

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

Westampton, New Jersey
County of Burlington

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

WESTAMPTON, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Prepared by

Business Office – Paul A. Whitman, Business Administrator/Board Secretary

OUTLINE OF CAFR – GASB 34

	PAGE
INTRODUCTORY SECTION	
Letter of Transmittal	1
Organizational Chart	4
Roster of Officials	5
Consultants and Advisors	6

FINANCIAL SECTION	
Independent Auditor's Report	7

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis	9
--------------------------------------	---

BASIC FINANCIAL STATEMENTS

A. District-wide Financial Statements:	
A-1 Statement of Net Assets	15
A-2 Statement of Activities	16
B. Fund Financial Statements:	
B-1 Balance Sheet	18
B-2 Statement of Revenues, Expenditures & Changes in Fund Balances	19
B-3 Reconciliation of the Statement of Revenues, Expenditures & Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Proprietary Funds:	
B-4 Statement of Net Assets	21
B-5 Statement of Revenues, Expenditures & Changes in Fund Net Assets	23
B-6 Statement of Cash Flows	25
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Assets	27
B-8 Statement of Changes in Fiduciary Net Assets	28
Notes to Financial Statements	29

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	50
C-1a Combining Schedule of Revenues, Expenditures & Changes in Fund Balance - Budget & Actual	N/A
C-1b Education Jobs Fund Program – Budget & Actual	60
C-2 Budgetary Comparison Schedule – Special Revenue Fund	61

(continued)

OUTLINE OF CAFR -- GASB 34 (continued):

	PAGE
Notes to the Required Supplementary Information	
C-3 Budget-to-GAAP Reconciliation	62
D. School Based Budget Schedules Fund –	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Revenues & Expenditures Special Revenue Fund – Budgetary Basis	63
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:	
F-1 Summary Statement of Project Expenditures	65
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance -- Budgetary Basis	66
F-2a Schedule of Revenues, Expenditures Project Balance & Project Status – Budgetary Basis – Renovations to the Medford & Westampton Campuses	67
F-2b Schedule of Revenues, Expenditures Project Balance & Project Status – Additions & Renovations to the Westampton Campus	68
F-2c Schedule of Revenues, Expenditures Project Balance & Project Status – Additions & Renovations to the Medford Campus	69
F-2d Schedule of Revenues, Expenditures Project Balance & Project Status – Additions & Renovations & Technology Projects	70
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Schedule of Net Assets	71
G-2 Combining Schedule of Revenues, Expenses & Changes in in Fund Net Assets	73
G-3 Combining Schedule of Cash Flows	75
Internal Service Fund –	
G-4 Combining Schedule of Net Assets	N/A
G-5 Combining Schedule of Revenues, Expenses & Changes in Fund Net Assets	N/A
G-6 Combining Schedule of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Assets	77
H-2 Combining Statement of Changes in Fiduciary Net Assets	78
H-3 Student Activity Agency Fund Schedule of Receipts & Disbursements	79
H-4 Payroll Agency Fund Schedule of Receipts & Disbursements	79
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	N/A
I-2 Schedule of Obligations Under Capital Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	N/A

(continued)

OUTLINE OF CAFR – GASB 34 (continued):

STATISTICAL SECTION (unaudited)

	PAGE
Financial Trends:	
J-1 Net Assets by Component	80
J-2 Changes in Net Assets	81
J-3 Fund Balances – Governmental Funds	84
J-4 Changes in Fund Balances – Governmental Funds	85
J-5 General Fund Other Local Revenue by Source	86
Revenue Capacity:	
J-6 Assessed Value & Estimated Actual Value of Taxable Property	N/A
J-7 Direct & Overlapping Property Tax Rates	N/A
J-8 Principal Property Taxpayers	N/A
J-9 Property Tax Levies & Collections	N/A
Debt Capacity:	
J-10 Ratios of Outstanding Debt by Type	N/A
J-11 Ratios of General Bonded Debt Outstanding	N/A
J-12 Direct & Overlapping Governmental Activities Debt	N/A
J-13 Legal Debt Margin Information	N/A
Demographic & Economic Information:	
J-14 Demographic & Economic Statistics	87
J-15 Principal Employers	N/A
Operating Information:	
J-16 Full-Time Equivalent District Employees by Function/Program	88
J-17 Operating Statistics	89
J-18 School Building Information	90
J-19 Schedule of Required Maintenance	91
J-20 Insurance Schedule	92
K SINGLE AUDIT SECTION	
K-1 Report on Compliance and on Internal Control Over Financial Reporting and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	93
K-2 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 Letter 04-04	95
K-3 Schedule of Expenditures of Federal Awards, Schedule A	97
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	98
K-5 Notes to Schedules of Awards and Financial Assistance	99
K-6 Schedule of Findings and Questioned Costs	101
K-7 Summary Schedule of Prior Audit Findings	104

(concluded)

INTRODUCTORY SECTION

Donald P. Lucas, Ed.D.
Superintendent

Paul A. Whitman
Board Secretary
Business Administrator

609-267-4226
FAX 609-267-4746



"Celebrating a 50 Year Tradition of Excellence and Service"

November 15, 2012

Honorable President and
Members of the Board of Education
Burlington County Institute of Technology
County of Burlington, New Jersey

Dear Board Members,

The comprehensive annual financial report of the Burlington County Institute of Technology School District (BCIT) for the fiscal year ended June 30, 2012 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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 financial statements and schedules, as well as the auditor's report thereon. 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 U.S. Office on Management and Budget Circular A-133, "Audits of States Local Governments and Non Profit Organizations", and the state of New Jersey Circular Letter 04-04-OMB, "Single Audit Policy for Recipients of Federal Grants, State Grant 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 single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Burlington County Institute of Technology School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Burlington County Institute of Technology Board of Education and all its schools constitute the District's reporting entity.

The Burlington County Institute of Technology is a vocational high school serving grades 9 through 12 which also provides all required academic training. In addition to the high school program, the District operates an extensive adult post-secondary program. The District completed the 2011-12 fiscal year with a 9-12 high school enrollment of 1,955, which is 3 students less than the previous year's enrollment of 1,958.

695 Woodlane Road, Westampton, NJ 08060

Westampton Campus

Adult Education
www.bcit.cc

Medford Campus

2. ECONOMIC CONDITION AND OUTLOOK: The American economy is struggling with a crisis in the financial markets and remains somewhat uncertain as a result of the ongoing threat of terrorism and the War in Afghanistan. Manufacturing jobs will have a smaller share of the economy and service industries will create most of the new jobs. The work force will grow very slowly with an increasing share being female and disadvantaged workers. Most newly created jobs will demand a higher skill level. The changes in the educational offerings at the Burlington County Institute of Technology respect those trends.

3. MAJOR INITIATIVES: The thrust at BCIT is to make students academically and vocationally ready for employment and continuing education into the 21st century. To that end, student achievement on the 11th grade HSPT continues to improve. Computers, with connections to the internet, have been installed in every classroom and shop. Interactive TV has enhanced curricula offerings. The District's initiatives with the community and institutions of higher learning continue to proliferate.

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 accounting principles generally accepted in the United States of American(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 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 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 Board of School Estimate. Annual appropriated budgets are adopted for the general and special revenue fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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 reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2012.

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements", Note 1.

7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan which requires it to deposit public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA 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.

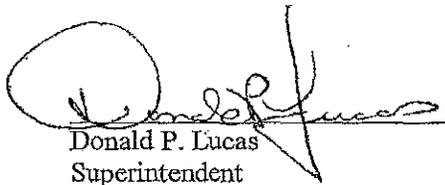
8. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

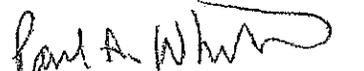
9. OTHER INFORMATION:

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman & Frenia, P.C. was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U.S. Office of Management and Budget Circular A-133 and State of New Jersey Circular 04-04-OMB. The auditor's report on the general purpose 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.

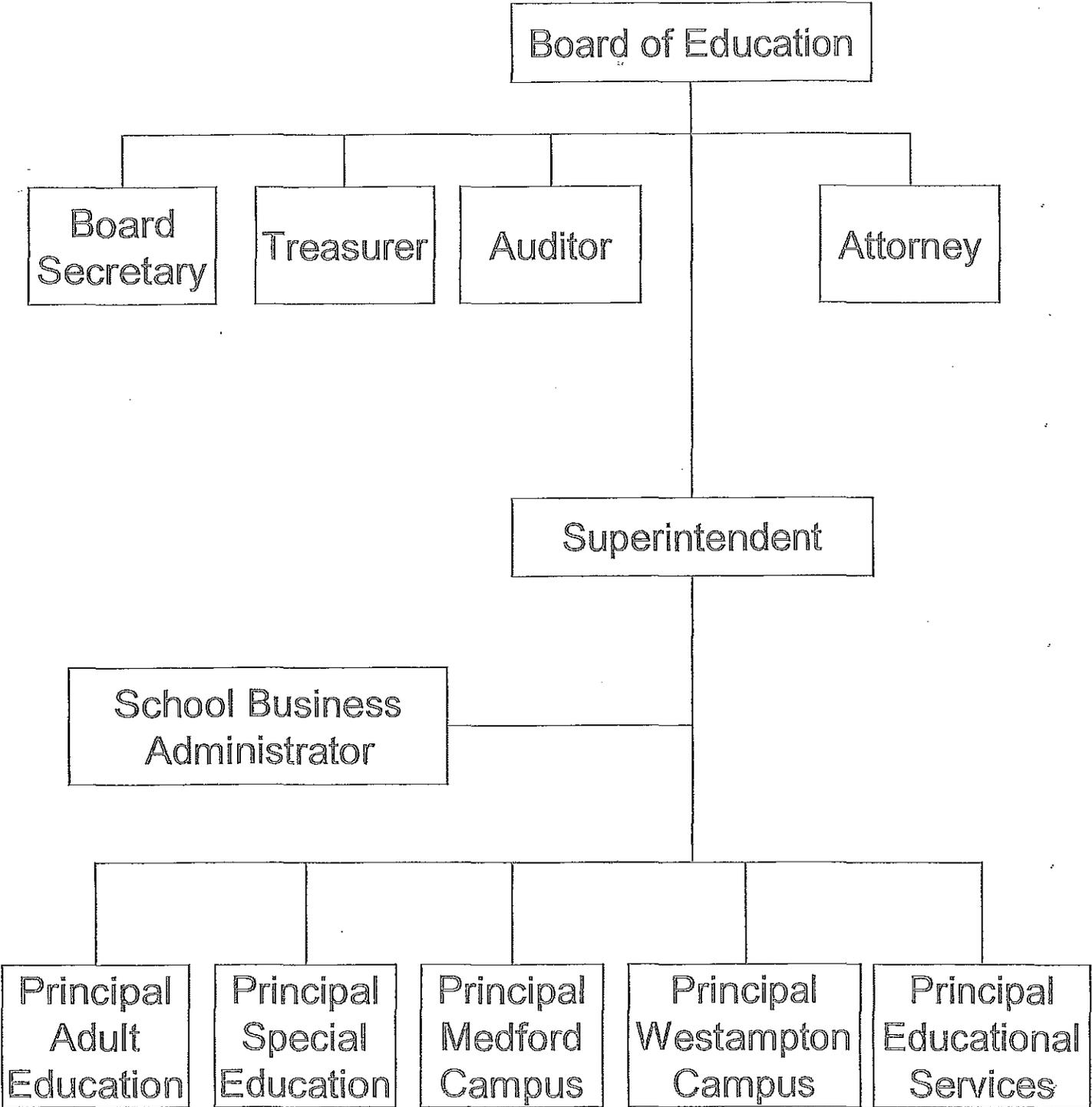
10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Burlington County Institute of Technology Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,


Donald P. Lucas
Superintendent


Paul A. Whitman
Board Secretary/
School Business Administrator

Burlington County Institute of Technology



BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
695 Woodlane Road
Westampton, New Jersey 08060

ROSTER OF OFFICIALS

JUNE 30, 2012

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
John J. Ferry, President	2014
Robert C. Silcox, Vice President	2014
Leon E. Jones, Jr.	2014
Christopher Baxter	2013
Kathleen Burgess	2013
Paula E. Lee	2015
Ms. Margaret Nicolosi, Executive County Superintendent	Ex-Officio

OTHER OFFICIALS

Donald P. Lucas, Ed.D., Superintendent

Paul A. Whitman, Business Administrator/Board Secretary

Anthony Drollas & Alan R. Schmoll, Solicitors, Capehart & Scatchard

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

2 Academy Drive
Westampton, New Jersey 08060

CONSULTANTS AND ADVISORS

ARCHITECT

The Design Collaborative
414 Garden State Parkway, Suite 100
Cape May Court House, New Jersey 08210

AUDIT FIRM

Michael Holt
Holman & Frenia, P. C.
618 Stokes Road
Medford, New Jersey 08055

ATTORNEY

Anthony Drollas
Alan R. Schmoll
Capehart & Scatchard
8000 Midlantic Drive
Mt. Laurel, New Jersey 08054

OFFICIAL DEPOSITORY

Beneficial Bank
Mount Holly, NJ 08060

Susquehanna Bank
Lumberton, NJ 08048

FINANCIAL SECTION



Certified Public Accountants & Consultants

Administrative Office:
10 Allen Street, Ste. 2B, Toms River, NJ 08753 • Tel: 732.797.1333
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612
926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090
795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090
holmanfrenia.com

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Burlington County Institute of Technology
County of Burlington
Westampton, New Jersey 08060

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 Board of Education of the Burlington County Institute of Technology, County of Burlington, State of New Jersey, as of and for the year ended June 30, 2012, which collectively comprise the District's financial statements as listed in the table of contents. These financial statements are the responsibility of the Board'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 *Governmental 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 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 the Board of Education of the Burlington County Institute of Technology, County of Burlington, State of New Jersey, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, 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 November 15, 2012, on our consideration of the Burlington County Institute of Technology's internal control over financial reporting and 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 our audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 9 through 14 and 50 through 61 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers

it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Burlington County Institute of Technology's financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of state and federal 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* respectively, and is also not a required part of the financial statements. The combining and individual fund financial statements and the accompanying schedule of expenditures of 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 and statistical information 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.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Michael Holt
Certified Public Accountant
Public School Accountant
No. 1148

Medford, New Jersey
November 15, 2012

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

UNAUDITED

The discussion and analysis of Burlington County Institute of Technology (BCIT) School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2012 are as follows:

- In total, net assets decreased by \$6,170 as explained below:
- General revenues accounted for \$35,853,190 in revenue or 84.81% of all revenues. Program specific revenues in the form of charges for services of \$1,978,451 and operating grants and contributions of \$4,438,123, accounted for \$6,416,574 or 15.19% of total revenues of \$42,269,764.
- The School District had \$42,275,934 in expenses; \$6,416,574 of these expenses were offset by program specific charges for services, grants or contributions.
- Total net assets of governmental activities decreased by \$127,315.
- Among major funds, the General Fund had \$38,239,618 in revenues, \$38,268,520 in expenditures. The General Fund's balance decreased by \$10,575 from 2011.

Overview of the Financial Statements

The financial section of this annual report consists two parts: Part I, management's discussion and analysis (this section), the basic financial statements with the accompanying note disclosures; and Part II, budgetary comparison schedules, notes to the required supplementary information and other supplementary information. The basic financial statements include two kinds of statements that present different views of the School District.

- The first two statements, Exhibit A-1 and A-2, are government-wide financial statements that provide both long-term and short-term information about the School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the School District's operations in more detail than the government-wide statements.

The governmental fund statements tell how general government services were financed in the short-term as well as what remains for future spending.

Proprietary fund statements offer short-term and long-term financial information about those type of activities that operate like a business.

Fiduciary fund statements provide information about the financial relationships in which the School

District acts 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 financial statements and provide more detailed data.

The statements are followed by another section, Part II that contains required supplementary information that further explains and supports the information in the financial statements including: budget schedules, reconciliations and individual fund statements.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

The statement of Net Assets and the Statement of Activities include all assets and liabilities of the School District using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's facility condition, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District reports governmental and business-type activities. Governmental activities are the activities where most of the School District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and special schools.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The fund financial reports provide detailed information about the School District's major funds. The School District uses several funds to account for a variety of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, the Special Revenue Fund and the Capital Projects Fund; BCIT has no Debt Service Fund or Permanent Fund.

Governmental Funds

Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future periods. These funds are reported using an accounting method called modified accrual basis of 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 School District's general governmental 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 educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

The School District as a Whole

The Statement of Net Assets provides the perspective of the School District as a whole.

Table I provides a summary of the School District's net assets for 2012 and 2011.

	2012	2011
Assets:		
Current & Other Assets	4,783,085	3,788,277
Capital Assets	<u>49,621,822</u>	<u>49,771,810</u>
Total Assets	<u>54,404,907</u>	<u>53,560,087</u>
Liabilities		
Long-Term Liabilities	1,328,863	1,376,467
Other Liabilities	<u>1,417,977</u>	<u>519,383</u>
Total Liabilities	<u>2,746,840</u>	<u>1,895,850</u>
Net Assets:		
Invested in Capital Assets Net of Debt	49,621,822	49,771,810
Restricted	1,402,644	1,465,295
Unrestricted	<u>633,601</u>	<u>427,132</u>
Total Net Assets	<u>51,658,067</u>	<u>51,664,237</u>

The total net assets of governmental activities decreased by \$127,315. The total net assets of the business-type activities increased by \$121,145.

Table 2 shows a summary of changes in net assets for fiscal year 2012 and 2011.

