

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

Westampton, New Jersey
County of Burlington

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

WESTAMPTON, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Prepared by

Burlington County Institute of Technology Business Office

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INTRODUCTORY SECTION

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**Burlington County Special Services School District
Burlington County Institute of Technology**

**Discover
Your
Potential**

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Business Administrator/
Board Secretary
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February 2, 2021

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

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Burlington County Institute of Technology for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Burlington County Institute of Technology. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to 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 district as of June 30, 2020, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

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

The Comprehensive Annual Financial Report is presented in four sections as follows:

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB’s Circular 15-08 OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*”. Information related to this Single Audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Burlington County Institute of Technology is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The Burlington County Institute of Technology is a vocational high school serving grades 9 through 12 which also provides all required academic training. In addition to the high school program, the District operates an extensive adult post-secondary education. The district enrollment dropped approximately 0.20% compared to the prior year. The School District’s enrollment, as of October 15th, for the current and past nine fiscal years are detailed below.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2019-2020	2,109	0.81%
2018-2019	2,092	3.98%
2017-2018	2,012	-0.20%
2016-2017	2,016	-2.28%
2015-2016	2,063	0.34%
2014-2015	2,056	-0.05%
2013-2014	2,057	-1.86%
2012-2013	2,096	3.76%
2011-2012	2,020	1.71%
2010-2011	1,986	0.91%

ECONOMIC CONDITION AND OUTLOOK

Covid 19 has presented many new challenges as well as opportunities that as a District we are facing. Our student enrollment has peaked with the current programs we offer and a waiting list has become the new norm. We continue to try to stay two steps ahead and build a strong financial position to provide our students with a state of the art, top of the line, education that cannot be achieved at a traditional high school.

MAJOR INITIATIVES

BCIT’s primary objective is to provide students with high quality career and technical education in preparation for a career, higher education leading to a career and lifelong learning. BCIT continues to implement a comprehensive literacy program called “Literacy for Life” to enhance literary supports for students. In partnership with RCBC, BCIT started a College Head Start program for the Culinary Arts and Hospitality program whereby students can complete at least one year of college while in high school.

MAJOR INITIATIVES (continued)

BCIT continues to develop articulation agreements with institutes of higher education to allow students to earn college credits while in high school. The Culinary Arts and Hospitality program at BCIT Medford campus is in the process of being completely renovated. Virtual reality was implemented in the Sports Medicine program at the Westampton campus with the addition of the Antomage Virtual Dissection Table.

INTERNAL ACCOUNTING CONTROLS

Management of the School 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 and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general accepted accounting principles (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 delivered; and (2) the valuation of costs and benefits require estimates and judgments by management.

As a recipient of federal and state financial assistance, the district also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluations by the district management.

As part of the School 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 School 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 Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects 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 cancelled or included as re-appropriations of fund balance in the subsequent year.

ACCOUNTING SYSTEM AND REPORTS

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

OTHER INFORMATION

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holt McNally & Associates, Inc., was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.

ACKNOWLEDGEMENTS

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

Respectfully submitted,



Christopher Nagy, Ed. D.
Superintendent

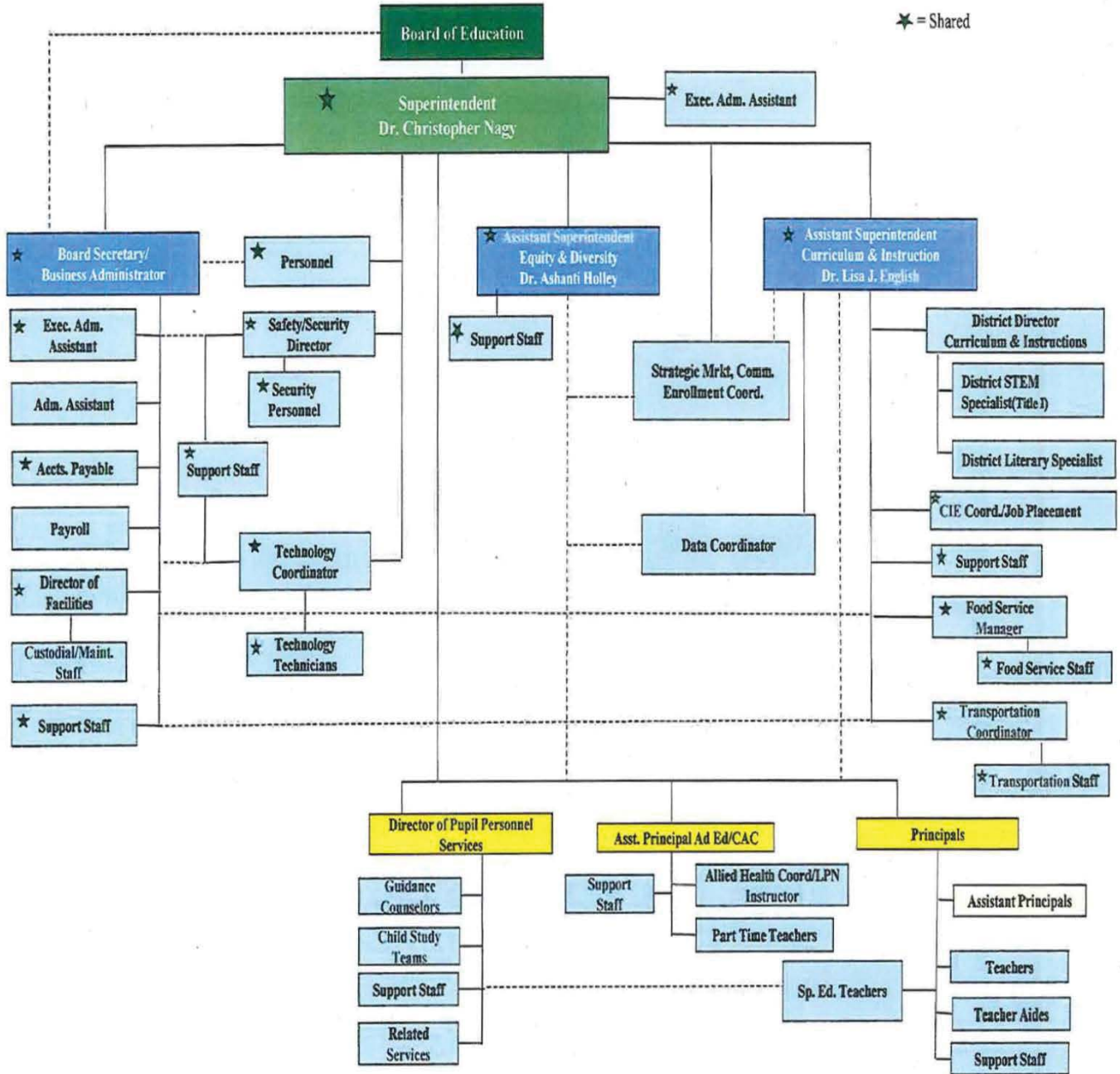


Andrew C. Willmott, CPA
School Business Administrator/Board Secretary

POLICY

**Burlington County Institute of Technology
Administration 1100**

★ = Shared



BoE Approved: 10/30/19

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

ROSTER OF OFFICIALS

JUNE 30, 2020

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Robert C. Silcox, President	2021
Paula Lee, Vice President	2021
Anna Evans	2022
John J. Ferry	2020
Leon E. Jones, Jr.	2020
Lorene Moore	2022

OTHER OFFICIALS

Dr. Christopher Nagy, Superintendent

Andrew Willmott, Business Administrator/Board Secretary

Constance L. Stewart, Treasurer

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

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OFFICIAL DEPOSITORY

TD Bank

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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 Burlington County Institute of Technology, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District'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 *Governmental 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 and requirements require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 District'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 District'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.

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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 Burlington County Institute of Technology, County of Burlington, State of New Jersey, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 the schedules related to accounting and reporting for pensions & other post-employment benefits, as listed in the table of contents 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 Burlington County Institute of Technology's basic financial statements. The introductory section, combining and individual fund statements long-term debt schedules and statistical section, are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also not a required part of the basic financial statements.

The combining and individual fund financial statements and long-term debt schedules and the schedules of expenditures of federal awards and 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 and individual fund statements and long-term debt schedules and the 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 and statistical section listed in the table of contents 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 February 2, 2021 on our consideration of the 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 the effectiveness of the School District's 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 School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
February 2, 2021

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited)

As management of the Burlington County Institute of Technology, Westampton, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The government-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, and Capital Projects Fund. Business-type activities reflect the Food Service Fund, Fire School Fund, Adult Education Fund, and Summer Camp Fund.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with financial-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Overview of the Basic Financial Statements (continued)

Fund Financial Statements (continued)

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains three individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, and the Capital Projects Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund and Special Revenue Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary funds are used to present the same functions as the business-type activities presented in the government-wide financial statements. The School District maintains one type of proprietary fund – the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the government-wide financial statements, only in more detail.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business operations. The School District has five enterprise funds: Food Service Fund, Fire School fund, Adult Education fund, and Summer Camps fund.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's programs.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Financial Analysis of the School District as a Whole

Table 1 provides a summary of the School Districts net position for the fiscal years 2020 compared to fiscal year 2019.

Table 1
Summary of Net Position

	June 30, <u>2020</u>	June 30, <u>2019</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 4,520,184	\$ 4,163,540	\$ 356,644	8.6%
Capital Assets, Net	46,946,268	48,451,280	(1,505,012)	-3.1%
Total Assets	<u>51,466,452</u>	<u>52,614,820</u>	<u>(1,148,368)</u>	-2.2%
Deferred Outflow of Resources	<u>2,178,637</u>	<u>3,425,182</u>	<u>(1,246,545)</u>	-36.4%
Current and other Liabilities	2,353,316	2,257,216	96,100	4.3%
Noncurrent Liabilities	12,195,978	13,916,065	(1,720,087)	-12.4%
Total Liabilities	<u>14,549,294</u>	<u>16,173,281</u>	<u>(1,623,987)</u>	-10.0%
Deferred Inflow of Resources	<u>5,473,820</u>	<u>5,288,304</u>	<u>185,516</u>	3.5%
Net Position:				
Net Investment in Capital Assets	46,946,268	48,451,280	(1,505,012)	-3.1%
Restricted	2,925,948	2,920,609	5,339	0.2%
Unrestricted (Deficit)	(16,250,241)	(16,793,472)	543,231	-3.2%
Total Net Position	<u>\$ 33,621,975</u>	<u>\$ 34,578,417</u>	<u>\$ (956,442)</u>	-2.8%

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Financial Analysis of the School District as a Whole

Table 2 shows the changes in net position for fiscal year 2020 compared to fiscal year 2019.

Table 2
Summary of Changes in Net Position

	June 30, <u>2020</u>	June 30, <u>2019</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 1,464,943	\$ 1,542,603	\$ (77,660)	-5.0%
Operating Grants & Contributions	8,361,624	10,217,955	(1,856,331)	-18.2%
General Revenues:				
County Appropriations	15,894,974	15,894,974	-	0.0%
Federal & State Aid Not Restricted	15,004,536	14,956,271	48,265	0.3%
Tuition	7,048,666	6,883,948	164,718	2.4%
Other General Revenues	404,401	215,071	189,330	88.0%
Special Items				
Loss on Disposal of Capital Assets	-	(17,376)	17,376	-100.0%
Cancellation of Prior Year Receivable	(9,160)	-	(9,160)	N/A
Cancellation of Prior Year Payable	143	-	143	N/A
Total Revenues	48,170,127	49,693,446	(1,523,319)	-3.1%
Function/Program Expenses:				
Regular Instruction	6,548,723	5,978,178	570,545	9.5%
Special Education Instruction	1,875,537	1,839,219	36,318	2.0%
Vocational Education	4,873,401	4,917,958	(44,557)	-0.9%
Other Instruction	1,280,509	1,184,648	95,861	8.1%
Student & Instruction Related Services	3,409,198	3,337,863	71,335	2.1%
General Administrative	612,833	602,555	10,278	1.7%
School Administrative Services	6,889,665	3,321,968	3,567,697	107.4%
Plant Operations & Maintenance	5,130,541	5,312,684	(182,143)	-3.4%
Pupil Transportation	464,569	488,457	(23,888)	-4.9%
Unallocated Benefits	13,077,669	14,707,496	(1,629,827)	-11.1%
Special Schools	125,000	201,348	(76,348)	-37.9%
Interest & Other Charges	236,013	3,296,463	(3,060,450)	-92.8%
Unallocated Depreciation	2,665,287	2,611,271	54,016	2.1%
Food Service	959,325	1,319,065	(359,740)	-27.3%
School Store	-	20,803	(20,803)	-100.0%
Fire School	102,116	125,708	(23,592)	-18.8%
Adult Education Programs	835,877	878,912	(43,035)	-4.9%
Summer Camps	40,306	55,676	(15,370)	-27.6%
Total Expenses	49,126,569	50,200,272	(1,073,703)	-2.1%
Change In Net Position	(956,442)	(506,826)	(449,616)	88.7%
Net Position - Beginning	34,578,417	35,085,243	(506,826)	-1.4%
Net Position - Ending	\$ 33,621,975	\$ 34,578,417	\$ (956,442)	-2.8%

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Governmental Activities

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

During the fiscal year 2020, the net position of governmental activities decreased by \$967,864. The primary reason for the decrease was the inclusion of certain other expenses that are not reported in the governmental fund financial statements. Depreciation, accrual of compensated absences and pension expense cause the change in net position to go from a positive \$301,127 to a deficit of \$(967,864).

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$33,536,621, with an unrestricted deficit balance of \$16,332,720. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last 2 state aid payments. In addition, state statutes prohibit school districts from maintaining more than 6% of its adopted budget as unassigned fund balance.

The School District's governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

Table 3
GASB 68 Effect on Unrestricted Net Position

Unrestricted Net Position (With GASB 68)	\$	(16,332,720)
Add back: PERS Pension Liability		10,281,796
Less: Deferred Outflows related to pensions		(2,178,637)
Add back: Deferred Inflows related to pensions		<u>5,473,820</u>
Unrestricted Net Position (Without GASB 68)	\$	<u>(2,755,741)</u>

Business-type Activities

During the fiscal year 2020, the net position of business-type activities increased by \$11,422.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$85,354.

General Fund Budgeting Highlights

Final budgeted revenues were \$37,872,998, which was equal to the original budget. Excluding nonbudgeted revenues, the School District's actual revenues exceeded budgeted revenues by \$142,475.

Final budgeted appropriations were \$38,315,102, which was an increase of \$442,104 from the original budget. The increase is primarily due to prior year reserve for encumbrances, which increase the budget appropriations in the subsequent fiscal year's budget. Excluding nonbudgeted expenditures, the School District's actual expenditures less than budgeted appropriations by \$611,310.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

General Fund Budgeting Highlights (continued)

The School District's general fund balance – budgetary basis (Exhibit C-1) was \$4,142,333 at June 30, 2020, an increase of \$311,681 from the prior year.

Governmental Funds

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$2,692,882, an increase of \$301,127 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District's general fund increased by \$301,127. The primary factor(s) affecting the change in fund balance of the general fund is as follows:

- We were able to reduce certain expenditures and had a higher expected enrollment.
- As a District we are doing our best to build a healthy balance sheet.

