Rowan College at Burlington County

(A Component Unit of the County of Burlington, State of New Jersey)

June 30, 2022 and 2021

(With Independent Auditor's Reports Thereon)

Basic Financial Statements, Management's Discussion and Analysis, Required Supplementary Information and Schedules of Expenditures of Federal Awards and State Financial Assistance.

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As of June 30, 2022

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Board of Trustees
Rowan College at Burlington County
Mount Laurel, New Jersey 08054

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of ***Rowan College at Burlington County*** (the "College"), a component unit of the County of Burlington, State of New Jersey, and its discretely presented component unit (Rowan College at Burlington County Foundation), as of and for the fiscal years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the College'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 financial position of the business-type activities of the College and its discretely presented component unit, as of June 30, 2022 and 2021, and the changes in its financial position, and, where applicable, cash flows thereof for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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. 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 College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. The financial statements of the College's discretely presented component unit were audited in accordance with auditing standards generally accepted in the United States of America, but were not audited in accordance with *Government Auditing Standards*. 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 College'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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* 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.

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

In performing an audit in accordance with generally accepted auditing standards 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 College'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 College'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, schedule of the College's proportionate share of the net pension liability, schedule of the College's pension contributions, and schedule of changes in the College'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 an opinion on the financial statements that collectively comprise the College's 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.

Supplementary Information (Cont'd)

The schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 accompanying 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 1, 2023 on our consideration of the College'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 College'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 College's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
March 1, 2023

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

Board of Trustees
Rowan College at Burlington County
Mount Laurel, New Jersey 08054

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of ***Rowan College at Burlington County*** (the "College"), a component unit of the County of Burlington, State of New Jersey, and its discretely presented component unit (Rowan College at Burlington County Foundation), as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated March 1, 2023. The financial statements of the College's discretely presented component unit (Rowan College at Burlington County Foundation) were audited in accordance with auditing standards generally accepted in the United States of America, but were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control Over Financial Reporting

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

601 White Horse Road | Voorhees, NJ 08043 | P 856.435.6200 | F 856.435.0440 | www.bowman.cpa

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College'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.*

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 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

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
March 1, 2023

REQUIRED SUPPLEMENTARY INFORMATION

PART I

Rowan College at BURLINGTON COUNTY

Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2022 and 2021
(Unaudited)

This section of the audit report is a requirement of the Government Accounting and Standards Board (GASB) Statement No. 35 - *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. This section provides an overview of the financial activity of Rowan College at Burlington County (the "College") for the fiscal years ended June 30, 2022 (FY 2022) and 2021 (FY 2021), with 2020 (FY 2020) data presented for comparative purposes. There are three basic financial statements presented: the statement of net position; the statement of revenues, expenses and changes in net position; and the statement of cash flows. Management has prepared and is responsible for the completeness and fairness of the information provided in the basic financial statements.

In accordance with GASB Statements No. 14, *The Financial Reporting Entity,* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34,* and GASB Statement No. 80, *Blending Requirements for Certain Component Units-an Amendment of GASB Statement No. 14,* these statements also include the most recent audited financial statements of Rowan College at Burlington County Foundation, which per the above noted GASB Statements, is considered to be a discretely presented component unit of the College. The analysis below will focus on the College only.

ENROLLMENT

Total credit hour enrollments were as follows:

	FY 2022	FY 2021	FY 2020	Change 2022-2021	Change 2021-2020
Credit Hours	152,742	174,449	198,167	(21,707)	(23,718)

It should be noted that these are total credit hours for the College and may differ from the state fundable credit hours reported in the Enrollment Report.

For FY 2022, credit hours continued to decrease. With the inclusion of Summer and Fall of 2021 in this count, there is no doubt that these numbers still reflect the COVID crisis. Course offerings continued to decline, both in expectation of and in response to decreased credit hours, and allow the college to balance the lower revenue from tuition with lower expenses for course offerings.

Early indicators for FY 2023 suggest that the college may be beginning to climb out of the COVID crisis, with increased enrollment in the second Summer term, and enrollment in the Fall of 2022 trending ahead of projections.

IMPACT OF GASB 68 AND 71 IMPLEMENTATION

In fiscal year 2015, the College adopted and implemented GASB 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27,* and GASB Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*

The notes to the financial statements provides a thorough discussion of the College's pension plans and GASB 68 elements; however, the following table provides the effect GASB 68 had on net position for FY 2022, FY 2021 and FY 2020.

	FY 2022	FY 2021	FY 2020	FY 22 to FY 21 Variance	FY 21 to FY 20 Variance
Deferred Outflows Related to Pensions	**$ 1,524,139.00**	**$ 2,913,901.00**	**$ 4,093,183.00**	$ (1,389,762.00)	$ (1,179,282.00)
Less: Accounts Payable - Related to Pensions	**(1,166,984.00)**	**(1,263,363.00)**	**(1,191,612.00)**	96,379.00	(71,751.00)
Less: Net Pension Liability	**(12,779,627.00)**	**(17,763,213.00)**	**(22,366,542.00)**	4,983,586.00	4,603,329.00
Less: Deferred Inflows Related to Pensions	**(10,357,858.00)**	**(10,468,735.00)**	**(8,638,014.00)**	110,877.00	(1,830,721.00)
Net Position Effect from GASB 68 and 71 Implementation	**$ (22,780,330.00)**	**$ (26,581,410.00)**	**$ (28,102,985.00)**	$ 3,801,080.00	$ 1,521,575.00

STATEMENTS OF NET POSITION

The Statements of Net Position represent the College's financial position at of the end of each fiscal year, a financial snapshot. These Statements present the College's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. Assets and liabilities are separated into current and non-current as explained in the accompanying footnotes. Net Position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Readers of this statement are able to determine the assets available to continue the operations of the College and the amounts owed to vendors.

Net Position is divided into three major categories. The first, net investment in capital assets reflects the College's land, land improvements, building and improvements, equipment, construction in progress and infrastructure net of related debt. The second is net position nonexpendable and expendable for capital projects, programs, and scholarships. The third is net position unrestricted which is available for any allowable purpose.

The following is condensed financial information represented in the Statements of Net Position at June 30, 2022, 2021 and 2020:

	FY 2022	FY 2021	FY 2020	FY 22 to FY 21 Variance	FY 21 to FY 20 Variance
Assets					
Current Assets	$ 36,082,872.20	$ 30,051,301.49	$ 22,700,860.20	$ 6,031,570.71	$ 7,350,441.29
Non-Current Assets:					
Capital Assets, net of Depreciation	108,928,166.52	112,071,665.45	116,062,630.98	(3,143,498.93)	(3,990,965.53)
Total Assets	145,011,038.72	142,122,966.94	138,763,491.18	2,888,071.78	3,359,475.76
Deferred Outflows of Resources - Related to Pensions	1,524,139.00	2,913,901.00	4,093,183.00	(1,389,762.00)	(1,179,282.00)
Liabilities					
Current Liabilities	20,226,449.24	17,723,943.58	19,664,256.74	2,502,505.66	(1,940,313.16)
Non-Current Liabilities	61,619,250.49	70,174,730.64	54,947,132.09	(8,555,480.15)	15,227,598.55
Total Liabilities	81,845,699.73	87,898,674.22	74,611,388.83	(6,052,974.49)	13,287,285.39
Deferred Inflows of Resources - Related to Pensions	10,357,858.00	10,468,735.00	8,638,014.00	(110,877.00)	1,830,721.00
Net Position					
Net Investment in Capital Assets	57,358,133.22	57,238,913.22	81,278,900.57	119,220.00	(24,039,987.35)
Unrestricted (Deficit)	(3,026,513.23)	(10,569,454.50)	(21,671,629.22)	7,542,941.27	11,102,174.72
Total Net Position	$ 54,331,619.99	$ 46,669,458.72	$ 59,607,271.35	$ 7,662,161.27	$ (12,937,812.63)

The increase in current assets from FY 2021 to FY 2022 was due to an increase of cash on hand as of June 30, 2022. The decrease in capital assets from FY 2021 to FY 2022 was due to depreciation on the assets, offset by additional purchases. The increase in current liabilities was due to an increase in unearned revenue related to student tuition and fees and an increase in short-term obligations including funds due to Follett as of June 30, 2022. The decrease in non-current liabilities was due to a decrease related to the County Debt Service Agreement and net pension liability.

The increase in current assets from FY 2020 to FY 2021 was due to an increase of cash on hand as of June 30, 2021. The decrease in capital assets from FY 2020 to FY 2021 was due to depreciation on the assets. The decrease in current liabilities was due to a decrease in unearned revenue related to student tuition and fees as of June 30, 2021. The increase in non-current liabilities was due to an increase related to the County Debt Service Agreement.

STATEMENTS OF REVENUE EXPENSES AND CHANGES IN NET POSITION

The Purpose of the Statements of Revenues, Expenses, and Changes in Net Position is to present the revenues received by the College, both operating and non-operating, and the expenses paid by the College and any other revenues, expenses, gains and losses received or spent by the College.

Operating revenues are those for which goods and services are provided, an exchange transaction. Operating expenses are those expenses paid or acquired to produce those goods or services. Non-Operating revenue is that for which revenues are received for which goods and services are not provided, a non-exchange transaction. Examples of non-operating (non-exchange) revenues are county and state appropriations and capital grants.

The Statements of Net Position and the Statements of Revenue, Expenses, and Changes in Net Position reviewed together shows the impact of the current operating year activities on the institution as a whole. An increase in Net Position results when current year revenue and other support exceed current year expenses. The relationship between revenue and expenses is the College's operating results.

Increases or decreases in Net Position are one indicator of the direction of the College's financial health. Non-financial factors, such as student retention, increased or decreased enrollment, building conditions, and campus safety are also very relevant in assessing the overall health of the College.

The major sources of operating revenue are student tuition and fees and federal and state grants. The major sources of non-operating revenue are state and county aid and student financial aid. In addition to operating and non-operating revenues, there is a section entitled Capital Grants and Contributions, which major sources include county capital appropriations and capital grants.

The major sources of operating expenses are salaries, wages and benefits. With the implementation of GASB 35 the College is required to depreciate its capital assets, therefore, depreciation expense is also a major component of operating expenses.

