

**CUMBERLAND COUNTY**  
**BOARD OF VOCATIONAL EDUCATION**



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

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Table of Contents

---

<b>INTRODUCTORY SECTION</b>	<u><b>Page</b></u>
Letter of Transmittal	2
Organizational Chart	6
Roster of Officials	7
Consultants and Advisors	8
<b>FINANCIAL SECTION</b>	
<b>Independent Auditor's Report</b>	10
<b>Required Supplementary Information - Part I Management's Discussion and Analysis</b>	16
<b>Basic Financial Statements</b>	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	25
A-2 Statement of Activities	26
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	29
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	30
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Proprietary Funds:	
B-4 Statement of Net Position	32
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	33
B-6 Statement of Cash Flows	34
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	N/A
B-8 Combining Statement of Changes in Fiduciary Net Position	N/A
<b>Notes to Financial Statements</b>	35
<b>Required Supplementary Information - Part II</b>	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule - General Fund	73
C-1a Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	N/A
C-1b Community Development Block Grant - Budget and Actual	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	83
C-3 Note to Required Supplementary Information - Part II Budget-to-GAAP Reconciliation	85

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Table of Contents (Cont'd)

<b>FINANCIAL SECTION (CONT'D)</b>		<b>Page</b>
<b>Required Supplementary Information - Part III</b>		
L. Schedules Related to Accounting and Reporting for Pensions		
L-1	Schedule of the School District's Proportionate Share of the Net Pension Liability – PERS	87
L-2	Schedule of the School District's Contributions – PERS	88
L-3	Schedule of the School District's Proportionate Share of the Net Pension Liability – TPAF	89
L-4	Schedule of the School District's Contributions – TPAF	90
L-5	Notes to the Required Supplementary Information - Part III	91
<b>Required Supplementary Information - Part IV</b>		
M. Schedules Related to Accounting and Reporting for OPEB		
M-1	Schedule of Changes in the School District's Total OPEB Liability and Related Ratios	93
M-2	Notes to Required Supplementary Information - Part IV	94
<b>Other Supplementary Information</b>		
D. School Based Budget Schedules:		
D-1	Combining Balance Sheet	N/A
D-2	Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3	Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:		
E-1a-	Combining Schedule of Program Revenues and Expenditures -	
1b	Budgetary Basis	97
E-2	Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:		
F-1	Summary Schedule of Project Expenditures	100
F-2	Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	101
F-2a-	Schedule(s) of Project Revenues, Expenditures, Project Balance and Project Status -	
F-2b	Budgetary Basis	102

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Table of Contents (Cont'd)

<b>FINANCIAL SECTION (CONT'D)</b>	<b>Page</b>
<b>Other Supplementary Information (Cont'd)</b>	
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Statement of Net Position	105
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	106
G-3 Combining Statement of Cash Flows	107
Internal Service Fund:	
G-4 Combining Statement of Net Position	108
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	109
G-6 Combining Statement of Cash Flows	110
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	N/A
H-2 Combining Statement of Changes in Fiduciary Net Position	N/A
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	N/A
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	N/A
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	N/A
I-2 Schedule of Obligations under Capital Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	N/A
<b>STATISTICAL SECTION (Unaudited)</b>	
<b>Introduction to the Statistical Section</b>	
<b>Financial Trends</b>	
J-1 Net Position by Component	113
J-2 Changes in Net Position	114
J-3 Fund Balances - Governmental Funds	116
J-4 Changes in Fund Balances - Governmental Funds	117
J-5 General Fund Other Local Revenue by Source	118
<b>Revenue Capacity</b>	
J-6 Assessed Value and Estimated Actual Value of Taxable Property	N/A
J-7 Direct and Overlapping Property Tax Rates	N/A
J-8 Principal Property Taxpayers	N/A
J-9 Property Tax Levies and Collections	N/A
<b>Debt Capacity</b>	
J-10 Ratios of Outstanding Debt by Type	N/A
J-11 Ratios of General Bonded Debt Outstanding	N/A
J-12 Direct and Overlapping Governmental Activities Debt	N/A
J-13 Legal Debt Margin Information	N/A

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Table of Contents (Cont'd)

<b>STATISTICAL SECTION (Unaudited) (Cont'd)</b>		<b>Page</b>
<b>Demographic and Economic Information</b>		
J-14	Demographic and Economic Statistics	122
J-15	Principal Non-Governmental Employers	123
<b>Operating Information</b>		
J-16	Full-time Equivalent District Employees by Function/Program	125
J-17	Operating Statistics	126
J-18	School Building Information	127
J-19	Schedule of Required Maintenance Expenditures by School Facility	128
J-20	Insurance Schedule	129
<b>SINGLE AUDIT SECTION</b>		
K-1	Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards – Independent Auditor's Report	13
K-2	Report on Compliance for Each Major Program and Report on Internal Control over Compliance Required by the Uniform Guidance and State of New Jersey Circular 15-08-OMB – Independent Auditor's Report	132
K-3	Schedule of Expenditures of Federal Awards, Schedule A	135
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	137
K-5	Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance	139
K-6	Schedule of Findings and Questioned Costs:	
	Section 1 - Summary of Auditor's Results	141
	Section 2 – Schedule of Financial Statement Findings	143
	Section 3 – Schedule of Federal Award Findings and Questioned Costs	144
	Section 4– Schedule of State Financial Assistance Findings and Questioned Costs	145
K-7	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	146

## **INTRODUCTORY SECTION**



February 23, 2023

Honorable President and  
Members of the Board of Education  
Cumberland County Board of Vocational Education  
Cumberland County, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Cumberland County Board of Vocational Education 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 Cumberland County Board of Vocational Education. 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 the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements, notes to financial statements and supplemental schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Revisions of 1996 and the U.S. Office of Management and Budget; the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 and NJ Treasury Circular OMB 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with acceptable laws and regulations and findings and questioned costs are included in the single audit section of this report.

**1.) REPORTING ENTITY AND ITS SERVICES :**

Cumberland County Board of Vocational Education is a component of Cumberland County within the criteria adopted by GASB as established by GASB Statement No. 14, as amended. All funds of the District are included in this report. The Cumberland County Board of Vocational Education and all its schools constitute the District's reporting entity.

The district delivers full time career and college readiness curriculum for secondary students within the county. In addition, the district provides a self-contained special education program for students (STRIVE) with a curriculum focused on occupational programs.

## CCTEC Enrollment History

YEAR	Bridgeton		CRHS		Millville		Vineland		Other		HSTOT	Adult	Total
	FT	ST	FT	ST	FT	ST	FT	ST	STRIVE	other			
12-13	10	79	7	130	13	91	3	248	7	52	640	155	795
13-14	9	85	5	124	15	100	4	301	8	42	693	105	798
14-15	8	81	9	112	20	91	3	270	15	37	646	103	749
15-16	7	67	7	71	16	78	2	182	17	46	493	114	607
16-17	45	33	45	62	38	53	92	130	13	65	576	50	626
17-18	75	13	80	33	61	8	217	46	7	67	607	0	607
18-19	95	0	104	0	93	0	315	0	10	91	708	17	725
19-20	134	0	131	0	127	0	427	0	13	115	947	30	977
20-21	139	0	116	0	148	0	451	0	13	106	973	0	973
21-22	167	0	134	0	223	0	473	0	32	0	1029	0	1029

### 2.) ECONOMIC CONDITION AND OUTLOOK:

2022-2023 enrollment currently exceeds 1,080 full time students. Enrolment is projected to continue to increase over the next several year.

We continue to see record enrollment in all Health Science and Medicine Programs. The County as a whole has benefited from significant investments by the medical community and the creation of jobs within this important field. This commitment by our Business Partners along with steady increased enrollment has led to the expansion of our building with the opening on the Health Science and Medicine in the Winter of 2022.

Interest in Engineering programs continues to rise as well. The District has been awarded funding through the Securing Our Children’s Future Bond Act – CTE Expansion Grant. The \$2,250,000 grant and \$750,000 of the District’s Capital Reserve funds to renovate locations within the facility for the expansion of the Engineering program. Phase I of this renovation was completed over the summer of 2022 and students began utilizing these spaces in the Fall of 2022. Phase II is nearing completion and is set to open in the Fall of 2023.

### 3.) MAJOR INITIATIVES:

CCTEC is proud of our educational initiatives during the fiscal year 2022. They include:

- a. The continuation of partnerships with Rowan College of South Jersey, Rutgers University, Rowan University and Ohio Technical College that enhance career pathways for all students.
- b. The continuation of STRIVE’s extended year program with a strong On the Job Training Program as a major component of the curriculum.
- c. The collaboration with CTE professionals to assist in the development of curriculum.



**4.) INTERNAL ACCOUNTING CONTROLS:**

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally 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 derived; and (2) the valuation of costs and benefits requires estimate and judgments by management.

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

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

**5.) BUDGETARY CONTROLS:**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Cumberland County Board of School Estimate. Annual appropriated budgets are adopted for the general fund and the special revenue 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 are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assignments of fund balance at June 30, 2022.

**6.) ACCOUNTING SYSTEM AND REPORTS:**

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

**7.) DEBT ADMINISTRATION:**

All bond indebtedness on behalf of the District is held by the Cumberland County Board of County Commissioners and the Cumberland County Improvement Authority.

**8.) CASH MANAGEMENT:**

The investment policy of the District is guided in large part by state statute as detailed in “Notes to the Financial Statements”, Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

**9.) RISK MANAGEMENT:**

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

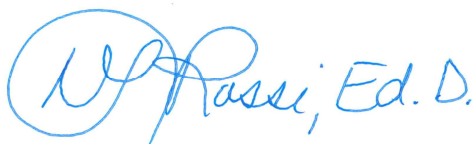
**10.) OTHER INFORMATION:**

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman & Company LLP was selected by the Board. In addition to meeting requirements set forth in state statutes, the audit also was also designed to meet the requirements the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 and NJ Treasury Circular OMB 15 - 08. The auditor’s report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

**11.) ACKNOWLEDGEMENTS:**

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

Respectfully submitted,

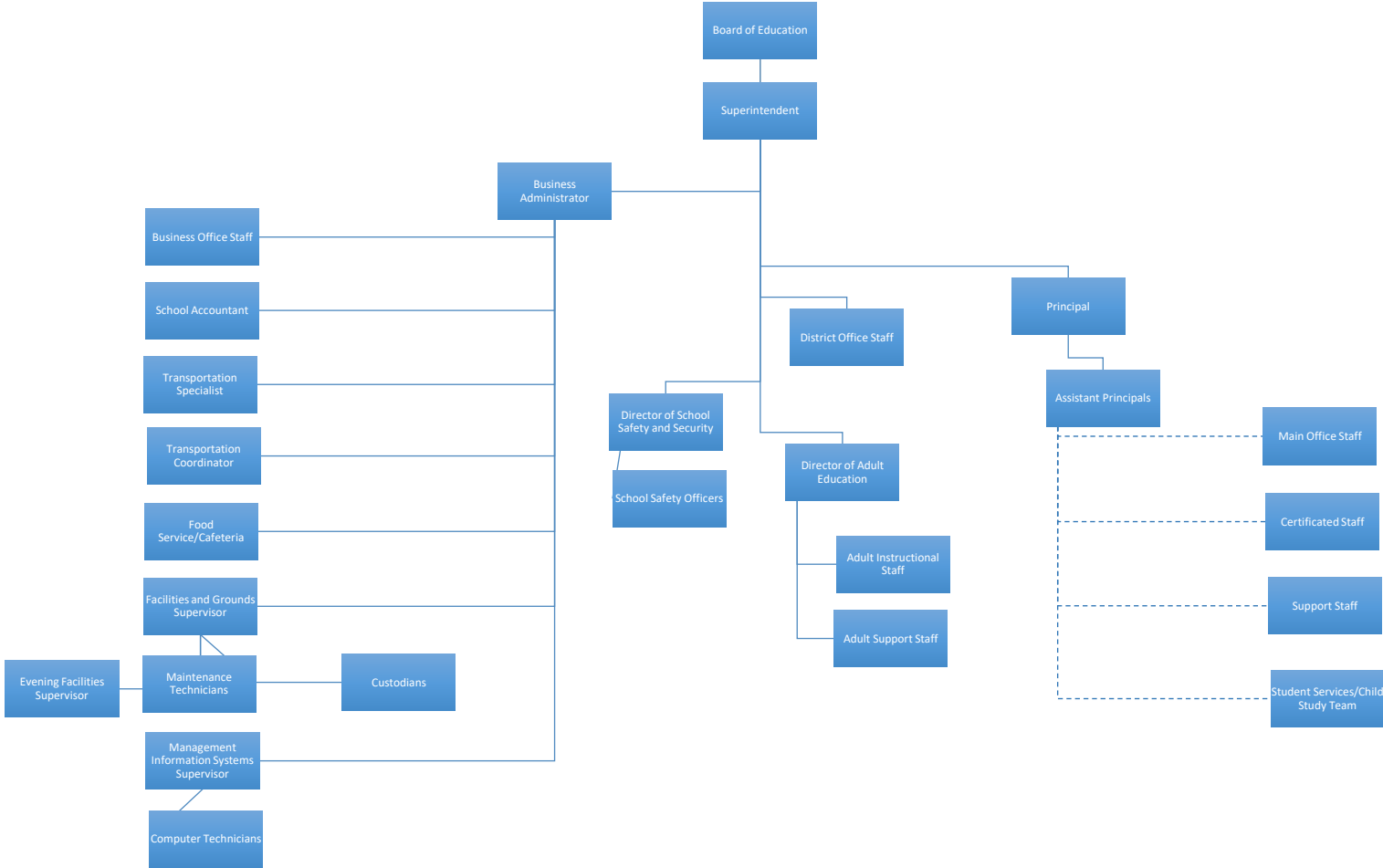


Dina Rossi, Ed. D.  
Superintendent



Megan Duffield  
Business Administrator/Board Secretary

CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION ORGANIZATIONAL CHART



## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

## ROSTER OF OFFICIALS

JUNE 30, 2022

---

<b><u>Members of the Board of Education</u></b>	<b><u>Title</u></b>	<b><u>Term Expires</u></b>
Ruth Hands	President	2023
Christy DiLeonardo	Vice President	2025
Sheila McCann		2022
Johnathan Burks		2024
John Redden		2025
Ernesto Ortiz		2022
Robert Bumpus, Interim Executive County Superintendent		Permanent

**Other Officials**

Dina Rossi, Ed. D.	Superintendent
Megan Duffield	Business Administrator, Board Secretary
Christopher Russo, Ed. D.	Treasurer

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**

**CONSULTANTS AND ADVISORS**

**JUNE 30, 2022**

---

**Architect**

Garrison Architects  
713 Creek Road  
Bellmawr, NJ 08031

**Audit Firm**

Bowman & Company LLP  
601 White Horse Road  
Voorhees, New Jersey 08043

**Attorney**

Mitchell H. Kizner, Esq.  
Flaster/Greenberg, P.C.  
Commerce Center, Third Floor  
1810 Chapel Avenue West  
Cherry Hill, NJ 08002-4609

**Official Depository**

OceanFirst Bank  
Delsea Drive  
Vineland, NJ 08360

**FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Cumberland County Board of Vocational Education  
Cumberland County, New Jersey

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Cumberland County Board of Vocational Education School District, a component unit of the County of Cumberland, 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 School 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, and each major fund of the Cumberland County Board of Vocational Education School District, in the County of Cumberland, State of New Jersey, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as 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 School District 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.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, 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 School 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 auditing standards generally accepted in the United States of America and *Government Auditing Standards* 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment 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 School 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School 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 Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability, schedule of the School District's pension contributions, and schedule of changes in the School District's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Cumberland County Board of Vocational Education School District's basic financial statements. The combining statements and related major fund supporting statements and schedules, are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are also presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining 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 annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's 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 our report dated February 23, 2023 on our consideration of the Cumberland County Board of Vocational Education School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Cumberland County Board of Vocational Education School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cumberland County Board of Vocational Education School District's internal control over financial reporting and compliance.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Carol A. McAllister*

Carol A. McAllister  
Certified Public Accountant  
Public School Accountant No. CS 238400

**Exhibit K-1****REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS****INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Cumberland County Board of Vocational Education  
Cumberland County, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Cumberland County Board of Vocational Education School District, a component unit of the County of Cumberland, 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 School District's basic financial statements, and have issued our report thereon dated February 23, 2023.

**Report on Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

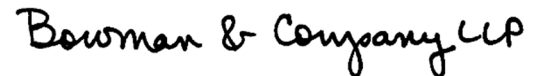
**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Cumberland County Board of Vocational Education School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Carol A. McAllister  
Certified Public Accountant  
Public School Accountant No. CS 238400

Voorhees, New Jersey  
February 23, 2023

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### (Unaudited)

The discussion and analysis of the Cumberland County Board of Vocational Education's (CCBOVE) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to review the School District's financial performance as a whole; readers are advised to read it in conjunction with the basic financial statements and the notes to the financial statements to enhance their understanding of the School District's performance.

The Management's Discussion and Analysis (MD&A) section of the Annual Comprehensive Financial Report ("ACFR") is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement Number 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments that was issued in June 1999. Certain comparative information between the current year (2021-2022) and the prior year (2020-2021) is required to be presented in the MD&A.

### **USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)**

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. These statements are organized so the reader can first understand the School District as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The basic financial statements include two kinds of statements that present different views of the district:

- The first two statements are *district-wide financial statements* that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
  - o The *governmental funds* statements tell how basic services like regular and special education were financed in the short term as well as what remains for future spending.
  - o *Proprietary funds* statements offer short and long-term financial information about the activities the district operates like a business.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year reasonable.

## Major Features of District-Wide and Fund Financial Statements

	Fund Financial Statements		
	<b><u>District-Wide Statements</u></b> Entire district	<b><u>Governmental Funds</u></b> the activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	<b><u>Proprietary Funds</u></b> Activities the district operates similar to private businesses: such as food services and adult education. Instances in which the district administers resources on behalf of someone else, such as scholarship programs student activities monies
Scope			
Required Financial	-Statement of net position -Statement of activities	-Balance sheet -Statement of revenues expenditures, and changes in fund balances	-Statement of net position -Statement of revenues, expenses, and changes in fund net position -Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified Accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities both financial and capital, short-term and long term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities both financial and capital and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues/additions and expenses/deductions during the year, regardless of when cash is received or paid

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the type of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

### Reporting the School District as a Whole

The Statement of Net Position includes all of the School District's assets, deferred outflow of resources, liabilities, and deferred inflow of resources and uses the accrual basis of accounting similar to the accounting used by most private-sector businesses. All of the current year's revenue and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid. These statements report the School District's net position and how they have changed. Net position is the difference between the School District's assets, deferred inflows of resources, liabilities, and deferred outflows of resources and represents one way to measure the School District's financial health or position. The two district-wide statements report the District's *net position* and how it has changed.

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

In the district-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities* - Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities* - The District charges fees to help it cover the cost for certain services it provides. The District's food services program is included here.

### **Reporting the School District's Most Significant Funds**

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

- Some funds are required by State Law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (like completing approved capital projects) or to show that it is properly using certain revenues (like federal grants).

The District has two kinds of funds:

- ***Governmental Fund*** - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending.

Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information with the governmental funds statements that explains the relationship (or differences between them).

- ***Proprietary Funds*** - Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.
  - The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flow.
  - *Internal service funds* (the other kind of proprietary fund) are utilized to report activities that provide supplies and services for the District's other programs and activities and for other Districts (student transportation).

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

### Net position

The School District's overall financial position and operations for the past two years are summarized as follows based on the information included in the government-wide financial statements.

The School District's overall net position is \$90,405,273.24 on June 30, 2022, which is an increase of \$22,724,105.48 over the prior year net position of \$67,681,167.76. The majority of the total net position is attributed to governmental activities (99%).

**TABLE 1**  
Summary of Net Position

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change</u>	<u>% Change</u>
Current and Other Assets	\$ 12,662,263.37	\$ 10,618,592.08	\$ 2,043,671.29	19.25%
Capital Assets	85,566,581.81	61,615,573.54	23,951,008.27	38.87%
<b>Total Assets</b>	<b>98,228,845.18</b>	<b>72,234,165.62</b>	<b>25,994,679.56</b>	<b>35.99%</b>
Deferred Outflow of Resources - Related to Pensions	892,751.00	714,974.00	177,777.00	24.86%
Long-Term Liabilities	4,519,967.75	3,228,057.32	1,291,910.43	40.02%
Other Liabilities	2,561,383.19	541,805.54	2,019,577.65	372.75%
<b>Total Liabilities</b>	<b>7,081,350.94</b>	<b>3,769,862.86</b>	<b>3,311,488.08</b>	<b>87.84%</b>
Deferred Inflow of Resources - Related to Pensions	1,634,972.00	1,498,109.00	136,863.00	9.14%
Net Position:				
Net Investment in Capital Assets	83,576,581.81	61,615,573.54	21,961,008.27	35.64%
Restricted	8,170,646.39	7,516,665.74	653,980.65	8.70%
Unrestricted (Deficit)	(1,341,954.96)	(1,451,071.52)	109,116.56	-7.52%
<b>Total Net Position</b>	<b>\$ 90,405,273.24</b>	<b>\$ 67,681,167.76</b>	<b>\$ 22,724,105.48</b>	<b>33.58%</b>

The following table provides an illustration of the impact of the School District's Net Position as a result of the implementation of GASBS No. 68.

**TABLE 2**  
Statement of Net Position - Effect of Pension Related Items

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change</u>	<u>% Change</u>
Deferred Outflows Related to Pensions	\$ 892,751.00	\$ 714,974.00	\$ 177,777.00	24.86%
Less: Net Pension Liability	(2,345,374.00)	(2,889,298.00)	543,924.00	-18.83%
Less: Deferred Inflows Related to Pensions	(1,634,972.00)	(1,498,109.00)	(136,863.00)	9.14%
	<b>\$ (3,087,595.00)</b>	<b>\$ (3,672,433.00)</b>	<b>\$ 584,838.00</b>	<b>-15.93%</b>



## Changes in Net Position

The District's total revenues are \$48,529,864.19 for the fiscal year ending June 30, 2022. County appropriations and state formula aid accounted for 30% of the District's revenue. 11% is derived from state and federal aid for specific programs, and the remainder, 59% from fees charged for services, donated assets, and miscellaneous resources.

The District's expenses are predominantly related to educating and caring for students accounting for 53% of total costs with purely administrative activities of the District totaling 11% of total costs.

Total revenues surpassed expenditures, increasing net position approximately \$22,724,105.48 from last year, primarily in governmental type activities.

The following table provides a summary of the School District's changes in net position:

**TABLE 3**  
Summary of Change in Net Position

<b>Revenues:</b>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change</u>	<u>% Change</u>
Program Revenues:				
Charges for Services	\$ 927,718.43	\$ 759,872.01	\$ 167,846.42	22.09%
Federal & State Categorical Grants	2,926,294.46	3,389,494.30	(463,199.84)	-13.67%
General Revenues:				
County Appropriations	2,688,000.00	2,634,000.00	54,000.00	2.05%
Federal & State Grants	14,517,450.31	9,297,469.19	5,219,981.12	56.14%
Donated Capital Assets	22,325,484.89		22,325,484.89	100.00%
Miscellaneous	5,144,916.10	6,625,939.20	(1,481,023.10)	-22.35%
<b>Total Revenues</b>	<b>48,529,864.19</b>	<b>22,706,774.70</b>	<b>25,823,089.49</b>	<b>113.72%</b>
<b>Expenses:</b>				
Instruction:				
Regular	5,995,382.13	4,909,901.20	1,085,480.93	22.11%
Vocational Education	3,002,675.55	2,276,143.09	726,532.46	31.92%
Other Special Instruction	223,787.66	181,365.17	42,422.49	23.39%
Student Services:				
Student and Instruction Related Services	1,939,171.48	1,656,479.29	282,692.19	17.07%
School Administrative Services	808,572.24	779,653.98	28,918.26	3.71%
General Administrative Services	1,143,697.47	791,657.72	352,039.75	44.47%
Central Services	453,101.87	411,914.45	41,187.42	10.00%
Admin Info Tech	635,992.89	288,253.07	347,739.82	120.64%
Plant Operations and Maintenance	2,716,773.68	1,843,181.33	873,592.35	47.40%
Pupil Transportation	86,538.35	55,215.41	31,322.94	56.73%
Unallocated Benefits	5,604,614.16	6,299,633.09	(695,018.93)	-11.03%
Unallocated Depreciation and Amortization	2,187,706.55	1,724,343.60	463,362.95	26.87%
Enterprise Funds	1,007,744.68	558,475.78	449,268.90	80.45%
<b>Total Expenses</b>	<b>25,805,758.71</b>	<b>21,776,217.18</b>	<b>4,029,541.53</b>	<b>18.50%</b>
<b>Increase in Net Position</b>	<b>22,724,105.48</b>	<b>930,557.52</b>	<b>21,793,547.96</b>	<b>2341.99%</b>
Beginning Net Position, as Previously Reported	67,681,167.76	66,578,611.92	1,102,555.84	1.66%
Prior Period Adjustment	-	171,998.32		
Beginning Net Position, as Restated	67,681,167.76	66,750,610.24	1,102,555.84	1.65%
<b>Ending Net Position</b>	<b>\$ 90,405,273.24</b>	<b>\$ 67,681,167.76</b>	<b>\$ 22,896,103.80</b>	<b>33.83%</b>

## THE SCHOOL DISTRICT'S ACTIVITIES

### Governmental Activities

The strong financial performance of the District as a whole is primarily reflected in its governmental funds. Fiscal year 2022 governmental funds reported total ending fund balances of \$8,132,525.03. The District's final budget anticipated utilizing fiscal year 2021 fund balance of \$1,075,851.05. Assigned fund balance includes \$590,908.88 designated for subsequent year's expenditures. Restricted fund balances include the capital reserve account with \$2,917,555.00 of funds available, the maintenance reserve account with \$1,434,118.00 of funds available, the unemployment compensation account with \$215,220.15, and \$2,997,108.63 of excess surplus of which \$1,773,417.00 is anticipated as revenue in the District's fiscal year 2023 budget.

The District received \$22,325,484.89 in donated capital assets from the Cumberland County Improvement Authority. Miscellaneous revenue fees exceeded the amounts anticipated in the 2022 budget. The District charged tuition for secondary high school students.

Actual expenditures for capital outlay amounted to \$2,983,378.53 in the Operating Fund, \$132,733.10 in the Special Revenue Fund, and \$586,740.98 from the Capital Project Fund.