Special revenue fund – There was no change in the fund balance for the special revenue fund.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District's food service fund decreased by \$59,981. The primary factor(s) affecting the change in net position of the food service fund is as follows:

- We had a decrease in meals served and an increase in certain expenditures due to COVID-19.

Fire School - During the current fiscal year, the net position of the School District's Fire School fund decreased by \$21,219. The primary factor(s) affecting the change in net position of the Fire School fund is as follows:

- Fire School had a decrease in enrollment for the year, while payroll costs remained consistent.

Adult Education - During the current fiscal year, the net position of the School District's Adult Education fund increased by \$80,590. The primary factor(s) affecting the change in net position of the Adult Education fund is as follows:

- The revenues have increased in Adult Ed. Due to an increase in enrollment and we have improved our collections process.

Summer Camp - During the current fiscal year, the net position of the School District's Summer Camp fund increased by \$12,032. The primary factor(s) affecting the change in net position of the Summer Camp fund is as follows:

- We've traditionally had a loss in our Summer Camp Fund. We've increased the price to help us recoup prior period losses.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2020, totaled \$46,946,268 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements and equipment. There was a net decrease in the School District's investment in capital assets for the current fiscal year in the amount of \$1,505,012. This decrease is primarily due to current year additions being less than depreciation expenses. Table 3 shows fiscal 2020 balances compared to 2019.

Table 4
Summary of Capital Assets - Governmental Activities

<u>Capital Asset (Net of Depreciation):</u>	June 30, <u>2020</u>	June 30, <u>2019</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 379,000	\$ 379,000	\$ -	0.0%
Land Improvements	2,912,171	3,252,480	(340,309)	-10.5%
Building and Improvements	38,818,674	40,090,660	(1,271,986)	-3.2%
Equipment	4,833,548	4,724,830	108,718	2.3%
	<u>\$ 46,943,393</u>	<u>\$ 48,446,970</u>	<u>\$ (1,503,577)</u>	-3.1%
Depreciation Expense	<u>\$ 2,665,287</u>	<u>\$ 2,611,271</u>		

Table 4
Summary of Capital Assets - Business-Type Activities

<u>Capital Asset (Net of Depreciation):</u>	June 30, <u>2019</u>	June 30, <u>2019</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Equipment	\$ 2,875	\$ 4,310	\$ (1,435)	-33.3%
	<u>\$ 2,875</u>	<u>\$ 4,310</u>	<u>\$ (1,435)</u>	-33.3%
Depreciation Expense	<u>\$ 1,435</u>	<u>\$ 1,435</u>		

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Contacting the School Districts Financial Management

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Andrew C. Willmott, Acting Secretary to the Board of Education and School Business Administrator at: Burlington County Institute of Technology, 2 Academy Drive, Westampton, NJ 08060.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
STATEMENT OF NET POSITION
JUNE 30, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	\$ -	\$ 48,912	\$ 48,912
Receivables, Net (Note 4)	1,429,816	102,906	1,532,722
Inventory	-	12,602	12,602
Restricted Cash & Cash Equivalents	2,925,948	-	2,925,948
Capital Assets, Net (Note 5):			
Non-depreciable	379,000	-	379,000
Depreciable	46,564,393	2,875	46,567,268
Total Assets	51,299,157	167,295	51,466,452
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	2,178,637	-	2,178,637
Total Deferred Outflow of Resources	2,178,637	-	2,178,637
LIABILITIES:			
Cash Deficit	648,850	-	648,850
Accounts Payable	914,473	44,492	958,965
Due to Other Governments	608,493	-	608,493
Unearned Revenue	-	37,449	37,449
Accrued Salaries & Wages	99,559	-	99,559
Noncurrent Liabilities (Note 7):			
Due in more than one year	12,195,978	-	12,195,978
Total Liabilities	14,467,353	81,941	14,549,294
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	5,473,820	-	5,473,820
Total Deferred Inflow of Resources	5,473,820	-	5,473,820
NET POSITION:			
Net Investment in Capital Assets	46,943,393	2,875	46,946,268
Restricted for:			
Capital Projects	2,925,948	-	2,925,948
Unrestricted (Deficit)	(16,332,720)	82,479	(16,250,241)
Total Net Position	\$ 33,536,621	\$ 85,354	\$ 33,621,975

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular Instruction	\$ 6,548,723	\$ -	\$ 1,081,835	\$ (5,466,888)	\$ -	\$ (5,466,888)
Special Education Instruction	1,875,537	-	-	(1,875,537)	-	(1,875,537)
Vocational Education	4,873,401	-	-	(4,873,401)	-	(4,873,401)
Other Instruction	1,280,509	-	-	(1,280,509)	-	(1,280,509)
Support Services:						
Student & Instruction Related Services	3,409,198	-	183,230	(3,225,968)	-	(3,225,968)
Other Administrative	612,833	-	-	(612,833)	-	(612,833)
School Administrative Services	6,889,665	-	-	(6,889,665)	-	(6,889,665)
Plant Operations & Maintenance	5,130,541	-	-	(5,130,541)	-	(5,130,541)
Pupil Transportation	464,569	-	-	(464,569)	-	(464,569)
Unallocated Employee Benefits	13,077,669	-	6,653,439	(6,424,230)	-	(6,424,230)
Special Schools	125,000	-	-	(125,000)	-	(125,000)
Debt Service:						
Interest & Other Charges	236,013	-	-	(236,013)	-	(236,013)
Unallocated Depreciation	2,665,287	-	-	(2,665,287)	-	(2,665,287)
Total Governmental Activities	47,188,945	-	7,918,504	(39,270,441)	-	(39,270,441)
Business-Type Activities:						
Food Service	959,325	429,994	419,350	-	(109,981)	(109,981)
Fire School	102,116	83,654	-	-	(18,462)	(18,462)
Adult Education Programs	835,877	899,100	23,770	-	86,993	86,993
Summer Camps	40,306	52,195	-	-	11,889	11,889
Total Business-Type Activities	1,937,624	1,464,943	443,120	-	(29,561)	(29,561)

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Total Primary Government	\$ 49,126,569	\$ 1,464,943	\$ 8,361,624	(39,270,441)	(29,561)	(39,300,002)
General Revenues:						
Taxes:						
County Appropriations				15,894,974	-	15,894,974
Federal & State Aid Not Restricted				15,004,536	-	15,004,536
Tuition Charges				7,048,666	-	7,048,666
Miscellaneous				404,401	-	404,401
Transfers				(50,000)	50,000	-
Special Items:						
Cancellation of Prior Year Accounts Receivable				-	(9,160)	(9,160)
Cancellation of Prior Year Accounts Payable				-	143	143
Total General Revenues				38,302,577	40,983	38,343,560
Change In Net Position				(967,864)	11,422	(956,442)
Net Position - Beginning				34,504,485	73,932	34,578,417
Net Position - Ending				\$ 33,536,621	\$ 85,354	\$ 33,621,975

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B. Fund Financial Statements

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Governmental Funds

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**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020**

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	TOTALS
Accounts Receivable:			
Federal	\$ 6,898	\$ 22,154	\$ 29,052
State	47,340	7,193	54,533
Other	1,346,231	-	1,346,231
Restricted Cash & Cash Equivalents	2,925,948	-	2,925,948
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 4,326,417</u>	<u>\$ 29,347</u>	<u>\$ 4,355,764</u>
 LIABILITIES & FUND BALANCES 			
Liabilities:			
Cash Deficit	\$ 619,503	\$ 29,347	\$ 648,850
Accounts Payable	914,473	-	914,473
Accrued Salaries & Wages	99,559	-	99,559
	<hr/>	<hr/>	<hr/>
Total Liabilities	1,633,535	29,347	1,662,882
Fund Balances:			
Restricted:			
Capital Reserve	2,925,948	-	2,925,948
Assigned to:			
Other Purposes	603,420	-	603,420
Unassigned:			
General Fund	(836,486)	-	(836,486)
	<hr/>	<hr/>	<hr/>
Total Fund Balances	2,692,882	-	2,692,882
Total Liabilities & Fund Balances	<u>\$ 4,326,417</u>	<u>\$ 29,347</u>	

Amounts reported for *governmental activities* in the statement of Net Position (A-1)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$98,997,171 and the accumulated depreciation is \$52,053,778.	46,943,393
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows related to pensions	2,178,637
Deferred Inflows related to pensions	(5,473,820)
Accrued pension contributions for the June 30, 2020 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(608,493)
Long-term liabilities, including net pension liability and compensated absences payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<hr/> (12,195,978)
Net position of Governmental Activities	<u>\$ 33,536,621</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	TOTALS
Revenues:			
Local Sources:			
Local Tax Levy	\$ 15,894,974	\$ -	\$ 15,894,974
Tuition Charges	7,048,666	-	7,048,666
Miscellaneous	306,053	-	306,053
Total Local Sources	<u>23,249,693</u>	-	<u>23,249,693</u>
State Sources	19,402,517	113,220	19,515,737
Federal Sources	27,660	1,499,445	1,527,105
Total Revenues	<u>42,679,870</u>	<u>1,612,665</u>	<u>44,292,535</u>
Expenditures:			
Instruction:			
Regular Instruction	5,466,888	1,081,835	6,548,723
Special Education Instruction	1,875,537	-	1,875,537
Vocational Education	4,873,401	-	4,873,401
Other Instruction	1,280,509	-	1,280,509
Support Services & Undistributed Costs:			
Student & Instruction Related Services	3,225,968	183,230	3,409,198
Other Administrative Services	612,833	-	612,833
School Administrative Services	6,791,317	-	6,791,317
Plant Operations & Maintenance	5,140,956	-	5,140,956
Pupil Transportation	464,569	-	464,569
On Behalf TPAF Pension and Social Security Contributions			
Security Contributions	4,674,951	-	4,674,951
Unallocated Benefits	6,658,816	98,290	6,757,106
Special Schools	125,000	-	125,000
Capital Outlay	901,985	249,310	1,151,295
Debt Service:			
Interest & Other Charges	236,013	-	236,013
Total Expenditures	<u>42,328,743</u>	<u>1,612,665</u>	<u>43,941,408</u>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	<u>351,127</u>	-	<u>351,127</u>
Other Financing Sources/(Uses):			
Operating Transfers In (Out) -			
Transfer Out - Food Service Fund	(50,000)	-	(50,000)
Total Other Financing Sources/(Uses)	<u>(50,000)</u>	-	<u>(50,000)</u>
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses	301,127	-	301,127
Fund Balances July 1	<u>2,391,755</u>	-	<u>2,391,755</u>
Fund Balances June 30	<u>\$ 2,692,882</u>	<u>\$ -</u>	<u>\$ 2,692,882</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ 301,127

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation Expense	\$ (2,665,287)	
Capital Outlays	<u>1,161,710</u>	(1,503,577)

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.

327,369

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

(92,783)

Change in Net Position of Governmental Activities

\$ (967,864)

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Proprietary Funds

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**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2020**

ASSETS	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES	TOTALS
	FOOD SERVICE FUND	FIRE SCHOOL	ADULT EDUCATION	SUMMER CAMPS	GENERAL ADMINISTRATION	
Current Assets:						
Cash	\$ 22,755	\$ 43,542	\$ -	\$ 8,000	\$ -	\$ 74,297
Accounts Receivable:						
State	2,273	-	-	-	-	2,273
Federal	19,836	-	-	-	-	19,836
Other	18,136	17,813	44,848	-	-	80,797
Prepaid Expense	-	-	-	-	-	-
Inventories	12,602	-	-	-	-	12,602
Total Current Assets	75,602	61,355	44,848	8,000	-	189,805
Capital Assets:						
Equipment	14,356	-	-	-	-	14,356
Less: Accumulated Depreciation	(11,481)	-	-	-	-	(11,481)
Total Capital Assets	2,875	-	-	-	-	2,875
Total Assets	78,477	61,355	44,848	8,000	-	192,680
LIABILITIES						
Current Liabilities:						
Cash Deficit	-	-	25,385	-	-	25,385
Unearned Revenue	929	-	36,520	-	-	37,449
Accounts Payable	43,917	-	575	-	-	44,492
Total Liabilities	44,846	-	62,480	-	-	107,326
NET POSITION						
Investment in Capital Assets	2,875	-	-	-	-	2,875
Unrestricted	30,756	61,355	(17,632)	8,000	-	82,479
Total Net Position	\$ 33,631	\$ 61,355	\$ (17,632)	\$ 8,000	\$ -	\$ 85,354

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES
EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES		TOTALS
	FOOD SERVICE FUND	FIRE SCHOOL	ADULT EDUCATION	SUMMER CAMPS	GENERAL ADMINISTRATION		
Operating Revenues:							
Local Sources:							
Fees	\$ -	\$ 83,654	\$ 899,100	\$ 52,195	\$ 98,348		\$ 1,133,297
Daily Sales-Reimbursable Programs	170,401	-	-	-	-		170,401
Daily Sales-Non-Reimbursable Program	192,697	-	-	-	-		192,697
Miscellaneous	9,357	-	-	-	-		9,357
Special Functions	57,539	-	-	-	-		57,539
Total Operating Revenue	429,994	83,654	899,100	52,195	98,348		1,563,291
Operating Expenses:							
Cost of sales-reimbursable programs	259,426	-	-	-	-		259,426
Cost of sales-non-reimbursable programs	136,187	-	-	-	-		136,187
Administrative Fees	93,099	-	-	-	-		93,099
Employee Benefits	109,773	-	61,516	-	-		171,289
Insurance	13,793	-	-	-	-		13,793
Miscellaneous	10,167	827	24,681	-	-		35,675
Depreciation	1,435	-	-	-	-		1,435
Professional Services	-	-	71,082	-	-		71,082
Salaries	280,542	65,210	579,470	36,242	98,348		1,059,812
Lease Payments	-	-	11,184	-	-		11,184
Supplies	54,903	-	80,517	4,064	-		139,484
Textbooks	-	33,629	7,427	-	-		41,056
Tuition	-	2,450	-	-	-		2,450
Total Operating Expenses	959,325	102,116	835,877	40,306	98,348		2,035,972
Operating Income/(Loss)	(529,331)	(18,462)	63,223	11,889	-		(472,681)
Nonoperating Revenues (Expenses)							
State Sources:							
State School Lunch Program	8,387	-	-	-	-		8,387
Federal Sources:							
Vocational Rehabilitation Services	-	-	23,770	-	-		23,770
School Breakfast Program	94,280	-	-	-	-		94,280
National School Lunch Program	264,509	-	-	-	-		264,509
Healthy Hunger-Free Kids Act	8,308	-	-	-	-		8,308
Food Distribution Program	43,866	-	-	-	-		43,866
Cancellation of Prior Year Receivable	-	(2,757)	(6,403)	-	-		(9,160)
Cancellation of Prior Year Payable	-	-	-	143	-		143
Transfer From/(To) General Fund	50,000	-	-	-	-		50,000
Total Nonoperating Revenue (Expenses)	469,350	(2,757)	17,367	143	-		484,103
Change in Net Position	(59,981)	(21,219)	80,590	12,032	-		11,422
Total Net Position - Beginning	93,612	82,574	(98,222)	(4,032)	-		73,932
Total Net Position - Ending	\$ 33,631	\$ 61,355	\$ (17,632)	\$ 8,000	\$ -		\$ 85,354

