

**BURLINGTON COUNTY INSTITUTE OF
TECHNOLOGY**

Westampton, New Jersey
County of Burlington

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Prepared by

**Burlington County Institute of Technology
Business Office**

OUTLINE OF ACFR

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INTRODUCTORY SECTION



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

**Discover
Your
Potential**

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Mr. Eder Joseph
Assistant Superintendent
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Mr. Andrew C. Willmott, CPA
Business Administrator/Board Secretary
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February 27, 2023

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

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Burlington County Institute of Technology for the fiscal year ended June 30, 2022, 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, 2022, 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 Annual Comprehensive 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 increased approximately 0.62% 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>
2021-2022	2,122	0.62%
2020-2021	2,109	0.81%
2019-2020	2,092	3.98%
2018-2019	2,012	-0.20%
2017-2018	2,016	-5.41%
2016-2017	2,063	0.34%
2015-2016	2,056	-0.05%
2014-2015	2,057	-1.86%
2013-2014	2,096	3.76%
2012-2013	2,020	1.71%

ECONOMIC CONDITION AND OUTLOOK

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.

BCIT continues to develop articulation agreements with institutes of higher education to allow students to earn college credits while in high school.

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.

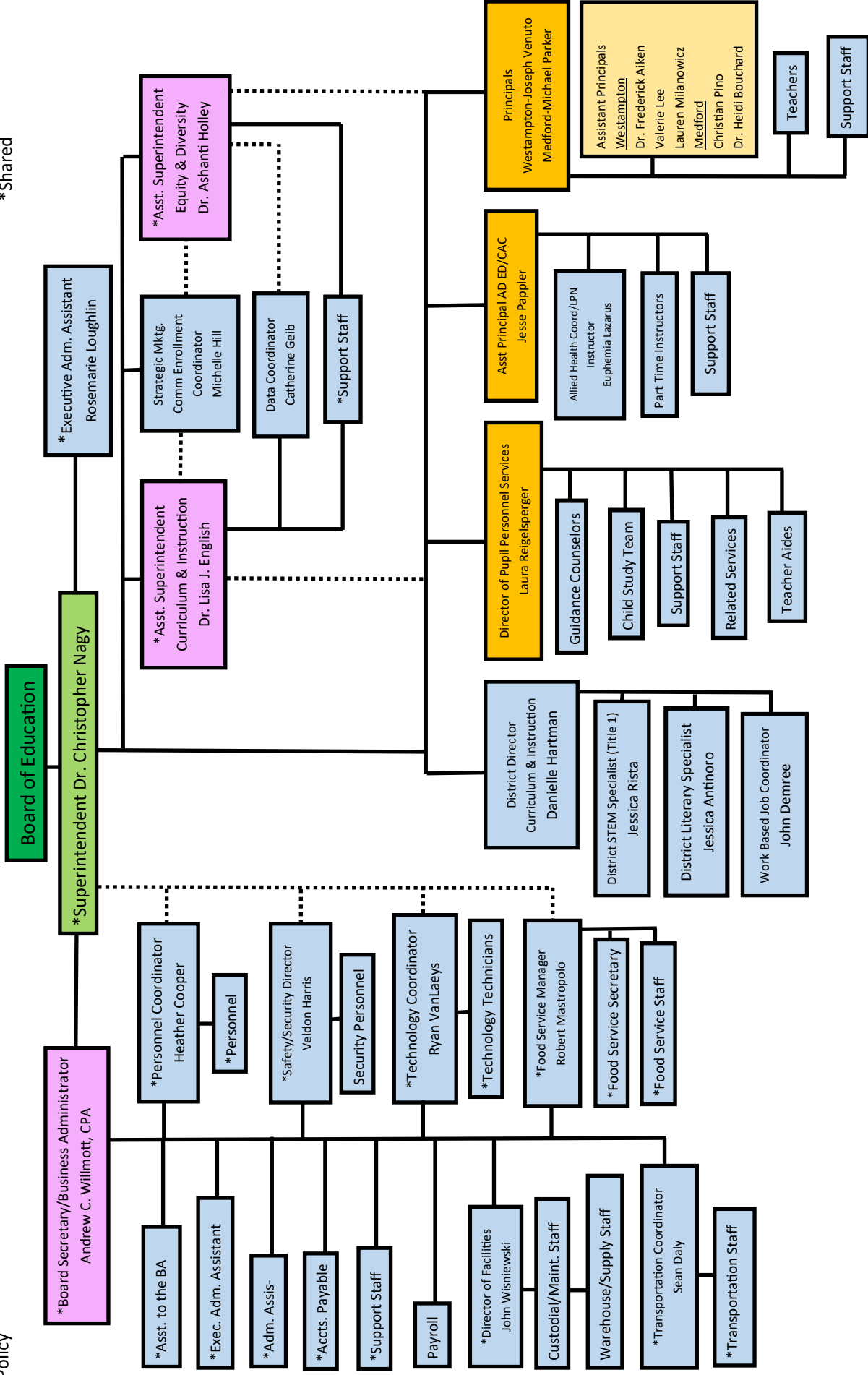
Respectfully submitted,



Christopher Nagy, Ed. D.
Superintendent



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



BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

ROSTER OF OFFICIALS

JUNE 30, 2022

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Leon E. Jones, Jr., President	2023
Robert Brittain, Vice President	2024
Anna Evans	2022
Lorene Moore	2022
Michelle Parker	2023
Tyler Burrell	2024

OTHER OFFICIALS

Dr. Christopher Nagy, Superintendent

Andrew Willmott, Business Administrator/Board Secretary

Constance L. Stewart, Treasurer

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

CONSULTANTS AND ADVISORS

ARCHITECT

Netta Architects
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Mountainside, New Jersey 07092

AUDIT FIRM

Brent W. Lee & Co., LLC
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ATTORNEY

Malamut & Associates, LLC
457 Haddonfield Road, Suite 500
Cherry Hill, New Jersey 08002

OFFICIAL DEPOSITORY

OceanFirst Bank
Mount Laurel, NJ 08054

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FINANCIAL SECTION



BRENT W. LEE & CO., LLC
Certified Public Accounting Firm

Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Burlington County Institute of Technology (the "District"), in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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 District as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 7 to the financial statements, during the fiscal year ended June 30, 2022, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards*, and audit requirements prescribed by the Office of School Finance Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis and Budgetary Comparison Information, and the schedules related to accounting and reporting for pension and other post-retirement benefits, as listed on 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and 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 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 (*Uniform Guidance*) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are presented for purposes of additional analysis and not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 standard generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and 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.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the supplementary information and statistical section, as listed in the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated February 27, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,



Brent W. Lee
Certified Public Accountant
Licensed Public School Accountant No. 700

Cinnaminson, New Jersey
February 27, 2023

REQUIRED SUPPLEMENTARY INFORMATION - PART I

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(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, 2022. 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, 2022
(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, 2022
(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 2022 compared to fiscal year 2021.

Table 1
Summary of Net Position

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Increase/ (Decrease)</u>	<u>Percentage Change</u>
Current & Other Assets	9,982,856	8,312,440	1,670,416	20.1%
Capital Assets, Net	43,966,930	44,930,244	(963,314)	-2.1%
Total Assets	<u>53,949,786</u>	<u>53,242,684</u>	<u>707,102</u>	<u>1.3%</u>
Deferred Outflow of Resources	<u>737,247</u>	<u>871,326</u>	<u>(134,079)</u>	<u>-15.4%</u>
Current and other Liabilities	4,317,442	3,485,300	832,142	23.9%
Noncurrent Liabilities	8,412,917	10,306,457	(1,893,540)	-18.4%
Total Liabilities	<u>12,730,359</u>	<u>13,791,757</u>	<u>(1,061,398)</u>	<u>-7.7%</u>
Deferred Inflow of Resources	5,305,244	5,289,387	15,857	0.3%
Net Position:				
Net Investment in Capital Assets	43,679,558	44,551,244	(871,686)	-2.0%
Restricted	4,287,317	4,522,191	(234,874)	-5.2%
Unrestricted (Deficit)	<u>(11,315,445)</u>	<u>(14,040,569)</u>	<u>2,725,124</u>	<u>-19.4%</u>
Total Net Position	<u><u>36,651,430</u></u>	<u><u>35,032,866</u></u>	<u><u>1,618,564</u></u>	<u><u>4.6%</u></u>

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

Financial Analysis of the School District as a Whole

Table 2 shows the changes in net position for fiscal year 2022 compared to fiscal year 2021.

Table 2
Summary of Changes in Net Position (continued)

	June 30, 2022	June 30, 2021	Increase/ (Decrease)	Percentage Change
Revenues:				
Program Revenues:				
Charges for Services	\$1,081,165.00	\$893,170.00	\$187,995.00	21.0%
Operating Grants & Contributions	\$12,095,710.00	\$8,082,835.00	\$4,012,875.00	49.6%
General Revenues:				
County Appropriations	\$15,894,974.00	\$15,894,974.00	\$0.00	0.0%
Federal & State Aid	\$15,324,128.00	\$14,946,580.00	\$377,548.00	2.5%
Tuition	\$7,493,669.00	\$7,291,555.00	\$202,114.00	2.8%
Other Restricted Miscellaneous Revenue	\$31,075.00	\$8,480.00	\$22,595.00	266.5%
Miscellaneous Income	\$1,591,305.00	\$1,822,333.00	(\$231,028.00)	-12.7%
Total Revenues	\$53,512,026.00	\$48,939,927.00	\$4,572,099.00	9.3%
Function/Program Expenditures:				
Regular Instruction	\$7,785,883	\$7,185,471	\$600,412	8.4%
Special Education Instruction	\$2,122,196	\$1,935,476	\$186,720	9.6%
Vocational Education	\$4,821,751	\$5,274,633	-\$452,882	-8.6%
Other Instruction	\$1,298,585	\$858,980	\$439,605	51.2%
Student & Instruction Related Services	\$4,163,556	\$3,426,853	\$736,703	21.5%
Other Administrative	\$663,351	\$664,343	-\$992	-0.1%
School Administrative Services	\$6,066,904	\$6,765,055	-\$698,151	-10.3%
Plant Operations & Maintenance	\$4,935,538	\$4,716,343	\$219,195	4.6%
Pupil Transportation	\$451,652	\$172,779	\$278,873	161.4%
Unallocated Benefits	\$13,705,270	\$12,613,782	\$1,091,488	8.7%
Special Schools	\$138,470	\$132,660	\$5,810	4.4%
Interest & Other Charges	\$236,013	\$236,013	\$0	0.0%
Unallocated Depreciation	\$3,122,524	\$2,602,054	\$520,470	20.0%
Adjustment to Fixed Assets	\$0	\$25,419	-\$25,419	-100.0%
Food Service	\$1,147,588	\$470,810	\$676,778	143.7%
Fire School	\$123,485	\$146,720	-\$23,235	-15.8%
Adult Education Programs	\$989,407	\$952,906	\$36,501	3.8%
Summer Camps	\$19,469	\$9,824	\$9,645	98.2%
General Administration	\$101,820	\$100,069	\$1,751	1.7%
Total Expenditures	\$51,893,462	\$48,290,190	\$3,603,272	7.5%
Change in Net Position	\$1,618,564	\$649,737	\$968,827	149.1%
Net Position- Beginning	\$35,032,866	\$34,383,129	\$649,737	1.9%
Net Position- Ending	\$36,651,430	\$35,032,866	\$1,618,564	4.6%

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(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 2022, the net position of governmental activities increased by \$1,238,163. The primary reason for the increase was due to implementing GASB 84 and certain other revenues that were not anticipated this year. This is the cause the change in net position to go from a positive \$1,410,891 to a positive of \$1,238,163.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$36,191,609, with an unrestricted deficit balance of \$11,747,169. 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)	\$ 11,747,169.00)
Add back: PERS Pension Liability	6,987,942.00
Less: Deferred Outflows related to pensions	(737,247.00)
Add back: Deferred Inflows related to pensions	<u>5,305,244.00</u>
Unrestricted Net Position (Without GASB 68)	<u><u>\$ (191,230.00)</u></u>

Business-type Activities

During the fiscal year 2022, the net position of business-type activities increased by \$380,401.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$459,821.

General Fund Budgeting Highlights

Final budgeted revenues were \$39,002,145, which was equal to the original budget. Excluding nonbudgeted revenues, the School District's actual revenues of \$46,687,947 exceeded budgeted revenues by \$334,463.

Final budgeted appropriations were \$39,164,951, which was an increase of \$162,806 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 of \$38,527,010 is less than budgeted appropriations by \$362,941.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

General Fund Budgeting Highlights (continued)

The School District's general fund balance – budgetary basis (Exhibit C-1) was \$7,338,393 at June 30, 2022, an increase of \$534,598 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 \$5,818,062, an increase of \$473,146 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District's general fund increased by \$473,146. The primary factor(s) affecting the change in fund balance of the general fund is as follows:

- Our revenues and expenses aligned with our budget for the 2022 school year. The increase was due to personnel savings, energy efficient LEDs, and an increase in State Aid.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District's food service fund increased by \$328,660. The primary factor(s) affecting the change in net position of the food service fund is as follows:

- We had an increase in our food service program since the Free and Reduced Lunch program was expanded and we were no longer remote due to Covid 19.

Fire School - During the current fiscal year, the net position of the School District's Fire School fund decreased by \$956. 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 increased. This is also due to smaller classroom sizes due to Covid 19.
- District transferred money from the General budget to the Fire School fund.

Adult Education - During the current fiscal year, the net position of the School District's Adult Education fund increased by \$12,635. The primary factor(s) affecting the change in net position of the Adult Education fund is as follows:

- We are working to increase the enrollment in our Adult Education Programs through marketing & communications with the community. We expect to breakeven in Adult Ed. In two to three years.

Summer Camp - During the current fiscal year, the net position of the School District's Summer Camp fund decreased by \$569. The primary factor(s) affecting the change in net position of the Summer Camp fund is as follows:

- The Summer Camp program is roughly a \$20,000 program, which we aim to break even in. We have a healthy fund balance to support a small deficit in operations.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited) (Continued)

Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2022, totaled \$43,966,929 (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 \$963,315. This decrease is primarily due to current year additions being less than depreciation expenses. Table 4 shows fiscal 2022 balances compared to 2021.

