

Bergen County Technical Schools

A Component Unit of The County of Bergen



**Comprehensive Annual Financial Report
For The Fiscal Year Ended JUNE 30, 2015**

BERGEN COUNTY, NEW JERSEY

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

**Bergen County Technical and Vocational High School
Board of Education**

New Jersey

For The Fiscal Year Ended June 30, 2015

Prepared by

Business Department

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INTRODUCTORY SECTION



BERGEN COUNTY TECHNICAL SCHOOLS / SPECIAL SERVICES

District Administration Office

540 Farview Avenue, Paramus, New Jersey 07652 • Tel. (201) 343-6000 ext. 4056 • Fax (201) 996-6978 • Email: johsus@bergen.org

December 17, 2015

Honorable President and
Members of the Board of Education
Bergen County Technical and Vocational High School
County of Bergen, New Jersey

Dear Board Members:

State Department of Education statutes require that all general-purpose local governments publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Bergen County Technical and Vocational High School District for the fiscal year ended June 30, 2015.

This report consists of management's representations concerning the finances of the Bergen County Technical and Vocational High School District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Bergen County Technical and Vocational High School District has established a comprehensive internal control framework that is designed both to protect the School District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Bergen County Technical and Vocational High School District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Bergen County Technical and Vocational High School District's comprehensive framework or internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Bergen County Technical and Vocational High School District's financial statements have been audited by Lerch, Vinci & Higgins, LLP, a firm of licensed certified public accountants and public school accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Bergen County Technical and Vocational High School District for the fiscal year ended June 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Bergen County Technical and Vocational High School

District's financial statements for the fiscal year ended June 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Bergen County Technical and Vocational High School District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grant agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Bergen County Technical and Vocational High School District's separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Bergen County Technical & Vocational High School District's MD&A can be found immediately following the report of the independent auditors.

The district operates three high schools: Bergen County Academies in Hackensack, including seven magnet high school programs with a career focus; Bergen County Technical High School – Teterboro, with eleven technical concentrations; and Bergen County Technical High School – Paramus, with thirteen concentrations, including full-time options for students with special learning needs and shared-time options for students who remain at their local sending districts for academics and select part-time technical education in the county school.

Bergen County Technical Schools also offer an array of postsecondary programs. These include full-time day training programs and part-time evening and apprenticeship courses through the Adult & Continuing Education Division, training for emergency medical service and heavy rescue workers through the Emergency Medical Services Training Center, and career readiness and training through the Bergen Workforce Center which offers programs that qualify under the workforce development programs dating back to the Manpower Development and Training Act of 1962. Through the years, the school district has operated the training component, in full or in part, for all of these programs. Since 1995, the district has also served as the administrative agent for these programs, beginning with the federal Job Training Partnership Act (JTPA), which was later replaced by the current Workforce Investment Act.

The District completed the 2014-15 fiscal year with an enrollment of 2,208 students, which is 52 students less than the previous year. The following details changes in District enrollment over the last ten years:

	<u>Enrollment</u>
2014/15	2,208
2013/14	2,260
2012/13	2,231
2011/12	2,276
2010/11	2,226
2009/10	2,182
2008/09	2,142
2007/08	2,186
2006/07	2,211
2005/06	2,152

The District continues its administrative partnership with Bergen County Special Services, facilitating an efficient and productive sharing of resources including central office administrations, professional development sources and opportunities, pedagogical and technological expertise, and other peripheral support services. The district also provides as-needed personnel and special project support to the Bergen County Workforce Investment Act.

ECONOMIC CONDITION AND OUTLOOK:

Located in Northeastern New Jersey in close proximity to New York City, Bergen County is an important economic entity. Although Bergen County comprises only 3% of New Jersey's total land area, it has the largest number of workers, private-sector jobs, and highest per capital income in the state. Its 900,000 residents live in 70 municipalities, which include 56 boroughs, 9 townships, 3 cities and 2 villages.

According to the Bergen County Economic Development Corporation, Bergen has over 14% of the states jobs (487,000) and over 14% of New Jersey's manufacturing jobs - both records for the state, at \$15 billion. Hackensack, the County Seat, is home to Bergen's top employer, Hackensack University Medical Center. This state-of-the-art teaching and research hospital is the largest provider of inpatient and outpatient services in the state. The New Jersey Sports and Exposition Authority (Met Life Stadium, Meadowlands Racetrack, Izod Center) and the Valley Hospital System round out the top three employers in the county. Other leading employers include: Quest Diagnostics, Englewood Hospital & Medical Center, Bergen Regional Medical Center, Cingular Wireless, Holy Name Hospital, The County of Bergen, and Mercedes-Benz.

MAJOR INITIATIVES:

The district has intensified its efforts towards offering early college options on all three campuses. These programs are designed for motivated students who are interested in challenging themselves by enrolling in college level courses. Onsite at the Hackensack and Teterboro campuses, students can take Advanced Placement (AP) and International Baccalaureate (IB) courses. Through successful completion of AP and IB courses, students have the opportunity to earn credit or advanced standing at most of the nation's colleges and universities. In addition, there are a number of articulation agreements with Fairleigh Dickinson University and New Jersey Institute of Technology which offer select graduating students sophomore standing at the partnering school. Students are also able to take a number of college courses off-site prior to graduating high school at Fairleigh Dickinson University and Bergen Community College.

MAJOR INITIATIVES: (Continued)

At the special needs campus in Paramus, students are able to pursue certifications through Bergen Community College in grounds management, landscaping, floral design, graphics, culinary arts, network support, or small business. They can also begin working towards their Associate's Degree in selected areas.

The district's most current initiative is focused on preparing students for continued globalization. By preparing students to enter higher education institutions with a head start on their peers, we believe that they will have the advantage of being the first to create new innovations for the globalizing market. In addition, new courses are being offered to increase our students' knowledge of foreign investment and language in emerging markets. To compliment classes in Mandarin and International Business, student exchange programs with other nations have been initiated.

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 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 regulation related to those programs. This internal control structure is also subject to periodic evaluation by the District's 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.

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 Estimates. Annual appropriated budgets are adopted for the general fund and the 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 reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2015.

DEBT ADMINISTRATION:

At June 30, 2015, the District has no debt service. All bonded long-term debt is included in the County of Bergen's financial statements.

CASH MANAGEMENT:

By agreement with the Bergen County Administrator, the Board requests payment of enough funds to meet immediate obligations and maintain a low cash balance. The Board relies on the county administrator for an appropriate investment policy. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). 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.

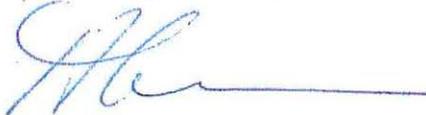
RISK MANAGEMENT:

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, workers' compensation, and a self-insured health benefits plan and unemployment fund.

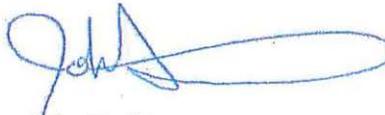
ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Board of Education and the Bergen County Executive and Board of Chosen Freeholders for their concern in providing fiscal accountability to the citizens and to 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 accounting staff.

Respectfully submitted,



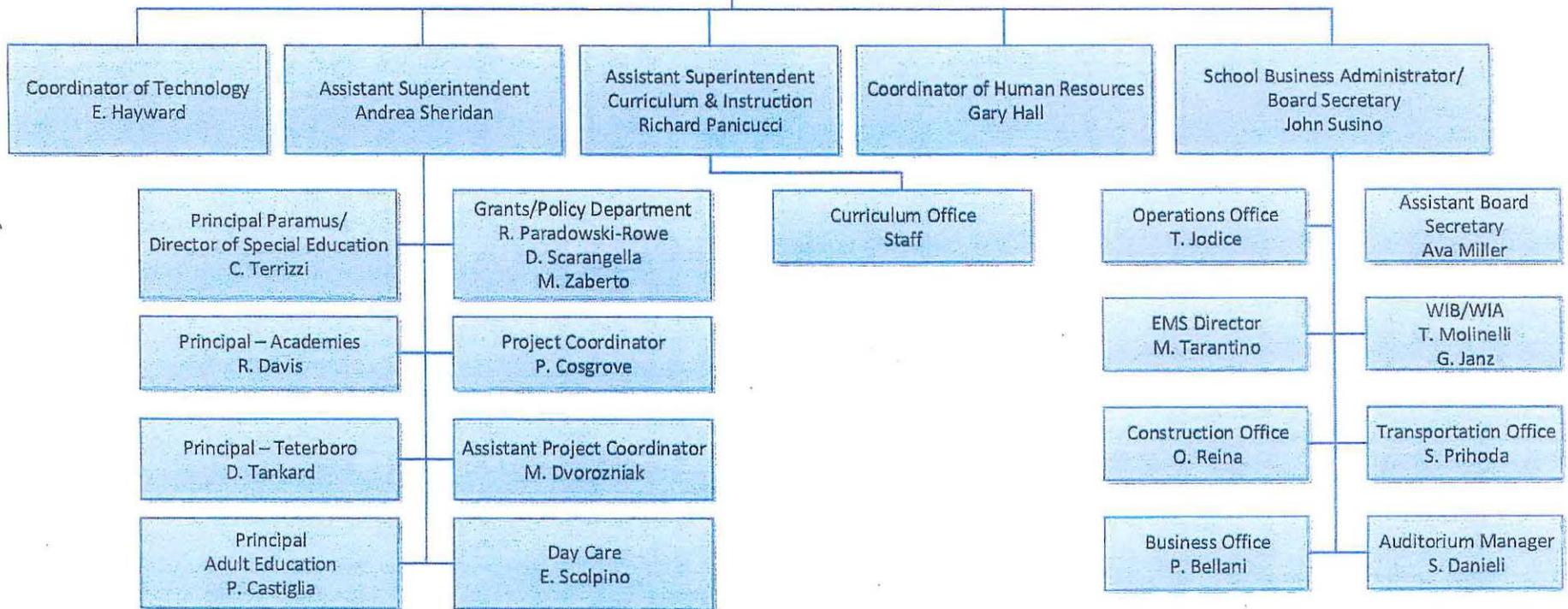
Dr. Howard Lerner
Superintendent



John Susino
Business Administrator/Board Secretary

BCTS Administrative Plan 2014-2015

Superintendent
Howard Lerner, Ed.D.



BERGEN COUNTY TECHNICAL SCHOOLS
BERGEN COUNTY, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2015

COUNTY EXECUTIVE

James J. Tedesco III

MEMBERS OF THE BOARD OF CHOSEN FREEHOLDERS

Joan Voss – Chairwoman
Steve Tanelli – Vice Chairman
John Felice – Chairman Pro Tempore
David Ganz
Maura DeNicola
Tracey Silna Zur
Thomas J. Sullivan Jr.

BOARD OF EDUCATION

President

Jason Kim

Vice-President

Dr. William Meisner

Members of the Board of Education

Raymond Hryczyk

Marie Latesta

Norah Peck

Executive County Superintendent
Bergen County Office of Education

OTHER OFFICIALS

Superintendent

Dr. Howard Lerner

Assistant Superintendent

Andrea Sheridan

Board Secretary /Business Administrator

John Susino

Director of Personnel

Gary Hall

Director of Special Education

Carole Terrizzi

Director of Workforce Investment Board

Tammy Molinelli

Director, Bergen County One Stop

Career Center (WIA)

Gregory Janz

Principal, Academies

Russ Davis

Principal, BCTEC, Paramus

Carole Terrizzi

Principal, BCVHS, Paramus

Carole Terrizzi

Principal, BCTEC, BCVHS, BCTHS, Teterboro

David Tankard

Principal, Adult and Continuing Education

Paul Castiglia

**BERGEN COUNTY TECHNICAL SCHOOL
BERGEN COUNTY, NEW JERSEY**

Consultants and Advisors

Architect/Engineer

DMR Architects
777 Terrace Avenue, 6th Floor
Hasbrouck Heights, NJ 07604

Audit Firm

Lerch, Vinci & Higgins, LLP
Certified Public Accountants
17-17 Route 208
Fair Lawn, New Jersey 07410

Attorney

Nowell, Amoroso, Klein Bierman, P.A.
155 Polifly Road
Hackensack, NJ 07601

Official Depository

Capital One Bank
Paramus, NJ 07652

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA

DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. NICOLosi, CPA
KATHLEEN WANG, CPA
ROBERT AMPONSAH, CPA

ELIZABETH A. SHICK, CPA, RMA, PSA
ANDREW PARENTE, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Bergen County Technical and Vocational High School District
Bergen County, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District, a component unit of the County of Bergen as of and for the fiscal year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Adoption of New Accounting Pronouncement

As discussed in Note 1 to the financial statements, in the fiscal year ended June 30, 2015, the Bergen County Technical and Vocational High School District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension information 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.

Other Information

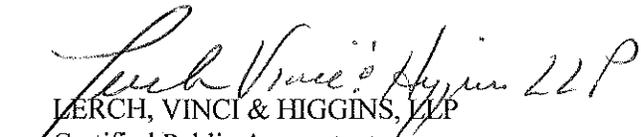
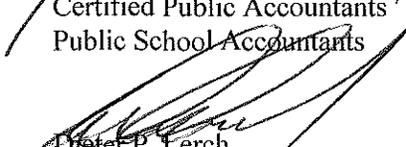
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bergen County Technical and Vocational High School District's basic financial statements. The introductory section, combining fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards as required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Bergen County Technical and Vocational High School District.

The combining fund financial statements, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial statements, schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated December 17, 2015 on our consideration of the Bergen County Technical and Vocational High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bergen County Technical and Vocational High School District's internal control over financial reporting and compliance.


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

Dietel P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
December 17, 2015

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Management's Discussion and Analysis Fiscal Years Ended June 30, 2015 and 2014

This section of Bergen County Technical and Vocational School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2015. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2014-2015) and the prior year (2013-2014) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2014-2015 fiscal year include the following:

- The assets of the Bergen County Technical and Vocational High School District exceeded its liabilities at the close of the fiscal year by \$23,905,779 (net position).
- Overall district-wide revenues were \$91,642,975, which was \$1,464,937 more than expenses.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$10,454,343.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

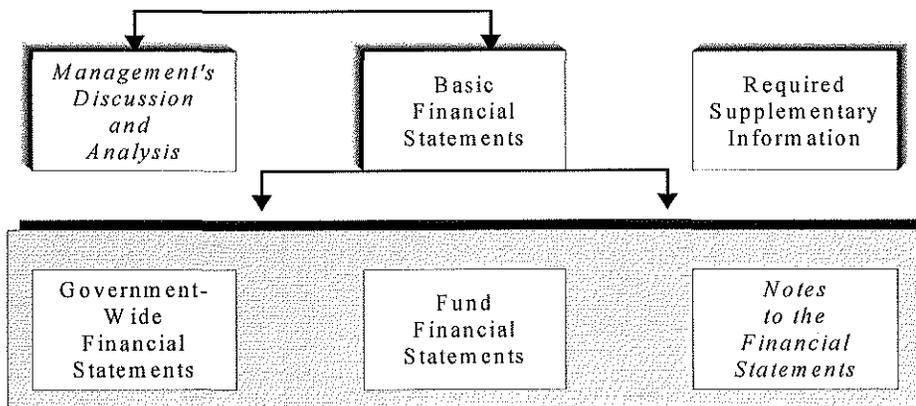
BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Years Ended June 30, 2015 and 2014**

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual* parts of the District, reporting the District's operations in *more detail* than the district-wide statements.
 - The *governmental funds statements* tell how basic services were financed in the *short term* as well as what remains for future spending.
 - *Proprietary funds* statements offer *short-term* and *long-term* financial information about the activities the district operated like *businesses*.
 - *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others to whom the resources belong.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1



BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Years Ended June 30, 2015 and 2014**

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

Figure A-2
Major Features of the Government-Wide and Fund Financial Statements

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

Government-wide financial statements

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

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

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Management's Discussion and Analysis Fiscal Years Ended June 30, 2015 and 2014

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

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

- *Governmental activities* – Most of the District's basic services are included here, such as vocational education, transportation, administration, and community education. County taxes and tuition charged to other school districts are also reflected here.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises.

Fund financial statements

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

- Some funds are required by State.
- The District establishes other funds in accordance with the State of New Jersey Uniform Chart of Accounts to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has three kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements.

The District uses *internal service funds* to report activities that provide supplies and services for the District's other programs and activities. The district currently has five internal service funds for the following:

- Management Agreement-BCSSD
- Extended Year
- WIA Administration
- Compensated Absences
- Interlocal Agreements

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Management's Discussion and Analysis Fiscal Years Ended June 30, 2015 and 2014

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

- Food Service (Cafeteria)
- Academy Enrichment
- Technology Services
- Summer Science Funds
- Summer Writing
- Exploration
- Day Care Center
- Educational Technology Training Center
- Auditorium Rentals
- Math Camp Funds
- Teterboro Summer

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

Notes to the financial statements

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

Other Information

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$23,905,779 as of June 30, 2015. See Table A-1.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Years Ended June 30, 2015 and 2014**

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

**Table A-1
Net Position
as of June 30, 2015 and 2014**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
						(Restated)
Current Assets	\$ 16,987,971	\$ 14,541,796	\$ 1,437,294	\$ 1,535,403	\$ 18,425,265	\$ 16,077,199
Capital Assets	<u>49,479,630</u>	<u>49,277,231</u>	<u>417,011</u>	<u>497,126</u>	<u>49,896,641</u>	<u>49,774,357</u>
Total Assets	<u>66,467,601</u>	<u>63,819,027</u>	<u>1,854,305</u>	<u>2,032,529</u>	<u>68,321,906</u>	<u>65,851,556</u>
Deferred Outflows	<u>1,488,844</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,488,844</u>	<u>-</u>
Total Assets and Deferred Outflows	<u>67,956,445</u>	<u>63,819,027</u>	<u>1,854,305</u>	<u>2,032,529</u>	<u>69,810,750</u>	<u>65,851,556</u>
Other Liabilities	3,789,312	3,305,557	499,958	454,000	4,289,270	3,759,557
Noncurrent Liabilities	<u>39,461,579</u>	<u>39,651,157</u>	<u>-</u>	<u>-</u>	<u>39,461,579</u>	<u>39,651,157</u>
Total Liabilities	<u>43,250,891</u>	<u>42,956,714</u>	<u>499,958</u>	<u>454,000</u>	<u>43,750,849</u>	<u>43,410,714</u>
Deferred Inflows	<u>2,154,122</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,154,122</u>	<u>-</u>
Total Liabilities and Deferred Inflows	<u>45,405,013</u>	<u>42,956,714</u>	<u>499,958</u>	<u>454,000</u>	<u>45,904,971</u>	<u>43,410,714</u>
Net Position						
Net Investment in						
Capital Assets	49,479,630	49,277,231	417,011	497,126	49,896,641	49,774,357
Restricted	6,157,553	3,807,278			6,157,553	3,807,278
Unrestricted	<u>(33,085,751)</u>	<u>(32,222,196)</u>	<u>937,336</u>	<u>1,081,403</u>	<u>(32,148,415)</u>	<u>(31,140,793)</u>
Total Net Position	<u>\$ 22,551,432</u>	<u>\$ 20,862,313</u>	<u>\$ 1,354,347</u>	<u>\$ 1,578,529</u>	<u>\$ 23,905,779</u>	<u>\$ 22,440,842</u>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Years Ended June 30, 2015 and 2014**

**Table A-2
Change in Net Position
For the Fiscal Years Ended June 30, 2015 and 2014**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues						
Program Revenues						
Tuition	\$ 26,007,132	\$ 25,661,833			\$ 26,007,132	\$ 25,661,833
Charges for Services	2,215,628	2,256,653	\$ 2,826,832	\$ 2,869,753	5,042,460	5,126,406
Operating Grants and Contributions	20,642,137	15,054,363	152,646	143,477	20,794,783	15,197,840
General Revenues						
County Property Taxes	29,566,905	29,190,098			29,566,905	29,190,098
County Aid	4,754,456	954,580			4,754,456	954,580
State and Federal Aid	4,879,253	4,839,850			4,879,253	4,839,850
Miscellaneous	597,986	370,626	-	-	597,986	370,626
Total Revenues	88,663,497	78,328,003	2,979,478	3,013,230	91,642,975	81,341,233
Expenses						
Instruction						
Regular	19,292,897	16,175,172			19,292,897	16,175,172
Other Special Instruction	1,207,686	1,202,646			1,207,686	1,202,646
Vocational Education	20,727,275	17,203,275			20,727,275	17,203,275
Other Instruction	2,738,122	2,101,112			2,738,122	2,101,112
Adult/Continuing Education	534,731	536,262			534,731	536,262
Support Services						
Student and Instruction Related Services	15,081,857	21,284,694			15,081,857	21,284,694
School Administrative Services	3,929,539	3,439,812			3,929,539	3,439,812
General Administrative Services	3,507,357	3,582,717			3,507,357	3,582,717
Business/Central Other Support Services	6,819,158	2,583,940			6,819,158	2,583,940
Plant Operations and Maintenance	10,604,646	10,238,259			10,604,646	10,238,259
Pupil Transportation	2,581,110	641,645			2,581,110	641,645
Food Services			742,604	673,446	742,604	673,446
Other-Business Activities	-	-	2,411,056	2,970,621	2,411,056	2,970,621
Total Expenses	87,024,378	78,989,534	3,153,660	3,644,067	90,178,038	82,633,601
Change in Net Position Before Transfers	1,639,119	(661,531)	(174,182)	(630,837)	1,464,937	(1,292,368)
Transfer	50,000	50,000	(50,000)	(50,000)	-	-
Change in Net Position	1,689,119	(611,531)	(224,182)	(680,837)	1,464,937	(1,292,368)
Net Position, Beginning of Year	20,862,313	57,954,657	1,578,529	2,259,366	22,440,842	60,214,023
Prior Period Adjustment - Pension	-	(36,480,813)	-	-	-	(36,480,813)
Net Position, End of Year	\$ 22,551,432	\$ 20,862,313	\$ 1,354,347	\$ 1,578,529	\$ 23,905,779	\$ 22,440,842

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

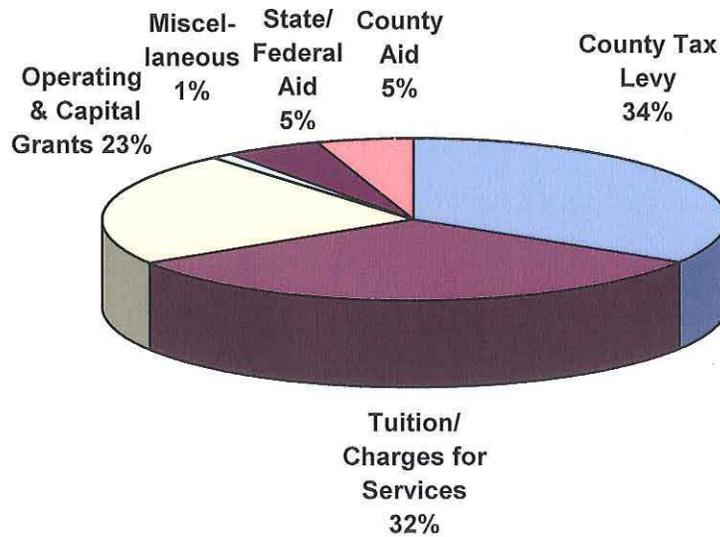
**Management's Discussion and Analysis
Fiscal Years Ended June 30, 2015 and 2014**

Governmental Activities. The District's total governmental activities revenues were \$88,663,497 for the year ended June 30, 2015. Tuition and other charges to districts accounted for 32 percent of total revenues. County taxes and aid account for 39 percent of total revenue for the year. Operating grants and contributions account for 23 percent of revenues. Another 5 percent came from other operating revenues consisting of unrestricted and restricted federal/state aid for capital outlay. The remaining less than 1 percent of revenues include investment earnings and other miscellaneous revenues.