Over the course of the year, the District revised the annual operating budget several times to prevent budgetary line account overruns.

### General Fund Budgetary Highlights

Reimbursements for pension and Social Security contributions of \$3,612,148.94 are non-budgeted items in both revenues and appropriations.

### Business-Type Activities

Revenues of the District's business-type activities for the year amounted to \$1,007,212.86 and expenses were \$1,007,744.68.

## CAPITAL ASSETS

The District's investment in capital assets, net of accumulated depreciation and amortization, for governmental and business type activities as of June 30, 2022 and 2021, was \$85,566,581.81 and \$61,615,573.54, respectively. Investments include a broad range of capital assets, including school buildings, athletic facilities, computer and audiovisual equipment, and administrative offices. See Note 8 for additional information about changes in capital assets during the fiscal year

**TABLE 4**  
Capital Assets

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Capital Assets (Net of Depreciation and Amortization):		
Land	\$ 1,236,795.00	\$ 1,236,795.00
Construction in Progress	363,536.45	
Site Improvements	6,333,538.15	1,655,259.50
Building and Improvements	71,567,504.39	55,978,533.51
Building - Financed Purchase (Admin bldg)	1,990,000.00	
Machinery and Equipment	4,075,207.82	2,744,985.53
Total Capital Assets	<u>\$ 85,566,581.81</u>	<u>\$ 61,615,573.54</u>

## **LONG TERM DEBIT**

The District does not have the authority to issue bonds. Any long-term debt is approved and issued by the County of Cumberland and is not a liability of the District.

## **FACTORS BEARING ON THE DISTRICT'S FUTURE**

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

- The school district is heavily dependent on State Aid. It is anticipated that the Governor and State Legislature will continue to adjust the State School Aid Formula to address school funding issues State wide. Anticipated changes to the school funding formula always causes great anxiety among school officials due to the uncertainty. The District is hopeful that we realize only positive funding changes due to increasing enrollment.
- The District continues to monitor industry needs to ensure our technical programs produce a job-ready workforce. In conjunction with the Center for Workforce and Economic Development (CWED), and Rowan College of South Jersey, and industry partners, the Cumberland County Board of Vocational Education will continue to work with leaders in Cumberland County to identify trends and enhance our training programs.
- In October 2018, the Cumberland County Board of Chosen Freeholders approved a \$23 million bond ordinance with the State of New Jersey incurring 72.1% of the cost of to construct a 55,000 sq. ft. expansion of the current facility that will be home to our Health Science and Medicine Program. Historically, Health Science and Medicine has been the most enrolled program. Currently there are four applicants for every one seat. This consistent enrollment, coupled with a health system that serves Cumberland County's top employer, provides the rationale for the expansion that will serve as an anchor for quality medical training for a variety of populations. The construction of the addition was completed in the Winter of 2022.
- In the Fall of 2021, the District applied for and was awarded funding through the Securing Our Children's Future Bond Act – CTE Expansion Grant. The \$2,250,000 grant and \$750,000 of the District's Capital Reserve funds will be utilized for construction that will include the conversion and reconfiguration of the existing Central District Office Area and Allied Health Classrooms (to be relocated to Health Science and Medicine Addition) to a STEM Lab 1,261 sf, Electrical Construction Lab 1,277 sf and a Construction Engineering Lab 1,247 sf which includes supporting storage, (2) Advanced Manufacturing Labs 1,184 sf and 1,342 sf and an Electronics Lab 1,352 sf which includes supporting storage spaces for a total project conversion of 8,914 sf. This conversion will add 144 seats to our current STEM Programs of Engineering, Electrical Technology, Welding Technology, Construction and Advanced Manufacturing. Phase I of this renovation was completed over the summer of 2022 and students began utilizing these spaces in the Fall of 2022. Phase II is nearing completion and is set to open in the Fall of 2023.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the funding it receives. If you have questions about this report or need additional financial information, please contact Megan Duffield, School Business Administrator, Cumberland County Board of Vocational Education, 2745 S. Delsea Drive, Vineland, NJ 08360.

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Statement of Net Position  
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 5,641,048.86	\$ 821,037.14	\$ 6,462,086.00
Receivables, net	3,111,781.37	91,503.80	3,203,285.17
Inventory		5,500.64	5,500.64
Restricted Cash and Cash Equivalents	2,991,391.56		2,991,391.56
Capital Assets, net	85,392,286.17	174,295.64	85,566,581.81
<b>Total Assets</b>	<b>97,136,507.96</b>	<b>1,092,337.22</b>	<b>98,228,845.18</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to Pensions	892,751.00	-	892,751.00
<b>LIABILITIES:</b>			
<b>Accounts Payable:</b>			
Other	776,745.16	65,768.57	842,513.73
Related to Pensions	298,115.00		298,115.00
Internal Balances	19,272.44	(19,272.44)	
Due to Other Funds		15,000.00	15,000.00
Payable to Federal Government	636.00		636.00
Due Students, Net		4,256.95	4,256.95
Unearned Revenue	1,311,483.88	8,722.64	1,320,206.52
<b>Noncurrent Liabilities:</b>			
Due within One Year	80,654.99		80,654.99
Due beyond One Year	4,479,191.56	40,776.19	4,519,967.75
<b>Total Liabilities</b>	<b>6,966,099.03</b>	<b>115,251.91</b>	<b>7,081,350.94</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Pensions	1,634,972.00	-	1,634,972.00
<b>NET POSITION:</b>			
Net Investment in Capital Assets	83,402,286.17	174,295.64	83,576,581.81
<b>Restricted for:</b>			
Unemployment Compensation	215,220.15		215,220.15
Student Activities	165,229.04		165,229.04
Other Purposes	7,790,197.20		7,790,197.20
Unrestricted (Deficit)	(2,144,744.63)	802,789.67	(1,341,954.96)
<b>Total Net Position</b>	<b>\$ 89,428,187.93</b>	<b>\$ 977,085.31</b>	<b>\$ 90,405,273.24</b>

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

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2022

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 5,995,382.13		\$ 731,022.41		\$ (5,264,359.72)		\$ (5,264,359.72)
Vocational Programs	3,002,675.55			\$ 132,733.10	(2,869,942.45)		(2,869,942.45)
Other Special Instruction	223,787.66				(223,787.66)		(223,787.66)
Support Services:							
Instruction/Tuition	676,937.89	\$ 141,214.46	604,948.41		69,224.98		69,224.98
Health Services	276,390.76				(276,390.76)		(276,390.76)
Support Services - Students	969,903.58		102,317.28		(867,586.30)		(867,586.30)
Support Services - Instructional Staff	2,441.25				(2,441.25)		(2,441.25)
Educational Media / Library	50.00				(50.00)		(50.00)
Instructional Staff Training Services	13,448.00				(13,448.00)		(13,448.00)
General Administration	1,143,697.47	604,493.43			(539,204.04)		(539,204.04)
School Administration	808,572.24				(808,572.24)		(808,572.24)
Operations and Maintenance	2,660,646.20				(2,660,646.20)		(2,660,646.20)
Central Services	453,101.87				(453,101.87)		(453,101.87)
Administration Information Technology	635,992.89				(635,992.89)		(635,992.89)
Care and Upkeep of Grounds	56,127.48				(56,127.48)		(56,127.48)
Student Transportation	86,538.35				(86,538.35)		(86,538.35)
Unallocated Benefits	5,604,614.16		530,070.94		(5,074,543.22)		(5,074,543.22)
Unallocated Depreciation and Amortization	2,187,706.55				(2,187,706.55)		(2,187,706.55)
<b>Total Governmental Activities</b>	<b>24,798,014.03</b>	<b>745,707.89</b>	<b>1,968,359.04</b>	<b>\$ 132,733.10</b>	<b>(21,951,214.00)</b>	<b>\$ -</b>	<b>(21,951,214.00)</b>
Business-Type Activities:							
Food Service	775,309.42	52,617.04	823,573.33			100,880.95	100,880.95
Other Enterprise Funds	232,435.26	129,393.50	1,628.99			(101,412.77)	(101,412.77)
<b>Total Business-Type Activities</b>	<b>1,007,744.68</b>	<b>182,010.54</b>	<b>825,202.32</b>	<b>-</b>	<b>-</b>	<b>(531.82)</b>	<b>(531.82)</b>
<b>Total Government</b>	<b>\$ 25,805,758.71</b>	<b>\$ 927,718.43</b>	<b>\$ 2,793,561.36</b>	<b>\$ 132,733.10</b>	<b>(21,951,214.00)</b>	<b>(531.82)</b>	<b>(21,951,745.82)</b>

(Continued)

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2022

Functions / Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
General Revenues:							
County Appropriations					\$ 2,688,000.00	\$ -	\$ 2,688,000.00
Tuition Received					4,944,581.15		4,944,581.15
Federal and State Aid not Restricted					14,517,450.31		14,517,450.31
Interest and Investment Earnings - Unrestricted					22,890.45		22,890.45
Interest and Investment Earnings - Restricted					459.71		459.71
Miscellaneous Income					211,178.80		211,178.80
Gain/Loss on Disposal of Capital Assets					(34,194.01)		(34,194.01)
Donated Capital Assets Received					22,325,484.89		22,325,484.89
Total General Revenues					44,675,851.30	-	44,675,851.30
Change in Net Position					22,724,637.30	(531.82)	22,724,105.48
Net Position -- July 1					66,703,550.63	977,617.13	67,681,167.76
Net Position -- June 30					\$ 89,428,187.93	\$ 977,085.31	\$ 90,405,273.24

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



**FUND FINANCIAL STATEMENTS**

CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

Governmental Funds  
Balance Sheet  
June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 4,999,467.25	\$ 165,229.04	\$ 2,582,523.95	\$ 7,747,220.24
Due from Other Funds				
Capital Projects Fund	2,136,539.48			2,136,539.48
Enterprise - Drive to the Future	21,390.44			21,390.44
Special Revenue Fund	478,483.32			478,483.32
Receivables from Other Governments	769,786.38	1,766,116.30		2,535,902.68
Receivables Other - Tuition	564,184.20			564,184.20
<b>Total Assets</b>	<b>\$ 8,969,851.07</b>	<b>\$ 1,931,345.34</b>	<b>\$ 2,582,523.95</b>	<b>\$ 13,483,720.36</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 685,683.46	\$ 25,513.10	4,568.90	\$ 715,765.46
Payroll Deductions and Withholdings Payable	27,942.78			27,942.78
Unemployment Compensation Claims Payable	33,036.92			33,036.92
Interfund Accounts Payable:				
Enterprise - Adult Student	28,057.04			28,057.04
Enterprise - Food Service	1,644.51			1,644.51
Enterprise - Food Service Restaurant	10,961.33			10,961.33
General Fund		478,483.32	2,136,539.48	2,615,022.80
Payable to Federal Government		636.00		636.00
Unearned Revenue	50,000.00	1,261,483.88		1,311,483.88
<b>Total Liabilities</b>	<b>837,326.04</b>	<b>1,766,116.30</b>	<b>2,141,108.38</b>	<b>4,744,550.72</b>
<b>Fund Balances:</b>				
<b>Restricted:</b>				
Capital Reserve	2,917,555.00			2,917,555.00
Maintenance Reserve	1,434,118.00			1,434,118.00
Capital Projects			441,415.57	441,415.57
Excess Surplus -- Designated for Subsequent Year's Expenditures	1,773,417.00			1,773,417.00
Excess Surplus	1,223,691.63			1,223,691.63
Unemployment Compensation	215,220.15			215,220.15
Student Activities		165,229.04		165,229.04
<b>Assigned:</b>				
Other Purposes	590,908.88			590,908.88
Unassigned (Deficit)	(22,385.63)			(22,385.63)
<b>Total Fund Balances</b>	<b>8,132,525.03</b>	<b>165,229.04</b>	<b>441,415.57</b>	<b>8,739,169.64</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 8,969,851.07</b>	<b>\$ 1,931,345.34</b>	<b>\$ 2,582,523.95</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$96,622,437.73 and the accumulated depreciation and amortization is \$11,230,151.56.	85,392,286.17
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(2,214,472.55)
Internal Service Funds are used by management to charge costs of certain activities, such as shared business services. Assets and liabilities of the Internal Service Fund are included in the Statement of Net Position.	896,914.67
Net Pension Liability	(2,345,374.00)
Accounts Payable related to the April 1, 2023 Required PERS pension contribution that is not to be liquidated with current financial resources.	(298,115.00)
Deferred Outflows of Resources - Related to Pensions	892,751.00
Deferred Inflows of Resources - Related to Pensions	(1,634,972.00)
<b>Net Position of Governmental Activities</b>	<b>\$ 89,428,187.93</b>

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

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Governmental Funds  
 Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Fiscal Year Ended June 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>				
County Appropriations	\$ 2,688,000.00			\$ 2,688,000.00
Tuition Charges	4,944,581.15			4,944,581.15
Miscellaneous	221,024.96			221,024.96
State Sources	15,203,811.94	\$ 78,638.00		15,282,449.94
Federal Sources	29,528.59	1,376,561.92		1,406,090.51
Local Sources		154,718.46		154,718.46
<b>Total Revenues</b>	<b><u>23,086,946.64</u></b>	<b><u>1,609,918.38</u></b>	<b><u>\$ -</u></b>	<b><u>24,696,865.02</u></b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Regular Instruction	5,264,359.72	731,022.41		5,995,382.13
Vocational Programs	3,002,675.55			3,002,675.55
Other Instruction	223,787.66			223,787.66
<b>Support Services and Undistributed Costs:</b>				
Instruction/Tuition	71,989.48	604,948.41		676,937.89
Health Services	276,390.76			276,390.76
Support Services - Students	867,586.30	102,317.28		969,903.58
Support Services - Instructional Staff	2,441.25			2,441.25
Educational Media / Library	50.00			50.00
Instructional Staff Training Services	13,448.00			13,448.00
General Administration	792,718.53			792,718.53
School Administration	808,572.24			808,572.24
Operations and Maintenance	2,660,646.20			2,660,646.20
Central Services	453,101.87			453,101.87
Administration Information Technology	635,992.89			635,992.89
Care and Upkeep of Grounds	56,127.48			56,127.48
Student Transportation	86,538.35			86,538.35
Unallocated Benefits	6,282,833.55			6,282,833.55
Capital Outlay	2,983,378.53	132,733.10	586,740.98	3,702,852.61
<b>Total Expenditures</b>	<b><u>24,482,638.36</u></b>	<b><u>1,571,021.20</u></b>	<b><u>586,740.98</u></b>	<b><u>26,640,400.54</u></b>
<b>Excess (Deficit) of Revenues over / (under) Expenditures</b>	<b><u>(1,395,691.72)</u></b>	<b><u>38,897.18</u></b>	<b><u>(586,740.98)</u></b>	<b><u>(1,943,535.52)</u></b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Assets Acquired Under Financed Purchases	1,990,000.00			1,990,000.00
Operating Transfers In			750,000.00	750,000.00
Operating Transfers Out	(750,000.00)			(750,000.00)
<b>Total Other Financing Sources (Uses)</b>	<b><u>1,240,000.00</u></b>	<b><u>-</u></b>	<b><u>750,000.00</u></b>	<b><u>1,990,000.00</u></b>
<b>Net Change in Fund Balances</b>	<b>(155,691.72)</b>	<b>38,897.18</b>	<b>163,259.02</b>	<b>46,464.48</b>
<b>Fund Balance -- July 1</b>	<b><u>8,288,216.75</u></b>	<b><u>126,331.86</u></b>	<b><u>278,156.55</u></b>	<b><u>8,692,705.16</u></b>
<b>Fund Balance -- June 30</b>	<b><u>\$ 8,132,525.03</u></b>	<b><u>\$ 165,229.04</u></b>	<b><u>\$ 441,415.57</u></b>	<b><u>\$ 8,461,013.09</u></b>

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

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**

Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Fiscal Year Ended June 30, 2022

Net Change in Fund Balances - Governmental Funds	\$	46,464.48
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization in the period.		
Depreciation Expense	\$	(2,187,706.55)
Capital Outlays		3,702,852.61
Donated Assets		<u>22,325,484.89</u>
		23,840,630.95
The net effect of gain (loss) on disposal of capital assets.		(34,194.01)
Proceeds from leases and financed purchases are a financing source in the governmental funds. They are not revenues in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.		(1,990,000.00)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		89,640.39
Internal Service Funds are used by management to charge costs of certain activities, such as shared business services. The operating transfers are included in the Governmental Funds.		253,514.49
Governmental funds report School District pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		<u>518,581.00</u>
Change in Net Position of Governmental Activities	\$	<u><u>22,724,637.30</u></u>

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

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Statement of Net Position  
Proprietary Funds  
June 30, 2022

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Food Service	Food Service Restaurant	Drive to the Future	Adult Education	Total Enterprise	Internal Service Fund
<b>ASSETS:</b>						
<b>Current Assets:</b>						
Cash and Cash Equivalents	\$ 188,065.57	\$ 42,744.63	\$ 516,232.55	\$ 73,994.39	\$ 821,037.14	\$ 870,220.18
Accounts Receivable:						
State	1,093.68				1,093.68	
Federal	86,996.12				86,996.12	
Other				3,414.00	3,414.00	11,694.49
Interfund Accounts Receivable:						
General Fund	10,764.00	11,198.33		28,054.00	50,016.33	
Internal Service Fund						15,000.00
Enterprise Fund						15,000.00
Inventories	5,500.64				5,500.64	
<b>Total Current Assets</b>	<b>292,420.01</b>	<b>53,942.96</b>	<b>516,232.55</b>	<b>105,462.39</b>	<b>968,057.91</b>	<b>911,914.67</b>
<b>Noncurrent Assets:</b>						
Equipment	72,555.26		184,578.20		257,133.46	
Less Accumulated Depreciation	(6,511.27)		(76,326.55)		(82,837.82)	
<b>Total Noncurrent Assets</b>	<b>66,043.99</b>	<b>-</b>	<b>108,251.65</b>	<b>-</b>	<b>174,295.64</b>	<b>-</b>
<b>Total Assets</b>	<b>358,464.00</b>	<b>53,942.96</b>	<b>624,484.20</b>	<b>105,462.39</b>	<b>1,142,353.55</b>	<b>911,914.67</b>
<b>LIABILITIES:</b>						
<b>Current Liabilities:</b>						
Interfund Accounts Payable:						
Due General Fund	237.00		30,506.89		30,743.89	
Internal Service Fund		15,000.00			15,000.00	15,000.00
Accounts Payable	64,907.07	861.50			65,768.57	
Due Students, Net	4,256.95				4,256.95	
Unearned Revenue			8,722.64		8,722.64	
<b>Total Current Liabilities</b>	<b>69,401.02</b>	<b>15,861.50</b>	<b>39,229.53</b>	<b>-</b>	<b>124,492.05</b>	<b>15,000.00</b>
<b>Noncurrent Liabilities:</b>						
Compensated Absences Payable			40,776.19		40,776.19	
<b>Total Noncurrent Liabilities</b>	<b>-</b>	<b>-</b>	<b>40,776.19</b>	<b>-</b>	<b>40,776.19</b>	<b>-</b>
<b>Total Liabilities</b>	<b>69,401.02</b>	<b>15,861.50</b>	<b>80,005.72</b>	<b>-</b>	<b>165,268.24</b>	<b>15,000.00</b>
<b>NET POSITION:</b>						
Net Investment in Capital Assets	66,043.99		108,251.65		174,295.64	
Unrestricted	223,018.99	38,081.46	436,226.83	105,462.39	802,789.67	896,914.67
<b>Total Net Position</b>	<b>\$ 289,062.98</b>	<b>\$ 38,081.46</b>	<b>\$ 544,478.48</b>	<b>\$ 105,462.39</b>	<b>\$ 977,085.31</b>	<b>\$ 896,914.67</b>

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

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Food <u>Service</u>	Food Service <u>Restaurant</u>	Drive to the <u>Future</u>	Adult <u>Education</u>	Total <u>Enterprise</u>	Internal <u>Service Fund</u>
<b>OPERATING REVENUES:</b>						
Charges for Services:						
Daily Sales - Non-Reimbursable Programs	\$ 34,226.29	\$ -	\$ -	\$ -	\$ 34,226.29	\$ -
Miscellaneous	18,390.75	986.50			19,377.25	
Fees			128,407.00		128,407.00	604,493.43
<b>Total Operating Revenues</b>	<b>52,617.04</b>	<b>986.50</b>	<b>128,407.00</b>	<b>-</b>	<b>182,010.54</b>	<b>604,493.43</b>
<b>OPERATING EXPENSES:</b>						
Salaries and Fringe Benefits	232,666.13		181,561.60		414,227.73	350,978.94
Purchased Professional/Technical Services	76,272.35		1,368.59		77,640.94	
Other Purchased Services	21,044.89				21,044.89	
General Supplies	73,610.98	1,046.47	97.16		74,754.61	
Depreciation	6,511.27		22,024.86		28,536.13	
Cleaning, Repairs and Maintenance	5,765.57				5,765.57	
Insurance	17,329.11				17,329.11	
Miscellaneous	1,682.85			26,336.58	28,019.43	
Cost of Sales - Reimbursable	320,000.69				320,000.69	
Cost of Sales - Non Reimbursable	20,425.58				20,425.58	
<b>Total Operating Expenses</b>	<b>775,309.42</b>	<b>1,046.47</b>	<b>205,052.21</b>	<b>26,336.58</b>	<b>1,007,744.68</b>	<b>350,978.94</b>
<b>Operating Income / (Loss)</b>	<b>(722,692.38)</b>	<b>(59.97)</b>	<b>(76,645.21)</b>	<b>(26,336.58)</b>	<b>(825,734.14)</b>	<b>253,514.49</b>
<b>NONOPERATING REVENUES:</b>						
State Sources:						
Seamless Summer Lunch Program - State	14,247.99				14,247.99	
Federal Sources:						
Seamless Summer Option	755,023.13				755,023.13	
Emergency Operational Cost Program - Schools	24,739.24				24,739.24	
Food Distribution Program	28,443.16				28,443.16	
P-EBT Administrative Cost	628.00				628.00	
Interest and Investment Revenue	491.81		1,628.99		2,120.80	
<b>Total Nonoperating Revenues</b>	<b>823,573.33</b>	<b>-</b>	<b>1,628.99</b>	<b>-</b>	<b>825,202.32</b>	<b>-</b>
<b>Change in Net Position</b>	<b>100,880.95</b>	<b>(59.97)</b>	<b>(75,016.22)</b>	<b>(26,336.58)</b>	<b>(531.82)</b>	<b>253,514.49</b>
<b>Net Position -- July 1</b>	<b>188,182.03</b>	<b>38,141.43</b>	<b>619,494.70</b>	<b>131,798.97</b>	<b>977,617.13</b>	<b>643,400.18</b>
<b>Net Position -- June 30</b>	<b>\$ 289,062.98</b>	<b>\$ 38,081.46</b>	<b>\$ 544,478.48</b>	<b>\$ 105,462.39</b>	<b>\$ 977,085.31</b>	<b>\$ 896,914.67</b>

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

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Food Service	Food Service Restaurant	Drive to the Future	Adult Education	Total	Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Receipts from Customers	\$ 49,591.71	\$ 11,648.17	\$ 150,742.71	\$ -	\$ 211,982.59	\$ 590,260.86
Payments to Employees	(232,666.13)		(173,306.39)		(405,972.52)	(350,978.94)
Payments to Suppliers	(507,178.00)	(184.97)	(4,893.25)	(26,336.58)	(538,592.80)	
Net Cash Provided by (Used in) Operating Activities	<u>(690,252.42)</u>	<u>11,463.20</u>	<u>(27,456.93)</u>	<u>(26,336.58)</u>	<u>(732,582.73)</u>	<u>239,281.92</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>						
State Sources	16,720.08				16,720.08	
Federal Sources	782,290.82				782,290.82	
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>799,010.90</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>799,010.90</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Interest and Dividends	491.81		1,628.99	-	2,120.80	
Net Cash Provided by (used in) Investing Activities	<u>491.81</u>	<u>-</u>	<u>1,628.99</u>	<u>-</u>	<u>2,120.80</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	36,695.03	11,463.20	(126,380.14)	(26,336.58)	(104,558.49)	239,281.92
Cash and Cash Equivalents -- July 1	151,370.54	31,281.43	642,612.69	100,330.97	925,595.63	630,938.26
Cash and Cash Equivalents -- June 30	<u>\$ 188,065.57</u>	<u>\$ 42,744.63</u>	<u>\$ 516,232.55</u>	<u>\$ 73,994.39</u>	<u>\$ 821,037.14</u>	<u>\$ 870,220.18</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>						
Operating Income (Loss)	\$ (722,692.38)	\$ (59.97)	\$ (76,645.21)	\$ (26,336.58)	\$ (825,734.14)	\$ 253,514.49
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:						
Depreciation	6,511.27		22,024.86		28,536.13	
(Increase) Decrease in Accounts Receivable, net	2,220.22				2,220.22	767.43
(Increase) Decrease in Interfunds Receivable	(9,502.50)	(3,476.83)	12,000.00		(979.33)	(15,000.00)
(Increase) Decrease in Inventories	16,201.71				16,201.71	
(Increase) Decrease in Prepaid Expenses	4,256.95				4,256.95	
Increase (Decrease) in Accounts Payable	12,752.31	15,000.00	(3,427.50)		24,324.81	
Increase (Decrease) in Interfund Payable			3,502.83		3,502.83	
Increase (Decrease) in Other Current Liabilities			6,832.88		6,832.88	
Increase (Decrease) in Accrued Salaries Benefits			8,255.21		8,255.21	
Total Adjustments	<u>32,439.96</u>	<u>11,523.17</u>	<u>49,188.28</u>	<u>-</u>	<u>93,151.41</u>	<u>(14,232.57)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (690,252.42)</u>	<u>\$ 11,463.20</u>	<u>\$ (27,456.93)</u>	<u>\$ (26,336.58)</u>	<u>\$ (732,582.73)</u>	<u>\$ 239,281.92</u>

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

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**

Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2022

---

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Cumberland County Board of Vocational Education, a component unit of the County of Cumberland (the "School District"), have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

**Description of the Financial Reporting Entity**

The School District is a Type I district located in the County of Cumberland, State of New Jersey. As a Type I district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of seven members elected to four-year terms, six members are appointed by the Board of County Commissioners, and the seventh member is the County Superintendent of Schools. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The purpose of the School District is to educate students in grades 9 through 12 for vocational programs and operate the adult and continuing education programs. The School District has an approximate enrollment at June 30, 2022 of 1,029 students.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The financial statements include all funds of the School District over which the Board exercises operating control.