Table 4
Summary of Capital Assets - Governmental Activities

Capital Assets (Net of Depreciation):	June 30, 2022	June 30, 2021	Increase/ (Decrease)	Percentage Change
Land Improvements	379,000	379,000	\$ -	0.0%
Building and Improvements	38,808,546	40,031,342	\$ (1,222,796)	-3.1%
Equipment	4,187,958	4,497,379	\$ (309,421)	-6.9%
Right-of-Use Assets	563,329	-	\$ 563,329	
	<u>43,938,833</u>	<u>44,907,721</u>	<u>-</u>	
Depreciation Expense	<u>3,122,524</u>	<u>2,602,054</u>	<u>(968,888)</u>	

Table 4
Summary of Capital Assets - Business Type Activities

Capital Assets (Net of Depreciation):	June 30, 2022	June 30, 2021	Increase/ (Decrease)	Percentage Change
Equipment	28,096	22,523	\$ 5,573	24.7%
	<u>28,096</u>	<u>22,523</u>		
Depreciation Expense	<u>3,305</u>	<u>3,305</u>	<u>5,573</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, 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

A. Government-Wide Financial Statements

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$ 5,388,094	429,829	\$ 5,817,923
Internal Balances	-		-
Receivables, Net (Note 4)	396,384	158,328	554,712
Inventory		10,553	10,553
Restricted Cash & Cash Equivalents	3,599,668		3,599,668
Capital Assets, Net			
Non-Depreciable	379,000		379,000
Depreciable (Note 5)	43,559,833	28,097	43,587,930
Total Assets	53,322,979	626,807	53,949,786
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pensions (Note 9)	737,247		737,247
Total Deferred Outflows of Resources	737,247	-	737,247
LIABILITIES			
Unearned Revenue	-	134,518	134,518
Accounts Payable	3,209,211	32,468	3,241,679
Due to Other Governments	737,423		737,423
Accrued Salaries	203,822		203,822
Noncurrent Liabilities (Note 8):			
Due Beyond One Year	8,412,917		8,412,917
Total Liabilities	12,563,373	166,986	12,730,359
DEFERRED INFLOWS OF RESOURCES			
Related to Pensions (Note 9)	5,305,244		5,305,244
Total Deferred Inflows of Resources	5,305,244	-	5,305,244
NET POSITION			
Net Investment in Capital Assets	43,651,461	28,097	43,679,558
Restricted for:			
Excess Surplus	-		-
Capital Projects	3,462,474	-	3,462,474
Unemployment Compensation	671,792		671,792
Student Activities	153,051		153,051
Unrestricted (Deficit)	(11,747,169)	431,724	(11,315,445)
Total Net Position	\$ 36,191,609	459,821	\$ 36,651,430

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, 2022**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
	EXPENSES	CHARGES FOR SERVICES OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES
Governmental Activities:				
Instruction:				
Regular Instruction	\$ 7,785,883	2,059,535	(5,726,348)	\$ (5,726,348)
Special Education Instruction	2,122,196		(2,122,196)	(2,122,196)
Vocational Education	4,821,751		(4,821,751)	(4,821,751)
Other Instruction	1,298,585		(1,298,585)	(1,298,585)
Support Services:				
Student & Instruction Related Services	4,163,556	674,170	(3,489,386)	(3,489,386)
Other Administrative	663,351		(663,351)	(663,351)
School Administrative Services	6,066,904		(6,066,904)	(6,066,904)
Plant Operations & Maintenance	4,935,538		(4,935,538)	(4,935,538)
Pupil Transportation	451,652		(451,652)	(451,652)
Unallocated Employee Benefits	13,705,270	7,956,000	(5,749,270)	(5,749,270)
Special Schools	138,470		(138,470)	(138,470)
Debt Service:				
Interest & Other Charges	236,013		(236,013)	(236,013)
Unallocated Depreciation	3,122,524		(3,122,524)	(3,122,524)
Total Governmental Activities	49,511,693	10,689,705	(38,821,988)	(38,821,988)
Business-Type Activities:				
Food Service	1,147,588	216,820	328,660	328,660
Fire School	123,485	73,025	(50,460)	(50,460)
Adult Education Programs	989,407	670,600	(172,230)	(172,230)
Summer Camps	19,469	18,900	(569)	(569)
General Administration	101,820	101,820	-	-
Total Business-Type Activities	2,381,769	1,081,165	105,401	105,401
Total Primary Government	\$ 51,893,462	1,081,165	(38,821,988)	\$ (38,716,587)
General Revenues:				
Taxes:				
County Appropriation			15,894,974	15,894,974
Federal & State Aid Not Restricted			15,324,128	15,324,128
Tuition Charges			7,493,669	7,493,669
Other Restricted Miscellaneous Revenue			31,075	31,075
Miscellaneous Income			1,591,305	1,591,305
Transfers			(275,000)	275,000
Total General Revenues, Special Items, Extraordinary Items & Transfers			40,060,151	40,335,151
Change In Net Position			1,238,163	1,618,564
Net Position - July 1			34,953,446	35,032,866
Net Position - Ending			\$ 36,191,609	\$ 36,651,430

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

B. Fund Financial Statements

Governmental Funds

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL
Cash & Cash Equivalents	\$ 5,235,043	\$ 153,051	\$ 5,388,094
Interfund Receivable	139,195		139,195
Due from Other Governments:			
Federal	7,535	139,195	146,730
State	53,118		53,118
Other	196,536		196,536
Restricted Cash & Cash Equivalents	<u>3,599,668</u>		<u>3,599,668</u>
 Total Assets	 <u>9,231,095</u>	 <u>292,246</u>	 <u>9,523,341</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 2,625,733		2,625,733
Interfund Payable		139,195	139,195
Unearned Revenue			-
Payroll Deductions and Withholdings Payable	583,478		583,478
Accrued Salaries & Wages	<u>203,822</u>		<u>203,822</u>
 Total Liabilities	 <u>3,413,033</u>	 <u>139,195</u>	 <u>3,552,228</u>
Fund Balances:			
Restricted for:			
Excess Surplus	-		-
Capital Reserve	3,462,474		3,462,474
Unemployment Compensation	671,792		671,792
Student Activities		153,051	153,051
Assigned to:			
Other Purposes	362,942		362,942
Unassigned	<u>1,320,854</u>		<u>1,320,854</u>
 Total Fund Balances	 <u>5,818,062</u>	 <u>153,051</u>	 <u>5,971,113</u>
 Total Liabilities & Fund Balances	 <u>\$ 9,231,095</u>	 <u>292,246</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of assets is \$101,588,295 and the accumulated depreciation is \$57,649,462.	\$ 43,938,833
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	737,247
Deferred Inflows Related to Pensions	(5,305,244)
Accrued pension contributions for June 30, 2022 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.	(737,423)
Long term liabilities, including compensated absences, lease obligations and net pension liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(8,412,917)</u>
Net Position of Governmental Activities	<u>\$36,191,609</u>

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022**

	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL
Revenues:			
Local Sources:			
Local Tax Levy	\$ 15,894,974		\$ 15,894,974
Tuition Charges	7,493,669		7,493,669
Other Restricted Miscellaneous Revenue	31,075		31,075
Unrestricted Miscellaneous Revenues	458,322		458,322
Local Sources		346,927	346,927
Total Local Sources	23,878,040	346,927	24,224,967
State Sources	22,729,212	157,093	22,886,305
Federal Sources	19,243	3,108,285	3,127,528
Total Revenues	46,626,495	3,612,305	50,238,800
Expenditures:			
Instruction:			
Regular Instruction	5,726,348	2,059,535	7,785,883
Special Education Instruction	2,122,196		2,122,196
Vocational Education	4,821,751		4,821,751
Other Instruction	1,298,585		1,298,585
Support Services & Undistributed Costs:			
Student & Instruction Related Services	3,489,386	674,170	4,163,556
Other Administrative Services	663,351		663,351
School Administrative Services	6,066,904		6,066,904
Plant Operations & Maintenance	4,935,538		4,935,538
Pupil Transportation	451,652		451,652
Unallocated Benefits	7,733,634	604,661	8,338,295
On-Behalf TPAF Pension & Social Security Contributions	7,351,339		7,351,339
Special Schools	138,470		138,470
Capital Outlay	843,182	237,026	1,080,208
Debt Service:			
Interest & Other Charges	236,013		236,013
Total Expenditures	45,878,349	3,575,392	49,453,741
Excess/(Deficiency) of Revenues Over Expenditures	748,146	36,913	785,059
Other Financing Sources/(Uses):			
Operating Transfers In (Out) - Transfer to Cover Deficit	(275,000)		(275,000)
Total Other Financing Sources & (Uses)	(275,000)	-	(275,000)
Net Change in Fund Balances	473,146	36,913	510,059
Fund Balance - July 1	5,344,916	116,138	5,461,054
Fund Balance - June 30	\$ 5,818,062	153,051	\$ 5,971,113

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

Total Net Change in Fund Balances - Governmental Funds (From B-2)		\$510,059
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>		
<p>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:</p>		
Capital Outlays	\$ 1,080,208	
Adjustments per District Appraisal & Right-of-Use Assets	1,073,428	
Depreciation Expense	(3,122,524)	(968,888)
<p>Repayment of lease obligation principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
Right-to -Use Asset Adjustment	(576,642)	
Current Year	289,270	(287,372)
<p>Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including services and interest costs, administrative costs, investment returns, and experience/assumptions. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.</p>		
		(196,548)
<p>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 a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		2,180,912
Change in Net Position of Governmental Activities		\$1,238,163

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

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Proprietary Funds

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2022**

ASSETS	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND				GOVERNMENTAL ACTIVITIES	TOTALS
	FOOD SERVICE FUND	FIRE SCHOOL	ADULT EDUCATION	SUMMER CAMP	GENERAL ADMINISTRATION	
Current Assets:						
Cash & Cash Equivalents	\$ 245,355	13,956	162,286	8,232		\$ 429,829
Receivable:						
State	1,354	-	-	-		1,354
Federal	126,213	-	-	-		126,213
Other	158	8,797	21,806	-		30,761
Inventories	10,553	-	-	-		10,553
Total Current Assets	383,633	22,753	184,092	8,232	-	598,710
Noncurrent Assets:						
Equipment	46,982	-	6,943	-		53,925
Less: Accumulated Depreciation	(20,359)	-	(5,469)	-		(25,828)
Total Capital Assets, Net	26,623	-	1,474	-	-	28,097
Total Assets	410,256	22,753	185,566	8,232	-	626,807
LIABILITIES						
Current Liabilities:						
Unearned Revenue	3,364	-	131,154	-		134,518
Accounts Payable	-	3,461	29,007	-		32,468
Interfund Payables	-	-	-	-		-
Total Current Liabilities	3,364	3,461	160,161	-	-	166,986
NET POSITION						
Net Investment in Capital Assets	26,623	-	1,474	-		28,097
Unrestricted (Deficit)	380,269	19,292	23,931	8,232		431,724
Total Net Position	\$ 406,892	19,292	25,405	8,232	-	\$ 459,821

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND				GOVERNMENTAL ACTIVITIES	TOTALS
	FOOD SERVICE FUND	FIRE SCHOOL	ADULT EDUCATION	SUMMER CAMP	GENERAL ADMINISTRATION	
OPERATING REVENUES						
Local Sources:						
Fees	\$ -	73,025	670,600	18,900	101,820	\$ 864,345
Daily Sales - Reimbursable Programs:						
School Lunch & Breakfast Programs	-	-	-	-	-	-
Daily Sales - Nonreimbursable Programs	207,779	-	-	-	-	207,779
Miscellaneous	1,863	-	-	-	-	1,863
Special Functions	7,178	-	-	-	-	7,178
Total Operating Revenue	216,820	73,025	670,600	18,900	101,820	1,081,165
OPERATING EXPENSES						
Salaries	350,896	98,629	715,228	18,786	101,820	1,285,359
Employee Benefits	129,863	-	102,666	-	-	232,529
Administrative Fees	75,000	-	-	-	-	75,000
Insurance	20,230	-	-	-	-	20,230
Supplies & Materials	138,016	-	154,318	683	-	293,017
Lease Payments	-	-	9,181	-	-	9,181
Depreciation	3,132	-	173	-	-	3,305
Textbooks	-	19,608	7,841	-	-	27,449
Miscellaneous	25,787	5,248	-	-	-	31,035
Cost of Sales - Reimbursable Programs	337,122	-	-	-	-	337,122
Cost of Sales - Non-Reimbursable Programs	67,542	-	-	-	-	67,542
Total Operating Expenses	1,147,588	123,485	989,407	19,469	101,820	2,381,769
Operating Income\ (Loss)	(930,768)	(50,460)	(318,807)	(569)	-	(1,300,604)
Nonoperating Revenues (Expenses):						
State Sources:						
State School Lunch Program	19,364	-	-	-	-	19,364
Emergency Operational Cost Programs - Schools	67,001	-	-	-	-	67,001
Federal Source:						
Vocational Rehabilitation Services	-	-	1,755	-	-	1,755
Financial Assistance	-	-	144,822	-	-	144,822
School Breakfast Program	222,736	-	-	-	-	222,736
National School Lunch Program	822,546	-	-	-	-	822,546
Food Distribution Program	82,135	-	-	-	-	82,135
Supply Chain Assistance	45,646	-	-	-	-	45,646
Transfer In/(Out) General Fund	-	90,000	185,000	-	-	275,000
Total Nonoperating Revenues (Expenses)	1,259,428	90,000	331,577	-	-	1,681,005
Change in Net Position	328,660	39,540	12,770	(569)	-	380,401
Total Net Position-Beginning	78,232	(20,248)	12,635	8,801	-	79,420
Total Net Position-Ending	\$ 406,892	19,292	25,405	8,232	-	\$ 459,821