The total cost of all governmental activities programs and services was \$87,024,378. The District's expenses are predominantly related to educating and caring for students.

Total governmental activities revenues and transfers were more than expenses increasing net position \$1,689,119 over the last year.

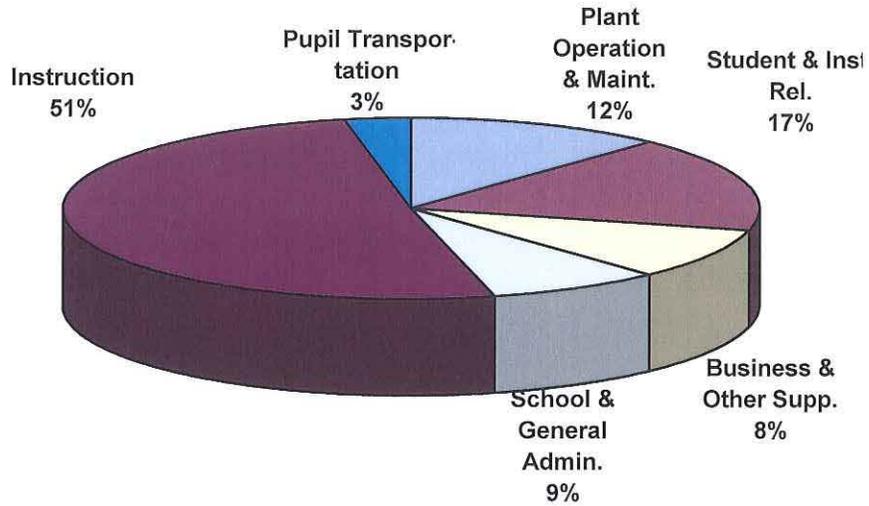
Table A-3 Revenues by Source- Governmental Activities
For Fiscal Year 2015



BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Years Ended June 30, 2015 and 2014**

Table A-4 Expenditures by Type- Governmental Activities
For Fiscal Year 2015



Net Cost of Governmental Activities. The District's total cost of services was \$87,024,378 for the fiscal year ended June 30, 2015. After applying program revenues, derived from tuition and charges for services of \$28,222,760 and operating grants and contributions of \$20,642,137, the net cost of services of the District was \$38,159,481 for the fiscal year ended June 30, 2015. See Table A-5.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Years Ended June 30, 2015 and 2014**

**Table A-5
Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2015 and 2014**

	Total Cost of Services		Net Cost of Services	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Instruction				
Regular	\$ 19,292,897	\$ 16,175,172	\$ 4,972,476	\$ 4,545,216
Other Special Instruction	1,207,686	1,202,646	(98,091)	(11,516)
Vocational Education	20,727,275	17,203,275	281,359	(377,460)
Other Instruction	2,738,122	2,101,112	1,439,506	1,540,821
Adult/Continuing Education	534,731	536,262	(528,918)	(722,458)
Support Services				
Student and Instruction Related Services	15,081,857	21,284,694	7,274,632	12,919,161
School Administrative Services	3,929,539	3,439,812	3,218,564	3,148,411
General Administrative Services	3,507,357	3,582,717	2,800,205	2,853,525
Business and Other Support Services	6,819,158	2,583,940	6,095,799	1,871,383
Plant Operations and Maintenance	10,604,646	10,238,259	10,215,917	9,703,488
Pupil Transportation	<u>2,581,110</u>	<u>641,645</u>	<u>2,488,032</u>	<u>546,114</u>
Total	\$ <u>87,024,378</u>	\$ <u>78,989,534</u>	\$ <u>38,159,481</u>	\$ <u>36,016,685</u>

Business-Type Activities – The District's total business-type activities revenues were \$2,979,478 for the fiscal year ended June 30, 2015. Charges for services accounted for 95% of total revenues. Operating and capital grants and contributions accounted for 5% of total revenue for the year.

The total cost of all business-type activities programs and services was \$3,153,660 for the fiscal year ended June 30, 2015. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District and various other business type services.

Total business-type activities revenues were less than expenses and transfers, decreasing net position by \$224,182 over the prior year.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Years Ended June 30, 2015 and 2014**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$10,454,343, which is \$1,824,461 above last year's fund balance of \$8,629,882.

Revenues for the District's governmental funds were \$80,690,229 while total expenses were \$78,777,809 resulting in an increase of \$1,912,420 in fund balance. A transfer from the Enterprise Fund of \$50,000 and transfers to the Compensated Absences Internal Service Fund of \$137,959 resulted in a total net increase of \$1,824,461 in fund balance.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students.

The following schedule presents a comparison of General Fund Revenues for the fiscal year ended June 30, 2015 and 2014.

	<u>Fiscal Year Ended June 30, 2015</u>	<u>Fiscal Year Ended June 30, 2014</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Local Sources				
County Property Taxes	\$ 29,566,905	\$ 29,190,098	\$ 376,807	1%
Tuition	26,007,132	25,661,833	345,299	1%
Miscellaneous	661,145	439,585	221,560	50%
State/Federal Sources	<u>10,753,794</u>	<u>10,111,096</u>	<u>642,698</u>	6%
Total General Fund Revenues	<u>\$ 66,988,976</u>	<u>\$ 65,402,612</u>	<u>\$ 1,586,364</u>	<u>2.43%</u>

Total General Fund Revenues increased by \$1,586,364 or 2.4% over the previous year. County property taxes remained flat. Tuition, which represents 40% of total general fund revenues, increased by 1%.

State/Federal sources increased by \$642,698 or 6% from the previous year. The increase was mainly due to an increase of State on-behalf TPAF contributions/reimbursements.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Years Ended June 30, 2015 and 2014**

The following schedule presents a comparison of General Fund expenditures for the fiscal years ended June 30, 2015 and 2014.

	Fiscal Year Ended <u>June 30, 2015</u>	Fiscal Year Ended <u>June 30, 2014</u>	Amount of Increase (Decrease)	Percent Increase (Decrease)
Instruction and Support Services	\$ 66,107,631	\$ 63,860,023	\$ 2,247,608	4%
Capital Outlay	<u>1,202,828</u>	<u>773,124</u>	<u>429,704</u>	56%
Total Expenditures	<u>\$ 67,310,459</u>	<u>\$ 64,633,147</u>	<u>\$ 2,677,312</u>	<u>4.14%</u>

Total General Fund expenditures increased \$2,677,312 or 4% from the previous year.

In 2014-2015 General Fund revenues were less than expenditures by \$321,483 before net transfers out of \$1,375,072. Therefore, total fund balance decreased by \$1,696,555. The fund balance decreased from \$8,824,519 at June 30, 2014 to \$7,127,964 at June 30, 2015.

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

Revenues of the Special Revenue Fund were \$8,946,646, for the year ended June 30, 2015. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented 81% of the total revenue for the year.

Total Special Revenue Fund revenues decreased \$836,471 or 9% from the previous year. State sources decreased \$588,694 or 34%, while Federal sources decreased \$142,927 or 2%. Revenues from local sources decreased \$104,850.

Expenditures of the Special Revenue Fund were \$8,946,646.

Capital Projects - The capital projects revenues and transfers exceeded expenses by \$3,521,565 increasing fund balance to \$3,226,167 at June 30, 2015.

Permanent Fund - The Permanent Fund accounts for the assets held under the terms of a formal trust agreement. In the case of the District, the principal portion is reserved for scholarships. The total fund balance at June 30, 2015 is \$100,212, of which \$100,000 is nonspendable and \$212 is restricted for scholarships.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

Management's Discussion and Analysis Fiscal Years Ended June 30, 2015 and 2014

Proprietary Funds

The District maintains both Enterprise Funds and Internal Service Funds to account for activities which are supported in part through user fees.

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

Internal Service Fund - The District uses internal service funds to report activities that provide services and supplies for the District's other programs and activities, as well as services provided on behalf of other districts. The internal service fund is also utilized to account for the District's liabilities relating to compensated absences.

The internal service fund has a deficit fund balance of \$987 at June 30, 2015.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Implementing budgets for specially funded projects, which include both federal and state grants, reinstating prior year purchase orders being carried over, and budgeting for clearing, resale, and gifts.
- Increases in appropriations for significant unbudgeted costs.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Years Ended June 30, 2015 and 2014**

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2015 amounts to \$49,896,641 (net of accumulated depreciation). The capital assets consist of land improvements, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2014-2015 amounted to \$3,623,125 for governmental activities and \$80,115 for business-type activities.

Table 6
Capital assets at June 30, 2015 and 2014
(Net of Accumulated Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land Improvements	\$ 163,380	\$ 176,626			\$ 163,380	\$ 176,626
Building and Building Improvements	42,418,092	42,010,542			42,418,092	42,010,542
Machinery and Equipment	<u>6,898,158</u>	<u>7,090,063</u>	<u>\$ 417,011</u>	<u>\$ 497,126</u>	<u>7,315,169</u>	<u>7,587,189</u>
Total Capital Assets, Net	<u>\$ 49,479,630</u>	<u>\$ 49,277,231</u>	<u>\$ 417,011</u>	<u>\$ 497,126</u>	<u>\$ 49,896,641</u>	<u>\$ 49,774,357</u>

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

LONG TERM LIABILITIES

At year end, the District's long-term liabilities consisted of unfunded pension obligations of \$570,000, compensated absences of \$2,745,303 and net pension liability of \$36,146,276.

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

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL

**Management's Discussion and Analysis
Fiscal Years Ended June 30, 2015 and 2014**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2015-2016 budget. The primary factors were the District's projected student population anticipated county, state and federal aid as well as increasing salary and related benefit costs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Bergen County Technical and Vocational High School, 540 Fairview Avenue, Paramus, NJ 07652.

BASIC FINANCIAL STATEMENTS

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 7,901,330	\$ 1,212,385	\$ 9,113,715
Receivables, Net	9,086,641	215,672	9,302,313
Inventories		9,237	9,237
Capital Assets, Being Depreciated	<u>49,479,630</u>	<u>417,011</u>	<u>49,896,641</u>
Total Assets	<u>66,467,601</u>	<u>1,854,305</u>	<u>68,321,906</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>1,488,844</u>	<u>-</u>	<u>1,488,844</u>
Total Assets and Deferred Outflow of Resources	<u>67,956,445</u>	<u>1,854,305</u>	<u>69,810,750</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	2,687,620	300,236	2,987,856
Intergovernmental Advances and Payables	12,265		12,265
Unearned Revenue	1,089,427	199,722	1,289,149
Noncurrent Liabilities			
Due within one year	1,990,393		1,990,393
Due beyond one year	<u>37,471,186</u>	<u>-</u>	<u>37,471,186</u>
Total Liabilities	<u>43,250,891</u>	<u>499,958</u>	<u>43,750,849</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Amounts on Net Pension Liability	<u>2,154,122</u>	<u>-</u>	<u>2,154,122</u>
Total Liabilities and Deferred Inflow of Resources	<u>45,405,013</u>	<u>499,958</u>	<u>45,904,971</u>
NET POSITION			
Net Investment in Capital Assets	49,479,630	417,011	49,896,641
Restricted for:			
Capital Projects	5,611,878		5,611,878
Maintenance	445,463		445,463
Other Purposes- Permanent Endowment	100,212		100,212
Unrestricted	<u>(33,085,751)</u>	<u>937,336</u>	<u>(32,148,415)</u>
Total Net Position	<u>\$ 22,551,432</u>	<u>\$ 1,354,347</u>	<u>\$ 23,905,779</u>

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions		Governmental Activities	Business Type Activities	
Governmental activities							
Instruction:							
Regular	\$ 19,292,897	\$ 8,994,884	\$ 5,325,537		\$ (4,972,476)		\$ (4,972,476)
Other Special Instruction	1,207,686		1,305,777		98,091		98,091
Vocational	20,727,275	15,520,538	4,925,378		(281,359)		(281,359)
Other Instruction	2,738,122	491,371	807,245		(1,439,506)		(1,439,506)
Adult/Continuing Education Programs	534,731	1,063,649			528,918		528,918
Support Services:							
Student & Instruction Related Services	15,081,857	359,592	7,447,633		(7,274,632)		(7,274,632)
School Administrative Services	3,929,539	50,643	660,332		(3,218,564)		(3,218,564)
General Administrative Services	3,507,357	707,152			(2,800,205)		(2,800,205)
Business/Central & Other Support Services	6,819,158	723,359			(6,095,799)		(6,095,799)
Plant Operations and Maintenance	10,604,646	218,494	170,235		(10,215,917)		(10,215,917)
Pupil Transportation	2,581,110	93,078	-	-	(2,488,032)	-	(2,488,032)
Total Governmental Activities	87,024,378	28,222,760	20,642,137	-	(38,159,481)	-	(38,159,481)
Business - Type Activities							
Food Service	742,604	576,814	152,646			\$ (13,144)	(13,144)
Other	2,411,056	2,250,018	-	-	-	(161,038)	(161,038)
Total Business Type Activities	3,153,660	2,826,832	152,646	-	-	(174,182)	(174,182)
Total Primary Government	\$ 90,178,038	\$ 31,049,592	\$ 20,794,783	\$ -	(38,159,481)	(174,182)	(38,333,663)
General Revenues:							
		County Property Tax Levy			29,566,905		29,566,905
		County Aid			4,754,456		4,754,456
		Federal and State aid unrestricted			4,233,029		4,233,029
		Federal and State aid restricted			646,224		646,224
		Investment Earnings			36,669		36,669
		Miscellaneous Income			561,317		561,317
Transfers					50,000	(50,000)	-
Total General Revenues and Transfers					39,848,600	(50,000)	39,798,600
		Change in Net Position			1,689,119	(224,182)	1,464,937
		Net Position - Beginning (as restated)			20,862,313	1,578,529	22,440,842
		Net Position - Ending			\$ 22,551,432	\$ 1,354,347	\$ 23,905,779

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

FUND FINANCIAL STATEMENTS

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2015**

EXHIBIT B-1

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Assets					
Cash and Cash Equivalents	\$ 7,776,875	\$ 23,631	\$ 612	\$ 100,212	\$ 7,901,330
Due from Other Governments					
State	85,334	1,041,751			1,127,085
Federal		2,223,454			2,223,454
Other	2,273,648		3,262,168		5,535,816
Security Deposits	3,500				3,500
Due from Other Funds	<u>1,406,021</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,406,021</u>
Total Assets	<u>\$ 11,545,378</u>	<u>\$ 3,288,836</u>	<u>\$ 3,262,780</u>	<u>\$ 100,212</u>	<u>\$ 18,197,206</u>
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts Payable	\$ 1,460,937	\$ 997,143	\$ 22,613		\$ 2,480,693
Due to Other Governments					-
Federal		481			481
State		11,784			11,784
Due to Other Funds	2,745,303	1,200,000	14,000		3,959,303
Other Payable					-
Due to BCSSD	201,175				201,175
Unearned Revenue	<u>9,999</u>	<u>1,079,428</u>	<u>-</u>	<u>-</u>	<u>1,089,427</u>
Total Liabilities	<u>4,417,414</u>	<u>3,288,836</u>	<u>36,613</u>	<u>-</u>	<u>7,742,863</u>
Fund Balances:					
Nonspendable					
Permanent Fund - Principal Portion				\$ 100,000	100,000
Restricted					
Capital Reserve	2,385,711				2,385,711
Maintenance Reserve	445,463				445,463
Permanent Fund				212	212
Capital Projects Fund			3,226,167		3,226,167
Assigned					
Year-End Encumbrances	1,504,228				1,504,228
Designated for Subsequent Year's Budget	900,000				900,000
Unassigned					
General Fund	<u>1,892,562</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,892,562</u>
Total Fund Balances	<u>7,127,964</u>	<u>-</u>	<u>3,226,167</u>	<u>100,212</u>	<u>10,454,343</u>
Total Liabilities and Fund Balances	<u>\$ 11,545,378</u>	<u>\$ 3,288,836</u>	<u>\$ 3,262,780</u>	<u>\$ 100,212</u>	

Amounts reported for governmental activities in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$95,116,722 and the accumulated depreciation is \$45,637,092. 49,479,630

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.

Deferred Outflows of Resources	\$ 1,488,844	
Deferred Inflows of Resources	<u>(2,154,122)</u>	(665,278)

Long term liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the fund

Net Pension Liability	(36,146,276)	
Pension Obligation Payable	<u>(570,000)</u>	(36,716,276)

The assets and liabilities of the internal service fund are included with governmental activities (987)

Net position of governmental activities \$ 22,551,432

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
County Property Tax Levy	\$ 29,566,905				\$ 29,566,905
County Aid			\$ 4,754,456		4,754,456
Tuition from Other LEAs	26,007,132				26,007,132
GED Fees	63,310				63,310
Interest on Investments	36,518			\$ 151	36,669
Miscellaneous	<u>561,317</u>	<u>\$ 2,973</u>	<u>-</u>	<u>-</u>	<u>564,290</u>
Total Local Sources	56,235,182	2,973	4,754,456	151	60,992,762
State Sources	10,691,679	1,724,502			12,416,181
Federal Sources	<u>62,115</u>	<u>7,219,171</u>	<u>-</u>	<u>-</u>	<u>7,281,286</u>
Total Revenues	<u>66,988,976</u>	<u>8,946,646</u>	<u>4,754,456</u>	<u>151</u>	<u>80,690,229</u>
EXPENDITURES					
Current:					
Regular Instruction	14,587,545	852,789			15,440,334
Other Special Instruction	1,207,686				1,207,686
Vocational Education	16,572,066				16,572,066
Other Instruction	2,304,967			700	2,305,667
Adult/Continuing Education Programs	534,731				534,731
Support Services and Undistributed Costs					
Student & Instruction Related Services	6,897,577	7,447,633			14,345,210
School Administrative Services	3,395,276				3,395,276
General Administrative Services	2,665,676				2,665,676
Plant Operations and Maintenance	9,692,593		543,532		10,236,125
Pupil Transportation	2,427,018				2,427,018
Business /Central Svcs./ Admin. Info Technology	5,822,496				5,822,496
Capital Outlay	<u>1,202,828</u>	<u>646,224</u>	<u>1,976,472</u>	<u>-</u>	<u>3,825,524</u>
Total Expenditures	<u>67,310,459</u>	<u>8,946,646</u>	<u>2,520,004</u>	<u>700</u>	<u>78,777,809</u>
Excess of Revenues over Expenditures	<u>(321,483)</u>	<u>-</u>	<u>2,234,452</u>	<u>(549)</u>	<u>1,912,420</u>
OTHER FINANCING SOURCES					
Transfers Out	(1,425,072)				(1,425,072)
Transfers In	<u>50,000</u>	<u>-</u>	<u>1,287,113</u>	<u>-</u>	<u>1,337,113</u>
Total Other Financing Sources	<u>(1,375,072)</u>	<u>-</u>	<u>1,287,113</u>	<u>-</u>	<u>(87,959)</u>
Net Change in Fund Balances	(1,696,555)	-	3,521,565	(549)	1,824,461
Fund Balance (Deficit), Beginning of Year	<u>8,824,519</u>	<u>-</u>	<u>(295,398)</u>	<u>100,761</u>	<u>8,629,882</u>
Fund Balance, End of Year	<u>\$ 7,127,964</u>	<u>\$ -</u>	<u>\$ 3,226,167</u>	<u>\$ 100,212</u>	<u>\$ 10,454,343</u>

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Total Net Change in Fund Balances - Governmental Funds (B-2) \$ 1,824,461

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 depreciation exceeded capital outlay and loss on disposal of capital assets in the period.

	Depreciation Expense	\$ (3,623,125)	
	Capital Outlays	<u>3,825,524</u>	
			202,399

In the statement of activities, certain operating expenses - compensated absences and pension expense are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Increase in Pension Expenses	(330,741)
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Repayment of the principal of long-term debt consumes the current financial resources of governmental funds, but the repayment reduces long term liabilities in the statement of net assets and is not reported in the statement of activities.

Pension Obligation Adjustment	(7,000)
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Internal Service funds are used by the District's management to charge the costs of various programs/ services to other governmental activities. The net loss of the internal service fund is reported with governmental activities.

