

WINDHAM NORTHEAST SUPERVISORY UNION

AUDIT REPORT AND FINANCIAL STATEMENTS

JUNE 30, 2009

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FOTHERGILL SEGALE & VALLEY

Certified Public Accountants



John E. (Jeff) Fothergill, CPA
Michael L. Segale, CPA
Sheila R. Valley, CPA
Teresa H. Kajenski, CPA
Jane M. Burroughs, CPA
Donald J. Murray, CPA

INDEPENDENT AUDITOR'S REPORT

March 16, 2010

To the Board of School Directors
Windham Northeast Supervisory Union
Bellows Falls, Vermont

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Windham Northeast Supervisory Union as of and for the year ended June 30, 2009, which collectively comprise the Supervisory Union's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Windham Northeast Supervisory Union's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Windham Northeast Supervisory Union as of June 30, 2009, and the respective changes in financial position, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2010, on our consideration of the Supervisory Union'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 on 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 on pages 3 through 7, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion of it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Supervisory Union's basic financial statements. The supplementary information in Schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,

Fothergill Segale & Valley, CPAs

FOTHERGILL SEGAL & VALLEY, CPAs
Vermont Public Accountancy License #110

WINDHAM NORTHEAST SUPERVISORY UNION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2009

Our discussion and analysis of Windham Northeast Supervisory Union's financial performance provides an overview of the Supervisory Union's financial activities for the fiscal year ended June 30, 2009. Please read it in conjunction with the Supervisory Union's financial statements which begin with Exhibit A.

Financial Highlights

Government-Wide Reporting:

- The Supervisory Union's net assets increased by \$13,499 during fiscal year 2009 as a result of this year's operations, which is an increase of approximately 3%.
- The total cost of all of the Supervisory Union's programs was \$3,822,948 for fiscal year 2009 which was \$21,467 less when compared to fiscal year 2008.

Governmental Funds Reporting:

- During fiscal year 2009, the General Fund reported a surplus of \$36,394 which was \$119,550 better than what was budgeted.
- The unreserved fund balance for the General Fund was \$169,550 as of June 30, 2009. This amount represents the amount of funds available for future budgets. \$181,312 is reserved for fiscal year 2010 expenditures.
- The Special Revenue Fund which reports the activities related to Federal, State and local grants had a deficit spending of \$(9,588) from fiscal year 2009 activities. The Special Revenue Fund Balance as of June 30, 2009 was \$126,039.

Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Exhibits A and B) provide information about the activities of the Supervisory Union as a whole and present a longer-term view of the Supervisory Union's finances. Fund financial statements starting with Exhibit C include only governmental activities. These statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Supervisory Union's operations in more detail than the government-wide statements by providing information about the Supervisory Union's most significant funds.

Reporting the Supervisory Union as a Whole

Our analysis of the Supervisory Union as a whole begins on Page 4. One of the most important questions asked about the Supervisory Union's finances is, "Is the Supervisory Union as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Supervisory Union as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.

WINDHAM NORTHEAST SUPERVISORY UNION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2009
(Continued)

These two statements report the Supervisory Union's net assets and changes in them. You can think of the Supervisory Union's net assets – the difference between assets and liabilities – as one way to measure the Supervisory Union's financial health, or financial position. Over time, increases or decreases in the Supervisory Union's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, to assess the overall health of the Supervisory Union.

All of the Supervisory Union's basic services are governmental activities. They include the administrative, fiscal, building, special education, medicaid supported and other services as well as the activity related to Federal, State and other grants that support Bellows Falls Union High School, Athens, Grafton, Rockingham, Westminster School Districts and the Athens/Grafton Contract School District. Assessments to the member School Districts and State and Federal grants finance most of these activities.

Reporting the Supervisory Union's Most Significant Funds

Governmental Funds

All of the Supervisory Union's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Supervisory Union's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Supervisory Union's programs.

The Supervisory Union as a Whole (Government-Wide Financial Statement Analysis)

Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the Supervisory Union's governmental type activities.

Table 1
Net Assets

	Governmental Activities		Net Change
	2009	2008	
Current and other assets	\$ 1,686,199	\$ 1,723,709	\$ (37,510)
Capital assets	43,360	56,667	(13,307)
Total current assets	<u>1,729,559</u>	<u>1,780,376</u>	<u>(50,817)</u>
Deferred revenue	827,674	734,036	93,638
Other liabilities - current	381,624	539,578	(157,954)
Total liabilities	<u>1,209,298</u>	<u>1,273,614</u>	<u>(64,316)</u>
Net assets:			
Unrestricted	350,862	314,468	36,394
Invested in Capital Assets, net of debt	43,360	56,667	(13,307)
Restricted	126,039	135,627	(9,588)
Total net assets	<u>\$ 520,261</u>	<u>\$ 506,762</u>	<u>\$ 13,499</u>

WINDHAM NORTHEAST SUPERVISORY UNION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2009
(Continued)

Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – changed from \$314,468 at June 30, 2008, to \$350,862 at June 30, 2009. Deferred revenue represents grant balances that are available for future expenses but only for specific purposes as specified by the particular grant. The largest decrease between current and prior year was in other liabilities – current. Due to a change in the teacher and support staff contracts, we no longer accrue salaries as of June 30th. Our current practice is to pay all the summer pays prior to June 30th.