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2022**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND				GOVERNMENTAL ACTIVITIES	
	FOOD SERVICE FUND	FIRE SCHOOL	ADULT EDUCATION	SUMMER CAMP	GENERAL ADMINISTRATION	TOTALS
Cash Flows From Operating Activities:						
Receipts from Customers	\$ 94,693	75,153	654,210	(3,850)	101,820	\$ 922,026
Payments to Employees	(350,896)	-	-	(18,786)	(101,820)	(471,502)
Payments to Employee Benefits	(129,863)	-	-	-	-	(129,863)
Payments to Suppliers	(675,855)	(151,197)	(983,169)	(683)	-	(1,810,904)
Net Cash Provided by/(Used for) Operating Activities	(1,061,921)	(76,044)	(328,959)	(23,319)	-	(1,490,243)
Cash Flows From Noncapital Financing Activities						
State Sources	86,365	-	-	-	-	86,365
Federal Sources	1,173,063	-	146,577	-	-	1,319,640
Operating Subsidies & Transfers to Other Funds, Net	-	90,000	185,000	-	-	275,000
Net Cash Provided by/(Used for) Noncapital Financing Activities	1,259,428	90,000	331,577	-	-	1,681,005
Cash Flows From Capital & Related Financing Activities:						
Purchases of Capital Assets	-	-	-	-	-	-
Net Cash Provided by/(Used for) Capital & Related Financing Activities	-	-	-	-	-	-
Cash Flows From Investing Activities						
Interest & Dividends	-	-	-	-	-	-
Net Cash Provided y/(Used for) Investing Activities	-	-	-	-	-	-
Net Increase/(Decrease) in Cash & Cash Equivalents	197,507	13,956	2,618	(23,319)	-	190,762
Balances - Beginning of Year	47,848	0	159,668	31,551	-	239,067
Balances - End of Year	\$ 245,355	13,956	162,286	8,232	-	\$ 429,829

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

Operating Income/(Loss)	\$ (930,768)	(50,460)	(318,807)	(569)	-	\$ (1,300,604)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:						
Depreciation Expense	(5,747)	-	173	-	-	(5,574)
Change in Assets & Liabilities:						
(Increase)/Decrease in Accounts Receivable, Net	(112,744)	2,128	(17,435)	-	-	(128,051)
(Increase)/Decrease in Prepaid Expenses	(3,279)	-	-	-	-	(3,279)
Increase/(Decrease) in Inventories	(9,383)	-	1,045	(22,750)	-	(31,088)
Increase/(Decrease) in Unearned Revenue	-	(27,712)	6,065	-	-	(21,647)
Increase/(Decrease) in Accounts Payable	-	(27,712)	6,065	-	-	(21,647)
Total Adjustments	(131,153)	(25,584)	(10,152)	(22,750)	-	(189,639)
Net Cash Provided/(Used) by Operating Activities	(\$1,061,921)	(76,044)	(328,959)	(23,319)	-	(1,490,243)

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

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BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2022

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

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 Commissioners 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, 2022 of 2,122 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: Omnibus - 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, 2022 (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, 2022.

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 the 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, 2022 (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.

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 while business-type activities incorporate data from the District’s enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds.

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.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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.

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, such as, student activities.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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.

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 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.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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.

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.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

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, 2022 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

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 and the half year convention for the first year of depreciation, over the following estimated lives:

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Capital Assets (continued)

	<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.

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 measurable 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.

Leases

The District is a lessee for various equipment. The District recognizes a lease liability – finance purchase and a capital asset or recognizes a lease liability – right-to-use asset in the District-wide financial statements based on the criteria dictated in GASB Statement No. 87 – Leases.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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:

- 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, 2022.
- 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.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Fund Balance (continued)

- 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 components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- 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, 2022:

Statement No. 87, Leases. This Standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Management does not expect this Statement to have a material impact on the District's financial statements.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Impact of Recently Issued Accounting Principles (continued):

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. Management has not yet determined the potential impact on the District's financial statements.

Statement No. 101, *Compensated Absences*. Statement No. 101 aligns the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the District's financial statements.

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, 2022 (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, 2022, the School District’s bank balance of \$11,053,823 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 9,747,610
Uninsured and Uncollateralized	<u>1,306,213</u>
	<u>\$ 11,053,823</u>

Investments

The School District had no investments at June 30, 2022.

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.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 3. Reserve Accounts (continued)

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 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, 2021 to June 30, 2022 fiscal year is as follows:

Beginning Balance, July 1, 2021	\$ 2,926,091
Increased by:	
Interest Earnings	<u>1,785</u>
Ending Balance, June 30, 2022	<u>\$ 2,927,876</u>

Note 4. Accounts Receivable

Accounts receivable at June 30, 2022 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, 2022, 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	\$ 7,535	\$ 128,628	\$ 136,163
State Awards	53,118	-	53,118
Tuition	129,008	-	129,008
Other	<u>67,528</u>	-	<u>67,528</u>
Total	<u>\$ 257,189</u>	<u>\$ 128,628</u>	<u>\$ 385,817</u>

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 4. Accounts Receivable (continued):

<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	\$ 126,213	\$ -	\$ -	126,213
State Awards	1,354	-	-	1,354
Tuition	-	8,797	21,806	30,603
Other	158	-	-	158
Total	\$ 127,725	\$ 8,797	\$ 21,806	\$ 158,328

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2022 was as follows:

	<u>Balance July 1, 2021</u>	<u>Adjustments/ Additions</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2022</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 379,000	-	-	\$ 379,000
Total capital assets not being depreciated	379,000	-	-	379,000
Capital assets being depreciated/amortized:				
Land improvements	7,601,043	-	-	7,601,043
Buildings and improvements	78,490,338	658,610	-	79,148,948
Equipment	12,964,278	479,135	(94,512)	13,348,901
Right-of-use asset	-	1,110,403	-	1,110,403
Total Assets being depreciated/amortized	99,055,659	2,248,148	(94,512)	101,209,295
Less: accumulated depreciation/amortized:				
Land improvements	(4,955,095)	(282,786)	-	(5,237,881)
Buildings and improvements	(41,104,944)	(1,598,620)	-	(42,703,564)
Equipment	(8,466,899)	(717,045)	23,000	(9,160,944)
Right-of-use-asset	-	(547,073)	-	(547,073)
Total accumulated depreciation/amortization	(54,526,938)	(3,145,524)	23,000	(57,649,462)
Total capital assets depreciated/amortized, net	44,528,721	(897,376)	(71,512)	43,559,833
Total governmental activities capital assets, net	\$ 44,925,721	(897,376)	(71,512)	\$ 43,938,833

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 5. Capital Assets (continued):

	Balance July 1, <u>2021</u>	<u>Additions</u>	Retirements/ <u>Adjustment</u>	Balance June 30, <u>2022</u>
Business-Type Activities:				
Equipment	\$ 53,924	-	-	\$ 53,924
	<u>59,924</u>	-	-	<u>53,924</u>
 Less: Accumulated Depreciation:				
Equipment	(31,401)	(3,305)	8,878	(25,828)
	<u>(31,401)</u>	<u>(3,305)</u>	<u>8,878</u>	<u>(25,828)</u>
 Total Business-Type Activities Capital Assets, net	 \$ 22,523	 (3,305)	 8,878	 \$ 28,096

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

Note 6. Interfund Receivables, Payables and Transfers

There were no individual interfund receivables/payables balances at June 30, 2022.

A summary of interfund transfers is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 139,195	\$ -
Special Revenue	-	<u>139,195</u>
	<u>\$ 139,195</u>	<u>\$ 139,195</u>

Note 7. Leases

Lease Liability: Right-to-Use Asset Agreements

The District has entered into right-of-use lease arrangements for copiers and chromebooks with various terms and interest rates. The District is required to make monthly principal and interest payments. The District leases both the copiers and chromebooks under various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2025 with no renewal options.

The principal and interest costs for such leases for governmental funds were \$287,372 for the year ended June 30, 2022. Total future minimum lease payments under lease agreements are as follows:

	<u>Governmental Activities</u>		
Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 187,929	10,642	\$ 198,571
2024	69,392	3,725	73,117
2025	<u>30,051</u>	<u>413</u>	<u>30,464</u>
 Total Minimum Lease Payment	 <u>\$ 287,372</u>	 <u>14,780</u>	 <u>\$ 302,152</u>

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 7. Leases (continued):

The lease agreements qualify as right-to-use-assets for accounting purposes and therefore, have been recorded at the present value of their future minimum lease payments as the date of their inception. The assets acquired through right-to-use asset lease agreements are as follows:

	Governmental Activities
Right-to-Use-Assets:	
Equipment	\$ 1,110,403
Less: Accumulated Amortization	<u>(547,073)</u>
	<u>\$ 563,330</u>

Note 8. Long-Term and Short-Term Obligations

Long-Term

During the fiscal year-ended June 30, 2022 the following changes occurred in long-term obligations for the governmental activities:

	<u>Balance July 1, 2021</u>	<u>Adjustments/ Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2022</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
Compensated Absences	\$ 1,926,530	-	51,504	\$ 1,875,026	\$ 53,594
Lease Payable		576,642	289,270	287,372	187,929
Net Pension Liability	8,379,927	-	2,129,408	6,250,519	737,423
	<u>\$ 10,306,457</u>	<u>-</u>	<u>2,180,912</u>	<u>\$ 8,412,917</u>	<u>\$ 978,946</u>

For governmental activities, compensated absences, lease payable and net pension liability are liquidated by the general fund. The District elected to record \$737,423 as current liability from the reported liability of \$6,987,942 for its proportionate share of the net pension liability as measured as of June 2021.

Bonds Authorized but not Issued

As of June 30, 2022, the School District had no bonds authorized but not issued.

Short-Term

During the fiscal year-ended June 30, 2022 the following changes occurred in short-term obligations for the governmental activities:

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2022</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
Line of Credit	\$ -	-	-	-	\$ -
	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Long-Term and Short-Term Obligations (continued)

Line of Credit

The district was issued a line of credit from Ocean First Bank for the fiscal year June 30, 2022. The District did not have to utilize the line of credit. As of June 30, 2022 there was no outstanding payable amounts.

Note 9. 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/annrpts.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 2021, 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, 2022 (continued)**

Note 9. 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, 2022, the School District reported a liability of \$9,987,942 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. 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, 2020, to the measurement date of June 30, 2021. 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, 2021. The School District's proportion measured as of June 30, 2021, was 0.0589873990%, which was an increase of 0.00336% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension expense of \$737,423 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2021 measurement date. At June 30, 2022 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	\$ 110,209	\$ 50,025
Changes of Assumptions	36,393	2,487,753
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,840,807
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	590,645	926,659
School District Contributions Subsequent to Measurement Date	-	-
	<u>\$ 737,247</u>	<u>\$ 5,305,244</u>

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Pension Plans (continued)

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

\$737,247 reported as deferred outflows of resources related to pensions from District contributions subsequent to the measurement date 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	Amount
<u>Dec 31,</u>	
2022	\$ (1,648,850)
2023	(1,177,275)
2024	(802,701)
2025	(603,392)
2026	<u>235</u>
	<u>\$ (4,231,983)</u>

The previous amounts do not include Township-specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by the Township over the average of the expected remaining service lives of all plan members, which is 5.13, 5.16, 5.21, 5.63, 5.48, and 5.57 for the years 2021, 2020, 2019, 2018, 2017, and 2016, respectively.

Actuarial Assumptions – The collective total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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%

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-2021.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Pension Plans (continued)

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

The actuarial assumptions used in the July 1, 2020 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, 2021) 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, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	<u>3.00%</u>	3.35%
	<u>100.00%</u>	

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Pension Plans (continued)

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 and the non-employer contributing entity will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for 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. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine 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, 2021, calculated using the discount rate of 7.00% 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>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
District's Proportionate Share of the Net Pension Liability	<u>\$ 9,516,160</u>	<u>\$ 6,987,942</u>	<u>\$ 4,842,391</u>

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

Balances at June 30, 2022 and June 30, 2021

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2020	June 30, 2020
Deferred Outflows of Resources	\$ 1,164,738,169	\$ 2,347,583,337
Deferred Inflows of Resources	8,339,123,762	7,849,949,467
Net Pension Liability	11,972,782,878	16,435,616,426
District's portion of the Plan's total Net Pension Liability	0.05899%	0.05562%

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Pension Plans (continued)

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

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 2021, 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, 2022 (continued)**

Note 9. 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, 2020 was \$56,816,362. The School District's proportionate share was \$-0-.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.1181822956%, which was a decrease of 0.00018% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the School District recognized \$1,336,914 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, 2021 measurement date.

Actuarial Assumptions – The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2020. 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	1.55 - 4.45% Based on Years of Service
Thereafter	2.75 - 5.65% 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-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

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**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. 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, 2021) 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, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	<u>3.00%</u>	3.35%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 and the non-employer contributing entity will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for 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. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine 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 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 7.00% 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:

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Pension Plans (continued)

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

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</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>67,223,247</u>	<u>56,816,362</u>	<u>48,075,233</u>
	<u>\$ 67,223,247</u>	<u>\$ 56,816,362</u>	<u>\$ 48,075,233</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, 2021 and 2020:

Balances at June 30, 2022 and June 30, 2021

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Deferred Outflows of Resources	\$ 6,373,530,834	\$ 9,626,548,228
Deferred Inflows of Resources	27,363,797,906	14,591,988,841
Net Pension Liability	48,165,991,182	65,993,498,688
District's portion of the Plan's total Net Pension Liability	0.118182%	0.119857%

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 9. 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 2022 is \$9,000 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, 2022, employee contributions totaled \$16,020, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$11,797.

Note 10. 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, 2022 (continued)**

Note 10. Other Post-Retirement Benefits

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, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. 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.