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES	TOTALS
	FOOD SERVICE FUND	FIRE SCHOOL	ADULT EDUCATION	SUMMER CAMPS	GENERAL ADMINISTRATIVE	
Cash Flows from Operating Activities:						
Receipts from Customers	\$ 425,386	\$ 76,065	\$ 823,914	\$ 13,100	\$ 98,348	\$ 1,338,465
Payments to Employees	(280,542)	(65,210)	(579,470)	(36,242)	(98,348)	(961,464)
Payments for Employee Benefits	(109,773)	-	(61,516)	-	-	(171,289)
Payments to Suppliers	(512,685)	(36,906)	(194,316)	(304)	-	(744,211)
Net Cash Provided/(Used) by Operating Activities	(477,614)	(26,051)	(11,388)	(23,446)	-	(538,499)
Cash Flows From Noncapital Financing Activities:						
Cash Received From State & Federal Programs	433,928	-	23,770	-	-	457,698
Transfer From/(To) General Fund	50,000	-	-	-	-	50,000
Net Cash Provided by Noncapital Financing Activities	483,928	-	23,770	-	-	507,698
Net Increase/(Decrease) in Cash & Cash Equivalents	6,314	(26,051)	12,382	(23,446)	-	(30,801)
Balances - Beginning of Year	16,441	69,593	(37,767)	31,446	-	79,713
Balances - Ending of Year	\$ 22,755	\$ 43,542	\$ (25,385)	\$ 8,000	\$ -	\$ 48,912

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

Operating Income (Loss)	\$ (529,331)	\$ (18,462)	\$ 63,223	\$ 11,889	\$ -	\$ (472,681)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (Used in) Operating Activities:						
Depreciation Expense	1,435	-	-	-	-	1,435
Change in Assets & Liabilities:						
(Increase)/Decrease in Accounts Receivable	(4,608)	(7,589)	(36,138)	-	-	(48,335)
(Increase)/Decrease in Prepaid Expense	-	-	-	3,760	-	3,760
(Increase)/Decrease in Inventory	10,934	-	-	-	-	10,934
Increase/(Decrease) in Unearned Revenue	39	-	(39,048)	(39,095)	-	(78,104)
Increase/(Decrease) in Accounts Payable	43,917	-	575	-	-	44,492
Net Cash Provided/(Used) by Operating Activities	\$ (477,614)	\$ (26,051)	\$ (11,388)	\$ (23,446)	\$ -	\$ (538,499)

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Fiduciary Fund

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**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

ASSETS	PRIVATE PURPOSE	AGENCY FUNDS		TOTALS
	UNEMPLOYMENT COMPENSATION INSURANCE	STUDENT ACTIVITY	PAYROLL	
Cash & Cash Equivalents	\$ 647,149	\$ 126,889	\$ 336,635	\$ 1,110,673
Total Assets	<u>647,149</u>	<u>126,889</u>	<u>336,635</u>	<u>1,110,673</u>
LIABILITIES				
Accounts Payable	12,884	-	-	12,884
Payroll Deductions & Withholdings	-	-	172,372	172,372
Due to Employees	-	-	164,263	164,263
Due to Student Groups	-	126,889	-	126,889
Total Liabilities	<u>12,884</u>	<u>126,889</u>	<u>336,635</u>	<u>476,408</u>
NET POSITION				
Restricted - Held in Trust for Unemployment Claims	<u>634,265</u>	-	-	<u>634,265</u>
Total Net Position	<u>\$ 634,265</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 634,265</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

ADDITIONS	<u>PRIVATE PURPOSE UNEMPLOYMENT COMPENSATION INSURANCE</u>	TOTALS
Contributions:		
Plan Members	\$ 69,246	\$ 69,246
Total Contributions	<u>69,246</u>	<u>69,246</u>
Other Sources:		
Interest on Investments	2,291	2,291
Total Additions	<u>71,537</u>	<u>71,537</u>
DEDUCTIONS		
Unemployment Compensation		
Insurance Claims	43,996	43,996
Total Deductions	<u>43,996</u>	<u>43,996</u>
Change in Net Position	27,541	27,541
Net Position - Beginning of the Year	<u>606,724</u>	<u>606,724</u>
Net Position - End of the Year	<u>\$ 634,265</u>	<u>\$ 634,265</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

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BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Burlington County Institute of Technology (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The Burlington County Institute of Technology is a Type I District located in the County of Burlington, State of New Jersey. As a Type I district, the School District functions independently through a Board of Education. The Board is comprised of appointed officials by the County Freeholders and is responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. The Board is comprised of six members appointed to four year terms, which are staggered so that one member’s term expires each year. In addition the County Superintendent services as an ex-officio member. There are two campuses, Woodlane Road in Westampton Township and Hawkins Road in Medford Township. The District provides a full range of education services appropriated to grade levels 9 through 12. The Burlington County Institute of Technology has an approximate enrollment at June 30, 2020 of 2,109 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is a component unit of the County of Burlington, however, the County of Burlington reports on a regulatory basis of accounting which excludes component units. The County of Burlington’s financial statements may be obtained directly from the County of Burlington Department of Finance and Administration.

Component Units

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units and GASB Statement No. 61, The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34. and GASB 80, Blending Requirements for

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

certain component Units - an Amendment of GASB Statement No. 14. The School District had no component units as of for the year ended June 30, 2020.

Government-Wide Financial Statements

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column. Fiduciary activities of the District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District's deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The District’s fiduciary funds are Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in 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.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges 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 taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District’s enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements 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 (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 Fund, Adult Education, Summer Camps and the Fire School program are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the capital outlay sub-fund.

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

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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

Special Revenue Fund – The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

The District reports the following major proprietary funds:

Food Service Fund – This fund accounts for the revenues and expenses pertaining to the District's cafeteria operations.

Fire School Fund – This fund accounts for the revenues and expenses pertaining to the District's fire school operations.

Adult Education Fund – This fund accounts for the revenues and expenses pertaining to the District's adult education operations.

Summer Camps Fund – This fund accounts for the revenues and expenses pertaining to the District's summer camp operations.

General Administration Fund – This fund accounts for the revenues and expenses pertaining to the District's shared services agreement for some general administrative functions.

Additionally, the District reports the following major fiduciary funds:

Private Purpose Trust Funds - Private-purpose trust funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains the following private purpose trust funds:

Unemployment Trust Fund – Revenues consist of employee payroll withholdings, interest income, and contributions through the annual budget process of the School District. Expenditures consist of unemployment reimbursement claims.

Agency Funds - Agency funds (payroll and student activity funds) are assets held by a governmental entity either as trustee or as an agent for other parties and cannot be used to finance the governmental entities own operating programs.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

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

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on Exhibit C-1 and Exhibit C-2, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Encumbrances

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as 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.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year-end.

Cash and Cash Equivalents

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

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

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

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

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2020 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated or amortized using the straight-line method over the following estimated lives:

	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	10 – 20 Years	N/A
Buildings and Improvements	10 – 50 Years	N/A
Furniture and Equipment	5 – 20 Years	5 – 12 Years
Vehicles	5 – 10 Years	4 – 6 Years

Compensated Absences

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

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measureable and the District is eligible to realize the revenue.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2020.
- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the District's policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified in the following three components:

- Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2020:

Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net 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.

In addition to liabilities, the statement of net 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 periods and so will not be recognized as an inflow of resources (revenue) until that time.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Pensions

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 pension plan’s fiduciary net position and additions to/deductions from the plan’s fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2020, the School District’s bank balance of \$5,212,298 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 4,045,211
Uninsured and Uncollateralized	<u>1,167,087</u>
	<u>\$ 5,212,298</u>

Investments

The School District had no investments at June 30, 2020.

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District on October 10, 2000, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School 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 (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A School District may

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**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 3. Reserve Accounts (continued)

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 *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Beginning Balance, July 1, 2019	\$ 2,920,609
Increased by:	
Interest Earnings	<u>5,339</u>
Ending Balance, June 30, 2020	<u>\$ 2,925,948</u>

Note 4. Accounts Receivable

Accounts receivable at June 30, 2020 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2020, consisted of the following:

<u>Description</u>	<u>Governmental Funds</u>			<u>Total Governmental Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>		
Federal Awards	\$ 6,898	\$ 22,154		\$ 29,052
State Awards	47,340	7,193		54,533
Tuition	158,260	-		158,260
Other	<u>1,187,971</u>	-		<u>1,187,971</u>
Total	<u>\$ 1,400,469</u>	<u>\$ 29,347</u>		<u>\$ 1,429,816</u>

<u>Description</u>	<u>Proprietary Funds</u>			<u>Total Business-Type Activities</u>
	<u>Food Service</u>	<u>Fire School</u>	<u>Adult Education</u>	
Federal Awards	\$ 19,836	\$ -	\$ -	\$ 19,836
State Awards	2,273	-	-	2,273
Tuition	-	17,813	44,848	62,661
Other	<u>18,136</u>	-	-	<u>18,136</u>
Total	<u>\$ 40,245</u>	<u>\$ 17,813</u>	<u>\$ 44,848</u>	<u>\$ 102,906</u>

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2020 was as follows:

	Balance July 1, <u>2019</u>	<u>Additions</u>	Retirements <u>and Transfers</u>	Balance June 30, <u>2020</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 379,000	\$ -	\$ -	\$ 379,000
Total Capital Assets not being depreciated	<u>379,000</u>	<u>-</u>	<u>-</u>	<u>379,000</u>
Capital Assets being depreciated:				
Land Improvements	7,581,350	3,534	-	7,584,884
Buildings and Improvements	78,045,914	299,299	-	78,345,213
Equipment	11,835,697	858,877	(6,500)	12,688,074
Total Capital Assets being depreciated	<u>97,462,961</u>	<u>1,161,710</u>	<u>(6,500)</u>	<u>98,618,171</u>
Less: Accumulated Depreciation:				
Land Improvements	(4,328,870)	(343,843)	-	(4,672,713)
Buildings and Improvements	(37,955,255)	(1,571,284)	-	(39,526,539)
Equipment	(7,110,866)	(750,160)	6,500	(7,854,526)
Total Accumulated Depreciation	<u>(49,394,991)</u>	<u>(2,665,287)</u>	<u>6,500</u>	<u>(52,053,778)</u>
Total Capital Assets being depreciated, net	<u>48,067,970</u>	<u>(1,503,577)</u>	<u>-</u>	<u>46,564,393</u>
Total Governmental Activities Capital Assets, net	<u>\$ 48,446,970</u>	<u>\$ (1,503,577)</u>	<u>\$ -</u>	<u>\$ 46,943,393</u>
	Balance July 1, <u>2019</u>	<u>Additions</u>	Retirements <u>and Transfers</u>	Balance June 30, <u>2020</u>
Business-Type Activities:				
Equipment	\$ 14,356	\$ -	\$ -	\$ 14,356
	<u>14,356</u>	<u>-</u>	<u>-</u>	<u>14,356</u>
Less: Accumulated Depreciation:				
Equipment	(10,046)	(1,435)	-	(11,481)
	<u>(10,046)</u>	<u>(1,435)</u>	<u>-</u>	<u>(11,481)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 4,310</u>	<u>\$ (1,435)</u>	<u>\$ -</u>	<u>\$ 2,875</u>

Depreciation expense was not allocated among the various functions/programs of the School District.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 6. Interfund Receivables, Payables and Transfers

There were no individual interfund receivables/payables balances at June 30, 2020.

A summary of interfund transfers is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 50,000
Food Service Fund	<u>50,000</u>	<u>-</u>
	<u>\$ 50,000</u>	<u>\$ 50,000</u>

Note 7. Long-Term and Short-Term Obligations

Long-Term

During the fiscal year-ended June 30, 2020 the following changes occurred in long-term obligations for the governmental activities:

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2020</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 1,821,399	\$ 92,783	\$ -	\$ 1,914,182	\$ -
Net Pension Liability	<u>12,094,666</u>	<u>-</u>	<u>1,812,870</u>	<u>10,281,796</u>	<u>-</u>
	<u>\$ 13,916,065</u>	<u>\$ 92,783</u>	<u>\$ 1,812,870</u>	<u>\$ 12,195,978</u>	<u>\$ -</u>

For governmental activities, compensated absences and net pension liability are liquidated by the general fund.

Bonds Authorized but not Issued

As of June 30, 2020, the School District had no bonds authorized but not issued.

Short-Term

During the fiscal year-ended June 30, 2020 the following changes occurred in short-term obligations for the governmental activities:

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2020</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
Line of Credit	\$ -	\$ 4,600,000	\$ 4,600,000	<u>-</u>	<u>\$ -</u>
	<u>\$ -</u>	<u>\$ 4,600,000</u>	<u>\$ 4,600,000</u>	<u>\$ -</u>	<u>\$ -</u>

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 7. Long-Term and Short-Term Obligations (continued)

Line of Credit

The district was issued a line of credit from Investors Bank with a principal amount of \$4,600,000 for a one-year term with a prime interest rate on October 4, 2016 and extended to June 29, 2021. The district drew down \$3,500,000 on December 17, 2019, \$800,000 on February 19, 2020, \$500,000 on March 10, 2020 and \$1,400,000 on April 6, 2020 and repaid \$3,500,000 on January 27, 2020, \$900,000 on April 27, 2020, \$600,000 on May 27, 2020 and \$1,700,000 on June 29, 2020. As of June 30, 2019 there was no outstanding payable amounts.

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2020, the School District reported a liability of \$10,281,796 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, to the measurement date of June 30, 2019. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The School District's proportion measured as of June 30, 2019, was 0.0570624959%, which was a decrease of 0.0043644841% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the School District recognized full accrual pension expense of \$245,600 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2019 measurement date. At June 30, 2020 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 184,545	\$ 45,420
Changes of Assumptions	1,026,675	3,568,779
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	162,302
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	358,924	1,697,319
School District Contributions Subsequent to Measurement Date	<u>608,493</u>	<u>-</u>
	<u>\$ 2,178,637</u>	<u>\$ 5,473,820</u>

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

\$608,493 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2021 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending <u>Dec 31,</u>	<u>Amount</u>
2020	\$ (678,449)
2021	(1,311,440)
2022	(1,129,257)
2023	(703,225)
2024	<u>(81,305)</u>
	<u>\$ (3,903,676)</u>

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
 Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21

Actuarial Assumptions – The collective total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees’ Retirement System (PERS) (continued)

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 rates of return for each major asset class included in PERS’s target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%
	<hr/>	
	100.00%	
	<hr/>	

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**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Discount Rate - The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2019, calculated using the discount rate of 6.28% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease <u>(5.28%)</u>	Current Discount Rate <u>(6.28%)</u>	1% Increase <u>(7.28%)</u>
District's Proportionate Share of the Net Pension Liability	<u>\$ 13,077,930</u>	<u>\$ 10,281,796</u>	<u>\$ 8,057,457</u>

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2020 and 2019:

Balances at June 30, 2020 and June 30, 2019

	<u>6/30/2020</u>	<u>6/30/2019</u>
Actuarial valuation date (including roll forward)	June 30, 2019	June 30, 2018
Deferred Outflows of Resources	\$ 3,149,522,616	\$ 4,684,852,302
Deferred Inflows of Resources	7,645,087,574	7,646,736,226
Net Pension Liability	18,143,832,135	19,689,501,539
District's portion of the Plan's total Net Pension Liability	0.05706%	0.06143%

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NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2019 was \$75,348,738. The School District's proportionate share was \$-0-.

