLB Title II- Part A	NCLB515008	9/1/07-8/31/08	147,646			147,646	107,521			40,125	
84.367	NCLB Title II- Part A, Carryover	NCLB515007	9/1/06-8/31/08	147,380	46,970	33,754		23,896		1,136	9,858	
84.367	NCLB Title II- Part A	NCLB515006	9/1/05-8/31/07	146,482	23,564	(24,021)		38,373		457		
84.367	NCLB Title II- Part A, Carryover	NCLB515005	9/1/04-8/31/06	145,291	596				596			
84.318	NCLB Title II- Part D	NCLB515008	9/1/07-8/31/08	1,880			1,880	1,581			299	
84.318	NCLB Title II- Part D, Carryover	NCLB515007	9/1/06-8/31/08	1,746	248	498		339			498	
84.318	NCLB Title II- Part D	NCLB515006	9/1/05-8/31/07	1,746	250	(250)		2,800				
84.318	NCLB Title II- Part D	NCLB515005	9/1/04-8/31/05	8,123	39				39			
84.184	NCLB Title IV	NCLB515008	9/1/07-8/31/08	13,910			13,910	9,001			4,909	
84.184	NCLB Title IV, Carryover	NCLB515007	9/1/06-8/31/08	14,908	5,478	3,480		339			3,141	
84.184	NCLB Title IV, Carryover	NCLB515006	9/1/05-8/31/07	14,908		(2,678)		2,800				
84.184	NCLB Title IV, Carryover	NCLB515005	9/1/04-8/31/05	16,494	108	(802)						
84.356A	Teacher Quality Enhancement	N/A	9/1/04-8/31/05	3,120	30				108			
N/A	Youth Program	N/A	9/1/05-8/31/06	14,550	(11,269)		11,269		30			
N/A	Youth Program	N/A	9/1/06-8/31/07	1,000	(850)		850					
N/A	Teach-Prep Grant	07-BV11-G06	9/1/07-8/31/08	229,000			182,082	192,149			\$ (10,067)	
84.215K	Fund for the Impvt of Educ. (FIE)	R215K020172	7/1/02-6/30/07	75,000	(15,135)		15,135					
	<b>Total Special Revenue Fund</b>			684,962	-	-	1,776,732	1,753,179	8,633	5,410	(10,067)	28,059
	<b>U.S. Department of Agriculture</b>											
	<b>Passed-through State Department of Education</b>											
	<b>Enterprise Fund:</b>											
10.555	Food Distribution Program	N/A	7/1/06-6/30/07	64,407	8,656			8,656			11,517	
10.555	Food Distribution Program	N/A	7/1/07-6/30/08	71,241			71,241	59,724				
10.555	School Breakfast Program	N/A	7/1/06-6/30/07	33,729	(2,925)			2,925				
10.555	School Breakfast Program	N/A	7/1/07-6/30/08	34,627			31,447	34,627			(3,180)	
10.555	National School Lunch Program	N/A	7/1/06-6/30/07	312,430	(20,844)			20,844				
10.555	National School Lunch Program	N/A	7/1/07-6/30/08	325,776			302,582	325,776				
	<b>Total Enterprise Fund</b>				(15,113)	-	429,039	428,783	-	-	(26,374)	-
	<b>Total Federal Financial Awards</b>			\$ 669,849	\$ -	\$ -	\$ 2,205,771	\$ 2,181,962	\$ 8,633	\$ 5,410	\$ (36,441)	\$ 28,059