Major fluctuations in the Statements of Revenues Expenses and Changes in Net Position were caused by the following:

FY 2021 to FY 2022

- The decrease in student tuition and fee revenue was due to the decline in enrollment.
- The increase in scholarship and student aid was due to Federal COVID-19 funds provided in direct support of student aid.
- Instructional expenses decreased as a result of less credits and therefore less classes running.
- The increase in State Aid is due to budget cuts in 2021 due to the COVID pandemic as well as new, more equitable, funding formula for the community college sector.
- The increase in the various Federal COVID-19 revenues was due to additional funding provided by the Federal Government during FY 2021.
- The decrease in Student financial Aid Revenue was due to a decrease in Pell, NJ Stars, and CCOG recipients.

FY 2020 to FY 2021

- The increase in Instruction expense from FY 2020 to FY 2021 was due to an increase in salaries due to COVID-19.
- Auxiliary enterprises revenue and expenses decreased due to NJ Edge taking over responsibility of NJ Transfer, the elimination of the aquatics program, a decrease in training courses, and WIOA.
- The decrease in State Aid was due to State Budget cuts due to the COVID-19 pandemic.
- The increase in On-behalf Fringe Benefits – Other Post Employment Benefits was due to an increase in the OPEB Expense reported in the State Plan Audit associated with the College.
- The increase in the various Federal COVID-19 revenues was due to additional funding provided by the Federal Government during FY 2021.
- The decrease in Federal Student Financial Aid – PELL Grants was due to the number of PELL recipients decreasing from 3,127 in FY 2020 to 2,483 in FY 2021.

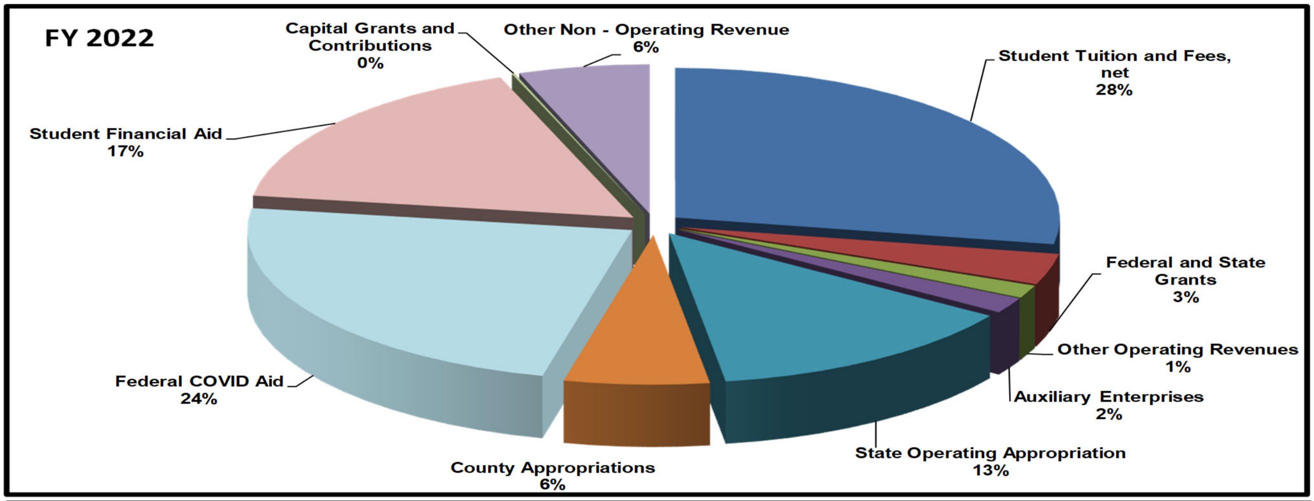
STATEMENTS OF REVENUE EXPENSES AND CHANGES IN NET POSITION (CONT'D)

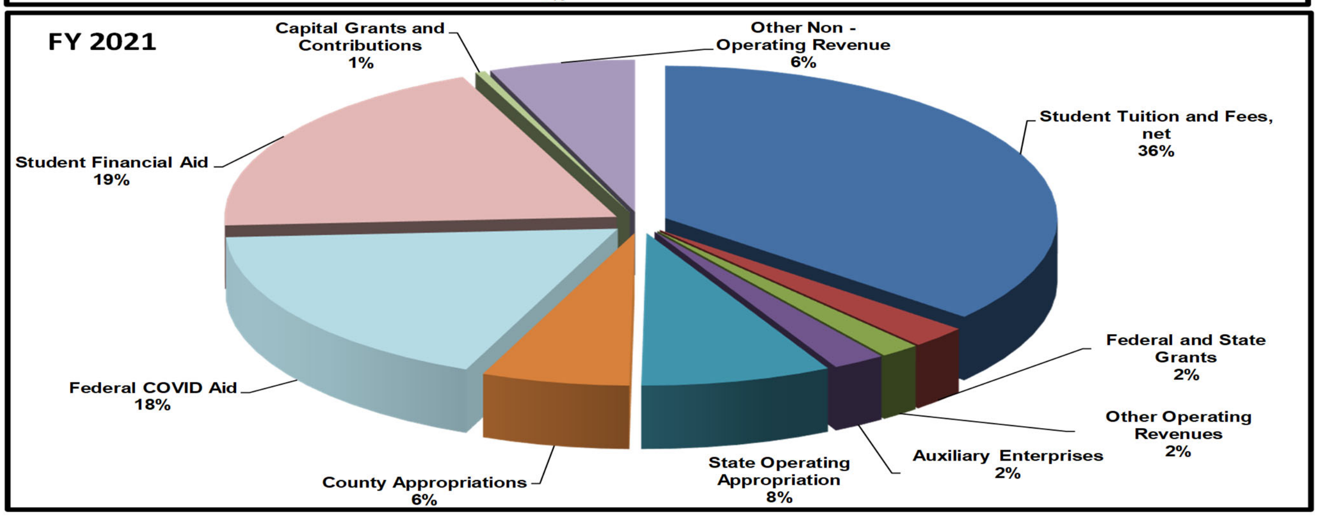
The following is condensed financial information represented in the Statement of Revenues, Expenses and Changes in Net Position for the fiscal years ended June 30, 2022, 2021 and 2020:

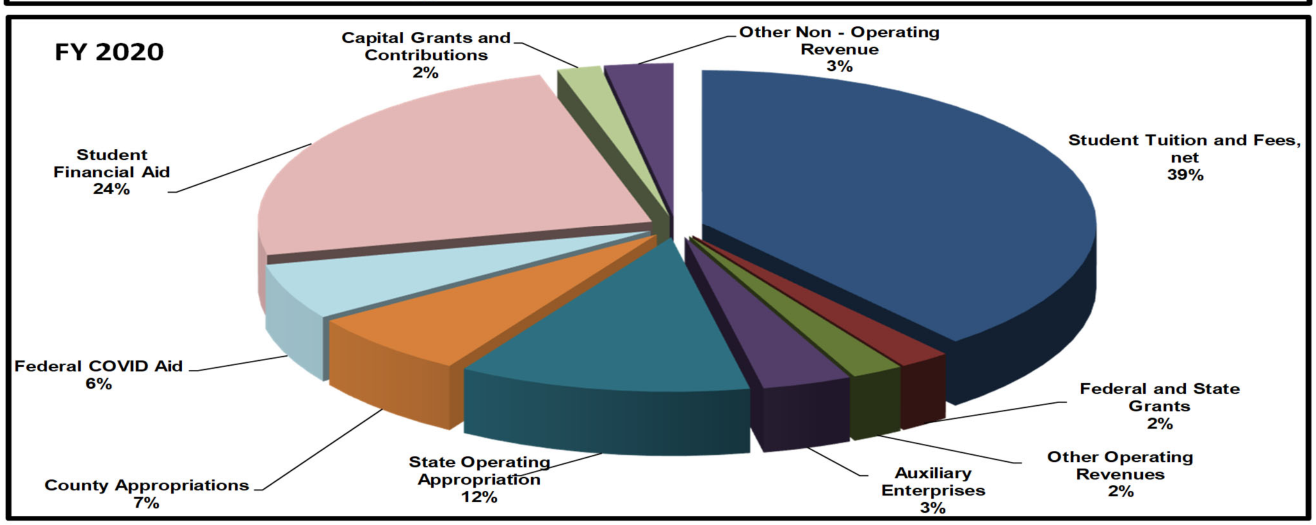
	FY 2022	FY 2021	FY 2020	FY 22 to FY 21 Variance	FY 21 to FY 20 Variance
Operating Revenues					
Student Tuition and Fees, net	$ 18,985,767.34	$ 24,678,071.58	$ 23,812,789.85	$ (5,692,304.24)	$ 865,281.73
Federal and State Grants	2,285,439.21	1,599,545.36	1,286,581.46	685,893.85	312,963.90
Other Operating Revenues	953,476.17	1,110,054.96	1,293,989.42	(156,578.79)	(183,934.46)
Auxiliary Enterprises	1,153,601.47	1,476,116.83	2,242,239.41	(322,515.36)	(766,122.58)
Total Operating Revenue	23,378,284.19	28,863,788.73	28,635,600.14	(5,485,504.54)	228,188.59
Operating Expenses					
Instruction	15,472,163.71	17,407,669.14	15,965,910.65	(1,935,505.43)	1,441,758.49
Public Service	442,077.56	1,304,365.94	1,357,977.71	(862,288.38)	(53,611.77)
Academic Support	2,979,290.21	3,072,304.80	2,975,706.96	(93,014.59)	96,597.84
Student Services	5,174,259.97	5,526,337.64	5,986,300.15	(352,077.67)	(459,962.51)
Institutional Support	11,383,832.40	11,642,611.43	11,702,432.79	(258,779.03)	(59,821.36)
Operations and Maintenance of Plant	6,594,071.93	6,035,282.16	6,826,970.26	558,789.77	(791,688.10)
Scholarships and Student Aid	11,056,094.18	4,767,774.51	4,655,852.63	6,288,319.67	111,921.88
Depreciation	4,669,291.78	4,705,537.92	4,808,884.25	(36,246.14)	(103,346.33)
Auxiliary Enterprises	1,390,907.82	1,976,056.07	3,020,546.25	(585,148.25)	(1,044,490.18)
Total Operating Expenses	59,161,989.56	56,437,939.61	57,300,581.65	2,724,049.95	(862,642.04)
Operating Loss	(35,783,705.37)	(27,574,150.88)	(28,664,981.51)	(8,209,554.49)	1,090,830.63
Non-Operating Revenues (Expenses)					
State Appropriations					
State Aid	9,091,215.00	5,348,874.21	7,340,554.77	3,742,340.79	(1,991,680.56)
On-Behalf Fringe Benefits :					
Alternate Benefit Program	792,172.25	793,763.04	803,746.68	(1,590.79)	(9,983.64)
Other Post Employment Benefits	2,903,194.00	3,270,464.00	855,512.00	(367,270.00)	2,414,952.00
County Appropriations	4,150,000.00	4,150,000.00	4,150,000.00	-	-
Federal COVID-19 Aid	16,089,870.06	12,128,428.41	3,606,255.49	3,961,441.65	8,522,172.92
Student Financial Aid	11,596,860.27	13,258,743.36	14,643,269.10	(1,661,883.09)	(1,384,525.74)
Investment Income Earned	63,187.77	38,773.03	69,583.33	24,414.74	(30,810.30)
Interest Expense	(1,499,199.42)	(1,633,965.83)	(1,583,779.46)	134,766.41	(50,186.37)
Non-Operating Revenues	43,187,299.93	37,355,080.22	29,885,141.91	5,832,219.71	7,469,938.31
Loss Before Capital Grants and Contributions	7,403,594.56	9,780,929.34	1,220,160.40	(2,377,334.78)	8,560,768.94
Capital Grants and Contributions	80,859.58	281,258.03	1,087,774.20	(200,398.45)	(806,516.17)
Special Items:					
County Debt Service Agreement, net	177,707.13	(23,000,000.00)	-	23,177,707.13	(23,000,000.00)
Increase (Decrease) in Net Position	7,662,161.27	(12,937,812.63)	2,307,934.60	20,599,973.90	(15,245,747.23)
Net Position					
Net Position - Beginning of Year	46,669,458.72	59,607,271.35	57,299,336.75	(12,937,812.63)	2,307,934.60
Net Position - End of Year	$ 54,331,619.99	$ 46,669,458.72	$ 59,607,271.35	$ 7,662,161.27	$ (12,937,812.63)