	Net Loss Before Transfers	(137,959)	
	Transfers from General Fund	<u>137,959</u>	
	Change in Net Position		<u>-</u>

Change in Net Position of Governmental Activities **\$ 1,689,119**

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2015**

EXHIBIT B-4

	Business Type Activities											Governmental Internal Service Fund Other Governmental Services	
	Food Service	Day Care	Summer- Science Funds	Academy Enrichment	Technology Services	ETTC	Summer Writing	Math Camp Funds	Teterboro Summer	Explorations	Auditorium Rentals		Totals
ASSETS													
Current Assets													
Cash and Cash Equivalents	\$ 217,513	\$ 70,521	\$ 67,208	\$ 126,206	\$ 297,852	\$ -	\$ 8,699	\$ 244,813	\$ 17,150	\$ 6,204	\$ 156,219	\$ 1,212,385	
Intergovernmental Receivable	10,535	-	-	-	-	-	-	-	-	-	-	10,535	
Other Accounts Receivable	-	-	-	-	132,281	-	-	-	-	-	72,856	205,137	
Due from B.C.S.S.D.	-	-	-	-	-	-	-	-	-	-	-	-	\$ 196,786
Other Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	2,745,303
Inventories	9,237	-	-	-	-	-	-	-	-	-	-	9,237	
Total Current Assets	237,285	70,521	67,208	126,206	430,133	-	8,699	244,813	17,150	6,204	229,075	1,437,294	2,942,089
Capital Assets													
Furniture, machinery & equipment	609,391	-	-	871	1,202,377	23,295	-	-	-	-	82,414	1,918,348	
Less: Accumulated Depreciation	(459,714)	-	-	(871)	(991,259)	(22,338)	-	-	-	-	(27,155)	(1,501,337)	
Total Capital Assets, Net	149,677	-	-	-	211,118	957	-	-	-	-	55,259	417,011	-
Total Assets	386,962	70,521	67,208	126,206	641,251	957	8,699	244,813	17,150	6,204	284,334	1,854,305	2,942,089
LIABILITIES													
Current Liabilities													
Accounts Payable	52,675	1,700	47,355	1,789	181,901	-	-	-	-	-	14,816	300,236	5,752
Interfund Payable	-	-	-	-	-	-	-	-	-	-	-	-	192,021
Unearned Revenue	1,750	-	-	55,979	-	-	4,872	103,634	17,150	-	16,337	199,722	-
Total Current Liabilities	54,425	1,700	47,355	57,768	181,901	-	4,872	103,634	17,150	-	31,153	499,958	197,773
Noncurrent Liabilities													
Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	-	2,745,303
Total Noncurrent Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	2,745,303
Total Liabilities	54,425	1,700	47,355	57,768	181,901	-	4,872	103,634	17,150	-	31,153	499,958	2,943,076
NET POSITION													
Net Investment in Capital Assets	149,677	-	-	-	211,118	957	-	-	-	-	55,259	417,011	
Unrestricted	182,860	68,821	19,853	68,438	248,232	-	3,827	141,179	-	6,204	197,922	937,336	(987)
Total Net Position	\$ 332,537	\$ 68,821	\$ 19,853	\$ 68,438	\$ 459,350	\$ 957	\$ 3,827	\$ 141,179	\$ -	\$ 6,204	\$ 253,181	\$ 1,354,347	\$ (987)

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Business Type Activities											Governmental Activities Internal Service Funds	
	Food Service	Day Care	Summer- Science Funds	Academy Enrichment	Technology Services	ETTC	Summer Writing	Math Camp Funds	Teterboro Summer	Explorations	Auditorium Rentals		Totals
OPERATING REVENUES													
Charges for Services													
Daily sales - reimbursable programs													
Lunch Program	\$ 561,133	-	-	-	-	-	-	-	-	-	-	\$ 561,133	
Breakfast Program	9,631	-	-	-	-	-	-	-	-	-	-	9,631	
Special Functions	6,050	-	-	-	-	-	-	-	-	-	-	6,050	
Charges and Fees	-	\$ 309,035	\$ 56,500	\$ 250,062	\$ 1,102,165	-	8,437	\$ 125,670	\$ 30,992	\$ 18,500	\$ 348,657	2,250,018	\$ 2,152,318
Total Operating Revenues	576,814	309,035	56,500	250,062	1,102,165	-	8,437	125,670	30,992	18,500	348,657	2,826,832	2,152,318
OPERATING EXPENSES													
Cost of Sales	321,726	-	-	-	-	-	-	-	-	-	-	321,726	
Salaries/Salaries of Teachers	244,154	253,853	-	200,436	757,491	-	2,796	65,484	30,992	11,422	297,652	1,864,280	1,758,289
Compensated Absences Payable	-	-	-	-	-	-	-	-	-	-	-	-	137,959
Employee Benefits	64,390	81,920	-	13,900	257,948	-	214	5,009	-	874	37,770	462,025	339,088
Purchased Prof-Educ. Service	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Purchased Services	75,000	10,099	45,000	5,123	(42,669)	-	1,600	-	-	-	13,096	107,249	35,734
Supplies and Materials	20,898	2,665	10,647	4,678	229,056	-	-	-	-	-	49,881	317,825	19,207
Depreciation	16,436	-	-	-	57,076	\$ 759	\$ -	-	-	-	5,844	80,115	-
Other Objects	-	440	-	-	-	-	-	-	-	-	-	440	-
Total Operating Expenses	742,604	348,977	55,647	224,137	1,258,902	759	4,610	70,493	30,992	12,296	404,243	3,153,660	2,290,277
Operating Income (Loss)	(165,790)	(39,942)	853	25,925	(156,737)	(759)	3,827	55,177	-	6,204	(55,586)	(326,828)	(137,959)
NONOPERATING REVENUES													
State Sources													
State School Lunch Program	4,199	-	-	-	-	-	-	-	-	-	-	4,199	
Federal Sources													
National School Lunch Program	96,358	-	-	-	-	-	-	-	-	-	-	96,358	
National School Lunch Program - PB	5,693	-	-	-	-	-	-	-	-	-	-	5,693	
Commodities Program	30,080	-	-	-	-	-	-	-	-	-	-	30,080	
National School Breakfast Program	16,316	-	-	-	-	-	-	-	-	-	-	16,316	
Total Non-Operating Revenues	152,646	-	-	-	-	-	-	-	-	-	-	152,646	-
Net Income (Loss)	(13,144)	(39,942)	853	25,925	(156,737)	(759)	3,827	55,177	-	6,204	(55,586)	(174,182)	(137,959)
Transfers													
Transfers In(Out)	-	-	-	-	-	-	-	-	-	-	(50,000)	(50,000)	137,959
Change in Net Position	(13,144)	(39,942)	853	25,925	(156,737)	(759)	3,827	55,177	-	6,204	(105,586)	(224,182)	-
Total Net Position - Beginning	345,681	108,763	19,000	42,513	616,087	1,716	-	86,002	-	-	358,767	1,578,529	(987)
Total Net Position - Ending	\$ 332,537	\$ 68,821	\$ 19,853	\$ 68,438	\$ 459,350	\$ 957	\$ 3,827	\$ 141,179	\$ -	\$ 6,204	\$ 253,181	\$ 1,354,347	\$ (987)

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Business Type Activities											Governmental Internal Service Fund	
	Food Service	Day Care	Summer- Science Funds	Academy Enrichment	Technology Services	ETTC	Summer Writing	Math Camp Funds	Teterboro Summer	Exploration	Auditorium Rentals	Totals	Other Governmental Services
CASH FLOWS FROM OPERATING ACTIVITIES													
Receipts from Customers	\$ 576,814	\$ 309,035	\$ 56,500	\$ 113,403	\$ 1,186,885	-	13,709	\$ 229,304	\$ 48,142	\$ 18,500	\$ 320,993	\$ 2,872,885	\$ 2,114,183
Payments to Employees	(244,154)	(253,853)	-	(209,436)	(757,491)	-	(2,796)	(65,484)	(30,992)	(11,422)	(297,632)	(1,864,280)	(1,896,248)
Payments for Health Benefits	(64,390)	(81,920)	-	(13,900)	(257,948)	-	(214)	(5,009)	-	(874)	(37,770)	(462,025)	(339,088)
Payments to Suppliers	(334,120)	(13,578)	(8,292)	(8,012)	(258,804)	-	(1,600)	-	-	-	(53,131)	(677,537)	(58,553)
Net Cash Provided by/(Used for) operating activities	(65,850)	(40,316)	48,208	(108,945)	(87,358)	-	8,699	158,811	17,150	6,204	(67,560)	(130,957)	(179,706)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES													
State Sources	4,364	-	-	-	-	-	-	-	-	-	-	4,364	-
Federal Sources	116,295	-	-	-	-	-	-	-	-	-	116,295	116,295	-
Interfund Transfers-General Fund	-	-	-	-	-	-	-	-	-	-	(50,000)	(50,000)	179,706
Net cash provided by (used for) noncapital financing activities	120,659	-	-	-	-	-	-	-	-	-	(50,000)	70,659	179,706
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES													
Purchases of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by/(used for) capital and related financing activities	-	-	-	-	-	-	-	-	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	54,809	(40,316)	48,208	(108,945)	(87,358)	-	8,699	158,811	17,150	6,204	(117,560)	(60,298)	-
Cash and Cash Equivalents - Beginning of Year	162,704	110,837	19,000	235,151	385,210	-	-	86,002	-	-	273,779	1,272,683	-
Cash and Cash Equivalents - End of Year	\$ 217,513	\$ 70,521	\$ 67,208	\$ 126,206	\$ 297,852	\$ -	\$ 8,699	\$ 244,813	\$ 17,150	\$ 6,204	\$ 156,219	\$ 1,212,385	\$ -
Reconciliation of Operating Income (loss) to net cash provided (used) by operating activities													
Operating Income/(Loss)	\$ (165,790)	\$ (39,942)	\$ 853	\$ 25,925	\$ (156,737)	\$ (759)	\$ 3,827	\$ 55,177	\$ -	\$ 6,204	\$ (55,586)	\$ (326,828)	\$ (137,959)
Adjustments to reconcile operating income/loss to net cash provided by (used for) operating activities													
Depreciation	16,436	-	-	-	57,076	759	-	-	-	-	5,844	80,115	-
Food Distribution (USDA Commodities)- National School Lunch Program	30,080	-	-	-	84,720	-	-	-	-	-	(44,001)	30,080	-
(Increase) Decrease in accounts receivable, net	-	-	-	-	-	-	-	-	-	-	-	40,719	-
(Increase) Decrease in other payable	-	-	-	-	-	-	-	-	-	-	-	-	-
(Increase) Decrease in inventories	(1,001)	-	-	-	-	-	-	-	-	-	-	(1,001)	-
Increase/(Decrease) in unearned revenue	1,750	-	-	(136,659)	-	-	4,872	103,634	17,150	-	16,337	7,084	-
(Increase)/Decrease in Intergovernmental Receivable	-	-	-	-	-	-	-	-	-	-	-	-	(38,135)
Increase/(Decrease) in accounts payable	52,675	(374)	47,355	1,789	(72,417)	-	-	-	-	-	9,846	38,874	(3,612)
Total adjustments	99,940	(374)	47,355	(134,870)	69,379	759	4,872	103,634	17,150	-	(11,974)	195,871	(41,747)
Net cash provided by (used for) operating activities	\$ (65,850)	\$ (40,316)	\$ 48,208	\$ (108,945)	\$ (87,358)	\$ -	\$ 8,699	\$ 158,811	\$ 17,150	\$ 6,204	\$ (67,560)	\$ (130,957)	\$ (179,706)
Noncash Investing, Capital and Financing Activities													
Fair Value of Food Distribution Program- National School Lunch	\$ 30,080												

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2015**

	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>	<u>Agency Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 437,785	\$ 36,450	\$ 796,091
Total Assets	<u>\$ 437,785</u>	<u>\$ 36,450</u>	<u>\$ 796,091</u>
LIABILITIES			
Due to State of New Jersey	\$ 2,741		
Payroll deductions and withholdings			\$ 26,049
Payable to student groups	<u>-</u>	<u>-</u>	<u>770,042</u>
Total Liabilities	<u>2,741</u>	<u>-</u>	<u>\$ 796,091</u>
NET POSITION			
Held in trust for unemployment claims and other purposes	<u>\$ 435,044</u>		
Reserved for scholarships		<u>\$ 36,450</u>	

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS		
Contributions:		
Plan Member	\$ 57,801	
Donations	<u>-</u>	<u>\$ 10,239</u>
Total Contributions	<u>57,801</u>	<u>10,239</u>
Investment Earnings:		
Interest	<u>1,495</u>	<u>63</u>
Net investment earnings	<u>1,495</u>	<u>63</u>
Total Additions	<u>59,296</u>	<u>10,302</u>
DEDUCTIONS		
Unemployment Claims	36,045	-
Withdrawals	<u>-</u>	<u>13,707</u>
Total Deductions	<u>36,045</u>	<u>13,707</u>
Change in Net Position	23,251	(3,405)
Net Position, Beginning of Year	<u>411,793</u>	<u>39,855</u>
Net Position, End of the Year	<u>\$ 435,044</u>	<u>\$ 36,450</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Bergen County Technical and Vocational High School District (the "Board" or the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of five officials appointed by the Board of Chosen 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. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

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

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

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. However, the District would be considered as a component unit of the County of Bergen on the basis of such criteria.

B. New Accounting Standards

During fiscal year 2015, the District adopted the following GASB statements as required:

- GASB 68, *Accounting and Financial Reporting for Pensions*. The objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria.
- GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, should be applied simultaneously with the provisions of Statement No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB 72, *Fair Value Measurement and Application*, will be effective beginning with the fiscal year ending June 30, 2016. This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.
- GASB 73, *Accounting and Financial Reporting for Pensions and Related Assets that Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability.
- GASB 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.
- GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective beginning with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.
- GASB 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, will be effective beginning with the fiscal year ending June 30, 2016. The objective of this Statement is to identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District’s enterprise funds. Fiduciary funds are excluded from the district-wide financial statements.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

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

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

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and enterprise funds to be major funds.

The District reports the following major governmental funds:

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

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

The *capital projects fund* accounts for the proceeds from the sale of bonds, lease purchases and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *permanent fund* accounts for the proceeds from scholarship donations held under the terms of a formal trust agreement whereby the District is under obligation to maintain the principal.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

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

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

The *other enterprise funds* accounts for the operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the government reports the following fund types:

The *internal service fund* accounts for the financing of goods and services provided to other departments or agencies of the District, or to other Boards of Education on a cost reimbursement basis. These activities include services related to Bergen County Special Services School District, the extended school year program, WIA Administration, interlocal agreements and compensated absences.

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

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

Reclassifications

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

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

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

2. Receivables

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

3. Inventories

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

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities at year-end is reported as deferred inflows of resources.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	50
Building Improvements	25
Improvements other than Buildings	20
Heavy Equipment	10-20
Office Equipment and Furniture	10
Computer Equipment	5

Costs of assets damaged by Hurricane Sandy were reduced by the impairment and the adjusted cost depreciated over the assets remaining useful life.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

5. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. The item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item. The other item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

In additions to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under the accrual basis of accounting that qualifies for reporting in this category. It is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

6. *Compensated Absences*

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

7. Pensions

In the district-wide financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

8. Long-Term Obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

9. Net Position/Fund Balance

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Nonspendable Fund Balance – Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Principal – Represents the portion of fund balance not available for future spending that must be preserved in accordance with a formal trust agreement.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

9. *Net Position/Fund Balance (Continued)*

Governmental Fund Statements (Continued)

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2.)

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2015/2016 District budget certified for taxes.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

2. *Property Taxes*

County property taxes are levied pursuant to law and are collected by the County Treasurer and are transferred to the District as requested. County tax revenue is recognized in the year they are levied and become available. County taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed by the County Treasurer and are levied and due in four quarterly installments on February 15, May 15, August 15 and November 15. The County has the ability to charge interest on payments remitted after these due dates. State statutes do not permit liens to be placed against the municipalities by the County for unpaid property taxes.

3. *Tuition Revenues and Expenditures*

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

4. *Proprietary Funds, Operating and Non-Operating Revenues and Expenses*

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

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

The annual budget is adopted in the spring of the preceding year for the general and special revenue funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and is approved by the Board of School Estimates.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2014/2015. Also, during 2014/2015 the Board increased the original budget by \$6,231,054. The increase was funded by additional surplus appropriated, grant awards and the reappropriation of prior year general fund encumbrances.

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

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

B. Capital Reserve

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

Funds placed in the capital reserve 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 appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the reserve cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve (Continued)

The activity of the capital reserve for the fiscal year ended June 30, 2015 is as follows:

Balance, July 1, 2014		\$ 3,551,915
Increases		
Deposits Approved by Board Resolution	\$ 700,000	
Interest	<u>8,634</u>	
		<u>708,634</u>
		4,260,549
Decreases		
Withdrawal Approved by Board Resolution		<u>(1,874,838)</u>
Balance, June 30, 2015		<u>\$ 2,385,711</u>

C. Maintenance Reserve

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve 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. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The activity of the maintenance reserve for the fiscal year ended June 30, 2015 is as follows:

Balance, July 1, 2014		\$ 450,000
Increased by		
Deposits Approved by Board Resolution	<u>275,000</u>	
Total Increases		725,000
Withdrawals		
Approved by Board Resolution	<u>(279,537)</u>	
Balance, June 30, 2015		<u>\$ 445,463</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2015, the book value of the Board's deposits were \$10,384,041 and bank and brokerage firm balances of the Board's deposits amounted to \$13,505,259. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ <u>13,505,259</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2015 none of the Board's bank balances were not exposed to custodial credit.

Investments

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

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial risk.

As of June 30, 2015, the Board had no outstanding investments.

Interest Rate Risk – The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The Board places no limit in the amount the District may invest in any one issuer.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2015 for the district's individual major funds and internal service, in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Technology Services Enterprise</u>	<u>Auditorium Rentals- Enterprise</u>	<u>Management Agreement- Technology Services</u>	<u>Interlocal Agreement Technology Services</u>	<u>Total</u>
Receivables:									
Accounts					\$ 132,281	\$ 72,856			\$ 205,137
Intergovernmental-	\$ 2,358,982	\$ 3,265,205	\$ 3,262,168	\$ 10,535	-	-	\$ 148,786	\$ 48,000	9,093,676
Gross Receivables	<u>2,358,982</u>	<u>3,265,205</u>	<u>3,262,168</u>	<u>10,535</u>	<u>132,281</u>	<u>72,856</u>	<u>148,786</u>	<u>48,000</u>	<u>9,298,813</u>
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 2,358,982</u>	<u>\$ 3,265,205</u>	<u>\$ 3,262,168</u>	<u>\$ 10,535</u>	<u>\$ 132,281</u>	<u>\$ 72,856</u>	<u>\$ 148,786</u>	<u>\$ 48,000</u>	<u>\$ 9,298,813</u>

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

General Fund	
Tuition	\$ 9,999
Special Revenue Fund	
Unencumbered grant draw downs	133,734
Grant draw downs reserved for encumbrances	<u>945,694</u>
 Total deferred revenue for governmental funds	 <u>\$ 1,089,427</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2015 was as follows:

	Balance, <u>July 1, 2014</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2015</u>
Governmental Activities:				
Capital Assets, Being Depreciated:				
Land Improvements	\$ 1,501,397			\$ 1,501,397
Buildings and Building Improvements	66,754,586	\$ 2,411,360		69,165,946
Machinery and Equipment	23,035,215	1,414,164	-	24,449,379
Total Capital Assets Being Depreciated	<u>91,291,198</u>	<u>3,825,524</u>	<u>-</u>	<u>95,116,722</u>
Less Accumulated Depreciation for:				
Land and Land Improvements	(1,324,771)	(13,246)		(1,338,017)
Buildings and Building Improvements	(24,744,044)	(2,003,810)		(26,747,854)
Machinery and Equipment	(15,945,152)	(1,606,069)	-	(17,551,221)
Total Accumulated Depreciation	<u>(42,013,967)</u>	<u>(3,623,125)</u>	<u>-</u>	<u>(45,637,092)</u>
Total Capital Assets, Being Depreciated, Net	<u>49,277,231</u>	<u>202,399</u>	<u>-</u>	<u>49,479,630</u>
Governmental Activities Capital Assets, Net	<u>\$ 49,277,231</u>	<u>\$ 202,399</u>	<u>\$ -</u>	<u>\$ 49,479,630</u>
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 1,918,348	-	-	\$ 1,918,348
Total Capital Assets Being Depreciated	<u>1,918,348</u>	<u>-</u>	<u>-</u>	<u>1,918,348</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(1,421,222)	\$ (80,115)	-	(1,501,337)
Total Accumulated Depreciation	<u>(1,421,222)</u>	<u>(80,115)</u>	<u>-</u>	<u>(1,501,337)</u>
Total Capital Assets, Being Depreciated, Net	<u>497,126</u>	<u>(80,115)</u>	<u>-</u>	<u>417,011</u>
Business-Type Activities Capital Assets, Net	<u>\$ 497,126</u>	<u>\$ (80,115)</u>	<u>\$ -</u>	<u>\$ 417,011</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental activities:

Instruction	
Regular	\$ 1,449,776
Vocational Education	<u>1,449,776</u>
Total Instruction	<u>2,899,552</u>
Support Services	
Student and Instruction Related Services	259,087
General Administration	86,595
School Administration	86,595
Operations and Maintenance of Plant	70,210
Student Transportation	47,896
Business and Other Support Services	<u>173,190</u>
Total Support Services	<u>723,573</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,623,125</u>

Business-Type Activities:

Food Service Fund	\$ 16,436
Technology Services Fund	57,076
ETTC Fund	759
Auditorium Rentals Fund	<u>5,844</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 80,115</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2015:

<u>Project</u>	<u>Remaining Commitment</u>
Horticulture/Landscape Facility Building - Paramus Campus	\$ 101,253
Environmental Science Building at Bergen Academies	1,141,654
Renovation of Boys Locker Room at Bergen Academies	125,582
Furnish, Deliver and Install One Trane Chiller at Bergen Academies	95,500
Boiler Replacement - Paramus Campus	594,700
Cooling System	109,000
New LED Sign - Paramus Campus	5,432
	<u>\$ 2,173,121</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2015, is as follows:

Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 1,200,000
General Fund	Capital Projects Fund	14,000
General Fund	Internal Service Fund	<u>192,021</u>
		<u>\$ 1,406,021</u>
Compensated Absences - Internal Service Fund	General Fund	<u>\$ 2,745,303</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year except balances between General and Compensated Absences Internal Service Funds.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers (Continued)

Interfund transfers

	<u>General Fund</u>	<u>Transfer In: Capital Projects Fund</u>	<u>Internal Service Fund</u>	<u>Total</u>
Transfer Out:				
General Fund		\$ 1,287,113	\$ 137,959	\$ 1,425,072
Enterprise Funds:				
Auditorium Rental	\$ 50,000	-	-	50,000
	<u>\$ 50,000</u>	<u>\$ 1,287,113</u>	<u>\$ 137,959</u>	<u>\$ 1,475,072</u>

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

F. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2015, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Prior Year Adjustment</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:						
Compensated Absences	\$ 2,607,344	\$ 137,959			\$ 2,745,303	
Pension Obligation Payable	563,000	-	-	\$ 7,000	570,000	\$ 284,000
Net Pension Liability	<u>36,480,813</u>	<u>330,741</u>	<u>665,278</u>	<u>-</u>	<u>36,146,276</u>	<u>1,706,393</u>
Governmental activity						
Long-term liabilities	<u>\$ 39,651,157</u>	<u>\$ 468,700</u>	<u>\$ 665,278</u>	<u>\$ 7,000</u>	<u>\$ 39,461,579</u>	<u>\$ 1,990,393</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, for the governmental activities, the liabilities for compensated absences, and pension obligations are generally liquidated by the general fund.