Table 2
Change in Net Assets

	Governmental Activities 2009	2008	Net Change
REVENUE			
Program revenue:			
Operating grants	\$ 2,340,474	\$ 2,418,526	\$ (78,052)
General revenue:			
Assessments	1,434,982	1,481,829	(46,847)
Other general revenue	60,991	31,934	29,057
Total revenue	<u>3,836,447</u>	<u>3,932,289</u>	<u>(95,842)</u>
PROGRAM EXPENSES			
Administrative services	303,734	335,143	(31,409)
Fiscal services	284,706	372,706	(88,000)
Building services	60,896	61,064	(168)
Transportation services	100,199	60,898	39,301
Technology services	70,864	66,547	4,317
English language learner services	52,276	0	52,276
Other general services	106,648	55,207	51,441
Special education services	822,827	926,523	(103,696)
Other supported services	307,267	362,999	(55,732)
Title I program services	983,433	959,687	23,746
Title II program services	293,259	272,179	21,080
Reading program services	226,513	218,593	7,920
Other state/federal program services	152,326	86,869	65,457
On behalf payments	58,000	66,000	(8,000)
Total program expenses	<u>3,822,948</u>	<u>3,844,415</u>	<u>(21,467)</u>
Increase in net assets	<u>\$ 13,499</u>	<u>\$ 87,874</u>	<u>\$ (74,375)</u>

The Supervisory Union's total revenues decreased by \$95,842, of which \$46,847 was a decrease in assessments and \$78,052 was a decrease in operating grants. The assessments went down this year due to a concerted effort to keep assessments as low as possible to help minimize the budgets in the local town school districts. The operating grants vary from year to year depending on our population and the needs of our population. The current year decrease in expenses was due to a change in how we reported our grant costs. In prior years, we reimbursed the general fund from grants revenues for the salaries of individuals who worked for the grants (CFG and IDEA). In the current year, we charged the salary of these individuals directly to the grant eliminating the need for reimbursements. This reduced the expenses in Administrative services, Fiscal services, Special Education services, and other support services.

WINDHAM NORTHEAST SUPERVISORY UNION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2009
(Continued)

Table 3 presents the cost of each of the Supervisory Union's four largest programs that were funded from general revenue – Administrative services, Special Education services, Fiscal services and Transportation services. The net cost shows the financial burden that was placed on the Supervisory Union's members by each of these functions.

Table 3

	Governmental Activities			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2009	2009	2008	2008
Administrative services	\$ 303,734	\$ 303,734	\$ 335,143	\$ 335,143
Special education services	822,827	494,063	926,523	538,770
Fiscal services	284,706	284,206	372,706	270,550
Other services	390,883	390,883	243,716	243,716
Federal & State Grant programs	1,962,798	9,588	1,900,327	37,710
On behalf payments	58,000	0	66,000	0
	<u>\$ 3,822,948</u>	<u>\$ 1,482,474</u>	<u>\$ 3,844,415</u>	<u>\$ 1,425,889</u>

The Supervisory Union's Funds (*Fund Financial Statement Analysis*) –

As the Supervisory Union completed the year, its governmental funds (as presented in the Balance Sheet on Exhibit C) reported a combined fund balance of \$476,901, which is greater than last year's total by \$26,806. Included in this year's total change in fund balance is a surplus of \$36,394 in the Supervisory Union's General Fund and a deficit spending of \$(9,588) in the Supervisory Union's Special Revenue Fund.

General Fund Budgetary Highlights –

Quarterly financial reports reviewed by the Board of School Directors served as the vehicle for monitoring actual results compared to the budget for the fiscal year. Exhibit G has a comparison of actual to budget that shows where the favorable and unfavorable variances arose during the year. Some of the larger variances are as follows:

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
General administration revenue	\$ 67,984	\$ 500	\$ (67,484)
Expenditures:			
Assistant Superintendent	173,124	127,735	45,389
Fiscal services	316,912	264,706	52,206
Building services	81,804	60,896	20,908
Special education -			
Speech Services	212,853	185,823	27,030
Physical Therapy	46,900	24,429	22,471
Other general expenditures	67,195	106,648	(39,453)

WINDHAM NORTHEAST SUPERVISORY UNION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2009
(Continued)

The reason for many of these variances is due to a change in the funding of salaries for the grant funded positions. In previous years, the grant funded positions were paid for by the general fund and reimbursed by the each designated grant. In the current year, the position was funded by the grant, eliminating the need to reimburse the general fund. As a result, this eliminated additional revenue. This procedure also decreased the expenses charged to the assistant superintendent, fiscal services, and special education areas. Building services were lower then anticipated due to a less costly employee and saving money in the area of relocation costs. Other general expenditures were over expended due to a high rate of unemployment claims.

Capital Asset

During fiscal year June 30, 2009, the Supervisory Union invested \$6,806 in some new laptops for the special education program. The total equipment and software purchases through June 30, 2009 was \$66,806 of which \$23,446 was depreciated on the government wide statements resulting in net capital assets of \$43,360.