	2012	2011	Percentage Change
Revenues			
Program Revenues:			
Charges for Services	\$1,978,451	\$2,206,652	
Operating Grants & Contributions	4,438,123	3,681,950	
General Revenues:			
County Appropriations	15,894,974	15,894,974	
Federal & State Aid Unrestricted	14,318,309	13,585,336	
Tuition	5,552,872	4,892,500	
Other	<u>87,035</u>	<u>174,243</u>	
Total Revenue	42,269,764	40,435,655	4.49%

	<u>2012</u>	<u>2011</u>	Percentage Change
Program Expenses			
Governmental Activities:			
Instruction	15,586,007	14,926,082	
Support Services:			
Student & Instruction Related Services	3,003,258	2,725,045	
Administrative Services	3,824,369	3,570,787	
Plant Operation & Maintenance	5,101,692	5,269,878	
Pupil Transportation	215,929	230,354	
Employee Benefits	8,628,082	7,677,745	
Special Schools		1,203	
Decrease In Compensated Absences	(47,604)	(65,509)	
Gain on Revaluation of Fixed Assets	(788,067)		
Unallocated Depreciation	<u>2,439,823</u>	<u>2,285,883</u>	
Total Expenses, Governmental Activities	<u>39,975,018</u>	<u>37,864,141</u>	5.6%
Business-Type Activities:			
Food Service	882,459	838,445	
School Store	74,601	37,100	
Adult Education Programs	964,201	1,109,821	
Culinary Arts	78,759	98,829	
Beaver's Den Child Care	170,893	163,530	
Educational Technology Training Center		44,728	
Youth Transition To Work	414		
Emergency Services Training Center	566		
Culinary Express	124,813		
Print Shop	3,051	4,877	
Auto Body	<u>1,159</u>	<u>144</u>	
Total Expenses, Business-Type Activities	<u>2,300,916</u>	<u>2,423,288</u>	-5%
Total Expenses	<u>42,275,934</u>	<u>40,287,429</u>	4.9%
Increase (Decrease) in Net Assets	(6,170)	148,226	

Governmental Activities

The dependence upon county appropriations and state aid is apparent. The local communities, County and State, are the primary support for the Burlington County Institute of Technology School District.

Total revenues increased in 2012 compared to the prior year primarily because of the increase in tuition fees and State and Federal aid.

In 2012, County appropriations and state aid make up 81% of revenues for governmental activities, compared to 83% in the prior year.

Instruction comprises 39% of district governmental expenses in 2012, compared to 43% in the prior year. Support services expenses made up 52% of the governmental expenses in 2012, compared to 54% in

2011.

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Student and instruction related services include the activities designed to assess and improve the well-being of students and to supplement the teaching process.

Administrative services include expenses associated with establishing and administering policy for the School District and include board of education services and executive administration services.

The final budget basis expenditure appropriation estimate was \$36,747,273 compared to the original estimate of \$35,311,701. This was due to 2010-11 encumbrances of \$1,420,198 appropriated in the 2011-12 budget. Actual expenditures for the 2011-12 year were \$38,268,520

BCIT's expenditures also include the reimbursed TPAF pension and Social Security aid of \$2,539,634, which contributes to an unfavorable expenditure variance for the fiscal year.

Capital Assets

At the end of the fiscal year 2012, the School District had \$49,607,466 invested in land, buildings, furniture and equipment.

The following provides a summary of the capital assets held by the District:

Table 4

	<u>Governmental Activities</u>
Land	\$ 379,000
Land Improvements	2,452,790
Building and Improvements	73,028,360
Furniture and Equipment	7,695,259
Less: Accumulated Depreciation	<u>(33,947,943)</u>
Totals	<u>\$49,607,466</u>

Additional information on the District's capital assets can be found in Note 4 to the basic financial statements.

Debt Administration

Debt administration of the School District is provided for by the County of Burlington.

Current Financial Issues and Concerns

BCIT has a long record of financial stability. Despite unpredictable funding from the State of New Jersey and flat funding for the past five years from the County of Burlington, the district manages to provide an excellent educational opportunity for all BCIT students. BCIT's budget growth has been increasing as a result of increased state aid, increase in tuition fees, and stable enrollment. The 2011-2012 general fund budget of \$35,311,701 represented a 4.6% increase from the 2010-2011 general fund budget. The projected 2012-2013 budget of \$35,715,380 represents an increase in the district budget of \$403,679. Prior to the 1998-1999 school year, BCIT's budget was funded almost entirely by state aid and county

aid. For the 1998-1999 school year, the district began charging tuition to its sending districts. This was necessary as enrollment was increasing steadily while state aid and county aid were stagnant. The initial tuition charge was \$500 per student in 1998-1999. The charge for the 2011-2012 school year was \$2,866 for both regular students and special education students. The BCIT Board of Education does not wish to overburden our sending districts, hence, the tuition rate is kept as low as possible.

Enrollments have been increasing steadily at BCIT, but are beginning to level off as enrollments approach the building capacities. In October of 2012, the high school population includes 461 special education students and 1,635 regular education students for a total high school population of 2,096.

BCIT expects slower enrollment growth, especially at the Westampton Campus, as building capacities are reached, and is committed to providing an excellent vocational education to every student in Burlington County who chooses to attend BCIT. We are also committed to providing excellent facilities and equipment. We believe that we have an excellent teaching staff and support personnel and are in a good position to be a leading provider of a vocational or technical education in the 21st century. Finally, we are committed to financial excellence and stability.

Contacting the School District's Financial Management

These financial reports are designed to provide our citizens, taxpayers and creditors with a general overview of BCIT's finances and to show the accountability for money received from the state and local government. If you have questions about this report or need additional information, contact Paul A. Whitman, Secretary to the Board of Education and School Business Administrator at: Burlington County Institute of Technology, 2 Academy Drive, Westampton, NJ 08060.

BASIC FINANCIAL STATEMENTS

A. District-Wide Financial Statements

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
STATEMENT OF NET ASSETS
JUNE 30, 2012
(With Comparative Totals for June 30, 2011)

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
			JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
Cash & Cash Equivalents	\$2,262,066	1,383,888	3,645,954	3,100,812
Accounts Receivable:				
Federal	347,514	70,579	418,093	319,238
State	4,836	1,413	6,249	7,804
Other	133,077	29,186	162,263	289,417
Due From County--Capital Projects	16,653		16,653	16,653
Inventory		33,873	33,873	54,353
Capital Assets , Net (Note 5)	49,607,466	14,356	49,621,822	49,771,810
Restricted Cash	500,000		500,000	
Total Assets	52,871,612	1,533,295	54,404,907	53,560,087
LIABILITIES				
Accounts Payable	1,261,518	156,459	1,417,977	519,383
Noncurrent Liabilities (Note 6)	1,328,863		1,328,863	1,376,467
Total Liabilities	2,590,381	156,459	2,746,840	1,895,850
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	49,607,466	14,356	49,621,822	49,771,810
Restricted For:				
Capital Projects	45,097		45,097	45,097
Other Purposes	1,357,547		1,357,547	1,420,198
Unrestricted	(728,879)	1,362,480	633,601	427,132
Total Net Assets	\$50,281,231	1,376,836	51,658,067	51,664,237

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
						JUNE 30, 2012	JUNE 30, 2011
(MEMORANDUM ONLY)							
Governmental Activities:							
Instruction:							
Regular	\$6,648,185		1,154,033	(5,494,152)		(5,494,152)	(5,268,924)
Special Education	121,124			(121,124)		(121,124)	(67,646)
Other Special Instruction	9,557			(9,557)		(9,557)	(7,782)
Vocational Education	7,481,269			(7,481,269)		(7,481,269)	(8,184,758)
Other Instruction	1,325,872			(1,325,872)		(1,325,872)	(1,396,972)
Support Services:							
Student & Instruction Related Services	3,003,258		253,643	(2,749,615)		(2,749,615)	(2,725,045)
Other Administrative Services	711,855			(711,855)		(711,855)	(949,840)
School Administrative Services	3,112,514			(3,112,514)		(3,112,514)	(2,620,947)
Plant Operations & Maintenance	5,101,692			(5,101,692)		(5,101,692)	(5,269,878)
Pupil Transportation	215,929			(215,929)		(215,929)	(230,354)
Employee Benefits	8,628,082		2,588,918	(6,039,164)		(6,039,164)	(5,436,895)
Special Schools							(1,203)
Contribution for Debt Service	2,011,529			(2,011,529)		(2,011,529)	(191,780)
Increase/(Decrease) In Compensated Absences	(47,604)			47,604		47,604	65,509
Loss/(Gain) on Revaluation of Fixed Assets	(788,067)			788,067		788,067	
Unallocated Depreciation	2,439,823			(2,439,823)		(2,439,823)	(2,285,883)
Total Governmental Activities	39,975,018		3,996,594	(35,978,424)		(35,978,424)	(34,572,398)
Business-Type Activities:							
Food Service	882,459	448,885	441,529		7,955	7,955	35,299
School Store	74,601	62,333			(12,268)	(12,268)	16,808
Adult Education Programs	964,201	1,107,702			143,501	143,501	169,222
Culinary Arts	78,759	71,260			(7,499)	(7,499)	(13,773)
Beaver's Den Child Care	170,893	148,224			(22,669)	(22,669)	(5,600)
Educational Technology Training Center							(40,802)
Youth Transition To Work	414				(414)	(414)	
Emergency Services Training Center	566				(566)	(566)	
Culinary Express	124,813	132,050			7,237	7,237	2,058
Print Shop	3,051	5,847			2,796	2,796	8,667
Auto Body	1,159	150			(1,009)	(1,009)	1,692
Engineering		2,000			2,000	2,000	

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS	
						JUNE 30, 2012	JUNE 30, 2011
						(MEMORANDUM ONLY)	
Total Business-Type Activities	2,300,916	1,978,451	441,529		119,064		173,571
Total Primary Government	\$42,275,934	1,978,451	4,438,123	(35,978,424)	119,064	(35,859,360)	(34,398,827)
General Revenues:							
County Appropriations				15,894,974		15,894,974	15,894,974
Federal & State Aid Unrestricted				14,318,309		14,318,309	13,585,336
Tuition Received				5,552,872		5,552,872	4,892,500
Investment Earnings				16,078		16,078	30,526
Miscellaneous Income				50,549	20,408	70,957	81,778
Transfer of Funds In/(Out)				18,327	(18,327)		61,939
Total General Revenues, Special Items, Extraordinary Items & Transfers				35,851,109	2,081	35,853,190	34,547,053
Change In Net Assets				(127,315)	121,145	(6,170)	148,226
Beginning Net Assets				50,408,546	1,255,691	51,664,237	51,516,011
Ending Net Assets				\$50,281,231	1,376,836	51,658,067	51,664,237

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

B. Fund Financial Statements

Governmental Funds

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2012**

(With Comparative Totals for June 30, 2011)

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS	
				JUNE 30, 2012	JUNE 30, 2011
(MEMORANDUM ONLY)					
ASSETS					
Cash & Cash Equivalents	\$2,421,751		28,444	2,450,195	2,168,746
Accounts Receivable:					
Federal	71,726	275,788		347,514	319,238
State		4,836		4,836	7,421
Other	126,391			126,391	184,750
Interfund	6,686			6,686	
Due From County--Capital Projects			16,653	16,653	16,653
Restricted Cash	500,000			500,000	
Total Assets	\$3,126,554	280,624	45,097	3,452,275	2,696,808
LIABILITIES & FUND BALANCES					
Liabilities:					
Cash Deficit		188,129		188,129	252,635
Accounts Payable	\$1,169,023	92,495		1,261,518	430,970
Total Liabilities	1,169,023	280,624		1,449,647	683,605
Fund Balances:					
Restricted:					
Capital Reserve	500,000			500,000	
Assigned to:					
Other Purposes	857,547			857,547	1,420,198
Capital Projects			45,097	45,097	45,097
Unassigned:					
General Fund	599,984			599,984	547,908
Total Fund Balances	1,957,531		45,097	2,002,628	2,013,203
Total Liabilities & Fund Balances	\$3,126,554	280,624	45,097		

Amounts reported for *governmental activities* in the statement of Net Assets (A-2) 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 \$83,555,409 and the accumulated depreciation is \$33,947,943.	49,607,466	49,771,810
Long-term liabilities, including bonds payable, capital leases, early retirement liability and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(1,328,863)	(1,376,467)
Net assets of Governmental Activities	\$50,281,231	50,408,546

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

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS	
				JUNE 30, 2012	JUNE 30, 2011
				(MEMORANDUM ONLY)	
Revenues:					
Local Sources:					
County Appropriations	\$15,894,974			15,894,974	15,894,974
Tuition from LEA's	5,552,872			5,552,872	4,892,500
Other Local Revenue/Miscellaneous	66,627			66,627	112,304
Total Local Sources	21,514,473			21,514,473	20,899,778
State Sources	16,190,777	18,336		16,209,113	15,438,042
Federal Sources	534,368	1,571,422		2,105,790	1,439,037
Total Revenues	38,239,618	1,589,758		39,829,376	37,776,857
Expenditures:					
Current Expense:					
Regular Instruction	5,494,152	1,154,033		6,648,185	6,048,729
Special Education Instruction	121,124			121,124	67,646
Other Instruction	9,557			9,557	7,782
Vocational Education	7,481,269			7,481,269	8,184,758
Other Instruction	1,325,872			1,325,872	1,396,972
Support Services & Undistributed Costs:					
Student & Instruction Related Services	2,749,615	253,643		3,003,258	2,996,133
Other Administrative Services	711,855			711,855	949,840
School Administrative Services	3,112,514			3,112,514	2,620,947
Plant Operations & Maintenance	5,101,692			5,101,692	5,269,878
Pupil Transportation	215,929			215,929	230,354
Employee Benefits	8,578,798	49,284		8,628,082	7,677,745
Contribution for Debt Service	2,011,529			2,011,529	
Capital Outlay	1,354,614	132,798		1,487,412	1,277,770
Special Schools					1,203
Total Expenditures	38,268,520	1,589,758		39,858,278	36,729,757
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	(28,902)			(28,902)	1,047,100
Other Financing Sources/(Uses):					
Operating Transfers In (Out) - Enterprise Fund	18,327			18,327	
Total Other Financing Sources/(Uses)	18,327			18,327	
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses	(10,575)			(10,575)	1,047,100
Fund Balances July 1	1,968,106		45,097	2,013,203	966,103
Fund Balances June 30	\$1,957,531	-	45,097	2,002,628	2,013,203

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

Total Net Change in Fund Balances - Governmental Funds (From B-2) (\$10,575)

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:

Capital Outlays	\$1,487,412	
Adjustment to Fixed Assets	\$788,067	
Depreciation Expense	<u>(2,439,823)</u>	(164,344)

Repayment of compensated absences 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.

Prior Year	1,376,467	
Current Year	<u>(1,328,863)</u>	47,604

Change in Net Assets of Governmental Activities (\$127,315)

See accompanying notes to the financial statements.

Proprietary Funds

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ASSETS	FOOD SERVICE FUND	SCHOOL STORE	FIRE SCHOOL	ADULT EDUCATION		CUSTOMIZED TRAINING	CULINARY ARTS	BEAVER'S DEN CHILD CARE
				PART TIME	BOOK STORE			
Current Assets:								
Cash	\$150,094	30,833	125,685	51,375	700,338	209,495	23,518	31,532
Accounts Receivable:								
State	1,413							
Federal	70,579							
Other	20,408	661	5,925				1,458	
Inventories	6,555	27,318						
Total Current Assets	249,049	58,812	131,610	51,375	700,338	209,495	24,976	31,532
Fixed Assets:								
Equipment	14,356							
Total Fixed Assets	14,356							
Total Assets	263,405	58,812	131,610	51,375	700,338	209,495	24,976	31,532
LIABILITIES								
Current Liabilities:								
Accounts Payable	145,157				11,302			
Total Liabilities	145,157				11,302			
NET ASSETS:								
Invested in Capital Assets, Net of Related Debt	14,356							
Unrestricted	103,892	58,812	131,610	51,375	689,036	209,495	24,976	31,532
Total Net Assets	\$118,248	58,812	131,610	51,375	689,036	209,495	24,976	31,532

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ASSETS	CULINARY EXPRESS	PRINT SHOP	AUTO BODY	ENGINEERING	TOTALS	
					JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
Current Assets:						
Cash	47,286	11,049	683	2,000	1,383,888	1,184,701
Accounts Receivable:						
State					1,413	383
Federal					70,579	
Other	320	414			29,186	104,667
Inventories					33,873	54,353
Total Current Assets	47,606	11,463	683	2,000	1,518,939	1,344,104
Fixed Assets:						
Equipment					14,356	
Total Fixed Assets					14,356	
Total Assets	47,606	11,463	683	2,000	1,533,295	1,344,104
LIABILITIES						
Current Liabilities:						
Accounts Payable					156,459	88,413
Total Liabilities					156,459	88,413
NET ASSETS						
Invested in Capital Assets, Net of Related Debt					14,356	
Unrestricted	47,606	11,463	683	2,000	1,362,480	1,255,691
Total Net Assets	47,606	11,463	683	2,000	1,376,836	1,255,691

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES
EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	FOOD SERVICE FUND	SCHOOL STORE	FIRE SCHOOL	PART TIME	ADULT EDUCATION BOOK STORE	CUSTOMIZED TRAINING	CULINARY ARTS	BEAVER'S DEN CHILD CARE
Operating Revenues:								
Local Sources:								
Fees			163,078	98,888	807,901	37,835	71,260	148,224
Daily Sales-Reimbursable Programs	219,461							
Daily Sales-Non-Reimbursable Program	197,998							
Miscellaneous	11,641							
Special Functions	19,785							
Sales of Clothing & Supplies		62,333						
Total Operating Revenue	448,885	62,333	163,078	98,888	807,901	37,835	71,260	148,224
Operating Expenses:								
Cost of Sales	386,866	70,623			66,478			
Administrative Fees	83,025							
Employee Benefits	59,034							
Insurance	47,014							
Miscellaneous	12,458		1,090					
Office Expense								
Refunds			10,272	12,448				
Salaries	240,813	3,978	100,043	65,560	531,658	48,835		152,951
Supplies	53,249					14,277	78,759	17,942
Telephone								
Textbooks			20,982		88,284			
Tuition			4,274					
Uniforms & Laundry								
Total Operating Expenses	882,459	74,601	136,661	78,008	686,420	63,112	78,759	170,893
Operating Income/(Loss)	(433,574)	(12,268)	26,417	20,880	121,481	(25,277)	(7,499)	(22,669)
Nonoperating Revenues (Expenses)								
State Sources:								
State School Lunch Program	8,760							
Federal Sources:								
School Breakfast Program	99,521							
National School Lunch Program	308,752							
Food Distribution Program	41,795							
Cancellation of Prior Year Receivable	(17,299)							
Total Nonoperating Revenue (Expenses)	441,529							
Other Financing Sources/(Uses):								
Contract Budget Guarantee	20,408							
Operating Transfers In/(Out)								
Total Other Financing Sources/(Uses)	20,408							
Change in Net Assets	28,363	(12,268)	26,417	20,880	121,481	(25,277)	(7,499)	(22,669)
Total Net Assets - Beginning	89,885	71,080	105,193	30,495	567,555	234,772	32,475	54,201
Total Net Assets - Ending	\$118,248	58,812	131,610	51,375	689,036	209,495	24,976	31,532