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.1227759156%, which was a decrease of 0.0036061824% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the School District recognized \$4,444,270 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2019 measurement date.

Actuarial Assumptions – The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 5.60% as of June 30, 2019. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 30% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 5.60% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease <u>(4.60%)</u>	Current Discount Rate <u>(5.60%)</u>	1% Increase <u>(6.60%)</u>
District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the District	<u>88,852,839</u>	<u>75,348,738</u>	<u>64,144,598</u>
	<u>\$ 88,852,839</u>	<u>\$ 75,348,738</u>	<u>\$ 64,144,598</u>

Pension Plan Fiduciary Net Position - 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 Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. 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.

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2019 and 2018:

Balances at June 30, 2020 and June 30, 2019

	<u>6/30/2020</u>	<u>6/30/2019</u>
Actuarial valuation date (including roll forward)	June 30, 2019	June 30, 2018
Deferred Outflows of Resources	\$ 10,129,162,237	\$ 12,675,037,111
Deferred Inflows of Resources	17,736,240,054	16,381,811,884
Net Pension Liability	61,519,112,443	63,806,350,446
District's portion of the Plan's total Net Pension Liability	0.12278%	0.12638%

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 8. Pension Plans (continued)

C. Defined Contribution Plan (DCRP)

Plan Description - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2020, employee contributions totaled \$14,867, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$8,109.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits is the responsibility of the individual local education employers.

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The total nonemployer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate: 2.5%

	TPAF/ABP	PERS	PFRS
Salary Increases:			
Through 2026	1.55 - 3.05% based on years of service	2.00 - 6.00% based on years of service	3.25 - 15.25% based on years of service
Thereafter	1.55 - 3.05% based on years of service	3.00 - 7.00% based on years of service	Applied to all future years

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 9. Other Post-Retirement Benefits (continued)

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

OPEB Obligation and OPEB Expense - The State’s proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2019 was \$57,462,100. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2019, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The State’s proportionate share of the OPEB Obligation associated with the District was based on projection of the State’s long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the OPEB Obligation attributable to the School District was 0.137703%, which was a decrease of 0.001299% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the State of New Jersey recognized an OPEB expense in the amount of \$1,104,745 for the State’s proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2019 measurement date.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate

The discount rate for June 30, 2019 was 3.50%. This represents the municipal bond return rate as chosen by the Division. 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. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

The following presents the total nonemployer OPEB liability as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (2.50%)	At Discount Rate (3.50%)	At 1% Increase (4.50%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 67,885,448	\$ 57,462,100	\$ 49,182,364
State of New Jersey's Total Non- employer Liability	\$ 49,298,534,898	\$ 41,729,081,045	\$ 35,716,321,820

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate

The following presents the total nonemployer OPEB liability as of June 30, 2019, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 47,346,209	\$ 57,462,100	\$ 70,853,462
State of New Jersey's Total Nonemployer OPEB Liability	\$ 34,382,902,820	\$ 41,729,081,045	\$ 51,453,912,586

* See Healthcare Cost Trend Assumptions for details of rates.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

Additional Information

Collective balances of the Local Group at June 30, 2019 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ 1,921,145,183	\$ (1,921,145,183)
Differences between Expected & Actual Experience	-	(10,484,965,300)
Change in Assumptions	-	(8,481,529,343)
Contributions Made in Fiscal Year Year Ending 2020 After June 30, 2019 Measurement Date **	TBD	-
	\$ 1,921,145,183	\$ (20,887,639,826)

** Employer Contributions made after June 30, 2019 are reported as a deferred outflow of resources, but are not amortized in expense.

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

Fiscal Year Ending June 30,	
2020	\$ (2,546,527,182)
2021	(2,546,527,182)
2022	(2,546,527,182)
2023	(2,546,527,182)
2024	(2,546,527,182)
Thereafter	(6,233,858,733)
	\$ (18,966,494,643)

Plan Membership

At June 30, 2018, the Program membership consisted of the following:

	June 30, 2018
Active Plan Members	216,892
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	148,051
	364,943

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2020 (measurement date June 30, 2019) is as follows:

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total OPEB Liability

Service Cost	\$ 1,734,404,850
Interest Cost	1,827,787,206
Difference Between Expected & Actual Experience	(7,323,140,818)
Changes of Assumptions	622,184,027
Contributions: Member	37,971,171
Gross Benefit Payments	<u>(1,280,958,373)</u>
Net Change in Total OPEB Liability	(4,381,751,937)
Total OPEB Liability (Beginning)	<u>46,110,832,982</u>
Total OPEB Liability (Ending)	<u>\$ 41,729,081,045</u>
Total Covered Employee Payroll	\$ 13,929,083,479
Net OPEB Liability as a Percentage of Payroll	300%

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2018, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$2,676,051, \$1,003,830, \$992,766 and \$2,304, respectively.

Note 11. Risk Management

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

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the School 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 School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019-2020	\$ 69,246	\$ 2,291	\$ 43,996	\$ 634,265
2018-2019	53,941	3,401	64,815	606,724
2017-2018	54,363	-	97,834	614,197

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 11. Risk Management (continued)

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

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2019 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

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

Note 13. Deferred Compensation

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

- AXA Equitable Life
- Brighthouse Financial-previously Metlife
- GWN Marketing
- Life of Southwest
- Lincoln Investment
- Variable Life Annuity

Note 14. Compensated Absences

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

School District employees are granted varying amount of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The

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NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020 (continued)

Note 14. Compensated Absences (continued)

School District policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the School District for the unused sick leave in accordance with School Districts' agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2020, the liability for compensated absences reported on the government-wide on the Statement of Net Position was \$1,914,182.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

Note 16. Commitments

The School District has contractual commitments at June 30, 2020 to various vendors, which are recorded in the general fund as assigned to other purposes in the amount of \$417,323.

Note 17. Fund Balances

General Fund – Of the \$2,692,882 General Fund fund balance at June 30, 2020, \$2,925,948 has been restricted for the Capital Reserve Account; \$603,420 has been assigned to other purposes; and \$(836,486) has been unassigned.

Note 18. Deficit Fund Balances

The School District has a deficit fund balance of \$836,486 in the General Fund as of June 30, 2020 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020 (continued)**

Note 18. Deficit Fund Balances (continued)

the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$836,486 which is less than the last state aid payment.

Note 19. Deficit in Net Position

Unrestricted Net Position – The School District had a deficit in unrestricted net position in the amount of \$16,332,720 at June 30, 2020. The deficit is caused by the implementation of GASB 68 which requires the School District to report their proportionate share of the net pension liability for the Public Employee’s Retirement System (PERS) as of June 30, 2020.

Note 20. Operating Leases

The School District has commitments to lease various pieces of equipment and Chromebooks under operating leases. Total lease payments made during the year ended June 30, 2020 amounted to \$307,285. Future minimum lease payments are as follows:

Fiscal Year Ending <u>June 30,</u>	
2021	\$ 214,945
2022	177,113
2023	<u>64,871</u>
Total Minimum Lease Payments	<u><u>\$ 456,929</u></u>

Note 21. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2020 and February 2, 2021, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items other than the below have come to the attention of the School District that would require disclosure.

COVID – 19 – has caused considerable economic damage to the New Jersey economy. As a result, Governor Murphy decreased the originally appropriated school state aid by over \$335 million state wide for the 2020-2021 school year. The Burlington County Institute of Technology’s state aid was reduced by \$186,097. In order to make up for this decrease in aid, the School District has decided to utilize additional fund balance to balance the subsequent year’s budget.

As the COVID-19 pandemic remains a fluid situation, outside of the reduction in state aid, it is not currently known what further economic challenges are ahead for local school districts.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:						
Local Sources:						
County Appropriations	10-1210	\$ 15,894,974	\$ -	\$ 15,894,974	\$ 15,894,974	\$ -
Tuition from LEA's	10-1310	7,102,055	-	7,102,055	7,048,666	(53,389)
Rents and Royalties	10-1910	25,000	-	25,000	11,158	(13,842)
Other Local Revenue/Miscellaneous	10-1XXX	80,560	-	80,560	289,556	208,996
Interest Earned on Capital Reserve Funds	10-XXXX	4,000	-	4,000	5,339	1,339
Total Local Sources		23,106,589	-	23,106,589	23,249,693	143,104
State Sources:						
Categorical Special Education Aid	10-3132	1,264,555	-	1,264,555	1,264,555	-
Equalization Aid	10-3176	13,228,997	-	13,228,997	13,228,997	-
Categorical Security Aid	10-3177	244,568	-	244,568	244,568	-
On-Behalf TPAF Pension Contributions	10-3901	-	-	-	2,676,051	2,676,051
On-Behalf TPAF Post-Retirement Medical Contributions	10-3901	-	-	-	992,766	992,766
On-Behalf TPAF Long-Term Disability Insurance Contributions	10-3901	-	-	-	2,304	2,304
Reimbursed TPAF Social Security Contributions	10-3902	-	-	-	1,003,830	1,003,830
Total State Sources		14,738,120	-	14,738,120	19,413,071	4,674,951
Federal Sources:						
Special Education - Medicaid Initiative	10-4200	28,289	-	28,289	27,660	(629)
Total Federal Services		28,289	-	28,289	27,660	(629)
Total Revenues		37,872,998	-	37,872,998	42,690,424	4,817,426
Expenditures:						
Current Expense:						
Regular Programs - Grade 9-12 Instruction:						
Salaries of Teachers	11-140-100-101	4,915,533	247,598	5,163,131	5,146,425	16,706
Substitute Teachers- Salaries/S4t	11-140-100-300	204,500	(62,199)	142,301	134,264	8,037
Other Purchased Services	11-140-100-500	88,775	100,685	189,460	104,248	85,212
General Supplies	11-140-100-610	108,748	(39,766)	68,982	66,795	2,187
Textbooks	11-140-100-640	10,600	(3,756)	6,844	6,588	256
Home Instruction - Regular Programs:						
Salaries of Teachers	11-150-100-101	4,000	(2,000)	2,000	522	1,478
Purchased Professional Educational Services	11-150-100-320	15,000	(3,481)	11,519	8,046	3,473
Total Regular Programs - Instruction		5,347,156	237,081	5,584,237	5,466,888	117,349
Resource Room:						
Salaries of Teachers	11-213-100-101	1,715,577	(153,695)	1,561,882	1,561,882	-
Other Salaries for Instruction	11-213-100-106	317,457	(69,800)	247,657	247,657	-
Unused Sick Payment to Terminated/Retired Staff	11-213-100-299	-	15,000	15,000	15,000	-
Substitute Teachers-Spec Ed/S4t	11-213-100-300	171,000	(113,071)	57,929	50,998	6,931
Total Resource Room		2,204,034	(321,566)	1,882,468	1,875,537	6,931
Total Special Education		2,204,034	(321,566)	1,882,468	1,875,537	6,931
Bilingual Education - Instruction						
Salaries of Teachers	11-240-100-101	68,347	4,797	73,144	73,144	-
General Supplies	11-240-100-610	500	(395)	105	72	33
Total Bilingual Education - Instruction		68,847	4,402	73,249	73,216	33

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Regular Vocational Programs - Instruction:						
Salaries of Teachers	11-310-100-101	4,019,194	73,180	4,092,374	4,083,439	8,935
Other Salaries for Instruction	11-310-100-106	53,698	(53,698)	-	-	-
Purchased Professional Educational Services	11-310-100-320	178,513	(39,774)	138,739	129,817	8,922
Other Purchased Services	11-310-100-500	195,950	119,595	315,545	173,250	142,295
General Supplies	11-310-100-610	450,200	(98,494)	351,706	325,923	25,783
Textbooks	11-310-100-640	25,450	9,428	34,878	34,878	-
Other Objects	11-310-100-800	-	185	185	185	-
Total Regular Vocational Programs - Instruction		4,923,005	10,422	4,933,427	4,747,492	185,935
Special Vocational Programs - Instruction:						
Salaries of Teachers- Career Major Tutors/S4t	11-320-100-300	-	126,350	126,350	120,559	5,791
Purchased Professional Educational Services	11-320-100-320	180,000	(180,000)	-	-	-
General Supplies	11-320-100-610	6,000	(1,513)	4,487	4,487	-
Textbooks	11-320-100-640	-	863	863	863	-
Total Special Vocational Programs - Instruction:		186,000	(54,300)	131,700	125,909	5,791
School Sponsored Cocurricular Activities - Instruction:						
Salaries	11-401-100-100	312,634	48,322	360,956	343,621	17,335
Lease Payments	11-401-100-440	-	-	-	-	-
Other Purchased Services	11-401-100-500	73,949	9,146	83,095	78,168	4,927
Supplies & Materials	11-401-100-600	53,000	4,938	57,938	51,760	6,178
Other Objects	11-401-100-800	2,000	(842)	1,158	1,158	-
Total School Sponsored Cocurricular Activities		441,583	61,564	503,147	474,707	28,440
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	543,023	43,929	586,952	574,448	12,504
Purchased Services	11-402-100-500	58,515	21,063	79,578	78,292	1,286
Supplies & Materials	11-402-100-600	64,185	(6,113)	58,072	52,073	5,999
Other Objects	11-402-100-800	7,650	(765)	6,885	6,885	-
Total School Sponsored Athletics - Instruction		673,373	58,114	731,487	711,698	19,789
Total Instruction		13,864,498	4,649	13,869,147	13,496,335	372,812
Before/After School Programs - Instruction						
Salaries of Program Director	11-421-100-103	20,500	8,932	29,432	20,888	8,544
Total Before/After School Programs		20,500	8,932	29,432	20,888	8,544
Undistributed Expenditures:						
Health Services:						
Salaries	11-000-213-100	144,360	39,370	183,730	183,730	-
Purchased Professional & Technical Services	11-000-213-300	35,000	1,450	36,450	35,496	954
Other Purchased Services	11-000-213-500	2,500	(2,500)	-	-	-
Supplies & Materials	11-000-213-600	13,000	(1,569)	11,431	10,560	871
Total Health Services		194,860	36,751	231,611	229,786	1,825
Other Support Services - Students - Related Services:						
Purchased Professional Educational Services	11-000-216-320	62,900	11,617	74,517	72,540	1,977
Total Other Support Services - Students - Related - Services		62,900	11,617	74,517	72,540	1,977
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	902,855	(42,799)	860,056	859,911	145
Salaries of Secretarial & Clerical	11-000-218-105	214,224	16,055	230,279	230,279	-
Unused Sick Pay- Retire/Term	11-000-218-299	-	15,000	15,000	15,000	-
Other Purchased Services	11-000-218-500	4,000	1,867	5,867	5,529	338
Supplies & Materials	11-000-218-600	4,500	14,609	19,109	19,109	-
Other Objects	11-200-218-800	987	126	1,113	1,113	-
Total Other Support Services - Students - Regular		1,126,566	4,858	1,131,424	1,130,941	483