**TEANECK BOARD OF EDUCATION**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Federal/Grantor/Pass-Through Grantor/ State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2007	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Interfund Adjustment	Balance, June 30, 2008			MEMO	
										(Accounts Receivable)	Deferred Revenue/ Interfund	Due to Grantor	GAAP Accounts Receivable	Cumulative Total Expenditures
State Department of Education														
General Fund:														
Transportation Aid	07-495-034-5120-014	7/1/06-6/30/07	\$ 1,351,777	\$ (41,616)		\$ 41,616	\$ 1,351,777			\$ (42,381)			\$	1,351,777
Transportation Aid	08-495-034-5120-014	7/1/07-6/30/08	1,351,777			1,309,396								
Special Education Aid	07-495-034-5120-011	7/1/06-6/30/07	3,431,277	(105,636)		105,636								
Special Education Aid	08-495-034-5120-011	7/1/07-6/30/08	3,431,277			3,323,701	3,431,277			(107,576)				3,431,277
Bilingual Education Aid	07-495-034-5120-008	7/1/06-6/30/07	111,104	(3,420)		3,420								
Bilingual Education Aid	08-495-034-5120-008	7/1/07-6/30/08	111,104			107,621	111,104			(3,483)				111,104
Consolidated Aid	07-495-034-5120-057	7/1/06-6/30/07	517,440	(15,599)		15,599								
Consolidated Aid	08-495-034-5120-057	7/1/07-6/30/08	506,682			490,797	506,682			(15,885)				506,682
Additional Formula Aid	07-495-034-5120-058	7/1/06-6/30/07	167,632	(4,634)		4,634								
Additional Formula Aid	08-495-034-5120-058	7/1/07-6/30/08	322,352			312,246	322,352			(10,106)				322,352
Extraordinary Aid	07-100-034-5062-032	7/1/06-6/30/07	356,965	(356,965)										
Extraordinary Aid	08-100-034-5120-473	7/1/07-6/30/08	319,297				319,297			(319,297)				319,297
Teacher Quality Mentoring	08-495-034-5120-052	7/1/07-6/30/08	12,592			12,592								12,592
Nonpublic Transportation Aid	07103190	7/1/06-6/30/07	126,819	(126,819)										
Nonpublic Transportation Aid	08103190	7/1/07-6/30/08	147,166				147,166			(147,166)			\$ (147,166)	147,166
On Behalf TPAF Pension System Contribution	08-495-034-5095-001	7/1/07-6/30/08	2,696,625			2,696,625								2,696,625
On Behalf TPAF Pension System Contribution	08-495-034-5095-006	7/1/07-6/30/08	2,511,961			2,511,961								2,511,961
Reimbursed TPAF Social Security Contribution	07-495-034-5095-002	7/1/06-6/30/07	2,371,489	(122,183)		122,183								
Reimbursed TPAF Social Security Contribution	08-495-034-5095-002	7/1/07-6/30/08	2,569,807			2,439,206	2,569,807			(130,601)			(130,601)	2,569,807
Instructional Supplemental Aid	08-495-034-5120-029	7/1/07-6/30/08		-	-	-	-	-	\$ 6,251	-	\$ 6,251	-	-	-
Total General Fund				(776,872)	-	13,981,017	13,980,640	-	6,251	(776,495)	6,251	-	(277,767)	13,980,640
Special Revenue Fund:														
Instructional Supp Aid	08-495-034-5120-029	7/1/07-6/30/08	176,145			167,338	171,145			(5,000)				171,145
Instructional Supp Aid	07-495-034-5120-029	7/1/06-6/30/07	176,145	(7,556)		8,807				(1,251)				
Targeted At-Risk Aid	08-495-034-5064-005	7/1/07-6/30/08	482,250			458,137	482,250			(24,113)				482,250
New Jersey Nonpublic Aid												\$ 6,090		41,025
Textbook Aid	08-100-034-5120-064	7/1/07-6/30/08	47,115			47,115	41,025	\$ 7,530						41,025
Textbook Aid	07-100-034-5120-064	7/1/06-6/30/07	36,835	7,530		63,227	57,283					5,944		57,283
Nursing Services	08-100-034-5120-070	7/1/07-6/30/08	63,227			33,480	28,568					4,912		28,568
Technology	08-100-034-5120-373	7/1/07-6/30/08	33,480											
Auxiliary Services														
Compensatory Education	08-100-034-5120-067	7/1/07-6/30/08	6,270			6,270	2,687	364				3,583		2,687
Compensatory Education	07-100-034-5120-067	7/1/06-6/30/07	909	364										
English as a Second Language	08-100-034-5120-067	7/1/07-6/30/08												
English as a Second Language	07-100-034-5120-067	7/1/06-6/30/07	4,568	3,959			210	3,959		(210)			(210)	210
Home Instruction	08-100-034-5120-067	7/1/07-6/30/08												
Handicapped Services														
Examination and Classification	08-100-034-5120-066	7/1/07-6/30/08	50,806			50,806	47,765					3,041		47,765
Examination and Classification	07-100-034-5120-066	7/1/06-6/30/07	52,205	7,350				7,350						
Corrective Speech	08-100-034-5120-066	7/1/07-6/30/08	13,857			13,857	6,045					7,812		6,045
Corrective Speech	07-100-034-5120-066	7/1/06-6/30/07	11,532	3,255				3,255						
Supplementary Instruction	08-100-034-5120-066	7/1/07-6/30/08	16,933			16,933	9,747					7,186		9,747
Supplementary Instruction	07-100-034-5120-066	7/1/06-6/30/07	21,806	8,177				8,177						
Governor's Autism Grant	07-FB01-H03	7/1/06-6/30/08	500,000	83,776					\$ 6,081			17,406		424,364
Forum	08-100-034-7500-068	7/1/07-6/30/08	303,408			351,913	424,364					5,647		297,761
Forum	06-100-054-7500-068	7/1/05-6/30/06	298,472	21		303,408	297,761	21	23			23		
Forum	07-100-054-7500-068	7/1/06-6/30/07	338,924	16,587				16,587						
NU Character Education Aid	05-100-034-5120-418	7/1/04-6/30/05	11,583	2				2						
NU Character Education Aid	06-100-034-5120-418	7/1/05-6/30/06	11,227	1,071				1,071		-	-	-	-	-
Total Special Revenue Fund				124,536	-	1,521,291	1,568,850	48,316	(147)	(33,130)	-	61,644	(210)	1,568,850