Economic Factors and Next Year's Budgets and Rates

The Supervisory Union's elected and appointed officials considered many factors when setting the 2009/2010 budget for school operations. Needs for services as defined by each of our member schools, efficiencies to be gained by providing resources centrally, implications to schools tax rates and the local economic climate all weigh into the discussion. The Board tried very hard to keep the assessments as low as possible due to the downward economic factors. One of those factors was the unemployment in the region – which in December of 2009 stood at 5.3% compared with 6.2% the year prior. This compared favorably with the State's unemployment rate in December 2009 of 5.9 % and the national rate of 10.0% for the same month. The School Board approved a budget of \$2,153,623 for fiscal year 2010, incorporating \$181,312 from the surplus in order to reduce the amount of assessments from each of the member districts.

Contacting the Supervisory Union's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Supervisory Union's finances and to show the Supervisory Union's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Windham Northeast Supervisory Union office at Windham Northeast Supervisory Union, 25 Cherry Street, Bellows Falls, Vermont.

STATEMENT OF NET ASSETS

JUNE 30, 2009

	<u>Governmental Activities</u>	
ASSETS		
Cash	\$ 1,276,593	
Due from State of Vermont	300,376	
Due from other Districts	101,372	
Due from others	7,858	
Property & equipment (net of allowance for depreciation of \$23,446)	<u>43,360</u>	
Total assets		1,729,559
LIABILITIES		
Accounts payable	40,853	
Due to other Districts	340,771	
Deferred revenue	<u>827,674</u>	
Total liabilities		<u>1,209,298</u>
NET ASSETS		
Unrestricted	350,862	
Invested in capital assets, net of related debt	43,360	
Restricted:		
EPSDT program	125,563	
Various other grant programs	<u>476</u>	
Total net assets		<u><u>\$ 520,261</u></u>

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2009

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Operating Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Assets Governmental Activities</u>
Governmental Activities:			
Administrative services	\$ 303,734	\$ 0	\$ (303,734)
Fiscal services	284,706	500	(284,206)
Building services	60,896	0	(60,896)
Transportation services	100,199	0	(100,199)
Technology services	70,864	0	(70,864)
English language learner services	52,276	0	(52,276)
Other general expenses	106,648	0	(106,648)
Special education services	822,827	328,764	(494,063)
Other supported services	307,267	297,802	(9,465)
Title I program services	983,433	983,433	0
Title II program services	293,259	293,259	0
Reading program services	226,513	226,513	0
Other State and Federal program services	152,326	152,203	(123)
On behalf payments	58,000	58,000	0
	<u>\$ 3,822,948</u>	<u>\$ 2,340,474</u>	<u>(1,482,474)</u>
Total governmental activities			
General Revenues:			
Assessments			1,434,982
Interest income			8,135
Transportation reimbursements			36,282
Miscellaneous income			16,574
			<u>1,495,973</u>
Total general revenues			
Change in net assets			13,499
Net assets - July 1, 2008			<u>506,762</u>
Net assets - June 30, 2009			<u>\$ 520,261</u>

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2009

	General Fund	Special Revenue Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash	\$ 267,337	\$ 1,009,256	\$ 1,276,593
Due from State of Vermont	38,500	261,876	300,376
Due from other Districts	77,818	23,554	101,372
Due from others	1,538	6,320	7,858
Due from other funds	780,079	0	780,079
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 1,165,272</u>	<u>\$ 1,301,006</u>	<u>\$ 2,466,278</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 15,451	\$ 25,402	\$ 40,853
Due to other Districts	41,537	299,234	340,771
Deferred revenue	757,422	70,252	827,674
Due to other funds	0	780,079	780,079
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>814,410</u>	<u>1,174,967</u>	<u>1,989,377</u>
Fund Balances			
Unreserved	169,550	0	169,550
Reserved:			
For FY10 expenditures	181,312	0	181,312
EPSDT program	0	125,563	125,563
Various other grant programs	0	476	476
	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>350,862</u>	<u>126,039</u>	<u>476,901</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 1,165,272</u>	<u>\$ 1,301,006</u>	<u>\$ 2,466,278</u>

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS

JUNE 30, 2009

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$ 476,901
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Amounts reported for governmental activities in the
statement of net assets are different because:

Capital assets used in governmental activities are not
financial resources and therefore are not reported as
assets in governmental funds. The cost of the assets is
\$66,806 and the accumulated depreciation is \$23,446.

<u>43,360</u>

TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES	\$ <u>520,261</u>
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STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2009

	General Fund	Special Revenue Fund	Total
REVENUES			
Assessments	\$ 1,434,982	\$ 0	\$ 1,434,982
Federal revenue	2,525	1,955,725	1,958,250
State and local revenue	232,728	90,996	323,724
Grant administrative revenue	500	0	500
Transportation reimbursements	36,282	0	36,282
Other revenue	16,574	0	16,574
Investment income	8,135	0	8,135
On behalf payments	58,000	0	58,000
	<u>1,789,726</u>	<u>2,046,721</u>	<u>3,836,447</u>
EXPENDITURES			
Current			
Administrative services	303,734	0	303,734
Fiscal services	264,706	0	264,706
Building services	60,896	0	60,896
Transportation services	100,199	0	100,199
Technology services	70,864	0	70,864
English language learner services	52,276	0	52,276
Other general expenses	106,648	0	106,648
Special education services	500,756	321,958	822,714
Other supported services	235,253	72,014	307,267
Title I program services	0	983,433	983,433
Title II program services	0	293,259	293,259
Reading program services	0	226,513	226,513
Other State and Federal program services	0	152,326	152,326
Capital outlay	0	6,806	6,806
On behalf payments	58,000	0	58,000
	<u>1,753,332</u>	<u>2,056,309</u>	<u>3,809,641</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	36,394	(9,588)	26,806
FUND BALANCES - JULY 1, 2008	<u>314,468</u>	<u>135,627</u>	<u>450,095</u>
FUND BALANCES - JUNE 30, 2009	<u>\$ 350,862</u>	<u>\$ 126,039</u>	<u>\$ 476,901</u>