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES
EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	EDUCATIONAL TECHNOLOGY TRAINING CENTER	YOUTH TRANSITION TO WORK	EMERGENCY SERVICES TRAINING CTR FOOD SERVICES	CULINARY EXPRESS	PRINT SHOP	AUTO BODY	ENGINEERING	TOTALS (MEMORANDUM ONLY)	
								JUNE 30, 2012	JUNE 30, 2011
Operating Revenues:									
Local Sources:									
Fees				132,050	5,847	150	2,000	1,467,233	752,669
Daily Sales-Reimbursable Programs								219,461	213,798
Daily Sales - Nonreimbursable Program								197,998	205,074
Miscellaneous								11,641	199
Special Functions								19,785	64,466
Sales of Clothing & Supplies								62,333	970,446
Total Operating Revenue				132,050	5,847	150	2,000	1,978,451	2,206,652
Operating Expenses:									
Cost of Sales								523,967	511,047
Administrative Fees								83,025	81,000
Employee Benefits								59,034	59,824
Insurance								47,014	25,468
Miscellaneous		414	566					14,528	27,650
Office Expense									4,094
Refunds								22,720	9,096
Salaries				23,760				1,167,598	1,264,079
Supplies				101,053	3,051	1,159		269,490	310,464
Telephone									2,884
Textbooks								109,266	124,882
Tuition								4,274	1,003
Uniforms & Laundry									1,797
Total Operating Expenses		414	566	124,813	3,051	1,159		2,300,916	2,423,288
Operating Income/(Loss)		(414)	(566)	7,237	2,796	(1,009)	2,000	(322,465)	(216,636)
Nonoperating Revenues (Expenses):									
State Sources:									
State School Lunch Program								8,760	8,266
Federal Sources:									
School Breakfast Program								99,521	86,454
National School Lunch Program								308,752	272,712
Food Distribution Program								41,795	22,775
Cancellation of Prior Year Receivable								(17,299)	
Total Nonoperating Revenue/ (Expenses)								441,529	390,207
Other Financing Sources/(Uses):									
Contract Budget Guarantee								20,408	61,939
Operating Transfers In/(Out)								(18,327)	
Total Other Financing Sources/ (Uses)								2,081	61,939
Change in Net Assets	(18,327)	(414)	(566)	7,237	2,796	(1,009)	2,000	121,145	235,510
Total Net Assets - Beginning	18,327	414	566	40,369	8,667	1,692		1,255,691	1,020,181
Total Net Assets - Ending	\$ -	-	-	47,606	11,463	683	2,000	1,376,836	1,255,691

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	FOOD SERVICE FUND	SCHOOL STORE	FIRE SCHOOL	ADULT EDUCATION PART TIME	BOOK STORE	CUSTOMIZED TRAINING	CULINARY ARTS	BEAVER'S DEN CHILD CARE
Cash Flows from Operating Activities:								
Receipts from Customers	\$473,381	62,026	168,340	98,888	807,901	54,023	72,602	148,224
Payments to Employees	(240,813)	(3,978)	(100,043)	(66,310)	(531,658)	(48,835)		(152,951)
Payments to Food Service Management Company	(80,936)							
Payments for Employee Benefits	(59,034)							
Payments to Suppliers	(392,448)	(61,415)	(38,264)	(12,448)	(154,536)	(14,277)	(81,200)	(41,152)
Net Cash Provided/(Used) by Operating Activities	(299,850)	(3,367)	30,033	20,130	121,707	(9,089)	(8,598)	(45,879)
Cash Flows From Capital Financing Activities:								
Purchase of Equipment	(14,356)							
Net Cash Provided by Capital Financing Activities	(14,356)							
Cash Flows From Noncapital Financing Activities:								
Cash Received From State & Federal Programs	417,033							
Net Cash Provided by Noncapital Financing Activities	417,033							
Net Increase/(Decrease) in Cash & Cash Equivalents	102,827	(3,367)	30,033	20,130	121,707	(9,089)	(8,598)	(45,879)
Balances - Beginning of Year	47,267	34,200	95,652	31,245	578,631	218,584	32,116	77,411
Balances - Ending of Year	\$150,094	30,833	125,685	51,375	700,338	209,495	23,518	31,532

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income (Loss)	(433,574)	(12,268)	26,417	20,880	121,481	(25,277)	(7,499)	(22,669)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (Used in) Operating Activities:								
Food Distribution Program	41,795							
Cancellation of Prior Year Receivable	(17,299)							
Change in Assets & Liabilities:								
(Increase)/Decrease in Accounts Receivable	2,089	(307)	5,262			16,188	1,342	
(Increase)/Decrease in Inventory	11,272	9,208						
Increase/(Decrease) in Other Payables	95,867		(1,646)	(750)	226		(2,441)	(23,210)
Net Cash Provided/(Used) by Operating Activities	(\$299,850)	(3,367)	30,033	20,130	121,707	(9,089)	(8,598)	(45,879)

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	EDUCATIONAL TECHNOLOGY TRAINING CENTER	YOUTH TRANSITION TO WORK	EMERGENCY SERVICES TRAINING CTR FOOD SERVICES	CULINARY EXPRESS	PRINT SHOP	AUTO BODY	ENGINEERING	TOTALS (MEMORANDUM ONLY)	
								JUNE 30, 2012	JUNE 30, 2011
Cash Flows from Operating Activities:									
Receipts from Customers				132,080	5,523	150	2,000	2,025,138	2,255,952
Payments to Employees				(23,760)				(1,168,348)	(1,263,329)
Payments to Food Service Management Company								(80,936)	(81,000)
Payments for Employee Benefits								(59,034)	(59,824)
Payments to Suppliers		(414)	(566)	(101,053)	(3,051)	(1,159)		(901,983)	(973,628)
Net Cash Provided/(Used) by Operating Activities		(414)	(566)	7,267	2,472	(1,009)	2,000	(185,163)	(121,829)
Cash Flows From Capital Financing Activities:									
Purchase of Equipment								(14,356)	
Net Cash Provided by Capital Financing Activities								(14,356)	
Cash Flows From Noncapital Financing Activities:									
Cash Received From State & Federal Programs Transfers Out	(18,327)							417,033 (18,327)	393,755
Net Cash Provided by Noncapital Financing Activities	(18,327)							398,706	393,755
Net Increase/(Decrease) in Cash & Cash Equivalents	(18,327)	(414)	(566)	7,267	2,472	(1,009)	2,000	199,187	271,926
Balances - Beginning of Year	18,327	414	566	40,019	8,577	1,692		1,184,701	912,775
Balances - Ending of Year	\$ -	-	-	47,286	11,049	683	2,000	1,383,888	1,184,701
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:									
Operating Income (Loss)	\$ -	(414)	(566)	7,237	2,796	(1,009)	2,000	(322,465)	(216,636)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (Used in) Operating Activities:									
Food Distribution Program								41,795	22,775
Cancellation of Prior Year Receivable								(17,299)	
Change in Assets & Liabilities:									
(Increase)/Decrease in Accounts Receivable				30	(324)			24,280	26,525
(Increase)/Decrease in Inventory								20,480	
Increase/(Decrease) in Other Payables								68,046	45,507
Net Cash Provided/(Used) by Operating Activities	\$ -	(414)	(566)	7,267	2,472	(1,009)	2,000	(185,163)	(121,829)

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

Fiduciary Fund

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2012
(With Comparative Totals for June 30, 2011)

	PRIVATE PURPOSE			TOTALS	
	UNEMPLOYMENT COMPENSATION INSURANCE	AGENCY FUNDS STUDENT ACTIVITY	PAYROLL	JUNE 30, 2012	JUNE 30, 2011 (MEMORANDUM ONLY)
ASSETS					
Cash & Cash Equivalents	\$964,172	132,323	60,333	1,156,828	573,980
Due From Agency	5,000			5,000	
Total Assets	969,172	132,323	60,333	1,161,828	573,980
LIABILITIES					
Unemployment Claims Payable	59,134			59,134	
Interfund			6,686	6,686	
Due to Unemployment Payroll Deductions & Withholdings			5,000	5,000	
Due to Student Groups		132,323	48,647	48,647	33,295
Total Liabilities	59,134	132,323	60,333	251,790	126,048
NET ASSETS					
Reserved	910,038			910,038	447,932
Total Net Assets	\$910,038	-	-	910,038	447,932

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	PRIVATE PURPOSE	TOTALS	
	UNEMPLOYMENT COMPENSATION INSURANCE	JUNE 30, 2012	(MEMORANDUM ONLY) JUNE 30, 2011
ADDITIONS			
Local Sources:			
Employee Salary Deductions	\$72,841	72,841	46,732
Other Sources:			
Interest on Investments	2,661	2,661	1,261
Board Contribution	724,531	724,531	541,977
Total Additions	800,033	800,033	589,970
DEDUCTIONS			
Unemployment Compensation			
Insurance Claims	337,927	337,927	194,313
Total Deductions	337,927	337,927	194,313
Change in Net Assets	462,106	462,106	395,657
Net Assets - Beginning of the Year	447,932	447,932	52,275
Net Assets - End of the Year	\$910,038	910,038	447,932

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

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2012

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the Burlington County Institute of Technology (the District) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). In June 1999 the GASB issued Statement 34 *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. This statement established new financial reporting requirements for state and local governmental entities throughout the United States. The District was required to implement these standards for the fiscal year-ending June 30, 2003. As a result, the District has prepared required supplementary information titled *Management’s Discussion and Analysis*, which precedes the basic financial statements.

The District implemented these standards beginning with fiscal year-ending June 30, 2003. With the implementation of GASB Statement 34, the District has prepared required supplementary information titled *Management’s Discussion and Analysis*, which precedes the basic financial statements.

Other GASB Statements are required to be implemented in conjunction with GASB Statement 34. Therefore, the District has implemented the following GASB Statements in the current fiscal year: Statement 33 – *Accounting and Financial Reporting for Nonexchange Transactions*; Statement 36 – *Recipient Reporting for Certain Shared Nonexchange Revenues*; Statement 37 – *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus* and Statement 38 – *Certain Financial Statement Note Disclosures*; Statement 40 – *Deposit and Investment Risk Disclosures*; Statement 44 – *Economic Condition Reporting – The Statistical Section*; Statement 45 – *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and Statement 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*.

The accompanying financial statements present the financial position of the District and the various funds and fund types, the results of operations of the District and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2012 and for the year then ended with comparative totals as of and for the year ended June 30, 2011 (Memorandum Only).

A. Reporting Entity

The Burlington County Institute of Technology is a Type I district located in the County of Burlington, State of New Jersey. As a Type I district, the School District functions independently through a Board of Education. The Board consists of appointed officials by the County Freeholders 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. The Board is comprised of four members appointed to four year terms, which are staggered so that one member’s term expires each year. In addition the County Superintendent serves as an ex-officio member. There are two campuses, Woodlane Road in Westampton Township and Hawkins Road in Medford Township. The District provides a full range of educational services appropriate to grade levels 9 through 12. The Burlington County Institute of Technology has an approximate enrollment at June 30, 2012 of 1955 students.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, is whether:

- ◆ the organization is legally separate (can sue or be sued in their own name)
- ◆ the District holds the corporate powers of the organization
- ◆ the District appoints a voting majority of the organization's board
- ◆ the District is able to impose its will on the organization
- ◆ the organization has the potential to impose a financial benefit/burden on the District
- ◆ there is a fiscal dependency by the organization on the District

Component Units – GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The following organization is considered a component unit, however, the School District has determined that it is not significant and, therefore, has not been included in the basic financial statements.

Based on the aforementioned criteria, the District has one component unit as listed below:

Burlington County Institute of Technology Foundation
2 Academy Drive
Westampton, New Jersey 08060

Requests for financial information should be addressed to the organization listed above.

B. District-Wide and Fund Financial Statements

The district-wide financial statements (the statement of net assets and the statement of activities) report information of all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these district-wide statements. District 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, segment or component unit are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, segment, or component unit. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function, segment or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment, or component unit. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District does not allocate general government (indirect) expenses to other functions.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS (continued): FOR THE YEAR ENDED JUNE 30, 2012

Note 1. Summary of Significant Accounting Policies (continued):

Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds and similar component units, and major component units. However, the fiduciary funds are not included in the district-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

District-Wide Financial Statements – The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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 – The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as 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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

D. Fund Accounting

The accounts of the Burlington County Institute of Technology are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

D. Fund Accounting (continued):

purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

Governmental Funds

General Fund - The general fund is the general operating fund of the Burlington County Institute of Technology and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey Department of Education Burlington County Institute of Technology includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

D. Fund Accounting (continued):

Proprietary Fund

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

All Proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line-method. The estimated useful lives are as follows:

Buildings & Improvements	10-50 years
Equipment	12 years
Light Trucks & Vehicles	4 years
Heavy Trucks & Vehicles	6 years

Fiduciary Fund

Fiduciary funds are used to account for assets held by a governmental entity for other parties (either as trustee or as an agent) and that cannot be used to finance the governmental entity's own operating programs which includes private purpose trust funds and agency funds.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

D. Fund Accounting (continued):

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains an Unemployment Trust Fund as a private purpose trust.

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity's own operating programs. The District currently maintains Payroll funds and Student Activity Funds as Agency Funds.

E. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, private purpose trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

In its accounting and financial reporting, the Burlington County Institute of Technology follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The Burlington County Institute of Technology's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

E. Basis of Accounting (continued):

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and private purpose trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

F. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are approved by the County Superintendent. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts 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(m)1*. All budget amendments must be approved by School Board resolution.

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 generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

The accounting records of the special revenue fund 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 budget, as detailed on Exhibit C-1, includes all amendments to the adopted budget, if any.

The following presents a reconciliation of the special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types:

**Notes to Required Supplementary Information.
Budgetary Comparison Schedule**

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$38,320,334	\$1,450,662
Difference – Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		139,096
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	1,281,314	
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(1,362,030)</u>	
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$38,239,618</u>	<u>\$1,589,758</u>
Uses/Outflows of Resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$38,268,520	\$1,450,662
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		<u>139,096</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances -- governmental funds	<u>\$38,268,520</u>	<u>\$1,589,758</u>

G. Encumbrances

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.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

Open encumbrances in the special revenue fund for which the Burlington County Institute of Technology has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end. The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year-end.

H. Cash and Cash Equivalents

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost.

New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. *N.J.S.18A:20-37* provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

I. Tuition Receivable/Payable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

These adjustments are recorded upon certification by the State Board of Education, which is normally three years following the contract year. The cumulative adjustments through June 30, 2012, which have not been recorded, are not determinable.

The tuition rate adjustments for the years 2009-2010 have been established. According to the School District's records, these amounts of adjustments are immaterial to the financial statements.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

J. Inventories & Prepaid Expenses

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed.

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditure during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2012.

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the Burlington County Institute of Technology and that are due within one year.

L. Capital Assets

General fixed assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Fixed assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of one year or more. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed were valued by an independent appraisal company. General fixed assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General fixed assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

Machinery and Equipment	7 – 20 Years
-------------------------	--------------

M. Accrued Salaries and Wages

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2012 for such salaries.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012**

Note 1. Summary of Significant Accounting Policies (continued):

N. Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In the District-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

O. Deferred Revenue

Deferred revenue in the special revenue fund represents cash, which has been received but not yet earned.

P. Long-term Obligations

In district-wide financial statements, under governmental activities, long-term debt is recognized as a liability in the general fund as debt is incurred.

Q. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

In accordance with State of New Jersey statutes, the fund balance to be utilized in the subsequent year budget is not legally restricted and therefore has been classified as fund balance designated for subsequent year's expenditures and is not reserved.

R. Subsequent Events

The Burlington County Institute of Technology has evaluated subsequent events occurring after June 30, 2012 through the date of November 15, 2012, which is the date the financial statements were available to be issued.

Note 2. Cash and Cash Equivalents

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2012, and reported at fair value are as follows:

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012**

Note 2. Cash and Cash Equivalents (continued):

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$5,302,782</u>
Total Deposits	<u>\$5,302,782</u>

The District's Cash & Cash Equivalents are Reported as Follows:

Governmental Activities	\$2,762,066
Business-Type Activities	1,383,888
Fiduciary Funds	<u>1,156,828</u>
Total Cash and Cash Equivalents	<u>\$5,302,782</u>

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The District does have a deposit policy for custodial credit risk. As of June 30, 2012, the District's bank balance of \$6,139,655 was insured or collateralized as follows:

Insured	\$ 250,000
Collateralized in the District's Name Under GUDPA (See Note 3)	<u>5,889,655</u>
Total	<u>\$6,139,655</u>

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The District has deposited cash in 2012 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012**

Note 3. Governmental Unit Deposit Protection Act (GUDPA) (continued):

days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The District should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

Note 4. Capital Reserve Account

A capital reserve account was established by the Burlington County Institute of Technology on October 10, 2000, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS (continued):
FOR THE YEAR ENDED JUNE 30, 2012

Note 4. Capital Reserve Account (continued):

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). 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 or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated 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-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP

The activity of the capital reserve for the July 1, 2011 to June 30, 2012 fiscal year is as follows:

Beginning Balance, July 1, 2011	\$ -
Board Approval	<u>500,000</u>
Ending Balance, June 30, 2012	<u>\$500,000</u>

Note 5. Capital Assets

An appraisal of the District's fixed assets was completed as of June 30, 2011 by American Appraisal. Differences have been adjusted and reflected as a loss on the revaluation on the District's Statement of Activities.