**TEANECK BOARD OF EDUCATION**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Federal/Grantor/Pass-Through Grantor/ State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2007	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Prior Year Adjustment	Balance, June 30, 2008				MEMO	
										(Accounts Receivable)	Deferred Revenue	Due to Grantor	GAAP Accounts Receivable	Cumulative Total Expenditures	
<b>Capital Projects</b>															
Economic Development Grant	SP200422		\$ 4,734,087	\$ (4,416,520)			\$ 74,259			\$ (4,710,416)	\$ 219,637		\$ (4,710,416)	\$ 4,514,450	
Economic Development Grant	SP200422-C1		1,520,875	(1,513,271)						(1,513,271)			(1,513,271)	1,520,875	
Economic Development Grant	SP200422-C2		1,622,790	(1,614,676)						(1,614,676)			(1,614,676)	1,614,676	
Economic Development Grant	SP202877		56,532	(56,532)						(56,532)			(56,532)	56,532	
NJ School Construction- EFCFA	5150-050-03-0908		411,704	(336,329)						(409,645)	73,316		(409,645)	338,388	
NJ School Construction- EFCFA	5150-110-04-1000		128,118	(98,006)						(127,477)	29,471		(127,477)	98,647	
NJ School Construction- EFCFA	5150-050-03-1292		194,800	(192,976)						(193,826)	850		(193,826)	193,950	
NJ School Construction- EFCFA	5150-050-04-1000		170,400	(152,676)						(169,548)	16,872		(169,548)	153,528	
NJ School Construction- EFCFA	various		290,376	(280,043)						(290,376)	10,333		(290,376)	280,043	
NJ School Construction- EFCFA	5150-150-05-1000		41,390	(33,468)						(41,390)	7,922		(41,390)	33,468	
NJ School Construction- EFCFA	5150-130-04-1000		88,954	(72,126)						(88,954)	16,828		(88,954)	72,126	
NJ School Construction- EFCFA	5150-060-05-1000		255,415	(249,031)						(254,139)	5,108		(254,139)	250,307	
<b>Total Capital Projects</b>				(9,015,654)			74,259			(9,470,250)	380,337		(9,470,250)	9,126,990	
<b>State Department of Agriculture Enterprise Fund:</b>															
School Breakfast Program	07-100-010-3360-096	7/1/06-6/30/07	3,241	(257)		\$ 257									
School Breakfast Program	08-100-010-3360-096	7/1/07-6/30/08	3,098			2,814	3,098			(284)			(284)	3,098	
National School Lunch Program	07-100-010-3360-067	7/1/06-6/30/07	18,814	(1,226)		1,226									
National School Lunch Program	08-100-010-3360-067	7/1/07-6/30/08	19,543			18,197	19,543			(1,346)			(1,346)	19,543	
<b>Total Enterprise Fund</b>				(1,483)		22,494	22,641			(1,630)			(1,630)	22,641	
<b>Sub-Total State Financial Assistance</b>				\$ (9,669,473)	\$ -	\$ 15,524,802	15,646,390	\$ 48,316	\$ 6,104	\$ (10,281,505)	\$ 386,588	\$ 61,644	\$ (9,749,857)	\$ 24,699,121	
<b>Less: On-Behalf TPAF Pension Contributions Not Subject to Single Audit and Major Program Determination</b>															
							(5,208,586)								
<b>Total State Financial Assistance Subject to Single Audit and Major Program Determination</b>							\$ 10,437,804								