STATEMENTS OF REVENUE EXPENSES AND CHANGES IN NET POSITION (CONT'D)

The following are graphic illustrations of operating and non-operating revenues by source:

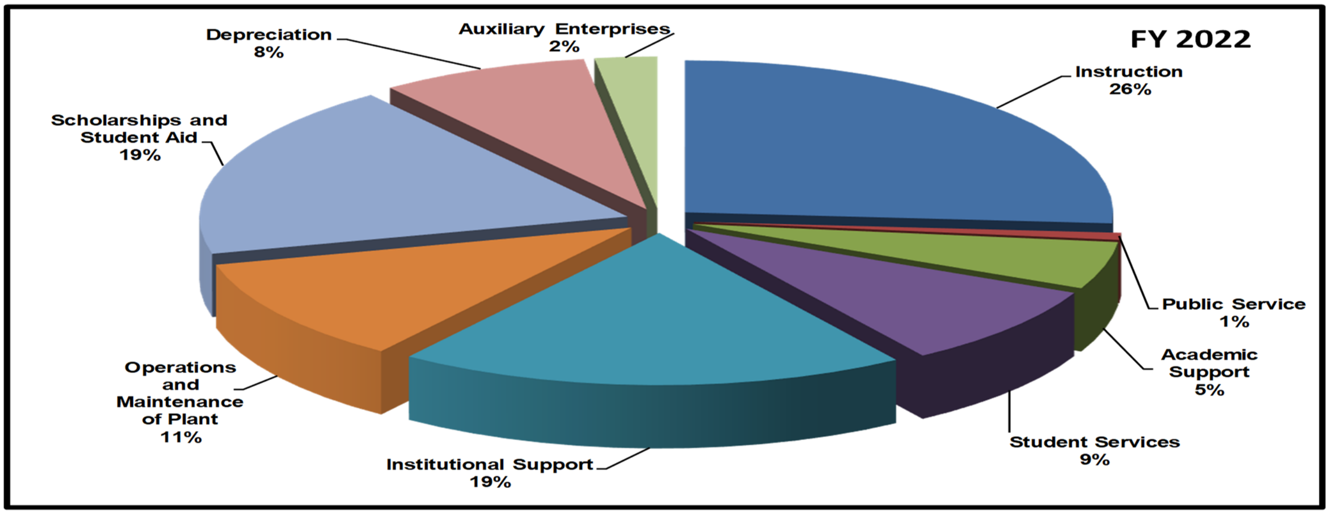


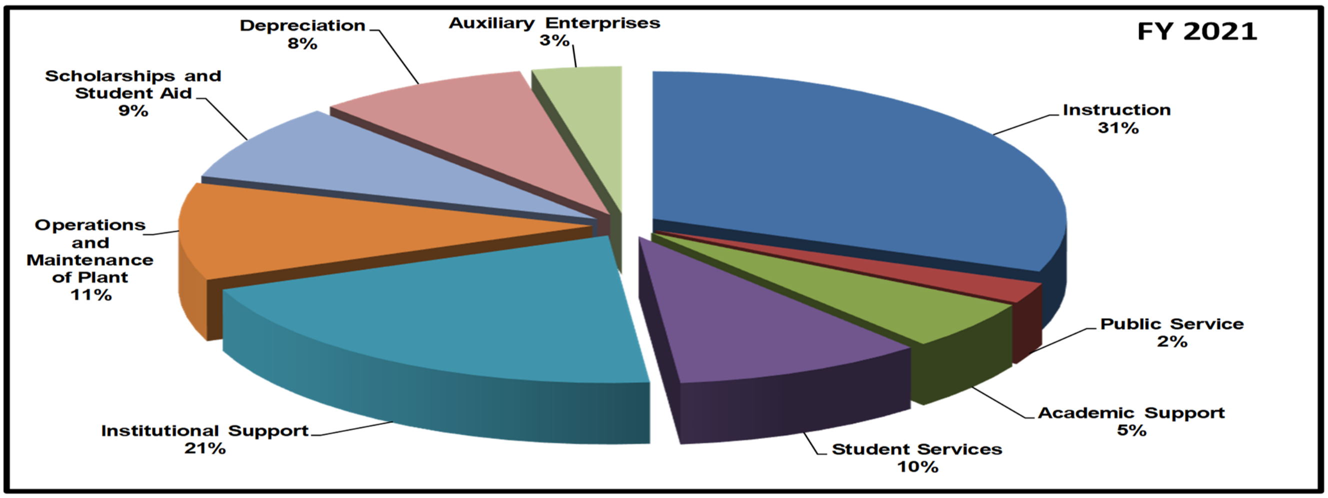


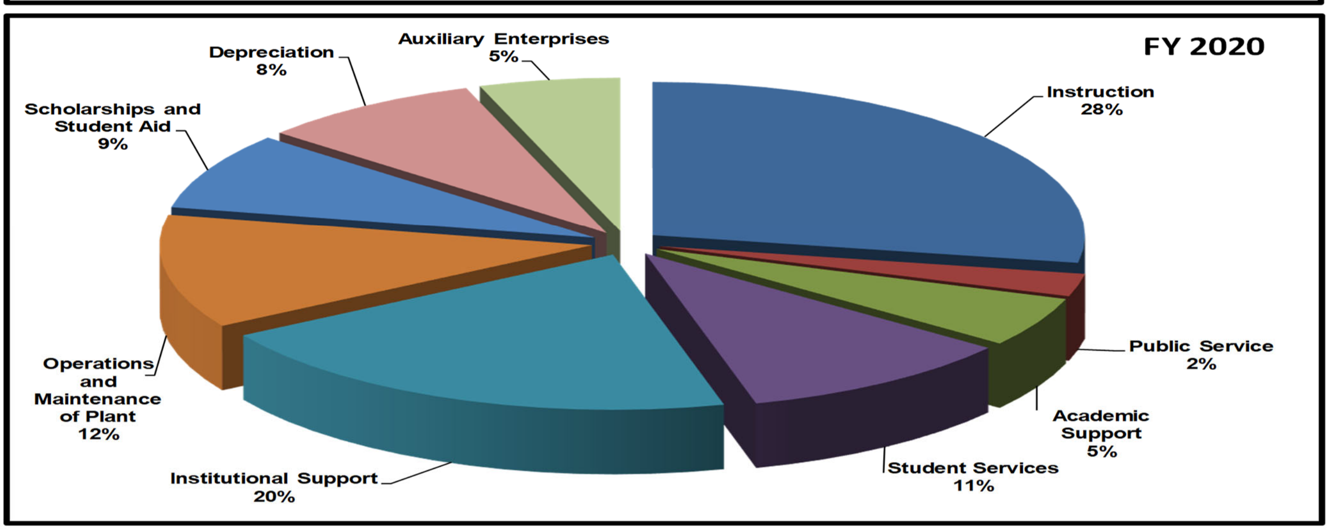


STATEMENTS OF REVENUE EXPENSES AND CHANGES IN NET POSITION (CONT'D)

The following are graphic illustrations of operating expenses by function:







STATEMENTS OF CASH FLOWS

The Statements of Cash Flows primary purpose is to provide relevant information about cash received and cash payments made during the year. Statement users can also assess the College's ability to generate future net cash flows, meet its financial obligations when they come due, and its need for any external funding.

The Statements are separated into five parts. The first part deals with operating cash flows and shows the net cash used in operating activities. The second is cash flows from non-capital financing activities. This section reflects cash received and spent for non-operating, non-investing and non-capital financing purposes. The third section deals with cash flows from capital and related activities. This section is the cash used for acquisition and construction of capital and related items. The fourth section reflects cash from investing activities and includes investment income and the purchase and maturity of investments. The last section reconciles the net cash used to the operating income or loss shown on the Statement of Revenues, Expenses, and Changes in Net Position.