Total Nonemployer OPEB Liability \$ 60,007,650,970

Inflation Rate: 2.5%

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases: Through 2026	1.55 - 4.45% based on years of service	2.00 - 6.00% based on years of service	3.25 - 15.25% based on years of service
Thereafter	2.75 - 5.65% based on years of service	3.00 - 7.00% based on years of service	Not Applicable

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022 (continued)

Note 10. Other Post-Retirement Benefits

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-2021. 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-2021. 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-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2010 “Safety” (PFRS), “General” (PERS), and “Teacher” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2020 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, 2021 was \$79,401,728. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.001323%, which was a decrease of 0.000232% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2021, the State of New Jersey recognized an OPEB expense in the amount of \$3,711,900 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, 2021 measurement date.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in the year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.50% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 10. Other Post-Retirement Benefits

Discount Rate

The discount rate for June 30, 2021 was 2.16%. 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.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

The following presents the total nonemployer OPEB liability as of June 30, 2021, 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, 2021		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 95,110,805	\$ 79,401,728	\$ 67,031,773
State of New Jersey's Total Non- employer Liability	\$ 71,879,745,555	\$ 60,007,650,970	\$ 50,659,089,138

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, 2020, 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, 2021		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 64,275,957	\$ 79,401,728	\$ 99,714,521
State of New Jersey's Total Nonemployer OPEB Liability	\$ 48,576,388,417	\$ 60,007,650,970	\$ 75,358,991,782

* See Healthcare Cost Trend Assumptions for details of rates.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 10. Other Post-Retirement Benefits

Additional Information

Collective balances of the Local Group at June 30, 2020 are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected & Actual Experience	9,045,886,863	(18,009,362,976)
Change in Assumptions	10,179,536,966	(6,438,261,807)
Contributions Made in Fiscal Year Ending 2020 After June 30, 2019 Measurement Date **	TBD	-
	<u>\$ 19,225,423,829</u>	<u>\$ (24,447,624,783)</u>

** Employer Contributions made after June 30, 2021 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:

<u>Fiscal Year Ending June 30,</u>	
2022	\$ (1,182,303,041)
2023	(1,182,303,041)
2024	(1,182,303,041)
2025	(1,182,303,041)
2026	(840,601,200)
Thereafter	<u>347,612,410</u>
	<u>\$ (5,222,200,954)</u>

Plan Membership

At June 30, 2020, the Program membership consisted of the following:

	<u>June 30, 2020</u>
Active Plan Members	213,901
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>150,427</u>
	<u>364,328</u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 10. Other Post-Retirement Benefits

Total OPEB Liability

Service Cost	\$ 3,217,184,264
Interest Cost	1,556,661,679
Changes of Benefit Terms	(63,870,842)
Difference Between Expected & Actual Experience	(11,385,071,658)
Changes of Assumptions	59,202,105
Contributions: Member	39,796,196
Gross Benefit Payments	<u>(1,226,213,382)</u>
Net Change in Total OPEB Liability	(7,802,311,638)
Total OPEB Liability (Beginning)	<u>67,809,962,608</u>
Total OPEB Liability (Ending)	<u>\$ 60,007,650,970</u>
Total Covered Employee Payroll	\$ 14,425,669,769
Net OPEB Liability as a Percentage of Payroll	415.98%

Note 11. 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, 2022, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$5,081,333, \$1,080,670, \$1,187,205 and \$2,131, respectively.

Note 12. 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>
2021-2022	\$ 95,750	\$ 634	\$ 67,337	\$ 671,792
2020-2021	94,216	480	86,216	642,745
2019-2020	69,246	2,291	43,996	634,265

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 12. 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 13. 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, 2022 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 – There was no pending lawsuits that will 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 14. 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
GWN Marketing
Life of Southwest
Lincoln Investment
Variable Life Annuity

Note 15. 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, 2022 (continued)**

Note 15. 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, 2022, the liability for compensated absences reported on the government-wide on the Statement of Net Position was \$1,875,026.

Note 16. 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 17. Commitments

The School District has contractual commitments at June 30, 2022 to various vendors, which are recorded in the general fund as assigned to other purposes in the amount of \$362,942.

Note 18. Fund Balances

General Fund (Exhibit B-1) – Of the \$5,818,062 General Fund balance at June 30, 2022, \$-0- has been restricted for Excess Surplus; \$3,462,474 has been restricted for the Capital Reserve; \$671,792 has been restricted for Unemployment Compensation; \$362,942 has been assigned to other purposes; and \$1,320,854 has been unassigned.

Note 19. Calculation of Excess Surplus

In accordance with *N.J.S.A.18A:7F-7*, as amended by P.L. 2005, c.73 (S1701), the designation for Restricted Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 is \$-0-. There is no balance required to be appropriated in 2022-2023.

BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 20. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and February 27, 2023, 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.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District's financial condition, liquidity, and future operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results operations, financial condition, or liquidity for the fiscal year 2022-2023.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C. Budgetary Comparison Schedules

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	JUNE 30, 2022			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Revenues:						
Local Sources:						
County Appropriations	10-1210	\$ 15,894,974		15,894,974	15,894,974	\$ -
Tuition from LEAs	10-1310	7,532,700		7,532,700	7,493,669	(39,031)
Rents and Royalties	10-1910	20,000		20,000		(20,000)
Other Restricted Miscellaneous Revenue					29,047	29,047
Unrestricted Miscellaneous Revenues	10-1XXX	84,000		84,000	381,794	297,794
Interest Earned on Capital Reserve Funds	10-1XXX	10,000		10,000	2,028	(7,972)
Other Restricted Grants in Aid	10-4500			-	76,528	76,528
Total Local Sources		23,541,674	-	23,541,674	23,878,040	336,366
State Sources:						
Equalization Aid		13,856,673		13,856,673	13,856,673	-
Categorical Special Education Aid		1,338,084		1,338,084	1,338,084	-
Categorical Security Aid		244,568		244,568	244,568	-
Nonbudgeted:						
On-Behalf TPAF Pension Contribution					5,081,333	5,081,333
On-Behalf TPAF Post-Retirement Medical Contribution					1,187,205	1,187,205
On-Behalf TPAF Long Term Disability Insurance Contribution					2,131	2,131
Reimbursed TPAF Social Security Contributions				-	1,080,670	1,080,670
Total State Sources		15,439,325	-	15,439,325	22,790,664	7,351,339
Federal Sources:						
Special Education Aid - Medicaid Initiative	10-4200	21,146		21,146	19,243	(1,903)
Total Federal Services		21,146	-	21,146	19,243	(1,903)
Total Revenues		39,002,145	-	39,002,145	46,687,947	7,685,802
Expenditures:						
Current Expense:						
Regular Programs - Grade 9-12 Instruction:						
Salaries of Teachers	11-140-100-101	5,672,454	(399,029)	5,273,425	5,273,425	-
Substitute Teachers - Salaries/S4t	11-140-100-300	230,000	53,496	283,496	283,496	-
Instruction Leases	11-140-100-440		64,871	64,871	64,871	-
Other Purchased Services	11-140-100-500	14,828	(2,694)	12,134	12,134	-
General Supplies	11-140-100-610	75,292	(4,958)	70,334	64,487	5,847
Textbooks	11-140-100-640	9,256	(5,988)	3,268	3,268	-
Home Instruction - Regular Programs:						
Salaries of Teachers	11-150-100-101	4,800	(870)	3,930	3,930	-
Purchased Professional Educational Services	11-150-100-320	13,500	7,237	20,737	20,737	-
Total Regular Programs - Instruction		6,020,130	(287,935)	5,732,195	5,726,348	5,847
Resource Room:						
Salaries of Teachers	11-213-100-101	1,671,001	(415,460)	1,255,541	1,255,541	-
Other Salaries for Instruction	11-213-100-106	633,805	145,992	779,797	779,797	-
Unused Sick Payment to Terminated/Retired Staff	11-213-100-299		1,639	1,639	1,639	-
Substitute Teachers - Salaries/S4t	11-213-100-300	156,500	(71,281)	85,219	85,219	-
Total Resource Room		2,461,306	(339,110)	2,122,196	2,122,196	-
Total Special Education		\$ 2,461,306	(339,110)	2,122,196	2,122,196	\$ -

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	JUNE 30, 2022			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Bilingual Education - Instruction:						
Salaries of Teachers	11-240-100-101	\$ 62,402	(57,410)	4,992	4,992	\$ -
General Supplies	11-240-100-610	500	(500)	-	-	-
Total Bilingual Education - Instruction		62,902	(57,910)	4,992	4,992	-
Regular Vocational Programs - Instruction:						
Salaries of Teachers	11-310-100-101	4,545,797	(461,696)	4,084,101	4,084,101	-
Other Salaries for Instruction	11-310-100-106	55,731	(55,731)	-	-	-
Unused Sick Payment to Terminated/Retired Staff	11-310-100-299		7,501	7,501	7,501	-
Substitute Teachers - Salaries/S4t	11-310-100-320	188,000	(21,004)	166,996	166,996	-
Leases Payments	11-310-100-440	6,000	109,417	115,417	115,417	-
Other Purchased Services	11-310-100-500	55,706	(29,767)	25,939	20,939	5,000
General Supplies	11-310-100-610	403,286	(4,771)	398,515	371,416	27,099
Textbooks	11-310-100-640	12,000	10,370	22,370	22,370	-
Other Objects	11-310-100-800		230	230	230	-
Total Regular Vocational Programs - Instruction		5,266,520	(445,451)	4,821,069	4,788,970	32,099
Special Vocational Programs - Instruction:						
Salaries of Teachers - Career Major Tutors/S4t	11-320-100-300	173,000	(142,556)	30,444	30,444	-
General Supplies	11-320-100-600	6,000	(3,663)	2,337	2,337	-
Total Special Vocational Programs - Instruction		179,000	(146,219)	32,781	32,781	-
School Sponsored Cocurricular Activities Instruction:						
Salaries	11-401-100-101	448,594	(81,965)	366,629	366,629	-
Leases Payments	11-401-100-440	57,597	(10,454)	47,143	47,143	-
Other Purchased Services	11-401-100-500	49,000	679	49,679	49,679	-
Supplies & Materials	11-401-100-600	66,000	5,256	71,256	70,757	499
Other Objects	11-401-100-800	6,000	(4,242)	1,758	1,758	-
Student Non-Credit	11-421-100-103	40,000	(8,286)	31,714	31,714	-
Total School Sponsored Cocurricular Activities Instruction:		667,191	(99,012)	568,179	567,680	499
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	648,615	(85,229)	563,386	563,386	-
Purchased Services	11-402-100-500	66,065	38,975	105,040	105,040	-
Supplies & Materials	11-402-100-600	60,385	(5,420)	54,965	50,187	4,778
Other Objects	11-402-100-800	7,800	(500)	7,300	7,300	-
Total School Sponsored Athletics - Instruction		782,865	(52,174)	730,691	725,913	4,778
Total Instruction		15,439,914	(1,427,811)	14,012,103	13,968,880	43,223
Undistributed Expenditures:						
Health Services:						
Salaries	11-000-213-100	172,563	2,283	174,846	174,846	-
Unused Sick Payment to Terminated/Retired Staff	11-000-213-299		15,000	15,000	15,000	-
Purchased Professional & Technical Services	11-000-213-300	37,400	75,196	112,596	112,596	-
Supplies & Materials	11-000-213-600	10,500	(4,159)	6,341	6,341	-
Total Health Services		220,463	88,320	308,783	308,783	-
Speech, OT, PT & Related Services:						
Purchased Professional Educational Services	11-000-216-320	80,900	(17,071)	63,829	63,829	-
Total Speech, OT, PT & Related Services		80,900	(17,071)	63,829	63,829	-
Other Support Services - Guidance:						
Salaries of Other Professional Staff	11-000-218-104	932,390	(3,405)	928,985	928,985	-
Salaries of Secretaries & Clerical	11-000-218-105	252,012	(22,415)	229,597	229,597	-
Unused Sick Payment to Terminated/Retired Staff	11-000-218-299	\$ -	15,000	15,000	15,000	\$ -

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	JUNE 30, 2022			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Other Support Services - Guidance:						
Outside Workshop	11-000-218-390	5,000	(3,467)	1,533	1,533	-
Other Purchased Services	11-000-218-500	2,500	20,805	23,305	23,305	-
Supplies and Materials	11-000-218-600	9,000	7,422	16,422	12,926	3,496
Online Enrichment	11-000-218-800	1,500	2,402	3,902	3,902	-
Total Other Support Services - Guidance		1,202,402	16,342	1,218,744	1,215,248	3,496
Child Study Team:						
Salaries of Other Professional Staff	11-000-219-104	762,946	(9,805)	753,141	753,141	-
Salaries of Secretaries & Clerical	11-000-219-105	127,736	(2,220)	125,516	125,516	-
Other Salaries	11-000-219-110	23,200	(14,740)	8,460	8,460	-
Purchased Professional Educational Services	11-000-219-320	38,000	(26,065)	11,935	11,935	-
Outside Workshop	11-000-219-390	4,100	(3,217)	883	883	-
Leases Payments	11-000-219-440	10,000	(1,556)	8,444	8,444	-
Other Purchased Services	11-000-219-500	15,500	(3,788)	11,712	11,712	-
Supplies and Materials	11-000-219-600	17,600	10,342	27,942	27,942	-
Other Objects	11-000-219-800	7,360	1,725	9,085	9,085	-
Total Child Study Team		1,006,442	(49,324)	957,118	957,118	-
Improvement of Instructional Services:						
Salaries - Supervisor of Instruction	11-000-221-102	243,474	56,510	299,984	299,984	-
Salaries of Other Professional Staff	11-000-221-104	48,144	(118)	48,026	48,026	-
Salaries of Secretaries & Clerical	11-000-221-105	99,177	44,758	143,935	143,935	-
Other Salaries	11-000-221-110	14,400	(13,710)	690	690	-
Salaries of Supervisor of Curriculum and Intruction	11-000-221-176	65,580	(65,580)	-	-	-
Unused Vacation Payment to Terminated/ Retired Staff	11-000-221-199		19,434	19,434	19,434	-
Purchased Professional Education Services	11-000-221-320	106,485		106,485	106,485	-
Purchased Technical Services	11-000-221-340	86,372	(5,514)	80,858	80,858	-
Leases Payments	11-000-221-440	14,240	(6,731)	7,509	7,509	-
Other Purchased Services	11-000-221-500	24,050	(18,375)	5,675	5,675	-
Supplies and Materials	11-000-221-600	59,450	(7,071)	52,379	35,724	16,655
Other Objects	11-000-221-800	5,290	(475)	4,815	4,815	-
Travel	11-000-221-580	1,000	894	1,894	1,894	-
Total Improvement of Instruction Services		767,662	4,022	771,684	755,029	16,655
Educational Media Services/School Library:						
Salaries	11-000-222-100	152,198		152,198	152,198	-
Other Purchased Services	11-000-222-500	10,400	(2,728)	7,672	7,672	-
Supplies and Materials	11-000-222-600	16,400	24	16,424	16,252	172
Other Objects	11-000-222-800	200	(135)	65	65	-
Total Educational Media Services/School Library		179,198	(2,839)	176,359	176,187	172
Instructional Staff Training Services:						
Salaries of Other Professional Staff	11-000-223-104	6,000	(6,000)	-	-	-
Purchased Professional Education Services	11-000-223-320	10,000	2,248	12,248	12,248	-
Other Purchased Services	11-000-223-580	1,100	(156)	944	944	-
Total Instructional Staff Training Services		17,100	(3,908)	13,192	13,192	-
Support Services General Administration:						
Salaries	11-000-230-100	199,646	(8,294)	191,352	191,352	-
Unused Vacation Payment to Terminated/ Retired Staff	11-000-230-199		2,401	2,401	2,401	-
Other Purchased Professional Services	11-000-230-300	20,000	(20,000)	-	-	-
Legal Services	11-000-230-331	\$ 170,000	100,770	270,770	270,770	\$ -

