

SYNOPSIS OF AUDIT REPORT FOR PUBLIC DISTRIBUTION

**MIDDLETOWN TOWNSHIP BOARD OF EDUCATION
COUNTY OF MONMOUTH**

As required by Title 18A:23-4, the following is a synopsis of the audit of the financial statements and supplementary data of the Governmental Activities for the year ended June 30, 2008.

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	2008	2007
Cash & Cash Equivalents	\$14,017,908	1,341,728	261,846	48,706	15,670,188	16,528,914
Cash on Hand with Fiscal Agent	3,079,902				3,079,902	8,400,000
Restricted Cash	607,974				607,974	1
Due From Other Funds	7,891			12,599	20,490	50,070
Receivables From Other Governments	598,965	72,167			671,132	329,445
Other Receivables	1,040,113	53,055			1,093,168	1,463,178
Total Assets	\$19,352,753	1,466,950	261,846	61,305	21,142,854	26,771,608
LIABILITIES & FUND BALANCES						
Liabilities:						
Accounts Payable	3,103,115	132,231			3,235,346	2,052,245
Intergovernmental - Accounts Payable		88,855			88,855	49,170
Other Liabilities	3,257,602	41,997			3,299,599	3,830,266
Interfund Payable		67	12,599		12,666	48,712
Deferred Revenue	3,079,902	1,203,800			4,283,702	9,641,342
Total Liabilities	9,440,619	1,466,950	12,599		10,920,168	15,621,735
Fund Balances:						
Reserved for:						
Encumbrances	2,624,227		44,174		2,668,401	4,492,911
Excess Surplus	2,298,801				2,298,801	2,135,879
Excess Surplus Designated for Subsequent Year	2,135,879				2,135,879	2,091,125
Capital Reserve	607,974				607,974	1
Unreserved - Reported in:						
Unrestricted - Designated for Subsequent Year's Expenditures	157,075			48,706	205,781	185,819
General Fund	2,088,178				2,088,178	1,928,401
Debt Service Fund				12,599	12,599	48,706
Capital Projects Fund			205,073		205,073	267,031
Total Fund Balances	9,912,134		249,247	61,305	10,222,686	11,149,873
Total Liabilities & Fund Balances	\$19,352,753	1,466,950	261,846	61,305	21,142,854	26,771,608

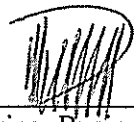
**MIDDLETOWN TOWNSHIP BOARD OF EDUCATION
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(With Comparative Totals for June 30, 2007)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	2008	2007
Revenues:						
Local Tax Levy	\$111,352,142			4,135,323	115,487,465	111,131,969
Tuition Charges	48,293				48,293	25,536
Miscellaneous	2,598,191	196,657	12,599		2,807,447	2,454,496
State Sources	36,087,919	1,226,529		1,794,000	39,108,448	37,843,623
Federal Sources	15,219	3,487,555			3,502,774	3,030,838
Total Revenues	150,101,764	4,910,741	12,599	5,929,323	160,954,427	154,486,462
Expenditures:						
Current:						
Regular Instruction	46,954,696	2,580,865			49,535,561	46,265,089
Special Education Instruction	13,959,547				13,959,547	13,427,985
Other Special Instruction	1,391,443				1,391,443	1,102,205
Other Instruction	2,083,033				2,083,033	1,811,801
Support Services & Undistributed Costs:						
Tuition	4,131,985				4,131,985	3,723,053
Attendance & Social Work Services	42,744				42,744	40,128
Health Services	1,825,537				1,825,537	1,857,619
Student & Instruction Related Services	8,576,175	2,083,556			10,659,731	9,662,581
Educational Media Services/ School Library	578,921				578,921	602,782
Instructional Staff Training	376,913				376,913	494,793
Other Administrative Services	1,767,363				1,767,363	1,836,249
Central Service	1,595,736				1,595,736	1,238,053
Administrative Information Technology Services	789,215				789,215	728,494
School Administrative Services	6,174,931				6,174,931	5,800,536
Plant Operations & Maintenance	13,120,492				13,120,492	12,364,925
Pupil Transportation	9,232,429				9,232,429	8,873,932
Unallocated Benefits	35,276,650				35,276,650	33,683,621
Debt Service:						
Principal				2,225,000	2,225,000	2,110,000
Interest				3,756,705	3,756,705	3,871,295
Capital Outlay	9,357,745	246,320	60,288		9,664,353	3,525,895
Total Expenditures	157,235,555	4,910,741	60,288	5,981,705	168,188,289	153,021,036
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(7,133,791)		(47,689)	(52,382)	(7,233,862)	1,465,426
Other Financing Sources/(Uses):						
Capital Leases (Non-Budgeted)	6,306,675				6,306,675	
Transfers In				12,599	12,599	48,712
Transfers Out			(12,599)		(12,599)	(48,712)
Total Other Financing Sources/ Uses	6,306,675		(12,599)	12,599	6,306,675	
Net Change in Fund Balances	(827,116)		(60,288)	(39,783)	(927,187)	1,465,426
Fund Balance - July 1	10,739,250		309,535	101,088	11,149,873	9,684,447
Fund Balance - June 30	\$9,912,134		249,247	61,305	10,222,686	11,149,873

RECOMMENDATIONS

2008-01 - School Food Service - That properly completed applications be on file for each student receiving free or reduced price meals.

The above synopsis was prepared from the report of audit of the Board of Education for the Township of Middletown, County of Monmouth, for the year ended June 30, 2008. This report of audit, submitted by Holman & Frenia, P.C., Kevin P. Frenia, Public School Accountant, 618 Stokes Road, Medford, New Jersey 08055, is on file at the Secretary's Office and may be inspected by any interested person.



William Doering, Business Administrator/Board Secretary