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	745,960	(9,948)	736,012	736,012	-
Salaries of Secretarial & Clerical	11-000-219-105	119,417	961	120,378	120,378	-
Other Salaries	11-000-219-110	32,624	(19,907)	12,717	12,717	-
Unused Vacation Time - Retire/Term	11-000-219-199	-	3,126	3,126	3,126	-
Purchase Professional - Educational Services	11-000-219-320	100,000	(89,711)	10,289	9,384	905
Other Purchased Professional & Technical Services	11-000-219-390	12,500	(9,362)	3,138	3,138	-
Lease Payments	11-000-219-440	-	3,431	3,431	3,263	168
Other Purchased Services	11-000-219-500	25,000	64,935	89,935	69,667	20,268
Supplies & Materials	11-000-219-600	17,600	(1,415)	16,185	15,220	965
Other Objects	11-000-219-800	8,400	(845)	7,555	7,555	-
Total Other Support Services - Students - Special Services		1,061,501	(58,735)	1,002,766	980,460	22,306
Improvement of Instructional Services						
Salaries -Curriculum Writing	11-000-221-101	-	2,250	2,250	2,250	-
Salaries - Supervisor of Instruction	11-000-221-102	143,179	94,131	237,310	237,310	-
Salaries of Recruiters	11-000-221-104	47,431	(1,044)	46,387	46,387	-
Salaries of Secretarial & Clerical	11-000-221-105	138,540	3,617	142,157	142,157	-
Other Salaries	11-000-221-110	15,000	(15,000)	-	-	-
Salaries of Facilitators, Math & Literacy Coaches	11-000-221-176	59,313	(59,313)	-	-	-
Purchased Professional Education Services	11-000-221-320	160,000	(80,000)	80,000	80,000	-
Purchased Technical Services	11-000-221-340	76,075	(7,874)	68,201	68,181	20
Lease Payments	11-000-221-440	-	6,237	6,237	4,367	1,870
Other Purchased Services	11-000-221-500	28,500	(8,865)	19,635	18,827	808
Supplies & Materials	11-000-221-610	39,000	1,113	40,113	33,123	6,990
Other Objects	11-000-221-800	5,000	-	5,000	4,987	13
Total Improvement of Instructional Services		712,038	(64,748)	647,290	637,589	9,701
Educational Media Services/School Library:						
Salaries	11-000-222-100	131,490	7,484	138,974	138,974	-
Other Purchased Services	11-000-222-500	9,600	(2,161)	7,439	7,439	-
Supplies & Materials	11-000-222-600	16,500	1,408	17,908	17,463	445
Other Objects	11-000-222-800	200	-	200	65	135
Total Educational Media Services/School Library		157,790	6,731	164,521	163,941	580
Instructional Staff Training Services:						
Salaries of Other Professional Staff	11-000-223-104	5,098	(2,488)	2,610	2,610	-
Purchased Professional Educational Services	11-000-223-320	12,100	(4,594)	7,506	7,506	-
Other Purchased Services	11-000-223-580	1,080	163	1,243	595	648
Total Instructional Staff Training Services		18,278	(6,919)	11,359	10,711	648
Support Services General Administration:						
Salaries	11-000-230-100	157,279	7,961	165,240	165,240	-
Other Purchased Professional Services	11-000-230-300	-	12,000	12,000	10,088	1,912
Legal Services	11-000-230-331	140,000	128,195	268,195	248,195	20,000
Audit Services	11-000-230-332	75,000	(25,543)	49,457	49,457	-
Other Purchased Professional Services	11-000-230-339	45,000	(45,000)	-	-	-
Communications/Telephone	11-000-230-530	185,000	(103,764)	81,236	78,832	2,404
BOE Other Purchased Services	11-000-230-585	4,300	14,691	18,991	16,853	2,138
Miscellaneous Purchased Services	11-000-230-590	11,500	(11,500)	-	-	-
General Supplies	11-000-230-610	7,400	11,000	18,400	15,583	2,817
Miscellaneous Expenditures	11-000-230-890	18,500	10,085	28,585	28,585	-
BOE Membership Dues and Fees	11-000-230-895	24,488	(24,488)	-	-	-
Total Support Services General Administration		668,467	(26,363)	642,104	612,833	29,271

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	939,000	(44,839)	894,161	894,161	-
Salaries of Secretarial & Clerical Assistants	11-000-240-105	499,415	31,765	531,180	531,180	-
Other Purchased Professional Services	11-000-240-300	30,920	(10,600)	20,320	20,299	21
Outside Workshops	11-000-240-390	-	445	445	445	-
Other Purchased Services	11-000-240-500	96,580	(14,683)	81,897	78,357	3,540
Supplies & Materials	11-000-240-600	40,000	6,147	46,147	43,467	2,680
Other Objects	11-000-240-800	9,000	358	9,358	8,282	1,076
Total Support Services School Administration		1,614,915	(31,407)	1,583,508	1,576,191	7,317
Central Services:						
Salaries	11-000-251-100	475,556	34,733	510,289	510,289	-
Unused Vac- Retire/Term	11-000-251-199	-	16,214	16,214	16,214	-
Unused Sick Retire/Term	11-000-251-299	-	15,000	15,000	15,000	-
Other Purchased Professional Services	11-000-251-330	302,600	(30,006)	272,594	267,152	5,442
Purchased Technical Services	11-000-251-340	36,750	(1,083)	35,667	35,667	-
Lease Payments	11-000-251-440	-	8,000	8,000	7,967	33
Misc. Purchased Services (400-500)	11-000-251-592	9,050	(9,050)	-	-	-
Supplies and Materials	11-000-251-600	37,500	(3,644)	33,856	26,458	7,398
Interest on Current Loans	11-000-251-831	39,400	1,652	41,052	41,052	-
Miscellaneous Expenditures	11-000-251-890	3,000	(3,000)	-	-	-
Shared Service Agreement - County Board of Freeholders	11-000-251-897	2,000,000	1,531,139	3,531,139	3,531,139	-
Total Central Services		2,903,856	1,559,955	4,463,811	4,450,938	12,873
Information Technology:						
Purchased Technical Services	11-000-252-340	657,377	(8,670)	648,707	639,366	9,341
Other Purchased Services	11-000-252-500	1,500	(1,500)	-	-	-
Non Instructional Mileage & Travel	11-000-252-580	-	1,500	1,500	-	1,500
General Supplies	11-000-252-610	300,915	(171,606)	129,309	124,822	4,487
Miscellaneous Expenditures	11-000-252-800	1,000	-	1,000	-	1,000
Total Information Technology Services		960,792	(180,276)	780,516	764,188	16,328
Operation & Maintenance of Plant:						
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	67,913	544	68,457	68,457	-
Other Purchased Professional Services	11-000-261-300	-	9,837	9,837	9,837	-
Cleaning, Repair & Maintenance Services	11-000-261-420	367,000	20,935	387,935	380,637	7,298
General Supplies	11-000-261-610	165,500	3,272	168,772	167,286	1,486
Other Objects	11-000-261-800	3,000	3,807	6,807	5,653	1,154
Total Allowable Maintenance for School Facilities		603,413	38,395	641,808	631,870	9,938
Other Operation & Maintenance of Plant:						
Salaries	11-000-262-100	1,683,411	(62,951)	1,620,460	1,620,459	1
Unused Vacation Pay	11-000-262-199	-	5,335	5,335	5,335	-
Other Purchased Professional Services	11-000-262-300	75,000	(15,900)	59,100	59,094	6
Cleaning, Repair & Maintenance Services	11-000-262-420	15,500	(1,835)	13,665	13,663	2
Other Purchased Property Services	11-000-262-490	115,000	(9,000)	106,000	102,892	3,108
Insurance	11-000-262-520	710,780	9,250	720,030	719,723	307
General Supplies	11-000-262-610	150,000	(85,557)	64,443	59,381	5,062
Energy (Natural Gas)	11-000-262-621	120,000	(13,900)	106,100	104,790	1,310
Energy (Electric)	11-000-262-622	1,200,000	(109,686)	1,090,314	1,086,387	3,927
Total Other Operation & Maintenance of Plant		4,069,691	(284,244)	3,785,447	3,771,724	13,723
Security						
Salaries	11-000-266-100	-	49,167	49,167	49,167	-
Purchased Professional & Technical Services	11-000-266-300	640,000	(85,957)	554,043	554,043	-
General Supplies	11-000-266-610	150,000	(15,232)	134,768	134,152	616
Total Security		790,000	(52,022)	737,978	737,362	616
Total Operation & Maintenance of Plant		5,463,104	(297,871)	5,165,233	5,140,956	24,277

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Student Transportation Services:						
Salaries for Pupil Transportation - (Other Than Between Home & School)	11-000-270-162	309,013	(81,068)	227,945	227,239	706
Purchased Professional & Technical Services	11-000-270-390	140,000	24,000	164,000	157,771	6,229
Contracted Services - (Other Than Between Home & School) Vendors	11-000-270-512	65,000	16,282	81,282	79,559	1,723
Total Student Transportation Services		514,013	(40,786)	473,227	464,569	8,658
Unallocated Benefits - Employee Benefits:						
Social Security	11-000-291-220	690,000	(144,113)	545,887	545,887	-
Other Retirement Contributions	11-000-291-241	700,000	(111,035)	588,965	588,700	265
Health Benefits	11-000-291-270	6,444,925	(1,025,246)	5,419,679	5,419,366	313
Tuition Reimbursements	11-000-291-280	76,000	29,248	105,248	104,863	385
Total Unallocated Benefits		7,910,925	(1,251,146)	6,659,779	6,658,816	963
Total Personal Services - Employee Benefits		7,910,925	(1,251,146)	6,659,779	6,658,816	963
Nonbudgeted:						
On-Behalf TPAF Long-Term Disability Insurance		-	-	-	2,304	(2,304)
On-Behalf TPAF Pension Contribution		-	-	-	2,676,051	(2,676,051)
On-Behalf TPAF Post-Retirement Medical Contributions		-	-	-	992,766	(992,766)
Reimbursed TPAF Social Security Contributions		-	-	-	1,003,830	(1,003,830)
Total Undistributed Expenditures		23,370,005	(338,339)	23,031,666	27,569,410	(4,537,744)
Total Expenditures - Current Expense		37,234,503	(333,690)	36,900,813	41,065,745	(4,164,932)
Capital Outlay:						
Interest Deposit to Capital Reserve	10-604-000-000	4,000	1,339	5,339	5,339	-
Equipment:						
Grades 9-12	12-140-100-730	3,848	33,402	37,250	37,250	-
Vocational Programs - Regular Programs	12-310-100-730	40,000	7,030	47,030	40,567	6,463
Child Study Team	12-000-219-730		2,242	2,242	2,242	-
Undistributed Expenditures:						
Information Technology	12-000-252-730	20,000	458,769	478,769	478,769	-
Building & Grounds	12-000-261-730	20,000	(20,000)	-	-	-
Operation and Main of Plant Serv	12-000-260-730	-	82,334	82,334	68,735	13,599
Security	12-000-266-730	8,500	(5,430)	3,070	3,070	-
School Vehicles	12-000-270-733	60,000	18,359	78,359	-	78,359
Total Equipment		156,348	578,045	734,393	635,972	98,421
Facilities Acquisition & Construction Services:						
Architectural/Engineering Services	12-000-400-334	20,000	(3,836)	16,164	14,164	2,000
Construction Services	12-000-400-450	101,134	151,585	252,719	251,849	870
Assessment for Debt Service on SDA Funding	12-000-400-896	236,013	-	236,013	236,013	-
Total Facilities Acquisition & Construction Services		357,147	147,749	504,896	502,026	2,870
Total Capital Outlay		513,495	725,794	1,239,289	1,137,998	101,291
Post Secondary Programs						
Instruction:						
Salaries of Principals & Assistant Principals	13-000-200-103	125,000	-	125,000	125,000	-
Total Instruction		125,000	-	125,000	125,000	-
Total Post Secondary Programs		125,000	-	125,000	125,000	-
General Fund Grand Total Expenditures		37,872,998	392,104	38,265,102	42,328,743	(4,063,641)

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	(392,104)	(392,104)	361,681	753,785
Other Financing Sources/(Uses):					
Transfer to Cover Deficit - Food Service	-	(50,000)	(50,000)	(50,000)	-
Total Other Financing Sources/(Uses)	-	(50,000)	(50,000)	(50,000)	-
Excess/(Deficiency) of Revenues & Other Financing Sources/(Uses) Over/(Under) Expenditures & Other Financing Uses	-	(442,104)	(442,104)	311,681	753,785
Fund Balances, July 1	3,830,652	-	3,830,652	3,830,652	-
Fund Balances, June 30	<u>\$ 3,830,652</u>	<u>\$ (442,104)</u>	<u>\$ 3,388,548</u>	<u>\$ 4,142,333</u>	<u>\$ 753,785</u>

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Reserve for Encumbrances	<u>\$ 442,104</u>
Total Budget Transfers	<u><u>\$ 442,104</u></u>

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 2,925,948
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	186,097
Year-end Encumbrances	417,323
Unassigned Fund Balance	<u>612,965</u>
Subtotal	<u>4,142,333</u>
Reconciliation to Governmental Fund Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	<u>(1,449,451)</u>
Fund Balance per Governmental Funds (GAAP)	<u><u>\$ 2,692,882</u></u>

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	JUNE 30, 2020				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES					
State Sources	\$ 90,276	\$ 22,944	\$ 113,220	\$ 113,220	\$ -
Federal Sources	1,126,681	372,764	1,499,445	1,499,445	-
Total Revenues	1,216,957	395,708	1,612,665	1,612,665	-
EXPENDITURES:					
Instruction:					
Salaries of Teachers	375,675	334,695	710,370	710,370	-
Instruction Purchased Services	-	2,500	2,500	2,500	-
General Supplies	349,748	19,217	368,965	368,965	-
Total Instruction	725,423	356,412	1,081,835	1,081,835	-
Support Services:					
Salaries	491,534	(377,836)	113,698	113,698	-
Personal Services - Employee Benefits	-	98,290	98,290	98,290	-
Purchased Professional - Educational Services	-	21,750	21,750	21,750	-
Other Purchased Services (400-500 Series)	-	45,511	45,511	45,511	-
Travel Expenses	-	126	126	126	-
Supplies & Materials	-	2,145	2,145	2,145	-
Total Support Services	491,534	(210,014)	281,520	281,520	-
Facilities Acquisition & Construction Services:					
Instructional Equipment	-	249,310	249,310	249,310	-
Total Facilities Acquisition & Construction Services	-	249,310	249,310	249,310	-
Total Expenditures	1,216,957	395,708	1,612,665	1,612,665	-
Total Outflows	1,216,957	395,708	1,612,665	1,612,665	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 42,690,424	\$ 1,612,665
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,438,897	-
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP, which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	(1,449,451)	-
	<hr/>	<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 42,679,870</u>	<u>\$ 1,612,665</u>
Uses/Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 42,328,743	\$ 1,612,665
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	-
	<hr/>	<hr/>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 42,328,743</u>	<u>\$ 1,612,665</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

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**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST SEVEN FISCAL YEARS***

	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.05706%	0.06143%	0.06521%	0.06844%	0.06343%	0.06244%	0.06020%
School District's proportionate share of the net pension liability	\$10,281,796	\$12,094,666	\$15,180,650	\$20,270,326	\$14,238,819	\$11,270,221	\$11,934,066
School District's covered payroll	\$ 3,992,037	\$ 3,935,821	\$ 4,307,524	\$ 4,331,643	\$ 4,402,691	unavailable	unavailable
School District's proportionate share of the net pension liability as a percentage of its covered payroll	257.56%	307.30%	352.42%	467.96%	323.41%	unavailable	unavailable
Plan fiduciary net position as a percentage of the total pension liability	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	58.70%

The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST SEVEN FISCAL YEARS***

	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 558,386	\$ 615,295	\$ 604,133	\$ 608,022	\$ 545,330	\$ 496,242	\$ 470,494
Contributions in relation to the contractually required contribution	(558,386)	(615,295)	(604,133)	(608,022)	(545,330)	(496,242)	(470,494)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 4,083,332	\$ 3,992,037	\$ 3,935,821	\$ 4,307,524	\$ 4,331,643	\$ 4,402,691	unavailable
Contributions as a percentage of covered payroll	13.67%	15.41%	15.35%	14.12%	12.59%	11.27%	unavailable

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST SEVEN FISCAL YEARS***

	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$75,348,738	\$80,401,576	\$90,032,997	\$103,775,725	\$82,910,065	\$75,768,194	\$77,761,685
	<u>\$75,348,738</u>	<u>\$80,401,576</u>	<u>\$90,032,997</u>	<u>\$103,775,725</u>	<u>\$82,910,065</u>	<u>\$75,768,194</u>	<u>\$77,761,685</u>
School District's covered payroll	\$13,473,058	\$12,671,589	\$12,660,498	\$13,076,696	\$13,034,777	\$13,172,806	unavailable
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the School District.