The Notes to the Schedules of Federal Awards and State Financial Assistance are an Integral Part of the Statement

**TEANECK BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 GENERAL**

The accompanying schedules present the activity of all federal and state financial assistance programs of the Teaneck Board of Education. The Board of Education is defined in Note 1(A) to the Board's basic financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**NOTE 2 BASIS OF ACCOUNTING**

The accompanying schedules 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 Notes 1(C) to the Board's 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 a modified accrual basis with the exception of the revenue recognition of the deferred state aid payments in the current budget year, which is mandated pursuant to P.L. 2003 c.97.(A3521). For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain 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, which may include the deferred state aid payments, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$29,141 for the general fund and a decrease of \$29,933 for the special revenue fund. See the Notes to Budgetary Comparison Schedule for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 14,009,782	\$ 14,009,782
Special Revenue Fund	\$ 1,708,404	1,578,311	3,286,715
Capital Projects Fund		74,259	74,259
Food Service Fund	431,644	22,641	454,285
	<hr/>	<hr/>	<hr/>
Total Financial Assistance	\$ 2,140,048	\$ 15,684,993	\$ 17,825,041

**TEANECK BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

**NOTE 5 OTHER**

Revenues and expenditures reported under the U.S.D.A. Commodities Program represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$2,569,807 represent the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2008. The amount reported as TPAF Pension Contributions in the amount of \$2,511,961 and TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,696,625 represents the amount paid by the State on behalf of the District for the year ended June 30, 2008.

**NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT**

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions as well as on-behalf School Development Authority Educational Facility Construction and Financing Act Program payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's basic financial statements and the amount subject to State single audit and major program determination.

## Financial Statement Section

## Federal Awards Section

Identification of major federal programs:

Auditee qualified as low-risk auditee?	X	yes	no
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**TEANECK BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

*Part I – Summary of Auditor's Results*

**State Awards Section**

Internal Control over major programs:

- 1) Material weakness(es) identified \_\_\_\_\_ yes      X no
- 2) Significant deficiency(ies) identified  
that are not considered to be material  
weakness(es)? \_\_\_\_\_ yes      X none reported

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

Unqualified

Any audit findings disclosed that are required to be reported  
in accordance with N.J. Circular Letter 04-04?

\_\_\_\_\_ yes      X no

Identification of major state programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>495-034-5120-014</u>	<u>Transportation Aid</u>
<u>100-034-5120-473</u>	<u>Extraordinary Aid</u>
<u>495-034-5120-029</u>	<u>Instructional Supplement Aid</u>
<u>495-034-5064-005</u>	<u>Targeted At-Risk Aid</u>
<u>100-034-5065-090</u>	<u>Governors Autism Grant</u>
<u> </u>	<u> </u>

Dollar threshold used to distinguish between  
Type A and Type B programs:

\$ 313,134

Auditee qualified as low-risk auditee?

X yes      \_\_\_\_\_ no



**TEANECK BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

***Part 2 – Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

There are None.

**TEANECK BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

***Part 3 – Schedule of Federal and State 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 and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04, as amended.

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**CURRENT YEAR STATE AWARDS**

There are none.

**TEANECK BOARD OF EDUCATION  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (section .315(a)(b) and New Jersey OMB's Circular 04-04, as amended.

**STATUS OF PRIOR YEAR FINDINGS**

There were none.