The school district adopted an early retirement incentive program (ERI Program) for eligible employees covered by the Public Employees' Retirement Fund and the Teachers' Pension and Annuity Fund and as a result created a unfunded liability with respect to the applicable pension system through the year 2016/2017.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

The District is a member of the County of Bergen’s Self Insurance pool for property, general liability, workers compensation and automobile liability.

The relationship between the Board and the County of Bergen is governed by a contract and by-laws that have been adopted by resolution of the unit's governing body. The Board has agreed to pay an annual installment based on a computation of the Board’s share of the County’s premium as provided by the County. In return for this, the County of Bergen administers the Board’s insurance funds.

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

The District has elected to fund its 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 District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s fiduciary trust fund for the current and previous two years:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2015	-	\$ 57,801	\$ 36,045	\$ 435,044
2014	-	53,427	39,539	411,793
2013	\$ 120,000	51,644	135,096	395,862

B. Contingent Liabilities

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

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2015, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans

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

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

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

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected, certain appointed officials, and certain Board employees not eligible for enrollment in PERS or TPAF. Effective July 1, 2007 membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

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

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

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

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Basis of Accounting

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

Investment Valuation

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

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj/treasury/doinvest.

Funding Status and Funding Progress

As of July 1, 2013, the most recent actuarial valuation date, the aggregate funded ratio for all the State administered retirement systems including TPAF and PERS, is 62.8 percent with an unfunded actuarial accrued liability of \$51.0 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 54.2 percent and \$37.3 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and Police and Firemen's Retirement System ("PFRS") is 75.4 percent and \$13.7 billion, respectively.

The funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financing reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2013 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (a) an investment rate of return for the retirement systems of 7.90 percent and (b) projected salary increases of 4.24 percent for the PERS and 3.33 percent for TPAF.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 6.9% for PERS, 6.9% for TPAF and 5.50% for DCRP of the employee's annual compensation.

Annual Pension Costs (APC)

Per the requirements of GASB Statement No. 27 *Accounting for Pensions by State and Local Government Employees*, for the fiscal year ended June 30, 2015 for TPAF, which is a cost sharing plan with special funding situations, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

During the fiscal years ended June 30, 2015, 2014 and 2013 the Board was required to contribute for PERS and DCRP and the State of New Jersey was required to contribute for TPAF for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2015	\$ 1,578,674	\$ 1,277,658	\$ 2,395
2014	1,458,612	1,044,183	4,570
2013	1,536,617	1,563,527	3,826

For fiscal years 2014/2015 and 2012/2013, the state contributed \$1,277,658 and \$1,563,527, respectively for normal cost pension, accrued liability and the NCGI premium. For fiscal year 2013/2014 the State did not contribute to the TPAF for accrued liability but did contribute \$1,044,183 for normal cost pension and NCGI premium.

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 24. The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,738,812 during the fiscal year ended June 30, 2015 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 24.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employees Retirement System (PERS)

At June 30, 2015, the District reported in the statement of net position (accrual basis) a liability of \$36,146,276 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2014, the District's proportionate share was 0.19306 percent, which was an increase of .00219 percent from its proportionate share measured as of June 30, 2013.

For the fiscal year ended June 30, 2015, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,909,415 for PERS. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions	\$ 1,136,633	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		\$ 2,154,122
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>352,211</u>	<u>-</u>
Total	<u>\$ 1,488,844</u>	<u>\$ 2,154,122</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2016	\$ (264,846)
2017	(264,846)
2018	(264,846)
2019	(264,846)
2020	273,685
Thereafter	<u>120,421</u>
	<u>\$ (665,278)</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>PERS</u>
Inflation Rate	3.01%
Salary Increases:	
2012-2021	2.15-4.40%
	Based on Age
Thereafter	3.15-5.40%
	Based on Age
Investment Rate of Return	7.90%
Mortality Rate Table	RP-2000
Period of Actuarial Experience	July 1, 2008 -
Study Upon Which Actuarial	June 30, 2011
Assumptions were Based	

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.80%
Core Bonds	1.00%	2.49%
Intermediate-Term Bonds	11.20%	2.26%
Mortgages	2.50%	2.17%
High Yield Bonds	5.50%	4.82%
Inflation-Indexed Bonds	2.50%	3.51%
Broad US Equities	25.90%	8.22%
Developed Foreign Equities	12.70%	8.12%
Emerging Market Equities	6.50%	9.91%
Private Equity	8.25%	13.02%
Hedge Funds/Absolute Return	12.25%	4.92%
Real Estate (Property)	3.20%	5.80%
Commodities	2.50%	5.35%

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Plan</u>	<u>Discount Rate</u>
PERS	5.39%

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF)

In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2015, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$7,098,608 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 24.

At June 30, 2015 the State's proportionate share of the net pension liability attributable to the District is \$131,921,363. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer towards the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the year ended June 30, 2014.

Actuarial Assumptions

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.90%
Mortality Rate Table	RP-2000
Period of Actuarial Experience	July 1, 2009 - June 30, 2012
Study Upon Which Actuarial Assumptions were Based	

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.50%
Core Fixed Income	0.00%	2.19%
Core Bonds	1.00%	1.38%
Short-Term Bonds	0.00%	1.00%
Intermediate-Term Bonds	11.20%	2.60%
Long-Term Bonds	0.00%	3.23%
Mortgages	2.50%	2.84%
High Yield Bonds	5.50%	4.15%
Non-US Fixed Income	0.00%	1.41%
Inflation-Indexed Bonds	2.50%	1.30%
Broad US Equities	25.90%	5.88%
Large Cap US Equities	0.00%	5.62%
Mid Cap US Equities	0.00%	6.39%
Small Cap US Equities	0.00%	7.39%
Developed Foreign Equities	12.70%	6.05%
Emerging Market Equities	6.50%	8.90%
Private Equity	8.25%	9.15%
Hedge Funds/Absolute Return	12.25%	3.85%
Real Estate (Property)	3.20%	4.43%
Real Estate (REITS)	0.00%	5.58%
Commodities	2.50%	3.60%
Long Credit Bonds	0.00%	3.74%

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

<u>Plan</u>	<u>Discount Rate</u>
TPAF	4.68%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

TPAF

Period of Projected Benefit

Payments for which the Following
Rates were Applied:

Long-Term Expected Rate of Return Through June 30, 2027

Municipal Bond Rate * From July 1, 2027
and Thereafter

* The municipal bond return rate used is 4.29%. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 4.68%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (3.68 percent) or 1-percentage-point higher (5.68 percent) than the current rate:

	1% Decrease (3.68%)	Current Discount Rate (4.68%)	1% Increase (5.68%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$158,666,746</u>	<u>\$ 131,921,363</u>	<u>\$ 109,676,200</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2014. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2014 was not provided by the pension system.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

C. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the TPAF pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

D. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plans for school districts. The Plans are classified as either single employer plans or cost sharing multiple employer defined benefit plans depending on the plan the eligible employee is covered under.

As a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans (OPEB)*, effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), and the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other employee Benefit Trust Funds in the State's Comprehensive Annual Financial Report (CAFR). Specifically, SHBP-State, and the PRM of the PERS are combined and reported as a Health Benefits Program Fund – State classified as a single employer plan. The SHBP-Local, PDP-Local, and the PRM of the TPAF-Local are combined and reported as Health Benefits Program Fund –Local Government classified as a cost-sharing multiple-employer plan in the State's CAFR. The post-retirement benefit programs had a total of 590 state and local participating employers and contributing entities for Fiscal Year 2014.

The State of New Jersey sponsors and administers the following health benefit programs covering certain state and local government employees, including those Board employees and retirees eligible for coverage.

Health Benefits Program Fund (HBPF) – Local Education (including Prescription Drug Program Fund) – The State of New Jersey provides paid coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides paid coverage to members of the Public Employees' Retirement System and Alternate Benefits Program who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for state paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the PDP coverage after 60 days of employment.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

Basis of Accounting

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

Significant Legislation

P.L. 2011, c.78, effective October 2011, sets new employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to this new legislation's effective date with a minimum contribution required to be at least 1.5% of salary.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

Funded Status and Funding Progress

As of July 1, 2013, the most recent actuarial valuation date, the State had a \$53.0 billion unfunded actuarial accrued liability for other post-employment benefits (OPEB) which is made up to \$19.7 billion for state active and retired members and \$33.3 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

The funded status and funding progress of the OPEB includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2013, OPEB actuarial valuation, the projected unit credit was used as the actuarial cost method. The actuarial assumptions included an assumed investment rate of return of 4.50 percent.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Post-Retirement Medical Benefits (Continued)

Post-Retirement Medical Benefits Contributions

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2014, there were 103,432, retirees receiving post-retirement medical benefits and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid 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 \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

The State sets the contribution rate based on a pay as you go basis and not on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2015, 2014 and 2013 were \$2,028,283, \$1,712,067 and \$1,449,114, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

NOTE 5 RESTATEMENT

On July 1, 2014, the Bergen County Technical and Vocational High School District implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions. The Bergen County Technical and Vocational High School District has determined that the effect of implementing this accounting change on the financial statements previously reported as of and for the fiscal year ended June 30, 2014 was to recognize the District's proportionate share of the Public Employees' Retirement System's (PERS) net pension liability, deferred outflows of resources and deferred inflows of resources with a corresponding reduction in the unrestricted component of net position in the amount of \$36,480,813. The result of this restatement is to reduce total net position of Governmental Activities at June 30, 2014 from \$57,343,126 as originally reported to \$20,862,313 as adjusted for the effects of the change in accounting principle.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
County Property Tax Levy	\$ 29,566,905		\$ 29,566,905	\$ 29,566,905	
Tuition-Other LEAs	24,955,704		24,955,704	24,515,421	\$ (440,283)
Tuition - Post Secondary	750,000		750,000	691,798	(58,202)
Tuition - EMS	387,000		387,000	420,999	33,999
Tuition - Adult Evening	400,000		400,000	378,914	(21,086)
Interest on Investments	50,000		50,000	27,884	(22,116)
Interest on Capital Reserve				8,634	8,634
GED Testing Fees	99,807		99,807	63,310	(36,497)
Miscellaneous	<u>513,092</u>	<u>-</u>	<u>513,092</u>	<u>561,317</u>	<u>48,225</u>
Total Local Sources	<u>56,722,508</u>	<u>-</u>	<u>56,722,508</u>	<u>56,235,182</u>	<u>(487,326)</u>
State Sources					
Adjustment Aid	4,194,257		4,194,257	4,194,257	-
Categorical Special Education Aid	1,243,499		1,243,499	1,243,499	-
Categorical Security Aid	170,378		170,378	170,378	-
Other School Aid	43,100		43,100	43,100	-
On-Behalf TPAF Pension System Contributions- NCGI (Non-Budgeted)				85,752	85,752
On-Behalf TPAF Pension System Contributions- Normal Contributions (Non-Budgeted)				1,191,906	1,191,906
On-Behalf TPAF Pension System Contributions- Post-Retirement Medical Contrib. (Non-Budgeted)				2,028,283	2,028,283
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,738,812</u>	<u>1,738,812</u>
Total State Sources	<u>5,651,234</u>	<u>-</u>	<u>5,651,234</u>	<u>10,695,987</u>	<u>5,044,753</u>
Federal Sources					
ARRA/SEMI				10,458	10,458
Medicaid Reimbursement	<u>3,200</u>	<u>-</u>	<u>3,200</u>	<u>51,657</u>	<u>48,457</u>
Total Federal Sources	<u>3,200</u>	<u>-</u>	<u>3,200</u>	<u>62,115</u>	<u>58,915</u>
Total Revenues	<u>62,376,942</u>	<u>-</u>	<u>62,376,942</u>	<u>66,993,284</u>	<u>4,616,342</u>
EXPENDITURES:					
Regular Programs- Instruction					
Salaries of Teachers	8,794,426	\$ (20,100)	8,774,326	8,759,659	14,667
Other Salaries for Instruction	122,415	50,000	172,415	172,274	141
Purchased Prof. - Educ. Service	80,000	50,100	130,100	130,100	-
Rentals	50,000	(7,500)	42,500	21,935	20,565
Travel	15,000	24,783	39,783	5,107	34,676
General Supplies	580,500	76,765	657,265	478,422	178,843
Textbooks	90,000	46,945	136,945	90,275	46,670
Other Objects	<u>40,000</u>	<u>118</u>	<u>40,118</u>	<u>11,982</u>	<u>28,136</u>
Total Regular Programs- Instruction	<u>9,772,341</u>	<u>221,111</u>	<u>9,993,452</u>	<u>9,669,754</u>	<u>323,698</u>
Regular Programs- Home Instruction					
Salaries of Teachers	15,000	23,900	38,900	38,884	16
Purchased Professional Educational Service	<u>15,000</u>	<u>(7,500)</u>	<u>7,500</u>	<u>7,315</u>	<u>185</u>
Total Regular Programs- Home Instruction	<u>30,000</u>	<u>16,400</u>	<u>46,400</u>	<u>46,199</u>	<u>201</u>
Total Regular Programs- Instruction	<u>9,802,341</u>	<u>237,511</u>	<u>10,039,852</u>	<u>9,715,953</u>	<u>323,899</u>
Basic Skills/Remedial					
Salaries of Teachers	<u>172,181</u>	<u>3,350</u>	<u>175,531</u>	<u>175,531</u>	<u>-</u>
Total Basic Skills/Remedial	<u>172,181</u>	<u>3,350</u>	<u>175,531</u>	<u>175,531</u>	<u>-</u>
Bilingual Education					
Salaries of Teachers	<u>80,058</u>	<u>800</u>	<u>80,858</u>	<u>80,851</u>	<u>7</u>
Total Bilingual Education	<u>80,058</u>	<u>800</u>	<u>80,858</u>	<u>80,851</u>	<u>7</u>

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
Other Special Programs					
Regular Vocational Programs- Instruction					
Salaries of Teachers	\$ 6,587,332	\$ (55,550)	\$ 6,531,782	\$ 6,304,421	\$ 227,361
Rentals	47,000		47,000	27,678	19,322
Travel	7,200	728	7,928	4,074	3,854
General Supplies	525,895	1,125	527,020	376,705	150,315
Textbooks	72,500	9,953	82,453	78,701	3,752
Other Objects	26,000	-	26,000	9,556	16,444
Total Regular Vocational Programs- Instruction	7,265,927	(43,744)	7,222,183	6,801,135	421,048
Special Vocational Programs- Instruction					
Salaries of Teachers	3,641,291	(15,000)	3,626,291	3,574,223	52,068
Purchased Professional Educational Services	560,000	50,000	610,000	610,000	-
Travel	4,000	1,054	5,054	2,049	3,005
General Supplies	156,000	152,137	308,137	275,687	32,450
Textbooks	30,000	21,531	51,531	34,571	16,960
Other Objects	15,000	-	15,000	1,848	13,152
Total Special Vocational Programs- Instruction	4,406,291	209,722	4,616,013	4,498,378	117,635
Total Vocational Programs	11,672,218	165,978	11,838,196	11,299,513	538,683
Other Instructional Programs					
School Sponsored Co/Extra Curricular Activities					
Salaries	630,000	68,100	698,100	698,038	62
Travel		2,659	2,659	1,876	783
Other Objects	43,500	(16,700)	26,800	23,018	3,782
Total School Sponsored Co/Extra Curricular Activities	673,500	54,059	727,559	722,932	4,627
School Sponsored Athletics					
Salaries	499,277	25,000	524,277	523,954	323
Purchased Services	75,000	7,088	82,088	55,523	26,565
Travel	1,000	967	1,967	1,967	-
Supplies and Materials	100,000	3,507	103,507	88,519	14,988
Other Objects	48,000	192	48,192	46,088	2,104
Total School Sponsored Athletics	723,277	36,754	760,031	716,051	43,980
Other Instructional Programs- Instruction					
Salaries	155,000	-	155,000	140,688	14,312
Total Other Instructional Programs	155,000	-	155,000	140,688	14,312
Total Instruction	23,278,575	498,452	23,777,027	22,851,519	925,508
Attendance & Social Work					
Salaries	135,504	-	135,504	123,773	11,731
Total Attendance & Social Work	135,504	-	135,504	123,773	11,731
Health Services					
Salaries	315,353	(24,800)	290,553	272,124	18,429
Purchased Professional and Technical Services	33,000	54,800	87,800	87,782	18
Supplies and Materials	7,000	627	7,627	4,255	3,372
Other Objects	13,100	-	13,100	7,861	5,239
Total Health Services	368,453	30,627	399,080	372,022	27,058

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
Guidance					
Salaries of Other Professional Staff	\$ 1,488,671	\$ 70,000	\$ 1,558,671	\$ 1,558,343	\$ 328
Salaries of Secretarial and Clerical Assistants	135,493	-	135,493	124,714	10,779
Total Guidance	1,624,164	70,000	1,694,164	1,683,057	11,107
Child Study Teams					
Salaries of Other Professional Staff	807,635	(7,800)	799,835	781,584	18,251
Salaries of Secretarial and Clerical Assistants	134,377	7,800	142,177	142,095	82
Purchased Professional Education Services	15,000		15,000	7,712	7,288
Other Purchased Professional & Technical Services	7,000	(5,825)	1,175	175	1,000
Travel	3,200	(2,888)	312	300	12
Supplies and Materials	25,000	21,439	46,439	37,774	8,665
Other Objects	7,000	(5,000)	2,000	1,247	753
Total Child Study Teams	999,212	7,726	1,006,938	970,887	36,051
Improvement of Instruction Services					
Salaries of Other Professional Staff	648,006		648,006	621,609	26,397
Salaries of Secretarial and Clerical Assistants	184,786		184,786	176,697	8,089
Purchased Professional Educational Services	15,800	72,229	88,029	59,697	28,332
Other Purchased Services	10,000	4,600	14,600	10,743	3,857
Travel	12,100	7,612	19,712	19,508	204
Supplies and Materials	90,300	5,914	96,214	73,895	22,319
Other Objects	57,600	6,900	64,500	54,502	9,998
Total Improvement of Instruction Services	1,018,592	97,255	1,115,847	1,016,651	99,196
Educational Media Service/School Library					
Salaries	54,861	5,900	60,761	60,730	31
Other Purchased Services	55,000	120,362	175,362	170,626	4,736
Supplies and Materials	12,000	216,298	228,298	204,425	23,873
Other Objects	-	9,443	9,443	5,223	4,220
Total Educational Media Services/School Library	121,861	352,003	473,864	441,004	32,860
Instructional Staff Training Services					
Travel	75,500	1,653	77,153	43,486	33,667
Other Objects	50,500	-	50,500	2,522	47,978
Total Instructional Staff Training Services	126,000	1,653	127,653	46,008	81,645
Support Services General Administration					
Salaries	451,002	4,000	455,002	454,997	5
Legal Services	300,000	(45,200)	254,800	218,502	36,298
Audit Fees	60,000		60,000	60,000	-
Expenditure and Internal Control	10,000		10,000	5,273	4,727
Architect/Engineering Fees	10,000	47,421	57,421	49,034	8,387
Other Purchased Professional Services	121,500	40,500	162,000	161,908	92
Rentals	6,500	500	7,000	6,847	153
Communications/Telephone	385,000	200	385,200	385,199	1
Travel	10,000	15	10,015	6,082	3,933
Other Purchased Services	170,750	86	170,836	147,930	22,906
Supplies and Materials	15,000		15,000	1,568	13,432
Miscellaneous Expenditures	57,000		57,000	50,216	6,784
BOE Membership Dues and Fees	1,000	-	1,000	-	1,000
Total Support Services General Administration	1,597,752	47,522	1,645,274	1,547,556	97,718
Support Services School Administration					
Salaries of Principals/ Assistant Principals	1,339,137		1,339,137	1,324,404	14,733
Salaries of Secretarial and Clerical Assistants	635,925		635,925	604,958	30,967
Travel	13,725	9	13,734	150	13,584
Other Purchased Services	15,100	1,463	16,563	7,582	8,981
Supplies and Materials	56,500	1,743	58,243	33,150	25,093
Other Objects	26,000	-	26,000	19,872	6,128
Total Support Services School Administration	2,086,387	3,215	2,089,602	1,990,116	99,486