The following is financial information represented in the Statements of Cash Flows for the fiscal years ended June 30, 2022, 2021, and 2020:

	FY 2022	FY 2021	FY 2021	FY 22 to FY 21 Variance	FY 21 to FY 20 Variance
Cash Provided by (Used in):					
Operating Activities	$ (29,064,882.82)	$ (21,189,400.40)	$ (23,687,765.61)	$ (7,875,482.42)	$ 2,498,365.21
Non-Capital Financing Activities	35,329,650.60	36,449,760.76	27,458,280.52	(1,120,110.16)	8,991,480.24
Capital and Related Financing Activities	(5,976,388.66)	(5,037,194.65)	(2,988,504.16)	(939,194.01)	(2,048,690.49)
Investing Activities	63,187.77	38,773.03	69,583.33	24,414.74	(30,810.30)
Net Change in Cash	351,566.89	10,261,938.74	851,594.08	(9,910,371.85)	9,410,344.66
Cash, Beginning of Year	15,123,383.35	4,861,444.61	4,009,850.53	10,261,938.74	851,594.08
Cash, End of Year	$ 15,474,950.24	$ 15,123,383.35	$ 4,861,444.61	$ 351,566.89	$ 10,261,938.74

CAPITAL ASSETS

At the end of FY 2022 and FY 2021, the College has capital assets as follows:

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Capital Assets, Non-Depreciable:					
Land	$ 5,358,200.00	$ -	$ -	$ -	$ 5,358,200.00
Construction in Progress	-	979,444.72		(203,504.05)	775,940.67
	5,358,200.00	979,444.72	-	(203,504.05)	6,134,140.67
Capital Assets, Depreciable:					
Land Improvements	2,196,528.25			5,500.00	2,202,028.25
Buildings and Improvements	157,442,733.29			198,004.05	157,640,737.34
Equipment	13,496,327.65	552,478.89	(323,434.52)		13,725,372.02
Infrastructure	4,429,702.03				4,429,702.03
Intangible	638,922.35				638,922.35
	178,204,213.57	552,478.89	(323,434.52)	203,504.05	178,636,761.99
Total Asset Cost	183,562,413.57	1,531,923.61	(323,434.52)	-	184,770,902.66
Less Accumulated Depreciation for:					
Land Improvements	(1,658,428.98)	(79,668.99)			(1,738,097.97)
Buildings and Improvements	(53,805,947.53)	(3,894,210.43)			(57,700,157.96)
Equipment	(11,780,169.15)	(568,833.55)	317,303.76		(12,031,698.94)
Infrastructure	(3,681,241.37)	(52,617.55)			(3,733,858.92)
Intangible	(564,961.09)	(73,961.26)			(638,922.35)
	(71,490,748.12)	(4,669,291.78)	317,303.76	-	(75,842,736.14)
Capital Assets, net	$ 112,071,665.45	$ (3,137,368.17)	$ (6,130.76)	$ -	$ 108,928,166.52

Depreciation expense for the year ended June 30, 2022 was $4,669,291.93.

Projects were completed during the fiscal year resulting in $203,504.05, being reclassified from Construction in Progress.

	Balance June 30, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Capital Assets, Non-Depreciable:					
Land	$ 5,358,200.00	$ -	$ -	$ -	$ 5,358,200.00
Construction in Progress	-	243,424.93		(243,424.93)	-
	5,358,200.00	243,424.93	-	(243,424.93)	5,358,200.00
Capital Assets, Depreciable:					
Land Improvements	2,160,619.75			35,908.50	2,196,528.25
Buildings and Improvements	157,235,216.86			207,516.43	157,442,733.29
Equipment and Furnishings	13,114,126.69	471,147.46	(88,946.50)		13,496,327.65
Infrastructure	4,429,702.03				4,429,702.03
Intangible	638,922.35				638,922.35
	177,578,587.68	471,147.46	(88,946.50)	243,424.93	178,204,213.57
Total Asset Cost	182,936,787.68	714,572.39	(88,946.50)	-	183,562,413.57
Less Accumulated Depreciation for:					
Land Improvements	(1,579,126.65)	(79,302.33)			(1,658,428.98)
Buildings and Improvements	(49,914,051.71)	(3,891,895.82)			(53,805,947.53)
Equipment and Furnishings	(11,261,354.69)	(607,760.96)	88,946.50		(11,780,169.15)
Infrastructure	(3,628,623.82)	(52,617.55)			(3,681,241.37)
Intangible	(490,999.83)	(73,961.26)			(564,961.09)
	(66,874,156.70)	(4,705,537.92)	88,946.50	-	(71,490,748.12)
Capital Assets, net	$ 116,062,630.98	$ (3,990,965.53)	$ -	$ -	$ 112,071,665.45

Depreciation expense for the year ended June 30, 2021 was $4,705,537.92.

Projects were completed during the fiscal year resulting in $243,424.93, being reclassified from Construction in Progress.

CAPITAL ASSETS (CONT'D)

The increase in construction in progress (CIP) is due to ongoing work of access control panels and HVAC upgrades in all buildings. The decrease in CIP was due to the completion of power door installations and Saxby work stations.

LONG – TERM DEBT

The College has the following debt outstanding at June 30, 2022:

County Debt Service Agreement $51,570,033.30

ECONOMIC AND OTHER FACTORS THAT WILL AFFECT THE FUTURE

- The college has experienced significant enrollment and revenue losses during the COVID pandemic, however with the return to in-person learning enrollment is expected to stabilize.
- The college has increased tuition rates 2% in order to stay close to historical inflation rates.
- The college continues a series of "rightsizing" initiatives that include focusing on mission critical endeavors and scheduling improvements that will bring more efficiency to the operation and its finances.
- The college received $34.7 million in one-time COVID relief funding from the state and federal government.
- The college received a $2.2 million Strengthening our Institutions grant with the goals of increasing retention and graduation rates.

REQUESTS FOR INFORMATION

Questions concerning any information provided in this report or requests for additional financial information should be addressed to:

Rowan College at Burlington County
900 College Circle
Mount Laurel, New Jersey 08054

BASIC FINANCIAL STATEMENTS

ROWAN COLLEGE AT BURLINGTON COUNTY
Statements of Net Position
As of June 30, 2022 and 2021

	2022		2021	
	College	**Component Unit Foundation**	**College**	**Component Unit Foundation**
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 15,474,950.24	$ 1,399,772.26	$ 15,123,383.35	$ 1,282,311.85
Investments		2,151,279.58		2,570,777.99
Student Accounts Receivable, net	10,806,731.04		10,891,599.18	
Other Accounts Receivable	177,593.18	2,196.89	787,635.07	15,921.32
Intergovernmental Accounts Receivable:				
Federal	7,908,208.22		2,321,385.31	
State of New Jersey	1,302,531.55		608,091.24	
County of Burlington:				
Capital Appropriation	80,859.58		139,746.17	
Other Assets	331,998.39	1,589.28	179,461.17	1,589.28
Total Current Assets	36,082,872.20	3,554,838.01	30,051,301.49	3,870,600.44
Non-Current Assets:				
Capital Assets, net	108,928,166.52	-	112,071,665.45	-
Total Assets	145,011,038.72	3,554,838.01	142,122,966.94	3,870,600.44
DEFERRED OUTFLOWS OF RESOURCES				
Related to Pensions	1,524,139.00	-	2,913,901.00	-

(Continued)

ROWAN COLLEGE AT BURLINGTON COUNTY
Statements of Net Position
As of June 30, 2022 and 2021

	2022		2021	
	College	Component Unit Foundation	College	Component Unit Foundation
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Liabilities:				
Related to Pensions	$ 1,166,984.00	$ -	$ 1,263,363.00	$ -
Other	5,302,697.85	31,787.29	4,410,160.00	46,321.29
Prepaid Tuition and Student Deposits	15,900.00		6,700.00	
Due to Grantor	77,094.27		47,233.47	
Unearned Revenue:				
Student Tuition and Fees	8,912,035.50		8,230,472.75	
Federal and State Grants	1,083,712.97		296,645.24	
Accrued Compensated Absences	116,797.22		100,960.57	
County Debt Service Agreement	3,267,968.24		3,085,011.80	
Reserve Disallowances	282,659.19		282,796.75	
Security Deposits	600.00		600.00	
Total Current Liabilities	20,226,449.24	31,787.29	17,723,943.58	46,321.29
Non-Current Liabilities:				
Accrued Compensated Absences	537,558.43		663,777.21	
County Debt Service Agreement	48,302,065.06		51,747,740.43	
Net Pension Liability	12,779,627.00		17,763,213.00	
Total Non-Current Liabilities	61,619,250.49	-	70,174,730.64	-
Total Liabilities	81,845,699.73	31,787.29	87,898,674.22	46,321.29
DEFERRED INFLOWS OF RESOURCES				
Related to Pensions	10,357,858.00	-	10,468,735.00	-
NET POSITION				
Net Investment in Capital Assets	57,358,133.22		57,238,913.22	
Restricted for:				
Non-Expendable:				
Scholarships		1,745,663.10		1,753,153.10
Expendable:				
Other		588,061.48		587,291.66
Scholarships		736,337.85		1,049,383.11
Unrestricted (Deficit)	(3,026,513.23)	452,988.29	(10,569,454.50)	434,451.28
Total Net Position	$ 54,331,619.99	$ 3,523,050.72	$ 46,669,458.72	$ 3,824,279.15

The Accompanying Notes to Financial Statements are an integral part of these statements.