**Government-wide and Fund Financial Statements**

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by county appropriations and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. County appropriations and other items not properly included among program revenues are reported instead as general revenues.



**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Government-wide and Fund Financial Statements (Cont'd)**

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Internal service funds are aggregated and presented in a single column on the face of the proprietary fund statements.

**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 financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. 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.

County appropriation, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

**General Fund** - The general fund is the primary operating fund of the School District. It 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 classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, 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, county appropriations, and appropriated fund balance. Expenditures are those which 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.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

The School District reports the following major governmental funds (cont'd):

***Special Revenue Fund*** - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

***Capital Projects Fund*** - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for internal service funds include salaries, benefits, and administrative expenses. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

**Enterprise Funds**

***Food Service Fund*** - This fund accounts for the financial transactions related to the food service operations of the School District.

***Food Service Restaurant Fund*** - This fund accounts for the financial transactions related to the services provided by the students in the culinary program offered by the School District.

***Drive to the Future Fund*** - This fund accounts for the financial transactions related to the School District's adult driver training program.

***Adult Education Fund*** - This fund accounts for the financial transactions related to providing tuition based CTE programs to post-secondary learners.

**Internal Service Funds**

Internal service funds are used to account for the financing of goods and/or services provided by one department to another or to another governmental unit on a cost reimbursement basis. The School District maintains two internal service funds that provide supplies and/or services to other governmental units. Currently, the internal service fund accounts for security and superintendent services provided by the School District.

As a rule, the effect of internal/interfund activity has been eliminated from the government-wide financial statements.

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 County appropriations.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Budgets / Budgetary Control**

Annual appropriated budgets are prepared in the spring of each fiscal year for the general and special revenue funds and are submitted to the county office of education. The budgets are voted upon at the Board of School Estimates meeting in April. 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:23A-16.2(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:23A-13.3.

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 one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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 budgetary basis. The budgetary basis differs from GAAP in that the 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 accounting, as presented in the general fund budgetary comparison schedule 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 balances - governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Cash, Cash Equivalents and Investments**

Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

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 Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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 amount of their deposits to the governmental units.

**Inventories**

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

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

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

**Tuition Receivable**

Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

**Prepaid Expenses**

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2022. The School District had no prepaid expenses for the fiscal year ended June 30, 2022.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as expenditures in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Short-Term Interfund Receivables / Payables**

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column.

**Capital Assets**

Capital assets represent the cumulative amount of capital assets used by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. Intangible right to use assets (lease assets) are recorded as expenditures in the governmental fund financial statements. Lease assets are measured on the government-wide statement of net position and proprietary fund statement of net position at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance are expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Amortization on lease assets and depreciation on other capital assets is computed using the straight-line method over the shorter of the lease term or the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Buildings	20-50 years	N/A
Machinery and Equipment	5-10 years	5-10 years
Improvements	10-20 years	N/A

The School District does not possess any infrastructure assets.

**Deferred Outflows of Resources and Deferred Inflows of Resources**

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources: defined benefit pension plans.

**Tuition Payable**

The School District had no tuition expenditures.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****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 School District is eligible to realize the revenue.

**Compensated Absences**

Compensated absences are payments to employees for accumulated time such as paid vacation, paid holidays, sick pay, and sabbatical leave. A liability for compensated absences that is attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School 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 School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

**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, governmental 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. Bonds are recognized as a liability on the governmental fund financial statements when due.

**Net Position**

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

***Net Investment in Capital Assets*** - This component represents capital assets, net of accumulated depreciation or amortization of intangible capital assets, net of outstanding balances of borrowings used for the 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 School 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.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Fund Balance**

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

***Nonspendable*** - The nonspendable fund balance 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. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

***Restricted*** - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

***Committed*** - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, 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) it employed to previously commit those amounts.

***Assigned*** - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

***Unassigned*** - The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****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.

**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 assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Impact of Recently Issued Accounting Principles****Recently Issued and Adopted Accounting Pronouncements**

The School District implemented the following GASB Statement for the fiscal year ended June 30, 2022:

Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources 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 Statement, 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, thereby enhancing the relevance and consistency of information about governments' leasing activities. The adoption of this statement had no impact on the School District's financial statements.

**Recently Issued Accounting Pronouncements**

The GASB has issued the following Statement that will become effective for the School District for fiscal years ending after June 30, 2024:

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the School District in the fiscal year ending June 30, 2025. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.



**Note 2: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of June 30, 2022, the School District's bank balances of \$10,395,360.53 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 10,192,692.25
Uninsured and Uncollateralized	<u>202,668.28</u>
	<u>\$ 10,395,360.53</u>

**Note 3: CAPITAL RESERVE ACCOUNT**

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

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal 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 by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A: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	\$ 2,937,708.84
Increased by:	
Interest Earnings	\$ 5,632.16
Deposits:	
Approved at June 30, 2022 Board Meeting	<u>724,214.00</u>
	<u>729,846.16</u>
	2,937,708.84
Decreased by:	
Withdrawals:	
Included in Adopted Budget	<u>750,000.00</u>
Ending Balance June 30, 2022	<u>\$ 2,917,555.00</u>

**Note 3: CAPITAL RESERVE ACCOUNT (CONT'D)**

The June 30, 2022 LRFP balance of local support costs of uncompleted projects at June 30, 2022 is \$4,406,250.00. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

**Note 4: TRANSFERS FROM CAPITAL RESERVE TO CAPITAL OUTLAY**

During the fiscal year ended June 30, 2022, the School District transferred \$750,000.00 to the capital outlay accounts. The transfer was made from the capital reserve account to supplement a capital project previously approved by the Board of School Estimates in the budget certified for taxes pursuant to N.J.A.C. 6A:23A-8.4.

**Note 5: MAINTENANCE RESERVE ACCOUNT**

The Maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (*N.J.S.A.* 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701). School Districts may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes (*N.J.A.C.* 6A:23-2.14) or by transfer by board resolution at year end of any anticipated revenue or unexpended line item appropriations, or both.

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		\$ 1,155,440.00
Increased by:		
Interest Earnings	\$ 2,892.00	
Deposits:		
Approved at June 30, 2022 Board Meeting	<u>275,786.00</u>	
		<u>278,678.00</u>
Ending Balance June 30, 2022		<u><u>\$ 1,434,118.00</u></u>

The June 30, 2022 maximum maintenance reserve amount is \$1,434,118.00

**Note 6: ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2022 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Accounts receivable as of fiscal year end for the School District's individual major funds, in the aggregate, are as follows:

Description	Governmental Funds			Internal Service Funds		Total Internal Service Funds	Total Governmental Activities
	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds	Security		
Federal Awards		\$ 1,766,116.30		\$ 1,766,116.30			\$ 1,766,116.30
State Awards	\$ 50,836.77			50,836.77			50,836.77
Other	718,949.61			718,949.61			718,949.61
Provided Services	564,184.20			564,184.20	\$ 11,694.49		575,878.69
Total	\$ 1,333,970.58	\$ 1,766,116.30	\$ -	\$ 3,100,086.88	\$ 11,694.49	\$ -	\$ 3,111,781.37

Description	Proprietary Funds					Total
	Food Service Fund	Food Service Restaurant Fund	Drive to the Future Fund	Adult Education Fund	Total Business-Type Activities	
Federal Awards	\$ 86,996.12				\$ 86,996.12	\$ 1,853,112.42
State Awards	1,093.68				1,093.68	51,930.45
Other				\$ 3,414.00	3,414.00	579,292.69
Total	\$ 88,089.80	\$ -	\$ -	\$ 3,414.00	\$ 91,503.80	\$ 3,203,285.17

**Note 7: INVENTORY**

Inventory recorded at June 30, 2022 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 1,756.78
Supplies	886.85
Commodities	2,857.01
Total	<u>\$ 5,500.64</u>

**Note 8: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2022 is as follows:

	<u>Balance July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2022</u>
<b>Governmental Activities:</b>				
Capital Assets, not being Depreciated and Amortized:				
Land	\$ 1,236,795.00			\$ 1,236,795.00
Construction in Progress		\$ 363,536.45		363,536.45
Total Capital Assets not being Depreciated and Amortized	<u>1,236,795.00</u>	<u>363,536.45</u>	<u>\$ -</u>	<u>1,600,331.45</u>
Capital Assets, being Depreciated and Amortized:				
Site Improvements	2,070,407.05	4,830,100.00		6,900,507.05
Buildings and Improvements	62,087,991.00	17,000,738.00		79,088,729.00
Building - Financed Purchase		1,990,000.00		1,990,000.00
Machinery and Equipment	6,005,525.73	1,843,963.05	(806,618.55)	7,042,870.23
Total Capital Assets, being Depreciated and Amortized	<u>70,163,923.78</u>	<u>25,664,801.05</u>	<u>(806,618.55)</u>	<u>95,022,106.28</u>
Less Accumulated Depreciation and Amortization for:				
Site Improvements	(415,147.55)	(151,821.35)		(566,968.90)
Buildings and Improvements	(6,109,457.49)	(1,411,767.12)		(7,521,224.61)
Machinery and Equipment	(3,290,264.51)	(624,118.08)	772,424.54	(3,141,958.05)
Total Accumulated Depreciation and Amortization	<u>(9,814,869.55)</u>	<u>(2,187,706.55)</u>	<u>772,424.54</u>	<u>(11,230,151.56)</u>
Total Capital Assets, being Depreciated and Amortized, Net	<u>60,349,054.23</u>	<u>23,477,094.50</u>	<u>(34,194.01)</u>	<u>83,791,954.72</u>
Governmental Activities Capital Assets, Net	<u>\$ 61,585,849.23</u>	<u>\$23,840,630.95</u>	<u>\$ (34,194.01)</u>	<u>\$ 85,392,286.17</u>
<b>Business-Type Activities:</b>				
Machinery and Equipment	\$ 84,026.00	\$ 173,107.46	\$ -	\$ 257,133.46
Less Accumulated Depreciation	<u>(54,301.69)</u>	<u>(28,536.13)</u>		<u>(82,837.82)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 29,724.31</u>	<u>\$ 144,571.33</u>	<u>\$ -</u>	<u>\$ 174,295.64</u>

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

<b>Governmental Activities:</b>	
Unallocated	<u>\$ 2,187,706.55</u>
<b>Business-Type Activities:</b>	
Food Service	\$ 6,511.27
Drive to the Future	<u>22,024.86</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 28,536.13</u>

**Note 9: LONG-TERM LIABILITIES**

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

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2022</u>	<u>Due within</u> <u>One Year</u>
<b>Governmental Activities:</b>					
Other Liabilities:					
Financed Purchases	\$ -	\$ 1,990,000.00	\$ -	\$ 1,990,000.00	\$ 70,000.00
Net Pension Liability	2,889,298.00	1,806,023.00	(2,349,947.00)	2,345,374.00	
Compensated Absences	314,112.94	2,031.89	(91,672.28)	224,472.55	10,654.99
Governmental Activities					
Long-term Liabilities	<u>\$ 3,203,410.94</u>	<u>\$ 3,798,054.89</u>	<u>\$ (2,441,619.28)</u>	<u>\$ 4,559,846.55</u>	<u>\$ 80,654.99</u>

The financed purchases, net pension liability and compensated absences are liquidated by the general fund.

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

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2022</u>	<u>Due within</u> <u>One Year</u>
<b>Business-Type Activities:</b>					
Other Liabilities:					
Compensated Absences	\$ 32,520.98	\$ 8,255.22	\$ -	\$ 40,776.20	\$ -
Total Business-Type Activities	<u>\$ 32,520.98</u>	<u>\$ 8,255.22</u>	<u>\$ -</u>	<u>\$ 40,776.20</u>	<u>\$ -</u>

Compensated absences are liquidated by the Drive to the Future enterprise fund.

**Financed Purchases** - The School District's payments on financed purchases are budgeted and paid from the general fund on an annual basis.

As of June 30, 2022, the School District is financing one (1) administration building with a total cost of \$1,990,000.00. The agreement is for a term of fifteen (15) years with an interest rate of 2.34%. The final maturity of the financed purchase is December 15, 2036.

The following is a schedule of the remaining future minimum payments under the financed purchases, and the present value of the net minimum payments at June 30, 2022:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 70,000.00	\$ 59,587.45	\$ 129,587.45
2024	65,000.00	44,167.50	109,167.50
2025	65,000.00	42,646.50	107,646.50
2026	65,000.00	41,125.50	106,125.50
2027	70,000.00	39,546.00	109,546.00
2028-2032	365,000.00	172,633.50	537,633.50
2033-2037	1,290,000.00	117,000.00	1,407,000.00
Total	<u>\$ 1,990,000.00</u>	<u>\$ 516,706.45</u>	<u>\$ 2,506,706.45</u>

Financed purchases are depreciated in a manner consistent with the School District's depreciation policy for owned assets.

**Note 9: LONG-TERM LIABILITIES (CONT'D)**

**Compensated Absences** - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 15 for a description of the School District's policy.

**Net Pension Liability** - For details on the net pension liability, refer to note 10. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

**Postemployment Benefits** - For details on other postemployment benefits, refer to note 11. The School District's contributions to the postemployment benefits plan are budgeted and paid from the general fund.

**Note 10: PENSION PLANS**

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. The DCRP is administered by Empower (formerly Prudential Financial).

Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information, and detailed information about the PERS and TPAF plans' fiduciary net position that can be obtained by writing to or at the following website:

State of New Jersey, Department of the Treasury  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

**General Information about the Pension Plans****Plan Descriptions**

**Teachers' Pension and Annuity Fund** - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey ("State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF Board of Trustees is primarily responsible for the administration of the Plan.

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan that was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability, and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

**Note 10: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Vesting and Benefit Provisions**

**Teachers' Pension and Annuity Fund** - 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. 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:

**Tier Definition**

- 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 1/55<sup>th</sup> 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 1/60<sup>th</sup> 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 with 25 years or more of service credit before age 62, and tier 5 before age 65 with 30 years or more 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.

**Note 10: PENSION PLANS (CONT'D)****General Information About the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Public Employees' Retirement System** - 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 10 years of service.

The membership tiers for PERS are the same as previously noted for TPAF.

Service retirement benefits of 1/55<sup>th</sup> 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 1/60<sup>th</sup> 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 with 25 years or more service credit before age 62 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.

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Teachers' Pension and Annuity Fund** - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2021. The State's contribution is based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2022 was 20.66% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to contribute to the pension plan during the fiscal year ended June 30, 2022 because of the 100.00% special funding situation with the State of New Jersey.



**Note 10: PENSION PLANS (CONT'D)****General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Teachers' Pension and Annuity Fund (Cont'd)** - Based on the most recent TPAF measurement date of June 30, 2021, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2022 was \$1,626,583.00, and was paid by April 1, 2022. School District employee contributions to the Plan during the fiscal year ended June 30, 2022 were \$595,030.06.

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2021. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2022 was 15.48% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2021, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2022 was \$231,858.00, and was paid by April 1, 2022. School District employee contributions to the Plan during the fiscal year ended June 30, 2022 were \$147,887.51.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with P.L. 2007, C. 92, and P.L. 2007, C. 103, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period.

For the fiscal year ended June 30, 2022, employee contributions totaled \$2,013.59, and the School District recognized pension expense, which equaled the required contributions, of \$992.52. There were no forfeitures during the fiscal year.

**Note 10: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions****Teachers' Pension and Annuity Fund**

**Pension Liability** - At June 30, 2022, the School District was not required to report a liability for its proportionate share of the net pension liability for TPAF because of the 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, however, attributable to the School District is as follows:

School District's Proportionate Share of Net Pension Liability	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	26,684,167.00
	<u>\$ 26,684,167.00</u>

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. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. For the June 30, 2021 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At the June 30, 2021 measurement date, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the School District was .055050696%, which was an increase of .0123037844% from its proportion measured as of June 30, 2020.

**Pension (Benefit) Expense** - For the fiscal year ended June 30, 2022, the State's proportionate share of the pension (benefit) expense, associated with the School District, calculated by the Plan as of June 30, 2021 measurement date, was \$627,890.00. This on-behalf expense has been recognized by the School District in the government-wide financial statements.

**Note 10: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System**

**Pension Liability** - At June 30, 2022, the School District reported a liability of \$2,345,374.00 for its proportionate share of the net pension liability for PERS. 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. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2021 measurement date, the School District's proportion was .0197980350%, which was an increase of .0020803077% from its proportion measured as of June 30, 2020.

**Pension (Benefit) Expense** - For the fiscal year ended June 30, 2022, the School District recognized pension (benefit) expense of \$(286,722.00), in the government-wide financial statements. This pension (benefit) expense was based on the pension plan's June 30, 2021 measurement date.

**Deferred Outflows and Inflows of Resources** - At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience	\$ 36,990.00	\$ 16,790.00
Changes of Assumptions	12,215.00	834,968.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	617,833.00
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	545,431.00	165,381.00
School District Contributions Subsequent to the Measurement Date	298,115.00	-
	<u>\$ 892,751.00</u>	<u>\$ 1,634,972.00</u>

**Note 10: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

**Deferred Outflows and Inflows of Resources (Cont'd)** - Deferred outflows of resources in the amount of \$298,115.00 will be included as a reduction of the net pension liability in the subsequent fiscal year, June 30, 2023. 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:

<b>Fiscal Year</b>	
<b><u>Ending June 30,</u></b>	
2023	\$ (502,894.00)
2024	(312,517.00)
2025	(131,546.00)
2026	(104,955.00)
2027	11,576.00
	<u>\$ (1,040,336.00)</u>

**Note 10: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

**Deferred Outflows and Inflows of Resources (Cont'd)** - The other deferred outflows of resources and deferred inflows of resources related to pensions will be amortized over the following number of years:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.00
June 30, 2018	-	5.00
June 30, 2019	-	5.00
June 30, 2020	-	5.00
June 30, 2021	-	5.00
Changes in Proportion		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13

**Note 10: PENSION PLANS (CONT'D)****Actuarial Assumptions**

The net pension liabilities were measured as of June 30, 2021 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation as of July 1, 2020. The total pension liabilities were calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases: <sup>(1)</sup>		
Through 2026	1.55% - 4.45%	2.00% - 6.00%
Thereafter	2.75% - 5.65%	3.00% - 7.00%
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial		
Assumptions were Based	July 1, 2015 - June 30, 2018	July 1, 2014 - June 30, 2018

<sup>(1)</sup> based on years of service

For TPAF, 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.

For PERS, 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.

**Note 10: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at the June 30, 2021 measurement date) 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 TPAF's and PERS' target asset allocation as of the June 30, 2021 measurement date are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rea Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-US Developed Markets 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	3.00%	3.35%
	<u>100.00%</u>	

**Discount Rate -**

**Teachers' Pension and Annuity Fund** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.16% as of the June 30, 2021 measurement date based on 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. 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 would be based on 100% of the actuarially determined contributions for the State. 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 projected benefit payments in determining the total pension liability.

**Note 10: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)****Discount Rate (Cont'd) -**

**Public Employees' Retirement System** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.16% as of the June 30, 2021 measurement date based on 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. 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 nonemployer contributing entity would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments in determining the total pension liability.

**Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Teachers' Pension and Annuity Fund (TPAF)** - As previously mentioned TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2021, the Plan's measurement date, attributable to the School District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2021 (Plan's measurement date), attributable to the School District, calculated using the discount rate of 7.00% as well as what the State's net pension 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:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>31,571,827.00</u>	<u>26,684,167.00</u>	<u>22,578,840.00</u>
	<u>\$ 31,571,827.00</u>	<u>\$ 26,684,167.00</u>	<u>\$ 22,578,840.00</u>

**Public Employees' Retirement System (PERS)** - The following presents the School District's proportionate share of the net pension liability at June 30, 2021, the Plan's measurement date, calculated using a 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% lower or 1% higher than the current rates used:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
School District's Proportionate Share of the Net Pension Liability	<u>\$ 3,193,924.00</u>	<u>\$ 2,345,374.00</u>	<u>\$ 1,625,259.00</u>



**Note 10: PENSION PLANS (CONT'D)****Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the TPAF and PERS and additions to/deductions from TPAF and PERS' respective fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, 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 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

**Plan Description and Benefits Provided** - The State Health Benefit Local Education Retired Employees Plan (the "OPEB Plan") is a multiple-employer defined benefit OPEB plan, with a special funding situation, 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 OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the "Division") and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

**Contributions** - The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey (the "State") 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.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**

**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)**

**General Information about the OPEB Plan (Cont'd)**

**Employees Covered by Benefit Terms** - At June 30, 2021, the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

Active Plan Members	213,901
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	150,427
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
	<u>364,328</u>

**Total Non-Employer OPEB Liability**

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The School District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the statement of net position.

The State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2022 was \$27,424,589.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. For the June 30, 2021 measurement date, the State's proportionate share of the non-employer OPEB liability associated with the School District was 0.0457018206%, which was an increase of 0.0013413729% from its proportion measured as of June 30, 2020.

**Actuarial Assumptions and Other Inputs** - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2020, which was rolled forward to June 30, 2021, used the following actuarial assumptions, applied to all periods in the measurement:

**Salary Increases -**

	<u>TPAF/ABP</u> *	<u>PERS</u> *	<u>PFRS</u> *
Salary Increases:			
Through 2026	1.55 - 4.45%	2.00 - 6.00%	3.25 - 15.25% *
Thereafter	1.55 - 5.65%	3.00 - 7.00%	Not Applicable

\* based on service years

**Inflation Rate** - 2.50%.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)****Actuarial Assumptions and Other Inputs (Cont'd) -**

**Mortality Rates** - Current and future retiree healthy mortality rates were based on the PUB-2010 "General" classification and PUB-2010 Health "Teachers" classification headcount-weighted mortality tables with fully generational mortality improvement projections from the central year using Scale MP-2021.

Disabled 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.

**Experience Studies** - The actuarial assumptions used in the June 30, 2020 valuation, which was rolled forward to June 30, 2021, 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.

**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 rates 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 fiscal 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%.

**Discount Rate** - The discount rate for June 30, 2021 measurement date 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.

**Changes in the Total Non-Employer OPEB Liability**

The below table summarizes the State's proportionate share of the change in the total non-employer OPEB liability associated with the School District:

Balance at June 30, 2021		\$ 30,080,803.00
Changes for the Year:		
Service Cost	\$ 1,805,440.00	
Interest Cost	711,423.00	
Changes in Benefit Terms	(29,190.00)	
Difference between Expected and Actual Experience	(4,628,729.00)	
Changes in Assumptions	27,056.00	
Member Contributions	18,188.00	
Gross Benefit Payments	<u>(560,402.00)</u>	
Net Changes		<u>(2,656,214.00)</u>
Balance at June 30, 2022		<u>\$ 27,424,589.00</u>

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Changes in the Total Non-Employer OPEB Liability (Cont'd)**

Benefit changes: the change in liability for the measurement period from June 30, 2020 to June 30, 2021 is due to employers adopting Chapter 44 provisions.

Differences between expected and actual experience reflect a decrease in liability for the measurement period from June 30, 2020 to June 30, 2021 due to changes in the census.

Changes in assumptions reflect an increase in the liability for the measurement period from June 30, 2020 to June 30, 2021 is due to the combined effect of the decrease in the assumed discount rate from 2.21% as of June 30, 2020 to 2.16% as of June 30, 2021; and changes in the trend, salary scale, and updated mortality projection scale.

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate** - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2021, associated with the School District, using a discount rate of 2.16%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	<b>1% Decrease (1.16%)</b>	<b>Current Discount Rate (2.16%)</b>	<b>1% Increase (3.16%)</b>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	\$ 32,850,352.00	\$ 27,424,589.00	\$ 23,152,126.00

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2021, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	\$ 22,200,294.00	\$ 27,424,589.00	\$ 34,440,431.00

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability**

**OPEB Expense** - For the fiscal year ended June 30, 2022, the School District recognized \$2,346,858.00 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2021 measurement date.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability (Cont'd)**

**Deferred Outflows and Inflows of Resources** - In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District; however, at June 30, 2022, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between Expected and Actual Experience	\$ 4,134,135.00	\$ 8,230,607.00
Changes of Assumptions	4,652,234.00	2,942,403.00
Changes in Proportion	<u>3,500,116.00</u>	<u>65,215.00</u>
	<u>\$ 12,286,485.00</u>	<u>\$ 11,238,225.00</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability, associated with the School District, will be recognized in OPEB expense as follows:

<b>Fiscal Year Ending June 30,</b>	
2023	\$ (67,189.00)
2024	(67,189.00)
2025	(67,189.00)
2026	(67,189.00)
2027	95,587.00
Thereafter	<u>1,221,429.00</u>
	<u>\$ 1,048,260.00</u>

**Note 12: ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2022, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$2,433,761.00, \$34,337.00, \$576,648.00, and \$1,671.00, respectively.

**Note 13: 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 the activity of the School District's unemployment claims for the current and previous two fiscal years:

<u>Fiscal Year Ended June 30,</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Income</u>	<u>Claims Incurred</u>	<u>Ending Balance</u>	
					<u>Claims Payable</u>	<u>Restricted Fund Balance</u>
2022	\$ 45,000.00	\$ 19,125.17	\$ 459.71	\$ -	\$ 33,036.92	\$ 215,220.15
2021	45,000.00	15,050.12	883.07	1,138.37	13,911.75	169,760.44
2020	45,000.00	15,304.20	1,083.91	27,683.74	-	123,877.37

**Joint Insurance Fund** - The School District is a member of the New Jersey School Board Association Insurance Group (the "Fund"). The Fund provides its members with the following coverage:

Workers' Compensation including Employer's Liability  
 General Liability including Police Professional and Employee Benefit Liability  
 Automobile Liability  
 Blanket Crime including Public Employee Dishonesty  
 Property Including Boiler and Machinery  
 Public Officials and Employment Practices Liability  
 Volunteer Directors and Officers Liability  
 Cyber Liability

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation  
 Excess General Liability  
 Non-Owned Aircraft Liability  
 Excess Auto Liability  
 Fidelity and Performance (Blanket)  
 Excess Property including Boiler and Machinery  
 Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The School District's agreement with the Fund provides that the Fund will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

**Note 13: RISK MANAGEMENT (CONT'D)**

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report that can be obtained from:

New Jersey Schools Insurance Group  
600 Midlantic Drive, Suite 300 North  
Mount Laurel, New Jersey 08054

**Note 14: DEFERRED COMPENSATION**

The School District offers its employees a choice of several deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans permit 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:

*GWN Marketing*  
*Life of the Southwest*  
*Lincoln Investment Planning*  
*Brighthouse Financial (MetLife)*

**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, *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 who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2022, the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$224,472.55 and \$40,776.20, respectively.