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
Central Services					
Salaries	\$ 963,833		\$ 963,833	\$ 909,950	\$ 53,883
Purchased Technical Services	106,050	1,075	107,125	102,465	4,660
Rentals	8,000	(1,250)	6,750	6,393	357
Travel	1,000	4,556	5,556	3,126	2,430
Supplies and Materials	25,000	665	25,665	16,560	9,105
Miscellaneous Expenditures	15,000	(1,000)	14,000	9,958	4,042
Total Central Services	1,118,883	4,046	1,122,929	1,048,452	74,477
Admin. Info. Technology					
Salaries	2,844,388	(50,000)	2,794,388	2,766,490	27,898
Purchased Professional Technical Services	66,300	20,000	86,300	86,300	-
Other Purchased Services	1,255,000	3,300	1,258,300	1,256,564	1,736
Travel	10,000	18,000	28,000	21,342	6,658
General Supplies	201,000	(32,100)	168,900	168,837	63
Other Objects	29,000	(10,000)	19,000	16,190	2,810
Total Admin. Info. Technology	4,405,688	(50,800)	4,354,888	4,315,723	39,165
Required Maintenance for School Facilities					
Salaries	695,144	(120,000)	575,144	573,540	1,604
Cleaning, Repair and Maintenance Services	306,106	134,729	440,835	440,794	41
Cleaning, Repair and Maintenance Services-Maintenance Reserve		279,537	279,537	279,084	453
General Supplies	100,000	27,672	127,672	127,594	78
Total Required Maintenance for School Facilities	1,101,250	321,938	1,423,188	1,421,012	2,176
Custodial Services					
Salaries	2,959,133	(143,700)	2,815,433	2,782,564	32,869
Purchased Professional & Technical Services	240,000	50,000	290,000	290,000	-
Cleaning, Repair and Maintenance Services	510,000	154,236	664,236	538,471	125,765
Other Purchased Property Services	95,000	11,000	106,000	105,977	23
Insurance	430,000		430,000	426,457	3,543
Travel		2,500	2,500	1,827	673
General Supplies	235,000	100,732	335,732	329,386	6,346
Energy (Natural Gas)	375,000	125,000	500,000	440,176	59,824
Energy (Electricity)	1,700,000	(287,300)	1,412,700	1,115,255	297,445
Energy (Gasoline)	50,000		50,000	49,757	243
Other Objects	30,000	(17,500)	12,500	7,917	4,583
Total Custodial Services	6,624,133	(5,032)	6,619,101	6,087,787	531,314
Care and Upkeep of Grounds					
Salaries		180,000	180,000	177,344	2,656
Cleaning, Repair and Maintenance Services	30,000	109,725	139,725	89,596	50,129
General Supplies	-	6,700	6,700	6,232	468
Total Care and Upkeep of Grounds	30,000	296,425	326,425	273,172	53,253
Security					
Cleaning, Repair and Maintenance Services	150,000	7,800	157,800	157,704	96
General Supplies	-	59,025	59,025	59,025	-
Total Security	150,000	66,825	216,825	216,729	96
Total Oper & Maint of Plant Services	7,905,383	680,156	8,585,539	7,998,700	586,839
Student Transportation Services					
Salaries for Pupil Transp (Oth. Than Bct. Home & School)	512,843	-	512,843	501,046	11,797
Cleaning, Repair and Maintenance Services	9,000		9,000	9,000	
Contr. Services- Other- Vendors	171,000	(25,000)	146,000	88,940	57,060
Insurance	67,000		67,000	67,000	
Supplies and Materials	12,000		12,000	6,750	5,250
Miscellaneous Expenditures	4,000	-	4,000	840	3,160
Total Student Transportation Services	775,843	(25,000)	750,843	664,576	86,267
Unallocated Benefits- Employee Benefits					
Social Security Contributions	1,310,000		1,310,000	1,244,101	65,899
TPAF Contributions- ERIP	230,000		230,000	214,830	15,170
Other Retirement Contribution- Regular	1,750,000		1,750,000	1,578,674	171,326
Other Retirement Contributions - ERIP	60,000		60,000	60,000	
Unemployment Compensation	125,000		125,000		125,000
Workman's Compensation	520,000	8,600	528,600	528,504	96
Health Benefits	9,144,668	(428,700)	8,715,968	8,007,382	708,586
Tuition Reimbursement	100,000		100,000	66,029	33,971
Other Employee Benefits	256,500	215,500	472,000	471,843	157
Total Unallocated Benefits- Employee Benefits	13,496,168	(204,600)	13,291,568	12,171,363	1,120,205

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
On-behalf TPAF Pension System Contributions- NCGI Premium (Non-Budgeted)				\$ 85,752	\$ (85,752)
On-behalf TPAF Pension System Contributions- Normal Contribution (Non-Budgeted)				1,191,906	(1,191,906)
On-behalf TPAF Pension System Contributions- Post-Retirement Medical Contrib. (Non-Budgeted)				2,028,283	(2,028,283)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,738,812	(1,738,812)
Total Undistributed Expenditures	\$ 35,779,890	\$ 1,013,803	\$ 36,793,693	39,434,641	(2,640,948)
Total Expenditures - Current	59,058,465	1,512,255	60,570,720	62,286,160	(1,715,440)
CAPITAL OUTLAY					
Equipment					
Instruction		64,102	64,102	64,102	-
School Sponsored Athletics		18,938	18,938	18,415	523
Improvement of Instruction		17,047	17,047	17,046	1
Educational Media Service/Library		451,683	451,683	451,683	-
Operations and Maintenance of Plant		14,498	14,498	14,498	-
Grounds	-	2,550	2,550	2,536	14
Total Equipment	-	568,818	568,818	568,280	538
Facilities Acquisition and Construction Services					
Architect Fees-Capital Reserve		10,338	10,338	6,688	3,650
Construction Services					-
Construction Services-Capital Reserve		619,994	619,994	579,966	40,028
Other Objects	1,200,000	-	1,200,000	900,000	300,000
Assessment for Debt Service	47,894	-	47,894	47,894	-
Total Facilities and Construction Services	1,247,894	630,332	1,878,226	1,534,548	343,678
Total Capital Outlay	1,247,894	1,199,150	2,447,044	2,102,828	344,216
SPECIAL SCHOOLS					
Post- Secondary Programs- Instruction					
Salaries of Teachers	256,611	26,400	283,011	282,962	49
Other Purchased Services	4,000	2,000	6,000	5,579	421
Travel	500	110	610	131	479
General Supplies	20,000	94,897	114,897	68,183	46,714
Textbooks	25,000	(505)	24,495	12,117	12,378
Other Objects	6,400	(3,100)	3,300	2,735	565
Total Post- Secondary Programs -Instruction	312,511	119,802	432,313	371,707	60,606
Post- Secondary Programs- Support Services					
Personal Services-Employee Benefits	103,000	-	103,000	103,000	-
Total Post Secondary Programs - Support Services	103,000	-	103,000	103,000	-
Total Post Secondary Programs	415,511	119,802	535,313	474,707	60,606
Other Special Schools - Instruction					
Salaries of Teachers	801,898	(33,700)	768,198	649,365	118,833
General Supplies	227,000	28,442	255,442	176,196	79,246
Textbooks	1,500	-	1,500	-	1,500
Total Other Special Schools - Instruction	1,030,398	(5,258)	1,025,140	825,561	199,579
Other Special Schools - Support Services					
Salaries	454,190		454,190	381,792	72,398
Purchased Professional and Technical Services	5,600		5,600	5,500	100
Other Purchased Services	49,000	8,700	57,700	49,901	7,799
Travel	1,000	3,295	4,295	2,291	2,004
Supplies and Materials	13,800	2,396	16,196	13,509	2,687
Other Objects	9,000	-	9,000	3,525	5,475
Total Other Special Schools - Support Services	532,590	14,391	546,981	456,518	90,463
Total Other Special Schools	1,562,988	9,133	1,572,121	1,282,079	290,042
Vocational Evening - Local - Instruction					
Salaries of Teachers	465,790	(28,500)	437,290	421,241	16,049
General Supplies	25,000	493	25,493	6,067	19,426
Textbooks	1,000		1,000	249	751
Other Objects	3,600	(3,600)	-	-	-
Total Vocational Evening - Local - Instruction	495,390	(31,607)	463,783	427,557	36,226

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
Vocational Evening - Local - Support Services					
Salaries	\$ 379,387	\$ 3,500	\$ 382,887	\$ 382,810	\$ 77
Employee Benefits	191,000		191,000	191,000	-
Other Purchased Services	61,000	\$ (8,064)	52,936	41,364	11,572
Travel		100	100	52	48
General Supplies	7,500		7,500	7,494	6
Other Objects	8,000	(7,000)	1,000	292	708
Total Vocational Evening - Local - Support Services	646,887	(11,464)	635,423	623,012	12,411
Total Vocational Evening	1,142,277	(43,071)	1,099,206	1,050,569	48,637
GED Testing Center (Other Special Schools)					
Salaries	78,645	400	79,045	79,041	4
Other Purchased Services	5,000	(900)	4,100	1,874	2,226
Travel		524	524	98	426
Supplies and Materials	16,162	20,000	36,162	33,103	3,059
Total Other Special Schools - Support Services	99,807	20,024	119,831	114,116	5,715
Total Special Schools	3,220,583	105,888	3,326,471	2,921,471	405,000
Total Expenditures	63,526,942	2,817,293	66,344,235	67,310,459	(966,224)
Excess (Deficiency) of Revenues and Over/(Under) Expenditures	(1,150,000)	(2,817,293)	(3,967,293)	(317,175)	3,650,118
Other Financing Sources (Uses)					
Transfers out		(1,287,113)	(1,287,113)	(1,425,072)	(137,959)
Transfers In	50,000	-	50,000	50,000	-
Total Other Financing Sources/(Uses)	50,000	(1,287,113)	(1,237,113)	(1,375,072)	(137,959)
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Sources(Uses)	(1,100,000)	(4,104,406)	(5,204,406)	(1,692,247)	3,512,159
Fund Balance, Beginning of Year	9,380,545	-	9,380,545	9,380,545	-
Fund Balance, End of Year	\$ 8,280,545	\$ (4,104,406)	\$ 4,176,139	\$ 7,688,298	\$ 3,512,159
Recapitulation:					
Restricted					
Capital Reserve				\$ 2,385,711	
Maintenance Reserve				445,463	
Assigned					
Year End Encumbrances				1,504,228	
Designated for Subsequent Year's Budget				900,000	
Unassigned					
Unrestricted Fund Balance				2,452,896	
				7,688,298	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payments Not Recognized on GAAP Basis				(560,334)	
Fund Balance per Governmental Funds (GAAP):				\$ 7,127,964	

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
State Sources:	\$ 2,335,000	\$ 923,195	\$ 3,258,195	\$ 2,261,439	\$ (996,756)
Federal Sources	7,576,000	1,228,422	8,804,422	7,374,138	(1,430,284)
Local Sources	140,000	(24,969)	115,031	3,462	(111,569)
Total Revenues	<u>10,051,000</u>	<u>2,126,648</u>	<u>12,177,648</u>	<u>9,639,039</u>	<u>(2,538,609)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	2,849,000	(2,189,180)	659,820	510,871	148,949
Purchased Professional Services	246,000	(226,914)	19,086	3,000	16,086
Other Purchased Services		48,292	48,292	37,259	11,033
General Supplies		534,957	534,957	369,832	165,125
Other Objects	-	-	-	-	-
Total Instruction	<u>3,095,000</u>	<u>(1,832,845)</u>	<u>1,262,155</u>	<u>920,962</u>	<u>341,193</u>
Support Services					
Salaries	6,956,000	(4,581,663)	2,374,337	2,131,843	242,494
Personnel Services Employee Benefits		637,688	637,688	511,368	126,320
Purchased Professional Education Services		5,903,690	5,903,690	4,454,429	1,449,261
Purchased Professional Technical Services		211,394	211,394	211,374	20
Other Purchased Services		193,600	193,600	168,035	25,565
Rental		332,566	332,566	222,253	110,313
Travel		26,023	26,023	9,525	16,498
Supplies and Materials		80,534	80,534	65,239	15,295
Other Objects		9,820	9,820	9,820	-
Indirect Costs	-	17,210	17,210	17,210	-
Total Support Services	<u>6,956,000</u>	<u>2,830,862</u>	<u>9,786,862</u>	<u>7,801,096</u>	<u>1,985,766</u>
Facilities Acquisition and Construction					
Buildings		263,696	263,696	254,333	9,363
Instructional Equipment		864,935	864,935	662,648	202,287
Non-Instructional Equipment	-	-	-	-	-
Total Facilities Acquisition and Construction	<u>-</u>	<u>1,128,631</u>	<u>1,128,631</u>	<u>916,981</u>	<u>211,650</u>
Total Expenditures	<u>10,051,000</u>	<u>2,126,648</u>	<u>12,177,648</u>	<u>9,639,039</u>	<u>2,538,609</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				\$ -	
Fund Balance per Governmental Funds (GAAP):				<u>\$ -</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Source/Inflows of Resources		
Actual Amounts (budgetary basis) "revenue"		
From the budgetary comparison schedule	\$ 66,993,284	\$ 9,639,039
Difference - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Encumbrances, June 30, 2014		253,301
Encumbrances, June 30, 2015		(945,694)
Last State Aid payments recognized for GAAP purposes, not recognized for budgetary statements (2013/2014 State Aid)	556,026	
Last State Aid payments recognized for Budgetary purposes, not recognized for GAAP statements (2014/2015 State Aid)	<u>(560,334)</u>	<u>-</u>
 Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	 <u>\$ 66,988,976</u>	 <u>\$ 8,946,646</u>
Uses/Outflows of Resources		
Actual amounts(budgetary basis) "total expenditure" from the budgetary comparison schedule	\$ 67,310,459	\$ 9,639,039
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Encumbrances, June 30, 2014		253,301
Encumbrances, June 30, 2015	<u>-</u>	<u>(945,694)</u>
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	 <u>\$ 67,310,459</u>	 <u>\$ 8,946,646</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION INFORMATION

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Two Fiscal Years*

	2015	2014
District's Proportion of the Net Position Liability (Asset)	0.19306 %	0.19087 %
District's Proportionate Share of the Net Pension Liability (Asset)	\$36,146,276	\$36,480,813
District's Covered-Employee Payroll	\$13,433,021	\$12,960,436
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	269.09%	281.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08 %	48.72 %

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Public Employees Retirement System

Last Two Fiscal Years

	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 1,048,496	\$ 1,567,180
Contributions in Relation to the Contractually Required Contribution	<u>1,048,496</u>	<u>1,567,180</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$13,433,021	\$12,960,436
Contributions as a Percentage of Covered-Employee Payroll	7.81%	12.09%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Two Fiscal Years*

	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>131,921,363</u>	<u>122,291,767</u>
Total	<u>\$ 131,921,363</u>	<u>\$ 122,291,767</u>
District's Covered-Employee Payroll	\$ 23,902,723	\$ 23,580,067
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	33.64%	33.76%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Change of Benefit Terms: None.

Change of Assumptions: The discount rate changed from the District's rate as of June 30, 2014 to the District's rate as of June 30, 2015, in accordance with GASB Statement No. 67.

SCHOOL LEVEL SCHEDULES

NOT APPLICABLE

SPECIAL REVENUE FUND

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Total Page 2</u>	<u>Adult Basic Education</u>	<u>Displaced Homemaker</u>	<u>Social Services Block Grant</u>	<u>Apprentice Coordinator</u>	<u>Green Program</u>	<u>NCLB Title I</u>	<u>IDEIA Part B Basic</u>	<u>NCLB Title II-Pt A</u>	<u>Totals</u>
REVENUES										
State Sources	\$ 2,081,422		\$ 110,823	\$ 39,596	\$ 23,901	\$ 5,697				\$ 2,261,439
Federal Sources	5,744,806	\$ 1,000,938					\$ 110,217	\$ 484,238	\$ 33,939	7,374,138
Local Sources	3,462	-	-	-	-	-	-	-	-	3,462
Total Revenues	\$ 7,829,690	\$ 1,000,938	\$ 110,823	\$ 39,596	\$ 23,901	\$ 5,697	\$ 110,217	\$ 484,238	\$ 33,939	\$ 9,639,039
EXPENDITURES										
Instruction										
Salaries of Teachers	\$ -	\$ 370,041				\$ 3,337	\$ 87,493	\$ 50,000		\$ 510,871
Purchased Prof./Tech Services	3,000									3,000
Other Purchased Services	-			\$ 37,259						37,259
General Supplies	337,353	10,613		2,336				19,530		369,832
Other Objects	-	-	-	-	-	-	-	-	-	-
Total Instruction	333,972	380,654	-	39,595	-	3,337	87,493	69,530	-	920,962
Support Services										
Salaries	1,727,730		\$ 87,994		\$ 21,000	\$ 2,119		293,000		2,131,843
Purchased Prof. Ed. Services	3,924,141	530,288								4,454,429
Purchased Prof. Tech Services	202,124								\$ 9,250	211,374
Other Purchased Services	139,140		1,100		2,718			19,780	5,297	168,035
Personal Services Employee Benefits	325,100	62,554	19,945		75	265	22,724	80,705		511,368
Rentals	222,253									222,253
Travel	3,476	413	1,248		108	(24)		2,126	2,178	9,525
Supplies and Materials	28,392		536					19,097	17,214	65,239
Other Objects	-	9,820								9,820
Indirect Costs	-	17,210	-	-	-	-	-	-	-	17,210
Total Support Services	1,503,096	620,285	110,823	-	23,901	2,360	22,724	414,708	33,939	7,801,096
Facilities Acquisition and Construction										
Buildings	254,333									254,333
Instructional Equipment	662,648	-	-	-	-	-	-	-	-	662,648
Total Facilities Acquisition and Construction	916,981	-	-	-	-	-	-	-	-	916,981
Total Expenditures	\$ 7,829,690	\$ 1,000,939	\$ 110,823	\$ 39,595	\$ 23,901	\$ 5,697	\$ 110,217	\$ 484,238	\$ 33,939	\$ 9,639,039

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Total Exhibit Page 3</u>	<u>CDBG 11 Carol Ct</u>	<u>Literary Innovations</u>	<u>County Vocational Partnership</u>	<u>Smart Steps</u>	<u>WFNJ Program</u>	<u>WFNJ Admin</u>	<u>Foundation Funds</u>	<u>Anti Bullying Campaign</u>	<u>Perkins Post-Secondary</u>	<u>Perkins Secondary</u>	<u>Perkins Secondary Reserve</u>	<u>Total Page 2</u>
REVENUES													
State	\$ 528,965		\$ 89,222	\$ 71,618	\$ 2,408	\$ 1,202,400	\$ 186,809						\$ 2,081,422
Federal	4,839,570	\$ 4,399						\$ 462	\$ 3,000	\$ 119,168	\$ 705,194	\$ 76,475	5,744,806
Other	-	-	-	-	-	-	-	-	-	-	-	-	3,462
Total Revenues	<u>\$ 5,368,535</u>	<u>\$ 4,399</u>	<u>\$ 89,222</u>	<u>\$ 71,618</u>	<u>\$ 2,408</u>	<u>\$ 1,202,400</u>	<u>\$ 186,809</u>	<u>\$ 462</u>	<u>\$ 3,000</u>	<u>\$ 119,168</u>	<u>\$ 705,194</u>	<u>\$ 76,475</u>	<u>\$ 7,829,690</u>
EXPENDITURES													
Instruction													
Salaries of Teachers	-												\$ -
Purchased Prof./Tech Services	-								3,000				3,000
Other Purchased Services	-												-
General Supplies	6,381		11,336	71,618				\$ 372		\$ 14,744	\$ 191,064	\$ 41,838	337,353
Other Objects	-												-
Total Instruction	<u>6,381</u>	<u>-</u>	<u>11,336</u>	<u>71,618</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>372</u>	<u>3,000</u>	<u>14,744</u>	<u>191,064</u>	<u>41,838</u>	<u>333,972</u>
Support Services													
Salaries	\$ 1,305,098		36,410		\$ 2,033	\$ 277,357	\$ 81,207			25,625			1,727,730
Purchased Prof. Ed. Services	3,087,169		28,714			804,485	3,273				500		3,924,141
Purchased Prof. Tech Services	107,738		10,000			15,000	69,386						202,124
Other Purchased Services	118,205					18,693	2,430	(190)					139,140
Personal Services Employee Benefits	243,009		2,762		375	55,336	16,240		7,378				325,100
Rentals	179,238					29,934	13,081						222,253
Travel	2,746					38	412	280					3,476
Supplies and Materials	26,057					1,555	780						28,392
Other Objects	-												-
Indirect Costs	-												-
Total Support Services	<u>5,069,260</u>	<u>-</u>	<u>77,886</u>	<u>-</u>	<u>2,408</u>	<u>1,202,400</u>	<u>186,809</u>	<u>90</u>	<u>-</u>	<u>33,003</u>	<u>500</u>	<u>-</u>	<u>1,503,096</u>
Facilities Acquisition and Construction													
Buildings	249,934	4,399								71,421	513,630	\$ 34,637	254,333
Instructional Equipment	42,960												662,648
Total Facilities Acquisition and Construction	<u>292,894</u>	<u>4,399</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 462</u>	<u>-</u>	<u>71,421</u>	<u>513,630</u>	<u>34,637</u>	<u>916,981</u>
Total Expenditures	<u>\$ 5,368,535</u>	<u>\$ 4,399</u>	<u>\$ 89,222</u>	<u>\$ 71,618</u>	<u>\$ 2,408</u>	<u>\$ 1,202,400</u>	<u>\$ 186,809</u>	<u>\$ 462</u>	<u>\$ 3,000</u>	<u>\$ 119,168</u>	<u>\$ 705,194</u>	<u>\$ 76,475</u>	<u>\$ 7,829,690</u>

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Total Page 4</u>	<u>SDA Paramus Boilers</u>	<u>CDBG Paramus Chair Lift</u>	<u>Shaping NJ Healthy Community</u>	<u>NJ SETC</u>	<u>Workforce Learning Link</u>	<u>NEG Hurricane Sandy</u>	<u>WIA Adult</u>	<u>Disability Employment Initiative</u>	<u>WIA Youth</u>	<u>WIA Dislocated</u>	<u>Total Page 3</u>
REVENUES												
State	46,456	\$ 210,420		\$ 6,381	\$ 25,227	\$ 231,948	\$ 8,533					\$ 528,965
Federal	15,514		\$ 24,000					\$ 1,333,978		\$ 1,251,026	\$ 2,215,052	4,839,570
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 61,970	\$ 210,420	\$ 24,000	\$ 6,381	\$ 25,227	\$ 231,948	\$ 8,533	\$ 1,333,978	\$ -	\$ 1,251,026	\$ 2,215,052	\$ 5,368,535
EXPENDITURES												
Instruction												
Salaries of Teachers	-											-
Purchased Prof./Tech Services	-											-
Other Purchased Services	-											-
General Supplies	-			6,381								6,381
Other Objects	-	-	-	-	-	-	-	-	-	-	-	-
Total Instruction	-	-	-	6,381	-	-	-	-	-	-	-	6,381
Support Services												
Salaries	-				\$ 2,002	\$ 40,024		\$ 385,012		\$ 288,138	\$ 589,922	1,305,098
Purchased Prof. Ed. Services	3,496					171,462	606	774,200		816,867	1,320,538	3,087,169
Purchased Prof. Tech Services	-					11,702		35,553		19,218	41,265	107,738
Other Purchased Services	-				13,531		7,927	20,071		36,373	40,303	118,205
Personal Services Employee Benefits	-					7,925		76,410		40,762	117,912	243,009
Rentals	-							37,758		44,492	96,988	179,238
Travel	-							1,486		422	838	2,746
Supplies and Materials	-				9,694	835		3,488		4,754	7,286	26,057
Other Objects	-											-
Indirect Costs	-	-	-	-	-	-	-	-	-	-	-	-
Total Support Services	3,496	-	-	-	25,227	231,948	8,533	1,333,978	-	1,251,026	2,215,052	5,069,260
Facilities Acquisition and Construction												
Buildings	15,514	210,420	24,000									249,934
Instructional Equipment	42,960											42,960
Total Facilities Acquisition and Construction	58,474	210,420	24,000	-	-	-	-	-	-	-	-	292,894
Total Expenditures	\$ 61,970	\$ 210,420	\$ 24,000	\$ 6,381	\$ 25,227	\$ 231,948	\$ 8,533	\$ 1,333,978	\$ -	\$ 1,251,026	\$ 2,215,052	\$ 5,368,535