ROWAN COLLEGE AT BURLINGTON COUNTY
Statements of Revenues, Expenses and Changes in Net Position
For the Fiscal Years Ended June 30, 2022 and 2021

	2022		2021	
	College	Component Unit Foundation	College	Component Unit Foundation
REVENUES				
Operating Revenues:				
Student Tuition and Fees, net	$ 18,985,767.34	$ -	$ 24,678,071.58	$ -
Federal Grants	1,727,981.85		1,122,321.59	
State Grants	557,457.36		477,223.77	
Other Operating Revenues	953,476.17		1,110,054.96	
Gifts and Contributions		202,402.74		196,202.96
Auxiliary Enterprises	1,153,601.47		1,476,116.83	
Total Operating Revenues	23,378,284.19	202,402.74	28,863,788.73	196,202.96
EXPENSES				
Operating Expenses:				
Instruction	15,472,163.71		17,407,669.14	
Public Service	442,077.56		1,304,365.94	
Academic Support	2,979,290.21		3,072,304.80	
Student Services	5,174,259.97	25,325.76	5,526,337.64	34,242.01
Institutional Support	11,383,832.40		11,642,611.43	
Operations and Maintenance of Plant	6,594,071.93		6,035,282.16	
Scholarships and Student Aid	11,056,094.18	198,471.88	4,767,774.51	208,171.60
Depreciation	4,669,291.78		4,705,537.92	
Auxiliary Enterprises	1,390,907.82		1,976,056.07	
Total Operating Expenses	59,161,989.56	223,797.64	56,437,939.61	242,413.61
Operating Loss	(35,783,705.37)	(21,394.90)	(27,574,150.88)	(46,210.65)
NON-OPERATING REVENUES (EXPENSES)				
State Appropriations:				
State Aid	9,091,215.00		5,348,874.21	
On-Behalf Fringe Benefits:				
Alternate Benefit Program	792,172.25		793,763.04	
Other Post Employment Benefits	2,903,194.00		3,270,464.00	
County Operating Appropriations	4,150,000.00		4,150,000.00	
Coronavirus Relief Fund (CRF) (COVID-19)(Note 17)	-		2,374,495.05	
Education Stabilization Fund (COVID-19)(Note 17)	16,089,870.06		9,753,933.36	
Federal Student Financial Aid:				
Pell Grants	7,937,420.04		9,008,407.59	
Supplemental Education Opportunity Grant Program	254,632.34		355,197.16	
State Student Financial Aid	3,404,807.89		3,895,138.61	
Investment Income (Loss)	63,187.77	(279,833.53)	38,773.03	319,119.23
Interest Expense	(1,499,199.42)		(1,633,965.83)	
Total Non-Operating Revenues (Expenses)	43,187,299.93	(279,833.53)	37,355,080.22	319,119.23
Income / (Loss) Before Capital Grants and Contributions and Special Items	7,403,594.56	(301,228.43)	9,780,929.34	272,908.58
CAPITAL GRANTS AND CONTRIBUTIONS	80,859.58	-	281,258.03	-
SPECIAL ITEMS:				
County Debt Service Agreement Forgiven (Note 6)	1,690,000.00			
County Debt Service Agreement Incurred (Note 6)	(1,512,292.87)	-	(23,000,000.00)	-
Total Special Items	177,707.13	-	(23,000,000.00)	-
Increase (Decrease) in Net Position	7,662,161.27	(301,228.43)	(12,937,812.63)	272,908.58
Net Position - Beginning of Year	46,669,458.72	3,824,279.15	59,607,271.35	3,551,370.57
Net Position - End of Year	$ 54,331,619.99	$ 3,523,050.72	$ 46,669,458.72	$ 3,824,279.15

The Accompanying Notes to Financial Statements are an integral part of these statements.

ROWAN COLLEGE AT BURLINGTON COUNTY
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2022 and 2021

	2022 College	2021 College
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Tuition and Fees	$ 19,752,198.23	$ 24,057,772.11
Receipts from Grants and Contracts	2,395,669.21	1,626,246.29
Other Receipts	1,320,080.95	790,272.84
Payments to Employees / Benefits	(35,097,351.09)	(36,575,110.12)
Payments to Vendors and Suppliers	(6,379,385.94)	(6,050,534.19)
Payments for Scholarships and Student Aid	(11,056,094.18)	(5,038,047.33)
Net Cash Used in Operating Activities	(29,064,882.82)	(21,189,400.40)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Appropriations	9,091,215.00	5,348,874.21
County Appropriations	4,150,000.00	4,150,000.00
Noncapital Grants Received - Student Financial Aid	11,230,947.36	14,109,510.65
Noncapital Grants Received - Other	(5,232,381.82)	712,947.49
Federal COVID-19 Aid Received	16,089,870.06	12,128,428.41
Net Cash Provided by Noncapital Financing Activities	35,329,650.60	36,449,760.76
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Grants and Contributions	139,746.17	262,321.75
Purchase of Capital Assets	(1,531,923.61)	(714,572.39)
Principal Paid on Debt	(3,085,011.80)	(2,950,978.18)
Interest Paid on Debt	(1,499,199.42)	(1,633,965.83)
Net Cash Used in Capital and Related Financing Activities	(5,976,388.66)	(5,037,194.65)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	63,187.77	38,773.03
Net Increase in Cash and Cash Equivalents	351,566.89	10,261,938.74
Cash and Cash Equivalents - Beginning of Year	15,123,383.35	4,861,444.61
Cash and Cash Equivalents - End of Year	$ 15,474,950.24	$ 15,123,383.35

(Continued)

ROWAN COLLEGE AT BURLINGTON COUNTY
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2022 and 2021

	2022 College	2021 College
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH USED IN OPERATING ACTIVITIES		
Operating Loss	$ (35,783,705.37)	$ (27,574,150.88)
Adjustment to Reconcile Operating Loss to Net Cash Used in Operating Activities:		
Depreciation Expense	4,669,291.78	4,705,537.92
State Appropriations - On-Behalf Fringe Benefits:		
Alternate Benefit Program	792,172.25	793,763.04
Other Post Employment Benefits	2,903,194.00	3,270,464.00
Changes in Assets and Liabilities:		
Accounts Receivable	694,910.03	1,354,693.93
Prepaid Items	(152,537.22)	22,382.45
Deferred Outflows Related to Pensions	1,389,762.00	1,179,282.00
Accounts Payable and Accrued Liabilities	835,082.09	(95,349.01)
Unearned Revenue	791,792.75	(2,038,408.17)
Net Pension Liability	(4,983,586.00)	(4,603,329.00)
Accrued Compensated Absences	(110,382.13)	(35,007.68)
Deferred Inflows Related to Pensions	(110,877.00)	1,830,721.00
Net Cash Used in Operating Activities	$ (29,064,882.82)	$ (21,189,400.40)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Increase in County Debt Service Agreement	$ 1,512,292.87	$ 23,000,000.00
Decrease in County Debt Service Agreement - Forgiveness of Debt	(1,690,000.00)	
Increase in Receivables Related to Nonoperating Revenue	6,281,263.22	18,936.28

The Accompanying Notes to Financial Statements are an integral part of these statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Reporting Entity - Rowan College at Burlington County (the College) is a two-year community college, founded in July 1966 by the Board of Chosen Freeholders, the governing body of Burlington County, State of New Jersey.

The Board of Trustees of Rowan College at Burlington County consists of the County Superintendent of Schools and twelve persons, eight of whom are appointed by the Burlington County Board of Chosen Freeholders, two by the Governor of the State of New Jersey, and one by the Student Body of Rowan College at Burlington County. The term of office of appointed members is four years. Through the Office of the President and as set forth in the applicable New Jersey Statutes and Administrative Code, the Board is responsible for establishing tuition, fees, admission and degree requirements, college investments and oversight of various administrative and operational matters including the financial management of the College.

The College offers a wide range of academic programs, including associates degrees in the arts, science and applied science.

The main campus of the College is located in Mount Laurel, New Jersey. In addition to its main campus, the College operates centers in Willingboro and Mount Holly. The College also provides evening courses at selected high schools throughout Burlington County.

Rowan College at Burlington County is a component unit of the County of Burlington as described in Governmental Accounting Standards Board (GASB) Statement No. 61 – *The Financial Reporting Entity: Omnibus an amendment of GASB Statement No. 14 and 34.* The financial statements of the College would be either blended or discreetly presented as part of the County's financial statements if the County prepared its financial statements in accordance with GASB Statement No. 34 – *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The County of Burlington currently follows a basis of accounting and reporting model that is prescribed by the Department of Community Affairs, Division of Local Government Services, State of New Jersey. Therefore, the financial statements of the College are not presented with the County of Burlington's.

Component Units - In evaluating how to define the College for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, *The Financial Reporting Entity,* as amended. Blended component units, although legally separate entities, would in-substance be part of the College's operations, however, each discretely presented component unit would be reported in a separate column in the College's financial statements to emphasize that it is legally separate from the College.

The basic-but not the only-criterion for including a potential component unit within the College is the College's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the College and / or its students.

A third criterion used to evaluate potential component units for inclusion or exclusion from the College is the existence of special financing relationships, regardless of whether the College is able to exercise oversight responsibilities.

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

Component Units (Cont'd) - Finally, the nature and significance of a potential component unit to the College could warrant its inclusion within the College's financial statements.

Based upon the application of these criteria, the College has determined that Rowan College at Burlington County Foundation (the "Foundation") meets the requirement for discrete presentation in the financial statements of the College. In accordance with GASB Statement 34 and 35, certain presentation adjustments to the financial statements of the Foundation were required to conform to the classification and display requirements in the aforementioned GASB Statements, as applicable to the College.

The Foundation is a New Jersey nonprofit corporation organized in March 1973. The Foundation's purpose is to support Rowan College at Burlington County by providing scholarships to students and raising funds for capital projects. The Foundation solicits public and private contributions to carry out its objectives. The Foundation is governed by a board of directors, some of which are management of the College and the County of Burlington. In addition, College employees and facilities are used for virtually all activities of the Foundation. The Foundation reports under Financial Accounting Standards Board (FASB) Standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features.

The Foundation regularly transfers funds to the College to be used for scholarships, financial aid, and other capital purposes. During a given fiscal year, eligible students are identified by the Financial Aid and Scholarship Offices of the College as meeting the varied criteria for receiving the funds. The monies are transferred to the College during the beginning of the subsequent fiscal year to cover credits to the students' accounts. During the fiscal years ended June 30, 2022 and 2021, the Foundation distributed $198,471.88 and $208,171.60 to the College for scholarships, respectively.

The individual reports of audit of the Foundation for the fiscal years ended June 30, 2022 and 2021, can be obtained at the Foundation offices; Burlington County College Foundation, 3331 Route 38, Mt. Laurel, New Jersey 08054.

Basis of Presentation - The accompanying financial statements include all activities that are directly controlled by the College. In addition, the financial statements include the financial position and activities of the College's discretely presented component unit, Burlington County College Foundation. The financial statements are presented in accordance with accounting principles generally accepted in the United States of America applicable to governmental colleges and universities engaged in business-type activities as adopted by the Governmental Accounting Standards Board (GASB) Statement No. 35 – *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. The financial statement presentation required by GASB No. 35 provides a comprehensive, entity-wide perspective of the College's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, expenses, changes in net position, cash flows and replaces the fund-group perspective previously required.