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	JUNE 30, 2022			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Support Services General Administration:						
Audit Fees	11-000-230-332	\$ 60,000	-	60,000	60,000	\$ -
Architectural/Engineering Services	11-000-230-334	50,000	(50,000)	-	-	-
Communications/Telephone	11-000-230-530	86,200	(5,578)	80,622	80,622	-
BOE Purchased Services	11-000-230-585	16,750	(12,920)	3,830	3,830	-
Supplies and Materials	11-000-230-600	7,500	2,660	10,160	7,401	2,759
Miscellaneous Expenditures	11-000-230-890	50,950	(3,975)	46,975	46,975	-
Total Support Services General Administration		661,046	5,064	666,110	663,351	2,759
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	931,552	8,400	939,952	939,952	-
Salaries of Secretarial & Clerical Assistants	11-000-240-105	561,737	(62,103)	499,634	499,634	-
Unused Vacation Payment to Terminated/ Retired Staff	11-000-240-199		15,598	15,598	15,598	-
Unused Sick Payment to Terminated/Retired Staff	11-000-240-299		30,000	30,000	30,000	-
Other Purchased Professional Services	11-000-240-300	32,000	40,629	72,629	72,629	-
Outside Workshop	11-000-240-390	1,500	(1,500)	-	-	-
Leases Payments	11-000-240-440	40,000	(14,593)	25,407	25,407	-
Other Purchased Services	11-000-240-500	47,481	(7,145)	40,336	40,036	300
Supplies and Materials	11-000-240-600	43,000	5,594	48,594	38,575	10,019
Other Objects	11-000-240-800	9,500	(324)	9,176	9,176	-
Total Support Services School Administration		1,666,770	14,556	1,681,326	1,671,007	10,319
Central Services:						
Salaries	11-000-251-100	455,710	(16,572)	439,138	439,138	-
Other Purchased Professional Services	11-000-251-330	168,548	(2,686)	165,862	165,862	-
Purchased Technical Services	11-000-251-340	30,000	(25,030)	4,970	4,970	-
Leases Payments	11-000-251-440	9,000	(700)	8,300	8,300	-
Supplies and Materials	11-000-251-600	32,000	8,467	40,467	31,210	9,257
Interest on Current Loans	11-000-251-831	25,000	(25,000)	-	-	-
Miscellaneous Expenses	11-000-251-890	3,500	(3,500)	-	-	-
Shared Service Agreement - County Board of Commissioners	11-000-251-897	2,035,031	803,493	2,838,524	2,838,524	-
Total Central Services		2,758,789	738,472	3,497,261	3,488,004	9,257
Information Technology:						
Purchased Technical Services	11-000-252-340	725,254	(55,660)	669,594	669,594	-
Non Instructional Mileage & Travel	11-000-252-580	1,500	(1,500)	-	-	-
General Supplies	11-000-252-610	90,000	151,970	241,970	238,299	3,671
Miscellaneous Expenditures	11-000-252-800	1,500	(1,500)	-	-	-
Total Information Technology		818,254	93,310	911,564	907,893	3,671
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	69,815	(709)	69,106	69,106	-
Other Purchased Professional Services	11-000-261-300	25,000	2,755	27,755	27,755	-
Clean, Repair & Maintenance Services	11-000-261-420	351,939	176,889	528,828	452,528	76,300
Lead Test - Water	11-000-261-421		6,516	6,516	6,516	-
General Supplies	11-000-261-610	113,250	15,895	129,145	128,601	544
Other Objects	11-000-261-800	6,807	(376)	6,431	6,431	-
Total Required Maintenance for School Facilities		566,811	200,970	767,781	690,937	76,844
Custodial Services:						
Salaries	11-000-262-100	1,900,740	(293,157)	1,607,583	1,607,583	-
Unused Vacation Payment to Terminated/ Retired Staff	11-000-262-199		2,357	2,357	2,357	-
Unused Sick Payment to Terminated/Retired Staff	11-000-262-299		3,669	3,669	3,669	-
Other Purchased Professional Services	11-000-262-300	72,000	(10,658)	61,342	61,342	-
Clean, Repair & Maintenance Services	11-000-262-420	13,800	(11,016)	2,784	2,784	-
Other Purchased Property Services	11-000-262-490	98,000	(13,276)	84,724	84,724	-
Insurance	11-000-262-520	402,918	109,474	512,392	512,392	-

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	JUNE 30, 2022			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Custodial Services:						
General Supplies	11-000-262-610	\$ 105,000	(65,117)	39,883	39,470	\$ 413
Energy - Gas	11-000-262-621	125,000	106,580	231,580	231,580	-
Energy - Electric	11-000-262-622	1,098,000	(63,298)	1,034,702	1,034,702	-
Total Custodial Services		3,815,458	(234,442)	3,581,016	3,580,603	413
Security:						
Salaries	11-000-266-100	77,393	2,335	79,728	79,728	-
Other Purchased Professional Services	11-000-266-300	670,000	(119,684)	550,316	550,316	-
Supplies and Materials	11-000-266-610	34,000	48,891	82,891	33,954	48,937
Total Security		781,393	(68,458)	712,935	663,998	48,937
Student Transportation Services:						
Salaries for Pupil Transportation (Other Than Between Home & School)	11-000-270-162	240,000	(21,959)	218,041	218,041	-
Purchased Professional & Technical Services	11-000-270-390	183,663	(17,074)	166,589	166,589	-
Contracted Services (Other Than Between Home & School)	11-000-270-512	65,000	2,022	67,022	67,022	-
Total Student Transportation Services		488,663	(37,011)	451,652	451,652	-
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	380,000	440,774	820,774	820,774	-
Other Retirement Contributions	11-000-291-241	711,031	(19,198)	691,833	691,833	-
Workmen's Compensation	11-000-291-260	358,500	(173,109)	185,391	185,391	-
Health Benefits	11-000-291-270	6,338,653	(598,693)	5,739,960	5,739,561	399
Tuition Reimbursement	11-000-291-280	83,000	(33,994)	49,006	49,006	-
Other Employee Benefits	11-000-291-290	263,000	(15,931)	247,069	247,069	-
Total Unallocated Benefits - Employee Benefits		8,134,184	(400,151)	7,734,033	7,733,634	399
Total Personal Services - Employee Benefits		8,134,184	(400,151)	7,734,033	7,733,634	399
Nonbudgeted:						
Reimbursed TPAF Pension Contributions					5,081,333	(5,081,333)
On-Behalf TPAF Post-Retirement Medical Contribution					1,187,205	(1,187,205)
On-Behalf TPAF Long Term Disability Insurance Contribution					2,131	(2,131)
Reimbursed TPAF Social Security Contributions					1,080,670	(1,080,670)
Total Undistributed Expenditures		23,165,535	347,852	23,513,387	30,691,804	(7,178,417)
Total Expenditures - Current Expense		38,605,449	(1,079,959)	37,525,490	44,660,684	(7,135,194)
Capital Outlay:						
Interest Deposit to Capital Reserve	10-604-000-000	10,000	(10,000)	-	-	-
Equipment:						
Grades 9-12	12-140-100-730		93,897	93,897	24,282	69,615
Vocational Programs - Regular Programs	12-310-100-730	3,000	87,541	90,541	61,046	29,495
Undistributed Expenditures:						
Special Education/CST	12-000-219-730		5,968	5,968	5,968	-
General Administration	12-000-230-730		5,087	5,087	5,087	-
Information Technology	12-000-252-730		34,964	34,964	-	34,964
Operation & Maintenance of Plant Services	12-000-260-730	9,213	11,370	20,583	7,861	12,722
Security	12-000-266-730		7,700	7,700	7,700	-
School Vehicles	12-000-270-730		79,503	79,503	79,503	-
Total Equipment		12,213	326,030	338,243	191,447	146,796

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	JUNE 30, 2022			VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Facilities Acquisition & Construction Services:						
Architectural/Engineering Services	12-000-400-334		451,777	451,777	451,777	-
Construction Services	12-000-400-450		199,958	199,958	199,958	-
Assessment for Debt Service on SDA Funding	12-000-400-896	236,013		236,013	236,013	-
Total Facilities Acquisition & Construction Services		236,013	651,735	887,748	887,748	-
Total Capital Outlay		258,226	967,765	1,225,991	1,079,195	146,796
Post Secondary Programs:						
Instruction:						
Salaries of Principals & Assistant Principals	13-000-200-103	138,470		138,470	138,470	-
Total Instruction		138,470	-	138,470	138,470	-
Total Post Secondary Programs		138,470	-	138,470	138,470	-
Total General Fund Expenditures		\$ 39,002,145	(112,194)	38,889,951	45,878,349	\$ (6,988,398)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)		\$ -	112,194	112,194	809,598	\$ 697,404
Other Financing Sources/(Uses):						
Transfer to Adult Education	11-000-310-930		(185,000)	(185,000)	(185,000)	-
Transfer to Fire School	11-000-310-930		(90,000)	(90,000)	(90,000)	-
Total Other Financing Sources/(Uses)		-	(275,000)	(275,000)	(275,000)	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses)		-	(162,806)	(162,806)	534,598	697,404
Fund Balances, July 1		6,803,795		6,803,795	6,803,795	
Fund Balances, June 30		\$ 6,803,795	(162,806)	6,640,989	7,338,393	\$ 697,404

RECAPITULATION OF BUDGET TRANSFERS:

Prior Year Reserve for Encumbrances	\$ 162,806
Total Budget Transfers	\$ 162,806

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:	
Excess Surplus	\$ -
Capital Reserve	3,462,474
Unemployment Compensation	671,792
Excess Surplus - Designated for Subsequent Year's Expenditures	837,217
Assigned Fund Balance:	
Year-end Encumbrances	362,942
Unrestricted Fund Balance	<u>2,003,968</u>
Subtotal	<u>7,338,393</u>
Reconciliation to Governmental Fund Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	<u>(1,520,331)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 5,818,062</u>

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	2022			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Revenues:					
Federal Sources	2,653,748	454,537	3,108,285	3,108,285	
State Sources	87,682	69,411	157,093	157,093	
Local Sources		-	-	346,927	346,927
Total Revenues	2,741,430	523,948	3,265,378	3,612,305	346,927
Expenditures:					
Instruction:					
Salaries of Teachers	1,430,300	18	1,430,318	1,430,318	
Purchased Services		62,190	62,190	62,190	
Other Purchased Services		24,925	24,925	24,925	
General Supplies	500,000	42,102	542,102	542,102	
Total Instruction	1,930,300	129,235	2,059,535	2,059,535	-
Support Services:					
Other Salaries	100,000	84,119	184,119	184,119	
Employee Benefits	500,000	104,661	604,661	604,661	
Purchased Professional Services		38,538	38,538	38,538	
Other Purchased Services		59,947	59,947	59,947	
Travel Expenses		-	-	-	
Supplies	11,130	70,422	81,552	81,552	
Student Activities				310,014	(310,014)
Total Support Services	611,130	357,687	968,817	1,278,831	(310,014)
Facilities Acquisition & Construction Services:					
Instructional Equipment	200,000	36,176	236,176	236,176	
Building		850	850	850	
Total Expenditures	2,741,430	523,948	3,265,378	3,575,392	(310,014)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ -	-	-	36,913	36,913
Fund Balance, July 1				116,138	
Fund Balance, June 30				153,051	
Recapitulaton:					
Restricted:					
Student Activities				\$ 153,051	

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2022**

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

	GENERAL FUND N-1	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" From the Budgetary Comparison Schedule (C-Series)	\$46,687,947	3,612,305
Difference - Budget to GAAP:		
State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,458,879	-
The State Aid payment is recognized as revenue for budgetary purposes, and differs from GAAP, which does not recognize this revenue until subsequent year when the State recognizes the related expenses (GAASB 33)	(1,520,331)	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$46,626,495	3,612,305
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Expenditures" From the Budgetary Comparison Schedule	\$45,878,349	3,612,305
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$45,878,349	3,575,392

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

EXHIBIT L-1

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY - PERS ***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Pension Liability	0.058%	0.055%	0.057%	0.061%	0.065%	0.068%	0.063%	0.062%	0.060%
District's Proportionate Share of the Net Pension Liability	\$ 6,987,942	\$ 9,070,738	10,281,796	12,094,666	15,180,650	20,270,326	14,238,819	11,270,221	11,934,066
District's covered employee payroll	4,355,732	4,293,926	3,992,037	3,935,821	4,307,524	4,331,643	4,402,691	N/A	N/A
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	160.43%	211.25%	257.56%	307.30%	352.42%	467.96%	323.41%	N/A	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	40.71%