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Workfirst NJ</u>	<u>SFG Paramus Electrical</u>	<u>SFG Paramus Technology</u>	<u>SFG Hackensack Technology</u>	<u>CDBG Day Care Doors</u>	<u>Total Page 4</u>
REVENUES						
State	\$ 3,496	11,022	\$ 6,528	25,410		\$ 46,456
Federal					\$ 15,514	15,514
Other	-	-	-	-	-	-
Total Revenues	<u>\$ 3,496</u>	<u>\$ 11,022</u>	<u>\$ 6,528</u>	<u>\$ 25,410</u>	<u>\$ 15,514</u>	<u>\$ 61,970</u>
EXPENDITURES						
Instruction						
Salaries of Teachers						-
Purchased Prof./Tech Services						-
Other Purchased Services						-
General Supplies						\$ -
Other Objects	-	-	-	-	-	-
Total Instruction	-	-	-	-	-	-
Support Services						
Salaries						-
Purchased Prof. Ed. Services	3,496					3,496
Purchased Prof. Tech Services						-
Other Purchased Services						-
Personal Services Employee Benefits						-
Rentals						-
Travel						-
Supplies and Materials						-
Other Objects						-
Indirect Costs	-	-	-	-	-	-
Total Support Services	<u>3,496</u>	-	-	-	-	<u>3,496</u>
Facilities Acquisition and Construction						
Buildings					15,514	15,514
Instructional Equipment	-	11,022	6,528	25,410	-	42,960
Total Facilities Acquisition and Construction	-	<u>11,022</u>	<u>6,528</u>	<u>25,410</u>	<u>15,514</u>	<u>58,474</u>
Total Expenditures	<u>\$ 3,496</u>	<u>\$ 11,022</u>	<u>\$ 6,528</u>	<u>\$ 25,410</u>	<u>\$ 15,514</u>	<u>\$ 61,970</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOT APPLICABLE

CAPITAL PROJECTS FUND

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

<u>Issue/Project Title</u>		<u>Appropriation</u>	<u>Expenditures to Date</u>		<u>Balance</u>	
			<u>Prior Years</u>	<u>Current Year</u>	<u>June 30, 2015</u>	
30-423	Acq of Equipment and Various Improvements	7/13/2005	\$ 4,042,350	\$ 4,026,764	\$ 15,586	
30-424	Acq of Equipment and Various Improvements	6/8/2006	4,866,000	4,269,057	\$ 141,330	
30-425	Acq of Equipment and Various Improvements	9/8/2006	4,356,000	4,345,979	10,021	
30-426	Acq of Equipment and Various Improvements	7/11/2007	4,589,420	4,185,970	108,715	
30-428	Acq of Equipment and Various Improvements	8/13/2008	11,271,193	6,142,603	1,425,553	
30-429	Acq of Equipment and Various Improvements	7/7/2010	2,033,000	1,409,166	147,600	
30-430	Acq of Equipment and Various Improvements	12/1/2010	2,715,000	2,641,621	17,757	
30-431	Acq of Equipment and Various Improvements	12/1/2011	715,000	469,783	93,369	
	Acq of Equipment and Various Improvements	7/11/2012	735,000	364,926	136,057	
30-432	Acq of Equipment and Various Improvements	7/10/2013	1,268,000	404,532	151,247	
14-25	Acq of Equipment and Various Improvements	7/2014	<u>1,205,000</u>	<u>-</u>	<u>298,376</u>	
Fund Total			<u>\$ 37,795,963</u>	<u>\$ 28,260,401</u>	<u>\$ 2,520,004</u>	
					Project Balance, June 30, 2015	\$ 7,015,558
					Encumbrances Payable	(2,379,911)
					Unrealized Revenue - Authorized by the County of Bergen	<u>(1,409,480)</u>
					Fund Balance, June 30, 2015	<u>\$ 3,226,167</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Revenues and Other Financing Sources

Transfer from General Fund	\$ 1,287,113
County Aid	<u>4,754,456</u>
Total Revenues	<u>6,041,569</u>

Expenditures and Other Financing Uses

Construction Services	1,468,650
Purchased Professional and Technical Services	340,542
Equipment	167,280
Supplies and Materials	<u>543,532</u>
Total Expenditures	<u>2,520,004</u>

Excess of Revenues Over Expenditures	3,521,565
Fund Balance (Deficit) - Beginning of Year	<u>(295,398)</u>
Fund Balance (Deficit) - End of Year	<u>\$ 3,226,167</u>

ENTERPRISE FUNDS

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2015**

	Business Type Activities											
	Food Service	Day Care	Summer Science Funds	Academy Enrichment	Technology Services	ETTC	Summer Writing	Math Camp Funds	Teterboro Summer	Explorations	Auditorium Rentals	Totals
ASSETS												
Current Assets												
Cash and Cash Equivalents	\$ 217,513	\$ 70,521	\$ 67,208	\$ 126,206	\$ 297,852		\$ 8,699	\$ 244,813	\$ 17,150	\$ 6,204	\$ 156,219	\$ 1,212,385
Intergovernmental Receivable	10,535											10,535
Other Accounts Receivable					132,281						72,856	205,137
Interfunds Receivable												-
Due from B.C.S.S.D.												-
Inventories	9,237	-	-	-	-	-	-	-	-	-	-	9,237
Total Current Assets	237,285	70,521	67,208	126,206	430,133	-	8,699	244,813	17,150	6,204	229,075	1,437,294
Capital Assets												
Furniture, machinery & equipment	609,391			871	1,202,377	\$ 23,295					82,414	1,918,348
Less: Accumulated Depreciation	(459,714)	-	-	(871)	(991,259)	(22,338)	-	-	-	-	(27,155)	(1,501,337)
Total Capital Assets	149,677	-	-	-	211,118	957	-	-	-	-	55,259	417,011
Total Assets	386,962	70,521	67,208	126,206	641,251	957	8,699	244,813	17,150	6,204	284,334	1,854,305
LIABILITIES												
Current Liabilities												
Accounts Payable	52,675	1,700	47,355	1,789	181,901						14,816	300,236
Other Payable												-
Unearned Revenue	1,750	-	-	55,979	-	-	4,872	103,634	17,150	-	16,337	199,722
Total Current Liabilities	54,425	1,700	47,355	57,768	181,901	-	4,872	103,634	17,150	-	31,153	499,958
Total Liabilities	54,425	1,700	47,355	57,768	181,901	-	4,872	103,634	17,150	-	31,153	499,958
NET POSITION												
Net Investment in Capital Assets	149,677			-	211,118	957	-				55,259	417,011
Unrestricted	182,860	68,821	19,853	68,438	248,232	-	3,827	141,179	-	6,204	197,922	937,336
Total Net Position	\$ 332,537	\$ 68,821	\$ 19,853	\$ 68,438	\$ 459,350	\$ 957	\$ 3,827	\$ 141,179	\$ -	\$ 6,204	\$ 253,181	\$ 1,354,347

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Business Type Activities											
	Food Service	Day Care	Summer Science Funds	Academy Enrichment	Technology Services	ETTC	Summer Writing	Math Camp Funds	Teterboro Summer	Explorations	Auditorium Rentals	Totals
OPERATING REVENUES												
Charges for Services												
Daily sales - reimbursable programs												
Lunch Program	\$ 561,133											\$ 561,133
Breakfast Program	9,631											9,631
Special Functions	6,050											6,050
Charges and Fees	-	\$ 309,035	\$ 56,500	\$ 250,062	\$ 1,102,165	-	8,437	\$ 125,670	\$ 30,992	\$ 18,500	\$ 348,657	2,250,018
Total Operating Revenues	576,814	309,035	56,500	250,062	1,102,165	-	8,437	125,670	30,992	18,500	348,657	2,826,832
OPERATING EXPENSES												
Cost of Sales	321,726											321,726
Salaries/Salaries of Teachers	244,154	253,853		200,436	757,491		2,796	65,484	30,992	11,422	297,652	1,864,280
Employee Benefits	64,390	81,920		13,900	257,948		214	5,009		874	37,770	462,025
Other Purchased Services	75,000	10,099	45,000	5,123	(42,669)		1,600				13,096	107,249
Supplies and Materials	20,898	2,665	10,647	4,678	229,056						49,881	317,825
Depreciation	16,436				57,076	\$ 759					5,844	80,115
Other Objects	-	440	-	-	-	-	-	-	-	-	-	440
Total Operating Expenses	742,604	348,977	55,647	224,137	1,258,902	759	4,610	70,493	30,992	12,296	404,243	3,153,660
Operating Income (Loss)	(165,790)	(39,942)	853	25,925	(156,737)	(759)	3,827	55,177	-	6,204	(55,586)	(326,828)
NONOPERATING REVENUES												
State Sources												
State School Lunch Program	4,199											4,199
Federal Sources												
National School Lunch Program	96,358											96,358
National School Lunch Program-PB	5,693											5,693
Commodities Program	30,080											30,080
National School Breakfast Program	16,316											16,316
Total Non-Operating Revenues	152,646	-	-	-	-	-	-	-	-	-	-	152,646
Net Income (Loss) Before Contributions & Transfers	(13,144)	(39,942)	853	25,925	(156,737)	(759)	3,827	55,177	-	6,204	(55,586)	(174,182)
Transfers												
Transfers In(Out)	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	(50,000)	(50,000)
Change in Net Position	(13,144)	(39,942)	853	25,925	(156,737)	(759)	3,827	55,177	-	6,204	(105,586)	(224,182)
Total Net Position - Beginning of Year	345,681	108,763	19,000	42,513	616,087	1,716	-	86,002	-	-	358,767	1,578,529
Total Net Position - Ending of Year	\$ 332,537	\$ 68,821	\$ 19,853	\$ 68,438	\$ 459,350	\$ 957	\$ 3,827	\$ 141,179	\$ -	\$ 6,204	\$ 253,181	\$ 1,354,347

INTERNAL SERVICE FUND

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2015**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>WIA Admin</u>	<u>Total</u>
ASSETS						
Current Assets						
Intergovernmental Receivable						\$ -
Due from B.C.S.S.D						196,786
Other		\$ 148,786		\$ 48,000		2,745,303
Interfund Receivable	\$ 2,745,303	-	-	-	\$ -	2,745,303
Total Current Assets	<u>2,745,303</u>	<u>148,786</u>	<u>-</u>	<u>48,000</u>	<u>-</u>	<u>2,942,089</u>
Total Assets	<u>2,745,303</u>	<u>148,786</u>	<u>-</u>	<u>48,000</u>	<u>-</u>	<u>2,942,089</u>
LIABILITIES						
Current Liabilities						
Accounts Payable		5,752				5,752
Interfunds Payable	-	143,034	\$ 987	48,000	-	192,021
Total Current Liabilities	<u>-</u>	<u>148,786</u>	<u>987</u>	<u>48,000</u>	<u>-</u>	<u>197,773</u>
Noncurrent Liabilities						
Compensated Absences	<u>2,745,303</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,745,303</u>
Total Liabilities	<u>2,745,303</u>	<u>148,786</u>	<u>987</u>	<u>48,000</u>	<u>-</u>	<u>2,943,076</u>
NET POSITION						
Unrestricted	<u>-</u>	<u>-</u>	<u>(987)</u>	<u>-</u>	<u>-</u>	<u>(987)</u>
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (987)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (987)</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>WIA Admin</u>	<u>Total</u>
OPERATING REVENUES						
Charges and Fees	-	\$ 1,798,718	-	\$ 235,600	\$ 118,000	\$ 2,152,318
Miscellaneous Income	-	-	-	-	-	-
Total Operating Revenues	-	<u>1,798,718</u>	-	<u>235,600</u>	<u>118,000</u>	<u>2,152,318</u>
OPERATING EXPENSES						
Salaries		1,478,795		181,162	98,332	1,758,289
Employee Benefits	\$ 137,959	284,642		34,778	19,668	477,047
Compensated Absences				453		-
Other Purchased Services		35,281				35,734
Supplies and Materials	-	-	-	<u>19,207</u>	-	<u>19,207</u>
Total Operating Expenses	<u>137,959</u>	<u>1,798,718</u>	-	<u>235,600</u>	<u>118,000</u>	<u>2,290,277</u>
Operating Income	(137,959)	-	-		-	(137,959)
Other Financing Sources						
Transfer In (Out)	<u>137,959</u>	-	-	-	-	<u>137,959</u>
Net Position, Beginning of Year	-	-	\$ (987)	-	-	(987)
Net Position, End of Year	\$ -	\$ -	\$ (987)	\$ -	\$ -	\$ (987)

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUND
COMBINING STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Compensated Absences</u>	<u>B.C.S.S.</u>	<u>Extended Year</u>	<u>Interlocal Agreements</u>	<u>WIA Admin</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Received from Customers		\$ 1,768,583		\$ 227,600	\$118,000	\$ 2,114,183
Cash Payments for Salaries and Benefits	\$ (137,959)	(1,763,437)		(215,940)	(118,000)	(2,235,336)
Cash Payments to Suppliers for Goods and Services	-	(31,502)	-	(27,051)	-	(58,553)
Net Cash Provided (Used) by Operating Activities	<u>(137,959)</u>	<u>(26,356)</u>	<u>-</u>	<u>(15,391)</u>	<u>-</u>	<u>(179,706)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interfund Transfers - General Fund	<u>137,959</u>	<u>26,356</u>	<u>-</u>	<u>15,391</u>	<u>-</u>	<u>179,706</u>
Net Cash Provided(Used) by Noncapital Financing activities	<u>137,959</u>	<u>26,356</u>	<u>-</u>	<u>15,391</u>	<u>-</u>	<u>179,706</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	-	-	-	-
Cash and Cash Equivalents, Beginning of Year	-	-	-	-	-	-
Cash and Cash Equivalents, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities						
Operating Income (Loss)	\$ (137,959)	-	-	-	-	\$ (137,959)
Adjustments to reconcile operating income to net cash provided(used) by operating activities:						
(Increase)/Decrease in Intergovernmental Receivable		\$ (30,135)		\$ (8,000)		(38,135)
Increase/(Decrease) in Accounts Payable	-	3,779	-	(7,391)	-	(3,612)
Total Adjustments	<u>-</u>	<u>(26,356)</u>	<u>-</u>	<u>(15,391)</u>	<u>-</u>	<u>(41,747)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (137,959)</u>	<u>\$ (26,356)</u>	<u>\$ -</u>	<u>\$ (15,391)</u>	<u>\$ -</u>	<u>\$ (179,706)</u>

FIDUCIARY FUNDS

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AS OF JUNE 30, 2015**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total Agency Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 770,042	\$ 26,049	\$ 796,091
Total Assets	<u>\$ 770,042</u>	<u>\$ 26,049</u>	<u>\$ 796,091</u>
LIABILITIES			
Payroll deductions and withholdings		\$ 26,049	\$ 26,049
Payable to student groups	<u>\$ 770,042</u>	<u>-</u>	<u>770,042</u>
Total Liabilities	<u>\$ 770,042</u>	<u>\$ 26,049</u>	<u>\$ 796,091</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Balance July 1, <u>2014</u>	Cash <u>Receipts</u>	Cash Disburse- <u>ments</u>	Balance June 30, <u>2015</u>
SCHOOLS				
Bergen County Technical High School				
Academy for the Advancement of Science and Technology	\$ 728,585	\$ 1,412,769	\$ 1,514,256	\$ 627,098
Teterboro Technical High School	74,462	215,306	192,890	96,878
Paramus Vocational High School	23,027	59,215	56,101	26,141
Athletic Account	<u>13,270</u>	<u>128,490</u>	<u>121,835</u>	<u>19,925</u>
	<u>\$ 839,344</u>	<u>\$ 1,815,780</u>	<u>\$ 1,885,082</u>	<u>\$ 770,042</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Balance July 1, <u>2014</u>	Cash <u>Receipts</u>	Cash Disburse- <u>ments</u>	Balance June 30, <u>2015</u>
Payroll Deductions and Withholdings	\$ 27,013	\$ 22,944,613	\$ 22,945,704	\$ 25,922
Accrued Salaries and Wages	<u>100</u>	<u>25,335,578</u>	<u>25,335,551</u>	<u>127</u>
	<u>\$ 27,113</u>	<u>\$ 48,280,191</u>	<u>\$ 48,281,255</u>	<u>\$ 26,049</u>

LONG-TERM DEBT

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF PAYABLE BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOT APPLICABLE

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOT APPLICABLE

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
DEBT SERVICE FUND BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOT APPLICABLE

STATISTICAL SECTION

This part of the Bergen County Technical and Vocational High School's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

J-16 to J-20

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

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

		Fiscal Year Ended June 30,									
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
		(Restated)									
Governmental Activities	Net Investment in Capital Assets	\$ 29,483,227	\$ 35,187,083	\$ 47,174,928	\$ 49,489,446	\$ 43,808,410	\$ 43,421,022	\$ 50,008,514	\$ 50,867,900	\$ 49,277,231	\$ 49,479,630
	Restricted	100,001	100,001	100,001	100,001	1,100,901	1,470,005	1,471,990	2,381,876	4,102,676	6,157,553
	Unrestricted	(5,884,945)	(6,954,190)	(5,847,079)	(2,956,411)	2,072,520	2,836,911	2,631,444	4,704,881	(32,517,594)	(33,085,751)
Total Governmental Activities Net Position		\$ 23,698,283	\$ 28,332,894	\$ 41,427,850	\$ 46,633,036	\$ 46,980,931	\$ 47,727,938	\$ 54,111,948	\$ 57,954,657	\$ 20,862,313	\$ 22,551,432
Business-Type Activities	Net Investment in Capital Assets	\$ 750,550	\$ 726,924	\$ 695,954	\$ 592,625	\$ 550,886	\$ 521,640	\$ 467,977	\$ 418,441	\$ 497,126	\$ 417,011
	Restricted										
	Unrestricted	1,099,555	816,968	653,622	896,791	900,064	1,196,433	1,378,912	1,840,925	1,081,403	937,336
Total Business-Type Activities Net Position		\$ 1,850,105	\$ 1,543,892	\$ 1,349,576	\$ 1,489,416	\$ 1,450,950	\$ 1,718,073	\$ 1,846,889	\$ 2,259,366	\$ 1,578,529	\$ 1,354,347
District-Wide	Net Investment in Capital Assets	\$ 30,233,777	\$ 35,914,007	\$ 47,870,882	\$ 50,082,071	\$ 44,359,296	\$ 43,942,662	\$ 50,476,491	\$ 51,286,341	\$ 49,774,357	\$ 49,896,641
	Restricted	100,001	100,001	100,001	100,001	1,100,901	1,470,005	1,471,990	2,381,876	4,102,676	6,157,553
	Unrestricted	(4,785,390)	(6,137,222)	(5,193,457)	(2,059,620)	2,972,584	4,033,344	4,010,356	6,345,806	(31,436,191)	(32,148,415)
Total District Net Position		\$ 25,548,388	\$ 29,876,786	\$ 42,777,426	\$ 48,122,452	\$ 48,431,881	\$ 49,446,011	\$ 55,958,837	\$ 60,214,023	\$ 22,440,842	\$ 23,905,779