M. Schedules Related to Accounting and Reporting for Other Post-Employment Benefits (GASB 75)

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BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST THREE FISCAL YEARS*

	2020	2019	2018
District's Total OPEB Liability			
Service Cost	\$ 2,240,998	\$ 2,528,749	\$ 3,034,957
Interest Cost	2,534,401	2,747,075	2,370,189
Differences Between Expected and Actual	(10,553,517)	(7,196,092)	-
Changes of Assumptions	856,765	(7,355,231)	(9,666,722)
Contributions: Member	52,287	59,234	63,988
Gross Benefit Payments	(1,763,915)	(1,713,880)	(1,737,743)
Net Change in District's Total OPEB Liability	(6,632,981)	(10,930,145)	(5,935,331)
District's Total OPEB Liability (Beginning)	64,095,081	75,025,226	80,960,557
District's Total OPEB Liability (Ending)	<u>\$ 57,462,100</u>	<u>\$ 64,095,081</u>	<u>\$ 75,025,226</u>
District's Covered Employee Payroll	\$ 17,465,095	\$ 16,663,626	\$ 16,968,022
District's Net OPEB Liability as a Percentage of Payroll	329%	385%	442%

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 4.86% as of June 30, 2018, to 5.60% as of June 30, 2019.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.66% as of June 30, 2018, to 6.28% as of June 30, 2019.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.87% as of June 30, 2018, to 3.50% as of June 30, 2019.

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	TITLE I	TITLE II PART A	TITLE IV	IDEA PART B
Revenues:				
Federal Sources	\$ 569,098	\$ 43,675	\$ 31,944	\$ 485,914
Total Revenues	<u>\$ 569,098</u>	<u>\$ 43,675</u>	<u>\$ 31,944</u>	<u>\$ 485,914</u>
Expenditures:				
Instruction:				
Salaries of Teachers	\$ 224,456	\$ -	\$ -	\$ 485,914
General Supplies	126,486	-	10,444	-
Total Instruction	<u>350,942</u>	<u>-</u>	<u>10,444</u>	<u>485,914</u>
Support Services:				
Salaries	69,562	31,493	-	-
Personal Services - Employee Benefits	95,834	2,414	-	-
Purchased Professional - Educational Services	-	-	21,500	-
Other Purchased Services (400-500 Series)	32,348	9,768	-	-
Total Support Services	<u>197,744</u>	<u>43,675</u>	<u>21,500</u>	<u>-</u>
Facilities Acquisition & Construction Services: Instructional Equipment	20,412	-	-	-
Total Expenditures	<u>\$ 569,098</u>	<u>\$ 43,675</u>	<u>\$ 31,944</u>	<u>\$ 485,914</u>

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	PERKINS SECONDARY	PERKINS POST SECONDARY	APPRENTICE COORDINATOR	TOTALS
Revenues:				
Federal Sources	\$ 368,814	\$ -	\$ -	\$ 1,499,445
State Sources	-	97,320	15,900	113,220
	<hr/>			
Total Revenues	\$ 368,814	\$ 97,320	\$ 15,900	\$ 1,612,665
	<hr/> <hr/>			
Expenditures:				
Instruction:				
Salaries of Teachers	\$ -	\$ -	\$ -	\$ 710,370
Instruction Purchased Services	2,000	500	-	2,500
General Supplies	208,976	23,059	-	368,965
	<hr/>			
Total Instruction	210,976	23,559	-	1,081,835
	<hr/>			
Support Services:				
Salaries	1,632	527	10,484	113,698
Personal Services - Employee Benefits	-	42	-	98,290
Purchased Professional - Educational Services	-	250	-	21,750
Other Purchased Services (400-500 Series)	-	-	3,395	45,511
Travel Expenses	-	-	126	126
Supplies & Materials	-	250	1,895	2,145
	<hr/>			
Total Support Services	1,632	1,069	15,900	281,520
	<hr/>			
Facilities Acquisition & Construction Services:				
Instructional Equipment	156,206	72,692	-	249,310
	<hr/>			
Total Expenditures	\$ 368,814	\$ 97,320	\$ 15,900	\$ 1,612,665
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F. Capital Projects Fund

Not Applicable

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G. Proprietary Funds

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Enterprise Funds

This section has been included on Exhibit B-4, B-5 & B-6

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Internal Service Funds

This section has been included on Exhibit B-4, B-5 & B-6

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H. Fiduciary Fund

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**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

ASSETS	PRIVATE PURPOSE		AGENCY FUNDS		TOTALS
	UNEMPLOYMENT COMPENSATION INSURANCE	STUDENT ACTIVITY	PAYROLL		
Assets:					
Cash & Cash Equivalents	\$ 647,149	\$ 126,889	\$ 336,635	\$	1,110,673
Total Assets	647,149	126,889	336,635		1,110,673
LIABILITIES					
Liabilities:					
Accounts Payable	12,884	-	-		12,884
Payroll Deductions & Withholdings	-	-	172,372		172,372
Due to Employees	-	-	164,263		164,263
Due to Student Groups	-	126,889	-		126,889
Total Liabilities	12,884	126,889	336,635		476,408
NET POSITION					
Restricted	634,265	-	-		634,265
Total Net Position	\$ 634,265	\$ -	\$ -	\$	634,265

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2020**

	PRIVATE PURPOSE <u>UNEMPLOYMENT</u> COMPENSATION INSURANCE	TOTALS
Additions:		
Contributions:		
Plan Member	\$ 69,246	\$ 69,246
Total Contributions	<u>69,246</u>	<u>69,246</u>
Other Sources:		
Interest on Investments	<u>2,291</u>	<u>2,291</u>
Total Additions	<u>71,537</u>	<u>71,537</u>
Deductions:		
Unemployment Claims and Taxes Paid	<u>43,996</u>	<u>43,996</u>
Change in Net Position	27,541	27,541
Net Position, July 1	<u>606,724</u>	<u>606,724</u>
Net Position, June 30	<u>\$ 634,265</u>	<u>\$ 634,265</u>

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
FIDUCIARY FUNDS
STUDENT ACTIVITY AGENCY FUND SCHEDULE
OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	BALANCE JULY 1, 2019	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2020
Westampton Campus	\$ 35,129	\$ 111,891	\$ 108,394	\$ 38,626
Medford Campus	69,161	101,203	82,101	88,263
Total Student Activity	<u>\$ 104,290</u>	<u>\$ 213,094</u>	<u>\$ 190,495</u>	<u>\$ 126,889</u>

**PAYROLL FUND SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ASSETS	BALANCE JULY 1, 2019	ADDITIONS	DISBURSEMENTS	BALANCE JUNE 30, 2020
Cash & Cash Equivalents	\$ 326,582	\$ 23,609,710	\$ 23,599,657	\$ 336,635
Total Assets	<u>\$ 326,582</u>	<u>\$ 23,609,710</u>	<u>\$ 23,599,657</u>	<u>\$ 336,635</u>
LIABILITIES				
Payroll Deductions & Withholdings	\$ 162,934	\$ 10,472,165	\$ 10,462,727	\$ 172,372
Due to Employees - Summer Pay	163,648	164,263	163,648	164,263
Net Payroll	-	12,973,282	12,973,282	-
Total Liabilities	<u>\$ 326,582</u>	<u>\$ 23,609,710</u>	<u>\$ 23,599,657</u>	<u>\$ 336,635</u>

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I. Long-Term Debt

Not Applicable

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STATISTICAL SECTION (Unaudited)

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities:										
Net Investment in Capital Assets	\$ 46,943,393	\$ 48,446,970	\$ 47,066,001	\$ 48,326,900	\$ 47,939,589	\$ 48,634,698	\$ 46,238,987	\$ 48,753,045	\$ 49,607,466	\$ 49,771,810
Restricted	2,925,948	2,920,609	2,906,184	3,257,188	4,547,416	4,959,664	3,677,889	2,730,958	1,402,644	1,465,295
Unrestricted	(16,332,720)	(16,863,094)	(15,063,778)	(15,338,195)	(13,660,257)	(13,203,076)	(664,447)	(776,970)	(728,879)	(828,559)
Total Governmental Activities	\$ 33,536,621	\$ 34,504,485	\$ 34,908,407	\$ 36,245,893	\$ 38,826,748	\$ 40,391,286	\$ 49,252,429	\$ 50,707,033	\$ 50,281,231	\$ 50,408,546
Business-Type Activities:										
Net Investment in Capital Assets	\$ 2,875	\$ 4,310	\$ 5,745	\$ 7,180	\$ 8,613	\$ 10,048	\$ 11,484	\$ 12,920	\$ 14,356	\$ -
Unrestricted	82,479	69,622	171,091	141,531	561,944	812,121	1,164,659	1,399,848	1,362,480	1,255,691
Total Business-Type Activities	\$ 85,354	\$ 73,932	\$ 176,836	\$ 148,711	\$ 570,557	\$ 822,169	\$ 1,176,143	\$ 1,412,768	\$ 1,376,836	\$ 1,255,691
District-Wide:										
Net Investment in Capital Assets	\$ 46,946,268	\$ 48,451,280	\$ 47,071,746	\$ 48,334,080	\$ 47,948,202	\$ 48,644,746	\$ 46,250,471	\$ 48,765,965	\$ 49,621,822	\$ 49,771,810
Restricted	2,925,948	2,920,609	2,906,184	3,257,188	4,547,416	4,959,664	3,677,889	2,730,958	1,402,644	1,465,295
Unrestricted	(16,250,241)	(16,793,472)	(14,892,687)	(15,196,664)	(13,098,313)	(12,390,955)	500,212	622,878	633,601	427,132
Total District Net Position	\$ 33,621,975	\$ 34,578,417	\$ 35,085,243	\$ 36,394,604	\$ 39,397,305	\$ 41,213,455	\$ 50,428,572	\$ 52,119,801	\$ 51,658,067	\$ 51,664,237

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
FISCAL YEAR ENDING JUNE 30,										
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 6,548,723	\$ 5,978,178	\$ 6,431,000	\$ 6,419,851	\$ 6,140,935	\$ 6,261,811	\$ 6,371,951	\$ 6,720,320	\$ 6,648,185	\$ 6,048,729
Special	1,875,537	1,839,219	1,778,049	2,139,517	2,209,892	2,127,520	-	-	121,124	67,646
Other Special Educational Instruction:										
Vocational	4,873,401	4,917,958	4,550,735	4,611,502	4,618,686	4,491,980	7,475,403	7,101,317	7,481,269	8,184,758
Other	1,280,509	1,184,648	1,192,601	1,149,279	1,147,632	1,096,561	1,335,352	1,357,943	1,325,872	1,396,972
Support Services:										
Student & Instruction Related Services	3,409,198	3,337,863	3,364,109	3,347,487	3,863,450	3,356,321	3,132,509	2,817,240	3,003,258	2,996,133
Other Administrative Services	612,833	602,555	707,247	711,033	669,675	472,789	673,373	691,287	711,855	949,840
School Administrative Services	6,889,665	3,321,968	5,183,778	6,291,546	5,450,637	5,950,198	2,861,090	2,709,515	3,112,514	2,620,947
Plant Operations & Maintenance	5,130,541	5,312,684	5,056,567	5,244,011	5,312,351	5,723,616	5,652,374	5,043,336	5,101,692	5,269,878
Student Transportation	464,569	488,457	426,852	386,327	266,207	227,069	224,603	175,302	215,929	230,354
Business & Other Support Services	-	-	-	-	-	-	-	-	-	-
Employee Benefits	13,077,669	14,707,496	18,299,369	11,555,036	14,041,522	11,822,122	8,177,642	8,540,689	8,628,082	7,677,745
Special Schools	125,000	201,348	266,312	-	94,168	-	-	-	-	1,203
Interest & Other Charges	236,013	3,296,463	236,013	236,013	236,013	236,013	2,236,013	2,153,063	2,011,529	191,780
Increase In Compensated Absences	-	-	-	-	119,224	400,465	48,091	53,826	(47,604)	(65,509)
Adjustment To Fixed Assets	-	-	-	(213,482)	-	-	-	(24,132)	(788,067)	-
Unallocated Depreciation	2,665,287	2,611,271	2,578,047	2,541,849	3,386,374	2,885,486	947,855	2,562,851	2,439,823	2,285,883
Total Governmental Activities Expense:	47,188,945	47,800,108	50,070,679	44,419,969	47,556,766	45,051,951	39,136,256	39,902,557	39,975,018	37,864,141
Business-Type Activities										
Food Service	959,325	1,319,065	1,272,312	1,214,964	1,289,212	1,261,877	915,279	834,659	882,459	838,445
School Store	-	20,803	-	-	-	-	49,515	59,256	74,601	37,100
Fire School	102,116	-	-	-	-	-	-	-	-	-
Adult Education Programs	835,877	1,004,620	1,182,431	1,349,481	1,405,586	1,295,334	1,122,879	1,484,265	964,201	1,109,821
Summer Camps	40,306	55,676	52,887	51,772	38,562	-	-	-	-	-
Culinary Arts	-	-	-	-	-	-	-	-	-	-
Beaver's Den Child Care	-	-	-	183,677	178,374	185,651	-	-	78,759	98,829
Educational Technology Training Center	-	-	-	-	-	-	-	-	170,893	163,530
Youth Transition to Work	-	-	-	-	-	-	-	-	414	-
Emergency Services Training Center	-	-	-	-	-	-	104,656	114,321	124,813	125,814
Culinary Express	-	-	-	-	-	-	13,863	7,061	3,051	4,877
Print Shop	-	-	-	-	-	-	23,318	5,545	1,159	144
Auto Body	-	-	-	-	-	-	4,315	4,683	-	-