The following schedule is a summarization of the capital fixed assets by source for the fiscal year ended June 30, 2012:

	June 30, 2011	Additions	Deletions	Transfers/ Adjustments	June 30, 2012
Land	\$ 379,000				\$ 379,000
Land Improvements	2,452,790				2,452,790
Buildings & Improvements	72,037,914	\$ 990,446			73,028,360
Equipment	8,787,596	496,966	\$(20,700)	\$(1,568,603)	7,695,259
Subtotal	83,657,300	1,487,412	(20,700)		83,555,409
Accumulated Depreciation	(33,885,490)	(2,439,823)	20,700	2,356,670	(33,947,943)
Total	<u>\$49,771,810</u>	<u>\$ (952,411)</u>	<u>\$ -</u>	<u>\$ 788,067</u>	<u>\$49,607,466</u>

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2012

Note 6. Long-Term Debt

During the fiscal year ended June 30, 2012 the following changes occurred in liabilities reported in the general long-term debt account group:

	Balance 6/30/11	Additions	Retired/ Refunded	Balance 6/30/12	Due Within One Year
Compensated Absences Payable	\$1,376,467	\$ -	\$47,604	\$1,328,863	\$ -

Note 7. Pension Plans

Plan Descriptions - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established in January 1955, under the provisions of *N.J.S.A. 18A:66* to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related noncontributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established in January 1955 under the provisions of *N.J.S.A. 43:15A* to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by *N.J.S.A. 43:15A* and *43.3B* and *N.J.S.A. 18A:6C* for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012

Note 7. Pension Plans (continued):

credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Significant Legislation below.

Significant Legislation – During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced.

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the TPAF and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Effective June 28, 2011, Chapter 78, P.L. 2011 reformed various pension and health benefits provisions. Employees hired after June 28, 2011 and enrolled in PERS will be enrolled in a new tier, Tier 5. Full retirement for Tier 5 PERS members will be age 65 and 30 years of service.

All cost of living adjustments are frozen until the pension fund reaches a "target funded ratio".

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2012

Note 7. Pension Plans (continued):

Chapter 78 also requires all covered employees to contribute a prescribed percentage towards their health costs.

Contribution Requirements – The contribution policy is set by *N.J.S.A.43:15A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5%, effective October 1, 2011, of employees’ annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a noncontributing employer of the TPAF.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/12	\$607,154	100%	\$ -0-
6/30/11	552,377	100%	-0-
6/30/10	490,213	100%	-0-

Information for TPAF (Paid on behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/12	\$1,478,483	100%	\$ -0-
6/30/11	1,064,611	100%	-0-
6/30/10	1,042,222	100%	-0-

During the year ended June 30, 2012 the State of New Jersey contributed \$1,478,483 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A.18A:66-66* the State of New Jersey reimbursed the District \$1,061,151 for the year ended June 30, 2012 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

Early Retirement Incentive Program – The Board approved an “Enhanced Severance Plan” in February 2004 and May 2005 for certain members of the TPAF and PERS. Since no accrual has been made for the additional costs related to these programs, the School District will fund such cost in an annual budget appropriation on a pay-as-you-go basis. Program costs are billed annually by the Division of Pensions and Benefits.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 8. Post-Retirement Benefits

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2011, there were 93,323 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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 or county college with 25 years of service. The State paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members in Fiscal Year 2011.

Note 9. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

New Jersey Unemployment Compensation Insurance – The District has elected to fund their New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two years:

Fiscal Year	District Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2011-2012	\$797,372	\$2,661	\$337,927	\$910,038
2010-2011	588,709	1,261	194,313	447,932
2009-2010	93,045	249	233,549	52,275

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2012

Note 10. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2012 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Note 11. Economic Dependency

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the District's programs and activities.

Note 12. Deferred Compensation

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Oppenheimer	Tom Seely	Equitable	Lincoln Investment
Valic	Lincoln Life	Advanced Asset Planning	

Note 13. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. Employees who are employed for twelve months are entitled to twelve paid sick days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS (continued):
JUNE 30, 2012**

Note 13. Compensated Absences (continued):

However, an employee must have 25 years of service or their contract must specifically allow the payment of unused sick leave. District employees are entitled to two personal days, which may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the District's agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2012 is \$1,328,863.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2012 no liability existed for compensated absences in the proprietary fund types.

Note 14. 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 Restricted Fund Balance – Excess Surplus – Current Year is a required calculation pursuant to the New Jersey School Funding Reform Act of 2008 (SFRA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2012 is \$-0-.

Note 15. Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2012:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$6,686	
Trust & Agency Fund	_____	<u>\$6,686</u>
Total	<u>\$6,686</u>	<u>\$6,686</u>

The purpose of interfunds are short-term borrowings.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS (continued):

JUNE 30, 2012

Note 16. Lease Obligations

At June 30, 2012 the School District had operating lease agreements for various office equipment.

Note 17. GASB #54 - Fund Balance Disclosures

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Burlington County Institute of Technology classifies governmental fund balances as follows:

- Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.
- Unassigned – includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

The Burlington County Institute of Technology uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available, unless prohibited by law or regulation. Additionally, the Burlington County Institute of Technology would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

General Fund – Of the \$1,957,531 General Fund fund balance at June 30, 2012, \$500,000 has been restricted for the Capital Reserve Account; \$857,547 is assigned to other purposes and \$599,984 is unassigned.

Capital Projects Fund – Of the \$45,097 Capital Projects fund balance at June 30, 2012, all is assigned to future projects.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:										
Local Sources:										
County Appropriations	10-1210	\$15,894,974		15,894,974	15,894,974		15,894,974		15,894,974	15,894,974
Tuition from LEA's	10-1300	5,475,000		5,475,000	5,552,872	77,872	4,775,000		4,775,000	4,892,500
Other Local Revenue/Miscellaneous	10-1XXX	40,000		40,000	66,627	26,627	40,000		40,000	112,304
Total Local Sources		21,409,974		21,409,974	21,514,473	104,499	20,709,974		20,709,974	20,899,778
State Sources:										
Categorical Special Education Aid	10-3132	1,075,399		1,075,399	1,075,399				1,075,399	1,075,399
Equalization Aid	10-3176	12,297,265		12,297,265	12,656,460	359,195	13,013,470	(1,075,399)	11,938,071	11,938,071
On-behalf of TPAF Pension Contributions (Non-budgeted)	10-3901				1,478,483	1,478,483				1,064,611
Reimbursed TPAF Social Security Contributions (Non-budgeted)	10-3902				1,061,151	1,061,151				1,117,837
Total State Sources		13,372,664		13,372,664	16,271,493	2,898,829	13,013,470		13,013,470	15,195,918
Federal Sources:										
Special Education - Medicaid Initiative	10-4200	38,336		38,336	28,267	(10,069)	35,000		35,000	21,723
Ed Jobs Fund	10-4522	490,727	15,374	506,101	506,101					(13,277)
Total Federal Services		529,063	15,374	544,437	534,368	(10,069)	35,000		35,000	21,723
Total Revenues		35,311,701	15,374	35,327,075	38,320,334	2,993,259	33,758,444		33,758,444	36,117,419

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012					POSITIVE/ (NEGATIVE)	JUNE 30, 2011					POSITIVE/ (NEGATIVE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL		
Expenditures:												
Current Expense:												
Regular Programs - Grade 9-12 Instruction:												
Salaries of Teachers	11-140-100-101	5,070,314	302,065	5,372,379	5,364,610	7,769	5,215,944	(82,133)	5,133,811	5,109,705	24,106	
Other Purchased Services	11-140-100-500	4,997	(2,488)	2,509	2,509		5,000	(4,497)	503	503		
General Supplies	11-140-100-610	83,500	(91)	83,409	80,300	3,109	84,400	(25,498)	58,902	57,231	1,671	
Textbooks	11-140-100-640	49,000	(43,313)	5,687	5,687		49,900	24,154	74,054	71,043	3,011	
Other Objects	11-140-100-800	11,000	(4,030)	6,970	6,970		11,000	(8,702)	2,298	2,298		
Home Instruction - Regular Programs:												
Salaries of Teachers	11-150-100-101	45,000	(15,095)	29,905	29,717	188	45,000	(19,901)	25,099	25,099		
Other Purchased Services												
Services	11-150-100-500	4,725	(2,646)	2,079	2,079		4,725	(2,440)	2,285	2,285		
Other Objects	11-150-100-800	4,725	(2,445)	2,280	2,280		4,725	(3,965)	760	760		
Total Regular Programs - Instruction		5,273,261	231,957	5,505,218	5,494,152	11,066	5,420,694	(122,982)	5,297,712	5,268,924	28,788	
Basic Skills/Remedial - Instruction:												
Salaries of Teachers	11-230-100-101	82,996	38,128	121,124	121,124		121,178	(53,532)	67,646	67,646		
Total Basic Skills/Remedial Instruction		82,996	38,128	121,124	121,124		121,178	(53,532)	67,646	67,646		
Bilingual Education:												
Salaries of Teachers	11-240-100-101	9,646	(89)	9,557	9,557		9,503	(1,721)	7,782	7,782		
Total Bilingual Education		9,646	(89)	9,557	9,557		9,503	(1,721)	7,782	7,782		
Regular Vocational Programs - Instruction:												
Salaries of Teachers	11-310-100-101	3,305,109	122,006	3,427,115	3,427,115		3,414,457	(85,289)	3,329,168	3,329,168		
Other Purchased Services	11-310-100-500	5,000	(2,529)	2,471	2,471		7,000	(3,405)	3,595	3,595		
General Supplies	11-310-100-610	381,000	56,173	437,173	413,934	23,239	381,000	146,165	527,165	459,720	67,445	
Textbooks	11-310-100-640	66,500	(21,109)	45,391	40,831	4,560	68,500	(28,528)	39,972	29,473	10,499	
Other Objects	11-310-100-800	23,500	539	24,039	23,613	426	24,500	(1,354)	23,146	23,127	19	

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE)	JUNE 30, 2011				POSITIVE/ (NEGATIVE)
	BUDGET	TRANSFERS	BUDGET	ACTUAL	ACTUAL	BUDGET	TRANSFERS	BUDGET	ACTUAL	ACTUAL
Total Regular Vocational Programs - Instruction	3,781,109	155,080	3,936,189	3,907,964	28,225	3,895,457	27,589	3,923,046	3,845,083	77,963
Special Vocational Programs - Instruction:										
Salaries of Teachers 11-320-100-101	3,375,290	(750,260)	2,625,030	2,625,030		3,415,687	(118,204)	3,297,483	3,297,483	
Other Salaries for Instruction 11-320-100-106	1,186,352	(268,541)	917,811	915,728	2,083	1,220,170	(181,510)	1,038,660	1,009,426	29,234
General Supplies 11-320-100-610	44,415	(15,175)	29,240	28,844	396	44,415	(13,406)	31,009	31,009	
Textbooks 11-320-100-640	14,175	(11,649)	2,526	2,526		14,175	(10,444)	3,731	1,159	2,572
Other Objects 11-320-100-800	1,418	(241)	1,177	1,177		1,418	(820)	598	598	
Total Special Vocational Programs - Instruction:	4,621,650	(1,045,866)	3,575,784	3,573,305	2,479	4,695,865	(324,384)	4,371,481	4,339,675	31,806
School Sponsored Cocurricular Activities - Instruction:										
Salaries 11-401-100-100	529,005	(94,912)	434,093	431,160	2,933	543,123	(95,311)	447,812	447,232	580
Supplies & Materials 11-401-100-610	46,890	338	47,228	45,466	1,762	46,890	(1,037)	45,853	45,853	
Other Objects 11-401-100-800	105,000	7,398	112,398	109,105	3,293	105,000	93,065	198,065	166,195	31,870
Total School Sponsored Cocurricular Activities	680,895	(87,176)	593,719	585,731	7,988	695,013	(3,283)	691,730	659,280	32,450
School Sponsored Athletics - Instruction:										
Salaries 11-402-100-100	654,935	(22,903)	632,032	632,018	14	658,242	(33,777)	624,465	624,465	
Supplies & Materials 11-402-100-610	62,000	21,496	83,496	76,740	6,756	62,000	14,229	76,229	74,802	1,427
Other Objects 11-402-100-800	36,000	(4,576)	31,424	31,383	41	36,000	2,425	38,425	38,425	
Total School Sponsored Athletics - Instruction	752,935	(5,983)	746,952	740,141	6,811	756,242	(17,123)	739,119	737,692	1,427
Total Instruction	15,202,492	(713,949)	14,488,543	14,431,974	56,569	15,593,952	(495,436)	15,098,516	14,926,082	172,434
Undistributed Expenditures:										
Health Services:										
Salaries 11-000-213-100	124,267	(1,837)	122,430	122,430		122,430		122,430	122,430	
Purchased Professional & Technical Services 11-000-213-330	30,000	(2,300)	27,700	27,700		30,000	(2,895)	27,105	27,105	
Supplies & Materials 11-000-213-600	6,750	2,755	9,505	9,505		6,750	552	7,302	7,302	

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Health Services	161,017	(1,382)	159,635	159,635		159,180	(2,343)	156,837	156,837		
Other Support Services - Students - Related Services:											
Purchased Professional - Educational Services	11-000-216-320	47,249	(43,082)	4,167	4,167	47,250	(46,890)	360	360		
Total Other Support Services - Students - Related - Services		47,249	(43,082)	4,167	4,167	47,250	(46,890)	360	360		
Other Support Services - Students - Regular:											
Salaries of Other Professional Staff	11-000-218-104	926,303	(15,689)	910,614	910,614	893,634	19,802	913,436	913,436		
Salaries of Secretarial & Clerical	11-000-218-105	160,534	11,788	172,322	172,322	110,114	48,048	158,162	158,162		
Other Purchased Services	11-000-218-500	2,000	4,611	6,611	6,611	2,000	316	2,316	2,316		
Supplies & Materials	11-000-218-600	3,500	2,960	6,460	6,460	3,500	647	4,147	3,568	579	
Total Other Support Services - Students - Regular		1,092,337	3,670	1,096,007	1,096,007	1,009,248	68,813	1,078,061	1,077,482	579	
Other Support Services - Students - Special Services:											
Salaries of Other Professional Staff	11-000-219-104	859,376	(3,352)	856,024	856,024	1,019,904	(83,947)	935,957	935,957		
Salaries of Secretarial & Clerical	11-000-219-105	131,092	(1,938)	129,154	129,154	102,366	23,507	125,873	125,873		
Other Purchased Services	11-000-219-500	28,350	74,735	103,085	98,791	4,294	28,350	53,293	29,884	23,409	
Supplies & Materials	11-000-219-600	4,725	(3,890)	835	835	4,725	2,210	6,935	6,894	41	
Other Objects	11-000-219-800	4,725	(3,986)	739	739	4,725	(2,579)	2,146	2,146		
Total Other Support Services - Students - Special Services		1,028,268	61,569	1,089,837	1,085,543	4,294	1,160,070	(35,866)	1,124,204	1,100,754	23,450
Improvement of Instructional Services											
Salaries - Supervisor of Instruction	11-000-221-102	246,330		246,330	246,330	243,672	(19,492)	224,180	224,180		
Educational Media Services/School Library:											
Salaries	11-000-222-100	112,525	(1,663)	110,862	110,862	110,862		110,862	110,862		
Other Purchased Services	11-000-222-500	6,000	2	6,002	6,002	6,000	285	6,285	6,285		
Supplies & Materials	11-000-222-600	20,000	15,874	35,874	31,040	4,834	20,000	10,114	30,114		
Other Objects	11-000-222-800	2,000	(1,142)	858	858	2,000	1,878	3,878	3,869	9	