Source: District's financial statements

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 13,367,321	\$ 13,566,659	\$ 15,462,760	\$ 14,796,395	\$ 16,672,216	\$ 15,488,402	\$ 16,296,880	\$ 15,766,744	\$ 16,175,172	\$ 19,292,897
Special Education										
Other Special Education	981,049	913,168	954,935	434,382	382,892	1,273,493	1,623,324	1,361,059	1,202,646	1,207,686
Vocational	16,922,261	16,509,538	16,639,604	15,102,316	15,129,724	15,694,495	16,425,873	17,385,957	17,203,275	20,727,275
Other Instruction	4,852,709	4,842,883	4,474,825	4,158,396	5,766,856	2,584,804	2,350,887	2,145,071	2,101,112	2,738,122
Adult/Continuing Education Programs	1,981,392	2,134,600	2,125,707	1,963,095	2,168,973	1,007,779	906,344	490,265	536,262	534,731
Support Services:										
Student & Instruction Related Services	13,230,630	14,436,984	16,995,420	18,483,090	16,430,807	20,918,305	20,864,055	20,722,030	21,284,694	15,081,857
School Administrative Services	2,466,113	2,515,032	2,740,104	2,739,881	2,695,296	2,663,009	2,721,457	3,128,511	3,439,812	3,929,539
General Administration	2,590,629	3,433,148	3,069,238	2,779,729	3,017,604	2,648,016	3,501,311	3,994,765	3,582,717	3,507,357
Plant Operations And Maintenance	7,562,746	7,676,514	7,480,471	7,630,125	8,769,953	9,604,982	9,365,347	9,288,606	10,238,259	10,604,646
Pupil Transportation	544,906	881,473	701,927	684,780	538,073	565,186	628,964	643,447	641,645	2,581,110
Other Support Services	3,908,717	4,408,947	3,665,791	3,662,494	2,398,284	2,202,175	2,223,643	2,360,112	2,583,940	6,819,158
Special Schools	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	68,408,473	71,318,946	74,310,782	72,434,683	73,970,678	74,650,646	76,908,085	77,286,567	78,989,534	87,024,378
Business-Type Activities:										
Food Service	773,433	713,560	638,315	762,910	717,800	675,057	766,982	704,383	673,446	742,604
Other	1,923,276	1,653,959	1,430,793	1,465,499	1,157,362	1,334,412	1,633,916	2,098,622	2,970,621	2,411,056
Total Business-Type Activities Expense	2,696,709	2,367,519	2,069,108	2,228,409	1,875,162	2,009,469	2,400,898	2,803,005	3,644,067	3,153,660
Total District Expenses	\$ 71,105,182	\$ 73,686,465	\$ 76,379,890	\$ 74,663,092	\$ 75,845,840	\$ 76,660,115	\$ 79,308,983	\$ 80,089,572	\$ 82,633,601	\$ 90,178,038
Program Revenues										
Governmental Activities:										
Charges For Services:										
Regular	\$ 6,779,690	\$ 7,183,565	\$ 7,266,915	\$ 7,856,643	\$ 8,422,313	\$ 8,304,719	\$ 8,532,347	\$ 8,763,830	\$ 16,470,979	\$ 8,994,884
Other Special Education	197,645		24,389	8,190						
Vocational	11,774,079	10,813,888	11,544,146	12,746,853	13,526,775	14,275,079	14,898,221	15,140,793	7,756,795	15,520,538
Other Instruction	286,312	466,132	386,185	440,540	474,370	480,111	438,572	201,995	245,530	491,371
Adult/Continuing Education Programs	1,162,857	956,878	1,074,518	1,294,588	933,644	1,100,066	1,234,779	1,207,791	1,258,720	1,063,649
Support Services:										
Student & Instruction Related Services	943,437	845,033	936,862	1,026,583	786,578	882,931	843,261	541,878	265,644	359,592
School Administrative Services	358,968	247,890	463,307	328,895	162,146	164,997		17,715		50,643
General Administration	1,421,415	1,722,575	1,397,047	1,111,868	1,092,432	922,340	777,998	783,994	729,192	707,152
Plant Operations And Maintenance	581,490	500,891	555,662	474,099	449,417	575,377	283,443	159,057	365,823	218,494
Pupil Transportation	133,199	328,216	145,193	145,897	96,568	110,161	125,210	129,140	95,531	93,078
Other Support Services	606,724	775,505	634,155	634,155	556,444	460,510	644,358	641,665	712,557	723,359
Operating Grants And Contributions	12,606,384	13,251,140	12,611,396	10,394,392	12,215,539	11,669,272	12,623,275	14,793,654	15,054,363	20,642,137
Capital Grants And Contributions	2,491,985	1,267,093	1,465,104	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	39,344,185	38,358,806	38,373,381	36,462,703	38,716,226	38,945,563	40,401,464	42,363,797	42,972,849	48,864,897

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Business-Type Activities:										
Charges For Services										
Food Service	\$ 613,944	\$ 553,163	\$ 480,121	\$ 596,604	\$ 602,963	\$ 542,448	\$ 761,349	\$ 557,432	\$ 558,872	\$ 576,814
Other	1,621,949	1,579,977	1,376,616	1,511,115	1,152,365	1,648,019	1,675,776	2,558,055	2,310,881	2,250,018
Operating Grants And Contributions	112,411	104,010	102,043	110,530	131,368	136,125	142,589	149,995	143,477	152,646
Capital Grants And Contributions	-	24,156	-	-	-	-	-	-	-	-
Total Business Type Activities Program Revenues	2,348,304	2,261,306	1,958,780	2,218,249	1,886,696	2,326,592	2,579,714	3,265,482	3,013,230	2,979,478
Total District Program Revenues	\$ 41,692,489	\$ 40,620,112	\$ 40,332,161	\$ 38,680,952	\$ 40,602,922	\$ 41,272,155	\$ 42,981,178	\$ 45,629,279	\$ 45,986,079	\$ 51,844,375
Net (Expense)/Revenue										
Governmental Activities	\$ (29,064,288)	\$ (32,960,140)	\$ (35,937,401)	\$ (35,971,980)	\$ (35,254,452)	\$ (35,705,083)	\$ (36,506,621)	\$ (34,922,770)	\$ (36,016,685)	\$ (38,159,481)
Business-Type Activities	(348,405)	(106,213)	(110,328)	(10,160)	11,534	317,123	178,816	462,477	(630,837)	(174,182)
Total District-Wide Net Expense	\$ (29,412,693)	\$ (33,066,353)	\$ (36,047,729)	\$ (35,982,140)	\$ (35,242,918)	\$ (35,387,960)	\$ (36,327,805)	\$ (34,460,293)	\$ (36,647,522)	\$ (38,333,663)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
County Property Tax Levy	\$ 21,699,445	\$ 22,567,423	\$ 24,806,146	\$ 27,173,800	\$ 28,223,529	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,566,905
County Aid	2,411,606	6,349,545	15,965,770	6,834,143	4,138,866	1,667,013	6,843,040	4,500,973	954,580	4,754,456
Federal and State Aid Unrestricted	6,528,624	6,541,476	6,741,972	6,281,757	6,660,479	4,375,445	5,135,736	4,121,860	4,268,255	4,233,029
Federal and State Aid Restricted	314,645	1,277,124	976,054	767,021	494,647	515,468	879,418	654,679	571,595	646,224
Investment Earnings	242,891	300,625	190,353	47,546	20,019	12,430	26,228	36,529	48,295	36,669
Miscellaneous Income	1,485,876	358,558	268,074	222,899	1,057,341	641,636	765,811	218,274	322,331	561,317
Transfers	-	200,000	83,988	(150,000)	50,000	50,000	50,000	50,000	50,000	50,000
Loss on Disposal of Capital Assets	(2,896,349)	-	-	-	-	-	-	(6,634)	-	-
Total Governmental Activities	29,786,738	37,594,751	49,032,357	41,177,166	40,644,881	36,452,090	42,890,331	38,765,779	35,405,154	39,848,600
Business-Type Activities:										
Transfers	-	(200,000)	(83,988)	150,000	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Total Business-Type Activities	-	(200,000)	(83,988)	150,000	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Total District-Wide	\$ 29,786,738	\$ 37,394,751	\$ 48,948,369	\$ 41,327,166	\$ 40,594,881	\$ 36,402,090	\$ 42,840,331	\$ 38,715,779	\$ 35,355,154	\$ 39,798,600
Change in Net Position										
Governmental Activities	\$ 722,450	\$ 4,634,611	\$ 13,094,956	\$ 5,205,186	\$ 5,390,429	\$ 747,007	\$ 6,383,710	\$ 3,843,009	\$ (611,531)	\$ 1,689,119
Business-Type Activities	(348,405)	(306,213)	(194,316)	139,840	(38,466)	267,123	128,816	412,477	(680,837)	(224,182)
Total District	\$ 374,045	\$ 4,328,398	\$ 12,900,640	\$ 5,345,026	\$ 5,351,963	\$ 1,014,130	\$ 6,512,526	\$ 4,255,486	\$ (1,292,368)	\$ 1,464,937

Source: District's financial statements

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 627,888	\$ 198,605	\$ 58,827	\$ 169,407	\$ 1,841,826					
Unreserved	199,923	36,008	(31,560)	764,568	3,724,644					
Restricted						\$ 1,369,001	\$ 1,371,667	\$ 2,676,695	\$ 4,001,915	\$ 2,831,174
Assigned						3,616,299	3,763,868	3,288,996	3,050,029	2,404,228
Unearned	-	-	-	-	-	1,388,774	2,075,886	2,141,872	1,772,575	1,892,562
Total General Fund	\$ 827,811	\$ 234,613	\$ 27,267	\$ 933,975	\$ 5,566,470	\$ 6,374,074	\$ 7,211,421	\$ 8,107,563	\$ 8,824,519	\$ 7,127,964
All Other Governmental Funds										
Reserved	\$ 9,043,715	\$ 11,041,390	\$ 2,095,460	\$ 2,105,555	\$ 1,045,988					
Unassigned	(13,211,411)	(15,495,719)	(5,321,913)	(4,134,953)	(1,902,950)	\$ (856,175)	\$ (2,133,623)	\$ (295,398)	\$ (295,398)	\$ 3,226,167
Nonspendable						100,000	100,000	100,000	100,000	100,000
Restricted	-	-	-	-	-	1,004	323	579	761	212
Total All Other Governmental Funds	\$ (4,167,696)	\$ (4,454,329)	\$ (3,226,453)	\$ (2,029,398)	\$ (856,962)	\$ (755,171)	\$ (2,033,300)	\$ (194,819)	\$ (194,637)	\$ 3,326,379

Beginning with Fiscal Year 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Type Definitions." The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This Statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. Reclassification of prior year fund balance amounts to comply with Statement No. 54 is not required.

Source: District's financial statements

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
County Property Tax Levy	\$21,699,445	\$22,567,423	\$24,806,146	\$ 27,173,800	\$28,223,529	\$29,190,098	\$ 29,190,098	\$ 29,190,098	\$ 29,190,098	\$29,566,905
County Aid	2,411,606	6,349,545	15,965,770	6,834,143	4,138,866	1,667,013	6,843,040	4,500,973	954,580	4,754,456
Tuition - LEA's	19,584,928	19,420,463	20,271,766	22,338,624	23,357,102	24,159,975	25,103,919	25,225,197	25,661,833	26,007,132
Interest Earnings	242,891	300,625	190,353	47,546	20,019	12,430	26,228	36,529	48,295	36,669
Miscellaneous	1,485,876	692,311	268,074	263,994	1,061,440	654,787	793,612	398,416	500,345	627,600
State Sources	14,123,197	14,610,859	15,150,632	11,698,489	12,181,302	9,958,263	12,007,500	12,702,958	12,407,358	12,416,181
Federal Sources	7,818,441	7,392,221	6,643,893	5,703,586	7,185,264	6,588,771	6,603,128	6,776,305	7,379,032	7,281,286
Total Revenue	67,366,384	71,333,447	83,296,634	74,060,182	76,167,522	72,231,337	80,567,525	78,830,476	76,141,541	80,690,229
Expenditures										
Instruction										
Regular Instruction	12,282,329	12,560,053	14,419,338	13,840,027	15,263,523	14,379,171	15,127,953	14,603,327	14,862,533	15,440,334
Other Special Instruction	738,149	773,016	930,546	440,722	385,032	1,273,493	1,623,324	1,342,690	1,205,266	1,207,686
Vocational Education	16,150,391	15,751,516	15,780,535	14,149,588	14,083,080	14,624,818	15,306,181	16,186,718	15,913,948	16,572,066
Other Instruction	4,816,981	4,837,058	4,472,831	4,173,346	5,773,276	2,593,804	2,353,257	2,152,541	2,108,972	2,305,667
Adult/Continuing Education	1,991,069	2,131,500	2,125,707	1,963,095	2,168,973	1,007,779	906,344	490,265	536,262	534,731
Support Services:										
Student and Inst. Related Services	12,043,176	13,240,965	15,731,426	17,042,590	15,135,725	19,566,673	19,558,096	19,755,505	20,635,759	14,345,210
General Administration	1,601,972	1,642,195	1,609,694	1,781,765	2,552,657	2,494,442	2,629,178	3,152,218	2,832,404	2,665,676
School Administrative Services	2,268,246	2,314,976	2,338,692	2,451,686	2,152,550	1,640,449	2,688,484	3,046,780	3,344,141	3,395,276
Plant Operations And Maintenance	6,854,829	7,018,152	6,926,090	7,167,761	8,323,257	8,963,114	9,062,453	9,098,463	9,801,146	10,236,125
Pupil Transportation	403,454	423,918	521,021	498,365	394,556	403,808	452,657	459,844	488,295	2,427,018
Other Support Services	3,404,765	3,533,928	3,036,935	2,947,755	1,796,166	1,650,248	1,440,304	1,547,786	1,683,122	5,822,496
Capital Outlay	8,070,876	7,516,577	14,235,293	5,058,211	2,227,579	2,606,881	9,926,944	4,399,639	1,960,046	3,825,524
Total Expenditures	70,626,237	71,743,854	82,128,108	71,514,911	70,256,374	71,204,680	81,075,175	76,235,776	75,371,894	78,777,809
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,259,853)	(410,407)	1,168,526	2,545,271	5,911,148	1,026,657	(507,650)	2,594,700	769,647	1,912,420
Other Financing Sources (Uses)										
Capital Leases (Non-Budgeted)	218,809									
Transfers In	255,666	200,000	83,988	50,000	50,000	50,000	66,868	139,923	50,000	1,337,113
Transfers Out	-	-	(231,984)	(501,508)	(146,217)	(167,262)	-	-	(102,509)	(1,425,072)
Total Other Financing Sources (Uses)	474,475	200,000	(147,996)	(451,508)	(96,217)	(117,262)	66,868	139,923	(52,509)	(87,959)
Net Change in Fund Balances	\$ (2,785,378)	\$ (210,407)	\$ 1,020,530	\$ 2,093,763	\$ 5,814,931	\$ 909,395	\$ (440,782)	\$ 2,734,623	\$ 717,138	\$ 1,824,461
Debt Service as a Percentage of Noncapital Expenditures	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

N/A - Not Applicable - District does not pay debt service

* Noncapital expenditures are total expenditures less capital outlay.

Source: District's financial statements

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
OTHER LOCAL REVENUES-GENERAL FUND BY SOURCE*
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended June 30	<u>Tuition</u>	<u>Interest</u>	<u>Miscellaneous</u>	<u>Special schools Tuition and Fees</u>	<u>Total</u>
2015	\$ 24,515,421	\$ 36,518	\$ 561,317	\$ 1,555,021	\$ 26,668,277
2014	24,227,774	47,063	322,331	1,504,250	26,101,418
2013	23,904,623	36,273	307,486	1,320,574	25,568,956
2012	23,430,568	25,909	765,811	1,673,351	25,895,639
2011	22,579,798	12,369	641,636	1,580,177	24,813,980
2010	21,949,088	16,634	1,057,341	1,408,014	24,431,077
2009	20,603,526	43,949	222,868	1,735,129	22,605,472
2008	20,271,766	190,353	268,074		20,730,193
2007	19,420,463	300,003	358,558		20,079,024
2006	19,584,928	238,034	1,485,876		21,308,838

Source: School District's Financial Statements

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Calendar Year	Land	Improvements	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value
2006	\$ 63,932,175,568	\$ 57,740,107,404	\$ 121,672,282,972	\$ 181,481,223	\$ 121,853,764,195	\$ 153,984,695,626
2007	75,839,185,175	65,253,445,037	141,092,630,212	208,579,683	141,301,209,895	174,367,309,616
2008	83,015,806,828	71,592,634,189	154,608,441,017	220,878,563	154,829,319,580	182,767,512,263
2009	84,021,555,288	73,867,544,583	157,889,099,871	240,884,027	158,129,983,898	185,908,798,980
2010	84,454,481,049	74,747,147,306	159,201,628,355	285,137,988	159,486,766,343	175,481,754,684
2011	83,995,183,645	75,287,323,039	159,282,506,684	265,906,193	159,548,412,877	173,258,537,441
2012	81,103,273,440	75,153,761,789	156,257,035,229	230,570,595	156,487,605,828	168,748,014,772
2013	79,070,936,935	75,049,684,025	154,120,620,960	129,981,494	154,250,602,454	165,008,934,260
2014	78,408,456,350	75,186,325,534	153,594,781,884	97,873,857	153,692,655,741	162,301,130,131
2015	N/A	N/A	152,828,462,316	96,580,480	152,925,042,796	163,570,157,295

Source: County Abstract of Ratables

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of true value)**

Assessment Year	General	Open Space	Total County Tax Rate
2006	\$ 0.1761	\$ 0.0100	\$ 0.186
2007	0.1704	0.0099	0.180
2008	0.1751	0.0100	0.185
2009	0.1820	0.0100	0.192
2010	0.1934	0.0025	0.1959
2011	0.2032	0.0025	0.2057
2012	0.2178	0.0025	0.2203
2013	0.2248	0.0025	0.2273
2014	0.2312	0.0025	0.2337
2015	N/A	N/A	N/A

Source: County Abstract of Ratables

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS
 PRIOR YEAR AND NINE YEARS AGO
 (Unaudited)**

<u>Taxpayer</u>	<u>2014</u>		<u>2005</u>	
	<u>Assessed Valuation</u>	<u>% of County's Net Assessed Valuation</u>	<u>Assessed Valuation</u>	<u>% of County's Net Assessed Valuation</u>

INFORMATION NOT AVAILABLE

Source: Bergen County

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2006	\$ 21,699,445	\$ 21,699,445	100.00%	
2007	22,567,423	22,567,423	100.00%	
2008	24,806,146	24,806,146	100.00%	
2009	27,173,800	27,173,800	100.00%	
2010	28,223,529	28,223,529	100.00%	
2011	29,190,098	29,190,098	100.00%	
2012	29,190,098	29,190,098	100.00%	
2013	29,190,098	29,190,098	100.00%	
2014	29,190,098	29,190,098	100.00%	
2015	29,566,905	29,566,905	100.00%	

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

<u>Governmental Activities</u>					
<u>Fiscal Year Ended</u> <u>June 30,</u>	<u>Capital Leases</u>	<u>Total District</u>	<u>Population</u>	<u>Per Capita</u>	
2006	\$ 398,184	\$ 398,184	884,581	\$	0.45
2007	276,098	276,098	885,664		0.31
2008	150,440	150,440	889,915		0.17
2009	54,288	54,288	895,250		0.06
2010	4,358	4,358	906,748		0.005
2011	-	-	914,087		-
2012	-	-	920,440		-
2013	-	-	927,434		-
2014	-	-	933,572		-
2015	-	-	933,572 (1)		-

Source: District records

(1) Estimated

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)**

NOT APPLICABLE

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2014
(Unaudited)**

Net Direct Debt of School District
as of June 30, 2015

Net Overlapping Debt of School District

Bergen County:

County of Bergen

\$ 933,422,641

Bergen County Utilities Authority - Water Pollution (100%)

209,300,178

\$ 1,142,722,819

Total Direct and Overlapping Debt

\$ 1,142,722,819

Source:

County of Bergen Annual Debt Statement

BCUA Audit and 2014 County Equalization Table

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST NINE FISCAL YEARS
(Unaudited)

Legal Debt Margin Calculation as of December 31, (County Debt)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Average equalized valuation of taxable property (last three years)	\$ 135,341,426,503	\$ 152,222,318,410	\$ 167,368,287,382	\$178,689,519,616	\$ 182,615,485,340	\$ 181,109,724,691	\$ 175,561,330,658	\$165,344,818,875	\$ 163,332,190,759
Debt limit (2% of average equalization value)	2,706,828,530	3,044,446,368	3,347,365,748	3,573,790,392	3,652,309,707	3,622,194,494	3,511,226,613	3,306,896,378	3,266,643,815
Net Debt Issued Outstanding and Authorized	<u>458,869,305</u>	<u>521,130,736</u>	<u>588,623,268</u>	<u>630,661,565</u>	<u>681,875,430</u>	<u>730,825,489</u>	<u>698,412,830</u>	<u>849,429,739</u>	<u>933,422,641</u>
Remaining Borrowing Capacity	<u>\$ 2,247,959,225</u>	<u>\$ 2,523,315,632</u>	<u>\$ 2,758,742,480</u>	<u>\$ 2,943,128,827</u>	<u>\$ 2,970,434,277</u>	<u>\$ 2,891,369,005</u>	<u>\$ 2,812,813,783</u>	<u>\$ 2,457,466,639</u>	<u>\$ 2,333,221,174</u>

Source: Annual Debt Statements

Note:

GASB requires that ten years of statistical data be presented. As a result of the implementation of GASB No. 44 in fiscal year only eight years of information is available. Each year thereafter, an additional year's data will be included until ten years of data is present.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
(Unaudited)**

<u>Year</u>	<u>Population</u>		<u>Per Capita Personal Income**</u>	<u>Unemployment Rate*</u>
2015	933,572	(1)	N/A	N/A
2014	933,572		N/A	5.4
2013	927,434	\$	69,495	7.1
2012	920,440		69,281	8.1
2011	914,087		67,248	7.9
2010	906,748		63,885	8.1
2009	895,250		63,874	7.9
2008	889,915		67,331	4.5
2007	885,664		67,544	3.4
2006	884,581		63,103	3.7

(1) Estimated
* Amounts noted are for Bergen County
** US Bureau of the Census,

Source NJ Department of Labor, Bureau of Labor Force Statistics
U.S. Department of Commerce, Bureau of Economic analysis
New Jersey Department of Labor

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 PRIOR YEAR AND NINE YEARS AGO
 (Unaudited)**

<u>Taxpayer</u>	<u>2014</u>		<u>2005</u>	
	<u>Employees</u>	<u>% of Total County Employment</u>	<u>Employees</u>	<u>% of Total County Employment</u>
	NOT AVAILABLE		NOT AVAILABLE	

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (Unaudited)**

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instruction										
Regular	280.5	251.0	227.8	227.8	235.5	225.6	100.5	97.5	97.1	100.2
Vocational							126.1	126.7	145.6	142.5
Other instruction	80.4	83.8	71.9	71.9	78.0	37.0	3.0	3.0	2.0	3.0
Adult/continuing education programs							37.5	45.8	20.3	20.3
Support Services:										
Attendance and Social Work	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Health Services	5.0	1.0	4.0	4.0	5.0	5.0	5.0	4.0	4.0	4.0
Student & instruction related services	40.0	49.5	41.0	41.0	42.6	38.7	37.4	38.0	39.2	39.1
Educational Media Services	21.3	23.0	20.6	20.6	16.5	36.0	38.0	39.0	40.0	39.9
General administration	2.5	4.0	1.1	1.1	0.7	3.0	3.0	3.0	2.8	2.8
School administrative services	13.5	16.0	18.9	18.9	20.9	19.9	17.9	19.2	22.2	22.2
Central services	13.0	13.5	5.5	5.5	5.6	9.6	10.3	11.1	11.1	11.1
Administrative Information Technology		1.4	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Plant operations and maintenance	32.5	32.5	29.6	29.6	26.9	50.3	51.7	51.5	49.3	56.0
Pupil transportation	1.0	0.5	0.7	0.7	0.7	0.7		1.8	6.8	6.8
Special Schools										
Total	<u>492.7</u>	<u>479.2</u>	<u>423.2</u>	<u>423.2</u>	<u>434.5</u>	<u>427.9</u>	<u>432.5</u>	<u>442.7</u>	<u>442.5</u>	<u>450.0</u>