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2009

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 26,806

Amounts reported for governmental activities in the statement of
activities 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.

Depreciation expense of \$(20,113) is reported in the period and asset
purchases of \$6,806.

(13,307)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

\$ 13,499

WINDHAM NORTHEAST SUPERVISORY UNION
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 COMPARED TO BUDGET - GENERAL FUND
 YEAR ENDED JUNE 30, 2009

EXHIBIT G

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Assessments:			
Athens/Grafton Consolidated School District	\$ 100,106	\$ 100,106	\$ 0
Rockingham School District	661,615	661,615	0
Westminster School District	234,728	234,728	0
Bellows Falls Union High School	438,533	438,533	0
Federal revenue - food reimbursements	0	2,525	2,525
State revenue - Medicaid	248,287	232,728	(15,559)
Grant administration revenues	67,984	500	(67,484)
Transportation reimbursements	39,285	36,282	(3,003)
Miscellaneous revenues	2,544	16,574	14,030
Investment income	10,000	8,135	(1,865)
TOTAL REVENUES	<u>1,803,082</u>	<u>1,731,726</u>	<u>(71,356)</u>
EXPENDITURES			
<i>Administrative services</i>			
Superintendent:			
Salaries	130,156	138,953	(8,797)
Benefits	39,523	26,332	13,191
Professional services	2,350	1,162	1,188
Dues	3,500	3,835	(335)
Travel and conference	5,000	1,859	3,141
Supplies and books	1,600	1,109	491
Other	1,940	481	1,459
Total Superintendent	<u>184,069</u>	<u>173,731</u>	<u>10,338</u>
Assistant Superintendent:			
Salaries	125,853	99,387	26,466
Benefits	41,581	24,875	16,706
Professional services	1,600	2,043	(443)
Travel and conference	3,000	831	2,169
Supplies and books	600	488	112
Other	490	111	379
Total Assistant Superintendent	<u>173,124</u>	<u>127,735</u>	<u>45,389</u>
School Board:			
Salaries and benefits	970	700	270
Professional services	10,000	1,568	8,432
Total School Board	<u>10,970</u>	<u>2,268</u>	<u>8,702</u>
<i>Fiscal Services</i>			
Salaries	198,133	150,664	47,469
Benefits	87,099	67,006	20,093
Travel and conference	1,750	1,031	719
Advertising and communication	1,000	10	990
Supplies and books	5,900	3,379	2,521
Professional services	5,000	10,754	(5,754)
Audit and consulting services	15,000	18,270	(3,270)
Financial system update	2,000	12,390	(10,390)
Other	1,030	1,202	(172)
Total Fiscal Services	<u>316,912</u>	<u>264,706</u>	<u>52,206</u>

WINDHAM NORTHEAST SUPERVISORY UNION
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 COMPARED TO BUDGET - GENERAL FUND
 YEAR ENDED JUNE 30, 2009

EXHIBIT G

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Building Services</i>			
Salaries	11,172	5,799	5,373
Benefits	2,278	975	1,303
Professional services	8,000	0	8,000
Water and sewer	725	859	(134)
Disposal services	1,200	1,651	(451)
Snow plowing and lawn care services	1,236	75	1,161
Repairs & maintenance	6,000	4,806	1,194
Relocation cost	10,000	5,255	4,745
Building rental	17,000	17,000	0
Supplies	500	1,179	(679)
Heat and electricity	23,693	23,297	396
Total Building Services	81,804	60,896	20,908
<i>Transportation Services</i>			
Salaries	64,817	64,365	452
Benefits	39,334	32,108	7,226
Travel	2,500	2,675	(175)
Supplies and books	800	819	(19)
Professional services	500	75	425
Communications	300	157	143
Other	225	0	225
Total Transportation Services	108,476	100,199	8,277
<i>Technology Services</i>			
Salaries	57,692	57,694	(2)
Benefits	6,799	6,108	691
Travel	500	152	348
Professional services	10,000	6,910	3,090
Total Technology Services	74,991	70,864	4,127
<i>English Language Learner Services</i>			
Salaries	39,561	40,660	(1,099)
Benefits	13,708	11,360	2,348
Travel	500	41	459
Supplies and books	350	215	135
Total English Language Learners Services	54,119	52,276	1,843
<i>Special education services</i>			
Behavioral Services:			
Salaries	47,452	42,069	5,383
Benefits	16,589	11,737	4,852
Travel and conference	750	606	144
Supplies and books	1,000	846	154
Other	500	1,365	(865)
Total Behavioral Services	66,291	56,623	9,668
Speech Services:			
Salaries	122,159	113,286	8,873
Benefits	48,244	52,468	(4,224)
Travel and conference	4,000	3,896	104
Contracted services	30,500	11,028	19,472
Supplies and books	6,650	4,627	2,023
Other	1,300	518	782
Total Speech Services	212,853	185,823	27,030