EXHIBIT L-2

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS - PERS
SCHEDULE OF CONTRIBUTIONS ***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ 690,811	\$ 608,493	558,386	615,295	604,133	608,022	545,330	496,242	470,494
Contributions in relation to the Actuarially Determined Contributions	690,811	608,493	558,386	615,295	604,133	608,022	545,330	496,242	470,494
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
Covered-Employee Payroll	\$4,355,732	\$4,293,926	\$3,992,037	3,935,821	4,307,524	4,331,643	4,402,691	N/A	N/A
Contributions as a Percentage of Covered - Employee Payroll	15.86%	14.17%	13.99%	15.63%	14.03%	14.04%	12.39%	N/A	N/A

EXHIBIT L-3

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY - TPAF ***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
State's Proportion of the Net Pension Liability Associated with the District	0.221%	0.120%	0.123%	0.126%	0.134%	0.132%	0.131%	0.141%	0.153%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	106,143,848	78,924,624	75,348,738	80,401,576	90,032,997	103,775,425	82,910,065	75,768,194	77,761,685
Total	106,143,848	78,924,624	75,348,738	80,401,576	90,032,997	103,775,425	82,910,065	75,768,194	77,761,685
Covered-Employee Payroll	15,014,507	16,959,283	16,959,283	17,560,302	16,954,481	16,624,194	130,344,440	13,172,806	N/A
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan Fiduciary Net Position as a Percentage of the Total Pension	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

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

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF THE DISTRICT'S CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS ***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Total OPEB Liability</u>					
Service Cost	3,964,816	2,257,007	2,240,998	2,528,749	\$ 3,034,957
Interest Cost	2,059,764	2,063,262	2,534,401	2,747,075	2,370,189
Change in Benefit Terms	(84,513)				
Difference Between Expected and Actual Experiences	(16,914,394)	14,855,022	(10,553,517)	(7,196,092)	-
Changes of Assumptions	78,336	16,781,050	856,765	(7,355,231)	(9,666,722)
Contributions: Members	52,658	48,476	52,287	59,234	63,988
Gross Benefit Payments	<u>(1,622,517)</u>	<u>(1,599,339)</u>	<u>(1,763,915)</u>	<u>(1,713,880)</u>	<u>(1,737,743)</u>
Net Change in Total OPEB Liability	(12,465,850)	34,405,478	(6,632,981)	(10,930,145)	(5,935,331)
Total OPEB Liability (Beginning)	<u>91,867,578</u>	<u>57,462,100</u>	<u>64,095,081</u>	<u>75,025,226</u>	<u>80,960,557</u>
Total OPEB Liability (Ending)	<u><u>79,401,728</u></u>	<u><u>91,867,578</u></u>	<u><u>57,462,100</u></u>	<u><u>64,095,081</u></u>	<u><u>\$ 75,025,226</u></u>
<u>Plan Fiduciary Net Position</u>					
Covered Employee Payroll	\$18,378,685	\$16,574,412	\$17,465,095	\$16,663,626	\$16,968,022
Net OPEB Liability as a Percentage Percentage of Payroll	432%	554%	329%	385%	442%

Source Documents:

All data for the measurement period was provided by the State of New Jersey Department of the Treasury other than covered employee payroll.

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2022**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.40% as of June 30, 2020, to 7.00% as of June 30, 2021.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions – None.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 2.21% as of June 30, 2020, to 2.16% as of June 30, 2021.

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OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	TITLE I-A	TITLE II-A	TITLE IV PART A	IDEA PART B	CRRSA	ESSER II		ESSER III ARP
						MENTAL HEALTH	LEARNING ACCELERATION	
Revenues:								
Federal Sources	\$ 441,349	57,680	32,515	511,351	1,007,890	45,000	107,125	\$ 358,556
State Sources								
Local Sources								
Total Revenues	441,349	57,680	32,515	511,351	1,007,890	45,000	107,125	358,556
Expenditures:								
Instruction:								
Salaries of Teachers	155,760			347,330	662,219		36,370	195,839
Purchased Services	750			7,723			19,525	15,259
Other Purchased Services							21,328	86,827
General Supplies	124,016		3,683		80,783			
Total Instruction	280,526	-	3,683	355,053	743,002	-	77,223	297,925
Support Services:								
Salaries	65,188	27,940	2,800			10,310	19,368	
Employee Benefits	89,212	2,292	215	156,298	264,888	374	10,534	51,525
Purchased Professional Services	5,000					25,187		2,173
Other Purchased Services		27,448	21,732					2,254
Travel Expenses								
Supplies	1,423		4,085					1,660
Student Activities								
Total Support Services	160,823	57,680	28,832	156,298	264,888	45,000	29,902	57,612
Facilities Acquisition & Construction Services:								
Instructional Equipment Building								3,019
Total Expenditures	\$ 441,349	57,680	32,515	511,351	1,007,890	45,000	107,125	\$ 358,556

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	COACH & EDUCATOR	ESSER III SUMMER LEARNING	BEYOND SCHOOL DAY	PERKINS SECONDARY	SDA EMERGENT NEEDS & CAPITAL MAINTENANCE	PERKINS POST SECONDARY	STUDENT ACTIVITIES	TOTAL
Revenues:								
Federal Sources	\$ 87,665	11,470	23,089	424,595	57,587	99,506	346,927	\$ 3,108,285
State Sources								157,093
Local Sources								346,927
Total Revenues	87,665	11,470	23,089	424,595	57,587	99,506	346,927	3,612,305
Expenditures:								
Instruction:								
Salaries of Teachers		10,490	21,300	1,010				1,430,318
Purchased Services				17,658		20,800		62,190
Other Purchased Services						5,400		24,925
General Supplies				181,660		43,805		542,102
Total Instruction	-	10,490	21,300	200,328	-	70,005	-	2,059,535
Support Services:								
Other Salaries	58,264					249		184,119
Employee Benefits	26,218	980	1,789	336				604,661
Purchased Services				6,178				38,538
Other Purchased Services	3,183			330		5,000		59,947
Travel Expenses								-
Supplies & Materials				1,215	57,587	6,453	310,014	81,552
Student Activities								310,014
Total Support Services	87,665	980	1,789	8,059	57,587	11,702	310,014	1,278,831
Facilities Acquisition & Construction Services:								
Instructional Equipment Building				215,358		17,799		236,176
				850				850
Total Expenditures	87,665	11,470	23,089	424,595	57,587	99,506	310,014	3,575,392
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	-	-	-	-	-	36,913	36,913
Fund Balance, July 1	-	-	-	-	-	-	116,138	116,138
Fund Balance, June 30	\$ -	-	-	-	-	-	153,051	\$ 153,051

F. Capital Projects Fund

Not Applicable

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G. Proprietary Funds

Enterprise Funds

(See Exhibits B-4 through B-6)

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

Not Applicable

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I. Long-Term Debt

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER LEASES
JUNE 30, 2022**

PURPOSE	DATE OF LEASE	TERM OF LEASE	PRINCIPAL	INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2021	ADJUSTMENT/ISSUED	RETIRED	BALANCE JUNE 30, 2022
Xerox Copier	12/6/19	5 Years	219,414	4.750%	\$ -	154,860	42,759	\$ 112,101
Xerox Copier	12/4/20	4 Years	83,744	7.000%		72,514	19,465	53,049
Chromebooks	6/25/19	3 Years	312,281	5.250%		100,238	100,238	-
Chromebooks	6/25/19	4 Years	234,613	5.250%		118,040	60,107	57,933
Chromebooks	6/25/19	4 Years	260,352	5.250%		130,990	66,701	64,289
Total					\$ -	576,642	289,270	\$ 287,372

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STATISTICAL SECTION (Unaudited)

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net Investment in Capital Assets	\$ 43,651,461	44,528,721	46,943,393	48,446,970	47,066,001	48,326,900	47,939,589	48,634,698	46,238,987	\$ 48,753,045
Restricted	4,287,317	4,522,191	2,925,948	2,920,609	2,906,184	3,257,188	4,547,416	4,959,664	3,677,889	2,730,958
Unrestricted	(11,747,169)	(14,097,466)	(16,332,720)	(16,863,094)	(15,063,778)	(15,338,195)	(13,660,257)	(13,203,076)	(664,447)	(776,970)
Total Governmental Activities	36,191,609	34,953,446	33,536,621	34,504,485	34,908,407	36,245,893	38,826,748	40,391,286	49,252,429	50,707,033
Business-Type Activities:										
Net Investment in Capital Assets	28,097	22,523	2,875	4,310	5,745	7,180	8,613	10,048	11,484	12,920
Unrestricted	431,724	56,897	82,479	69,622	171,091	141,531	561,944	812,121	1,164,659	1,399,848
Total Business-Type Activities	459,821	79,420	85,354	73,932	176,836	148,711	570,557	822,169	1,176,143	1,412,768
District-Wide:										
Net Investment in Capital Assets	43,679,558	44,551,244	46,946,268	48,451,280	47,071,746	48,334,080	47,948,202	48,644,746	46,250,471	48,765,965
Restricted	4,287,317	4,522,191	2,925,948	2,920,609	2,906,184	3,257,188	4,547,416	4,959,664	3,677,889	2,730,958
Unrestricted	(11,315,445)	(14,040,569)	(16,250,241)	(16,793,472)	(14,892,687)	(15,196,664)	(13,098,313)	(12,390,955)	500,212	622,878
Total District Net Position	\$ 36,651,430	35,032,866	33,621,975	34,578,417	35,085,243	36,394,604	39,397,305	41,213,455	50,428,572	\$ 52,119,801

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 7,785,883	9,120,947	6,548,723	5,978,178	6,431,000	6,419,851	6,140,935	6,261,811	6,371,951	\$ 6,720,320
Special	2,122,196	-	1,875,537	1,839,219	1,778,049	2,139,517	2,209,892	2,127,520		
Other Special Instruction										
Vocational	4,821,751	5,274,633	4,873,401	4,917,958	4,550,735	4,611,502	4,618,686	4,491,980	7,475,403	7,101,317
Other	1,298,585	858,980	1,280,509	1,184,648	1,192,601	1,149,279	1,147,632	1,096,561	1,335,352	1,357,943
Support Services:										
Student & Instruction Related Services	4,163,556	3,426,853	3,409,198	3,337,863	3,364,109	3,347,487	3,863,450	3,356,321	3,132,509	2,817,240
Other Administrative Services	663,351	664,343	612,833	602,555	707,247	711,033	669,675	472,789	673,373	691,287
School Administrative Services	6,066,904	6,765,055	6,889,665	3,321,968	5,183,778	6,291,546	5,450,637	5,950,198	2,861,090	2,709,515
Plant Operations & Maintenance	4,935,538	4,716,343	5,130,541	5,312,684	5,056,567	5,244,011	5,312,351	5,723,616	5,652,374	5,043,336
Student Transportation	451,652	172,779	464,569	488,457	426,852	386,327	266,207	227,069	224,603	175,302
Employee Benefits	13,705,270	12,613,782	13,077,669	14,707,496	18,299,369	11,555,036	14,041,522	11,822,122	8,177,642	8,540,689
Special Schools	138,470	132,660	125,000	201,348	266,312	236,013	94,168	236,013	2,236,013	2,153,063
Interest & Other Charges	236,013	236,013	236,013	3,296,463	236,013	236,013	119,224	400,465	48,091	53,826
Increase in Compensated Absences	-	25,419	-	-	-	(213,482)	-	-	-	-
Adjustment to Fixed Assets	-	-	-	-	-	-	-	-	-	-
Unallocated Depreciation	3,122,524	2,602,054	2,665,287	2,611,271	2,578,047	2,541,849	3,386,374	2,885,486	947,855	2,562,851
Total Governmental Activities Expenses	49,511,693	46,609,861	47,188,945	47,800,108	50,070,679	44,419,969	47,556,766	45,051,951	39,136,256	39,902,557
Business-Type Activities:										
Food Service	1,147,588	470,810	959,325	1,319,065	1,272,312	1,214,964	1,289,212	1,261,877	915,279	834,659
School Store				20,803				49,515	59,256	
Fire School	123,485	146,720	102,116							
Adult Education Program	989,407	952,906	835,877	1,004,620	1,182,431	1,349,481	1,405,586	1,295,334	1,122,879	1,484,265
Summer Camp	19,469	9,824	40,306	55,676	52,887	51,772	38,562			
Culinary Arts										
Beaver's Den Childcare						183,677	178,374	185,651	113,983	99,065
Educational Technology Training Center									151,021	145,780
Youth Transition to Work										
Emergency Services Training Center										
Culinary Express									104,656	114,321
Print Shop									13,863	7,061
Auto Body									23,318	5,545
General Administration	101,820	100,069							4,315	4,683
Total Business-Type Activities Expense	2,381,769	1,680,329	1,937,624	2,400,164	2,507,630	2,799,894	2,911,734	2,742,862	2,498,829	2,754,635
Total District Expenses	\$ 51,893,462	48,290,190	49,126,569	50,200,272	52,578,309	47,219,863	50,468,500	47,794,813	41,635,085	\$ 42,657,192
Program Revenues:										
Operating Grants & Contributions	10,689,705	7,781,610	7,918,504	9,600,768	12,849,014	4,909,248	8,625,754	7,465,548	2,942,819	3,115,319
Total Governmental Activities Program Revenues	\$ 10,689,705	7,781,610	7,918,504	9,600,768	12,849,014	4,909,248	8,625,754	7,465,548	2,942,819	\$ 3,115,319