**Note 16: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

**Interfunds** - The composition of interfund balances as of June 30, 2022 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 2,636,413.24	\$ 40,662.88
Special Revenue		478,483.32
Capital Projects		2,136,539.48
Proprietary	50,016.33	45,743.89
Internal Service	30,000.00	15,000.00
	<u>\$ 2,716,429.57</u>	<u>\$ 2,716,429.57</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2023, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

**Transfers** - This interfund transfer was made to supplement a capital project for security and technology infrastructures.

	<u>Transfer In</u>
	<b>Capital Projects Fund</b>
<u>Transfer Out:</u>	
General Fund	<u>\$ 750,000.00</u>

**Note 17: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amount, if any, to be immaterial.

**Litigation** - The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

**Note 18: CONCENTRATIONS**

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.



**Note 19: COMMITMENTS**

The School District had multiple construction projects ongoing as of the fiscal year ended June 30, 2022 that are to continue into the subsequent fiscal years. These projects, which are related to the capital projects fund, are as follows:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount Outstanding</u>
STEM Expansion	1/11/2022	\$ 24,436.40
STEM Expansion	4/8/2022	83,408.12
STEM Expansion	5/3/2022	1,995,986.69
STEM Expansion	6/15/2022	<u>17,685.37</u>
		<u>\$ 2,121,516.58</u>

**Note 20: DEFICIT FUND BALANCES**

The School District has a deficit unassigned fund balance of \$22,385.63 in the general fund as of June 30, 2022 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general unassigned fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$22,385.63 is less than the June state aid payments.

**Note 21: FUND BALANCES****RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

**Note 21: FUND BALANCES****RESTRICTED (CONT'D)****General Fund**

**For Capital Reserve Account** - As of June 30, 2022, the balance in the capital reserve account is \$2,917,555.00. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

**For Maintenance Reserve Account** - As of June 30, 2022, the balance in the maintenance reserve account is \$1,434,118.00. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

**For Excess Surplus** - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation. New Jersey school districts are required to restrict 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 \$1,223,691.63. Additionally, \$1,773,417.00 of excess fund balance generated during 2020-2021 has been restricted and designated for utilization in the 2022-2023 budget.

**For Unemployment Compensation** - Pursuant to N.J.S.A. 43:21-7.3(g), the School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method" (see note 13). As a result, there exists at June 30, 2022 a restricted fund balance from employer contributions in the amount of \$215,220.15 for future unemployment claims.

**Special Revenue Fund**

**For Student Activities** - In accordance with N.J.A.C. 6A:23A-16.12(c), each school district shall ensure through adoption of a formal board policy that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices for funds collected for student activities. As such, borrowing from student activity funds is prohibited. The balance of these funds as of June 30, 2022 is \$165,229.04.

**Capital Projects Fund**

The State of New Jersey Department of Education formally approved project #0995-030-18-1000 for the Cumberland County Board of Vocational Education project known as the Cumberland County Technical Education Center Addition and has qualified the project for State of NJ Debt Service support of approximately 71.52% of the cost as allowed by N.J.S.A. 18A:7G-9. On January 16, 2019, The Cumberland County Improvement Authority issued \$21,035,000.00 of county general obligation revenue bonds which were loaned to the County of Cumberland for the benefit of the School District to pay the costs for the project. On March 17, 2020 the Board of School Estimate approved the funding for the project. In addition, approval was granted for Cumberland County Board of Vocational Education to supplement the project with funds from the board of education's approved Capital Reserve Account in the amount of \$939,700.00 for security and technology infrastructures. Additionally, the State of New Jersey Department of Education formally approved project #0995-030-21-1000 for the Cumberland County Board of Vocational Education project known as the Cumberland County Technical Education Center CTE STEM Expansion and on December 13, 2021, the District was awarded a \$2,250,000.00 grant through the State of New Jersey Securing Our Children's Future Bond Act to pay the costs for the project. The remaining \$750,000.00 will be funded through the District's Capital Reserve funds. As of June 30, 2022, the restricted fund balance amount was \$441,415.57.

**Note 21: FUND BALANCES (CONT'D)****ASSIGNED**

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

**General Fund**

**Other Purposes** - As of June 30, 2022, the School District had \$590,908.88 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**UNASSIGNED**

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

**General Fund** - As of June 30, 2022, the fund balance of the general fund was a deficit of \$22,385.63 thus resulting in the fund balance classification of unassigned. The deficit is a result from a delay in the payment of state aid until the following fiscal year. As stated in note 20, since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general fund balance deficit does not alone indicate that the School District is facing financial difficulties. The unassigned deficit on the GAAP financial statements of \$22,385.63 is less than the last state aid payment.

**Note 22: SUBSEQUENT EVENTS**

**COVID-19** - On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

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 School District's financial condition, liquidity, and future results of 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 School District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2023.

**REQUIRED SUPPLEMENTARY INFORMATION  
PART II**

**BUDGETARY COMPARISON SCHEDULES**

## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

General Fund  
 Required Supplementary Information - Part II  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
REVENUES:					
Local Sources:					
County Appropriations	\$ 2,688,000.00	\$ -	\$ 2,688,000.00	\$ 2,688,000.00	\$ -
Tuition	5,033,460.00		5,033,460.00	4,944,581.15	(88,878.85)
Interest Earned on Capital Reserve Funds	6,000.00		6,000.00	5,632.16	(367.84)
Interest Earned on Maintenance Reserve Funds	7,000.00		7,000.00	2,892.00	(4,108.00)
Interest on Investment				14,366.29	14,366.29
Other Revenue Local				75,000.00	75,000.00
Facility Rental				6,575.00	6,575.00
Other Restricted Miscellaneous Revenues	100,000.00		100,000.00	459.71	(99,540.29)
Unrestricted Miscellaneous Revenues	25,000.00		25,000.00	116,099.80	91,099.80
<b>Total - Local Sources</b>	<b>7,859,460.00</b>	<b>-</b>	<b>7,859,460.00</b>	<b>7,853,606.11</b>	<b>(5,853.89)</b>
State Sources:					
Categorical Special Education Aid	479,308.00		479,308.00	479,308.00	
Equalization Aid	11,381,662.00		11,381,662.00	11,381,662.00	
Security Aid	160,459.00		160,459.00	160,459.00	
SOCFBA Security Grant		45,520.00	45,520.00	45,520.00	
On-behalf TPAF Pension Contributions (non-budgeted)				2,433,761.00	2,433,761.00
On-behalf TPAF Non-Contributory Group Insurance (non-budgeted)				34,337.00	34,337.00
On-behalf TPAF Post-Retirement Medical Contributions (non-budgeted)				576,648.00	576,648.00
On-behalf TPAF Long-Term Disability Insurance (non-budgeted)				1,671.00	1,671.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				565,731.94	565,731.94
<b>Total - State Sources</b>	<b>12,021,429.00</b>	<b>45,520.00</b>	<b>12,066,949.00</b>	<b>15,679,097.94</b>	<b>3,612,148.94</b>
Federal Sources:					
Public Assistance Grants - Coronavirus Pandemic				29,528.59	29,528.59
<b>Total - Federal Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,528.59</b>	<b>29,528.59</b>
<b>Total Revenues</b>	<b>19,880,889.00</b>	<b>45,520.00</b>	<b>19,926,409.00</b>	<b>23,562,232.64</b>	<b>3,635,823.64</b>

(Continued)

## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

General Fund

Required Supplementary Information - Part II

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Grades 9-12 - Instruction:					
Salaries of Teachers	\$ 3,835,372.00	\$ 196,886.00	\$ 4,032,258.00	\$ 3,957,254.63	\$ 75,003.37
Purchased Professional-Educational Services	36,500.00	52,959.00	89,459.00	89,459.00	
Other Purchased services (400-500 Series)	889,290.00	(43,494.63)	845,795.37	565,051.15	280,744.22
General Supplies	533,518.69		533,518.69	506,213.36	27,305.33
TextBooks	140,281.24	(10,000.00)	130,281.24	34,785.95	95,495.29
Other Objects	1,000.00		1,000.00	465.00	535.00
Home Instruction:					
Salaries of Teachers	15,000.00	94,615.63	109,615.63	109,615.63	
Other Purchased Services (400-500 Series)	15,000.00	(8,680.00)	6,320.00	1,515.00	4,805.00
General Supplies	500.00	(200.00)	300.00		300.00
Textbooks	500.00	(200.00)	300.00		300.00
Total Regular Programs - Instruction	<u>5,466,961.93</u>	<u>281,886.00</u>	<u>5,748,847.93</u>	<u>5,264,359.72</u>	<u>484,488.21</u>
Special Education - Instruction:					
Resource Room / Resource Center:					
Salaries of Teachers	<u>269,048.00</u>	<u>(269,048.00)</u>			
Total Resource Room / Resource Center	<u>269,048.00</u>	<u>(269,048.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Special Education - Instruction	<u>269,048.00</u>	<u>(269,048.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Vocational Programs:					
Regular Vocational Programs - Instruction:					
Salaries of Teachers	1,717,013.00		1,717,013.00	1,562,131.93	154,881.07
Purchased Professional Service - Educational Services	31,000.00		31,000.00	24,644.75	6,355.25
Other Purchased Services (400-500 Series)	131,115.00		131,115.00	99,594.08	31,520.92
General Supplies	1,316,132.81		1,316,132.81	768,452.05	547,680.76
Textbooks	14,200.00		14,200.00	2,400.00	11,800.00
Other Objects	3,750.00		3,750.00	528.00	3,222.00
Total Regular Vocational Programs - Instruction	<u>3,213,210.81</u>	<u>-</u>	<u>3,213,210.81</u>	<u>2,457,750.81</u>	<u>755,460.00</u>

(Continued)

## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

General Fund

Required Supplementary Information - Part II

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Vocational Programs (Cont'd):					
Special Vocational Programs - Instruction:					
Salaries	\$ 353,635.00	\$ 72,162.00	\$ 425,797.00	\$ 407,033.98	\$ 18,763.02
Other Salaries for Instruction	88,054.00		88,054.00	87,501.56	552.44
Purchased Professional-Educational Services	17,200.00	6,973.50	24,173.50	24,173.50	
Other Purchased Services (400-500 Series)	19,175.00	(2,973.50)	16,201.50	14,546.00	1,655.50
General Supplies	15,130.00		15,130.00	11,669.70	3,460.30
Textbooks	3,500.00		3,500.00		3,500.00
Total Special Vocational Programs- Instruction	496,694.00	76,162.00	572,856.00	544,924.74	27,931.26
Total Vocational Programs	3,709,904.81	76,162.00	3,786,066.81	3,002,675.55	783,391.26
School Sponsored Cocurricular Activities - Instruction:					
Salaries	47,550.00	(2,500.00)	45,050.00	29,050.00	16,000.00
Purchased Services (300-500 series)	106,910.00	(15,000.00)	91,910.00	67,408.53	24,501.47
Supplies and Materials	21,329.12	2,000.00	23,329.12	20,664.33	2,664.79
Other Objects		15,000.00	15,000.00	432.00	14,568.00
Total School Sponsored Cocurricular Activities - Instruction	175,789.12	(500.00)	175,289.12	117,554.86	57,734.26
School Sponsored Athletics - Instruction:					
Salaries	2,500.00		2,500.00	2,500.00	
Purchased Services (300-500 series)	3,500.00		3,500.00	3,102.00	398.00
Supplies and Materials	1,150.00	500.00	1,650.00	630.80	1,019.20
Other Objects	100,000.00		100,000.00	100,000.00	
Total School Sponsored Athletics - Instruction	107,150.00	500.00	107,650.00	106,232.80	1,417.20
Total Instruction	9,728,853.86	89,000.00	9,817,853.86	8,490,822.93	1,327,030.93
Undistributed Expenditures:					
Attendance and Social Work Services:					
Salaries	43,810.00	500.00	44,310.00	44,209.86	100.14
Purchased Professional and Technical Services	8,120.00	(1,220.92)	6,899.08	4,453.46	2,445.62
Other Purchased Services (400-500 Series)	20,700.00		20,700.00	17,873.50	2,826.50
Supplies and Materials	6,899.08	1,220.92	8,120.00	5,452.66	2,667.34
Other Objects	1,500.00	(500.00)	1,000.00		1,000.00
Total Undist. Expend. - Attendance and Social Work Services	81,029.08	-	81,029.08	71,989.48	9,039.60

(Continued)



## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

General Fund

Required Supplementary Information - Part II

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Health Services:					
Salaries	\$ 244,409.00	\$ 11,216.88	\$ 255,625.88	\$ 255,625.88	\$ -
Purchased Professional and Technical Services	21,500.00	(16.88)	21,483.12	50.00	21,433.12
Other Purchased Services	26,386.88	(6,000.00)	20,386.88	12,081.28	8,305.60
Supplies and Materials	18,910.00	(5,000.00)	13,910.00	8,200.10	5,709.90
Other Objects	600.00		600.00	433.50	166.50
Total Undistributed Expenditures - Health Services	<u>311,805.88</u>	<u>200.00</u>	<u>312,005.88</u>	<u>276,390.76</u>	<u>35,615.12</u>
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Purchased Professional - Educational Services	64,509.39		64,509.39	9,344.64	55,164.75
Supplies and Materials	300.00		300.00		300.00
Other Objects	250.00		250.00		250.00
Total Undistributed Expenditures - Other Support Services - Students - Related Services	<u>65,059.39</u>	<u>-</u>	<u>65,059.39</u>	<u>9,344.64</u>	<u>55,714.75</u>
Undistributed Expenditures - Other Support Services - Students - Regular:					
Salaries of Other Professional Staff	665,191.00		665,191.00	629,394.92	35,796.08
Salaries of Secretarial and Clerical Assistants	44,810.00	1,000.00	45,810.00	44,874.54	935.46
Other Purchased Services (400-500 Series)	11,900.00		11,900.00	6,454.88	5,445.12
Supplies and Materials	10,120.00	(1,000.00)	9,120.00	6,465.43	2,654.57
Other Objects	2,000.00	(200.00)	1,800.00	699.50	1,100.50
Total Undistributed Expenditures - Other Support Services - Students - Regular	<u>734,021.00</u>	<u>(200.00)</u>	<u>733,821.00</u>	<u>687,889.27</u>	<u>45,931.73</u>
Undistributed Expenditures - Other Support Services - Students - Special:					
Salaries of Other Professional Staff	153,901.00	3,660.26	157,561.26	157,561.26	
Salaries of Secretarial and Clerical Assistants	15,750.00	(3,660.26)	12,089.74	475.00	11,614.74
Other Purchased Professional and Technical Services	13,850.00		13,850.00	11,516.95	2,333.05
Supplies and Materials	3,825.00		3,825.00	549.18	3,275.82
Other Objects	490.00		490.00	250.00	240.00
Total Undistributed Expenditures - Other Support Services - Students - Special	<u>187,816.00</u>	<u>0.00</u>	<u>187,816.00</u>	<u>170,352.39</u>	<u>17,463.61</u>

(Continued)

## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

General Fund  
 Required Supplementary Information - Part II  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Improvement of Instruction Services:					
Other Salaries	\$ 21,515.00	\$ -	\$ 21,515.00	\$ 991.25	\$ 20,523.75
Other Purchased Services	12,000.00	(1,590.00)	10,410.00	1,450.00	8,960.00
Total Undistributed Expenditures - Improvement of Instruction Services	33,515.00	(1,590.00)	31,925.00	2,441.25	29,483.75
Undistributed Expenditures - Educational Media Services / School Library:					
Other Purchased Services	6,350.00		6,350.00	50.00	6,300.00
Supplies and Materials	20,000.00		20,000.00		20,000.00
Other Objects	1,250.00		1,250.00		1,250.00
Total Undistributed Expenditures - Educational Media Services / School Library	27,600.00	-	27,600.00	50.00	27,550.00
Undistributed Expenditures - Instructional Staff Training Services:					
Other Salaries	5,595.00		5,595.00	2,210.00	3,385.00
Other Purchased Services (400-500 series)	9,650.00	1,590.00	11,240.00	11,238.00	2.00
Supplies and Materials	2,885.00		2,885.00		2,885.00
Total Undistributed Expenditures - Instructional Staff Training Services	18,130.00	1,590.00	19,720.00	13,448.00	6,272.00
Undistributed Expenditures - Support Services - General Administration:					
Salaries	399,312.00	1,300.00	400,612.00	400,576.45	35.55
Salaries of Attorneys	35,400.00	(900.00)	34,500.00	34,487.34	12.66
Legal Services	56,045.49	38,000.00	94,045.49	89,821.51	4,223.98
Audit Fees	32,200.00		32,200.00	32,130.00	70.00
Architectural/Engineering Service	52,244.80	45,000.00	97,244.80	80,286.20	16,958.60
Other Purchased Professional Services	27,045.00		27,045.00	8,722.50	18,322.50
Purchased Technical Service	6,000.00		6,000.00	1,814.58	4,185.42
Communications / Telephone	58,570.00	(15,000.00)	43,570.00	30,971.01	12,598.99
BOE Other Purchased Services	5,500.00		5,500.00	900.00	4,600.00
Other Purchased Services (400-500 series)	97,022.84	(23,400.00)	73,622.84	65,176.19	8,446.65
General Supplies	8,539.94		8,539.94	3,990.85	4,549.09
BOE In-House Training/Meeting Supplies	1,200.00		1,200.00	507.79	692.21
Miscellaneous Expenditures	5,200.00		5,200.00	4,571.86	628.14
BOE Membership Dues and Fees	20,700.00		20,700.00	19,474.25	1,225.75
Total Undistributed Expenditures - Support Services - General Administration	804,980.07	45,000.00	849,980.07	773,430.53	76,549.54

(Continued)

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 General Fund  
 Required Supplementary Information - Part II  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	\$ 539,819.00	\$ 100.00	\$ 539,919.00	\$ 539,818.32	\$ 100.68
Salaries of Secretarial and Clerical Assistants	150,348.00		150,348.00	148,388.64	1,959.36
Other Purchased Services (400-500 series)	96,155.00	(8,707.74)	87,447.26	67,374.63	20,072.63
Supplies and Materials	39,683.61	3,500.00	43,183.61	35,382.91	7,800.70
Other Objects	12,500.00	5,107.74	17,607.74	17,607.74	
Total Undistributed Expenditures - Support Services - School Administration	838,505.61	-	838,505.61	808,572.24	29,933.37
Undistributed Expenditures - Central Services:					
Salaries	398,344.00	4,000.00	402,344.00	399,425.47	2,918.53
Purchased Professional Service	8,859.69		8,859.69	6,504.08	2,355.61
Purchased Technical Service	40,950.00	(4,000.00)	36,950.00	32,144.85	4,805.15
Miscellaneous Purchased Services	10,850.00		10,850.00	8,563.02	2,286.98
Supplies and Materials	7,539.94		7,539.94	4,750.45	2,789.49
Miscellaneous Expenditures	3,000.00		3,000.00	1,714.00	1,286.00
Total Undistributed Expenditures - Central Services	469,543.63	-	469,543.63	453,101.87	16,441.76
Undistributed Expenditures - Administration Information Technology:					
Salaries	106,727.00	4,200.00	110,927.00	110,879.04	47.96
Purchased Technical Services	202,720.84	63,743.55	266,464.39	261,464.39	5,000.00
Other Purchased Services	92,715.72	(31,205.94)	61,509.78	60,910.12	599.66
Supplies and Materials	177,356.95	28,762.39	206,119.34	202,739.34	3,380.00
Other Objects	1,500.00	(500.00)	1,000.00	1,000.00	
Total Undistributed Expenditures - Administration Information Technology	581,020.51	65,000.00	646,020.51	635,992.89	10,027.62
Undistributed Expenditures - Required Maintenance for School Facilities:					
Salaries	308,959.00		308,959.00	308,879.40	79.60
Cleaning, Repair and Maintenance Services	383,613.53	10,668.19	394,281.72	341,471.29	52,810.43
Lead Testing of Drinking Water	7,700.00	1,925.00	9,625.00	9,625.00	
General Supplies	52,000.00	(12,593.19)	39,406.81	5,636.64	33,770.17
Other Objects	4,000.00		4,000.00	725.00	3,275.00
Total Undistributed Expenditures - Required Maintenance for School Facilities	756,272.53	-	756,272.53	666,337.33	89,935.20

(Continued)

## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

General Fund

Required Supplementary Information - Part II

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Custodial Services:					
Salaries	\$ 544,350.00	\$ 10,430.44	\$ 554,780.44	\$ 554,780.44	\$ -
Purchased Professional and Technical Services	10,450.00		10,450.00	4,938.50	5,511.50
Cleaning, Repair and Maintenance Services	124,667.50	(30,000.00)	94,667.50	61,901.45	32,766.05
Rentals		57,000.00	57,000.00	57,000.00	
Other Purchased Property Services	73,800.00	(12,151.49)	61,648.51	56,935.64	4,712.87
Insurance	118,500.00	(30,000.00)	88,500.00	79,103.28	9,396.72
Miscellaneous Purchased Services	12,030.00	(8,702.67)	3,327.33	958.00	2,369.33
General Supplies	159,360.54	43,272.23	202,632.77	174,181.47	28,451.30
Energy (Electricity)	469,839.31	(291,869.31)	177,970.00	170,613.42	7,356.58
Energy (Natural Gas)	206,470.00	277,020.80	483,490.80	378,476.53	105,014.27
Total Undistributed Expenditures - Custodial Service	1,719,467.35	15,000.00	1,734,467.35	1,538,888.73	195,578.62
Undistributed Expenditures - Care and Upkeep of Grounds:					
Purchased Professional and Technical Services	2,500.00		2,500.00		2,500.00
Cleaning Repair and Maintenance	85,000.00		85,000.00	55,264.75	29,735.25
General Supplies	6,000.00		6,000.00	862.73	5,137.27
Other Objects	1,000.00		1,000.00		1,000.00
Total Undistributed Expenditures - Care and Upkeep of Grounds	94,500.00	-	94,500.00	56,127.48	38,372.52
Undistributed Expenditures - Security:					
Salaries	428,539.00	(1,500.00)	427,039.00	299,106.57	127,932.43
Purchased Professional and Technical Services	5,507.89		5,507.89	2,099.01	3,408.88
Cleaning Repair and Maintenance	194,055.29	(600.00)	193,455.29	120,254.22	73,201.07
General Supplies	30,558.25	2,650.00	33,208.25	29,532.58	3,675.67
Other Objects	9,900.00	(550.00)	9,350.00	4,427.76	4,922.24
Total Undistributed Expenditures - Security	668,560.43	-	668,560.43	455,420.14	213,140.29
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transportation (Other than Bet. Home & School)	10,300.00	19,020.00	29,320.00	24,545.67	4,774.33
Cleaning, Repair, & Maintenance Services	7,500.00	18,168.84	25,668.84	25,113.26	555.58
Contracted Services Other (Between Home and School) - Vendors	186,500.00	(36,188.84)	150,311.16	10,269.00	140,042.16
Miscellaneous Purchased Services - Transportation	33,836.00	(1,000.00)	32,836.00	24,959.01	7,876.99
General Supplies	4,300.00		4,300.00	1,021.33	3,278.67
Miscellaneous Expenditures	1,000.00		1,000.00	630.08	369.92
Total Undistributed Expenditures - Student Transportation Services	243,436.00	-	243,436.00	86,538.35	156,897.65

(Continued)

## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

General Fund

Required Supplementary Information - Part II

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Allocated Benefits:					
Other Retirement Contributions - PERS	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 5,000.00	\$ -
Total Support Services - General Administration	5,000.00	-	5,000.00	5,000.00	-
Support Services - Central Services:					
Other Retirement Contributions - PERS	2,500.00		2,500.00	2,500.00	
Tuition Reimbursement	3,000.00		3,000.00		3,000.00
Total Support Services - Central Services	5,500.00	-	5,500.00	2,500.00	3,000.00
Total Allocated Benefits	10,500.00	-	10,500.00	7,500.00	3,000.00
Unallocated Benefits:					
Social Security Contributions	195,000.00		195,000.00	192,934.36	2,065.64
Other Retirement Contributions - PERS	215,750.00	16,446.92	232,196.92	232,196.92	
Other Retirement Contributions - Regular	1,350.00		1,350.00	347.52	1,002.48
Unemployment Compensation	45,000.00		45,000.00		45,000.00
Workmen's Compensation	145,394.00		145,394.00	105,920.78	39,473.22
Health Benefits	2,499,146.00	(230,446.92)	2,268,699.08	1,966,985.05	301,714.03
Tuition Reimbursement	10,000.00		10,000.00	10,000.00	
Other Employee Benefits	214,725.00	(35,500.00)	179,225.00	154,799.98	24,425.02
Unused Sick Payment to Terminated/Retired Staff	-	35,500.00	35,500.00		35,500.00
Total Unallocated Benefits	3,326,365.00	(214,000.00)	3,112,365.00	2,663,184.61	449,180.39
On-behalf Contributions (non-budgeted):					
On-behalf TPAF Pension Contributions (non-budgeted)				2,433,761.00	(2,433,761.00)
On-behalf TPAF Non-Contributory Group Insurance (non-budgeted)				34,337.00	(34,337.00)
On-behalf TPAF Post-Retirement Medical Contributions (non-budgeted)				576,648.00	(576,648.00)
On-behalf TPAF Long-Term Disability Insurance (non-budgeted)				1,671.00	(1,671.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				565,731.94	(565,731.94)
Total On-behalf Contributions	-	-	-	3,612,148.94	(3,612,148.94)
Total Undistributed Expenditures	10,972,127.48	(89,000.00)	10,883,127.48	12,989,148.90	(2,106,021.42)
Total Current Expense	20,700,981.34	-	20,700,981.34	21,479,971.83	(778,990.49)

(Continued)

## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

General Fund

Required Supplementary Information - Part II

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
<b>EXPENDITURES (CONT'D):</b>					
Capital Outlay:					
Transfer to Capital Projects	\$ 750,000.00	\$ -	\$ 750,000.00	\$ 750,000.00	\$ -
Interest Deposit to Capital Reserve	6,000.00		6,000.00		6,000.00
Interest Deposit to Capital Reserve	7,000.00		7,000.00		7,000.00
	<u>763,000.00</u>	<u>-</u>	<u>763,000.00</u>	<u>750,000.00</u>	<u>13,000.00</u>
Equipment:					
Grades 9-12	70,350.00	6,000.00	76,350.00	54,623.52	21,726.48
Vocational Programs-Regular Programs	671,187.00	3,053.50	674,240.50	636,917.86	37,322.64
Undistributed Expenditures - Admin Info. Tech	214,000.00	(9,538.42)	204,461.58	144,114.72	60,346.86
Undistributed Expenditures -Custodial Equipment	27,600.00	21,400.00	49,000.00	21,135.36	27,864.64
Undistributed Expenditures -Upkeep of Grounds Equipment	158,271.46	(21,400.00)	136,871.46	61,061.98	75,809.48
Undistributed Expenditures -Security Equipment	52,522.63	484.92	53,007.55	52,522.63	484.92
	<u>1,193,931.09</u>	<u>-</u>	<u>1,193,931.09</u>	<u>970,376.07</u>	<u>223,555.02</u>
Facilities Acquisition and Constructing Services:					
Construction Services		45,520.00	45,520.00	23,002.46	22,517.54
Assessment for Debt Service on SDA Funding	19,288.00		19,288.00	19,288.00	
	<u>19,288.00</u>	<u>45,520.00</u>	<u>64,808.00</u>	<u>42,290.46</u>	<u>22,517.54</u>
Total Facilities Acquisition and Constructing Services					
	<u>19,288.00</u>	<u>45,520.00</u>	<u>64,808.00</u>	<u>42,290.46</u>	<u>22,517.54</u>
Assets Acquired Under Leases and Financed Purchases (Non-Budgeted):					
Undistributed Expenditures:					
Administration Building				1,990,000.00	(1,990,000.00)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,990,000.00</u>	<u>(1,990,000.00)</u>
Total - Assets Acquired Under Leases and Financed Purchases (Non-Budgeted)					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,990,000.00</u>	<u>(1,990,000.00)</u>
Total Capital Outlay					
	<u>1,976,219.09</u>	<u>45,520.00</u>	<u>2,021,739.09</u>	<u>3,752,666.53</u>	<u>(1,730,927.44)</u>
Summer School - Instruction:					
Salaries of Teachers	7,500.00		7,500.00		7,500.00
General Supplies	500.00		500.00		500.00
	<u>8,000.00</u>	<u>-</u>	<u>8,000.00</u>	<u>-</u>	<u>8,000.00</u>
Total Post-Secondary Vocational Program - Instruction					
	<u>8,000.00</u>	<u>-</u>	<u>8,000.00</u>	<u>-</u>	<u>8,000.00</u>
Total Post Secondary Programs					
	<u>8,000.00</u>	<u>-</u>	<u>8,000.00</u>	<u>-</u>	<u>8,000.00</u>
Total Expenditures					
	<u>22,685,200.43</u>	<u>45,520.00</u>	<u>22,730,720.43</u>	<u>25,232,638.36</u>	<u>(2,501,917.93)</u>

(Continued)

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 General Fund  
 Required Supplementary Information - Part II  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
<b>Calculation of Deficiency of Revenues Under Expenditures:</b>					
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,804,311.43)	\$ -	\$ (2,804,311.43)	\$ (1,670,405.72)	\$ 1,133,905.71
Other Financing Sources (Uses):					
Assets Acquired Under Leases and Financed Purchases	-	-	-	1,990,000.00	(1,990,000.00)
Total Other Financing Sources (Uses)	-	-	-	1,990,000.00	(1,990,000.00)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,804,311.43)	-	(2,804,311.43)	319,594.28	(856,094.29)
Fund Balance -- July 1	9,013,145.75		9,013,145.75	9,013,145.75	
Fund Balance -- June 30	<u>\$ 6,208,834.32</u>	<u>\$ -</u>	<u>\$ 6,208,834.32</u>	<u>\$ 9,332,740.03</u>	<u>\$ (856,094.29)</u>
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 2,917,555.00	
Maintenance Reserve				1,434,118.00	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,773,417.00	
Excess Surplus - Current Year				1,223,691.63	
Assigned Fund Balance:					
Year-End Encumbrances				590,908.88	
Unemployment Compensation				215,220.15	
Unassigned Fund Balance				<u>1,177,829.37</u>	
				9,332,740.03	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>1,200,215.00</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 8,132,525.03</u>	

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Special Revenue Fund  
Required Supplementary Information - Part II  
Budgetary Comparison Schedule  
For the Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable / (Unfavorable)
<b>REVENUES:</b>					
Local Sources:					
Revenue from Local Sources	\$ 13,504.00	\$ 141,214.46	\$ 154,718.46	\$ 154,718.46	\$ -
Total - Local Sources	<u>13,504.00</u>	<u>141,214.46</u>	<u>154,718.46</u>	<u>154,718.46</u>	<u>-</u>
State Sources:					
Perkins Vocational Post-Secondary	78,638.00		78,638.00	78,638.00	
Total - State Sources	<u>78,638.00</u>	<u>-</u>	<u>78,638.00</u>	<u>78,638.00</u>	<u>-</u>
Federal Sources:					
Title I, Part A	416,439.00		416,439.00	346,883.80	69,555.20
Title II, Part A	47,538.00	(790.00)	46,748.00	46,748.00	
Title IV	45,408.00		45,408.00	33,716.03	11,691.97
Title V RLIS	40,663.34	(0.04)	40,663.30	31,144.30	9,519.00
I.D.E.A., Part B, Basic	243,130.00		243,130.00	163,671.68	79,458.32
I.D.E.A., Part B, ARP	47,279.00		47,279.00	41,964.28	5,314.72
Perkins Vocational Secondary	116,455.00	9,860.00	126,315.00	113,423.00	12,892.00
Perkins Vocational Secondary - Reserve	32,706.00		32,706.00	32,706.00	
Education Stabilization Fund:					
Elementary and Secondary School Emergency Relief (ESSER)(CARES Act)	98,639.30		98,639.30	98,266.72	372.58
CRSSA - ESSER II	1,159,380.00		1,159,380.00	354,052.42	805,327.58
Learning Acceleration	73,388.40		73,388.40	73,388.40	
Mental Health	45,000.00		45,000.00	30,849.80	14,150.20
American Rescue Plan:					
ESSER	2,605,632.00		2,605,632.00	1,247,999.86	1,357,632.14
Accelerated Learning Coach and Educator Support	128,476.00		128,476.00	1,991.54	126,484.46
Evidence Based Summer Learning and Enrichment	40,000.00		40,000.00		40,000.00
Evidence Based Comprehensive Beyond the School Day	40,000.00		40,000.00	13,866.47	26,133.53
NJTSS Mental Health Support Staffing	45,000.00		45,000.00		45,000.00
Total - Federal Sources	<u>5,225,134.04</u>	<u>9,069.96</u>	<u>5,234,204.00</u>	<u>2,630,672.30</u>	<u>2,603,531.70</u>
Total Revenues	<u>5,317,276.04</u>	<u>150,284.42</u>	<u>5,467,560.46</u>	<u>2,864,028.76</u>	<u>2,603,531.70</u>

(Continued)



**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Special Revenue Fund  
Required Supplementary Information - Part II  
Budgetary Comparison Schedule  
For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable / (Unfavorable)
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	\$ 1,107,750.50	\$ -	\$ 1,107,750.50	\$ 445,225.38	\$ 662,525.12
Other Salaries for Instruction	34,352.00		34,352.00	34,352.00	
Purchased Professional and Technical Services	57,344.00		57,344.00	9,283.50	48,060.50
Purchased Professional - Educational Services	31,532.00		31,532.00	28,612.00	2,920.00
Other Purchased Services (400-500 series)	181,395.00		181,395.00	84,249.31	97,145.69
Supplies and Materials	54,602.00	(0.04)	54,601.96	29,064.04	25,537.92
General Supplies	393,989.00	9,860.00	403,849.00	87,936.76	315,912.24
Other Objects	67,500.00		67,500.00	18,237.47	49,262.53
Miscellaneous Expenditures	7,866.00		7,866.00	514.00	7,352.00
<b>Total Instruction</b>	<b>1,936,330.50</b>	<b>9,859.96</b>	<b>1,946,190.46</b>	<b>737,474.46</b>	<b>1,208,716.00</b>
Support Services:					
Personal Services - Salaries	544,044.00		544,044.00	213,491.60	330,552.40
Salaries of Other Professional Staff	16,748.00		16,748.00	16,748.00	16,748.00
Salaries of Secretarial and Clerical Assistants	45,810.00		45,810.00	45,810.00	
Personal Services - Employee Benefits	790,513.24	(790.00)	789,723.24	298,265.70	491,457.54
Purchased Professional and Technical Services	47,375.00		47,375.00	45,967.00	1,408.00
Purchased Professional - Educational Services	65,000.00		65,000.00	8,016.00	56,984.00
Purchased Property Services	1,314,764.00		1,314,764.00	1,087,000.00	227,764.00
Other Purchased Services (400-500 series)	166,592.33		166,592.33	108,648.84	57,943.49
Supplies and Materials	44,822.97		44,822.97	44,822.97	44,822.97
General Supplies	94,350.00		94,350.00	33,223.60	61,126.40
Other Objects	57,195.00		57,195.00	12,184.00	45,011.00
Student Activities		267,546.32	267,546.32	102,317.28	165,229.04
<b>Total Support Services</b>	<b>3,187,214.54</b>	<b>266,756.32</b>	<b>3,453,970.86</b>	<b>1,954,924.02</b>	<b>1,499,046.84</b>
Facilities Acquisition and Construction Services:					
Instructional Equipment	187,731.00		187,731.00	132,733.10	54,997.90
Noninstructional Equipment	6,000.00		6,000.00	6,000.00	6,000.00
<b>Total Facilities Acquisition and Construction Services</b>	<b>193,731.00</b>	<b>-</b>	<b>193,731.00</b>	<b>132,733.10</b>	<b>60,997.90</b>
<b>Total Expenditures</b>	<b>5,317,276.04</b>	<b>276,616.28</b>	<b>5,593,892.32</b>	<b>2,825,131.58</b>	<b>2,768,760.74</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ -</b>	<b>\$ (126,331.86)</b>	<b>\$ (126,331.86)</b>	<b>38,897.18</b>	<b>\$ 5,372,292.44</b>
Fund Balance, July 1				126,331.86	
Fund Balance, June 30				<u>\$ 165,229.04</u>	
Recapitulation:					
Restricted:					
Student Activities				<u>\$ 165,229.04</u>	
<b>Total Fund Balance</b>				<u>\$ 165,229.04</u>	

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Required Supplementary Information - Part II  
 Budgetary Comparison Schedule  
 Note to Required Supplementary Information  
 For the Fiscal Year Ended June 30, 2022

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources / Inflows of Resources:</b>		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 23,562,232.64	\$ 2,864,028.76
<b>Differences - Budget to GAAP:</b>		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(1,254,110.38)
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2021.	724,929.00	
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2022.	<u>(1,200,215.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 23,086,946.64</u>	<u>\$ 1,609,918.38</u>
<b>Uses / Outflows of Resources:</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule (C-series)	\$ 25,232,638.36	\$ 2,825,131.58
<b>Differences - Budget to GAAP:</b>		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		(1,254,110.38)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	<u>(750,000.00)</u>	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 24,482,638.36</u>	<u>\$ 1,571,021.20</u>

REQUIRED SUPPLEMENTARY INFORMATION  
PART III

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Required Supplementary Information - Part III  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Public Employees' Retirement System (PERS)  
 Last Nine Plan Years

	<u>Measurement Date Ending June 30,</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
School District's Proportion of the Net Pension Liability	0.0197980350%	0.0177177273%	0.0164110320%	0.0172422821%	0.0183003286%
School District's Proportionate Share of the Net Pension Liability	\$ 2,345,374.00	\$ 2,889,298.00	\$ 2,957,019.00	\$ 3,394,919.00	\$ 4,260,024.00
School District's Covered Payroll	\$ 1,447,940.00	\$ 1,322,052.00	\$ 1,191,928.00	\$ 1,221,112.00	\$ 1,314,940.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	161.98%	218.55%	248.09%	278.02%	323.97%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	56.27%	53.60%	48.10%
	<u>Measurement Date Ending June 30,</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	
School District's Proportion of the Net Pension Liability	0.0302375415%	0.0191188693%	0.0185487233%	0.0204281583%	
School District's Proportionate Share of the Net Pension Liability	\$ 5,674,686.00	\$ 4,291,803.00	\$ 3,472,828.00	\$ 3,904,227.00	
School District's Covered Payroll	\$ 1,350,004.00	\$ 1,344,664.00	\$ 1,301,320.00	\$ 1,438,460.00	
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	420.35%	319.17%	266.87%	271.42%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%	

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**

Required Supplementary Information - Part III  
Schedule of the School District's Contributions  
Public Employees' Retirement System (PERS)  
Last Nine Fiscal Years

	<u>Fiscal Year Ended June 30,</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 298,115.00	\$ 231,858.00	\$ 193,823.00	\$ 159,631.00	\$ 171,505.00
Contributions in Relation to the Contractually Required Contribution	<u>(298,115.00)</u>	<u>(231,858.00)</u>	<u>(193,823.00)</u>	<u>(159,631.00)</u>	<u>(171,505.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll	\$ 1,926,382.00	\$ 1,458,670.00	\$ 1,393,458.00	\$ 1,307,542.00	\$ 1,195,910.00
Contributions as a Percentage of School District's Covered Payroll	15.48%	15.90%	13.91%	12.21%	14.34%

	<u>Fiscal Year Ended June 30,</u>			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 169,533.00	\$ 268,626.00	\$ 164,371.00	\$ 152,913.00
Contributions in Relation to the Contractually Required Contribution	<u>(169,533.00)</u>	<u>(268,626.00)</u>	<u>(164,371.00)</u>	<u>(152,913.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll	\$ 1,230,908.00	\$ 1,346,813.00	\$ 1,309,954.00	\$ 1,329,956.00
Contributions as a Percentage of School District's Covered Payroll	13.77%	19.95%	12.55%	11.50%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Required Supplementary Information - Part III  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Teachers' Pension and Annuity Fund (TPAF)  
 Last Nine Plan Years

	<u>Measurement Date Ending June 30,</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>26,684,167.00</u>	<u>28,447,526.00</u>	<u>23,318,586.00</u>	<u>19,407,724.00</u>	<u>19,457,456.00</u>
	<u>\$ 26,684,167.00</u>	<u>\$ 28,447,526.00</u>	<u>\$ 23,318,586.00</u>	<u>\$ 19,407,724.00</u>	<u>\$ 19,457,456.00</u>
School District's Covered Payroll	\$ 7,747,140.00	\$ 6,858,096.00	\$ 5,372,800.00	\$ 4,570,048.00	\$ 3,561,312.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	344.44%	414.80%	434.01%	424.67%	546.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.52%	24.60%	26.95%	26.49%	25.41%
	<u>Measurement Date Ending June 30,</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>23,106,586.00</u>	<u>18,062,268.00</u>	<u>14,193,837.00</u>	<u>14,701,809.00</u>	
	<u>\$ 23,106,586.00</u>	<u>\$ 18,062,268.00</u>	<u>\$ 14,193,837.00</u>	<u>\$ 14,701,809.00</u>	
School District's Covered Payroll	\$ 3,444,324.00	\$ 3,168,512.00	\$ 3,100,296.00	\$ 2,746,568.00	
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	670.86%	570.06%	457.82%	535.28%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	22.33%	28.71%	33.64%	33.76%	

Note: This schedule is presented to illustrate the requirement to show information for 10 years.  
 However, until a full 10-year trend is compiled, this presentation will only include information  
 for those years for which information is available.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Required Supplementary Information - Part III  
Schedule of School District's Contributions  
Teachers' Pension and Annuity Fund (TPAF)  
Last Ten Fiscal Years

---

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**

Required Supplementary Information - Part III  
Notes to Required Supplementary Information - Part III  
For the Fiscal Year Ended June 30, 2022

**Teachers' Pension and Annuity Fund (TPAF)**

***Changes in Benefit Terms:***

None.

***Changes in Assumptions:***

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	4.25%
2020	5.40%	2016	3.22%
2019	5.60%	2015	4.13%
2018	4.86%	2014	4.68%

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	7.00%
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%

The mortality assumption was updated upon direction from the DPB.

**Public Employees' Retirement System (PERS)**

***Changes in Benefit Terms:***

The June 30, 2021 measurement date included one change to the plan provisions. Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the Defined Contribution Retirement Program (DCRP) and regular part of PERS into the WCJ Part of PERS.

***Changes in Assumptions:***

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	5.00%
2020	7.00%	2016	3.98%
2019	6.28%	2015	4.90%
2018	5.66%	2014	5.39%

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2017	7.00%
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%

The mortality assumption was updated upon direction from the Division of Pensions and Benefits.



REQUIRED SUPPLEMENTARY INFORMATION  
PART IV

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Required Supplementary Information - Part IV  
 Schedule of Changes in the School District's Total OPEB Liability and Related Ratios  
 Last Five Plan Years

	Measurement Date Ending <u>June 30,</u>	Measurement Date Ending <u>June 30,</u>	Measurement Date Ending <u>June 30,</u>	Measurement Date Ending <u>June 30,</u>	Measurement Date Ending <u>June 30,</u>
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District</b>					
Changes for the Year:					
Service Cost	\$ 1,805,440.00	\$ 768,803.00	\$ 675,728.00	\$ 609,912.00	\$ 733,098.00
Interest Cost	711,423.00	594,164.00	718,922.00	748,874.00	649,987.00
Changes in Benefit Terms	(29,190.00)				
Difference Between Expected and Actual Experience	(4,628,729.00)	7,271,885.00	(2,834,632.00)	(1,204,905.00)	
Changes in Assumptions	27,056.00	5,494,729.00	245,406.00	(2,082,100.00)	(2,685,325.00)
Gross Benefit Payments	18,188.00	15,873.00	(505,243.00)	(485,161.00)	(475,761.00)
Member Contributions	(560,402.00)	(523,682.00)	14,977.00	16,768.00	17,519.00
Net Change in Total Non-Employer OPEB Liability	(2,656,214.00)	13,621,772.00	(1,684,842.00)	(2,396,612.00)	(1,760,482.00)
Total Non-Employer OPEB Liability - July 1	<u>30,080,803.00</u>	<u>16,459,031.00</u>	<u>18,143,873.00</u>	<u>20,540,485.00</u>	<u>22,300,967.00</u>
Total Non-Employer OPEB Liability - June 30	<u>\$ 27,424,589.00</u>	<u>\$ 30,080,803.00</u>	<u>\$ 16,459,031.00</u>	<u>\$ 18,143,873.00</u>	<u>\$ 20,540,485.00</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 8,347,839.00</u>	<u>\$ 7,967,918.00</u>	<u>\$ 7,105,985.00</u>	<u>\$ 5,759,871.00</u>	<u>\$ 4,980,796.00</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	328.52%	377.52%	231.62%	315.00%	412.39%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Required Supplementary Information - Part IV  
 Notes to Required Supplementary Information - Part IV  
 For the Fiscal Year Ended June 30, 2022

---

***Changes in Benefit Terms:***

The actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021, included changes due to employers adopting Chapter 44 provisions.

***Changes in Assumptions:***

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%
2019	3.50%		

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included changes in trend update, mortality projection scale update, and salary scale.

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 rates 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 fiscal 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%.

**OTHER SUPPLEMENTARY INFORMATION**

**SPECIAL REVENUE FUND**

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Special Revenue Fund  
 Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2022

	Every Student Succeeds Act (E.S.S.A.)					I.D.E.A. Part B, Basic	Perkins Vocational Sec - Reserve	Perkins Vocational Secondary	Perkins Vocational Post-Secondary	NJSBAIG Safety Grant	Total Brought Forward
	Total	Title I - Part A	Title II - Part A	Title IV	Title V						
<b>REVENUES:</b>											
Federal Sources	\$ 2,630,672.30	\$ 346,883.80	\$ 46,748.00	\$ 33,716.03	\$ 31,144.30	\$ 163,671.68	\$ 32,706.00	\$ 113,423.00			\$ 1,862,379.49
State Sources	78,638.00								\$ 78,638.00		
Local Sources	154,718.46									\$ 13,504.00	141,214.46
<b>Total Revenues</b>	<b>2,864,028.76</b>	<b>346,883.80</b>	<b>46,748.00</b>	<b>33,716.03</b>	<b>31,144.30</b>	<b>163,671.68</b>	<b>32,706.00</b>	<b>113,423.00</b>	<b>78,638.00</b>	<b>13,504.00</b>	<b>2,003,593.95</b>
<b>EXPENDITURES:</b>											
Instruction:											
Salaries of Teachers	445,225.38	184,864.16	30,530.31		24,610.00						205,220.91
Other Salaries for Instruction	34,352.00					34,352.00					
Purchased Professional and Technical Services	9,283.50					3,600.00		5,683.50			
Purchased Professional - Educational Services	28,612.00										28,612.00
Other Purchased Services (400-500 series)	84,249.31	6,060.41		6,015.00		5,680.00		12,217.96			54,275.94
Supplies and Materials	29,064.04								29,064.04		
General Supplies	87,936.76	3,511.76		1,055.02		3,679.39		34,450.40			45,240.19
Other Objects	18,237.47					4,371.00					13,866.47
Miscellaneous Expenditures	514.00										514.00
<b>Total Instruction</b>	<b>737,474.46</b>	<b>194,436.33</b>	<b>30,530.31</b>	<b>7,070.02</b>	<b>24,610.00</b>	<b>51,682.39</b>	<b>-</b>	<b>52,351.86</b>	<b>29,064.04</b>	<b>-</b>	<b>347,729.51</b>
Support Services:											
Personal Services - Salaries	213,491.60			23,842.07							189,649.53
Salaries of Secretarial and Clerical Assistants	45,810.00					45,810.00					
Personal Services - Employee Benefits	298,265.70	152,447.47	16,217.69	1,823.94	1,734.30	11,800.62					114,241.68
Purchased Professional and Technical Services	45,967.00					43,592.00		2,375.00			
Purchased Professional - Educational Services	8,016.00					8,016.00					
Purchased Property Services	1,087,000.00										1,087,000.00
Other Purchased Services (400-500 series)	108,648.84			980.00	4,800.00	2,770.67		8,243.00		13,504.00	78,351.17
General Supplies	33,223.60										33,223.60
Student Activities	102,317.28										102,317.28
<b>Total Support Services</b>	<b>1,954,924.02</b>	<b>152,447.47</b>	<b>16,217.69</b>	<b>26,646.01</b>	<b>6,534.30</b>	<b>111,989.29</b>	<b>-</b>	<b>10,618.00</b>	<b>-</b>	<b>13,504.00</b>	<b>1,616,967.26</b>
Facilities Acquisition and Construction Services:											
Instructional Equipment	132,733.10						32,706.00	50,453.14	49,573.96		-
Facilities Acquisition and Construction Services	132,733.10	-	-	-	-	-	32,706.00	50,453.14	49,573.96	-	-
<b>Total Expenditures</b>	<b>2,825,131.58</b>	<b>346,883.80</b>	<b>46,748.00</b>	<b>33,716.03</b>	<b>31,144.30</b>	<b>163,671.68</b>	<b>32,706.00</b>	<b>113,423.00</b>	<b>78,638.00</b>	<b>13,504.00</b>	<b>1,964,696.77</b>
Excess of Revenues Over Expenditures	38,897.18	-	-	-	-	-	-	-	-	-	38,897.18
Fund Balance, July 1	126,331.86	-	-	-	-	-	-	-	-	-	126,331.86
Fund Balance, June 30	\$ 165,229.04	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,229.04

(Continued)

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Special Revenue Fund  
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2022

**Education Stabilization Fund Section 1 - Elementary and Secondary Education**

	Total Carried Forward	I.D.E.A. Part B, Basic - ARP	ARP ESSER	Education Stabilization Fund (CARES Act)	CRRSA-ESSER II	CRRSA Act Learning Acceleration	CRRSA Act Mental Health	ARP - Accelerated Learning Coach and Educator Support	ARP - Evidence Based Comprehensive Beyond the School Day	Student Activity Fund
<b>REVENUES:</b>										
Federal Sources	\$ 1,862,379.49	\$ 41,964.28	\$ 1,247,999.86	\$ 98,266.72	\$ 354,052.42	\$ 73,388.40	\$ 30,849.80	\$ 1,991.54	\$ 13,866.47	
State Sources	-									
Local Sources	141,214.46									\$ 141,214.46
<b>Total Revenues</b>	<b>2,003,593.95</b>	<b>41,964.28</b>	<b>1,247,999.86</b>	<b>98,266.72</b>	<b>354,052.42</b>	<b>73,388.40</b>	<b>30,849.80</b>	<b>1,991.54</b>	<b>13,866.47</b>	<b>141,214.46</b>
<b>EXPENDITURES:</b>										
<b>Instruction:</b>										
Salaries of Teachers	205,220.91		82,678.40		52,519.01	68,173.50		1,850.00		
Other Salaries for Instruction										
Purchased Professional and Technical Services										
Purchased Professional - Educational Services	28,612.00	28,612.00								
Other Purchased Services (400-500 series)	54,275.94			13,226.14	12,195.00		28,854.80			
Supplies and Materials										
General Supplies	45,240.19	12,838.28		5,100.00	27,301.91					
Other Objects	13,866.47								13,866.47	
Miscellaneous Expenditures	514.00	514.00								
<b>Total Instruction</b>	<b>347,729.51</b>	<b>41,964.28</b>	<b>82,678.40</b>	<b>18,326.14</b>	<b>92,015.92</b>	<b>68,173.50</b>	<b>28,854.80</b>	<b>1,850.00</b>	<b>13,866.47</b>	<b>-</b>
<b>Support Services:</b>										
Personal Services - Salaries	189,649.53		5,087.50		184,562.03					
Salaries of Secretarial and Clerical Assistants										
Personal Services - Employee Benefits	114,241.68		48,419.29		60,465.95	5,214.90		141.54		
Purchased Professional and Technical Services										
Purchase Property Services	1,087,000.00		1,087,000.00							
Other Purchased Services (400-500 series)	78,351.17		7,800.00	51,547.65	17,008.52		1,995.00			
Supplies and Materials										
General Supplies	33,223.60		4,830.67	28,392.93						
Other Objects	12,184.00		12,184.00							
Student Activities	102,317.28									102,317.28
<b>Total Support Services</b>	<b>1,616,967.26</b>	<b>-</b>	<b>1,165,321.46</b>	<b>79,940.58</b>	<b>262,036.50</b>	<b>5,214.90</b>	<b>1,995.00</b>	<b>141.54</b>	<b>-</b>	<b>102,317.28</b>
<b>Facilities Acquisition and Construction Services:</b>										
Instructional Equipment										
<b>Facilities Acquisition and Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>1,964,696.77</b>	<b>41,964.28</b>	<b>1,247,999.86</b>	<b>98,266.72</b>	<b>354,052.42</b>	<b>73,388.40</b>	<b>30,849.80</b>	<b>1,991.54</b>	<b>13,866.47</b>	<b>102,317.28</b>
<b>Excess of Revenues Over Expenditures</b>	<b>38,897.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,897.18</b>
<b>Fund Balance, July 1</b>	<b>126,331.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>126,331.86</b>
<b>Fund Balance, June 30</b>	<b>\$ 165,229.04</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 165,229.04</b>