Basis of Accounting and Measurement Focus - For financial reporting purposes, the College is considered a special-purpose government engaged in only business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when an obligation has been incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Cash and Cash Equivalents and Investments - For the purposes of the statement of cash flows, the College considers all highly liquid investments with an original maturity of three months or less to be cash and cash equivalents. Funds invested through the State of New Jersey Cash Management Fund are also considered cash and cash equivalents.

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.

The College 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.

Accounts Receivable - Accounts receivable consists of tuition and fees charged to students and various other receivables. Accounts receivable are recorded net of estimated uncollectible amounts.

Prepaid Expenses - Prepaid expenses represent payments made to vendors for services that will benefit periods beyond June 30th.

Tuition - Each year the Board of Trustees sets tuition rates based upon full-time enrollment or part-time enrollment on a per credit hour rate. Rates vary based upon residence within Burlington County, out of county and out of state. Tuition revenue is earned in the fiscal year in which the classes begin.

State Aid - The New Jersey Department of Treasury, Office of Management and Budget (OMB) allocates the annual appropriation for community college operating aid according to credit hour enrollments as prescribed by N.J.S.A.18A:64A-22. Aid is based upon audited enrollments, which are made up of credit course categories.

County Aid - N.J.S.A. 18A:64A-22 states that each county which operates a county college shall continue to provide moneys for the support of the college in an amount no less than those moneys provided in the year in which this act is enacted or 25% of the operational expense in the base State fiscal year, whichever is greater.

Unearned Revenue - Unearned revenue primarily consists of tuition revenue that has been billed before June 30th for classes that are scheduled to begin the next fiscal year. It also includes cash, which has been received for grants, but not yet earned under the terms of the grant agreement.

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

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

Capital Assets - Capital assets include property, plant equipment and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial unit cost of $2,500.00 or more and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the College are depreciated using the straight-line method over the following useful lives:

Asset	Years
Land Improvements	15-20
Buildings and Building Improvements	20-40
Equipment	5-20
Infrastructure	40
Intangible	5

Allowance for Doubtful Accounts - The allowance for doubtful accounts represents the amount estimated to be uncollectible for student accounts receivable. The amount is adjusted annually based on past year's collection rates. It is the College policy to write off uncollectible accounts after two years of delinquency. The allowance for June 30, 2022 and 2021 was $999,732.00 and $322,404.00, respectively.

Reserve Disallowance - A reserve has been established in the event an award is subsequently disallowed.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Scholarship Discounts and Allowances - Student tuition and fee revenues are reported net of scholarship discounts and allowances in the statement of revenues, expenses and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain government grants, such as Pell grants, as well as other federal grants and state grants, are recorded as either operating or non-operating revenue in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees, the College has recorded a scholarship discount and allowance. The amount of scholarship discounts and allowances for the fiscal years ended June 30, 2022 and 2021 was $9,422,851.16 and $10,336,887.07, respectively.

Reclassifications - Certain 2021 amounts have been reclassified to conform to 2022 presentation.

Non-Current Liabilities - Non-current liabilities include (1) principal amounts of capital lease obligations with contractual maturities greater than one year; (2) estimated amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year; and (3) other liabilities that, although payable within one year, are to be paid from funds that are classified as non-current assets.

Financial Dependency - Among the College's larger non-tuition revenue sources include appropriations from the State of New Jersey and County of Burlington, including contributions made by the State on behalf of the College for the Alternate Benefit Program. The College is economically dependent on these appropriations to carry on its operations.

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

State of New Jersey On-Behalf Payments for Fringe Benefits - The State of New Jersey, through separate appropriations, pays certain fringe benefits on-behalf of College employees. These benefits include Alternate Benefit Program pension contributions and certain retiree health benefits. These amounts are included in both the State of New Jersey appropriations revenues and operating expenses in the accompanying financial statements.

Income Taxes - The College is a political subdivision of the State of New Jersey and is excluded from Federal income taxes under Section 115(1) of the Internal Revenue Code, as amended.

Classification of Revenues - The College has classified its revenues as either operating or non-operating revenues in accordance with GASB Statement No. 33 – *Accounting and Financial Reporting for Non-exchange Transactions*.

Operating Revenues - Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises and (3) most federal, state and local government grants and contracts as well as federal appropriations.

Non-Operating Revenues - Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB No. 9 – Reporting Cash Flows of Proprietary and Non-expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting and GASB Statement No. 35, such as state appropriations, county appropriations, certain federal and state student financial aid, investment income, and amounts paid by the State of New Jersey on behalf of the College for the employer contribution to the Alternate Benefit Program (ABP) and other postemployment benefits (OPEB).

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 College is required to report the following as deferred outflows of resources and deferred inflows of resources: defined benefit pension plans, and postemployment benefit plans.

Net Position - The College's net position is classified as follows:

Net Investment in Capital Assets - This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of Net Investment in Capital Assets.

Restricted Net Position - Non-Expendable - Restricted non-expendable is comprised of donor-restricted endowment funds. Endowments are subject to restrictions of gift instruments requiring that the principal be invested in perpetuity.

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

Net Position (Cont'd)

Restricted Net Position - Expendable - Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend resources in accordance with the restrictions imposed by external third parties.

Unrestricted Net Position - Unrestricted net position represent resources derived from student tuition and fees, state and county appropriations and sales and services of educational departments and auxiliary enterprises. These resources are used for the transactions related to the educational and general operations of the College, and may be used at the discretion of the Board of Trustees to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

The College's policy is to first utilize available restricted expendable, and then unrestricted, resources in the conduct of its operations.

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

The College 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 Statement became effective for the College in the fiscal year ending June 30, 2022, however, it had no impact on the College's financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statement that will become effective for the College for fiscal years ending after June 30, 2023:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The Statement is effective for the fiscal year ending June 30, 2023. The implementation of this statement will be similar to GASB Statement No. 87 for leases. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the College.

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 College 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 College.

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits might not be recovered. Although the College 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 College in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, athletic and student activity funds, or funds that may pass to the College relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule on the following page.

As of June 30, 2022 and 2021, the College's bank balances were exposed to custodial credit risk as follows:

	2022	2021
Insured by FDIC and GUDPA	$ 15,967,647.25	$ 15,515,923.72
Uninsured and Uncollateralized	-	265,357.68
Total	$ 15,967,647.25	$ 15,781,281.40

New Jersey Cash Management Fund - During the fiscal year, the College participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2022 and 2021, the College's deposits with the New Jersey Cash Management Fund were $1,399.40 and $1,396.74, respectively.

Note 3: OTHER RECEIVABLES

Other receivables for the fiscal years ended June 30, 2022 and 2021 consisted of the following amounts due to the College:

	2022	2021
Business Outreach	$ 14,650.00	$ 9,180.00
Graphic Services	1,199.20	1,175.00
Print Services	18,215.48	21,975.91
Follett - Bookstore	25,791.88	-
Due from County of Burlington:		
Workforce Investment Opportunity Act (WIOA)	-	74,588.07
Workforce Development Institute (WDI)	-	150,000.00
COVID-19 Testing Site Rental	-	208,333.33
County Operating Appropriation	-	200,000.00
Rowan University - College Liaison S/W	13,760.95	25,386.01
Miscellaneous	103,975.67	96,996.75
	$ 177,593.18	$ 787,635.07

Note 4: CAPITAL ASSETS

The following schedules are summarizations of the changes in capital assets for the fiscal years ended June 30, 2022 and 2021:

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Capital Assets, Non-Depreciable:					
Land	$ 5,358,200.00	$ -	$ -	$ -	$ 5,358,200.00
Construction in Progress	-	979,444.72		(203,504.05)	775,940.67
	5,358,200.00	979,444.72	-	(203,504.05)	6,134,140.67
Capital Assets, Depreciable:					
Land Improvements	2,196,528.25			5,500.00	2,202,028.25
Buildings and Improvements	157,442,733.29			198,004.05	157,640,737.34
Equipment	13,496,327.65	552,478.89	(323,434.52)		13,725,372.02
Infrastructure	4,429,702.03				4,429,702.03
Intangible	638,922.35				638,922.35
	178,204,213.57	552,478.89	(323,434.52)	203,504.05	178,636,761.99
Total Asset Cost	183,562,413.57	1,531,923.61	(323,434.52)	-	184,770,902.66
Less Accumulated Depreciation for:					
Land Improvements	(1,658,428.98)	(79,668.99)			(1,738,097.97)
Buildings and Improvements	(53,805,947.53)	(3,894,210.43)			(57,700,157.96)
Equipment	(11,780,169.15)	(568,833.55)	317,303.76		(12,031,698.94)
Infrastructure	(3,681,241.37)	(52,617.55)			(3,733,858.92)
Intangible	(564,961.09)	(73,961.26)			(638,922.35)
	(71,490,748.12)	(4,669,291.78)	317,303.76	-	(75,842,736.14)
Capital Assets, net	$ 112,071,665.45	$ (3,137,368.17)	$ (6,130.76)	$ -	$ 108,928,166.52

Depreciation expense for the year ended June 30, 2022 was $4,669,291.93.

Projects were completed during the fiscal year resulting in $203,504.05, being reclassified from Construction in Progress.