WINDHAM NORTHEAST SUPERVISORY UNION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET - GENERAL FUND
YEAR ENDED JUNE 30, 2009

EXHIBIT G

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Occupational Therapy:			
Salaries	53,556	53,367	189
Benefits	12,647	24,615	(11,968)
Contracted Services	3,000	0	3,000
Travel and conference	1,600	2,585	(985)
Supplies and books	3,400	2,683	717
Total Occupational Therapy	<u>74,203</u>	<u>83,250</u>	<u>(9,047)</u>
Physical Therapy:			
Contracted Services	44,000	21,190	22,810
Travel	2,000	2,475	(475)
Supplies and books	900	764	136
Total Physical Therapy	<u>46,900</u>	<u>24,429</u>	<u>22,471</u>
Essential Early Education:			
Salaries	72,530	68,198	4,332
Benefits	21,824	20,517	1,307
Travel and conference	1,500	2,375	(875)
Supplies and books	4,200	2,786	1,414
Other	250	85	165
Total Essential Early Education	<u>100,304</u>	<u>93,961</u>	<u>6,343</u>
Other Special Education (Administration):			
Salaries	29,171	37,407	(8,236)
Benefits	20,769	11,472	9,297
Travel and conference	6,000	3,424	2,576
Supplies and books	5,800	2,475	3,325
Advertising and communication	3,000	1,433	1,567
Other	1,000	459	541
Total Other Special Education	<u>65,740</u>	<u>56,670</u>	<u>9,070</u>
Other supported services			
Early Childhood Education:			
Salaries	92,804	92,894	(90)
Benefits	40,701	40,066	635
Professional services	7,320	1,926	5,394
Travel and conference	1,060	466	594
Supplies and books	7,740	5,843	1,897
Lease	17,000	17,000	0
Other	1,550	2,410	(860)
Total Early Childhood Education	<u>168,175</u>	<u>160,605</u>	<u>7,570</u>
Medicaid Clerk:			
Salaries	21,902	20,524	1,378
Benefits	17,419	18,097	(678)
Supplies & other cost	650	437	213
Total Medicaid Clerk	<u>39,971</u>	<u>39,058</u>	<u>913</u>
Athen/Grafton Early Education Center:			
Salaries	24,736	24,751	(15)
Benefits	10,840	8,074	2,766
Supplies & other cost	4,565	2,765	1,800
Total Athen/Grafton Early Education Center	<u>40,141</u>	<u>35,590</u>	<u>4,551</u>

WINDHAM NORTHEAST SUPERVISORY UNION
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 COMPARED TO BUDGET - GENERAL FUND
 YEAR ENDED JUNE 30, 2009

EXHIBIT G

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<i>Other general expenditures</i>			
Repairs and maintenance	6,000	0	6,000
Legal services	9,270	930	8,340
Unemployment compensation	2,000	43,110	(41,110)
Workmens compensation insurance	0	12,943	(12,943)
Equipment lease	6,825	4,063	2,762
Communications	18,000	16,975	1,025
Advertising	6,500	10,278	(3,778)
Printing	2,000	761	1,239
Supplies and equipment	14,500	3,922	10,578
Water	1,500	1,414	86
Other	600	12,252	(11,652)
Total Other general expenditures	<u>67,195</u>	<u>106,648</u>	<u>(39,453)</u>
TOTAL EXPENDITURES	<u>1,886,238</u>	<u>1,695,332</u>	<u>190,906</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (83,156)</u>	36,394	<u>\$ 119,550</u>
FUND BALANCE - JULY 1, 2008		<u>314,468</u>	
FUND BALANCE - JUNE 30, 2009		<u>\$ 350,862</u>	

STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2009

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 11,953
LIABILITIES	
Due to other organizations	<u>11,953</u>
NET ASSETS	<u><u>\$ 0</u></u>

WINDHAM NORTHEAST SUPERVISORY UNION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

Windham Northeast Supervisory Union operates under the authority of the Vermont Education Laws. The Supervisory Union provides oversight and grant administration to the following schools:

Town of Athens School District
Town of Grafton School District
Athens/Grafton Consolidated School District
Town of Rockingham School District
Town of Westminster School District
Bellows Falls Union High School #27

The Supervisory Union is governed by a Board of School Directors. Windham Northeast Supervisory Union, for financial reporting purposes, consists only of the funds of the Supervisory Union. The Supervisory Union's elected Board of Directors has no oversight responsibility for any other governmental entity. Control or dependence on the Board was determined on the basis of budget adoptions, designation of management, influence over operations, and accountability for fiscal matters.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Supervisory Union's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is primarily responsible for establishing GAAP for state and local governments through its pronouncements (including Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Supervisory Union are discussed below.