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Business-Type Activities Expense	1,937,624	2,400,164	2,507,630	2,799,894	2,911,734	2,742,862	2,498,829	2,754,635	2,300,916	2,423,288
Total District Expenses	\$ 49,126,569	\$ 50,200,272	\$ 52,578,309	\$ 47,219,863	\$ 50,468,500	\$ 47,794,813	\$ 41,635,085	\$ 42,657,192	\$ 42,275,934	\$ 40,287,429
Revenues:										
Operating Grants & Contributions	7,918,504	9,600,768	12,849,014	4,909,248	8,625,754	7,465,548	2,942,819	3,115,319	3,996,594	3,291,743
Total Governmental Activities Program Revenues	7,918,504	9,600,768	12,849,014	4,909,248	8,625,754	7,465,548	2,942,819	3,115,319	3,996,594	3,291,743
Business-Type Activities:										
Charges for Services:										
Food Service	429,994	646,160	651,806	603,983	587,796	694,103	438,969	403,138	448,885	483,537
School Store	-	-	-	-	-	-	50,131	58,481	62,333	53,908
Adult Education Program	899,100	727,884	1,102,147	826,347	1,210,210	1,062,453	885,999	1,459,380	1,107,702	1,279,043
Culinary Arts	83,654	116,509	124,460	146,433	-	-	96,402	90,206	71,260	85,056
Beaver's Den Child Care	-	-	-	182,239	173,869	173,953	175,079	169,976	148,224	157,930
Summer Camps	52,195	52,050	52,735	51,055	39,025	-	-	-	-	-
Educational Technology Training Center	-	-	-	-	-	-	-	-	-	3,926
Culinary Express	-	-	-	-	-	-	94,976	103,311	132,050	127,872
Print Shop	-	-	-	-	-	-	19,184	6,461	5,847	13,544
Auto Body	-	-	-	-	-	-	21,852	5,110	150	1,836
Engineering	-	-	-	-	-	-	4,524	3,071	2,000	-
Operating Grants:										
Food Service	419,350	578,167	554,409	562,139	538,731	508,849	475,088	491,433	441,529	390,207
Adult Education Program	23,770	39,020	12,343	5,852	-	-	-	-	-	-
Total Business Type Activities Program Revenues	1,908,063	2,159,790	2,497,900	2,378,048	2,549,631	2,439,358	2,262,204	2,790,567	2,419,980	2,596,859
Total District Program Revenues	\$ 9,826,567	\$ 11,760,558	\$ 15,346,914	\$ 7,287,296	\$ 11,175,385	\$ 9,904,906	\$ 5,205,023	\$ 5,905,886	\$ 6,416,574	\$ 5,888,602

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Net/(Expense)/Revenue:										
Governmental Activities	\$ (39,270,441)	\$ (38,199,340)	\$ (37,221,665)	\$ (39,510,721)	\$ (38,931,012)	\$ (37,586,403)	\$ (36,193,437)	\$ (36,787,238)	\$ (35,978,424)	\$ (34,572,398)
Business-Type Activities	(29,561)	(240,374)	(9,730)	(421,846)	(362,103)	(303,504)	(236,625)	35,932	119,064	173,571
Total District-Wide Net Expense	\$ (39,300,002)	\$ (38,439,714)	\$ (37,231,395)	\$ (39,932,567)	\$ (39,293,115)	\$ (37,889,907)	\$ (36,430,062)	\$ (36,751,306)	\$ (35,859,360)	\$ (34,398,827)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
County Appropriations	\$ 15,894,974	\$ 15,894,974	\$ 15,129,684	\$ 14,929,750	\$ 15,894,975	\$ 15,894,974	\$ 15,894,974	\$ 15,894,974	\$ 15,894,974	\$ 15,894,974
Unrestricted Grants & Contributions	15,004,536	14,956,271	14,850,123	14,995,140	14,775,162	15,244,160	15,683,915	15,327,183	14,318,309	13,585,336
Tuition Received	7,048,666	6,883,948	6,781,709	6,710,366	6,611,347	6,312,285	6,132,240	5,934,600	5,552,872	4,892,500
Investment Earnings	-	-	-	-	-	4,826	4,826	14,990	-	-
Miscellaneous Income	404,401	215,071	126,212	294,610	195,481	203,081	22,878	41,293	66,627	112,304
Other Financing Sources - Transfers, Miscellaneous / Other	(50,000)	(137,470)	(37,855)	-	(110,491)	-	-	-	18,327	-
Special Items:										
Loss on Disposal of Capital Assets	-	(17,376)	(4,898)	-	-	-	-	-	-	-
Board Contribution to County	-	-	(960,796)	-	-	-	-	-	-	-
Total Governmental Activities	38,302,577	37,795,418	35,884,179	36,929,866	37,366,474	37,659,326	37,738,833	37,213,040	35,851,109	34,485,114
Business-Type Activities	40,983	137,470	37,855	-	110,491	(50,470)	-	-	2,081	61,939
Total District-Wide	\$ 38,343,560	\$ 37,932,888	\$ 35,922,034	\$ 36,929,866	\$ 37,476,965	\$ 37,608,856	\$ 37,738,833	\$ 37,213,040	\$ 35,853,190	\$ 34,547,053
Change in Net Position:										
Governmental Activities	\$ (967,864)	\$ (403,922)	\$ (1,337,486)	\$ (2,580,855)	\$ (1,564,538)	\$ 72,923	\$ 1,545,396	\$ 425,802	\$ (127,315)	\$ (87,284)
Business-Type Activities	11,422	(102,904)	28,125	(421,846)	(251,612)	(353,974)	(236,625)	35,932	121,145	235,510
Total District	\$ (956,442)	\$ (506,826)	\$ (1,309,361)	\$ (3,002,701)	\$ (1,816,150)	\$ (281,051)	\$ 1,308,771	\$ 461,734	\$ (6,170)	\$ 148,226

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund:										
Restricted	\$ 2,925,948	\$ 2,920,609	\$ 2,906,184	\$ 2,906,184	\$ 2,900,696	\$ 3,021,492	\$ 2,032,580	\$ 1,910,267	\$ 500,000	\$ -
Assigned	603,420	442,104	2,497,196	442,891	1,295,716	1,601,104	581,563	820,691	857,547	1,420,198
Unassigned	(836,486)	(970,958)	(1,157,365)	122,514	671,440	578,474	766,333	605,719	599,984	547,908
Total General Fund	\$ 2,692,882	\$ 2,391,755	\$ 4,246,015	\$ 3,471,589	\$ 4,867,852	\$ 5,201,070	\$ 3,380,476	\$ 3,336,677	\$ 1,957,531	\$ 1,968,106
All Other Governmental Funds:										
Restricted	\$ -	\$ -	\$ -	\$ 351,004	\$ 351,004	\$ 337,068	\$ 1,063,746	\$ -	\$ -	\$ -
Assigned, Reported in: Capital Project Fund	-	-	-	-	-	-	-	-	45,097	45,097
Total All Other Governmental Funds	\$ -	\$ -	\$ -	\$ 351,004	\$ 351,004	\$ 337,068	\$ 1,063,746	\$ -	\$ 45,097	\$ 45,097

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:										
County Appropriations	\$ 15,894,974	\$ 15,894,974	\$ 15,129,684	\$ 14,929,750	\$ 15,894,975	\$ 15,894,974	\$ 15,894,974	\$ 15,894,974	\$ 15,894,974	\$ 15,894,974
Tuition from LEA's	7,048,666	6,883,948	6,781,709	6,710,366	6,611,347	6,132,240	6,132,240	5,934,600	5,552,872	4,892,500
Miscellaneous	306,053	215,071	126,212	156,976	181,545	27,704	27,704	101,380	66,627	112,304
State Sources	19,515,737	19,278,058	18,822,562	18,400,334	17,858,771	17,187,250	17,187,250	17,119,177	16,209,113	15,438,042
Federal Sources	1,527,105	1,506,320	1,410,847	1,504,054	1,535,932	1,439,484	1,439,484	1,323,325	2,105,790	1,439,037
Total Revenue	44,292,535	43,778,371	42,271,014	41,701,480	42,082,570	40,681,652	40,681,652	40,373,456	39,829,376	37,776,857
Expenditures:										
Instruction:										
Regular Instruction	6,548,723	5,978,178	6,431,000	6,419,851	6,140,935	6,371,951	6,371,951	6,720,320	6,648,185	6,048,729
Special Education Instruction	1,875,537	1,839,219	1,778,049	2,139,517	2,209,892	-	-	-	-	-
Basic Skills/Remedial	-	-	-	-	-	-	-	-	121,124	67,646
Bilingual Education	-	-	-	-	-	-	-	-	9,557	7,782
Vocational	4,873,401	4,917,958	4,550,735	4,611,502	4,618,686	7,475,403	7,475,403	7,101,317	7,481,269	8,184,758
School - Sponsored/Other	1,280,509	1,184,648	1,192,601	1,149,279	1,147,632	1,335,352	1,335,352	1,357,943	1,325,872	1,396,972
Instructional Support Services:										
Student & Instruction Related Services	3,409,198	3,337,863	3,364,109	3,347,487	3,863,450	3,132,509	3,132,509	2,817,240	3,003,258	2,996,133
General Administration	612,833	602,555	707,247	711,033	669,675	673,373	673,373	691,287	711,855	949,840
School Administration	6,791,317	3,321,968	5,183,778	6,291,546	5,450,637	2,861,090	2,861,090	2,709,515	3,112,514	2,620,947
Plant Operations & Maintenance	5,140,956	5,416,509	5,067,123	5,244,011	5,312,351	5,652,374	5,652,374	5,043,336	5,101,692	5,269,878
Student Transportation	464,569	488,457	426,852	386,327	266,207	224,603	224,603	175,302	215,929	230,354
Employee Benefits	11,432,057	11,004,204	10,333,632	9,983,133	9,604,386	8,177,642	8,177,642	8,540,689	8,628,082	7,677,745

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS**

(Modified Accrual Basis of Accounting)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenditures (continued):										
Interest & Other Charges	236,013	3,296,463	236,013	236,013	236,013	236,013	2,236,013	2,153,063	2,011,529	-
Capital Outlay	1,151,295	3,905,791	1,311,490	2,715,678	2,691,265	2,281,197	1,433,797	1,684,298	1,487,412	1,277,770
Special Schools	125,000	201,348	266,312	-	94,168	-	-	-	-	1,203
Total Expenditures	43,941,408	45,495,161	40,848,941	43,235,377	42,305,297	38,421,507	39,574,107	38,994,310	39,858,278	36,729,757
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	351,127	(1,716,790)	1,422,073	(1,533,897)	(222,727)	2,260,145	1,107,545	1,379,146	(28,902)	1,047,100
Other Financing Sources/(Uses):										
Miscellaneous/Other	-	-	(960,796)	137,634	13,936	-	-	(45,097)	-	-
Operating Transfers In/(Out)	(50,000)	(137,470)	(37,855)	-	(110,491)	50,470	-	-	18,327	-
Total Other Financing Sources/ (Uses)	(50,000)	(137,470)	(998,651)	137,634	(96,555)	50,470	-	(45,097)	18,327	-
Net Change in Fund Balances	\$ 301,127	\$ (1,854,260)	\$ 423,422	\$ (1,396,263)	\$ (319,282)	\$ 2,310,615	\$ 1,107,545	\$ 1,334,049	\$ (10,575)	\$ 1,047,100

Source: District Records

Note: Noncapital expenditures are total expenditures less capital outlay.

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

	FISCAL YEAR ENDED JUNE 30										
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	
Interest on Investments	\$ 11,894	\$ 27,280	\$ 13,501	\$ 5,488	\$ 1,322	\$ 3,381	\$ 1,260	\$ 14,990	\$ 16,078	\$ 30,526	
Prior Year Worker's Comp. Claims	-	-	25,528	-	-	-	-	-	-	-	
Rents \ Leases	12,112	13,325	-	40,503	33,763	16,730	-	12,543	18,406	26,370	
Miscellaneous Refunds	253,202	59,909	18,924	1,620	87,918	87,918	-	-	-	10,886	
Miscellaneous Fees	28,845	114,557	68,259	109,365	58,542	49,408	26,444	72,149	32,143	44,522	
Total	\$ 306,053	\$ 215,071	\$ 126,212	\$ 156,976	\$ 181,545	\$ 157,437	\$ 27,704	\$ 99,682	\$ 66,627	\$ 112,304	

Source: District records

EXHIBIT J-6 THROUGH J-13 NOT APPICABLE

EXHIBIT J-14

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

YEAR ENDED DECEMBER 31	SCHOOL DISTRICT POPULATION (1)	PERSONAL INCOME (2)	TOTAL PER CAPITA INCOME (3)	UNEMPLOYMENT RATE (4)
2019	445,349	Unavailable	Unavailable	3.30%
2018	444,745	27,627,559,400	62,120	3.80%
2017	445,610	26,464,332,290	59,389	4.40%
2016	445,972	25,778,073,544	57,802	5.80%
2015	446,832	25,139,661,984	56,262	6.30%
2014	448,168	24,093,511,680	53,760	8.90%
2013	448,824	23,169,192,528	51,622	8.90%
2012	450,522	23,024,827,854	51,107	9.00%
2011	450,187	22,516,552,992	50,016	8.50%
2010	449,129	21,735,148,826	48,394	4.40%

(1) NJ Dept. of Labor & Workforce Development

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

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

(4) NJ Dept. of Labor & Workforce Development

Source: State Department of Education

EXHIBIT J-15 NOT APPICABLE

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

FUNCTION/PROGRAM	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Instruction:										
Regular	74.00	69.00	73.00	75.00	80.00	84.00	86.00	82.00	77.00	74.00
Special Education	45.00	46.00	48.00	53.00	26.00	29.00	28.00	29.00	31.00	41.00
Other Special Education	0.00	0.00	0.00	3.00	0.00	0.00	0.00	1.00	1.00	1.00
Vocational	54.00	53.00	54.00	54.00	44.00	44.00	54.00	51.00	52.00	53.50
Adult/Continuing Education Programs	4.00	3.00	0.00	0.00	10.00	9.00	0.00	0.00	0.00	0.00
Support Services:										
Student & Instructional Related Services	38.50	37.50	39.00	21.00	42.00	46.00	57.00	53.00	58.00	59.00
General Administration Services	5.00	5.00	3.00	18.00	8.00	9.00	10.00	4.00	5.00	5.00
School Administration Services	18.00	19.00	21.00	31.00	32.00	31.00	31.00	35.00	39.00	40.00
Business Administrative Services	9.00	9.00	9.00	9.00	8.00	7.00	1.00	6.00	6.00	6.00
Plant Operations & Maintenance	39.00	33.00	39.00	36.00	39.00	37.00	38.00	38.00	39.00	42.00
Total	286.50	274.50	286.00	300.00	289.00	296.00	305.00	299.00	308.00	321.50