**CAPITAL PROJECTS FUND**



**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Capital Projects Fund  
 Summary Schedule of Project Expenditures  
 For the Fiscal Year Ended June 30, 2022

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2022
			Prior Years	Current Year	
Cumberland County Technical Education Center Addition	03/17/20	\$ 939,700.00	\$ 661,543.45	\$ 252,035.58	\$ 26,120.97
Cumberland County Technical Education Center STEM Expansion	03/25/21	3,000,000.00		334,705.40	2,665,294.60
Totals		<u>\$ 3,939,700.00</u>	<u>\$ 661,543.45</u>	<u>\$ 586,740.98</u>	<u>\$ 2,691,415.57</u>
Reconciliation to Governmental Fund Statement (GAAP):					
Unexpended Balance as of June 30, 2022					\$ 2,691,415.57
Grant Revenue Not Recognized on GAAP Basis					<u>(2,250,000.00)</u>
Fund Balance per Governmental Funds (GAAP)					<u>\$ 441,415.57</u>

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Capital Projects Fund  
 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance -- Budgetary Basis  
 For the Fiscal Year Ended June 30, 2022

**Revenues and Other Financing Sources**

Grant Proceeds - Securing Our Children's Future Bond Act	\$ 2,250,000.00
Transfer from General Fund	<u>750,000.00</u>
 Total Revenues	 <u>3,000,000.00</u>

**Expenditures and Other Financing Uses**

Architect/Engineer Services	167,563.60
Other Purchased Professional Services	23,007.42
Supplies and Materials	62,136.10
Equipment	218,702.97
Construction Services	<u>115,330.89</u>
 Total Expenditures	 <u>586,740.98</u>

Excess of Revenues over Expenditures	2,413,259.02
--------------------------------------	--------------

Fund Balance -- Beginning	<u>278,156.55</u>
---------------------------	-------------------

Fund Balance -- Ending	<u><u>\$ 2,691,415.57</u></u>
------------------------	-------------------------------

Reconciliation to Governmental Fund Statement (GAAP):

Unexpended Balance as of June 30, 2022	\$ 2,691,415.57
Grant Revenue Not Recognized on GAAP Basis	<u>(2,250,000.00)</u>

Fund Balance per Governmental Funds (GAAP)	<u><u>\$ 441,415.57</u></u>
--	-----------------------------

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status -- Budgetary Basis  
 Cumberland County Technical Education Center Addition  
 From Inception and for the Fiscal Year Ended June 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from General Fund	\$ 939,700.00		\$ 939,700.00	\$ 939,700.00
Total Revenues	<u>939,700.00</u>	<u>\$ -</u>	<u>939,700.00</u>	<u>939,700.00</u>
<b>Expenditures and Other Financing Uses</b>				
Supplies and Materials		50,582.22	50,582.22	49,700.00
Equipment	661,543.45	201,453.36	862,996.81	890,000.00
Total Expenditures	<u>661,543.45</u>	<u>252,035.58</u>	<u>913,579.03</u>	<u>939,700.00</u>
Excess of revenues over expenditures	<u>\$ 278,156.55</u>	<u>\$ (252,035.58)</u>	<u>\$ 26,120.97</u>	<u>\$ -</u>
Encumbered			\$ -	
Designated for Subsequent Years Expenditures			<u>26,120.97</u>	
			<u>\$ 26,120.97</u>	
Project Number	0995-030-18-1000			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 939,700.00			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 939,700.00			
Percentage Increase over Original Authorized Cost	N/A			
Percentage Completion	97%			

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status -- Budgetary Basis  
 Cumberland County Technical Education Center STEM Expansion  
 From Inception and for the Fiscal Year Ended June 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from General Fund (in lieu of Local Share)	\$ -	\$ 750,000.00	\$ 750,000.00	\$ 750,000.00
Grant Proceeds - Securing Our Children's Future Bond Act		2,250,000.00	2,250,000.00	2,250,000.00
<b>Total Revenues</b>	<u>-</u>	<u>3,000,000.00</u>	<u>3,000,000.00</u>	<u>3,000,000.00</u>
<b>Expenditures and Other Financing Uses</b>				
Legal Services				6,000.00
Architect/Engineer Services		167,563.60	167,563.60	248,500.00
Other Purchased Professional Services		23,007.42	23,007.42	105,500.00
Supplies and Materials		11,553.88	11,553.88	326,000.00
Equipment		17,249.61	17,249.61	18,000.00
Other Objects				223,000.00
Construction Services		115,330.89	115,330.89	2,073,000.00
<b>Total Expenditures</b>	<u>-</u>	<u>334,705.40</u>	<u>334,705.40</u>	<u>3,000,000.00</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ 2,665,294.60</u>	<u>\$ 2,665,294.60</u>	<u>\$ -</u>
Encumbered			\$ 2,121,516.18	
Designated for Subsequent Years Expenditures			543,778.42	
			<u>\$ 2,665,294.60</u>	
Project Number	0995-030-21-1000			
Grant Date	12/13/2021			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 3,000,000.00			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 3,000,000.00			
Percentage Increase over Original Authorized Cost	N/A			
Percentage Completion	11%			

**PROPRIETARY FUNDS**

## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

Combining Statement of Net Position  
Enterprise Funds  
June 30, 2022

	<u>Food Service</u>	<u>Food Service Restaurant</u>	<u>Drive to the Future</u>	<u>Adult Education</u>	<u>Total</u>
<b>ASSETS:</b>					
Current Assets:					
Cash and Cash Equivalents	\$ 188,065.57	\$ 42,744.63	\$ 516,232.55	\$ 73,994.39	\$ 821,037.14
Accounts Receivable:					
State	1,093.68				1,093.68
Federal	86,996.12				86,996.12
Other				3,414.00	3,414.00
Interfund Accounts Receivable:					
General Fund	10,764.00	11,198.33		28,054.00	50,016.33
Inventories	5,500.64				5,500.64
Total Current Assets	<u>292,420.01</u>	<u>53,942.96</u>	<u>516,232.55</u>	<u>105,462.39</u>	<u>968,057.91</u>
Noncurrent Assets:					
Equipment	72,555.26		184,578.20		257,133.46
Less Accumulated Depreciation	<u>(6,511.27)</u>		<u>(76,326.55)</u>		<u>(82,837.82)</u>
Total Noncurrent Assets	<u>66,043.99</u>	<u>-</u>	<u>108,251.65</u>	<u>-</u>	<u>174,295.64</u>
Total Assets	<u>358,464.00</u>	<u>53,942.96</u>	<u>624,484.20</u>	<u>105,462.39</u>	<u>1,142,353.55</u>
<b>LIABILITIES:</b>					
Current Liabilities:					
Interfund Accounts Payable:					
Due General Fund	237.00		30,506.89		30,743.89
Due Internal Service Fund		15,000.00			15,000.00
Accounts Payable	64,907.07	861.50			65,768.57
Due Students, Net	4,256.95				4,256.95
Unearned Revenue			8,722.64		8,722.64
Total Current Liabilities	<u>69,401.02</u>	<u>15,861.50</u>	<u>39,229.53</u>	<u>-</u>	<u>124,492.05</u>
Noncurrent Liabilities:					
Compensated Absences Payable			40,776.19		40,776.19
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>40,776.19</u>	<u>-</u>	<u>40,776.19</u>
Total Liabilities	<u>69,401.02</u>	<u>15,861.50</u>	<u>80,005.72</u>	<u>-</u>	<u>165,268.24</u>
<b>NET POSITION:</b>					
Net Investment in Capital Assets	66,043.99		108,251.65		174,295.64
Unrestricted	<u>223,018.99</u>	<u>38,081.46</u>	<u>436,226.83</u>	<u>105,462.39</u>	<u>802,789.67</u>
Total Net Position	<u>\$ 289,062.98</u>	<u>\$ 38,081.46</u>	<u>\$ 544,478.48</u>	<u>\$ 105,462.39</u>	<u>\$ 977,085.31</u>

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
Enterprise Funds  
For the Fiscal Year Ended June 30, 2022

	<u>Food Service</u>	<u>Food Service Restaurant</u>	<u>Drive to the Future</u>	<u>Adult Education</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>					
Charges for Services:					
Daily Sales - Non-Reimbursable Programs	\$ 34,226.29	\$ -	\$ -	\$ -	\$ 34,226.29
Miscellaneous	18,390.75	986.50			19,377.25
Fees			128,407.00		128,407.00
<b>Total Operating Revenues</b>	<u>52,617.04</u>	<u>986.50</u>	<u>128,407.00</u>	<u>-</u>	<u>182,010.54</u>
<b>OPERATING EXPENSES:</b>					
Salaries and Fringe Benefits	232,666.13		181,561.60		414,227.73
Purchased Professional/Technical Services	76,272.35		1,368.59		77,640.94
Other Purchased Services	21,044.89				21,044.89
General Supplies	73,610.98	1,046.47	97.16		74,754.61
Depreciation	6,511.27		22,024.86		28,536.13
Cleaning, Repairs and Maintenance	5,765.57				5,765.57
Insurance	17,329.11				17,329.11
Miscellaneous	1,682.85			26,336.58	28,019.43
Cost of Sales - Reimbursable	320,000.69				320,000.69
Cost of Sales - Non Reimbursable	20,425.58				20,425.58
<b>Total Operating Expenses</b>	<u>775,309.42</u>	<u>1,046.47</u>	<u>205,052.21</u>	<u>26,336.58</u>	<u>1,007,744.68</u>
<b>Operating Income / (Loss)</b>	<u>(722,692.38)</u>	<u>(59.97)</u>	<u>(76,645.21)</u>	<u>(26,336.58)</u>	<u>(825,734.14)</u>
<b>NONOPERATING REVENUES:</b>					
State Sources:					
Seamless Summer Lunch Program - State	14,247.99				14,247.99
Federal Sources:					
Seamless Summer Option	755,023.13				755,023.13
Food Distribution Program	28,443.16				28,443.16
Emergency Operational Cost Program - Schools	24,739.24				24,739.24
P-EBT Administrative Cost	628.00				628.00
Interest and Investment Revenue	491.81		1,628.99		2,120.80
<b>Total Nonoperating Revenues</b>	<u>823,573.33</u>	<u>-</u>	<u>1,628.99</u>	<u>-</u>	<u>825,202.32</u>
<b>Change in Net Position</b>	<u>100,880.95</u>	<u>(59.97)</u>	<u>(75,016.22)</u>	<u>(26,336.58)</u>	<u>(531.82)</u>
<b>Net Position - July 1</b>	<u>188,182.03</u>	<u>38,141.43</u>	<u>619,494.70</u>	<u>131,798.97</u>	<u>977,617.13</u>
<b>Net Position -- June 30</b>	<u>\$ 289,062.98</u>	<u>\$ 38,081.46</u>	<u>\$ 544,478.48</u>	<u>\$ 105,462.39</u>	<u>\$ 977,085.31</u>

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Combining Statement of Cash Flows  
Enterprise Funds  
For the Fiscal Year Ended June 30, 2022

	<u>Food Service</u>	<u>Food Service Restaurant</u>	<u>Drive to the Future</u>	<u>Adult Education</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Receipts from Customers	\$ 49,591.71	\$ 11,648.17	\$ 150,742.71	\$ -	\$ 211,982.59
Payments to Employees	(232,666.13)		(173,306.39)		(405,972.52)
Payments to Suppliers	(507,178.00)	(184.97)	(4,893.25)	(26,336.58)	(538,592.80)
Net Cash Provided by (Used in) Operating Activities	<u>(690,252.42)</u>	<u>11,463.20</u>	<u>(27,456.93)</u>	<u>(26,336.58)</u>	<u>(732,582.73)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>					
State Sources	16,720.08				16,720.08
Federal Sources	<u>782,290.82</u>				<u>782,290.82</u>
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>799,010.90</u>	-	-	-	<u>799,010.90</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Purchase of Capital Assets	<u>(72,555.26)</u>		<u>(100,552.20)</u>		<u>(173,107.46)</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(72,555.26)</u>	-	<u>(100,552.20)</u>	-	<u>(173,107.46)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest and Dividends	<u>491.81</u>		<u>1,628.99</u>		<u>2,120.80</u>
Net Cash Provided by (used in) Investing Activities	<u>491.81</u>	-	<u>1,628.99</u>	-	<u>2,120.80</u>
Net Increase (Decrease) in Cash and Cash Equivalents	36,695.03	11,463.20	(126,380.14)	(26,336.58)	(104,558.49)
Cash and Cash Equivalents -- July 1	<u>151,370.54</u>	<u>31,281.43</u>	<u>642,612.69</u>	<u>100,330.97</u>	<u>925,595.63</u>
Cash and Cash Equivalents -- June 30	<u>\$ 188,065.57</u>	<u>\$ 42,744.63</u>	<u>\$ 516,232.55</u>	<u>\$ 73,994.39</u>	<u>\$ 821,037.14</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>					
Operating Income (Loss)	<u>\$ (722,692.38)</u>	<u>\$ (59.97)</u>	<u>\$ (76,645.21)</u>	<u>\$ (26,336.58)</u>	<u>\$ (825,734.14)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	6,511.27		22,024.86		28,536.13
(Increase) Decrease in Accounts Receivable, net	2,220.22				2,220.22
(Increase) Decrease in Interfunds Receivable	(9,502.50)	(3,476.83)	12,000.00		(979.33)
(Increase) Decrease in Inventories	16,201.71				16,201.71
(Increase) Decrease in Prepaid Expenses	4,256.95				4,256.95
Increase (Decrease) in Accounts Payable	12,752.31	15,000.00	(3,427.50)		24,324.81
Increase (Decrease) in Interfund Payable			3,502.83		3,502.83
Increase (Decrease) in Other Current Liabilities			6,832.88		6,832.88
Increase (Decrease) in Accrued Salaries Benefits			8,255.21		8,255.21
Total Adjustments	<u>32,439.96</u>	<u>11,523.17</u>	<u>49,188.28</u>	<u>-</u>	<u>93,151.41</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (690,252.42)</u>	<u>\$ 11,463.20</u>	<u>\$ (27,456.93)</u>	<u>\$ (26,336.58)</u>	<u>\$ (732,582.73)</u>



**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Combining Statement of Net Position  
Internal Service Funds  
June 30, 2022

	<u>Security</u>	<u>Superintendent and Payroll Services</u>	<u>Total</u>
<b>ASSETS:</b>			
<b>Current Assets:</b>			
Cash and Cash Equivalents	\$ 870,220.18	\$ -	\$ 870,220.18
Accounts Receivable:			
Other	11,694.49		11,694.49
Interfund Accounts Receivable:			
Internal Service Fund	15,000.00		15,000.00
Enterprise Fund		15,000.00	15,000.00
	<u>896,914.67</u>	<u>15,000.00</u>	<u>911,914.67</u>
Total Current Assets	<u>896,914.67</u>	<u>15,000.00</u>	<u>911,914.67</u>
Total Assets	<u>896,914.67</u>	<u>15,000.00</u>	<u>911,914.67</u>
<b>LIABILITIES:</b>			
<b>Current Liabilities:</b>			
Interfund Accounts Payable:			
Internal Service Fund		15,000.00	15,000.00
	<u>-</u>	<u>15,000.00</u>	<u>15,000.00</u>
Total Current Liabilities	<u>-</u>	<u>15,000.00</u>	<u>15,000.00</u>
Total Liabilities	<u>-</u>	<u>15,000.00</u>	<u>15,000.00</u>
<b>NET POSITION:</b>			
Unrestricted	<u>896,914.67</u>		<u>896,914.67</u>
Total Net Position	<u>\$ 896,914.67</u>	<u>\$ -</u>	<u>\$ 896,914.67</u>

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2022

	<u>Security</u>	Superintendent and Payroll <u>Services</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>			
Charges for Services:			
Fees	\$ 576,160.10	\$ 28,333.33	\$ 604,493.43
Total Operating Revenues	<u>576,160.10</u>	<u>28,333.33</u>	<u>604,493.43</u>
<b>OPERATING EXPENSES:</b>			
Salaries and Fringe Benefits	<u>322,645.61</u>	<u>28,333.33</u>	<u>350,978.94</u>
Total Operating Expenses	<u>322,645.61</u>	<u>28,333.33</u>	<u>350,978.94</u>
Change in Net Position	253,514.49	-	253,514.49
Net Position -- July 1	<u>643,400.18</u>	<u>-</u>	<u>643,400.18</u>
Net Position -- June 30	<u>\$ 896,914.67</u>	<u>\$ -</u>	<u>\$ 896,914.67</u>

## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

Combining Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2022

	<u>Security</u>	<u>Superintendent and Payroll Services</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from Customers	\$ 570,677.53	\$ 19,583.33	\$ 590,260.86
Payments to Employees	<u>(322,645.61)</u>	<u>(28,333.33)</u>	<u>(350,978.94)</u>
Net Cash Provided by (Used in) Operating Activities	<u>248,031.92</u>	<u>(8,750.00)</u>	<u>239,281.92</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Interfund Activities	<u>(8,750.00)</u>	<u>8,750.00</u>	<u>-</u>
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>(8,750.00)</u>	<u>8,750.00</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	239,281.92	-	239,281.92
Cash and Cash Equivalents -- July 1	<u>630,938.26</u>	<u>-</u>	<u>630,938.26</u>
Cash and Cash Equivalents -- June 30	<u>\$ 870,220.18</u>	<u>\$ -</u>	<u>\$ 870,220.18</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>			
Operating Income (Loss)	\$ 253,514.49	\$ -	\$ 253,514.49
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
(Increase) Decrease in Accounts Receivable, net	(5,482.57)	6,250.00	767.43
(Increase) Decrease in Interfunds Receivable	<u>(5,482.57)</u>	<u>(15,000.00)</u>	<u>(15,000.00)</u>
Total Adjustments	<u>(5,482.57)</u>	<u>(8,750.00)</u>	<u>(14,232.57)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 248,031.92</u>	<u>\$ (8,750.00)</u>	<u>\$ 239,281.92</u>

**STATISTICAL SECTION**

## **Financial Trends Information**

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Net Position by Component  
 Last Ten Fiscal Years (Accrual Basis of Accounting)  
 Unaudited

	For the Fiscal Year Ended June 30,									
	2022	2021**	2020	2019	2018	2017	2016	2015*	2014	2013
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 83,402,286.17	\$ 61,585,849.23	\$ 62,325,103.02	\$ 63,602,328.00	\$ 68,657,775.00	\$ 68,332,306.00	\$ 60,525,733.00	\$ 19,667,934.00	\$ 6,484,922.00	\$ 5,736,033.00
Restricted for:										
Unemployment Compensation	215,220.15	169,760.44								
Student Activities	165,229.04	126,331.86								
Other Purposes	7,790,197.20	7,220,573.44	6,514,937.32	5,906,454.00	7,752,984.00	9,702,927.00	18,900,941.00	59,010,485.00	3,163,512.00	3,515,669.00
Unrestricted (Deficit)	<u>(2,144,744.63)</u>	<u>(2,398,964.34)</u>	<u>(3,181,871.46)</u>	<u>(3,511,822.00)</u>	<u>(3,805,739.00)</u>	<u>(3,763,790.00)</u>	<u>(3,070,324.00)</u>	<u>(2,973,953.00)</u>	<u>535,819.00</u>	<u>488,848.00</u>
<b>Total Governmental Activities Net Position</b>	<u>\$ 89,428,187.93</u>	<u>\$ 66,703,550.63</u>	<u>\$ 65,658,168.88</u>	<u>\$ 65,996,960.00</u>	<u>\$ 72,605,020.00</u>	<u>\$ 74,271,443.00</u>	<u>\$ 76,356,350.00</u>	<u>\$ 75,704,466.00</u>	<u>\$ 10,184,253.00</u>	<u>\$ 9,740,550.00</u>
<b>Business-type Activities</b>										
Net Investment in Capital Assets	\$ 174,295.64	\$ 29,724.31	\$ 40,227.60	\$ 50,731.00	\$ 57,768.00					
Unrestricted (Deficit)	<u>802,789.67</u>	<u>947,892.82</u>	<u>880,215.44</u>	<u>435,696.00</u>	<u>422,921.00</u>	\$ 433,981.00	\$ (30,291.00)	\$ 4,300.00	\$ 73,011.00	\$ 76,655.00
<b>Total Business-type Activities Net Position</b>	<u>\$ 977,085.31</u>	<u>\$ 977,617.13</u>	<u>\$ 920,443.04</u>	<u>\$ 486,427.00</u>	<u>\$ 480,689.00</u>	<u>\$ 433,981.00</u>	<u>\$ (30,291.00)</u>	<u>\$ 4,300.00</u>	<u>\$ 73,011.00</u>	<u>\$ 76,655.00</u>
<b>Government-wide</b>										
Net Investment in Capital Assets	\$ 83,576,581.81	\$ 61,615,573.54	\$ 62,365,330.62	\$ 63,653,059.00	\$ 68,715,543.00	\$ 68,332,306.00	\$ 60,525,733.00	\$ 19,667,934.00	\$ 6,484,922.00	\$ 5,736,033.00
Restricted for:										
Unemployment Compensation	215,220.15	169,760.44								
Student Activities	165,229.04	126,331.86								
Other Purposes	7,790,197.20	7,220,573.44	6,514,937.32	5,906,454.00	7,752,984.00	9,702,927.00	18,900,941.00	59,010,485.00	3,163,512.00	3,515,669.00
Unrestricted (Deficit)	<u>(1,341,954.96)</u>	<u>(1,451,071.52)</u>	<u>(2,301,656.02)</u>	<u>(3,076,126.00)</u>	<u>(3,382,818.00)</u>	<u>(3,329,809.00)</u>	<u>(3,100,615.00)</u>	<u>(2,969,653.00)</u>	<u>608,830.00</u>	<u>565,503.00</u>
<b>Total Government-wide Net Position</b>	<u>\$ 90,405,273.24</u>	<u>\$ 67,681,167.76</u>	<u>\$ 66,578,611.92</u>	<u>\$ 66,483,387.00</u>	<u>\$ 73,085,709.00</u>	<u>\$ 74,705,424.00</u>	<u>\$ 76,326,059.00</u>	<u>\$ 75,708,766.00</u>	<u>\$ 10,257,264.00</u>	<u>\$ 9,817,205.00</u>

In accordance with GASBS No. 65, effective for the fiscal year ended June 30, 2013, the method to expense debt issuance costs was changed.