Reporting Entity

The Supervisory Union's basic financial statements include the accounts of all its operations. The criteria for including organizations as component units within the Supervisory Union's reporting entity are set forth in GASB 14 as amended by GASB 39 and Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards.

Based on the criteria, the Supervisory Union has no component units.

Basic Financial Statements – Government-Wide Statements

The Supervisory Union's basic financial statements include both government-wide (reporting the Supervisory Union as a whole) and fund financial statements (reporting the Supervisory Union's major funds). The government-wide financial statements categorize primary activities as either governmental or business type. All of the activities of the Supervisory Union are governmental activities.

In the government-wide Statement of Net Assets, the governmental activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Supervisory Union's net assets are reported in three parts – investment in capital assets, net of related debt, restricted net assets and unrestricted net assets.

WINDHAM NORTHEAST SUPERVISORY UNION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Supervisory Union first utilizes restricted resources to finance qualifying activities for which both restricted and unrestricted resources are available.

The government-wide Statement of Activities reports both the gross and net cost of each of the Supervisory Union's governmental functions. The functions are also supported by general government revenue (assessments, state and federal grants, and other local revenue). The Statement of Activities reduces gross expenses (including depreciation) by related program revenue, including operating and capital grants. Program revenue must be directly associated with the governmental function (administration services, fiscal services, special education services, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by governmental function) are normally covered by general revenue (assessments, interest income, and miscellaneous income).

This government-wide focus is more on the sustainability of the Supervisory Union as an entity and the change in the Supervisory Union's net assets resulting from the current year's activities.

Basic Financial Statements – Fund Financial Statements

The financial transactions of the Supervisory Union are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenue and expenditures. The various funds are reported by major fund within the financial statements.

The emphasis in fund financial statements is on the major funds in either of the governmental categories. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category/type or the governmental and enterprise funds combined) for the determination of major funds. All the funds presented are major funds.

Governmental Funds

The funds used by the Supervisory Union are Governmental Funds. The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Supervisory Union:

General Fund is the main operating fund of the Supervisory Union. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*Fiduciary Funds*

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support School District programs. The reporting focus is on net assets and changes in net assets and are reported using accounting principles similar to proprietary funds.

The Supervisory Union's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Basis of Accounting

Basis of accounting refers to the point at which revenue or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual - Governmental activities in the government-wide financial statements and the fiduciary fund financial statements are presented on the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when liabilities are incurred.

Modified Accrual - The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within six months after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, are recognized when due.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets, which consist of equipment, is provided on the straight-line basis over the estimated useful lives of three to five years.

Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenue and expenditures. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund activities are treated as transfers. Transfers between funds are netted in preparation of the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Net Assets

Government-wide net assets are divided into three components:

Investment in capital assets, net of related debt – consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

Restricted net assets – consist of net assets that are restricted by the state enabling legislation, by grantors, and by other contributions.

Unrestricted net assets – all other net assets are reported in this category.

Governmental Fund Balances

Governmental fund balances are reported as “reserved” when balances are not available for appropriation or expenditures (for example because they represent supplies inventory or prepaid) or because they are legally segregated for a specific use. The remaining balances are “unreserved” fund balances.

On Behalf Payments

On behalf payments are contributions made by the State of Vermont to the State Teachers' Retirement System on behalf of the School District's teaching employees. The General Fund budget does not include on behalf payments as a revenue or expense.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budget Adoption and Comparisons

The Supervisory Union follows these procedures in establishing the budgetary data reflected in the financial statements:

The operating budget is prepared in December for the fiscal year commencing the following July 1 by the District's administration with direction from the Board, and approved by the Windham Northeast Supervisory Union Board at a properly warned meeting. The operating budget includes proposed expenditures by line item and the means of financing them. Budgetary integration is employed as a management control device during the year for the governmental funds. Unspent appropriations lapse at year end.

The Supervisory Union is not legally required to adopt a budget for the Special Revenue Fund. Therefore, a budgetary comparison is not presented for this fund.

WINDHAM NORTHEAST SUPERVISORY UNION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

(Continued)

NOTE 2 – DEPOSITS

The Treasurer invests excess cash according to policies established by the Board.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Supervisory Union’s deposits may not be returned to it. As of June 30, 2009, none of the Supervisory Union’s bank balance of \$1,160,092 was exposed to custodial credit risk.

NOTE 3 – CAPITAL ASSETS

The summary of capital assets as of June 30, 2009 is as follows:

	Equipment	Accum. Depreciation	Total
Book Value at June 30, 2008	\$ 60,000	\$ (3,333)	\$ 56,667
Additions	6,806	0	6,806
Depreciation	0	(20,113)	(20,113)
Book Value at June 30, 2009	\$ 66,806	\$ (23,446)	\$ 43,360

Of the \$20,113 depreciation expense, \$20,000 was included in fiscal services and \$113 was included in the special education services expense in the statement of activities.

NOTE 4 – ACCOUNTS RECEIVABLE AND DEFERRED REVENUE

Accounts receivable from the State of Vermont and deferred revenue consisted of the following as of June 30, 2009:

	Accounts Receivable	Deferred Revenue
Title I grant	\$ 129,706	\$ 0
Title II grant	0	55,738
Title IV	12,674	6,350
IDEA B grant	38,328	0
Reading First grant	30,400	0
Medicaid	38,500	757,422
EPSDT	42,767	0
Other State grants	8,001	8,164
	\$ 300,376	\$ 827,674

Revenue from federal, state and other grants, designated for payment of specific Supervisory Union expenditures, are recognized in the Special Revenue Funds when the related expenditures are incurred. Any excess receipts or expenditures as of the fiscal year end are recognized as deferred revenue or accounts receivable, respectively.

