

BOYERTOWN AREA SCHOOL DISTRICT

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

June 30, 2007

ORGANIZATION AND SCOPE

The federal programs as listed in the schedule of expenditures of federal and state awards are accounted for by the District in the General Fund for U.S. Department of Education programs and in the Food Service Fund for U.S. Department of Agriculture programs.

The Boyertown Area School District's major federal program for the year ended June 30, 2007 was:

IDEA

The above major program constituted 49% of the total expenditures of federal awards.

We made specific tests of compliance for administrative and accounting controls on the major programs.

Federal program revenue represents 2.41% of the total revenue of the District.

BASIS OF ACCOUNTING

The District uses the modified accrual method of recording transactions. Revenues are recorded when measurable and available. Expenditures are recorded when incurred.

DONATED COMMODITIES

Donated commodities were valued according to cost estimates provided by the U.S.D.A.

PROGRAM DISCLOSURES

U.S. Department of Education

Funds, passed through the Pennsylvania Department of Education under Title I, are used primarily to provide education to economically disadvantaged children. Funds received under other grants are used to support instructional programs.

U.S. Department of Agriculture

Funds, passed through the Pennsylvania Departments of Education and Agriculture, are used to provide nutritional meals to economically disadvantaged children.