\* For the fiscal year ended June 30, 2015, the School District adopted GASBS No's. 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

\*\* For the fiscal year ended June 30, 2021, the School District implemented GASBS No. 84, and because of this implementation the School District has determined that certain activities that were previously reported in the fiduciary fund now meet the criteria for reporting as governmental activities. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

Source: Annual Comprehensive Financial Report, Exhibit A-1.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Changes in Net Position  
 Last Ten Fiscal Years (Accrual Basis of Accounting)  
 Unaudited

	For the Fiscal Year Ended June 30,									
	2022	2021**	2020	2019	2018	2017	2016	2015*	2014	2013
<b>Expenses</b>										
Governmental Activities:										
Instruction:										
Regular	\$ 5,995,382.13	\$ 4,909,901.20	\$ 4,628,339.49	\$ 4,626,903.00	\$ 3,517,355.00	\$ 2,434,245.00				
Special Education			239,056.25	567,888.00	401,853.00	58,735.00				
Vocational	3,002,675.55	2,276,143.09	2,104,823.18	2,073,347.00	2,019,425.00	2,288,816.00	\$ 2,759,056.00	\$ 3,027,579.00	\$ 2,942,506.00	\$ 2,873,324.00
Other Instruction	223,787.66	181,365.17	220,714.89	95,718.00	65,197.00	37,527.00	12,574.00	40,887.00	36,444.00	25,905.00
Support Services:										
Instruction/Tuition	676,937.89	493,023.25	286,343.07							
Student & Instruction Related Services	1,262,233.59	1,163,456.04	1,021,912.96	1,272,301.00	956,995.00	947,806.00	845,408.00	783,790.00	584,216.00	605,368.00
School Administrative Services	808,572.24	779,653.98	630,399.68	691,866.00	605,111.00	518,000.00	414,553.00	424,343.00	528,425.00	395,229.00
General and Business Administrative Services	2,232,792.23	1,491,825.24	1,759,885.08	1,287,789.00	1,190,610.00	1,160,712.00	1,090,695.00	957,898.00	972,632.00	914,784.00
Plant Operations and Maintenance	2,716,773.68	1,843,181.33	1,782,967.27	1,921,645.00	1,627,896.00	1,504,534.00	752,161.00	868,942.00	911,892.00	794,814.00
Pupil Transportation	86,538.35	55,215.41	91,008.03	70,518.00	36,873.00	43,350.00	33,653.00	29,975.00	29,359.00	32,683.00
Unallocated Employee Benefits	5,604,614.16	6,299,633.09	4,313,785.20	4,624,537.00	3,867,567.00	4,117,943.00	2,731,937.00	2,571,914.00	1,800,964.00	1,895,653.00
Special Schools				78,027.00	34,391.00	526,649.00	640,220.00	580,139.00	571,799.00	553,877.00
Internal Service Fund				272,082.00	300.00	783,485.00	5,914,868.00	7,093,537.00	6,839,016.00	6,172,874.00
Unallocated Depreciation	2,187,706.55	1,724,343.60	1,694,803.18	169,538.00	188,535.00	165,673.00				
NJ Debt Service Assessment				19,288.00	19,288.00	19,288.00	19,288.00	19,288.00	19,288.00	1,436.00
<b>Total Governmental Activities Expenses</b>	<b>24,798,014.03</b>	<b>21,217,741.40</b>	<b>18,774,038.28</b>	<b>17,771,447.00</b>	<b>14,531,396.00</b>	<b>14,606,763.00</b>	<b>15,214,413.00</b>	<b>16,398,292.00</b>	<b>15,236,541</b>	<b>14,265,947.00</b>
Business-type Activities:										
Enterprise Funds	1,007,744.68	558,475.78	738,660.85	771,965.00	631,404.00	321,588.00	82,395.00	145,965.00	38,721.00	36,602.00
<b>Total Business-type Activities Expenses</b>	<b>1,007,744.68</b>	<b>558,475.78</b>	<b>738,660.85</b>	<b>771,965.00</b>	<b>631,404.00</b>	<b>321,588.00</b>	<b>82,395.00</b>	<b>145,965.00</b>	<b>38,721.00</b>	<b>36,602.00</b>
<b>Total Government-wide Expenses</b>	<b>\$ 25,805,758.71</b>	<b>\$ 21,776,217.18</b>	<b>\$ 19,512,699.13</b>	<b>\$ 18,543,412.00</b>	<b>\$ 15,162,800.00</b>	<b>\$ 14,928,351.00</b>	<b>\$ 15,296,808.00</b>	<b>\$ 16,544,257.00</b>	<b>\$ 15,275,262.00</b>	<b>\$ 14,302,549.00</b>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
Internal Service Fund	\$ 604,493.43	\$ 620,219.52	\$ 456,992.13	\$ 430,712.00	\$ 6,000.00	\$ 567,132.00	\$ 5,994,249.00	\$ 7,300,788.00	\$ 6,948,207.00	\$ 6,306,124.00
Special Schools				142,301.00		358,911.00	601,219.00	549,142.00	493,026.00	601,107.00
Instruction (Tuition)	141,214.46									
Operating Grants and Contributions	1,968,359.04	2,913,496.92	1,645,320.13	2,624,249.00	1,977,681.00	2,292,277.00	1,324,100.00	1,225,670.00	505,139.00	607,184.00
Capital Grants and Contributions	132,733.10									
<b>Total Governmental Activities Program Revenues</b>	<b>2,846,800.03</b>	<b>3,533,716.44</b>	<b>2,102,312.26</b>	<b>3,197,262.00</b>	<b>1,983,681.00</b>	<b>3,218,320.00</b>	<b>7,919,568.00</b>	<b>9,075,600.00</b>	<b>7,946,372.00</b>	<b>7,514,415.00</b>
Business-type activities:										
Charges for services:										
Food Service and Other Enterprise Funds	182,010.54	139,652.49	679,385.35	513,375.00	446,555.00	168,036.00	46,097.00	33,476.00	15,654.00	21,009.00
Operating Grants and Contributions:										
Food Service and Other Enterprise Funds	825,202.32	475,997.38	185,799.51	195,182.00	136,043.00	66,947.00	14,190.00	21,859.00	19,408.00	17,061.00
<b>Total Business-type Activities Program Revenues</b>	<b>1,007,212.86</b>	<b>615,649.87</b>	<b>865,184.86</b>	<b>708,557.00</b>	<b>582,598.00</b>	<b>234,983.00</b>	<b>60,287.00</b>	<b>55,335.00</b>	<b>35,062.00</b>	<b>38,070.00</b>
<b>Total Government-wide Program Revenues</b>	<b>\$ 3,854,012.89</b>	<b>\$ 4,149,366.31</b>	<b>\$ 2,967,497.12</b>	<b>\$ 3,905,819.00</b>	<b>\$ 2,566,279.00</b>	<b>\$ 3,453,303.00</b>	<b>\$ 7,979,855.00</b>	<b>\$ 9,130,935.00</b>	<b>\$ 7,981,434.00</b>	<b>\$ 7,552,485.00</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (21,951,214.00)	\$ (17,684,024.96)	\$ (16,671,726.02)	\$ (14,574,185.00)	\$ (12,547,715.00)	\$ (11,388,443.00)	\$ (7,294,845.00)	\$ (7,322,692.00)	\$ (7,290,169.00)	\$ (6,751,532.00)
Business-type Activities	(531.82)	57,174.09	126,524.01	(63,408.00)	(48,806.00)	(86,605.00)	(22,108.00)	(90,630.00)	(3,659.00)	1,468.00
<b>Total Government-wide Net (Expense) Revenue</b>	<b>\$ (21,951,745.82)</b>	<b>\$ (17,626,850.87)</b>	<b>\$ (16,545,202.01)</b>	<b>\$ (14,637,593.00)</b>	<b>\$ (12,596,521.00)</b>	<b>\$ (11,475,048.00)</b>	<b>\$ (7,316,953.00)</b>	<b>\$ (7,413,322.00)</b>	<b>\$ (7,293,828.00)</b>	<b>\$ (6,750,064.00)</b>

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Changes in Net Position  
Last Ten Fiscal Years (Accrual Basis of Accounting)  
Unaudited

	For the Fiscal Year Ended June 30,									
	2022	2021**	2020	2019	2018	2017	2016	2015*	2014	2013
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
County Appropriations	\$ 2,688,000.00	\$ 2,634,000.00	\$ 2,582,000.00	\$ 2,530,000.00	\$ 2,420,000.00	\$ 2,310,000.00	\$ 2,200,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00
Unrestricted grants and contributions	14,517,450.31	9,297,469.19	7,616,967.39	5,700,361.00	4,633,583.00	4,942,304.00	4,550,615.00	4,499,670.00	4,366,374.00	4,254,057.00
Tuition received	4,944,581.15	6,446,560.50	6,269,101.50	5,379,138.00	3,910,820.00	2,489,600.00	1,061,040.00	1,290,130.00	1,152,625.00	1,088,635.00
Investment earnings	459.71	45,174.73		43,494.00	20,245.00	23,062.00	21,585.00	18,161.00	14,180.00	27,459.00
Nonresident Fees				7,000.00		24,000.00	76,000.00	34,000.00	76,000.00	96,000.00
Miscellaneous income	234,069.25	134,203.97	348,378.67	198,420.00	48,573.00	97,370.00	54,989.00	169,394.00	101,293.00	99,974.00
Prior year Adjustments				(3,653,246.00)	(50,000.00)					(300.00)
Bond Proceeds from Cumberland County								68,604,770.00		
Donated Capital Assets Received	22,325,484.89									
Fixed asset Retirement	(34,194.01)		(3,635.66)	(2,177,042.00)	(9,696.00)	(32,078.00)				
Transfers			(20,500.00)	(62,000.00)	(92,233.00)	(550,722.00)	(17,500.00)	(21,906.00)	23,400.00	
<b>Total Governmental Activities</b>	<b>44,675,851.30</b>	<b>18,557,408.39</b>	<b>16,792,311.90</b>	<b>7,966,125.00</b>	<b>10,881,292.00</b>	<b>9,303,536.00</b>	<b>7,946,729.00</b>	<b>76,594,219.00</b>	<b>7,733,872.00</b>	<b>7,565,825.00</b>
Business-type Activities										
Interest Earnings				7,146.00	3,281.00	155.00	17.00	13.00	15.00	20.00
Transfers			20,500.00	62,000.00	92,233.00	550,722.00	17,500.00	21,906.00		
Other							(30,000.00)			
<b>Total Business-type Activities</b>	<b>-</b>	<b>-</b>	<b>20,500.00</b>	<b>69,146.00</b>	<b>95,514.00</b>	<b>550,877.00</b>	<b>(12,483.00)</b>	<b>21,919.00</b>	<b>15.00</b>	<b>20.00</b>
<b>Total Government-wide</b>	<b>\$ 44,675,851.30</b>	<b>\$ 18,557,408.39</b>	<b>\$ 16,812,811.90</b>	<b>\$ 8,035,271.00</b>	<b>\$ 10,976,806.00</b>	<b>\$ 9,854,413.00</b>	<b>\$ 7,934,246.00</b>	<b>\$ 76,616,138.00</b>	<b>\$ 7,733,887.00</b>	<b>\$ 7,565,845.00</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 22,724,637.30	\$ 873,383.43	\$ 120,585.88	\$ (6,608,060.00)	\$ (1,666,423.00)	\$ (2,084,907.00)	\$ 651,884.00	\$ 69,271,527.00	\$ 443,703.00	\$ 814,293.00
Business-type Activities	(531.82)	57,174.09	147,024.01	5,738.00	46,708.00	464,272.00	(34,591.00)	(68,711.00)	(3,644.00)	1,488.00
<b>Total Government-wide</b>	<b>\$ 22,724,105.48</b>	<b>\$ 930,557.52</b>	<b>\$ 267,609.89</b>	<b>\$ (6,602,322.00)</b>	<b>\$ (1,619,715.00)</b>	<b>\$ (1,620,635.00)</b>	<b>\$ 617,293.00</b>	<b>\$ 69,202,816.00</b>	<b>\$ 440,059.00</b>	<b>\$ 815,781.00</b>

In accordance with GASBS No. 65, effective for the fiscal year ended June 30, 2013, the method to expense debt issuance costs was changed.

\* For the fiscal year ended June 30, 2015, the School District adopted GASBS No's 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

\*\* For the fiscal year ended June 30, 2021, the School District implemented GASBS No. 84, and because of this implementation the School District has determined that certain activities that were previously reported in the fiduciary fund now meet the criteria for reporting as governmental activities. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

Source: Annual Comprehensive Financial Report, Exhibit A-2.



**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Fund Balances, Governmental Funds  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
 Unaudited

	For the Fiscal Year Ended June 30,									
	<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>	<u>2013</u>
General Fund										
Restricted	\$ 7,564,001.78	\$ 7,112,177.33	\$ 6,514,937.32	\$ 5,906,454.00	\$ 5,576,996.00	\$ 5,503,377.00	\$ 5,286,761.00	\$ 4,334,075.00	\$ 3,725,317.00	\$ 3,107,092.00
Assigned to:										
Other Purposes	590,908.88	978,460.43	429,265.39							
Unassigned (Deficit)	<u>(22,385.63)</u>	<u>197,578.99</u>	<u>227,602.60</u>	<u>254,772.00</u>	<u>210,984.00</u>	<u>215,970.00</u>	<u>25,227.00</u>	<u>49,677.00</u>	<u>41,276.00</u>	<u>78,534.00</u>
<b>Total General Fund</b>	<b><u>\$ 8,132,525.03</u></b>	<b><u>\$ 8,288,216.75</u></b>	<b><u>\$ 7,171,805.31</u></b>	<b><u>\$ 6,161,226.00</u></b>	<b><u>\$ 5,787,980.00</u></b>	<b><u>\$ 5,719,347.00</u></b>	<b><u>\$ 5,311,988.00</u></b>	<b><u>\$ 4,383,752.00</u></b>	<b><u>\$ 3,766,593.00</u></b>	<b><u>\$ 3,185,626.00</u></b>
All Other Governmental Funds										
Restricted, Reported in:										
Special Revenue Fund	\$ 165,229.04	\$ 126,331.86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Fund	<u>441,415.57</u>	<u>278,156.55</u>	<u></u>	<u></u>	<u>2,175,988.00</u>	<u>4,199,550.00</u>	<u>13,614,180.00</u>	<u>54,676,410.00</u>	<u>(556,117.00)</u>	<u>432,503.00</u>
<b>Total All Other Governmental Funds</b>	<b><u>\$ 606,644.61</u></b>	<b><u>\$ 404,488.41</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,175,988.00</u></b>	<b><u>\$ 4,199,550.00</u></b>	<b><u>\$ 13,614,180.00</u></b>	<b><u>\$ 54,676,410.00</u></b>	<b><u>\$ (556,117.00)</u></b>	<b><u>\$ 432,503.00</u></b>

\* For the fiscal year ended June 30, 2021, the School District implemented GASBS No. 84, and because of this implementation the School District has determined that certain activities that were previously reported in the fiduciary fund now meet the criteria for reporting as governmental activities. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

Source: District Records

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
 Unaudited

	For the Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Revenues</b>										
County Appropriations	\$ 2,688,000.00	\$ 2,634,000.00	\$ 2,582,000.00	\$ 2,530,000.00	\$ 2,420,000.00	\$ 2,310,000.00	\$ 2,200,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00
Tuition Charges	4,944,581.15	6,446,560.50	6,269,101.50	5,379,138.00	3,910,820.00	2,489,600.00	1,061,040.00	1,290,130.00	1,152,625.00	1,088,635.00
Non-resident Fees				7,000.00		24,000.00	76,000.00	34,000.00	76,000.00	96,000.00
Interest Earnings		58,336.14	83,091.66	42,787.00	20,245.00	19,783.00	19,276.00	15,893.00	12,382.00	24,208.00
Miscellaneous	221,024.96	122,938.60	258,488.44	340,721.00	48,573.00	456,281.00	656,208.00	718,538.00	594,319.00	701,081.00
State Sources	15,282,449.94	9,833,022.34	8,087,491.36	6,784,689.00	5,255,904.00	5,407,654.00	4,830,202.00	4,633,636.00	4,519,210.00	4,547,560.00
Federal Sources	1,406,090.51	933,746.77	671,191.16	452,297.00	467,605.00	415,392.00	456,843.00	482,443.00	352,303.00	313,681.00
Local Sources	154,718.46	132,899.64								
<b>Total Revenue</b>	<b>24,696,865.02</b>	<b>20,161,503.99</b>	<b>17,951,364.12</b>	<b>15,536,632.00</b>	<b>12,123,147.00</b>	<b>11,122,710.00</b>	<b>9,299,569.00</b>	<b>9,174,640.00</b>	<b>8,706,839.00</b>	<b>8,771,165.00</b>
<b>Expenditures</b>										
Instruction										
Regular Instruction	5,995,382.13	4,909,901.20	4,628,339.49	3,355,360.00	2,103,332.00	1,191,669.00				
Special Education Instruction			239,056.25	567,888.00	401,853.00	58,735.00				
Vocational Instruction	3,002,675.55	2,276,143.09	2,104,823.18	2,073,347.00	2,019,425.00	2,288,816.00	2,418,770.00	2,710,089.00	2,640,681.00	2,554,694.00
School Sponsored/Other Instruction	223,787.66	181,365.17	220,714.89	95,718.00	65,197.00	37,527.00	12,574.00	40,887.00	36,444.00	25,905.00
Support Services:										
Student & inst. Related Services	1,939,171.48	1,656,479.29	1,308,256.03	1,204,485.00	881,580.00	881,535.00	829,395.00	768,849.00	570,012.00	590,374.00
General Administration	792,718.53	535,884.39	902,195.63	586,286.00	480,129.00	495,370.00	508,338.00	389,990.00	445,732.00	405,219.00
School Administration Services	808,572.24	779,653.98	630,399.68	590,143.00	491,989.00	418,594.00	390,533.00	401,932.00	507,120.00	372,737.00
Central Services	453,101.87	411,914.45	328,668.63	341,843.00	391,254.00	413,616.00	381,556.00	356,019.00	324,276.00	315,783.00
Administration Information Technology	635,992.89	288,253.07	324,545.32	291,844.00	243,812.00	185,455.00	184,788.00	196,948.00	188,420.00	178,788.00
Plant Operations and Maintenance	2,716,773.68	1,843,181.33	1,782,967.27	1,904,691.00	1,609,042.00	1,487,966.00	748,159.00	865,208.00	908,342.00	791,065.00
Pubil Transportation	86,538.35	55,215.41	91,008.03	70,518.00	36,873.00	43,350.00	33,653.00	29,975.00	29,359.00	26,357.00
Other Support Services:										
Employee Benefits	6,282,833.55	4,887,625.23	3,944,895.12	3,633,705.00	2,905,111.00	2,460,390.00	2,069,429.00	1,991,963.00	1,792,442.00	1,895,653.00
Special Schools				78,027.00	34,391.00	526,649.00	640,220.00	580,139.00	571,799.00	553,877.00
Capital Outlay	3,702,852.61	986,985.85	414,415.29	312,477.00	2,308,088.00	9,525,208.00	41,198,648.00	13,575,818.00	1,123,265.00	827,112.00
<b>Total Expenditures</b>	<b>26,640,400.54</b>	<b>18,812,602.46</b>	<b>16,920,284.81</b>	<b>15,106,332.00</b>	<b>13,972,076.00</b>	<b>20,014,880.00</b>	<b>49,416,063.00</b>	<b>21,907,817.00</b>	<b>9,137,892.00</b>	<b>8,537,564.00</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,943,535.52)	1,348,901.53	1,031,079.31	430,300.00	(1,848,929.00)	(8,892,170.00)	(40,116,494.00)	(12,733,177.00)	(431,053.00)	233,601.00
<b>Other Financing Sources (Uses)</b>										
Proceeds from the Sale of Bonds								68,604,770.00		
Assets Acquired Under Leases and Financed Purchases	1,990,000.00									
Transfers/Cancellations				(2,177,042.00)	(50,000.00)					
Transfers In	750,000.00	939,700.00		18,179.00	38,837.00	438,341.00	6,337.00	4,007.00	23,400.00	
Transfers Out	(750,000.00)	(939,700.00)	(20,500.00)	(74,179.00)	(94,837.00)	(553,442.00)	(23,837.00)	(25,914.00)		
<b>Total Other Financing Sources (Uses)</b>	<b>1,990,000.00</b>	<b>-</b>	<b>(20,500.00)</b>	<b>(2,233,042.00)</b>	<b>(106,000.00)</b>	<b>(115,101.00)</b>	<b>(17,500.00)</b>	<b>68,582,863.00</b>	<b>23,400.00</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ 46,464.48</b>	<b>\$ 1,348,901.53</b>	<b>\$ 1,010,579.31</b>	<b>\$ (1,802,742.00)</b>	<b>\$ (1,954,929.00)</b>	<b>\$ (9,007,271.00)</b>	<b>\$ (40,133,994.00)</b>	<b>\$ 55,849,686.00</b>	<b>\$ (407,653.00)</b>	<b>\$ 233,601.00</b>

Source: District Records

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 General Fund - Other Local Revenue by Source  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
 Unaudited

	For the Fiscal Year Ended June 30,									
	<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>	<u>2013</u>
Tuition	\$ 4,944,581.55	\$ 6,446,560.50	\$ 6,269,101.50	\$ 5,379,138.00	\$ 3,910,820.00	\$ 2,489,600.00	\$ 1,061,040.00	\$ 1,290,130.00	\$ 1,152,625.00	\$ 1,088,635.00
Non-Resident Fees				7,000.00		24,000.00	76,000.00	34,000.00	76,000.00	96,000.00
Interest on Investments	23,350.16	58,336.14	83,091.66	29,554.00	13,732.00	19,783.00	12,939.00	11,896.00	12,382.00	24,208.00
Facility / Land Rent		4,210.00	10,952.75	6,278.00	3,628.00		12,000.00	12,000.00		
Prior Years' Refunds									35,976.00	65.00
Adult and Evening Fees				142,301.00		358,911.00	601,219.00	549,142.00	493,026.00	601,107.00
Insurance Claim			4,750.00	30,404.00				102,416.00		
Sale of Assets	76,378.32				22,251.00					
Atlantic City Electric	75,000.00	75,000.00	100,000.00	100,000.00						
E-Rate Reimbursement	18,765.14			42,394.00	20,846.00	31,601.00	32,293.00	40,086.00	2,027.00	26,803.00
Miscellaneous	27,530.94	43,728.60	38,265.69		562.00	65,769.00	8,083.00	9,146.00	61,275.00	18,521.00
	<u>\$ 5,165,606.11</u>	<u>\$ 6,627,835.24</u>	<u>\$ 6,506,161.60</u>	<u>\$ 5,737,069.00</u>	<u>\$ 3,971,839.00</u>	<u>\$ 2,989,664.00</u>	<u>\$ 1,803,574.00</u>	<u>\$ 2,048,816.00</u>	<u>\$ 1,833,311.00</u>	<u>\$ 1,855,339.00</u>

Source: District Records.

## **Revenue Capacity Information**

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

**Not Applicable**

## **Debt Capacity Information**

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

**Not Applicable**

## **Demographic and Economic Information**

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years  
 Unaudited

---

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2022	Unavailable	Unavailable	Unavailable	Unavailable
2021	153,627	Unavailable	Unavailable	7.70%
2020	147,008	\$ 6,688,569,984.00	\$ 45,498.00	10.80%
2019	149,527	6,166,044,899.00	41,237.00	5.50%
2018	150,972	6,082,510,908.00	40,289.00	6.50%
2017	152,538	5,932,660,434.00	38,893.00	7.00%
2016	153,797	5,746,317,311.00	37,363.00	7.50%
2015	155,854	5,650,175,062.00	36,253.00	8.70%
2014	157,099	5,571,987,332.00	35,468.00	9.90%
2013	156,977	5,382,113,422.00	34,286.00	12.20%

Sources:

- (1) Population information provided by the NJ Dept. of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita personal income by municipality-estimated based upon the 2011/2020 Census published by the US Bureau of Economic Analysis.
- (4) Unemployment data provided by the NJ Dept. of Labor and Workforce Development

(N/A) At the time of ACFR completion, this data was not yet available

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**

Principal Non-Governmental Employers in Cumberland County

Current Year and Nine Years Ago

Unaudited

<u>Employer</u>	<u>2022</u>			<u>2013</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Inspira Health Network	3,659	1	34.34%	2,837	1	31.87%
Americold/Agro Merchants	1,260	2	11.82%			0.00%
F & S Produce	1,066	3	10.00%	525	8	5.90%
Walmart	820	4	7.70%	806	4	9.06%
Durand Glass Manufacturing	750	5	7.04%	970	2	10.90%
Safeway Fresh Foods	712	6	6.68%			0.00%
Shoprite	707	7	6.63%	737	5	8.28%
WaWa	658	8	6.17%	562	6	6.31%
Sheppard Bus Service	594	9	5.57%	520	9	5.84%
Northeast Precast	430	10	4.04%			0.00%
Gerresheimer Glass			0.00%	876	3	9.84%
Seabrook Brothers and Sons			0.00%	550	7	6.18%
Elwyn NJ			0.00%	518	10	5.82%
	<u>10,656</u>		<u>100.00%</u>	<u>8,901</u>		<u>100.00%</u>

Source: Individual Employers



## **Operating Information**

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years  
 Unaudited

<u>Function/Program</u>	For the Fiscal Year Ended June 30,									
	<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>	<u>2013</u>
Instruction										
Regular	67.00	50.07	50.00	42.00	28.00	18.00				
Special Education	10.88	11.91	11.88	11.85	11.85	10.85				
Vocational	19.00	16.10	16.10	17.00	14.00	14.00	42.00	41.00	38.20	43.00
Support Services:										
General Administrative Services	10.00	8.00	8.00	9.00	9.00	10.00	10.00	9.00	8.00	8.00
School Administrative Services	24.00	19.00	21.20	19.10	15.10	14.10	9.00	8.00	9.00	9.07
Other Administrative Services	9.50	10.00	7.00	5.00	5.00	5.00	2.00	2.00	3.00	3.00
Administrative Information Technology	2.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Plant Operations and Maintenance	16.00	12.52	11.52	11.52	10.52	9.52	6.75	6.75	6.75	6.75
Special Schools Fund 13						4.80	7.00	6.50	8.00	8.00
Food Services										1.10
<b>Total</b>	<u>158.38</u>	<u>128.60</u>	<u>126.70</u>	<u>116.47</u>	<u>94.47</u>	<u>87.27</u>	<u>78.75</u>	<u>75.25</u>	<u>74.95</u>	<u>80.92</u>

Source: District Personnel Records

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Operating Statistics  
 Last Ten Fiscal Years  
 Unaudited

Fiscal Year	District Enrollment	Operating Expenditures (1)	Cost Per Pupil	Percentage Change	Teaching Staff (2)	Pupil / Teacher Ratio	Average Daily Enrollment (ADE) (3)	Average Daily Attendance (ADA) (3)	% Change in Average Daily Enrollment	Student Attendance Percentage
						CCTEC				
2022	1,029	\$ 22,937,547.93	\$ 22,291.11	21.80%	93	11.06	1024.6	975.4	5.58%	95.19%
2021	974	17,825,616.61	18,301.45	5.00%	76	12.82	970.5	933.1	3.29%	96.15%
2020	947	16,505,869.52	17,429.64	-16.58%	74	12.78	939.5	912.1	33.64%	97.08%
2019	708	14,793,855.00	20,895.00	-0.93%	67	10.57	703.0	676.0	28.26%	96.16%
2018	553	11,663,988.00	21,092.00	1.34%	49	11.29	548.1	520.6	8.79%	94.98%
2017	504	10,489,672.00	20,813.00	24.87%	38	13.26	503.8	481.0	89.40%	95.47%
2016	493	8,217,415.00	16,668.00	18.22%	36	13.69	266.0	249.0	-16.40%	93.61%
2015	591	8,331,999.00	14,099.00	14.70%	31	24.53	318.2	293.4	-1.15%	92.21%
2014	652	8,014,627.00	12,292.00	2.02%	30	25.40	321.9	297.8	5.26%	92.51%
2013	640	7,710,452.00	12,048.00	0.00%	24	25.00	305.8	281.1	-10.64%	91.92%

N/A At the time of ACFR completion, this data was not yet available

Sources: District records

- (1) Operating expenditures equal total expenditures less debt service and capital outlay.
- (2) Teaching staff includes only full-time equivalents of certificated staff.
- (3) Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 School Building Information  
 Last Ten Fiscal Years  
 Unaudited

	For the Fiscal Year Ended June 30,									
	<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>	<u>2013</u>
<b><u>Other</u></b>										
<u>CCTEC (1969)</u>										
Square Feet					120,330	120,330	120,330	120,330	120,330	120,330
Capacity (students)					505	505	505	505	505	505
Enrollment							493	591	652	640
<b><u>High School</u></b>										
<u>CCTEC (2017)</u>										
Square Feet	250,720	202,000	202,000	202,000	202,000	202,000				
Capacity (students)	1,685	1,200	1,200	1,200	1,200	1,200				
Enrollment	1,029	974	947	708	553	504				
Number of Schools at June 30, 2022										
High School = 1										