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Business-Type Activities:										
Charges for Services:										
Food Service	\$ 216,820	9,050	429,994	646,160	651,806	603,983	587,796	694,103	438,969	\$ 403,138
School Store		65,117							50,131	58,481
Fire School	73,025	718,309	899,100	727,884	1,102,147	826,347	1,210,210	1,062,453	885,999	1,459,380
Adult Education Program	670,600	625	52,195	52,050	52,735	51,055	39,025			
Summer Camp	18,900	100,069								
General Administration	101,820		83,654	116,509	124,460	146,433	173,869	173,953		
Culinary Arts						182,239			96,402	90,206
Beaver's Den Childcare									175,079	169,976
Culinary Express									94,976	103,311
Print Shop									19,184	6,461
Auto Body									21,852	5,110
Engineering									4,524	3,071
Operating Grants:										
Food Service	1,259,428	286,361	419,350	578,167	554,409	562,139	538,731	508,849	475,088	491,433
Adult Education Program	146,577	14,864	23,770	39,020	12,343	5,852				
Business-Type Activities Program Revenues	2,487,170	1,194,395	1,908,063	2,159,790	2,497,900	2,378,048	2,549,631	2,439,358	2,262,204	2,790,567
Total District Program Revenues	\$ 13,176,875	8,976,005	9,826,567	11,760,558	15,346,914	7,287,296	11,175,385	9,904,906	5,205,023	\$ 5,905,886
Net (Expense)/Revenue:										
Governmental Activities	\$ (38,821,988)	\$ (38,828,251)	\$ (39,270,441)	\$ (38,199,340)	\$ (37,221,665)	\$ (39,510,721)	\$ (38,931,012)	\$ (37,586,403)	\$ (36,193,437)	\$ (36,787,238)
Business-Type Activities	105,401	(485,934)	(29,561)	(240,374)	(9,730)	(421,846)	(362,103)	(303,504)	(236,625)	35,932
Total District-Wide Net Expense	\$ (38,716,587)	(39,314,185)	(39,300,002)	(38,439,714)	(37,231,395)	(39,932,567)	(39,293,115)	(37,889,907)	(36,430,062)	\$ (36,751,306)
General Revenues & Other Changes in Net Assets:										
Governmental Activities:										
County Appropriation	\$ 15,894,974	15,894,974	15,894,974	15,894,974	15,129,684	14,929,750	15,894,975	15,894,974	15,894,974	\$ 15,894,974
Unrestricted Grants & Contributions	15,324,128	14,946,580	15,004,536	14,956,271	14,850,123	14,995,140	14,775,162	15,244,160	15,683,915	15,327,183
Tuition Received	7,493,669	7,291,555	7,048,666	6,883,948	6,781,709	6,710,366	6,611,347	6,312,285	6,132,240	5,934,600
Investment Earnings								4,826	4,826	14,990
Miscellaneous Income	1,591,305	1,822,333	404,401	215,071	126,212	294,610	195,481	203,081	22,878	41,293
Other Financing Sources - Transfers, Miscellaneous Other	(275,000)	(480,000)	(50,000)	(137,470)	(37,855)		(110,491)			
Special Items:	31,075	8,480								
Loss on Disposal of Capital Assets				(17,376)	(4,898)					
Board Contribution to County					(960,796)					
Total Governmental Activities	40,060,151	39,483,922	38,302,577	37,795,418	35,884,179	36,929,866	37,366,474	37,659,326	37,738,833	37,213,040
Business-Type Activities	275,000	480,000	40,983	137,470	37,855	110,491	(50,470)			
Total District-Wide	\$ 40,335,151	39,963,922	38,343,560	37,932,888	35,922,034	36,929,866	37,476,965	37,608,856	37,738,833	\$ 37,213,040
Change in Net Position:										
Governmental Activities	\$ 1,238,163	655,671	(967,864)	(403,922)	(1,337,486)	(2,580,855)	(1,564,538)	72,923	1,545,396	\$ 425,802
Business-Type Activities	380,401	(5,934)	11,422	(102,904)	28,125	(421,846)	(251,612)	(353,974)	(236,625)	35,932
Total District	\$ 1,618,564	649,737	(956,442)	(506,826)	(1,309,361)	(3,002,701)	(1,816,150)	(281,051)	1,308,771	\$ 461,734

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Restricted	\$ 4,134,266	4,406,053	2,925,948	2,920,609	2,906,184	2,906,184	2,900,696	3,021,492	2,032,580	\$ 1,910,267
Assigned	362,942	162,806	603,420	442,104	2,497,196	442,891	1,295,716	1,601,104	581,563	820,691
Unreserved	1,320,854	776,057	(836,486)	(970,958)	(1,157,365)	122,514	671,440	578,474	766,333	605,719
Total General Fund	\$ 5,818,062	5,344,916	2,692,882	2,391,755	4,246,015	3,471,589	4,867,852	5,201,070	3,380,476	\$ 3,336,677
All Other Governmental Funds:										
Restricted	\$ -	-	-	-	-	351,004	351,004	337,068	1,063,746	\$ -
Assigned, Reported in: Capital Projects Fund										
Total All Other Governmental Funds	\$ -	-	-	-	-	351,004	351,004	337,068	1,063,746	\$ -

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
County Appropriation	\$ 15,894,974	15,894,974	15,894,974	15,894,974	15,129,684	14,929,750	15,894,975	15,894,974	15,894,974	\$ 15,894,974
Tuition from LEA's	7,493,669	7,291,555	7,048,666	6,883,948	6,781,709	6,710,366	6,611,347	6,132,240	6,132,240	5,934,600
Miscellaneous	489,397	1,720,500	306,053	215,071	126,212	156,976	181,545	27,704	27,704	101,380
Local Sources	346,927	110,313								
State Sources	22,886,305	20,565,331	19,515,737	19,278,058	18,822,562	18,400,334	17,858,771	17,187,250	17,187,250	17,119,177
Federal Sources	3,127,528	2,162,859	1,527,105	1,506,320	1,410,847	1,504,054	1,535,932	1,439,484	1,439,484	1,323,325
Total Revenues	50,238,800	47,745,532	44,292,535	43,778,371	42,271,014	41,701,480	42,082,570	40,681,652	40,681,652	40,373,456
Expenditures:										
Instruction:										
Regular Instruction	7,785,883	7,185,471	6,548,723	5,978,178	6,431,000	6,419,851	6,140,935	6,371,951	6,371,951	6,720,320
Special Education Instruction	2,122,196	1,935,476	1,875,537	1,839,219	1,778,049	2,139,517	2,209,892			
Basic Skills/Remedial										
Bilingual Education										
Vocational										
Other Instruction	4,821,751	5,274,633	4,873,401	4,917,958	4,550,735	4,611,502	4,618,686	7,475,403	7,475,403	7,101,317
Support Services:	1,298,585	858,980	1,280,509	1,184,648	1,192,601	1,149,279	1,147,632	1,335,352	1,335,352	1,357,943
Student & Instruction Related	4,163,556	3,426,853	3,409,198	3,337,863	3,364,109	3,347,487	3,863,450	3,132,509	3,132,509	2,817,240
General Administration	663,351	664,343	612,833	602,555	707,247	711,033	669,675	673,373	673,373	691,287
School Administration	6,066,904	6,765,055	6,791,317	3,321,968	5,183,778	6,291,546	5,450,637	2,861,090	2,861,090	2,709,515
Plant Operations & Maintenance	4,935,538	4,716,343	5,140,956	5,416,509	5,067,123	5,244,011	5,312,351	5,652,374	5,652,374	5,043,336
Pupil Transportation	451,652	172,779	464,569	488,457	426,852	386,327	266,207	224,603	224,603	175,302
Employee Benefits	15,689,634	13,298,107	11,432,057	11,004,204	10,333,632	9,983,133	9,604,386	8,177,642	8,177,642	8,540,689
Special Schools	138,470	132,660	125,000	201,348	266,312	94,168	94,168			
Capital Outlay	1,080,208	591,801	1,151,295	3,905,791	1,311,490	2,715,678	2,691,265	2,281,197	1,433,797	1,684,298
Interest & Other Charges	236,013	236,013	236,013	3,296,463	236,013	236,013	236,013	236,013	2,236,013	2,153,063
Total Expenditures	\$ 49,453,741	45,258,514	43,941,408	45,495,161	40,848,941	43,235,377	42,305,297	38,421,507	39,574,107	\$ 38,994,310

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

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Excess (Deficiency) of Revenues Over/(Under) Expenditures	\$ 785,059	2,487,018	351,127	(1,716,790)	1,422,073	(1,533,897)	(222,727)	2,260,145	1,107,545	\$ 1,379,146
Other Financing Sources/(Uses):										
Transfers In/(Out)	(275,000)	(480,000)	(50,000)	(137,470)	(37,855)		(110,491)	50,470		
Miscellaneous/Other					(960,796)	137,634	13,936			(45,097)
Total Other Financing Sources/(Uses)	(275,000)	(480,000)	(50,000)	(137,470)	(998,651)	137,634	(96,555)	50,470	-	(45,097)
Net Change in Fund Balances	\$ 510,059	2,007,018	301,127	(1,854,260)	423,422	(1,396,263)	(319,282)	2,310,615	1,107,545	\$ 1,334,049

Source: District records

Note: Non-capital 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,	INTEREST ON INVESTMENT	RENTS/ LEASES	REFUNDS	MISCELLANEOUS	TOTAL
2022	76,528			381,794	458,322
2021	7,097		1,230,444	474,479	1,712,020
2020	11,894	12,112	253,202	28,845	306,053
2019	27,280	13,325	59,909	114,557	215,071
2018	13,501		18,924	93,787	126,212
2017	5,488	40,503	1,620	109,365	156,976
2016	1,322	33,763	87,918	58,542	181,545
2015	3,381	16,730	87,918	49,408	157,437
2014	1,260			26,444	27,704
2013	14,990	12,543		72,149	99,682

Note: Excludes the Capital Projects Fund as these expenditures vary substantially from year to year. The Financial data presented would not be as meaningful for comparative purposes if these were included.

Source: District Records.

EXHIBIT J-6 THROUGH J-13 NOT APPLICABLE

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

YEAR	COUNTY POPULATION (a)	PERSONAL INCOME (b)	COUNTY PER CAPITA PERSONAL INCOME (c)	COUNTY UNEMPLOYMENT RATE (d)
2021	464,269	N/A	N/A	5.3%
2020	446,596	29,990,707,784	67,154	8.2%
2019	446,160	28,343,652,480	63,528	3.3%
2018	445,429	27,233,529,060	61,140	3.7%
2017	446,229	26,448,439,059	59,271	4.1%
2016	447,092	25,744,898,636	57,583	4.4%
2015	447,906	25,049,143,050	55,925	5.2%
2014	449,806	24,097,007,032	53,572	6.3%
2013	448,992	23,187,293,856	51,643	7.9%
2012	450,667	22,984,017,000	51,000	9.2%

Source: New Jersey Department of Education

(a) Population information provided by the New Jersey Department of Labor and Workforce Development

(b) Estimated based upon the Municipal Population and Per Capita Personal Income presented

(c) Estimated based upon the 2020 Census published by the U.S. Bureau of Economic Analysis

(d) Unemployment data provided by the New Jersey Department of Labor and Workforce Development

EXHIBIT J-15 NOT AVAILABLE

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

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction:										
Regular	75.00	72.00	74.00	69.00	73.00	75.00	80.00	84.00	86.00	82.00
Special Education	43.00	45.00	45.00	46.00	48.00	53.00	26.00	29.00	28.00	29.00
Other Special Education						3.00				1.00
Vocational	54.00	56.00	54.00	53.00	54.00	54.00	44.00	44.00	54.00	51.00
Adult/Continuing Education Programs	5.00	5.00	4.00	3.00			10.00	9.00		
Support Services:										
Student & Instruction Related Services	37.50	38.50	38.50	37.50	39.00	21.00	42.00	46.00	57.00	53.00
General Administrative Services	4.50	5.00	5.00	5.00	3.00	18.00	8.00	9.00	10.00	4.00
School Administrative Services	17.00	18.00	18.00	19.00	21.00	31.00	32.00	31.00	31.00	35.00
Business Administrative Services	13.00	10.00	9.00	9.00	9.00	9.00	8.00	7.00	1.00	6.00
Plant Operations & Maintenance	35.00	36.00	39.00	33.00	39.00	36.00	39.00	37.00	38.00	38.00
Total	284.00	285.50	286.50	274.50	286.00	300.00	289.00	296.00	305.00	299.00

Source: District Personnel Records

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

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2022	2,124	\$49,217,728	23,172	9.94%	172.0	12.4/1	2,082.22	1,969.24	-1.72%	94.57%
2021	2,136	45,022,501	21,078	3.89%	173.0	12.4/1	2,118.56	2,050.82	1.42%	96.80%
2020	2,109	42,790,113	20,289	2.06%	173.0	12.5/1	2,088.95	2,000.96	1.02%	95.79%
2019	2,092	41,589,370	19,880	1.17%	168.0	12.5/1	2,067.84	1,978.74	4.40%	95.69%
2018	2,012	39,537,451	19,651	-2.23%	176.0	11.4/1	1,980.70	1,875.60	0.15%	94.69%
2017	2,016	40,519,699	20,099	4.67%	168.0	12.0/1	1,977.74	1,876.06	-2.59%	94.86%
2016	2,063	39,614,032	19,202	9.24%	150.0	13.8/1	2,030.33	1,915.32	-0.12%	94.34%
2015	2,056	36,140,310	17,578	-5.20%	157.0	13.1/1	2,032.78	1,923.30	0.29%	94.61%
2014	2,057	38,140,310	18,542	4.16%	168.0	12.2/1	2,026.99	1,917.40	-1.84%	94.59%
2013	2,096	37,310,012	17,801	0.19%	163.0	12.9/1	2,064.90	1,935.90	5.49%	93.75%

Sources: District records

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

DISTRICT BUILDINGS	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Elementary Schools:										
Westampton Campus:										
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	1,254	1,240	1,257	1,255	1,209	1,211	1,211	1,208	1,200	1,166
Lumberton Campus:										
Square Feet	250,422	250,422	250,422	250,422	250,422	250,422	250,422	250,422	250,422	250,422
Capacity (Students)	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150
Enrollment	870	896	852	837	763	790	790	799	800	770

Number of Schools at June 30, 2022:
Other = 2

Source: District Facilities Office

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

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

*	WESTAMPTON CAMPUS	MEDFORD CAMPUS	TOTAL
2022	\$ 388,528	302,409	\$ 690,937
2021	337,799	262,640	600,439
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
Total School Facilities	<u>\$ 3,754,923</u>	<u>3,661,559</u>	<u>\$ 7,416,482</u>

* School facilities as defined under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District records

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
INSURANCE SCHEDULE
June 30, 2022**

	COVERAGE	DEDUCTIBLE
Commercial General Liability:		
Bodily Injury and Property Damage - Per Occurrence	\$ 16,000,000	
Products/Completed Operations Aggregate Limit	16,000,000	
Personal/Advertising Injury Limit - Per Occurrence	16,000,000	
Employee Benefits Liability - Per Occurrence Each Occurrence	16,000,000	1,000
Commercial Property Coverage:		
Blanket Coverage, Building & Contents	159,562,427	5,000
Equipment Floater:		
Hardware / Software	500,000,000	1,000
Commercial Automobile:		
Bodily Injury & Property Damage	16,000,000	
Medical Payments: Private Passenger	10,000	
Medical Payments: All Other Vehicles	5,000	
Uninsured/Underinsured Motorist: Bodily Injury Per Person	15,000	
Uninsured/Underinsured Motorist: Bodily Injury Per Accident	30,000	
Uninsured/Underinsured Motorist: Private Passenger	1,000,000	
Commercial Crime		
Excess Umbrella:		
Public Employee Dishonesty with Faithful Performance	100,000	500
Theft, Disappearance and Destruction - Loss of Money	50,000	500
Theft, Disappearance and Destruction - Money Orders & Counterfeits	50,000	500
Forgery & Alteration	50,000	500
Computer Fraud	50,000	500
Student Accident:		
Compulsory - Aggregate Limit of Liability	1,000,000	
Excess Medical	5,000,000	25,000
Public Official Bonds:		
Qualified Purchasing Agent	100,000	
Board Secretary	100,000	
Treasurer	400,000	
Workers Compensation:		
Bodily Injury by Accident	3,000,000	
Bodily Injury by Disease - Policy Limit	3,000,000	
Bodily Injury by Disease - Each Employee	3,000,000	

Source: School District Records

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SINGLE AUDIT SECTION



BRENT W. LEE & CO., LLC
Certified Public Accounting Firm

EXHIBIT K-1

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

The 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 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 governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Burlington County Institute of Technology (the “District”), in the County of Burlington, State of New Jersey as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued my report thereon dated February 27, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 District’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 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.