53

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Educational Media Services/School Library	140,525	13,071	153,596	148,762	4,834	138,862	12,277	151,139	151,130	9	
Instructional Staff Training Services:											
Purchased Professional - Educational Services	11-000-223-320	3,735	(3,072)	663	663	3,735	(3,345)	390	390		
Other Purchased Professional & Technical Services	11-000-223-390	7,005	(984)	6,021	5,532	489	8,505	1,615	10,120	10,120	
Other Purchased Services	11-000-223-500	7,500	(4,524)	2,976	2,976	7,500	(3,708)	3,792	3,792		
Total Instructional Staff Training Services		18,240	(8,580)	9,660	9,171	489	19,740	(5,438)	14,302	14,302	
Support Services General Administration:											
Salaries	11-000-230-100	592,856	(145,741)	447,115	447,115	600,776	51,875	652,651	652,651		
Legal Services	11-000-230-331	50,000	4,428	54,428	51,557	2,871	30,000	26,558	56,558	56,558	
Audit Services	11-000-230-332	50,000	(1,800)	48,200	48,200	45,000	2,500	47,500	47,500		
Purchased Technical Services	11-000-230-340	73,000	5,923	78,923	78,859	64	73,000	(22,827)	50,173	47,604	
Communications/Telephone	11-000-230-530	124,210	(103,952)	20,258	18,707	1,551	124,210	(46,174)	78,036	78,036	
BOE Other Purchased Services	11-000-230-585	12,982	(6,035)	6,947	6,317	630	13,482	(5,569)	7,913	7,913	
General Supplies	11-000-230-610	32,532	(8,397)	24,135	19,697	4,438	32,532	(4,485)	28,047	25,451	
Miscellaneous Expenditures	11-000-230-890	41,677	7,881	49,558	41,403	8,155	41,678	(924)	40,754	34,127	
Total Support Services General Administration		977,257	(247,693)	729,564	711,855	17,709	960,678	954	961,632	949,840	11,792
Support Services School Administration:											
Salaries of Principals & Assistant Principals	11-000-240-103	934,855	43,666	978,521	978,521	1,053,212	(89,179)	964,033	963,366	667	
Salaries of Secretarial & Clerical Assistants	11-000-240-105	579,893	(34,934)	544,959	544,959	578,689	25,185	603,874	603,874		
Other Salaries	11-000-240-110	60,000	(2,256)	57,744	57,509	235	132,000	(107,869)	24,131	24,131	
Other Purchased Services	11-000-240-500	5,000	15,748	20,748	13,351	7,397	5,000	11,193	16,193	13,693	
Supplies & Materials	11-000-240-600	66,038	22,674	88,712	76,854	11,858	75,449	138,323	213,772	207,840	
Other Objects	11-000-240-800	256,904	124,637	381,541	334,803	46,738	251,070	14,193	265,263	224,789	
Total Support Services School Administration		1,902,690	169,535	2,072,225	2,005,997	66,228	2,095,420	(8,154)	2,087,266	2,037,693	49,573
Central Services:											
Salaries	11-000-251-100	526,497	(55,647)	470,850	470,485	365	533,079	(5,210)	527,869	527,869	
Other Purchased Professional Services	11-000-251-330	25,000	171,705	196,705	185,129	11,576	25,000	15,006	40,006	29,310	
Purchased Technical Services	11-000-251-340	35,000	(2,015)	32,985	32,985		35,000	(5,675)	29,325	26,075	
Supplies and Materials	11-000-251-600	104,200	49,037	153,237	79,184	74,053	104,200	(75,494)	28,706	28,706	
Total Central Services		690,697	163,080	853,777	767,783	85,994	697,279	(71,373)	625,906	583,254	42,652

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Information Technology:											
Purchased Technical Services	11-000-252-340		236,985	236,985	236,955	30					
Communications	11-000-252-530		60,777	60,777	60,777						
General Supplies	11-000-252-610		32,228	32,228	32,228						
Miscellaneous Expenditures	11-000-252-800		8,774	8,774	8,774						
Total Information Technology Services			338,764	338,764	338,734	30					
Operation & Maintenance of Plant:											
Required Maintenance for School Facilities:											
Salaries	11-000-261-100	125,800	(9,545)	116,255	114,664	1,591	74,974	51,677	126,651	126,651	
Cleaning, Repair & Maintenance Services	11-000-261-420	191,109	213,974	405,083	381,221	23,862	191,110	46,250	237,360	215,061	22,299
General Supplies	11-000-261-610	102,996	46,866	149,862	130,725	19,137	102,996	150,617	253,613	243,348	10,265
Other Objects	11-000-261-800	143,064	279,365	422,429	265,512	156,917	191,300	79,005	270,305	163,490	106,815
Total Allowable Maintenance for School Facilities		562,969	530,660	1,093,629	892,122	201,507	560,380	327,549	887,929	748,550	139,379
Other Operation & Maintenance of Plant:											
Salaries	11-000-262-100	2,034,410	(251,453)	1,782,957	1,773,830	9,127	1,999,881	(60,262)	1,939,619	1,939,619	
Cleaning, Repair & Maintenance Services	11-000-262-420	72,668	(50,064)	22,604	22,604		72,668	(26,586)	46,082	46,082	
Other Purchased Property Services	11-000-262-490	66,948	30,698	97,646	97,646		66,948	15,307	82,255	82,255	
Insurance	11-000-262-520	652,260	(68,969)	583,291	577,457	5,834	621,200	(21,306)	599,894	599,894	
General Supplies	11-000-262-610	103,783	(16,997)	86,786	86,786		103,783	(27,211)	76,572	76,153	419
Energy (Heat & Electricity)	11-000-262-620	2,075,000	(496,773)	1,578,227	1,565,171	13,056	2,041,470	(323,587)	1,717,883	1,717,883	
Other Objects	11-000-262-800	69,111	17,081	86,192	86,076	116	69,111	397	69,508	59,442	10,066
Total Other Operation & Maintenance of Plant		5,074,180	(836,477)	4,237,703	4,209,570	28,133	4,975,061	(443,248)	4,531,813	4,521,328	10,485
Total Operation & Maintenance of Plant		5,637,149	(305,817)	5,331,332	5,101,692	229,640	5,535,441	(115,699)	5,419,742	5,269,878	149,864
Student Transportation Services:											
Salaries for Pupil Transportation - (Other Than Between Home & School)	11-000-270-162	162,000	(97,180)	64,820	63,280	1,540	143,400	2,908	146,308	146,308	
Contracted Services - (Other Than Between Home & School) Vendors	11-000-270-512	131,418	21,231	152,649	152,649		131,418	(31,589)	99,829	84,046	15,783

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Student Transportation Services	293,418	(75,949)	217,469	215,929	1,540	274,818	(28,681)	246,137	230,354	15,783
Allocated Benefits:										
Regular Programs - Instruction - Employee Benefits:										
Health Benefits 11-1xx-100-270	801,360	46,963	848,323	848,323		777,772	(19,736)	758,036	758,036	
Special Programs - Instruction - Employee Benefits:										
Health Benefits 11-2xx-100-270	6,584	15,014	21,598	21,598		21,478	(668)	20,810	20,810	
Vocational Programs - Instruction - Employee Benefits:										
Health Benefits 11-3xx-100-270	1,683,577	(32,077)	1,651,500	1,651,500		1,692,180	(49,655)	1,642,525	1,642,525	
Other Instructional Programs - Instruction - Employee Benefits:										
Health Benefits 11-4xx-100-270	39,022	(6,430)	32,592	32,310	282	40,527	(1,332)	39,195	39,195	
Health Services - Employee Benefits:										
Health Benefits 11-000-213-270	21,376	3,753	25,129	25,129		20,655	(414)	20,241	20,241	
Other Support Services - Students - Regular - Employee Benefits:										
Health Benefits 11-000-218-270	170,736	2,321	173,057	173,057		157,819	8,584	166,403	166,403	
Other Support Services - Student - Special Ed -Employee Benefits:										
Health Benefits 11-000-219-270	168,157	6,132	174,289	174,289		175,278	17,007	192,285	192,285	
Improvement of Instruction Services - Employee Benefits:										
Health Benefits 11-000-221-270	38,241	569	38,810	38,810		39,307	(3,422)	35,885	35,885	

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE)	JUNE 30, 2011				POSITIVE/ (NEGATIVE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	
Educational Media Services - School Library - Employee Benefits:											
Health Benefits	11-000-222-270	29,734	(601)	29,133	29,133		29,027	(603)	28,424	28,424	
Support Services - General Administration - Employee Benefits:											
Health Benefits	11-000-230-270	108,652	(17,016)	91,636	91,636		122,581	(16,412)	106,169	106,169	
Support Services - School Administration - Employee Benefits:											
Health Benefits	11-000-240-270	259,122	10,254	269,376	269,376		245,367	20,233	265,600	265,600	
Support Services - Central Services - Employee Benefits:											
Health Benefits	11-000-251-270	142,245	(4,998)	137,247	135,940	1,307	138,911	(2,605)	136,306	136,129	177
Other Operations & Maintenance of Plant - Employee Benefits:											
Health Benefits	11-000-260-270	585,505	(85,836)	499,669	499,669		567,719	(36,515)	531,204	531,204	
Total Allocated Benefits		4,054,311	(61,952)	3,992,359	3,990,770	1,589	4,028,621	(85,538)	3,943,083	3,942,906	177
Unallocated Benefits - Employee Benefits:											
Social Security	11-000-291-220	725,000	(143,069)	581,931	518,632	63,299	667,013	(97,963)	569,050	567,941	1,109
Other Retirement Contributions	11-000-291-241	625,000	(17,846)	607,154	607,154		516,795	65,582	582,377	552,377	30,000
Unemployment Compensation	11-000-291-250	324,091	400,000	724,091	724,091		290,910	361,067	651,977	251,977	400,000
Tuition Reimbursements	11-000-291-280	134,101	24,908	159,009	159,009		127,715	(20,318)	107,397	99,027	8,370
Interest Expense on Short Term Note	11-000-291-831		39,508	39,508	39,508			22,667	22,667	22,667	
Total Unallocated Benefits		1,808,192	303,501	2,111,693	2,048,394	63,299	1,602,433	331,035	1,933,468	1,493,989	439,479
Total Personal Services - Employee Benefits		5,862,503	241,549	6,104,052	6,039,164	64,888	5,631,054	245,497	5,876,551	5,436,895	439,656
Nonbudgeted:											
On-Behalf TPAF Pension Contribution					1,478,483	(1,478,483)			1,064,611	(1,064,611)	
Reimbursed TPAF Social Security Contributions					1,061,151	(1,061,151)			1,117,837	(1,117,837)	
Total Undistributed Expenditures		18,097,680	308,735	18,406,415	20,470,403	(2,063,988)	17,972,712	(6,395)	17,966,317	19,415,407	(1,449,090)

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Expenditures - Current Expense	33,300,172	(405,214)	32,894,958	34,902,377	(2,007,419)	33,566,664	(501,831)	33,064,833	34,341,489	(1,276,656)
Capital Outlay:										
Equipment:										
Grades 9-12	12-140-100-730	3,099	3,099	3,099						
Vocational Programs - Regular Programs	12-310-100-730	170,261	170,261	138,617	31,644		343,866	343,866	248,532	95,334
Vocational Programs - Special Education	12-320-100-730	2,402	2,402	2,402						
Undistributed Expenditures:										
Physical Education & Health	12-140-100-730						24,165	24,165	21,066	3,099
School Administrative	12-000-230-730						25,171	25,171	25,171	
Information Technology	12-000-252-730		60,723	60,723	60,723					
Building & Grounds	12-000-260-730		89,668	89,668	89,668					
Other Support Services Equipment	12-000-290-730		1,514,633	1,514,633	1,060,105	454,528		833,592	833,592	378,039
Contribution for County Debt Service	12-000-510-900	1,900,000		1,900,000	1,900,000					
Total Equipment		1,900,000	1,840,786	3,740,786	3,254,614	486,172		1,353,208	1,353,208	749,774
Facilities Acquisition & Construction Services:										
Other Objects	12-000-400-800	111,529		111,529	111,529		191,780		191,780	191,780
Total Facilities Acquisition & Construction Services		111,529		111,529	111,529		191,780		191,780	191,780
Total Capital Outlay		2,011,529	1,840,786	3,852,315	3,366,143	486,172	191,780	1,353,208	1,544,988	941,554
General Special Schools:										
Post - Secondary Programs - Instruction:										
General Supplies	13-330-100-610						350	350	350	
Other Objects	13-330-100-800						853	853	853	
Total Post-Secondary Programs - Instruction							1,203	1,203	1,203	

58

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

ACCOUNT NUMBERS	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2011				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Total Post-Secondary Programs							1,203	1,203	1,203	
Total Special Schools							1,203	1,203	1,203	
General Fund Grand Total Expenditures	35,311,701	1,435,572	36,747,273	38,268,520	(1,521,247)	33,758,444	852,580	34,611,024	35,284,246	(673,222)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(1,420,198)	(1,420,198)	51,814	1,472,012		(852,580)	(852,580)	833,173	1,685,753
Other Financing Sources/(Uses):										
Transfer From Enterprise Funds				18,327	18,327					
Total Other Financing Sources/(Uses)				18,327	18,327					
59 Excess/(Deficiency) of Revenues & Other Financing Sources/(Uses) Over/(Under) Expenditures & Other Financing Uses		(1,420,198)	(1,420,198)	70,141	1,490,339		(852,580)	(852,580)	833,173	1,685,753
Fund Balances, July 1	3,249,420		3,249,420	3,249,420		2,416,247		2,416,247	2,416,247	
Fund Balances, June 30	<u>\$3,249,420</u>	<u>(1,420,198)</u>	<u>1,829,222</u>	<u>3,319,561</u>	<u>1,490,339</u>	<u>2,416,247</u>	<u>(852,580)</u>	<u>1,563,667</u>	<u>3,249,420</u>	<u>1,685,753</u>

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Reserve for Encumbrances	<u>\$1,420,198</u>
Total Budget Transfers	<u>\$1,420,198</u>

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$500,000
Assigned Fund Balance:	
Year-end Encumbrances	857,547
Unassigned Fund Balance	<u>1,962,014</u>
Subtotal	<u>3,319,561</u>
Reconciliation to Governmental Fund Statements (GAAP):	
Last Two State Aid Payment Not Recognized on GAAP Basis	<u>(1,362,030)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$1,957,531</u>

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
EDUCATION JOBS FUND PROGRAM -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	ACCOUNT NUMBER	JUNE 30, 2012				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Federal Sources:						
Education Jobs Fund	18-4522	\$490,727	15,374	506,101	506,101	
Total Federal Sources		<u>490,727</u>	<u>15,374</u>	<u>506,101</u>	<u>506,101</u>	
Total Revenues		<u>490,727</u>	<u>15,374</u>	<u>506,101</u>	<u>506,101</u>	
Expenditures:						
Support Services School Administration:						
Salaries of Principals & Assistant						
Principals	18-000-240-103	120,000		120,000	120,000	
Salaries of Secretarial & Clerical						
Assistants	18-000-240-105	32,000		32,000	32,000	
Health Benefits	18-000-240-270	28,000		28,000	28,000	
Total Support Services School Administration		<u>180,000</u>		<u>180,000</u>	<u>180,000</u>	
Other Operation & Maintenance of Plant:						
Salaries	18-000-262-100	77,000		77,000	77,000	
Health Benefits	18-000-262-270	8,000		8,000	8,000	
Total Other Operation & Maintenance of Plant		<u>85,000</u>		<u>85,000</u>	<u>85,000</u>	
Special Vocational Programs - Instruction:						
Salaries of Teachers	18-320-100-101	50,000		50,000	50,000	
Other Salaries for Instruction	18-320-100-106	126,626	15,374	142,000	142,000	
Health Benefits	18-320-100-270	49,101		49,101	49,101	
Total Special Vocational Programs - Instruction:		<u>225,727</u>	<u>15,374</u>	<u>241,101</u>	<u>241,101</u>	
Total Expenditures		<u>490,727</u>	<u>15,374</u>	<u>506,101</u>	<u>506,101</u>	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEARS ENDED JUNE 30, 2012 AND 2011**

	JUNE 30, 2011				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2010				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES										
State Sources		18,514	18,514	18,336	(178)		28,197	28,197	28,197	
Federal Sources	\$873,378	558,948	1,432,326	1,432,326		931,480	727,480	1,658,960	1,556,410	(102,550)
Total Revenues	873,378	577,462	1,450,840	1,450,662	(178)	931,480	755,677	1,687,157	1,584,607	(102,550)
EXPENDITURES:										
Instruction:										
Salaries of Teachers	391,000	162,940	553,940	553,940		547,238	(47,645)	499,593	498,009	1,584
Instruction Purchased Services		33,829	33,829	33,829			28,917	28,917	28,917	
General Supplies	270,778	156,390	427,168	427,168		147,686	273,555	421,241	352,677	68,564
Total Instruction	661,778	353,159	1,014,937	1,014,937		694,924	254,827	949,751	879,603	70,148
Support Services:										
Salaries		47,701	47,701	47,701			52,249	52,249	52,249	
Personal Services - Employee Benefits	57,800	(8,516)	49,284	49,284		56,556	1,846	58,402	58,402	
Purchased Professional - Educational Services	27,000	86,128	113,128	113,128		35,000	123,453	158,453	158,453	
Other Purchased Services (400-500 Series)	112,000	(25,972)	86,028	86,028		140,000	(50,580)	89,420	72,618	16,802
Travel	4,000	(3,486)	514	336	178	5,000	(4,205)	795	795	
Supplies & Materials	10,800	(4,350)	6,450	6,450			10,671	10,671	10,671	
Total Support Services	211,600	91,505	303,105	302,927	178	236,556	133,434	369,990	353,188	16,802
Facilities Acquisition & Construction Services:										
Instructional Equipment		132,798	132,798	132,798			367,416	367,416	351,816	15,600
Total Facilities Acquisition & Construction Services		132,798	132,798	132,798			367,416	367,416	351,816	15,600
Total Expenditures	873,378	577,462	1,450,840	1,450,662	178	931,480	755,677	1,687,157	1,584,607	102,550
Total Outflows	873,378	577,462	1,450,840	1,450,662	178	931,480	755,677	1,687,157	1,584,607	102,550
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)										

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and
GAAP Revenues and Expenditures**

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$38,320,334	1,450,662
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		139,096
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,281,314	
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP, which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	(1,362,030)	
	\$38,239,618	1,589,758
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$38,239,618	1,589,758
Uses/Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$38,268,520	1,450,662
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		139,096
	\$38,268,520	1,589,758
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$38,268,520	1,589,758

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

E. Special Revenue Fund



**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	TITLE I	TITLE II PART A	TITLE II PART D	IDEA PART B	IDEA ARRA
Revenues:					
Federal Sources	\$507,509	48,777	1,064	523,404	7,246
State Sources					
Total Revenues	507,509	48,777	1,064	523,404	7,246
Expenditures:					
Instruction:					
Salaries of Teachers	\$255,748	27,192		271,000	
Instruction Purchased Services					
General Supplies	139,899		1,064	143,544	2,978
Textbooks					
Total Instruction	395,647	27,192	1,064	414,544	2,978
Support Services:					
Salaries					
Personal Services -					
Employee Benefits	39,431	7,988			
Purchased Professional -					
Educational Services				108,860	4,268
Other Purchased Services					
(400-500 Series)	72,431	13,597			
Travel					
Supplies & Materials					
Total Support Services	111,862	21,585		108,860	4,268
Facilities Acquisition & Construction					
Services:					
Instructional Equipment					
Total Expenditures	\$507,509	48,777	1,064	523,404	7,246