WINDHAM NORTHEAST SUPERVISORY UNION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

(Continued)

NOTE 5 – CONCENTRATION OF SUPPORT

The Supervisory Union receives the majority of its revenue from assessments to member schools. Additionally, the Supervisory Union receives revenues from the State of Vermont as aid to education and as special education grants.

NOTE 6 – ASSESSMENTS FROM MEMBER SCHOOLS

The member School Districts of Windham Northeast Supervisory Union are billed for their appropriate share of expenses relating to the Windham Northeast Supervisory Union. The assessments are based upon a ratio of the number of students in each district as of the October 1st ADM count in relation to the total student count in all districts for students. The assessment rates are then multiplied by the total expenses in the category to be assessed minus any grant funding to determine each district's assessments. All categories use student counts for Grades K-12 except the Early Essential Education category which uses student counts for K-8 only.

NOTE 7 – PENSION AND RETIREMENT PLANS

State Teachers' Retirement System of Vermont

The teachers and other teacher-certified employees in the Union are covered by the State Teachers' Retirement System, which is a single employer public employees' retirement system. Vermont State statutes provide the authority under which benefit provisions and the State's obligation to contribute are established. Required contributions to the System are made by the State of Vermont based upon a valuation report prepared by the System's actuary.

The contribution amount made by the State on behalf of the participants in the State Teachers' Retirement System is approximately \$58,000. The amount is estimated based on prior year's contribution percentage.

Teachers become members of the retirement system upon employment. All teachers in this Union are Group C members and are required to contribute at a rate of 3.54% of earnable compensation. Vesting occurs upon reaching five years of creditable service. Of the Union's total payroll of \$1,493,383, \$787,267 was covered under the Vermont State Teachers' Retirement System.

The State of Vermont issues an audited Financial Report that includes financial statements and required disclosures. This report may be obtained by writing the State of Vermont, Auditor of Accounts, 132 State Street, Montpelier, VT 05602.

Vermont Municipal Employees' Retirement System

All other full-time employees who are not eligible to participate in the State Teachers' Retirement System are eligible for coverage by the Vermont Municipal Employees' Retirement System plan (the Plan). The Vermont Municipal Employees' Retirement System is a cost sharing multiple-employer plan. Vermont State statutes provide the authority under which benefit provisions and the obligation to contribute are established. The Supervisory Union and employees make required contributions to the Plan based upon a valuation report prepared by the Plan's actuary.

WINDHAM NORTHEAST SUPERVISORY UNION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

(Continued)

NOTE 7 – PENSION AND RETIREMENT PLANS (Continued)

The Supervisory Union participates in the Group B levels of contributions and benefits of the plan. Under Group B, the employee contributions are 4.5% of gross pay and employer contributions are 5%. Of the Union's total payroll of \$1,493,383, \$531,444 was covered under the Plan. Total employer contributions to the Plan for years ended June 30, 2009, 2008 and 2007 were \$26,572, \$29,298, and \$28,691, respectively.

The State of Vermont issues an audited Financial Report that includes financial statements and required disclosures. This report may be obtained by writing the State of Vermont, Auditor of Accounts, 132 State Street, Montpelier, VT 05602.

NOTE 8 – RECONCILIATION OF EXHIBIT E TO EXHIBIT G

Amounts recorded in the Statement of Revenues, Expenditures and Changes in Fund Balance Compared to Budget – General Fund (Exhibit G) are reported on the basis budgeted by the Supervisory Union. Amounts recorded in the Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit E) for the General Fund was adjusted for on behalf payments of fringe benefits (see Note 7) as follows:

	<u>Revenues</u>	<u>Expenditures</u>
Exhibit E	\$ 1,789,726	\$ 1,753,332
On behalf fringe benefits	<u>(58,000)</u>	<u>(58,000)</u>
Exhibit G	<u>\$ 1,731,726</u>	<u>\$ 1,695,332</u>

NOTE 9 - RISK MANAGEMENT

The Supervisory Union is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The Supervisory Union maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Supervisory Union. Settled claims have not exceeded this commercial coverage in any of the past three (3) fiscal years.

The School District elected to be on the direct reimbursement method of covering unemployment taxes that might be collected by former employees who are deemed eligible by the Vermont Department of Labor. As former or "RIF"ed (Reduction in Force) employees collect benefits, the State of Vermont bills the School District quarterly for reimbursement. The amount paid by the School District in the fiscal year ended June 30, 2009 was \$43,110. No estimate of unpaid claims has been made at year-end.

In addition, Windham Northeast Supervisory Union is a member of Vermont Education Health Initiative (VEHI) for Medical Benefits. VEHI is a non profit corporation formed to provide insurance and risk management programs for Vermont school districts and is owned by participating Districts.