Source: District Personnel Records

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	High School				
2006	2,152	\$ 51,332,786	\$ 23,853	29.12%	291.00	7.40	2,166.30	2,066.10	-2.10%	95.37%
2007	2,211	54,216,861	24,521	2.80%	290.00	7.62	2,079.50	1,982.40	-4.01%	95.33%
2008	2,186	56,708,469	25,942	5.79%	288.00	7.59	1,984.50	1,899.10	-4.57%	95.70%
2009	2,142	58,871,856	27,485	5.95%	284.00	7.54	1,508.70	1,444.50	-23.98%	95.74%
2010	2,182	57,666,544	26,428	-3.84%	280.00	7.79	2,056.10	1,979.00	36.28%	96.25%
2011	2,226	68,597,799	30,817	16.60%	278.00	8.01	2,096.10	2,012.50	1.95%	96.01%
2012	2,276	71,148,231	31,260	1.44%	281.00	8.10	2,125.50	2,042.10	1.40%	96.08%
2013	2,231	71,836,137	32,199	3.00%	273.00	8.17	2,105.00	2,017.70	-0.96%	95.85%
2014	2,260	73,411,848	32,483	0.88%	282.00	8.01	2,122.70	2,039.10	0.84%	96.06%
2015	2,208	74,952,285	33,946	4.50%	268.00	8.24	2,108.01	2,027.00	-0.69%	96.16%

N/A - Not Applicable

Sources: District records

- Note:
- a Enrollment based on annual October district count.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>District Building</u>										
<u>High School</u>										
Hackensack Campus										
Square Feet	187,360	236,692		236,692	236,692	236,692	236,692	236,692	236,692	236,692
Capacity (students)										
Enrollment	1,104	1,070		1,022	1,039	1,063	1,063	1,061	1,052	1,044
Teterboro campus										
Square Feet	117,800	114,974		114,974	114,974	114,974	114,974	114,974	114,974	114,974
Capacity (students)										
Enrollment	646	615		619	626	647	647	635	649	665
Paramus Campus										
Square Feet	83,900	77,924		77,924	77,924	77,924	77,924	77,924	77,924	77,924
Capacity (students)										
Enrollment	569	512		501	491	516	516	535	546	499

Number of Schools at June 30, 2015

Senior High School = 3

Source: District Records

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
School Facilities										
Bergen County Academies	\$ 240,900	\$ 166,066	\$ 114,660	\$ 213,245	\$ 306,894	\$ 308,240	\$ 493,638	\$ 497,096	\$ 740,465	\$ 765,127
Voc-Paramus Special Needs	43,460	29,935	20,685	30,461	44,251	44,447	71,189	71,679	106,772	110,328
Bergen County Technical HS Teterboro	151,464	104,430	72,091	103,585	149,064	149,728	239,779	241,466	359,684	371,663
Tech Ed Center Paramus	64,417	44,388	30,660	39,456	56,778	57,032	91,332	91,975	137,005	141,568
Workforce 60 State St., Hackensack	19,287	13,275	9,179	13,802						
Adult Education Hackensack	12,858	8,865	6,120	9,009	12,961	13,024	20,857	21,002	31,284	32,326
Parkway Facility	19,287	13,404	9,179	13,514	-	-	-	-	-	-
Total School Facilities	<u>\$ 551,673</u>	<u>\$ 380,363</u>	<u>\$ 262,574</u>	<u>\$ 423,072</u>	<u>\$ 569,948</u>	<u>\$ 572,471</u>	<u>\$ 916,795</u>	<u>\$ 923,218</u>	<u>\$ 1,375,210</u>	<u>\$1,421,012</u>

Source: District Records

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF INSURANCE
AS OF JUNE 30, 2015**

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - County of Bergen <u>Self Insured Program</u>		
Property - Blanket Building and Contents	\$ 59,675,000	\$ 100,000
Comprehensive General Liability	1,000,000	
Comprehensive Automobile Liability	1,000,000	1,000
Commercial Crime- C N A	250,000	1,000
Educators Legal Liability - United National Directors and Officers Policy	2,000,000	50,000
Student Accident Policy- People Benefit Life	Full Excess	0

Source: School District's records

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
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DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Bergen County Technical and Vocational High School District
Bergen County, New Jersey

We have audited, in accordance with the 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 prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District as of and for the fiscal year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Bergen County Technical and Vocational High School District's basic financial statements and have issued our report thereon dated December 17, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Bergen County Technical and Vocational High School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Bergen County Technical and Vocational High School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bergen County Technical and Vocational High School District's internal control.

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 a 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. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

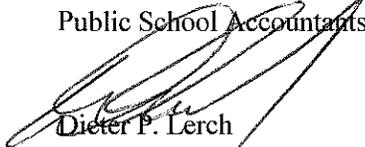
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bergen County Technical and Vocational High School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Bergen County Technical and Vocational High School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated December 17, 2015.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bergen County Technical and Vocational High School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bergen County Technical and Vocational High School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


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

Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
December 17, 2015



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY
U.S. OMB CIRCULAR A-133 AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL
ASSISTANCE AS REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Bergen County Technical and Vocational High School District
Bergen County, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Bergen County Technical and Vocational High School District's compliance 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 OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Bergen County Technical and Vocational High School District's major federal and state programs for the fiscal year ended June 30, 2015. The Bergen County Technical and Vocational High School District'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.

The Bergen County Technical and Vocational High School District's financial statements include the operations of the Workforce Investment Act Programs, which expended \$4,800,056 in Federal awards and \$1,660,821 in State awards which are reflected in Exhibits K-3 and K-4 during the year ended June 30, 2015. Our audit, described below, did not include the operations of the Workforce Investment Act Programs since the District has contracted for a separate audit of the component unit to be performed in accordance with OMB Circular A-133 and the regulatory requirements promulgated by the Department of Labor and Workforce Development.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Bergen County Technical and Vocational High School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; U.S. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and Circulars require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Bergen County Technical and Vocational High School District'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 on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Bergen County Technical and Vocational High School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, except for the effects of such noncompliance, if any, as might have been determined had we audited the Bergen County Technical and Vocational High School District's compliance with the requirements of the Department of Labor and Workforce Development, the Bergen County Technical and Vocational High School District complied, in all material respects, with the compliance requirements referred to above that have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the Bergen County Technical and Vocational High School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Bergen County Technical and Vocational High School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with U.S. OMB Circular A-133 and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Bergen County Technical and Vocational High School District's internal control over compliance.

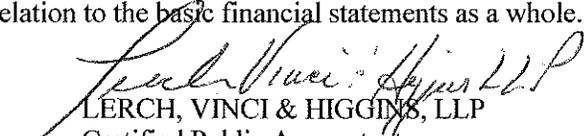
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state 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 federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

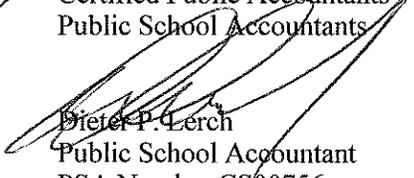
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. OMB Circular A-133 and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by U.S. OMB Circular A-133 and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bergen County Technical and Vocational High School District, [a component unit of the County of Bergen as of and for the fiscal year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We issued our report thereon dated December 17, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by U.S. OMB Circular A-133 and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


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


 Dieter P. Lerch
 Public School Accountant
 PSA Number CS00756

Fair Lawn, New Jersey
 December 17, 2015

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	Award Amount	Balance June 30, 2014	Adjustment	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Cancellation of Prior Year Payable	Balance June 30, 2015					
												(Accounts Receivable)	Unearned Revenues	Due to Grantor			
U.S. Department of Agriculture Pass-through State Department of Agriculture																	
<u>Enterprise Fund</u>																	
National School Lunch Program	10.555	N/A															
Cash Assistance			7/1/14-6/30/15	\$ 96,359				\$ 88,339	\$ 96,358				\$ (8,019)				
Cash Assistance			7/1/13-6/30/14	92,177	(6,331)			6,531									
Cash Assistance-PB Program			7/1/13-6/30/14	5,354	(348)			348									
Cash Assistance-PB Program			7/1/14-6/30/15	5,693				5,241	5,693				(452)				
Non-Cash Assistance			7/1/14-6/30/15	30,080				30,080	28,330					\$ 1,750			
School Breakfast Program	10.553	N/A	7/1/13-6/30/14	14,864	(1,249)			1,249									
School Breakfast Program	10.553	N/A	7/1/14-6/30/15	16,316	-	-	-	14,587	16,316	-	-		(1,729)	-	-	-	
Total Enterprise Fund					(8,128)	-	-	146,375	146,697	-	-		(10,200)	1,750	-	-	
U.S. Department of Education Pass-through State Department of Education																	
<u>General Fund</u>																	
ARRA/SEMI	93.778			10,458				10,458	10,458								
Medical Assistance Program	93.778		7/1/14-6/30/15	51,657	-	-	-	51,657	51,657	-	-		-	-	-	-	
Total General Fund					-	-	-	62,115	62,115	-	-		-	-	-	-	
<u>Special Revenue Fund</u>																	
NCLB Title I	84.010A	NCLB209015	7/1/14-8/31/15	110,217				110,217	110,217								
IDEIA Part B-Basic, Carryover	84.027	IDEA029014	7/1/13-6/30/14	478,152	(110,934)			110,934									
IDEIA Part B-Basic	84.027	IDEA029015	7/1/14-8/31/15	487,603				237,788	484,238				(246,450)				
NCLB-Title II Part A	84.298A	NCLB209014	7/1/13-8/31/14	35,247	(5,500)			5,500									
NCLB-Title II Part A	84.298A	NCLB209015	7/1/14-8/31/15	35,905				26,464	33,939				(7,475)				
NCLB Title III	84.186A	NCLB209013	9/1/12-8/31/13	14,351													
Community Development-Day Care Doors	14.219	N/A	07/01/14-6/30/15	15,514				15,514	15,514								
Community Development-Paramus Chair Lift	14.219	N/A	07/01/14-6/30/15	24,000									(24,000)				
Community Development-11 Carol Court	14.219	N/A	07/01/14-6/30/15	13,762									(4,399)				
Vocational (Perkins) Post Secondary	84.048	PKPP029014	7/1/13-6/30/14	134,414	(37,740)			37,740									
Vocational (Perkins) Post Secondary	84.048	PKPP029015	7/1/14-6/30/15	119,168				119,168	119,168								
Vocational (Perkins) Secondary	84.048	PERK0215	7/1/13-6/30/15	705,300				705,194	705,194								
Vocational (Perkins) Secondary	84.048	PERK0214	7/1/13-6/30/14	615,512	(409,643)			409,643									
Vocational (Perkins) Secondary Reserve	84.048	PERK0214	7/1/13-6/30/14	76,388	(69,338)			69,338									
Vocational (Perkins) Secondary Reserve	84.048	PERK0215	7/1/14-6/30/15	76,508				39,144	76,475				(37,331)				
Adult Basic Education	84.002	134000251	7/1/13-8/31/14	1,626,294	(501,618)			501,618									
Adult Basic Education	84.002A	144000251	9/1/13-8/31/15	1,038,919	-	-	-	774,099	1,000,938	-	-		(226,839)	-	-	-	
Total U.S. Department of Education					(1,134,773)	-	-	3,162,361	2,574,082	-	-		(546,494)	-	-	-	

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BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Grant Period	Award Amount	Balance June 30, 2014	Adjustment	Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Cancellation of Prior Year Payable	Balance June 30, 2015		
												(Accounts Receivable)	Unearned Revenues	Due to Grantor
WIA - Adult Training	17.258		7/1/14 - 6/30/15		\$ (525,398)			\$ 1,311,130	\$ 1,333,978			\$ (548,246)		
WIA - Summer Youth	17.259		7/1/14 - 6/30/15		(474,763)			1,198,601	1,251,026			(527,188)		
WIA - Dislocated Worker	17.278		7/1/14 - 6/30/15		(823,267)	-	-	2,436,793	2,215,052	-	-	(601,526)	-	-
Total Department of Labor					(1,823,428)	-	-	4,946,524	4,800,056	-	-	(1,676,960)	-	-
Total Special Revenue Funds					(2,958,201)	-	-	8,108,885	7,374,138	\$ -	\$ -	(2,223,454)	\$ -	-
Total Federal Awards					\$ (2,966,329)	\$ -	\$ -	\$ 8,317,375	\$ 7,582,950	\$ -	\$ -	\$ (2,233,654)	\$ 1,750	\$ -

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Program Title	Grant or State Account Number	Grant Period	Award Amount	Balance, June 30, 2015		Budgetary Expenditures	Retard Prior Year's Balances	Balance, June 30, 2015		Due to Grantor	MEMO	
				Balance, July 1, 2014	Cash Received			(Accounts Receivable)	Unearned Revenues		GAAP Receivable	Cumulative Total Expenditures
State Department of Education												
General Fund												
Adjustment Aid	15-495-034-6120-088	7/1/14-6/30/15	\$ 4,194,257	\$ 3,779,621	\$ 4,194,257	\$ 4,194,257		\$ (414,636)			\$	4,194,257
Adjustment Aid	15-495-034-6120-088	7/1/13-6/30/14	4,194,256	4,144,618								
Categorical Special Education Aid	15-495-034-5120-089	7/1/14-6/30/15	1,243,499	1,193,149	1,243,499			(24,350)				1,243,499
Categorical Special Education Aid	14-495-034-5120-089	7/1/13-6/30/14	1,243,499	1,243,413								
Categorical Security Aid	15-495-034-5120-084	7/1/13-6/30/14	170,378	163,895								
Categorical Security Aid	14-495-034-5120-084	7/1/13-6/30/14	170,378	163,846	170,378			(7,038)				170,378
PARCC Readiness Aid	15-495-034-5120-098	7/1/14-6/30/15	21,550	19,395	21,550			(2,155)				21,550
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14-6/30/15	21,550	19,395	21,550			(2,155)				21,550
On-Behalf TPAF Pension System Contribution- NCCI Premium	15-495-034-5095-007	7/1/14-6/30/15	85,752	85,752								85,752
On-Behalf TPAF Pension System Contribution- Normal Contribution	15-495-034-5095-006	7/1/14-6/30/15	1,191,906	1,191,906	1,191,906							1,191,906
On-Behalf TPAF Pension System Contribution- Post Retirement Medical	15-495-034-5095-001	7/1/14-6/30/15	2,028,283	2,028,283	2,028,283							2,028,283
TPAF Social Security Contributions	15-495-034-5095-002	7/1/14-6/30/15	1,798,812	1,653,478	1,738,812			(85,334)			\$ (85,334)	1,738,812
Total General Fund				10,606,345	10,695,987			(645,668)			(85,334)	10,695,987
Special Revenue Fund												
Apprentice Coordinator	15-100-034-5002-032	7/1/14-6/30/15	24,500	9,692	24,500			(14,209)			(14,209)	23,901
Apprentice Coordinator	14-100-034-5002-032	7/1/13-6/30/14	20,000	6,504								
TCE Grant	N/A	9/1/04-9/30/05	2,700	1,981			1,981					
Div/Women - Displaced Homemaker	15-100-022-8051-036	7/1/14-6/30/15	111,575	111,575	110,823					752		110,823
Green Program	11-AG85-606-01	7/1/13-6/30/14	8,000	6,000	6,000							6,000
Social Services Block Grant	14AFBZ	7/1/13-6/30/14	25,714	47,914	39,596							39,596
Library Innovations	LTV-FY-15003	7/1/14-6/30/15	94,533	65,687	89,222			(23,535)			(23,535)	89,222
County Vocational Partnership	15-VE01-006	7/1/14-6/30/15	600,000	71,618	71,618			(71,618)			(71,618)	71,618
Shaping NJ/Healthy Community	BERG003	7/1/14-6/30/15	12,000	12,000	6,381							6,381
SDA-Parsons Bolders	0290-075-08-00WVY	7/1/14-6/30/15	210,420	210,420	210,420			(210,420)			(210,420)	210,420
SFG-Parsons Electrical	0290-030-14-G3AA	7/1/14-6/30/15	13,807	11,022	11,022			(2,785)			(2,785)	11,022
SFG-Parsons Technology	0290-030-14-G2ZY	7/1/14-6/30/15	33,075	6,528	6,528			(26,547)			(26,547)	6,528
SFG-Backusack Technology	0290-020-14-G2ZY	7/1/14-6/30/15	42,638	25,410	25,410			(17,228)			(17,228)	25,410
NJ Character Education Aid	06-495-034-5120-053	7/1/03-6/30/06	5,794	803								803
Total State Department of Education-Special Revenue				2,592,372	690,618			(652,742)		11,784	(362,742)	690,618
U.S. Department of Labor												
Pass-through County of Bergen												
Special Revenue Fund												
Workforce Learning Link	4545-767-062-003	7/1/14-6/30/15	142,000	109,351	231,948			(142,561)			(142,561)	231,948
DHS BWC Workfirst 809v2	4545-100-062-095	7/1/12-6/30/13	427,243	3,496	3,496							3,496
WFLU Administration 848V1	4545-100-062-313	7/1/14-6/30/15	188,642	275,788	186,809							186,809
Smart Steps	4545-100-062-313	7/1/14-6/30/15	1,443,072	1,251,235	1,202,400			(508,813)			(508,813)	1,202,400
NEG Hortense Samsy	4545-100-062-095	7/1/14-6/30/15	4,815	4,013	2,408			(2,408)			(2,408)	2,408
NJ SETC	N/A	7/1/14-6/30/15	1,683,828	24,847	8,533			(25,227)			(25,227)	8,533
Total Department of Labor - Special Revenue				1,665,614	1,660,821			(679,009)			(679,009)	1,660,821
Total Special Revenue				1,924,786	2,261,439			(1,041,751)		11,784	(1,041,751)	2,261,439

The Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this statement.

BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Program Title	Grant or State Account Number	Grant Period	Award Amount	Balance July 1, 2014	Cash Received	Budgetary Expenditures	Refund Prior Year's Balances	Balance June 30, 2015			MEMO	
								(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Department of Agriculture												
<u>Enterprise Fund</u>												
National School Lunch Program State Share	15-100-010-3350-023	7/1/14-6/30/15	\$ 4,199		\$ 3,864	\$ 4,199		\$ (335)			\$ (335)	4,199
National School Lunch Program State Share	14-100-010-3350-023	7/1/13-6/30/14	4,203	\$ (500)	500	-	-	-	-	-	-	-
Total Enterprise Fund				(500)	4,364	4,199	-	(335)	-	-	(335)	4,199
Total State Financial Assistance				(1,203,054)	\$ 12,535,495	12,961,625	\$ 38,383	\$ (1,687,754)	\$ 8,403	\$ 11,784	\$ (1,127,420)	12,961,625
Less :State Financial Assistance Not Subject to Single Audit Determination												
<u>General Fund</u>												
On-Behalf TPAF Pension System Contribution-NCGI Premium			85,752		(85,752)	(85,752)						(85,752)
On-Behalf TPAF Pension System Contribution-Normal Contribution			1,191,906		(1,191,906)	(1,191,906)						(1,191,906)
On-Behalf TPAF Pension System Contribution-Post Retirement Med. Contrib.			2,028,283		(2,028,283)	(2,028,283)						(2,028,283)
Total State Financial Assistance Subject to Single Audit				\$ (1,203,054)	\$ 9,229,554	\$ 9,655,684	\$ 38,383	\$ (1,687,754)	\$ 8,403	\$ 11,784	\$ (1,127,420)	9,655,684

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**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 GENERAL

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

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with requirements of U.S. OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

The financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2.. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$4,308 for the general fund and a decrease of \$692,393 for the special revenue fund. See the Notes to Required Supplementary Information 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 financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 62,115	\$ 10,691,679	\$ 10,753,794
Special Revenue Fund	7,219,171	1,724,502	8,943,673
Food Service Fund	<u>148,447</u>	<u>4,199</u>	<u>152,646</u>
 Total Financial Assistance	 <u>\$ 7,429,733</u>	 <u>\$ 12,420,380</u>	 <u>\$ 19,850,113</u>

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015****NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the National School Lunch Program as non-cash assistance represent current year value received and current year distributions, respectively of the Federal Food Distribution Program. TPAF Social Security contributions in the amount of \$1,738,812 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2015. The amount reported as TPAF Pension System Contributions in the amount of \$1,277,658 and TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,028,283 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2015.

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

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? _____ yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X no

Noncompliance material to basic financial statements noted? _____ yes X no

Federal Awards Section

Internal Control over major programs:

1) Material weakness(es) identified? _____ yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? _____ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.002</u>	<u>Adult Basic Education</u>
<u>84.027</u>	<u>IDEA Basic</u>
<u>84.048</u>	<u>Vocation (Perkins)</u>
<u>17.258</u>	<u>WIA - Adult Training (1)</u>
<u>17.259</u>	<u>WIA - Summer Youth (1)</u>
<u>17.278</u>	<u>WIA - Dislocated Worker (1)</u>

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? _____ yes X no

Note 1 - Subject to a separate component unit audit

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part I – Summary of Auditor’s Results

State Awards Section

Dollar threshold used to determine Type A programs: \$300,000

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

1) Material weakness(es) identified? yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses? yes X no

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of NJ OMB 15-08? yes X no

Identification of major programs:

GMIS Number(s)	Name of State Program or Cluster
<u>495-034-5095-002</u>	<u>TPAF Social Security Contributions</u>
<u>495-034-5120-085</u>	<u>Adjustment Aid</u>
<u>495-034-5120-089</u>	<u>Special Education Aid</u>
<u>495-034-5120-084</u>	<u>Security Aid</u>
<u>495-034-5120-098</u>	<u>PARCC Readiness Aid</u>
<u>495-034-5120-097</u>	<u>Per Pupil Growth Aid</u>
<u>4545-100-062-095</u>	<u>WIB Programs (1)</u>
<u>4545-100-062-313</u>	<u>WFNJ Programs (1)</u>

Note 1 - Subject to a separate component unit audit

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part 2 – Schedule of 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 in accordance with Government Auditing Standards.

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS

There are none.

**BERGEN COUNTY TECHNICAL AND VOCATIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

There are none.