Source: District records -- June Monthly Enrollment Report

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years  
 Unaudited

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

* School Facilities	For the Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Bridgeton Avenue					\$ 50,000.00	\$ 50,000.00	\$ 176,684.00	\$ 259,331.00	\$ 247,836.00	\$ 165,379.00
College Drive	\$ 666,337.33	\$ 342,225.72	\$ 353,458.62	\$ 486,250.00	137,108.00	112,989.00				
Total School Facilities	\$ 666,337.33	\$ 342,225.72	\$ 353,458.62	\$ 486,250.00	\$ 187,108.00	\$ 162,989.00	\$ 176,684.00	\$ 259,331.00	\$ 247,836.00	\$ 165,379.00

\* 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

## CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION

Insurance Schedule

June 30, 2022

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
Commerical Property Coverage		\$ 5,000
Blanket Building & Contents	\$ 70,262,040.00	
Extra Expense	50,000,000	
Valuable Papers and Records	10,000,000	
Demolition and Increased Cost of Construction	25,000,000	
Limited Builders Risk	10,000,000	
Fire Department Service Charge	10,000	
Arson Reward	10,000	
Pollutant Cleanup and Removal	250,000	
Accounts Receivable	250,000	
Flood	75,000,000	
Earthquake	50,000,000	
Terrorism	1,000,000	
Boiler & Machinery Equipment Breakdown		25,000
Combined Single Limit per Accident for Property Damage and Business Income	70,262,040	
Off-Premises Property Damage	1,000,000	
Extra Expense	10,000,000	
Service Interruption	10,000,000	
Perishable Goods	1,000,000	
Data Restoration	1,000,000	
Contingent Business Income	1,000,000	
Demolition	1,000,000	
Ordinance or Law	1,000,000	
Expediting Expense	1,000,000	
Hazardous Substances	1,000,000	
Newly Acquired Locations (120 days notice)	1,000,000	
Terrorism	Included	
Commercial General Liability Coverage		1,000
Bodily Injury & Property Damage, per Occurrence	11,000,000	
Products & Completed Operations	11,000,000	
Sexual Abuse	11,000,000	
Sexual Abuse - Annual NJSIG Aggregate	27,000,000	
Personal Injury & Advertising Injury – per occurrence/annual aggregate	11,000,000	
Employee Benefits Liability - per occurrence/annual aggregate	11,000,000	
Premises Medical Payments – per accident/limit per person	10,000/5,000	
Terrorism - per occurrence / annual NJSIG Aggregate	1,000,000	
Business Automobile Coverage		1,000
Bodily Injury and Property Damage	11,000,000	
Uninsured/Underinsured Motorists –Symbol 6 – Private Passenger Autos	1,000,000	
Uninsured/Underinsured Motorists –Symbol 6 – All Other Vehicles		
Bodily Injury Per Accident Person/Bodily Injury Per Accident/Property Damage Per Accident	15,000/30,000/5,000	
Person Injury Protection (including pedestrians)	250,000	
Medical Payments – private passenger vehicles/all other vehicles	10,000/5,000	
Terrorism – per occurrence/annual NJSIG aggregate	1,000,000	
Hired Car Physical Damage	110,000	
Garage Keepers	included	

(Continued)

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**

Insurance Schedule

June 30, 2022

*Unaudited*

	<u>Coverage</u>	<u>Deductible</u>
Workers Compensation Coverage		
Workers Compensation	Statutory Limit	
Bodily Injury by Accident – Each Accident	\$ 3,000,000	
Bodily Injury by Disease – Each Employee	3,000,000	
Bodily Injury by Disease – Aggregate Limit	3,000,000	
School Leaders E&O Liability Coverage		
Coverage A – Educators Legal Liability / Employment Practices Liability		\$ 5,000.00
Limit of Liability - Each policy period	11,000,000	
Coverage B – Defense of an Administrative Law Proceedings		5,000
Limit of Liability – Each Claim	100,000	
Limit of Liability – Each Policy Period	300,000	
Pollution Legal Liability Coverage		50,000
Each Pollution Event Limit	1,000,000	
Aggregate Policy Limit	11,000,000	
Commercial Crime Coverage		500
Per Loss - Employee Dishonesty /Faithful Performance	100,000	
Forgery & Alteration	100,000	
Computer Fraud	100,000	
Money & Securities: IN/OUT	100,000	
Money Orders & Counterfeit paper Currency	100,000	
Electronic Data Processing Coverage	Included in property charge	
Hardware/Software		
Computer Virus		
Cyber Liability Coverage		5,000
Policy Aggregate Limit	1,000,000	
Cyber Deception Limit	100,000	
Public Official Bonds		
Megan Duffield - Board Secretary	175,000	
Christopher Russo - Treasurer	240,000	
Basic Student Accident Policy		
Accident Medical Expense Limit	1,000,000	
Accident Medical Coverage for Volunteer Workers	25,000	

Source: District records

**SINGLE AUDIT SECTION**



**Exhibit K-2**

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Cumberland County Board of Vocational Education  
Cumberland County, New Jersey

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited the Cumberland County Board of Vocational Education School District's, in the County of Cumberland, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2022. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

In our opinion, the Cumberland County Board of Vocational Education School District, in the County of Cumberland, State of New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal 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; the audit requirements 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 State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, 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 School District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

**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 School 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 School 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 auditing standards generally accepted in the United States of America; *Government Auditing Standards*; the Office of School Finance, Department of Education, State of New Jersey; Uniform Guidance; and State of New Jersey Circular 15-08-OMB, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, we:

- Exercise professional judgment 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 the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's 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 the Uniform Guidance and State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of the School 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**

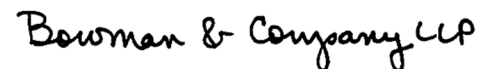
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and 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 and 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 and 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 that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control 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 our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Carol A. McAllister  
Certified Public Accountant  
Public School Accountant No. CS 234800

Voorhees, New Jersey  
February 23, 2023

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended June 30, 2022

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Additional Award Identification	Federal FAIN Number	Pass-Through Entity Identifying Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2021	
							Unearned Revenue/ (Accounts Receivable)	Due to Grantor
<b>General Fund:</b>								
<b>U.S. Department of Homeland Security:</b>								
<b>Passed-through State Department of Law and Public Safety:</b>								
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	COVID-19, 97.036	4488DRNJ00000001	N/A	\$ 29,528.59	4/8/20-6/30/22	\$ -	\$ -
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)							-	-
Total General Fund							-	-
<b>Special Revenue Fund:</b>								
<b>U.S. Department of Education:</b>								
<b>Passed-through State Department of Education:</b>								
E.S.S.A.								
Title I Part A Grants to Local Educational Agencies	84.010	N/A	S010A210030	ESEA-2890-22	362,183.00	7/1/21 - 9/30/22		
Title I Part A Grants to Local Educational Agencies	84.010	N/A	S010A200030	ESEA-2890-21	368,024.00	7/1/20 - 9/30/21	(95,558.33)	
Total Title I Grants to Local Educational Agencies							(95,558.33)	-
Supporting Effective Instruction State Grants (Title II Part A)	84.367	84.367A	S367A210029	ESEA-2890-22	46,748.00	7/1/21 - 9/30/22		
Supporting Effective Instruction State Grants (Title II Part A)	84.367	84.367A	S367A200029	ESEA-2890-21	42,448.00	7/1/20 - 9/30/21	(41,895.00)	
Total Supporting Effective Instruction State Grants							(41,895.00)	-
English Language Acquisition State Grants (Title III)	84.365	84.365A	S365A200030	ESSA-1280-21	1,439.00	7/1/20 - 9/30/21	(1,005.17)	
Total English Language Acquisition State Grants							(1,005.17)	-
Student Support and Academic Enrichment Grants (Title IV)	84.424	84.424A	S424A210031	ESSA-1280-22	45,408.00	7/1/21 - 9/30/22		
Total Student Support and Academic Enrichment Grants							-	-
Title V - Rural and Low-Income Schools Program	84.358	84.358B	S358B210100	ESSA-1280-22	26,570.00	7/1/21 - 9/30/22		
Title V - Rural and Low-Income Schools Program	84.358	84.358B	S358B200100	ESSA-1280-21	28,704.00	7/1/20 - 9/30/21	(422.66)	
Title V - Rural and Low-Income Schools Program							(422.66)	-
Special Education Cluster (IDEA):								
Special Education - Grants to States (IDEA, Part B)	84.027	84.027A	H027A210100	IDEA-2890-22	201,852.00	7/1/21 - 9/30/22		
Special Education - Grants to States (IDEA, Part B)	84.027	84.027A	H027A200100	IDEA-2890-21	192,573.00	7/1/20 - 9/30/21	(28,027.23)	
ARP Special Education Grants to States (ARP IDEA Basic)	84.027	COVID-19, 84.027X	H027X210100	IDEA-2890-22	47,279.00	7/1/21 - 9/30/22		
Total Special Education Cluster (IDEA)							(28,027.23)	-
Career and Technical Education - Basic Grants to States (Perkins V)	84.048	84.048A	V048A210030	PERK-099522	116,455.00	7/1/21 - 6/30/22		
Career and Technical Education - Basic Grants to States (Perkins V)	84.048	84.048A	V048A210030	PERK-099522	32,706.00	7/1/21 - 6/30/22		
Total Career and Technical Education - Basic Grants to States (Perkins V)							-	-
Education Stabilization Fund (ESF):								
Elementary and Secondary School Emergency Relief Fund:								
CARES - ESSER I	84.425D	COVID-19, 84.425D	S425D200027	N/A	240,168.00	3/13/20-9/30/22	(15,480.70)	
CRRSA-ESSER II:								
CRSSA - Learning Acceleration	84.425D	COVID-19, 84.425D	S425D210027	N/A	74,403.00	3/13/20-9/30/23	(1,014.60)	
CRSSA - ESSER II	84.425D	COVID-19, 84.425D	S425D210027	N/A	1,159,380.00	3/13/20-9/30/23		
CRSSA - Mental Health	84.425D	COVID-19, 84.425D	S425D210027	N/A	45,000.00	3/13/20-9/30/23		
ARP-ESSER:								
ARP-ESSER	84.425U	COVID-19, 84.425U	S425U210027	N/A	2,605,632.00	3/13/20-9/30/24		
Accelerated Learning Coach and Educator Support	84.425U	COVID-19, 84.425U	S425U210027	N/A	128,476.00	3/13/20-9/30/24		
Evidence Based Summer Learning and Enrichment	84.425U	COVID-19, 84.425U	S425U210027	N/A	40,000.00	3/13/20-9/30/24		
Evidence Based Comprehensive Beyond the School Day	84.425U	COVID-19, 84.425U	S425U210027	N/A	40,000.00	3/13/20-9/30/24		
NJTSS Mental Health Support Staff	84.425U	COVID-19, 84.425U	S425U210027	N/A	45,000.00	3/13/20-9/30/24		
Total Education Stabilization Fund (ESF)							(16,495.30)	-
Total U.S. Department of Education - Passed-through N.J. State Department of Education							(183,403.69)	-
Total Special Revenue Fund							(183,403.69)	-
<b>Enterprise Fund:</b>								
<b>U.S. Department of Agriculture:</b>								
<b>Passed-through State Department of Agriculture:</b>								
Child Nutrition Cluster:								
Non-Cash Assistance:								
National School Lunch Program - Food Distribution Program	10.555	N/A	221NJ304N1099	N/A	28,443.16	7/1/21 - 6/30/22		
Total Non-Cash Assistance							-	-
Cash Assistance:								
School Breakfast Program (SBP):								
Seamless Summer Option - Breakfast	10.553	N/A	221NJ304N1099	100-028-3350-010	149,015.56	7/1/21 - 6/30/22		
Seamless Summer Option - Breakfast	10.553	N/A	211NJ304N1099	100-028-3350-010	132,060.84	7/1/20 - 6/30/21	(12,441.30)	
National School Lunch Program (NSLP):								
Seamless Summer Option - Lunch	10.555	N/A	211NJ304N1099	100-026-3350-010	265,798.98	7/1/20 - 6/30/21	(23,180.04)	
Healthy Hunger-Free Kids Act	10.555	N/A	211NJ304N1099	100-026-3350-010	5,332.32	7/1/20 - 6/30/21	(462.28)	
Seamless Summer Option - Lunch	10.555	N/A	221NJ304N1099	100-098-3350-010	606,007.57	7/1/21 - 6/30/22		
Emergency Operational Cost Program - Schools	10.555	COVID-19	202121H170341	100-112-3350-010	23,755.79	7/1/20 - 6/30/21	(23,755.79)	
Supply Chain Assistance Funding	10.555	COVID-19	221NJ344N8903	N/A	24,739.24	7/1/21 - 6/30/22		
Total Cash Assistance							(59,839.41)	-
Total Child Nutrition Cluster							(59,839.41)	-
P-EBT Administrative Cost	10.649	COVID-19	2022225900941	100-115-3350-010	628.00	7/1/21 - 6/30/22		
P-EBT Administrative Cost	10.649	COVID-19	2021215900941	100-115-3350-010	614.00	7/1/20 - 6/30/21	(614.00)	
Total P-EBT Administrative Cost							(614.00)	-
Total Enterprise Fund							(60,453.41)	-
Total Federal Awards							\$ (243,857.10)	\$ -

(a) Amounts reported in the column entitled "adjustments" represent minor rounding adjustments.

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

Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures			Passed- Through to Subrecipients	Adjustments (a)	Repayment of Prior Years' Balances	Balance, June 30, 2022		
		Pass-Through Funds	Direct Funds	Total Budgetary Expenditures				(Accounts Receivable)	Unearned Revenue	Due to Grantor
\$ -	\$ 29,528.59	\$ 29,528.59	\$ -	\$ 29,528.59	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	29,528.59	29,528.59	-	29,528.59	-	-	-	-	-	-
-	29,528.59	29,528.59	-	29,528.59	-	-	-	-	-	-
54,255.67 (54,255.67)	151,421.00 149,814.00	346,883.80		346,883.80		0.33		(141,206.80)		
-	301,235.00	346,883.80	-	346,883.80	-	0.33	-	(141,206.80)	-	-
		46,748.00		46,748.00				(46,748.00)		
	41,895.00									
-	41,895.00	46,748.00	-	46,748.00	-	-	-	(46,748.00)	-	-
	1,005.00					0.17				
-	1,005.00	-	-	-	-	0.17	-	-	-	-
	19,566.00	33,716.03		33,716.03				(14,150.03)		
-	19,566.00	33,716.03	-	33,716.03	-	-	-	(14,150.03)	-	-
(422.66) 422.66	31,567.00	31,144.30		31,144.30		(0.04)				
-	31,567.00	31,144.30	-	31,144.30	-	(0.04)	-	-	-	-
41,277.77 (41,277.77)	83,793.00 69,305.00 1,293.00	163,671.68 41,964.28		163,671.68 - 41,964.28		0.23		(38,600.68) (40,671.28)		
-	154,391.00	205,635.96	-	205,635.96	-	0.23	-	(79,271.96)	-	-
	114,059.00 32,706.00	113,423.00 32,706.00		113,423.00 32,706.00						636.00
-	146,765.00	146,129.00	-	146,129.00	-	-	-	-	-	636.00
	37,834.00	98,266.72		98,266.72				(75,913.42)		
	74,403.00	73,388.40		73,388.40						
	217,683.00	354,052.42		354,052.42				(136,369.42)		
	22,251.00	30,849.80		30,849.80				(8,598.80)		
		1,247,999.86 1,991.54		1,247,999.86 1,991.54				(1,247,999.86) (1,991.54)		
		13,866.47		13,866.47				(13,866.47)		
-	352,171.00	1,820,415.21	-	1,820,415.21	-	-	-	(1,484,739.51)	-	-
-	1,048,595.00	2,630,672.30	-	2,630,672.30	-	0.69	-	(1,766,116.30)	-	636.00
-	1,048,595.00	2,630,672.30	-	2,630,672.30	-	0.69	-	(1,766,116.30)	-	636.00
	28,443.16	28,443.16		28,443.16						
-	28,443.16	28,443.16	-	28,443.16	-	-	-	-	-	-
	134,281.68 12,441.30	149,015.56		149,015.56				(14,733.88)		
	23,180.04 462.28	606,007.57		606,007.57				(47,523.00)		
	558,484.57 23,755.79	24,739.24		24,739.24				(24,739.24)		
-	752,605.66	779,762.37	-	779,762.37	-	-	-	(86,996.12)	-	-
-	781,048.82	808,205.53	-	808,205.53	-	-	-	(86,996.12)	-	-
	628.00 614.00	628.00		628.00						
-	1,242.00	628.00	-	628.00	-	-	-	-	-	-
-	782,290.82	808,833.53	-	808,833.53	-	-	-	(86,996.12)	-	-
\$ -	\$ 1,860,414.41	\$ 3,469,034.42	\$ -	\$ 3,469,034.42	\$ -	\$ 0.69	\$ -	\$ (1,853,112.42)	\$ -	\$ 636.00

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Schedule of Expenditures of State Financial Assistance  
 For the Fiscal Year Ended June 30, 2022

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2021	
				Unearned Revenue/ (Accounts Receivable)	Due to Grantor
<b>General Fund:</b>					
<b>New Jersey Department of Education:</b>					
State Aid - Public:					
Equalization Aid	495-034-5120-078	\$ 11,381,662.00	7/1/21 - 6/30/22		
Special Education Categorical Aid	495-034-5120-089	479,308.00	7/1/21 - 6/30/22		
Security Aid	495-034-5120-084	160,459.00	7/1/21 - 6/30/22		
Equalization Aid	495-034-5120-078	6,628,817.00	7/1/20 - 6/30/21	\$ (661,122.12)	
Special Education Categorical Aid	495-034-5120-089	479,308.00	7/1/20 - 6/30/21	(47,803.57)	
Security Aid	495-034-5120-084	160,459.00	7/1/20 - 6/30/21	(16,003.31)	
Total State Aid - Public				<u>(724,929.00)</u>	\$ -
School Security Grant	20E00358	45,520.00	7/1/20 - 6/30/21		
Reimbursed TPAF Social Security Contributions:					
Reimbursed TPAF Social Security Contributions	495-034-5094-003	565,731.94	7/1/21 - 6/30/22		
Reimbursed TPAF Social Security Contributions	495-034-5094-003	498,407.34	7/1/20 - 6/30/21	(24,232.15)	
Total Reimbursed TPAF Social Security Contributions				<u>(24,232.15)</u>	-
On-Behalf TPAF Contributions (nonbudgeted):					
On-Behalf TPAF Pension Contribution - Normal Cost (non budgeted)	495-034-5094-002	2,433,761.00	7/1/21 - 6/30/22		
On-Behalf TPAF Post-Retirement Medical (non budgeted)	495-034-5094-001	576,648.00	7/1/21 - 6/30/22		
On-Behalf TPAF Long-Term Disability Insurance (non budgeted)	495-034-5094-004	1,671.00	7/1/21 - 6/30/22		
On-Behalf TPAF Non-Contributory Insurance (non budgeted)	495-034-5094-004	34,337.00	7/1/21 - 6/30/22		
Total On-Behalf TPAF Pension Contributions (non-budgeted)				-	-
Total General Fund				<u>(749,161.15)</u>	-
<b>Special Revenue Fund:</b>					
<b>New Jersey Department of Education:</b>					
Career and Technical Education - Basic Grants:					
Career and Technical Education - Basic Grants (Perkins)	100-034-5062-032	78,638.00	7/1/21 - 6/30/22		
Total Career and Technical Education - Basic Grants (Perkins)				-	-
Total Special Revenue Fund				-	-
<b>Enterprise Fund:</b>					
<b>New Jersey Department of Agriculture:</b>					
Seamless Summer Lunch Program	100-010-3350-023	14,247.99	7/1/21 - 6/30/22		
Seamless Summer Lunch Program	100-010-3350-023	17,727.80	7/1/20 - 6/30/21	(3,565.77)	
Total Enterprise Fund				<u>(3,565.77)</u>	-
Total State Financial Assistance				<u>\$ (752,726.92)</u>	\$ -
Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:					
<b>General Fund (Non-Cash Assistance):</b>					
New Jersey Department of the Education:					
On-Behalf T.P.A.F. Pension Contribution - Normal Cost (non budgeted)	495-034-5094-002	2,433,761.00	7/1/21 - 6/30/22		
On-Behalf T.P.A.F. Post-Retirement Medical (non budgeted)	495-034-5094-001	576,648.00	7/1/21 - 6/30/22		
On-Behalf T.P.A.F. Long-Term Disability Insurance (non budgeted)	495-034-5094-004	1,671.00	7/1/21 - 6/30/22		
On-Behalf T.P.A.F. Non-Contributory Insurance (non budgeted)	495-034-5094-004	34,337.00	7/1/21 - 6/30/22		
Total General Fund (Non-Cash Assistance)					
Total State Financial Assistance subject to Major Program Determination for State Single Audit					

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

Adjustments	Cash Received	Budgetary Expenditures	Passed-Through to Subrecipients	Repayment of Prior Years' Balances	Balance, June 30, 2022			Memo	
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2022	Cumulative Total Expenditures
	\$ 10,245,321.10	\$ 11,381,662.00			\$ (1,136,340.90)			\$ 1,136,340.90	\$ 11,381,662.00
	431,454.07	479,308.00			(47,853.93)			47,853.93	479,308.00
	144,438.83	160,459.00			(16,020.17)			16,020.17	160,459.00
	661,122.12								6,628,817.00
	47,803.57								479,308.00
	16,003.31								160,459.00
\$ -	11,546,143.00	12,021,429.00	\$ -	\$ -	(1,200,215.00)	\$ -	\$ -	1,200,215.00	19,290,013.00
		45,520.00			45,520.00				45,520.00
	537,897.17	565,731.94			(27,834.77)				565,731.94
	24,232.15								498,407.34
-	562,129.32	565,731.94	-	-	(27,834.77)	-	-	-	1,064,139.28
	2,433,761.00	2,433,761.00							2,433,761.00
	576,648.00	576,648.00							576,648.00
	1,671.00	1,671.00							1,671.00
	34,337.00	34,337.00							34,337.00
-	3,046,417.00	3,046,417.00	-	-	-	-	-	-	3,046,417.00
-	15,154,689.32	15,679,097.94	-	-	(1,182,529.77)	-	-	1,200,215.00	23,446,089.28
	78,638.00	78,638.00							78,638.00
-	78,638.00	78,638.00	-	-	-	-	-	-	78,638.00
-	78,638.00	78,638.00	-	-	-	-	-	-	78,638.00
	13,154.31	14,247.99			(1,093.68)				14,247.99
	3,565.77								17,727.80
-	16,720.08	14,247.99	-	-	(1,093.68)	-	-	-	31,975.79
\$ -	\$ 15,250,047.40	\$ 15,771,983.93	\$ -	\$ -	\$ (1,183,623.45)	\$ -	\$ -	\$ 1,200,215.00	\$ 23,556,703.07

\$ (2,433,761.00)  
 (576,648.00)  
 (1,671.00)  
(34,337.00)  
(3,046,417.00)  
\$ 12,725,566.93

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
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 (“the schedules”) include federal and state award activity of the Cumberland County Board of Vocational Education (hereafter referred to as the “School District”). The School District is defined in note 1 to the School District’s 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 State of New Jersey Circular 15-08-OMB, *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, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedules are presented using the budgetary basis of accounting, with the following exceptions: programs recorded in the capital projects fund are presented on the modified accrual basis of accounting and programs recorded in the enterprise funds are presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District’s basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

**Note 3: INDIRECT COST RATE**

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the 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 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 June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.



**Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$475,286.00 for the general fund and \$1,254,110.38 for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Awards and financial assistance revenues reported in the School District's basic financial statements on a GAAP basis with a reconciliation to the budgetary basis reported on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 29,528.59	\$ 15,203,811.94	\$ 15,233,340.53
Special Revenue	1,376,561.92	78,638.00	1,455,199.92
Food Service	808,833.53	14,247.99	823,081.52
	<u>2,214,924.04</u>	<u>15,296,697.93</u>	<u>17,511,621.97</u>
GAAP Basis Revenues			
GAAP Adjustments:			
State Aid Payments	-	475,286.00	475,286.00
Encumbrances	1,254,110.38	-	1,254,110.38
	<u>1,254,110.38</u>	<u>475,286.00</u>	<u>1,729,396.38</u>
Total Awards and Financial Assistance Expended	<u>\$ 3,469,034.42</u>	<u>\$ 15,771,983.93</u>	<u>\$ 19,241,018.35</u>

**Note 5: 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 6: REIMBURSED AND ON-BEHALF PAYMENTS**

During the fiscal year ended June 30, 2022, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. 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 fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

**Note 7: MAJOR PROGRAMS**

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
 Schedule of Findings and Questioned Costs  
 For the Fiscal Year Ended June 30, 2022

**Section 1- Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:

    Material weakness(es) identified? \_\_\_ yes x no

    Significant deficiency(ies) identified? \_\_\_ yes x none reported

Noncompliance material to financial statements noted? \_\_\_ yes x no

**Federal Awards**

Internal control over major programs:

    Material weakness(es) identified? \_\_\_ yes x no

    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 Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)? \_\_\_ yes x no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425:		Education Stabilization Fund (ESF):
84.425D	S425D210027	Elementary and Secondary School Emergency Relief (ESSER) Fund
84.425U	S425U210027	American Rescue Plan - Elementary and Secondary School Emergency Relief (ESSER) Fund

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000.00

Auditee qualified as low-risk auditee? x yes \_\_\_ no

CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2022

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? \_\_\_ yes \_\_\_ x no

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 New Jersey Circular 15-08-OMB? \_\_\_ yes \_\_\_ x no

Identification of major programs:

GMIS Number(s)

Name of State Program

495-034-5120-078

Equalization Aid

495-034-5120-089

Special Education Categorical Aid

495-034-5120-084

Security Aid

Dollar threshold used to distinguish between type A and type B programs: \$ \_\_\_\_\_ 750,000.00

Auditee qualified as low-risk auditee? \_\_\_ x yes \_\_\_ no

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2022

---

***Section 2- Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, requires.

None.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2022

---

***Section 3- Schedule of Federal Award Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

None.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2022

---

***Section 4- Schedule of State Financial Assistance Findings and Questioned Costs***

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

None.

**CUMBERLAND COUNTY BOARD OF VOCATIONAL EDUCATION**  
Summary Schedule of Prior Year Audit Findings  
and Questioned Costs as Prepared by Management

---

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

**FINANCIAL STATEMENT FINDINGS**

None.

**FEDERAL AWARDS**

**Finding No. 2021-001**

**Condition**

The School District's Food Service Fund net cash resources exceeded three months average expenditures.

**Current Status**

The finding has been resolved.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

None.