To provide health insurance coverage, VEHI has established a self-funded fully insured program in conjunction with Blue Cross and Blue Shield (BCBS). A portion of member contributions is used to purchase reinsurance and to fund a reserve required by the reinsurance. Contributions in excess of claims requirements, reserve fund requirements, reinsurance and administrative costs are returned to participants. The pooling agreement does not permit the pool to make additional assessments to its members.

WINDHAM NORTHEAST SUPERVISORY UNION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

(Continued)

NOTE 10 - CONTINGENCIES

The Supervisory Union participates in a number of federally-assisted and State grant programs which are subject to audits by the grantors or their representatives. The audits of these programs for or including the year ended June 30, 2009, have not yet been reviewed by the grantor agencies. Accordingly, compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Supervisory Union expects such amounts, if any, to be immaterial.

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 16, 2010 the date of the audit report. Management is not aware of any subsequent events which require disclosure.

WINDHAM NORTHEAST SUPERVISORY UNION
 SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - SPECIAL REVENUE FUND

JUNE 30, 2009

	State and Local				Federal							Total Special Revenue
	State EPSDT	State Grants	Local Grants	Total State/Local	Title I Grants	Title II Grants	Title IV Grant	IDEIA-B Grants	Food Grants	Reading 1st Grants	Total Federal	
ASSETS												
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,009,256	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,009,256	\$ 1,009,256
Due from State of Vermont	42,767	8,001	0	50,768	129,706	0	12,674	38,328	0	30,400	211,108	261,876
Due from other Districts	0	0	0	0	0	0	0	0	23,554	0	23,554	23,554
Due from others	0	0	0	0	6,320	0	0	0	0	0	6,320	6,320
Due from other funds	88,199	1,208	1,076	90,483	0	55,738	0	0	0	0	55,738	146,221
Total assets	\$ 130,966	\$ 9,209	\$ 1,076	\$ 141,251	\$ 1,145,282	\$ 55,738	\$ 12,674	\$ 38,328	\$ 23,554	\$ 30,400	\$ 1,305,976	\$ 1,447,227
LIABILITIES AND FUND BALANCE												
LIABILITIES												
Accounts payable	\$ 3,000	\$ 1,645	\$ 0	\$ 4,645	\$ 12,626	\$ 0	\$ 0	\$ 8,131	\$ 0	\$ 0	\$ 20,757	\$ 25,402
Due to other Districts	2,403	0	0	2,403	278,957	0	0	17,874	0	0	296,831	299,234
Deferred revenue	0	8,114	50	8,164	0	55,738	6,350	0	0	0	62,088	70,252
Due to other funds	0	0	0	0	853,699	0	6,324	12,323	23,554	30,400	926,300	926,300
Total liabilities	5,403	9,759	50	15,212	1,145,282	55,738	12,674	38,328	23,554	30,400	1,305,976	1,321,188
FUND BALANCE												
Reserved	125,563	(550)	1,026	126,039	0	0	0	0	0	0	0	126,039
Total liabilities and fund balances	\$ 130,966	\$ 9,209	\$ 1,076	\$ 141,251	\$ 1,145,282	\$ 55,738	\$ 12,674	\$ 38,328	\$ 23,554	\$ 30,400	\$ 1,305,976	\$ 1,447,227

WINDHAM NORTHEAST SUPERVISORY UNION

SCHEDULE 2

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUND

YEAR ENDED JUNE 30, 2009

	State and Local			Federal							Total Special Revenue	
	State EPSDT	Other State Grants	Local Grants	Total State/Local	Title I Grants	Title II Grants	Title IV Grant	IDEIA-B Grants	Food Grants	Reading 1st Grants		Total Federal
REVENUES												
Federal funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 983,433	\$ 293,259	\$ 108,064	\$ 328,764	\$ 15,692	\$ 226,513	\$ 1,955,725	\$ 1,955,725
State and local fund	62,549	21,806	6,641	90,996	0	0	0	0	0	0	0	90,996
Total revenues	62,549	21,806	6,641	90,996	983,433	293,259	108,064	328,764	15,692	226,513	1,955,725	2,046,721
EXPENDITURES												
Special Education Services:	0	0	0	0	0	0	0	321,958	0	0	321,958	321,958
Title I program services	0	0	0	0	983,433	0	0	0	0	0	983,433	983,433
Title II program services	0	0	0	0	0	293,259	0	0	0	0	293,259	293,259
Reading programs	0	0	0	0	0	0	0	0	0	226,513	226,513	226,513
Other supported services	72,014	0	0	72,014	0	0	0	0	0	0	0	72,014
Other State/Local and Federal programs	0	22,356	6,214	28,570	0	0	108,064	0	15,692	0	123,756	152,326
Capital outlay	0	0	0	0	0	0	0	6,806	0	0	6,806	6,806
Total expenditures	72,014	22,356	6,214	100,584	983,433	293,259	108,064	328,764	15,692	226,513	1,955,725	2,056,309
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(9,465)	(550)	427	(9,588)	0	0	0	0	0	0	0	(9,588)
FUND BALANCE - JULY 1, 2008	135,028	0	599	135,627	0	0	0	0	0	0	0	135,627
FUND BALANCE - JUNE 30, 2009	\$ 125,563	\$ (550)	\$ 1,026	\$ 126,039	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 126,039