609-456-8804
39 Paddock Lane, Cinnaminson, NJ 08077

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. 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 my testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Brent W. Lee
Certified Public Accountant
Public School Accountant No. 700

Cinnaminson, New Jersey
February 27, 2023



BRENT W. LEE & CO., LLC
Certified Public Accounting Firm

EXHIBIT K-2

**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**

The 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

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the Burlington County Institute of Technology's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2022. The 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.

In our opinion, the 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, 2022.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, Title 2 U.S. Code Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards and the OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each federal and state program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

609-456-8804
39 Paddock Lane, Cinnaminson, NJ 08077

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards*, the Uniform Guidance, and the N.J. OMB Circular 15-08 will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user of the report on compliance about the District's compliance with requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, and N.J. OMB Circular 15-08, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance or New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Burlington County Institute of Technology as of and for the year ended June 30, 2022, and have issued my report thereon dated February 27, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,



Brent W. Lee
Certified Public Accountant
Public School Accountant No. 700
Brent W. Lee & Co., LLC

Cinnaminson, New Jersey
February 27, 2023

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BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2022

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 AT JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	BALANCE JUNE 30, 2022	
										(ACCOUNTS RECEIVABLE) AT JUNE 30,	UNEARNED REVENUE AT JUNE 30,
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES											
Passed Through New Jersey Department of Human Services:											
MAC Reimbursement	93.778	2005NJ5MAP	100-054-7540-22	\$ 5,091	7/01/21-6/30/22	\$ -		(5,091)		(5,091)	
Medical Assistance Program (SEMI)	93.778	2005NJ5MAP	100-054-7540-22	14,061	7/01/21-6/30/22		11,617	(14,061)		(2,444)	
Medical Assistance Program (SEMI)	93.778	2005NJ5MAP	100-054-7540-211	22,066	7/01/20-6/30/21	(2,906)	2,906			-	
Total U.S. Department of Health and Human Services						(2,906)	14,523	(19,152)	-	(7,535)	-
U.S. DEPARTMENT OF PUBLIC LAW & SAFETY											
Passed Through NJ Public Law & Safety:											
General Fund:											
COVIDFEMA	97.036	210735947	N/A	76,528	7/01/21-6/30/22		76,528	(76,528)		-	
U.S. DEPARTMENT OF AGRICULTURE											
Passed Through New Jersey Department of Agriculture:											
Child Nutrition Cluster:											
COVID-19 School Breakfast Program	10.553	221NJ304N1099	100-010-3350-028	222,736	7/01/21-6/30/22		201,002	(222,736)		(21,734)	
COVID-19 School Breakfast Program	10.553	211NJ304N1099	100-010-3350-028	84,854	7/01/20-6/30/21	(6,152)	6,152			-	
						(6,152)	207,154	(222,736)	-	(21,734)	-
COVID-19 National School Lunch Program	10.555	221NJ304N1099	100-010-3350-026	822,546	7/01/21-6/30/22		763,713	(822,546)		(58,833)	
COVID-19 National School Lunch Program	10.555	211NJ304N1099	100-010-3350-026	129,265	7/01/20-6/30/21	(8,284)	8,284			-	
Food Distribution Program	10.555	221NJ304N1099	Unavailable	82,135	7/01/21-6/30/22		82,135	(82,135)		-	-
Food Distribution Program	10.555	211NJ304N1099	Unavailable	37,499	7/01/20-6/30/21	12,747			(12,747)	-	-
						4,463	854,132	(904,681)	(12,747)	(58,833)	-
Total Child Nutrition Cluster						(1,689)	1,061,286	(1,127,417)	(12,747)	(80,567)	-
Total U.S. Department of Agriculture						(1,689)	1,061,286	(1,127,417)	(12,747)	(80,567)	-
U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION											
Passed Through New Jersey Department of Education:											
I.D.E.A. Part B (Special Education Cluster)											
Basic	84.027	H027A210100	NCLB0610-22	511,351	7/01/21-9/30/22		410,625	(511,351)		(100,726)	
Total Special Educational Cluster						-	410,625	(511,351)	-	(100,726)	-
E.S.E.A Consolidated											
Title I - Part A	84.010	S010A210030	NCLB0610-22	441,349	7/01/21-9/30/22		441,349	(441,349)		-	
Title I - Part A	84.010	S010A200030	NCLB0610-21	521,000	7/01/20-9/30/21	(88,833)	88,833			-	
Title II - Part A	84.367A	S367A210029	NCLB0610-22	57,680	7/01/21-9/30/22		57,680	(57,680)		-	
Title IV	84.424	S424A210031	NCLB0610-22	32,515	7/01/21-9/30/22		32,515	(32,515)		-	
E.S.S.E.R. II											
CRRSA	84.425D	S425D210027	N/A	1,690,157	3/13/20-9/30/23		1,007,890	(1,007,890)		-	
Learning Acceleration	84.425D	S425D210027	N/A	108,465	3/13/20-9/30/23		89,185	(107,125)		(17,940)	
Mental Health	84.425D	S425D210027	N/A	45,000	3/13/20-9/30/23		45,000	(45,000)		-	
E.S.S.E.R. III											
ARP	84.425U	S425U210027	N/A	3,798,518	3/13/20-9/30/24		351,199	(358,556)		(7,357)	
Accelerated Learning Coach & Educator Support	84.425U	S425U210027	N/A	226,458	3/13/20-9/30/24		85,264	(87,665)		(2,401)	
Evidence Based Summer Learning & Enrichment	84.425U	S425U210027	N/A	40,000	3/13/20-9/30/24		11,270	(11,470)		(200)	
Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	N/A	40,000	3/13/20-9/30/24		12,518	(23,089)		(10,571)	
Carl D. Perkins Vocational & Applied Technology Education Act Secondary	84.048A	V048A210030	100-034-5062-100	349,022	7/01/21-9/30/22		349,022	(349,022)		-	
Carl D. Perkins Vocational & Applied Technology Education Act Secondary Reserve Funds	84.048A	V048A210030	100-034-5062-100	75,573	7/01/21-9/30/22		75,573	(75,573)		-	
Carl D. Perkins Vocational & Applied Technology Education Act Secondary	84.048A	V048A200030	100-034-5062-100	347,618	7/01/20-6/30/21	(221,181)	221,181			-	
Pell Grant	84.063	N/A	N/A	144,822	7/01/21-9/30/22		144,822	(144,822)		-	
Total U.S. Department of Education						(310,014)	3,423,926	(3,253,107)	-	(139,195)	-
U.S. DEPARTMENT OF LABOR											
Passed Through New Jersey Department of Labor:											
Vocational Rehabilitation Act 1973	84.126	N/A	100-062-4535-100	1,755	7/01/21-9/30/22		1,755	(1,755)		-	
Total U.S. Department of Labor						-	1,755	(1,755)	-	-	-
Total Federal Financial Assistance						\$ (314,609)	4,578,018	(4,477,959)	(12,747)	(227,297)	\$ -

N/A - Not Available

The Notes to the 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 FISCAL YEAR ENDED JUNE 30, 2022**

STATE GRANTOR/PROGRAM TITLE OR CLUSTE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	(ACCOUNTS RECEIVABLE)	MEMO
								AT JUNE 30, 2022	
State Department of Education:									
General Fund:									
State Aid Public:									
Equalization Aid	22-495-034-5120-078	13,856,673	7/01/21-6/30/22	\$ -	12,494,607	(13,856,673)		1,362,066	\$ 13,856,673
Special Education Categorical Aid	22-495-034-5120-089	1,338,084	7/01/21-6/30/22		1,204,276	(1,338,084)		133,808	1,338,084
Security Aid	22-495-034-5120-084	244,568	7/01/21-6/30/22		220,111	(244,568)		24,457	244,568
Total State Aid Public				-	13,918,994	(15,439,325)	-	1,520,331	15,439,325
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	22-495-034-5094-003	1,080,670	7/01/21-6/30/22		1,027,552	(1,080,670)	(53,118)		1,080,670
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	21-495-034-5094-003	1,040,338	7/01/20-6/30/21	(51,494)	51,494				-
On-Behalf TPAF Post-Retirement Medical (Noncash Assistance)	22-495-034-5094-001	1,187,205	7/01/21-6/30/22	(51,494)	1,079,046	(1,080,670)	(53,118)		1,080,670
On-Behalf TPAF Pension Contributions (Noncash)	22-495-034-5094-002	5,081,333	7/01/21-6/30/22		5,081,333	(5,081,333)			1,187,205
On-Behalf TPAF Long-Term Disability Insurance Contributions (Noncash)	22-495-034-5094-004	2,131	7/01/21-6/30/22		2,131	(2,131)			5,081,333
Total General Fund				-	6,270,669	(6,270,669)	-	-	6,270,669
Special Revenue Fund:				(51,494)	21,268,709	(22,790,664)	(53,118)	1,520,331	22,790,664
Carl D. Perkins Vocational & Applied Technology Education Act - Post Secondary	22-5062-032	99,506	7/01/21-6/30/22		99,506	(99,506)			99,506
Carl D. Perkins Vocational & Applied Technology Education Act - Post Secondary	21-5062-032	109,603	7/01/20-6/30/21	(18,260)	18,260				-
SDA Emergent and Capital Maintenance Needs		57,587	7/01/21-6/30/22		57,587	(57,587)			57,587
Total Special Revenue Fund				(18,260)	175,353	(157,093)	-	-	157,093
New Jersey Department of Agriculture:									
Enterprise Funds:									
National School Lunch Program (State Share)	22-100-010-3350-023	19,364	7/01/21-6/30/22		18,010	(19,364)	(1,354)		19,364
National School Lunch Program (State Share)	21-100-010-3350-023	67,001	7/01/20-6/30/21	(545)	545				-
Total Enterprise Fund				(545)	18,555	(19,364)	(1,354)		19,364
Total State Financial Assistance				(70,299)	21,462,617	(22,967,121)	-	(54,472)	1,520,331
State Financial Assistance Programs not subject to Calculation for major Program Determination:									
On-Behalf TPAF Post-Retirement Medical (Noncash Assistance)	22-495-034-5094-001	1,187,205	7/01/21-6/30/22			1,187,205			1,187,205
On-Behalf TPAF Pension Contributions (Noncash)	22-495-034-5094-002	5,081,333	7/01/21-6/30/22			5,081,333			5,081,333
On-Behalf TPAF Long-Term Disability Insurance Contributions (Noncash)	22-495-034-5094-004	2,131	7/01/21-6/30/22			2,131			2,131
Total State Financial Assistance subject to Calculation for Major Program Determination									\$ (16,696,452)

The Notes to the 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, 2022

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, 2022. 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, 2022.

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, 2022**

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 (\$61,452) for the general 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	\$ 19,243	22,729,212	\$22,748,455
Special Revenue Fund	3,108,285	157,093	3,265,378
Adult Education Fund	146,577		146,577
Food Service Fund	<u>293,266</u>	<u>19,364</u>	<u>312,630</u>
Total Awards & Financial Assistance	<u>\$ 3,567,371</u>	<u>22,905,669</u>	<u>\$26,473,040</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, 2022.

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY SCHEDULE
OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Section I - Summary of Auditor's
Results**

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

- 1) Material weakness(es) identified? yes X no
- 2) Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- 1) Material weakness(es) identified? yes X no
- 2) Significant deficiency(ies) identified? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a)? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425D & U</u>	<u>S425D210027/S425U210027</u>	<u>ESSER CLUSTER</u>
<u>10.553 & 10.555</u>	<u>221NJ304N1099</u>	<u>CHILD NUTRITION CLUSTER</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

Dollar threshold used to determine Type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes no

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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 that are not considered to be material weaknesses? _____ 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 as applicable? _____ yes ___X___ no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
_____ 22-495-034-5120-084 _____	_____ Security Aid _____
_____ 22-495-034-5120-089 _____	_____ Special Education Categorical Aid _____
_____ 22-495-034-5120-078 _____	_____ Equalization Aid _____

**BURLINGTON COUNTY INSTITUTE OF TECHNOLOGY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings – N/A

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting 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

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, as applicable.

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, 2022**

This section identifies the status of prior year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, as applicable.

Status of Prior Year Findings:

N/A

Federal Awards:

N/A

State Financial Assistance:

N/A