	Balance June 30, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Capital Assets, Non-Depreciable:					
Land	$ 5,358,200.00	$ -	$ -	$ -	$ 5,358,200.00
Construction in Progress	-	243,424.93		(243,424.93)	-
	5,358,200.00	243,424.93	-	(243,424.93)	5,358,200.00
Capital Assets, Depreciable:					
Land Improvements	2,160,619.75			35,908.50	2,196,528.25
Buildings and Improvements	157,235,216.86			207,516.43	157,442,733.29
Equipment and Furnishings	13,114,126.69	471,147.46	(88,946.50)		13,496,327.65
Infrastructure	4,429,702.03				4,429,702.03
Intangible	638,922.35				638,922.35
	177,578,587.68	471,147.46	(88,946.50)	243,424.93	178,204,213.57
Total Asset Cost	182,936,787.68	714,572.39	(88,946.50)	-	183,562,413.57
Less Accumulated Depreciation for:					
Land Improvements	(1,579,126.65)	(79,302.33)			(1,658,428.98)
Buildings and Improvements	(49,914,051.71)	(3,891,895.82)			(53,805,947.53)
Equipment and Furnishings	(11,261,354.69)	(607,760.96)	88,946.50		(11,780,169.15)
Infrastructure	(3,628,623.82)	(52,617.55)			(3,681,241.37)
Intangible	(490,999.83)	(73,961.26)			(564,961.09)
	(66,874,156.70)	(4,705,537.92)	88,946.50	-	(71,490,748.12)
Capital Assets, net	$ 116,062,630.98	$ (3,990,965.53)	$ -	$ -	$ 112,071,665.45

Depreciation expense for the year ended June 30, 2021 was $4,705,537.92.

Projects were completed during the fiscal year resulting in $243,424.93, being reclassified from Construction in Progress.

Note 5: ACCOUNTS PAYABLE

Accounts payable for the fiscal years ended June 30, 2022 and 2021, consisted of the following amounts:

	2022	2021
Due to Vendors	$ 3,624,909.34	$ 2,658,004.96
Unemployment	795,837.58	676,543.64
Accrued Salaries and Wages	881,950.93	1,075,611.40
	$ 5,302,697.85	$ 4,410,160.00

Note 6: LONG-TERM LIABILITIES

During the fiscal years ended June 30, 2022 and 2021, the following changes occurred in long-term obligations:

	Balance June 30, 2021	Increase	Decrease	Balance June 30, 2022	Due Within One Year
Compensated Absences	$ 764,737.78	$ 892,360.67	$ (1,002,742.80)	$ 654,355.65	$ 116,797.22
County Debt Service Agreement	54,832,752.23	1,512,292.87	(4,775,011.80)	51,570,033.30	3,267,968.24
Net Pension Liability (Note 7)	17,763,213.00	8,288,173.00	(13,271,759.00)	12,779,627.00	
	$ 73,360,703.01	$ 10,692,826.54	$ (19,049,513.60)	$ 65,004,015.95	$ 3,384,765.46

	Balance June 30, 2020	Increase	Decrease	Balance June 30, 2021	Due Within One Year
Compensated Absences	$ 799,745.46	$ 891,611.09	$ (926,618.77)	$ 764,737.78	$ 100,960.57
County Debt Service Agreement	34,783,730.41	23,000,000.00	(2,950,978.18)	54,832,752.23	3,085,011.80
Net Pension Liability (Note 7)	22,366,542.00	9,958,591.00	(14,561,920.00)	17,763,213.00	
	$ 57,950,017.87	$ 33,850,202.09	$ (18,439,516.95)	$ 73,360,703.01	$ 3,185,972.37

Accrued Compensated Absences - Accrued vacation represents the College's liability for the cost of unused employee vacation time payable in the event of employee termination. College employees are granted vacation time in varying amounts under college personnel policies or collective bargaining agreements. In the event of termination, an employee is reimbursed for accumulated vacation time at their current rate of pay. The maximum amount of vacation time an employee may be reimbursed for upon termination is as follows:

Hours Worked Per Year	Maximum Reimbursable Hours
2,080	160
1,820	140
Part Time	80

Note 6: LONG-TERM LIABILITIES (CONT'D)

County Debt Service Agreement - The College has an agreement in place with the County of Burlington to reimburse them principal and interest for debt service related to several serial bond issues relating to capital construction and other related capital items. The County issues the serial bonds and holds the proceeds until the College disburses the funds and bills the County for reimbursement. Some of the serial bonds are issued in connection with the State of New Jersey Chapter 12 Debt Service program. In 1971, the State enacted the Chapter 12 program in which the State pays for one-half the debt service on bonds issued by county governments on behalf of County Colleges. In these circumstances, the College would only reimburse the County one-half of the debt service, as the State of New Jersey is reimbursing the County the other one-half. In addition, if the County has issued temporary financing, such as bond anticipation notes, the College will reimburse the County for the applicable interest on such notes.

In fiscal year 2022, the College and County received approval from the State of New Jersey to allocate $3,500,000.00 of the $23,000,000.00 2020 General Obligation Serial Bonds, as Chapter 12 Bonds. As a result $1,690,000.00, which represents one-half of the $3,500,000.00 less amounts previously paid towards principal, was considered forgiven debt on-behalf of the College.

The following represents information on the various issues and outstanding balances at June 30, 2022:

Issue	Issue Date	Amount Issued For College		Interest Rates	Maturing	Amount Outstanding
2013 General Obligation Bonds	05/22/13	$ 6,038,104.00		2.00% - 3.00%	05/15/28	$ 3,110,492.81
2014 County College - Chapter 12 Bonds	06/25/14	7,850,000.00	(a)	1.00% - 3.00%	06/01/26	1,780,000.00
2015 General Obligation Bonds	05/18/15	3,086,999.00		2.00% - 3.50%	05/01/33	2,191,348.62
2016 County College - Chapter 12 Bonds	06/29/16	7,900,000.00	(a)	1.00% - 2.00%	01/15/29	2,630,000.00
2017 Refunding Serial Bonds	11/22/17	625,000.00		2.00% - 4.00%	07/15/25	146,074.00
2017 Bridge Commission Bonds	11/07/17	3,000,000.00		5.00% - 5.00%	08/15/22	273,870.00
2018 County College - Chapter 12 Bonds	06/27/18	6,500,000.00	(a)	2.00% - 3.125%	06/01/33	2,785,000.00
2018 Bridge Commission Bonds	04/23/18	418,252.00		3.125% - 5.00%	04/15/34	380,955.00
2019 County College - Chapter 12 Bonds	05/08/19	6,800,000.00	(a)	2.00% - 3.00%	05/01/42	3,185,000.00
2019 General Obligation Bonds	05/08/19	13,900,000.00		2.00% - 3.00%	05/01/42	13,025,000.00
2020 General Obligation Bonds	06/30/20	19,500,000.00		0.55% - 2.00%	05/01/40	18,860,000.00
2020 County College - Chapter 12 Bonds	06/30/20	3,500,000.00	(a)	0.55% - 2.00%	05/01/40	1,690,000.00
2021 Bridge Commission Bonds	04/14/21	581,748.00		4.00% - 5.00%	4/1/2035	581,748.00
2022 Bridge Commission Bonds	04/13/22	930,544.87		4.00% - 5.00%	4/1/2034	930,544.87
						$ 51,570,033.30

(a) includes the State of New Jersey Portion of Chapter 12

Principal and interest due to the County under these agreements are as follows:

Year Ended June 30,	Interest	Principal	Total
2023	$ 1,223,763.74	$ 3,267,968.24	$ 4,491,731.98
2024	1,242,062.06	3,118,068.00	4,360,130.07
2025	1,111,447.04	3,251,079.49	4,362,526.53
2026	1,033,442.59	3,319,270.32	4,352,712.91
2027	950,426.24	3,405,334.72	4,355,760.96
2028-2032	3,599,864.72	13,526,046.83	17,125,911.55
2033-2037	1,993,118.37	10,917,265.71	12,910,384.08
2038-2042	711,525.00	9,770,000.00	10,481,525.00
2043	14,925.00	995,000.00	1,009,925.00
	$ 11,880,574.77	$ 51,570,033.30	$ 63,450,608.07

Note 7: PENSION PLANS

A substantial number of the College's employees participate in one of the following pension plans: the Public Employees' Retirement System ("PERS"), and the New Jersey Alternate Benefit Program (ABP), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several College employees participate in the Defined Contribution Retirement Program (DCRP). The DCRP is administered by Empower (formerly Prudential Financial).

PERS is a cost-sharing, multiple-employer defined benefit retirement plan, while ABP and DCRP are defined contribution retirement plans. Generally, all employees, except certain part-time employees, participate in one of these plans.

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 plan's 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.state.nj.us/treasury/pensions/financial-reports.shtml

General Information About the Pension Plans

Plan Descriptions

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 College, 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.

Alternate Benefit Program - The ABP is a tax-sheltered, defined contribution retirement program for certain higher education faculty, instructors and administrators which was established pursuant to P.L.1969, c. 242 (N.J.S.A. 52:18A-107 et seq., specifically, 18A:66-192). The ABP is an agency fund overseen by the State of New Jersey Division of Pensions and Benefits.

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.

Note 7: PENSION PLANS (CONT'D)

General Information About the Pension Plans (Cont'd)

Vesting and Benefits Provisions

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 following represents the membership tiers for PERS:

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 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 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.

Alternate Benefit Program - ABP provides retirement benefits, life insurance and disability coverage to qualified members. Benefits are determined by the amount of individual accumulations and the retirement income option selected. All benefits vest after the completion of one year of service.

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

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 years 2021 and 2020. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The College's contractually required contribution rates were 17.13% and 17.55% of the College's covered payroll for the fiscal years ended June 30, 2022 and 2021, respectively. These amounts were 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.

Note 7: PENSION PLANS (CONT'D)

General Information About the Pension Plans (Cont'd)

Contributions (Cont'd)

Public Employees' Retirement System (Cont'd) - Based on the most recent PERS measurement date of June 30, 2021, the College's contractually required contribution to the pension plan for the fiscal year ended June 30, 2022 was $1,263,363.00 and was paid by April 1, 2022. College employee contributions to the pension plan during the fiscal year ended June 30, 2022 were $527,915.58.

Based on the most recent PERS measurement date of June 30, 2020, the College's contractually required contribution to the pension plan for the fiscal year ended June 30, 2021 was $1,191,611.00 and was paid by April 1, 2021. College employee contributions to the pension plan during the fiscal year ended June 30, 2021 were $434,613.60.

Alternate Benefit Program - The contributions requirements of plan members are determined by State statute. In accordance with N.J.S.A. 18A:66-173, required contributions, calculated on the employee's base pay, are 5% for plan members, and 8% for employers. Plan members may make additional voluntary contributions subject to section 403(b) of the internal revenue code.

Under N.J.S.A 18A:66-174, most employer contributions are made by the State of New Jersey on-behalf of the College. The College is responsible for the employer contributions for non-academic employees.