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	PERKINS SECONDARY	PERKINS POST SECONDARY	APPRENTICE COORDINATOR	2012	2011
Revenues:					
Federal Sources	\$250,346	93,980		1,432,326	1,556,410
State Sources			18,336	18,336	28,197
Total Revenues	\$250,346	93,980	18,336	1,450,662	1,584,607
Expenditures:					
Instruction:					
Salaries of Teachers				553,940	498,009
Instruction Purchased Services	\$33,829			33,829	28,917
General Supplies	78,004	61,679		427,168	352,677
Total Instruction	111,833	61,679		1,014,937	879,603
Support Services:					
Salaries	21,274	8,927	17,500	47,701	52,249
Personal Services - Employee Benefits	1,865			49,284	58,402
Purchased Professional - Educational Services				113,128	158,453
Other Purchased Services (400-500 Series)				86,028	72,618
Travel			336	336	795
Supplies & Materials	1,500	4,450	500	6,450	10,671
Total Support Services	24,639	13,377	18,336	302,927	353,188
Facilities Acquisition & Construction Services:					
Instructional Equipment	113,874	18,924		132,798	351,816
Total Expenditures	\$250,346	93,980	18,336	1,450,662	1,584,607

F. Capital Projects Fund

EXHIBIT F-2

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Fund Balance - Beginning	<u>\$45,097</u>
Fund Balance - Ending	<u><u>\$45,097</u></u>

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
ADDITION AND RENOVATIONS TO THE MEDFORD AND WESTAMPTON CAMPUSES
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant				
County Improvement Authorization	\$1,400,000		1,400,000	1,400,000
Transfer from General Fund				
Total Revenues	1,400,000		1,400,000	1,400,000
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	51,646		51,646	51,646
Construction Services	1,346,479		1,346,479	1,348,354
Equipment Purchases				
Total Expenditures	1,398,125		1,398,125	1,400,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$1,875	-	1,875	-

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorization	N/A
Bonds Issued	N/A
Original Authorized Cost	\$1,400,000
Additional Authorized Cost	
Revised Authorized Cost	\$1,400,000
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	92.18%
Original Target Completion Date	
Revised Target Completion Date	

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
ADDITIONS & RENOVATIONS TO THE WESTAMPTON CAMPUS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$9,992,411		9,992,411	9,992,411
County Improvement Authorization	15,159,617		15,159,617	15,159,617
Transfer from General Fund	75,000		75,000	75,000
Total Revenues	25,227,028		25,227,028	25,227,028
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	2,400,711		2,400,711	2,400,711
Construction Services	22,812,959		22,812,959	22,826,317
Equipment Purchases				
Total Expenditures	25,213,670		25,213,670	25,227,028
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$13,358	-	13,358	-

Additional Project Information:

Project Number	SP203499
Grant Date	5/29/02
Bond Authorization Date	10/24/01
Bonds Authorized	\$25,152,028
Bonds Issued	\$15,159,617
Original Authorized Cost	\$24,981,028
Additional Authorized Cost	\$246,000
Revised Authorized Cost	\$25,277,028
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	100.00%
Original Target Completion Date	12/2005
Revised Target Completion Date	12/2005

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
ADDITIONS AND RENOVATIONS TO MEDFORD CAMPUS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$7,697,187		7,697,187	7,697,187
County Improvement Authorization	11,545,410		11,545,410	11,545,410
Transfer from General Fund	95,000		95,000	95,000
Total Revenues	19,337,597		19,337,597	19,337,597
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	1,886,215		1,886,215	1,886,215
Construction Services	17,421,521		17,421,521	17,451,382
Equipment Purchases				
Total Expenditures	19,307,736		19,307,736	19,337,597
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$29,861	-	29,861	-

Additional Project Information:

Project Number	SP202500
Grant Date	5/29/02
Authorization Date	10/24/01
Bonds Authorized	\$19,242,597
Bonds Issued	\$11,545,410
Original Authorized Cost	\$19,242,597
Additional Authorized Cost	\$95,000
Revised Authorized Cost	\$19,337,597
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	100.00%
Original Target Completion Date	09/2005
Revised Target Completion Date	12/2006

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
ADDITIONS, RENOVATIONS AND TECHNOLOGY PROJECTS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$2,969,000		2,969,000	2,969,000
County Improvement Authorization				
Transfer from General Fund				
Total Revenues	2,969,000		2,969,000	2,969,000
Transfer from General Fund				
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services				
Construction Services	2,330,000		2,330,000	2,330,000
Equipment Purchases	638,997		638,997	639,000
Total Expenditures	2,968,997		2,968,997	2,969,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$3	-	3	-

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	\$2,969,000
Additional Authorized Cost	
Revised Authorized Cost	\$2,969,000
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	100.00%
Original Target Completion Date	
Revised Target Completion Date	

G. Proprietary Funds

Enterprise Funds

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
AS OF JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ASSETS	FOOD SERVICE FUND	SCHOOL STORE	ADULT EDUCATION				CULINARY ARTS	BEAVER'S DEN CHILD CARE
			FIRE SCHOOL	PART TIME	BOOK STORE	CUSTOMIZED TRAINING		
Current Assets:								
Cash	\$150,094	30,833	125,685	51,375	700,338	209,495	23,518	31,532
Accounts Receivable:								
State	1,413							
Federal	70,579							
Other	20,408	661	5,925				1,458	
Inventories	6,555	27,318						
Total Current Assets	249,049	58,812	131,610	51,375	700,338	209,495	24,976	31,532
Fixed Assets:								
Equipment	14,356							
Total Fixed Assets	14,356							
Total Assets	263,405	58,812	131,610	51,375	700,338	209,495	24,976	31,532
LIABILITIES								
Current Liabilities:								
Accounts Payable	145,157				11,302			
Total Liabilities	145,157				11,302			
NET ASSETS:								
Invested in Capital Assets, Net of Related Debt	14,356							
Unrestricted	103,892	58,812	131,610	51,375	689,036	209,495	24,976	31,532
Total Net Assets	\$118,248	58,812	131,610	51,375	689,036	209,495	24,976	31,532

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
AS OF JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ASSETS	CULINARY EXPRESS	PRINT SHOP	AUTO BODY	ENGINEERING	2012	2011
Current Assets:						
Cash	\$47,286	\$11,049	\$683	\$2,000	1,383,888	1,184,701
Accounts Receivable:						
State					1,413	383
Federal					70,579	
Other	320	414			29,186	104,667
Inventories					33,873	54,353
Total Current Assets	47,606	11,463	683	2,000	1,518,939	1,344,104
Fixed Assets:						
Equipment					14,356	
Total Fixed Assets					14,356	
Total Assets	47,606	11,463	683	2,000	1,533,295	
LIABILITIES						
Current Liabilities:						
Accounts Payable					156,459	88,413
Total Liabilities					156,459	88,413
NET ASSETS						
Invested in Capital Assets, Net of Related Debt					14,356	
Unrestricted	47,606	11,463	683	2,000	1,362,480	1,255,691
Total Net Assets	\$47,606	11,463	683	2,000	1,376,836	1,255,691

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES
EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	FOOD SERVICE FUND	SCHOOL STORE	FIRE SCHOOL	ADULT EDUCATION PART TIME	BOOK STORE	CUSTOMIZED TRAINING	CULINARY ARTS	BEAVER'S DEN CHILD CARE
Operating Revenues:								
Local Sources:								
Fees			163,078	98,888	\$807,901	37,835	71,260	148,224
Daily Sales-Reimbursable Programs	\$219,461							
Daily Sales-Non-Reimbursable Program	197,998							
Miscellaneous	11,641							
Special Functions	19,785							
Sales of Clothing & Supplies		62,333						
Total Operating Revenue	448,885	62,333	163,078	98,888	807,901	37,835	71,260	148,224
Operating Expenses:								
Cost of Sales	386,866	70,623			66,478			
Administrative/Mgmt Fees	83,025							
Employee Benefits	59,034							
Insurance	47,014							
Miscellaneous	12,458		1,090					
Refunds			10,272	12,448				
Salaries	240,813	3,978	100,043	65,560	531,658	48,835		152,951
Supplies	53,249					14,277	78,759	17,942
Textbooks			20,982		88,284			
Tuition			4,274					
Total Operating Expenses	882,459	74,601	136,661	78,008	686,420	63,112	78,759	170,893
Operating Income/(Loss)	(433,574)	(12,268)	26,417	20,880	121,481	(25,277)	(7,499)	(22,669)
Nonoperating Revenues (Expenses)								
State Sources:								
State School Lunch Program	8,760							
Federal Sources:								
School Breakfast Program	99,521							
National School Lunch Program	308,752							
Food Distribution Program	41,795							
Cancellation of Prior Year Receivable	(17,299)							
Total Nonoperating Revenue (Expenses)	441,529							
Other Financing Sources/(Uses):								
Contract Budget Guarantee	20,408							
Total Other Financing Sources/(Uses)	20,408							
Change in Net Assets	28,363	(12,268)	26,417	20,880	121,481	(25,277)	(7,499)	(22,669)
Total Net Assets - Beginning	89,885	71,080	105,193	30,495	567,555	234,772	32,475	54,201
Total Net Assets - Ending	\$118,248	58,812	131,610	51,375	689,036	209,495	24,976	31,532

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES
EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)

	EDUCATIONAL TECHNOLOGY TRAINING CENTER	YOUTH TRANSITION TO WORK	EMERGENCY SERVICES TRAINING CTR FOOD SERVICES	CULINARY EXPRESS	PRINT SHOP	AUTO BODY	ENGINEERING	2012	2011
Operating Revenues:									
Local Sources:									
Fees				132,050	5,847	150	2,000	1,467,233	752,669
Daily Sales-Reimbursable Programs								219,461	213,798
Daily Sales-Non-Reimbursable Program								197,998	205,074
Miscellaneous								11,641	199
Special Functions								19,785	64,466
Sales of Clothing & Supplies								62,333	970,446
Total Operating Revenue				132,050	5,847	150	2,000	1,978,451	2,206,652
Operating Expenses:									
Cost of Sales								523,967	511,047
Administrative Fees								83,025	81,000
Employee Benefits								59,034	59,824
Insurance								47,014	25,468
Miscellaneous		414	566					14,528	27,650
Office Expense									4,094
Refunds								22,720	9,096
Salaries				23,760				1,167,598	1,264,079
Supplies				101,053	3,051	1,159		269,490	310,464
Telephone									2,884
Textbooks								109,266	124,882
Tuition								4,274	1,003
Uniforms & Laundry									1,797
Total Operating Expenses		414	566	124,813	3,051	1,159		2,300,916	2,423,288
Operating Income/(Loss)		(414)	(566)	7,237	2,796	(1,009)	2,000	(322,465)	(216,636)
Nonoperating Revenues (Expenses)									
State Sources:									
State School Lunch Program								8,760	8,266
Federal Sources:									
School Breakfast Program								99,521	86,454
National School Lunch Program								308,752	272,712
Food Distribution Program								41,795	22,775
Cancellation of Prior Year Receivable								(17,299)	
Total Nonoperating Revenue (Expenses)								441,529	390,207
Other Financing Sources/(Uses):									
Contract Budget Guarantee								20,408	61,939
Operating Transfers In/(Out)	(18,327)							(18,327)	
Total Other Financing Sources/(Uses)	(18,327)							2,081	61,939
Change in Net Assets	(18,327)	(414)	(566)	7,237	2,796	(1,009)	2,000	121,145	235,510
Total Net Assets - Beginning	18,327	414	566	40,369	8,667	1,692		1,255,691	1,020,181
Total Net Assets - Ending	-	-	-	47,606	11,463	683	2,000	1,376,836	1,255,691

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	FOOD SERVICE FUND	SCHOOL STORE	FIRE SCHOOL	ADULT EDUCATION PART TIME	BOOK STORE	CUSTOMIZED TRAINING	CULINARY ARTS	BEAVER'S DEN CHILD CARE
Cash Flows from Operating Activities:								
Receipts from Customers	\$473,381	62,026	168,340	98,888	807,901	54,023	72,602	148,224
Payments to Employees	(240,813)	(3,978)	(100,043)	(66,310)	(531,658)	(48,835)		(152,951)
Payments to Food Service Management Company	(80,936)							
Payments for Employee Benefits	(59,034)							
Payments to Suppliers	(392,448)	(61,415)	(38,264)	(12,448)	(154,536)	(14,277)	(81,200)	(41,152)
Net Cash Provided/(Used) by Operating Activities	(299,850)	(3,367)	30,033	20,130	121,707	(9,089)	(8,598)	(45,879)
Cash Flows From Capital Financing Activities:								
Purchase of Equipment	(14,356)							
Net Cash Provided by Capital Financing Activities	(14,356)							
Cash Flows From Noncapital Financing Activities:								
Cash Received From State & Federal Programs	417,033							
Net Cash Provided by Noncapital Financing Activities	417,033							
Net Increase/(Decrease) in Cash & Cash Equivalents	102,827	(3,367)	30,033	20,130	121,707	(9,089)	(8,598)	(45,879)
Balances - Beginning of Year	47,267	34,200	95,652	31,245	578,631	218,584	32,116	77,411
Balances - Ending of Year	\$150,094	30,833	125,685	51,375	700,338	209,495	23,518	31,532

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income (Loss)	(433,574)	(12,268)	26,417	20,880	121,481	(25,277)	(7,499)	(22,669)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (Used in) Operating Activities:								
Food Distribution Program	41,795							
Cancellation of Prior Year Receivable	(17,299)							
Change in Assets & Liabilities:								
(Increase)/Decrease in Accounts Receivable	2,089	(307)	5,262			16,188	1,342	
(Increase)/Decrease in Inventory	11,272	9,208						
Increase/(Decrease) in Other Payables	95,867		(1,646)	(750)	226		(2,441)	(23,210)
Net Cash Provided/(Used) by Operating Activities	(\$299,850)	(3,367)	30,033	20,130	121,707	(9,089)	(8,598)	(45,879)

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

	EDUCATIONAL TECHNOLOGY TRAINING CENTER	YOUTH TRANSITION TO WORK	EMERGENCY SERVICES TRAINING CTR FOOD SERVICES	CULINARY EXPRESS	PRINT SHOP	AUTO BODY	ENGINEERING	2012	2011
Cash Flows from Operating Activities:									
Receipts from Customers				132,080	5,523	150	2,000	2,025,138	2,255,952
Payments to Employees				(23,760)				(1,168,348)	(1,263,329)
Payments to Food Service Management Company								(80,936)	(81,000)
Payments for Employee Benefits								(59,034)	(59,824)
Payments to Suppliers		(414)	(566)	(101,053)	(3,051)	(1,159)		(901,983)	(973,628)
Net Cash Provided/(Used) by Operating Activities		(414)	(566)	7,267	2,472	(1,009)	2,000	(185,163)	(121,829)
Cash Flows From Capital Financing Activities:									
Purchase of Equipment								(14,356)	
Net Cash Provided by Capital Financing Activities								(14,356)	
Cash Flows From Noncapital Financing Activities:									
Cash Received From State & Federal Programs								417,033	393,755
Transfers Out	(18,327)							(18,327)	
Net Cash Provided by Noncapital Financing Activities	(18,327)							398,706	393,755
Net Increase/(Decrease) in Cash & Cash Equivalents	(18,327)	(414)	(566)	7,267	2,472	(1,009)	2,000	199,187	271,926
Balances - Beginning of Year	18,327	414	566	40,019	8,577	1,692		1,184,701	912,775
Balances - Ending of Year	-	-	-	47,286	11,049	683	2,000	1,383,888	1,184,701
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:									
Operating Income (Loss)		(414)	(566)	7,237	2,796	(1,009)	2,000	(322,465)	(216,636)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (Used in) Operating Activities:									
Food Distribution Program								41,795	22,775
Cancellation of Prior Year Receivable								(17,299)	
Change in Assets & Liabilities:									
(Increase)/Decrease in Accounts Receivable				30	(324)			24,280	26,525
(Increase)/Decrease in Inventory								20,480	
Increase/(Decrease) in Other Payables								68,046	45,507
Net Cash Provided/(Used) by Operating Activities		(414)	(566)	7,267	2,472	(1,009)	2,000	(185,163)	(121,829)

Internal Service Fund

Not Applicable

H. Fiduciary Fund



**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2012
(With Comparative Totals for June 30, 2011)**

ASSETS	PRIVATE PURPOSE		AGENCY FUNDS		2012	2011
	UNEMPLOYMENT COMPENSATION INSURANCE	STUDENT ACTIVITY	PAYROLL			
Assets:						
Cash & Cash Equivalents	\$964,172	132,323	60,333		1,156,828	573,980
Due From Agency	5,000				5,000	
Total Assets	969,172	132,323	60,333		1,161,828	573,980
LIABILITIES						
Liabilities:						
Unemployment Claims Payable	59,134				59,134	
Interfund				6,686	6,686	
Due to Unemployment Payroll Deductions & Withholdings				5,000	5,000	
Due to Student Groups		132,323		48,647	48,647	33,295
Total Liabilities	59,134	132,323	60,333		251,790	126,048
NET ASSETS						
Reserved	910,038				910,038	447,932
Total Net Assets	\$910,038	-	-		910,038	447,932

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
JUNE 30, 2012
(With Comparative Totals for June 30, 2011)

	<u>PRIVATE PURPOSE</u> <u>UNEMPLOYMENT COMPENSATION INSURANCE</u>	2012	2011
Additions:			
Local Sources:			
Employee Salary Deductions	\$72,841	72,841	46,732
Total Operating Revenues	<u>72,841</u>	<u>72,841</u>	<u>46,732</u>
Other Sources:			
Interest on Investments	2,661	2,661	1,261
Board Contributions	<u>724,531</u>	<u>724,531</u>	<u>541,977</u>
Total Additions	<u>800,033</u>	<u>800,033</u>	<u>589,970</u>
Deductions:			
Unemployment Compensation Insurance Claims	<u>337,927</u>	<u>337,927</u>	<u>194,313</u>
Change in Net Assets	462,106	462,106	395,657
Net Assets, July 1	<u>447,932</u>	<u>447,932</u>	<u>52,275</u>
Net Assets, June 30	<u><u>\$910,038</u></u>	<u><u>910,038</u></u>	<u><u>447,932</u></u>