Source: District Records

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

FISCAL YEAR ENDED JUNE 30,	ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	PUPIL / TEACHER RATIO HIGH SCHOOL	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2020	2,109	\$ 42,328,743	\$ 20,071	-4.38%	173.0	12.5	2088.95	2000.96	1.02%	95.79%
2019	2,092	43,910,896	20,990	7.33%	168.0	12.5	2067.84	1978.74	4.40%	95.69%
2018	2,012	39,347,005	19,556	-5.41%	176.0	11.4	1980.70	1875.60	0.15%	94.69%
2017	2,016	41,681,270	20,675	4.57%	168.0	12.0	1977.74	1876.06	-2.59%	94.86%
2016	2,063	40,789,583	19,772	7.09%	150.0	13.8	2030.33	1915.32	-0.12%	94.34%
2015	2,056	37,961,119	18,464	0.30%	157.0	13.1	2032.78	1923.30	0.29%	94.61%
2014	2,057	37,865,915	18,408	2.35%	168.0	12.2	2026.99	1917.40	-1.84%	94.59%
2013	2,096	37,696,837	17,985	-5.07%	163.0	12.9	2064.90	1935.90	3.91%	93.75%
2012	2,020	38,268,520	18,945	6.63%	160.0	12.6	1987.20	1857.90	1.52%	93.49%
2011	1,986	35,284,246	17,766	-10.88%	169.5	11.7	1957.50	1825.80	-1.76%	93.27%

Source: District Records

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

DISTRICT BUILDINGS	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
High School:										
Westampton:										
Square Feet	316,957	316,957	316,957	316,957	316,957	316,957	316,957	316,957	316,957	316,957
Capacity (Students)	1,390	1,390	1,390	1,390	1,390	1,390	1,390	1,390	1,390	1,390
Enrollment	1,257	1,255	1,209	1,211	1,211	1,208	1,200	1,166	1,188	1,139
Medford:										
Square Feet	250,422	250,422	250,422	250,422	250,422	250,422	250,422	250,422	250,422	250,422
Capacity	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150
Enrollment	852	837	763	790	790	799	800	770	767	829

Number of Schools at June 30, 2020:
Senior High School = 2

Source: District Facilities Office

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

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

FISCAL YEAR	WESTAMPTON CAMPUS	MEDFORD CAMPUS	TOTAL
2020	\$ 292,923	\$ 338,947	\$ 631,870
2019	323,395	349,635	673,030
2018	287,216	400,451	687,667
2017	387,424	356,075	743,499
2016	353,381	336,387	689,768
2015	348,581	348,581	697,162
2014	518,531	518,530	1,037,061
2013	517,145	447,904	965,049
2012	399,003	493,119	892,122
2011	416,401	269,373	685,774
Total	<u>\$ 3,844,000</u>	<u>\$ 3,859,002</u>	<u>\$ 7,703,002</u>

Source: District records

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
INSURANCE SCHEDULE
June 30, 2020**

Insurance Overview:	EXPOSURE	PREMIUM
PROPERTY:	147,693,107	119,469
ENVIRONMENTAL LIABILITY		
EXCLUDES UST:	1,000,000	INCLUDED
REAL & PERSONAL PROPERTY	500,000,000	125,476
BEAZLEY BREACH RESPONSE:	1,000,000	INCLUDED
CRISIS MANAGEMENT:	1,000,000	INCLUDED
EDP:	1,300,000	3,725
EQUIPMENT BREAKDOWN:	100,000,000	10,070
CRIME:		
FAITHFUL PERFORMANCE:	100,000	348
MONEY & SECURITIES:	50,000	463
MONEY ORDERS/COUNTERFEIT:	50,000	463
FORGERY & ALTERATION:	50,000	162
COMPUTER FRAUD:	50,000	34
GENERAL LIABILITY:	16,000,000	39,346
AUTO LIABILITY:	16,000,000	63,758
AUTO PHYSICAL DAMAGE:	ACV BASIS	12,840
WORKERS COMPENSATION:	17,476,536	340,675
	NON PROF:	1,910,689
	EXPERIENCE MOD:	0.8936
WC SUPPLEMENTAL INDEMNITY:	7 DAYS	8,671
SCHOOL LEADERS ERRORS & OMISSIONS:	16,000,000	80,155
	15,000 DEDUCTIBLE	
STUDENT ACCIDENT:	GOLD PLAN	26,650
INCLUDING DAY CARE:	YES	
STUDENT ACCIDENT CAT:	5,000,000	9,393

Source: District records

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

SINGLE AUDIT SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-1

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as 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 Burlington County Institute of Technology (the "School District") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated February 2, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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.

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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
February 2, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

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

Report on Compliance for Each Major Federal and State Program

We have audited the Burlington County Institute of Technology's (the "School District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2020. The 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.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 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 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 School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the 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 School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or 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 or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's 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 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.

Purpose of this Report

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 the Uniform Guidance and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
February 2, 2021

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**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE OR CLUSTER	FEDERAL CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE, JUNE 30, 2020 (ACCOUNTS RECEIVABLE)	UNEARNED REVENUE
U.S. Department of Health and Human Services Passed Through New Jersey Department of Human Services: Medical Assistance Program (SEMI) - Cluster Medical Assistance Program (SEMI) - Cluster	93.778 93.778	2005NJ5MAP 1905NJ5MAP	100-054-7540-211 100-054-7540-211	\$ 27,660 34,900	7/1/19-6/30/20 7/1/18-6/30/19	(6,602) (6,602)	20,762 \$ 6,602	(27,660) \$ (27,660)	- -	\$ (6,898)	- (6,898)
Total U.S. Department of Health and Human Services						(6,602)	27,364	(27,660)	-	(6,898)	-
U.S. Department of Agriculture Passed Through New Jersey Department of Agriculture: Child Nutrition Cluster: School Breakfast Program COVID-19 School Breakfast Program School Breakfast Program	10.553 10.553 10.553	201NJ304N1099 201NJ304N1099 191NJ304N1099	100-010-3350-028 100-010-3350-028 100-010-3350-028	77,142 17,138 135,339	7/1/19-6/30/20 3/13/20-6/30/20 7/1/18-6/30/19	- (10,389) (10,389)	77,142 9,482 97,013	(77,142) (17,138) (94,280)	- -	- (7,656) (7,656)	- -
National School Lunch Program COVID-19 National School Lunch Program National School Lunch Program Healthy Hunger-Free Kids Act COVID-19 Healthy Hunger-Free Kids Act Food Distribution Program (Noncash Assistance) Food Distribution Program (Noncash Assistance)	10.555 10.555 10.555 10.555 10.555 10.555	201NJ304N1099 201NJ304N1099 191NJ304N1099 201NJ304N1099 201NJ304N1099 201NJ304N1099 191NJ304N1099	100-010-3350-026 100-010-3350-026 100-010-3350-026 100-010-3350-026 100-010-3350-026 Unavailable Unavailable	237,789 26,720 382,773 7,763 545 43,905 51,283	7/1/19-6/30/20 3/13/20-6/30/20 7/1/18-6/30/19 7/1/19-6/30/20 3/13/20-6/30/20 7/1/19-6/30/20 7/1/18-6/30/19	- - (25,706) - - 890 (24,816)	237,789 14,784 25,706 7,763 301 43,905 -	(237,789) (26,720) - (7,763) (545) (42,976) (890)	- -	- (11,936) -	929 929
Total U.S. Department of Agriculture						(35,205)	427,261	(410,963)	-	(19,836)	929
U.S. Department of Education Passed Through New Jersey Department of Education: I.D.E.A. Part B (Special Education Cluster) Basic Basic	84.027 84.027	H027A190100 H027A180100	100-034-5065-016 100-034-5065-016	485,914 469,594	7/1/19-6/30/20 7/1/18-6/30/19	(47,229) (47,229)	485,914 47,229	(485,914) (485,914)	- -	- (6,898)	- -
Total Special Education Cluster						(47,229)	533,143	(485,914)	-	(6,898)	-
E.S.E.A. Consolidated: Title I - Part A Title I - Part A	84.010 84.010	S010A190030 S010A180030	100-034-5064-194 100-034-5064-194	569,098 630,583	7/1/19-6/30/20 7/1/18-6/30/19	- (141,147)	569,098 141,147	(569,098) (569,098)	- -	- -	- -
Title II - Part A, Supporting Effective Instruction Title II - Part A, Supporting Effective Instruction	84.367 84.367	S367A190029 S367A180029	100-034-5063-290 100-034-5063-290	43,675 47,035	7/1/19-6/30/20 7/1/18-6/30/19	(257) (257)	43,675 257	(43,675) (43,675)	- -	- -	- -
Title IV - Part A	84.424	S424A190031	100-034-5063-348	31,944	7/1/19-6/30/20	-	31,944	(31,944)	-	-	-
Carl D. Perkins Vocational & Applied Technology Education Act Secondary	84.048	V048A190030	100-034-5062-100	368,814	7/1/19-6/30/20	-	346,660	(368,814)	-	(22,154)	-
Total U.S. Department of Education						(188,633)	1,665,924	(1,499,445)	-	(22,154)	-
U.S. Department of Labor Passed Through New Jersey Department of Labor: Vocational Rehabilitation Act of 1973	84.126	N/A	100-062-4535-100	23,770	7/1/19-6/30/20	-	23,770	(23,770)	-	-	-
Total U.S. Department of Labor						-	23,770	(23,770)	-	-	-
Total Expenditures of Federal Awards						(230,440)	2,144,319	(1,961,838)	-	(48,888)	929

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE JUNE 30, 2020 ACCOUNTS RECEIVABLE	MEMO	
									BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
New Jersey Department of Education:										
State Aid Public:										
495-034-5120-078	Equalization Aid	\$ 13,228,997	7/1/19-6/30/20	\$ -	\$ 13,228,997	\$ (13,228,997)	\$ -	\$ -	\$ 1,301,033	\$ 13,228,997
495-034-5120-089	Special Education Categorical Aid	1,264,555	7/1/19-6/30/20	-	1,264,555	(1,264,555)	-	-	124,365	1,264,555
495-034-5120-084	Security Aid	244,568	7/1/19-6/30/20	-	244,568	(244,568)	-	-	24,053	244,568
Total State Aid Public										
				-	14,738,120	(14,738,120)	-	-	1,449,451	14,738,120
Reimbursed TPAF-Social Security Contributions (Non-Budgeted)										
495-034-5094-003	Reimbursed TPAF Social Security Contributions (Non-Budgeted)	1,003,830	7/1/19-6/30/20	-	956,490	(1,003,830)	-	(47,340)	-	1,003,830
TPAF - Post Retirement										
495-034-5094-003	TPAF - Post Retirement	918,815	7/1/18-6/30/19	(45,122)	45,122	-	-	-	-	-
Medical (Noncash Assistance)										
495-034-5094-001	TPAF - Pension Contributions (Noncash Assistance)	992,766	7/1/19-6/30/20	-	992,766	(992,766)	-	-	-	992,766
TPAF - Long-Term Disability Insurance (Noncash Assistance)										
495-034-5094-004	TPAF - Long-Term Disability Insurance (Noncash Assistance)	2,676,051	7/1/19-6/30/20	-	2,676,051	(2,676,051)	-	-	-	2,676,051
				-	2,304	(2,304)	-	-	-	2,304
				(45,122)	19,410,853	(19,413,071)	-	(47,340)	1,449,451	19,413,071
Special Revenue Fund:										
Career and Technical Education State Aid										
100-034-5062-032	Perkins Post Secondary	97,320	7/1/19-6/30/20	-	97,320	(97,320)	-	-	-	97,320
100-034-5062-032	Apprentice Coordinator	15,900	7/1/19-6/30/20	-	8,707	(15,900)	-	(7,193)	-	15,900
100-034-5062-032	Apprentice Coordinator	15,900	7/1/18-6/30/19	(2,864)	2,864	-	-	-	-	-
				(2,864)	108,891	(113,220)	-	(7,193)	-	113,220
Total Special Revenue Fund										
				-	6,114	(8,387)	-	(2,273)	-	8,387
				(592)	592	-	-	-	-	-
				(592)	6,706	(8,387)	-	(2,273)	-	8,387
				(48,578)	19,526,450	(19,534,678)	-	(56,806)	1,449,451	19,534,678
				\$	\$	\$	\$	\$	\$	\$
Total State Financial Assistance										
State Financial Assistance Programs not subject to Calculation for Major Program Determination:										
TPAF - Post Retirement										
495-034-5094-001	Medical (Noncash Assistance)	992,766	7/1/19-6/30/20	-	-	992,766	-	-	-	992,766
TPAF Pension										
495-034-5094-002	Contributions (Noncash Assistance)	2,676,051	7/1/19-6/30/20	-	-	2,676,051	-	-	-	2,676,051
TPAF Pension - Non contributory										
495-034-5094-004	Insurance (Noncash Assistance)	2,304	7/1/19-6/30/20	-	-	2,304	-	-	-	2,304
				-	-	2,304	-	-	-	2,304
				-	-	(15,863,557)	-	-	-	(15,863,557)

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

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Burlington County Institute of Technology. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2020. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2020.

Note 3. Relationship to Basic Financial Statements

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Note 3. Relationship to Basic Financial Statements (continued)

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June 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, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$10,554) for the general fund and \$0 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, 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 expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 27,660	\$ 19,402,517	\$ 19,430,177
Special Revenue Fund	1,499,445	113,220	1,612,665
Adult Education Fund	23,770	-	23,770
Food Service Fund	410,963	8,387	419,350
	<hr/>	<hr/>	<hr/>
Total Awards & Financial Assistance	<u>\$ 1,961,838</u>	<u>\$ 19,524,124</u>	<u>\$ 21,485,962</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Burlington County Institute of Technology had no loan balances outstanding at June 30, 2020.

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section I - Summary of Auditor's Results (continued)

State Financial Assistance

Dollar threshold used to determine Type A programs _____ \$750,000 _____

Auditee qualified as low-risk auditee? X yes no

Internal control over major programs:

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

 2) Significant deficiency(ies) identified? yes X no

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 New Jersey OMB's Circular 15-08? yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
_____	State Aid Public: _____
_____ 495-034-5120-078 _____	_____ Equalization Aid _____
_____ 495-034-5120-084 _____	_____ Security Aid _____
_____ 495-034-5120-089 _____	_____ Special Education Categorical Aid _____
_____	_____

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section II – Financial Statement Findings – N/A

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs – N/A

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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS – N/A

STATE FINANCIAL ASSISTANCE – N/A

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

Finding No. 2019-001

Condition:

During our audit of procurement and standard operating procedures it was noted that there were numerous violations and non-compliance due to lack of oversight by building level management.

Current Status:

This finding has been corrected.

Federal Awards – N/A

State Financial Assistance – N/A