EXHIBIT H-3

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
FIDUCIARY FUNDS
STUDENT ACTIVITY AGENCY FUND SCHEDULE
OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	BALANCE JULY 1, 2011	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2012
Westampton Campus	\$59,810	318,583	310,240	68,153
Medford Campus	32,943	223,768	192,541	64,170
Total Student Activity	\$92,753	542,351	502,781	132,323

EXHIBIT H-4

**PAYROLL FUND SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

ASSETS	BALANCE JULY 1, 2011	ADDITIONS	DISBURSEMENTS	BALANCE JUNE 30, 2012
Cash & Cash Equivalents	\$33,295	23,910,439	23,883,401	60,333
Total Assets	\$33,295	23,910,439	23,883,401	60,333
LIABILITIES				
Payroll Deductions & Withholdings	\$33,295	9,679,762	9,664,073	48,984
Due to Unemployment Trust		5,000		5,000
Due to General Fund		6,686		6,686
Net Payroll		14,218,991	14,219,328	(337)
Total Liabilities	\$33,295	23,910,439	23,883,401	60,333

I. Long-Term Debt

Not Applicable

STATISTICAL SECTION (Unaudited)

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities:									
Invested in Capital Assets, Net of Related Debt	\$49,607,466	49,771,810	50,971,703	51,282,168	55,832,472	56,946,423	56,535,100	44,854,597	29,792,572
Restricted	1,402,644	1,465,295	897,677	1,570,540	718,480	700,212	2,184,263	12,437,520	28,252,992
Unrestricted	(728,879)	(828,559)	(1,373,550)	(803,548)	462,793	195,543	(84,457)	(226,999)	(515,281)
Total Governmental Activities Net Assets	\$50,281,231	50,408,546	50,495,830	52,049,160	57,013,745	57,842,178	58,634,906	57,065,118	57,530,283
Business-Type Activities:									
Invested in Capital Assets, Net of Related Debt	\$14,356				214,087	173,382	180,481	142,816	131,935
Unrestricted	1,362,480	1,255,691	1,020,181	839,025	717,217	446,959	191,257	(201,207)	(117,822)
Total Business-Type Activities Net Assets	\$1,376,836	1,255,691	1,020,181	839,025	931,304	620,341	371,738	(58,391)	14,113
District-Wide:									
Invested in Capital Assets, Net of Related Debt	\$49,621,822	49,771,810	50,971,703	51,282,168	56,046,559	57,119,805	56,715,581	44,997,413	29,924,507
Restricted	1,402,644	1,465,295	897,677	1,570,540	718,480	700,212	2,184,263	12,437,520	28,252,992
Unrestricted	633,601	427,132	(353,369)	35,477	1,180,010	642,502	106,800	(428,206)	(633,103)
Total District Net Assets	\$51,658,067	51,664,237	51,516,011	52,888,185	57,945,049	58,462,519	59,006,644	57,006,727	57,544,396

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)
LAST NINE FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses:									
Governmental Activities									
Instruction:									
Regular	\$6,648,185	6,048,729	5,853,212	6,133,778	6,315,255	6,189,998	5,441,770	5,036,750	5,145,613
Special	121,124	67,646	92,558	79,247	92,118	95,502	112,656	92,843	126,389
Other Special Educational Instruction	9,557	7,782	9,185	7,610	8,223	7,548	6,920	9,420	9,442
Vocational	7,481,269	8,184,758	8,217,224	8,014,830	7,865,784	7,961,201	7,350,459	6,996,011	5,945,683
Other	1,325,872	1,396,972	1,350,422	1,336,051	1,371,038	1,354,148	1,225,380	1,046,021	854,142
Support Services:									
Student & Instruction Related Services	3,003,258	2,996,133	3,397,079	2,823,190	2,885,354	2,819,298	2,721,601	2,560,397	2,406,279
Other Administrative Services	711,855	949,840	1,007,380	920,625	1,039,938	981,430	1,176,286	1,219,778	1,167,518
School Administrative Services	3,112,514	2,620,947	3,188,396	2,385,401	2,855,754	2,544,390	2,059,738	1,856,671	1,861,062
Plant Operations & Maintenance	5,101,692	5,269,878	5,402,894	5,557,227	5,279,888	5,062,896	4,417,076	3,968,797	3,552,909
Student Transportation	215,929	230,354	221,492	199,452	270,847	195,439	224,604	191,687	194,397
Business & Other Support Services				677,369	766,148	724,514	758,940	765,430	683,873
Employee Benefits	8,628,082	7,677,745	7,570,659	7,522,547	7,930,367	7,870,774	6,044,834	5,685,883	4,646,855
Special Schools		1,203	1,589,483	1,812,123	1,913,351	1,851,357	1,718,914	1,735,096	1,367,354
Contribution for County Debt Service	2,011,529	191,780	1,200,000						
Increase In Compensated Absences	(47,604)	(65,509)	12,438	402,392					
Adjustment To Fixed Assets	(788,067)								
Unallocated Depreciation	2,439,823	2,285,883	2,285,883	2,285,883				19,905	23,561
Total Governmental Activities Expenses	39,975,018	37,864,141	41,398,305	40,157,725	38,594,065	37,658,495	33,259,178	31,184,689	27,985,077
Business-Type Activities:									
Food Service	882,459	838,445	831,888	851,636	778,532	731,346	711,212	581,913	602,227
School Store	74,601	37,100	50,282	100,595	96,960	180,507	158,500	161,545	128,845
Adult Education Programs	964,201	1,109,821	719,227	852,612	888,940	865,226	791,302	993,813	1,149,388
Culinary Arts	78,759	98,829	81,379	96,542	133,701	151,430	166,069	125,648	133,280
Beaver's Den Child Care	170,893	163,530	139,586	166,537	176,509	150,221	142,763	145,417	122,074
Educational Technology Training Center		44,728	30,037	27,896	28,360	38,343	91,814	143,465	141,420
Youth Transition to Work	414			19,677	20,197	30,191	6,695	57,634	64,337
Emergency Services Training Center	566		115			450	417	41,081	
Culinary Express	124,813	125,814	134,367	134,909	122,331	127,377	115,867	27,961	
Print Shop	3,051	4,877							
Auto Body	1,159	144	651		5,066	4,283			

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)
LAST NINE FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
Total Business-Type Activities Expense	2,300,916	2,423,288	1,987,532	2,250,404	2,250,596	2,279,374	2,184,639	2,278,477	2,341,571
Total District Expenses	<u>\$42,275,934</u>	<u>40,287,429</u>	<u>43,385,837</u>	<u>42,408,129</u>	<u>40,844,661</u>	<u>39,937,869</u>	<u>35,443,817</u>	<u>33,463,166</u>	<u>30,326,648</u>
Revenues:									
Operating Grants & Contributions	<u>\$3,996,594</u>	<u>3,291,743</u>	<u>3,592,102</u>	<u>3,528,468</u>	<u>4,524,815</u>	<u>4,348,433</u>	<u>3,146,895</u>	<u>2,781,806</u>	<u>2,672,708</u>
Total Governmental Activities									
Program Revenues	<u>3,996,594</u>	<u>3,291,743</u>	<u>3,592,102</u>	<u>3,528,468</u>	<u>4,524,815</u>	<u>4,348,433</u>	<u>3,146,895</u>	<u>2,781,806</u>	<u>2,672,708</u>
Business-Type Activities:									
Charges for Services:									
Food Service	448,885	483,537	488,583	504,109	464,391	453,416	478,274	387,132	392,001
School Store	62,333	53,908	61,846	70,468	115,009	198,579	172,096	151,672	139,456
Adult Education Program	1,107,702	1,279,043	701,108	1,052,022	1,153,621	1,125,955	1,322,128	993,802	1,005,023
Culinary Arts	71,260	85,056	85,922	108,320	164,380	157,247	134,186	97,171	93,414
Beaver's Den Child Care	148,224	157,930	158,023	162,068	187,185	164,978	136,065	158,438	138,302
Educational Technology Training Center		3,926	5,483	13,504	13,910	19,247	38,290	129,038	70,290
Youth Transitions to Work						2,050	500	2,150	22,167
Emergency Services Training Center									
Food Services						17,450	1,097	41,081	
Culinary Express	132,050	127,872	145,097	139,154	157,763	120,601	104,991	33,517	
Print Shop	5,847	13,544							
Auto Body	150	1,836				10,000			
Engineering	2,000								
Operating Grants									
Food Service	<u>441,529</u>	<u>390,207</u>	<u>322,626</u>	<u>322,565</u>	<u>305,299</u>	<u>258,454</u>	<u>257,357</u>	<u>211,971</u>	<u>213,384</u>
Total Business Type Activities									
Program Revenues	<u>2,419,980</u>	<u>2,596,859</u>	<u>1,968,688</u>	<u>2,372,210</u>	<u>2,561,558</u>	<u>2,527,977</u>	<u>2,644,984</u>	<u>2,205,972</u>	<u>2,074,037</u>
Total District Program Revenues	<u>\$6,416,574</u>	<u>5,888,602</u>	<u>5,560,790</u>	<u>5,900,678</u>	<u>7,086,373</u>	<u>6,876,410</u>	<u>5,791,879</u>	<u>4,987,778</u>	<u>4,746,745</u>

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)
LAST NINE FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
Net/(Expense)/Revenue:									
Governmental Activities	(\$35,978,424)	(34,572,398)	(37,806,203)	(36,629,257)	(34,069,250)	(33,310,062)	(30,112,283)	(28,402,883)	(25,312,369)
Business-Type Activities	119,064	173,571	(18,844)	121,806	310,962	248,603	460,345	(72,505)	(267,534)
Total District-Wide Net Expense	(\$35,859,360)	(34,398,827)	(37,825,047)	(36,507,451)	(33,758,288)	(33,061,459)	(29,651,938)	(28,475,388)	(25,579,903)
General Revenues & Other Changes in Net Assets:									
Governmental Activities:									
County Appropriations	\$15,894,974	15,894,974	15,894,974	15,894,974	15,894,821	15,894,974	15,870,380	12,824,118	11,410,924
Unrestricted Grants & Contributions	14,318,309	13,585,336	15,201,244	13,970,569	12,181,555	11,738,553	11,706,432	11,643,238	11,322,312
Tuition Received	5,552,872	4,892,500	5,267,704	5,157,845	5,182,131	4,716,321	4,025,197	3,338,641	2,451,746
Investment Earnings	16,078		19,081	28,719	62,726	128,943	101,599	62,187	17,979
Miscellaneous Income	50,549	112,304	58,333	163,786	71,305	75,568.00	45,529.00	71,073	59,202
Other Financing Sources - Transfers, Miscellaneous / Other	18,327		(188,463)	(3,551,222)	(151,720)	(37,024)	(67,066)	(1,539)	(73,712)
Total Governmental Activities	35,851,109	34,485,114	36,252,873	31,664,671	33,240,818	32,517,335	31,682,071	27,937,718	25,188,451
Business-type Activities	2,081	61,939	200,000	(214,087)			(30,216)		
Total District-Wide	\$35,853,190	34,547,053	36,452,873	31,450,584	33,240,818	32,517,335	31,651,855	27,937,718	25,188,451
Change in Net Assets:									
Governmental Activities	(\$127,315)	(87,284)	(1,553,330)	(4,964,586)	(828,432)	(792,727)	1,569,788	(465,165)	(123,918)
Business-Type Activities	121,145	235,510	181,156	(92,281)	310,962	248,603	430,129	(72,505)	(267,534)
Total District	(\$6,170)	148,226	(1,372,174)	(5,056,867)	(517,470)	(544,124)	1,999,917	(537,670)	(391,452)

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS
(Modified Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,								
	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund:									
Restricted	\$500,000								
Assigned	857,547	1,420,198	852,580	1,510,668	505,835	239,029	253,096	44,615	190,383
Unassigned	599,984	547,908	68,426	625,990	1,568,047	1,419,507	1,178,985	897,733	616,893
Total General Fund	\$1,957,531	\$1,968,106	\$921,006	\$2,136,658	\$2,073,882	\$1,658,536	\$1,432,081	\$942,348	\$807,276
All Other Governmental Funds:									
Reserved				8,610	78,921	237,492	883,561	8,963,337	8,487,888
Assigned, Reported in:									
Special Revenue Fund					(18,108)	(4,408)	(4,409)	(4,408)	(4,408)
Capital Project Fund	\$45,097	45,097	45,097	51,262	73,724	322,798	987,606	3,369,567	19,514,804
Total All Other Governmental Funds	\$45,097	45,097	45,097	59,872	134,537	555,882	1,866,758	12,328,496	27,998,284

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST NINE FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues:									
County Appropriations	\$15,894,974	15,894,974	15,894,974	15,894,974	15,894,821	15,894,974	15,870,380	12,824,118	11,410,924
Tuition from LEA's	5,552,872	4,892,500	4,534,530	4,413,200	4,525,400	3,944,000	3,407,400	2,852,000	1,967,550
Other Tuition			733,174	744,645	656,731	772,321	617,797	486,641	484,196
Miscellaneous	66,627	112,304	77,414	192,505	134,030	204,511	147,128	133,260	77,182
State Sources	16,209,113	15,438,042	14,560,585	15,979,724	15,399,131	14,655,624	13,667,939	13,345,606	12,831,373
Federal Sources	2,105,790	1,439,037	4,232,761	1,519,313	1,307,239	1,431,361	1,185,388	1,079,438	1,163,647
Total Revenue	39,829,376	37,776,857	40,033,438	38,744,361	37,917,352	36,902,791	34,896,032	30,721,063	27,934,872
Expenditures:									
Instruction:									
Regular Instruction	6,648,185	6,048,729	5,853,212	6,133,778	5,975,210	5,985,249	5,328,822	4,877,812	4,971,509
Basic Skills/Remedial	121,124	67,646	92,558	79,247	87,158	92,343	110,317	89,913	122,112
Bilingual Education	9,557	7,782	9,185	7,610	7,780	7,298	6,777	9,123	9,123
Vocational	7,481,269	8,184,758	8,217,224	8,014,830	7,442,251	7,697,866	7,197,895	6,775,247	5,744,508
School - Sponsored/Other									
Instructional	1,325,872	1,396,972	1,350,422	1,336,051	1,297,215	1,309,356	1,199,946	1,013,013	825,242
Support Services									
Student & Instruction Related									
Services	3,003,258	2,996,133	3,397,079	2,823,190	2,729,992	2,726,044	2,665,112	2,479,602	2,324,861
General Administration	711,855	949,840	1,007,380	920,625	983,943	948,967	1,081,313	1,181,287	1,128,014
School Administration	3,112,514	2,620,947	3,188,396	2,385,401	2,701,986	2,460,228	2,087,545	1,798,083	1,798,092
Plant Operations & Maintenance	5,101,692	5,269,878	5,402,894	5,557,227	4,995,592	4,895,429	4,325,396	3,843,559	3,432,695
Student Transportation	215,929	230,354	221,492	199,452	256,264	188,974	219,942	185,638	187,820
Business & Other Support									
Services				677,369	724,894	700,549	743,187	741,276	660,734
Employee Benefits	8,628,082	7,677,745	7,570,659	7,522,547	7,779,176	7,494,758	5,783,540	5,499,223	4,597,512
County Contribution	2,011,529								
Capital Outlay	1,487,412	1,277,770	3,175,418	1,116,801	979,844	1,653,008	12,367,942	16,065,119	12,843,889
Special Schools		1,203	1,589,483	1,812,123	1,810,327	1,790,120	1,683,236	1,680,344	1,321,089
Total Expenditures	39,858,278	36,729,757	41,075,402	38,586,251	37,771,632	37,950,189	44,800,970	46,239,239	39,967,200
Excess/(Deficiency) of Revenues									
Over/(Under) Expenditures	(28,902)	1,047,100	(1,041,964)	158,110	145,720	(1,047,398)	(9,904,938)	(15,518,176)	(12,032,328)
Other Financing Sources/(Uses):									
Miscellaneous/Other			11,537		(45,199)	2,976	(2,066)	(1,538)	(73,712)
Operating Transfers In/(Out)	18,327		(200,000)	(170,000)	(106,521)	(40,000)	(65,000)	(15,000)	(15,000)
Total Other Financing Sources/(Uses)	18,327		(188,463)	(170,000)	(151,720)	(37,024)	(67,066)	(16,538)	(88,712)
Net Change in Fund Balances	(\$10,575)	1,047,100	(1,230,427)	(11,890)	(6,000)	(1,084,422)	(9,972,004)	(15,534,714)	(12,121,040)

Source: District Records

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDED JUNE 30

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Nonresident Tuition & Fees				14,743	12,171	15,486	9,694	9,269	6,002	5,718
Interest on Investments	16,078	30,526	19,081	28,719	62,726	128,943	101,599	62,187	17,979	12,019
Prior Year Worker's Comp. Claims				97,541						
Contributions										
Rents \ Leases	18,406	26,370	35,750	48,325	52,306	55,586	30,213	40,780	30,756	9,526
EIC Professional Development									5,469	
Character Education Aid							5,108	4,868	4,752	4,473
Miscellaneous Refunds		10,886			812	151		16,156	10,779	7,135
Miscellaneous Fees	32,143	44,522	22,583	3,177	1,768	1,882	514		994	2,541
Telephone Commissions									71	191
Miscellaneous Awards					436	370			378	560
Insurance Refunds						2,090				
Sale of Furniture & Equipment					3,812					
Principal Recognition										10,000

Source: District records

EXHIBIT J-6 THROUGH J-13 NOT APPLICABLE

EXHIBIT J-14

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

YEAR ENDED DECEMBER 31	SCHOOL DISTRICT POPULATION (1)	PERSONAL INCOME (2)	TOTAL PER CAPITA INCOME (3)	UNEMPLOYMENT RATE (4)
2011	449,576	N/A	N/A	8.90%
2010	449,119	21,284,198,529	47,391	9.00%
2009	446,108	20,742,237,568	46,496	8.50%
2008	445,492	21,237,940,116	47,673	4.40%
2007	446,314	20,271,581,880	45,420	3.80%
2006	447,131	19,389,835,815	43,365	4.10%
2005	446,462	18,164,752,932	40,686	3.70%
2004	446,041	17,625,756,156	39,516	4.20%
2003	442,581	16,799,489,598	37,958	4.60%
2002	436,318	16,244,119,140	37,230	4.60%

(1) NJ Dept. of Labor & Workforce Development

(2) Personal income has been estimated based upon the municipal population & per capita income.

(3) U.S. Bureau of the Census, Population Division

(4) NJ Dept. of Labor & Workforce Development

Source: State Department of Education

EXHIBIT J-15 NOT APPLICABLE

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST NINE YEARS**

FUNCTION/PROGRAM	2012	2011	2010	2009	2008	2007	2006	2005	2004
Instruction:									
Regular	77.0	74.0	75.0	73.0	79.0	85.0	72.0	68.0	65.0
Special Education	31.0	41.0	45.0	41.0	36.0	35.0	43.5	44.5	44.5
Other Special Education	1.0	1.0	1.0	1.0		1.0	29.0	25.0	22.0
Vocational	52.0	53.5	59.5	59.5	59.5	60.5	55.0	59.0	50.0
Adult/Continuing Education Programs			8.5	14.5	12.5	15.5	13.5	8.5	8.5
Support Services:									
Student & Instructional Related Services	58.0	59.0	61.0	56.0	59.0	58.0	32.0	30.0	28.0
General Administration Services	5.0	5.0	4.0	4.0	5.0	5.0	10.0	11.0	12.0
School Administration Services	39.0	40.0	43.0	43.0	44.0	45.0	25.0	26.0	27.0
Business Administrative Services	6.0	6.0	6.0	9.0	9.0	5.0	9.0	9.0	9.0
Plant Operations & Maintenance	39.0	42.0	45.0	49.0	47.0	48.0	51.0	45.0	37.0
Total	308.00	321.50	348.00	350.00	351.00	358.00	340.00	326.00	303.00

Source: District Records

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
OPERATING STATISTICS
LAST NINE FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	PUPIL / TEACHER RATIO HIGH SCHOOL	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ENROLLMENT (ADA)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2012	1955	\$38,268,520	19,575	0.96%	160.0	12.2	1987.2	1857.9	-0.27%	93.49%
2011	1930	35,284,246	18,282	-5.70%	169.5	11.4	1957.5	1825.8	-1.76%	93.27%
2010	1,968	39,232,408	19,935	2.82%	180.5	10.9	1,992.6	1,853.2	2.25%	93.00%
2009	1,912	37,070,489	19,388	7.14%	174.5	11.0	1,948.8	1,807.9	0.64%	92.80%
2008	2,033	36,791,787	18,097	5.90%	174.5	11.7	2,081.6	1,916.7	0.99%	92.08%
2007	2,124	36,297,181	17,089	3.70%	180.5	11.8	2,098.4	1,909.3	1.05%	90.99%
2006	1,968	32,433,030	16,480	-0.60%	170.5	11.5	2,000.0	1,829.0	1.08%	91.45%
2005	1,820	30,174,121	16,579	6.36%	171.5	10.6	1,859.0	1,171.0	1.04%	92.36%
2004	1740	27,123,311	15,588	1.01%	159.5	10.9	1796.0	1661.0	1.06%	92.48%

Source: District Records

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHOOL BUILDING INFORMATION
LAST NINE FISCAL YEARS**

DISTRICT BUILDINGS	2012	2011	2010	2009	2008	2007	2006	2005	2004
High School:									
Westampton:									
Square Feet	316,957	316,957	316,957	316,957	316,957	316,957	316,957	289,761	257,114
Capacity (Students)	1,390	1,390	1,390	1,390	1,390	1,390	1,390	1,390	1,120
Enrollment	1,188	1,139	1,139	1,089	1,149	1,220	1,240	1,136	1,084
Medford:									
Square Feet	250,422	250,422	250,422	250,422	250,422	250,422	250,422	213,747	213,747
Capacity	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,020	1,020
Enrollment	767	829	829	823	884	918	884	892	815

Number of Schools at June 30, 2012:
Senior High School = 2

Source: District Facilities Office

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES
11-000-261-xxx

FISCAL YEAR	WESTAMPTON CAMPUS	MEDFORD CAMPUS	TOTAL
2012	\$399,003	493,119	892,122
2011	416,401	269,373	685,774
2010	396,817	387,925	784,742
2009	460,945	466,390	927,335
2008	360,896	354,290	715,186
2007	420,812	390,586	811,398
2006	351,261	345,695	696,956
2005	405,441	359,542	764,983
2004	358,410	327,364	685,774
2004	320,800	279,172	599,972
Total	<u>\$1,896,820</u>	<u>1,777,477</u>	<u>7,564,242</u>

Source: District records

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
INSURANCE SCHEDULE
JUNE 30, 2012**

	COVERAGE	DEDUCTIBLE
Commercial Package Policy:		
Property - 100% Coinsurance / Agreed Value	\$85,650,243	5,000
Crime Coverage - Employee Dishonesty	\$100,000	500
Comprehensive General Liability		
Bodily Injury & Property Damage	16,000,000	
Bodily Injury From Products & Completed Operations	1,000,000	
Sexual Abuse		
Sexual Abuse	1,000,000	
Annual Aggregate	2,000,000	
Per Occurrence Per Perpetrator	3,000,000	
Personal Injury & Advertising Injury		
Annual Aggregate	16,000,000	
Per Occurrence	16,000,000	
Premises Medical Payments - Each Accident	10,000	100
Terrorism		
Annual Aggregate	1,000,000	
Per Occurrence	1,000,000	
Employee Benefits Liability		
Each Claim	1,000,000	1,000
Annual Aggregate	1,000,000	
Crime Coverage - Employee Dishonesty	80,000	500
Commercial Automobile	1,000,000	
Umbrella Policy:		
Each Occurrence	5,000,000	
Annual Aggregate	5,000,000	
Self-Insured Retention	10,000	
Electronic Data Processing:		
Each Occurrence	12,000,000	1,000
Workers' Compensation:		
Each Accident	2,000,000	
Disease - Policy Limit	2,000,000	
Disease - Each Employee	2,000,000	
School Leaders Errors & Omissions Liability:		
Coverage A Each Policy Period	16,000,000	5,000
Coverage B Each Policy Period	300,000	5,000
Student Accident:		
Each Accident	5,000,000	
Catastrophic Excess	1,000,000	
Violent Acts:		
Each Occurrence	250,000	
Public Official Bonds:		
Treasurer School Funds Bond	250,000	
Board Secretary / Business Administrator Bond	100,000	
License & Permit Bond		
Driving School License Bond	10,000	

(1) Comprehensive Deductible \$1,000; Collision Deductible \$1,000
Buses: Comprehensive & Collision Deductible \$1,000

Source: District records

Note: The coverage above reflects the amounts for all districts that belong to the Fund

SINGLE AUDIT SECTION





Certified Public Accountants & Consultants

Administrative Office:
10 Allen Street, Ste. 2B, Toms River, NJ 08753 • Tel: 732.797.1333
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612
926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090
795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090
holmanfrenia.com

EXHIBIT K-1

**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 Education
Burlington County Institute of Technology
County of Burlington
Westampton, New Jersey 08060

We have audited the financial statements of the Board of Education of the Burlington County Institute of Technology, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2012, and have issued our report thereon dated November 15, 2012. 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

Management of the Burlington County Institute of Technology, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Burlington County Institute of Technology’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 District’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to indentify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings & Questioned Costs, we identified a deficiency in internal control over financial reporting that we consider to be a material weakness.

A deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. 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 Burlington County Institute of Technology'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 one instance 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. The results of our tests disclosed one instance 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.

This report is intended solely for the information of the audit committee, management, the Burlington County Institute of Technology, the New Jersey State Department of Education and other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Michael Holt
Certified Public Accountant
Public School Accountant
No. 1148

Medford, New Jersey
November 15, 2012

EXHIBIT K-2

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL EFFECT ON
ON 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 Education
Burlington County Institute of Technology
County of Burlington
Westampton, New Jersey 08060

Compliance

We have audited the compliance of the Burlington County Institute of Technology, in the County of Burlington, State of New Jersey, 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 Grants Compliance Supplement* that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2012. The Burlington County Institute of Technology'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 requirements of laws, regulations, contracts and grants that could have a direct and material effect on each of its major federal and state programs is the responsibility of the Burlington County Institute of Technology's management. Our responsibility is to express an opinion on the Burlington County Institute of Technology'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; the 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's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, 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 state and federal program occurred. An audit includes examining, on a test basis, evidence about the Burlington County Institute of Technology'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 the Board of Education of the Burlington County Institute of Technology's compliance with those requirements.

In our opinion, Burlington County Institute of Technology, County of Burlington, State of New Jersey, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2012.

Internal Control Over Compliance

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

A deficiency in the Burlington County Institute of Technology's internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state and federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies, or material weaknesses have been identified. We identified one deficiency in internal control over compliance that we consider to be material weaknesses, as defined above.

Burlington County Institute of Technology's responses to the findings identified in our audit are described in the accompanying *Schedule of Findings and Questioned Costs*. We did not audit Burlington County Institute of Technology's response and, accordingly, we express no opinion on the responses.

This report is intended for the information of the management of the Burlington County Institute of Technology, the New Jersey State Department of Education, other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Michael Holt
Certified Public Accountant
Public School Accountant
No. 1148

Medford, New Jersey
November 15, 2012

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - SCHEDULE A
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR STATE PROJECT NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2011	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENT	(ACCOUNTS RECEIVABLE) 2012	DUE TO GRANTOR 2012
U.S. Department of Agriculture:										
Passed-through State Department of Education:										
Food Distribution Program	10.550	Unavailable	\$41,795	7/1/11-6/30/12		41,795	(41,795)			
School Breakfast Program	10.553	Unavailable	99,521	7/1/11-6/30/12		80,123	(99,521)		(19,398)	
National School Lunch Program	10.555	Unavailable	308,752	7/1/11-6/30/12		257,571	(308,752)		(51,181)	
Total U.S. Department of Agriculture						379,489	(450,068)		(70,579)	
97 U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:										
Medical Assistance Program (SEMI)	93.778	Unavailable	28,267	9/1/11-8/31/12		17,602	(28,267)		(10,665)	
Medical Assistance Program (SEMI)	93.778	Unavailable	38,336	9/1/10-8/31/11	(\$12,164)	12,164				
Education Jobs Fund	84.010	Unavailable	506,101	9/1/11-8/31/12		445,040	(506,101)		(61,061)	
N.C.L.B.:										
Title I - Part A	84.010	NCLB061011	458,474	9/1/10-8/31/11	(199,908)	249,013	(49,105)			
Title I - Part A	84.010	NCLB061012	458,404	9/1/11-8/31/12		338,622	(458,404)		(119,782)	
Title II - Part A	84.281	NCLB061011	56,848	9/1/10-8/31/11	(10,274)	12,122	(1,848)			
Title II - Part A	84.281	NCLB061012	46,929	9/1/11-8/31/12		43,490	(46,929)		(3,439)	
Title II - Part D	84.281	NCLB061011	1,064	9/1/10-8/31/11		1,064	(1,064)			
I.D.E.A. Part B	84.027A	IDEA061011	454,034	9/1/10-8/31/11	(90,367)	149,654	(59,287)			
I.D.E.A. Part B	84.027A	IDEA061012	462,722	9/1/11-8/31/12		342,055	(464,117)		(122,062)	
I.D.E.A. Part B, ARRA	84.391	IDEA061011	476,898	7/1/09-8/31/11	(80,378)	80,964	(7,246)	6,660		
Carl D. Perkins Vocational & Applied Technology Education Act:										
Secondary	84.048	PERK061011	293,781	7/1/10-6/30/11	(65,243)	65,243				
Secondary	84.048	PERK061012	250,346	7/1/11-6/30/12		223,128	(250,346)		(27,218)	
Post Secondary	84.048	PERK061012	93,980	7/1/11-6/30/12		90,693	(93,980)		(3,287)	
Total U.S. Department of Education					(458,334)	2,070,854	(1,966,694)	6,660	(347,514)	
Total Federal Financial Assistance					(\$458,334)	2,450,343	(2,416,762)	6,660	(418,093)	-

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE - SCHEDULE B
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

STATE GRANTOR/PROGRAM T.	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2011	CASH RECEIVED	ADJUSTMENTS	BUDGETARY EXPENDITURES	ACCOUNTS RECEIVABLE 2012	MEMO	
									BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:										
General Fund:										
Equalization Aid	495-034-5120-078	\$12,656,460	7/1/11-6/30/12		12,656,460		(12,656,460)		(1,255,364)	12,656,460
Special Education Categorical Aid	495-034-5120-089	1,075,399	7/1/11-6/30/12		1,075,399		(1,075,399)		(106,666)	1,075,399
On-Behalf TPAF Pension Contribution (Non-Budgeted)	495-034-5095-001	1,478,483	7/1/11-6/30/12		1,478,483		(1,478,483)			1,478,483
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	495-034-5095-002	1,061,151	7/1/11-6/30/12		1,061,151		(1,061,151)			1,061,151
Total General Fund					16,271,493		(16,271,493)		(1,362,030)	16,271,493
Special Revenue Fund:										
State Department of Education:										
Apprentice Coordinator	100-034-5062-032-H200	18,514	7/1/11-6/30/12		13,500		(18,336)	(4,836)		18,336
Apprentice Coordinator	100-034-5062-032-H200	18,795	7/1/10-6/30/11	(\$4,629)	4,629					
State Department of Labor & Workforce Development:										
Weatherization Grant	N/A	75,321	11/1/09-4/30/11	(2,792)		2,792				
Total Special Revenue Fund				(7,421)	18,129	2,792	(18,336)	(4,836)		18,336
Enterprise Fund:										
National School Lunch Program	100-010-3360-067	8,266	7/1/10-6/30/11	(383)	383					
National School Lunch Program	100-010-3360-067	8,760	7/1/11-6/30/12		7,348		(8,760)	(1,412)		8,760
Total Enterprise Fund				(383)	7,731		(8,760)	(1,412)		8,760
Total State Financial Assistance				(\$7,804)	16,297,353	2,792	(16,298,589)	(6,248)	(1,362,030)	16,298,589

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2012**

Note 1. General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Burlington County Institute of Technology. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state 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 of expenditures of awards and financial assistance are presented on 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 basis of accounting are described in Note 1 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 the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment 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, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(80,716) for the general fund and \$139,096 for the special revenue fund. See Note 1 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 as follows:

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2012

Note 3. Relationship to Basic Financial Statements (continued):

	Federal	State	Total
General Fund	\$ 534,368	\$16,190,777	\$16,725,145
Special Revenue Fund	1,571,422	18,336	1,589,758
Food Service Fund	450,068	8,760	458,828
Total Financial Assistance	<u>\$2,555,858</u>	<u>\$16,217,873</u>	<u>\$18,773,731</u>

Note 4. Relationship to Federal and State Financial Reports

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

Note 5. Other

Revenues and expenditures reported under the Food Distribution Program represents current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2012. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2012.

Note 6. Federal and State Loans Outstanding

The Burlington County Institute of Technology had no loan balances outstanding at June 30, 2012.

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2012**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to basic financial Statements noted?	None Reported

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered To be material weaknesses?	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 section .510(a) of Circular A-133?	None Reported

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.410	Education Jobs Fund
84.048	Carl. D. Perkins Grant
84.391	IDEA, Part B, ARRA
84.027A	IDEA, Part B
84.010	Title I
10.555	National School Lunch Program

Dollar threshold used to distinguish between Type A Programs:	\$300,000
Auditee qualified as low-risk auditee?	No

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2012**

Section I – Summary of Auditor’s Results (continued):

State Awards

Dollar threshold used to distinguish between type A and Type B Programs:	\$444,603
Auditee qualified as low-risk auditee?	No
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered To be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04?	None Reported

Identification of major programs:

GMIS Number(s)	Name of State Program
12-495-034-5120-078	Equalization Aid

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements for which *Government Auditing Standards* requires reporting in a Circular A-133 audit.

Finding 2012-01:

Criteria or Specific Requirement:

The internal control processes for some of the enterprise funds have material weaknesses.

Condition:

Our audit has revealed that some of the enterprise funds of the District have material internal control weaknesses dealing with the procedural and reporting processes.

Context:

The enterprise funds have material weaknesses in the internal control processes.

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2012**

Section II – Financial Statement Findings (continued):

Finding 2012-01 (continued):

Effect:

The enterprise funds have material weaknesses in the internal control processes which could lead to material misstatements.

Cause:

The School District does not have sufficient control procedures in the enterprise funds in order mitigate the risk of material misstatement.

Recommendation:

That the School District revise the enterprise fund internal controls in order to strengthen the procedural and reporting processes in order to minimize the risk of material misstatement.

Views of Responsible Officials and Planned Corrective Action:

The District is taking the necessary steps to strengthen the internal controls.

Section III – Federal Financial Assistance Finding & Questioned Costs

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB's Circular Letter 04-04.

No Current Year Findings

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2012**

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.

Status of Prior Year Findings:

Finding 2010-01:

Condition:

For the year ended June 30, 2010, we reviewed the IDEA, Part B, ARRA program expenditures. We noted that of the \$476,898 reported as expenditures, \$213,023 represented expenditures that lacked proper supporting documentation.

Current Status:

The condition has been corrected.