Plan members direct the investment of contributions to insurance companies and mutual fund companies selected by the New Jersey Division of Pensions' Pension Provider Selector Board. These companies administer plan funds based on alternate benefit contracts with the New Jersey Division of Pensions.

Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency. The plan carriers are as follows:

AXA Financial (Equitable)
MassMutual Retirement Services
VOYA Financial Services
MetLife
Prudential
Teacher's Insurance and Annuity Association/TIAA
VALIC

During the fiscal year end June 30, 2022, the College's share of the employer contributions for participants not eligible for State reimbursement was $322,931.01, employee contributions to the plan were $628,683.05, and the State of New Jersey made on-behalf payments for the College contributions of $792,172.25.

During the fiscal year end June 30, 2021, the College's share of the employer contributions for participants not eligible for State reimbursement was $315,004.72, employee contributions to the plan were $644,146.85, and the State of New Jersey made on-behalf payments for the College contributions of $793,763.04.

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 College contributes 3% of the employees' base salary, for each pay period.

For the fiscal year ended June 30, 2022, employee contributions totaled $27,257.76, the College recognized pension expense of $14,798.75. There were no forfeitures during the fiscal year.

Note 7: PENSION PLANS (CONT'D)

General Information About the Pension Plans (Cont'd)

Contributions (Cont'd)

Defined Contribution Retirement Program (Cont'd) - For the fiscal year ended June 30, 2021, employee contributions totaled $33,034.71, the College recognized pension expense of $17,975.76. There were no forfeitures during the fiscal year.

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

The following information relates only to the Public Employees' Retirement System ("PERS"), which is a cost-sharing multiple-employer defined benefit pension plan.

The College reported a liability of $12,779,627.00 and $17,763,213.00 for its proportionate share of the net pension liability for the fiscal years ended June 30, 2022 and 2021, respectively.

The net pension liability reported at June 30, 2022 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 through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. The College's proportion of the net pension liability was based on a projection of the College'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 College's proportion was .1078768249%, which was a decrease of .0010505919% from its proportion measured as of June 30, 2020.

The net pension liability reported at June 30, 2021 was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020. The College's proportion of the net pension liability was based on a projection of the College'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, 2020 measurement date, the College's proportion was .1089274168%, which was a decrease of .0152036876% from its proportion measured as of June 30, 2019.

The College recognized ($2,529,768.00) and ($329,961.00), in its financial statements for pension (benefit) expense for PERS, for the fiscal years ended June 30, 2022 and 2021, respectively. These amounts were based on the Plans June 30, 2021 and 2020 measurement dates, respectively.

Note 7: PENSION PLANS (CONT'D)

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

At June 30, 2022 and 2021, the College reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	June 30, 2022 Measurement Date June 30, 2021		June 30, 2021 Measurement Date June 30, 2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 201,551.00	$ 91,487.00	$ 323,439.00	$ 62,818.00
Changes of Assumptions	66,556.00	4,549,630.00	576,259.00	7,437,625.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	3,366,490.00	607,161.00	-
Changes in Proportion and Differences between College Contributions and Proportionate Share of Contributions	89,048.00	2,350,251.00	143,679.00	2,968,292.00
College Contributions Subsequent to the Measurement Date	1,166,984.00	-	1,263,363.00	-
	$ 1,524,139.00	$ 10,357,858.00	$ 2,913,901.00	$ 10,468,735.00

$1,166,984.00 and $1,263,363.00 included in deferred outflows of resources, for the June 30, 2021 and 2020 measurement dates, respectively, will be included as a reduction of the net pension liability in fiscal years ending June 30, 2023 and 2022, respectively.

Note 7: PENSION PLANS (CONT'D)

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension (benefit) expense as follows:

Fiscal Year Ending June 30,	
2023	$ (3,715,998.00)
2024	(2,845,131.00)
2025	(2,179,902.00)
2026	(1,254,295.00)
2027	(5,377.00)
	$(10,000,703.00)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	5.16	-
June 30, 2021	5.13	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	-	-
June 30, 2016	5.00	-
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	-

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
Changes in Proportion and Differences between College Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13

Note 7: PENSION PLANS (CONT'D)

Actuarial Assumptions

The net pension liability at June 30, 2022 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 through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021.

The net pension liability at June 30, 2021 was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020.

These actuarial valuations used the following actuarial assumptions, applied to all periods included in the measurement:

	Measurement Date June 30, 2021	Measurement Date June 30, 2020
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:		
Through 2026	2.00% - 6.00% Based on Years of Service	2.00% - 6.00% Based on Years of Service
Thereafter	3.00% - 7.00% Based on Years of Service	3.00% - 7.00% Based on Years of Service
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018	July 1, 2014 - June 30, 2018

For the June 30, 2021 measurement date, 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.

For the June 30, 2020 measurement date, 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-2020.

Note 7: PENSION PLANS (CONT'D)

Actuarial Assumptions (Cont'd)

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% for the June 30, 2021 and June 30, 2020 measurement dates) 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 target asset allocation for the June 30, 2021 and June 30, 2020 measurement dates are summarized in the following table:

	Measurement Date June 30, 2021		Measurement Date June 30, 2020	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.09%	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.71%	13.50%	8.57%
Emerging Markets Equity	5.50%	10.96%	5.50%	10.23%
Private Equity	13.00%	11.30%	13.00%	11.42%
Real Estate	8.00%	9.15%	8.00%	9.56%
Real Assets	3.00%	7.40%	3.00%	9.73%
High Yield	2.00%	3.75%	2.00%	5.95%
Private Credit	8.00%	7.60%	8.00%	7.59%
Investment Grade Credit	8.00%	1.68%	8.00%	2.67%
Cash Equivalents	4.00%	0.50%	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.35%	3.00%	3.40%
	100.00%		100.00%	

Discount Rate June 30, 2021 Measurement Date - 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.

Note 7: PENSION PLANS (CONT'D)

Actuarial Assumptions (Cont'd)

Discount Rate June 30, 2020 Measurement Date - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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 2.21% as of the June 30, 2020 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 78% 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 through 2062. Therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2062 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of College's Proportionate Share of Net Pension Liability to Changes in the Discount Rate

The following presents the College's proportionate share of the net pension liability at the June 30, 2021 and 2020 measurement dates, respectively. These amounts were calculated using a discount rate of 7.00% for June 30, 2021 and 7.00% for June 30, 2020, as well as what the College'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:

	June 30, 2021 Measurement Date		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
College's Proportionate Share of the Net Pension Liability	$ 17,403,261.00	$ 12,779,627.00	$ 8,855,819.00

	June 30, 2020 Measurement Date		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
College's Proportionate Share of the Net Pension Liability	$ 24,769,872.00	$ 17,763,213.00	$ 15,260,991.00

Note 7: 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 8: 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 8: 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	-
	364,328

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 College's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the College 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 College as of June 30, 2022 and June 30, 2021 was $63,746,335.00 and $76,401,428.00, respectively. Since the OPEB liability associated with the College 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 reported at June 30, 2022 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 College was .1062303456%, which was a decrease of .0064395706% from its proportion measured as of June 30, 2020.

The total non-employer OPEB liability reported at June 30, 2021 was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. For the June 30, 2020 measurement date, the State's proportionate share of the non-employer OPEB Plan liability associated with the College was .1126699161%, which was a decrease of .0040099910% from its proportion measured as of June 30, 2019.

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, and the actuarial valuation at June 30, 2019, which was rolled forward to June 30, 2020, used the following actuarial assumptions, applied to all periods in the measurement:

Note 8: 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)

Salary Increases (June 30, 2021 Measurement Date)

	TPAF/ABP *	PERS *	PFRS *
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

Salary Increases (June 30, 2020 Measurement Date)

	TPAF/ABP *	PERS *	PFRS *
Salary Increases:			
Through 2026	1.55 - 4.45%	2.00 - 6.00%	3.25 - 15.25% *
Thereafter	1.55 - 4.45%	3.00 - 7.00%	Applied to all Future Years

* based on service years

Inflation Rate (June 30, 2021 and June 30, 2020 Measurement Dates) - 2.50%.

Mortality Rates (June 30, 2021 Measurement Date) - 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.

Mortality Rates (June 30, 2020 Measurement Date) - Current and future retiree healthy mortality rates were based on the PUB-2010 Healthy classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

Disabled mortality was based on the PUB-2010 headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

Experience Studies (June 30, 2021 Measurement Date) - 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.

Note 8: 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)

Experience Studies (June 30, 2020 Measurement Date) - The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 - June 30, 2018, July 1, 2014 - June 30, 2018, and July 1, 2013 - June 30, 2018 for TPAF, PERS, and PFRS, respectively.

Health Care Trend Assumptions (June 30, 2021 Measurement Date) - 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%.

Health Care Trend Assumptions (June 30, 2020 Measurement Date) - For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate - The discount rates for the June 30, 2021 and June 30, 2020 measurement dates were 2.16% and 2.21%, respectively. These represent the municipal bond return rates 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 College:

Balance at June 30, 2021		$ 76,401,428.00
Changes for the Year:		
Service Cost	$ 4,180,933.00	
Interest Cost	1,653,647.00	
Changes in Benefit Terms	(67,850.00)	
Difference between Expected and Actual Experience	(17,224,379.00)	
Changes in Assumptions	62,891.00	
Member Contributions	42,276.00	
Gross Benefit Payments	(1,302,611.00)	
Net Changes		(12,655,093.00)
Balance at June 30, 2022		$ 63,746,335.00

Note 8: 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)

Balance at June 30, 2020		$ 48,689,453.00
Changes for the Year:		
Service Cost	$ 2,531,553.00	
Interest Cost	1,770,359.00	
Difference between Expected and Actual Experience	10,743,918.00	
Changes in Assumptions	13,955,916.00	
Member Contributions	40,315.00	
Gross Benefit Payments	(1,330,086.00)	
Net Changes		27,711,975.00
Balance at June 30, 2021		$ 76,401,428.00

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.

There were no changes in benefit terms between the June 30, 2019 measurement date and the June 30, 2020 measurement date.

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.

Differences between expected and actual experience reflect an increase in liability from June 30, 2019 to June 30, 2020 due to changes in the census, claims, and premiums experience.

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.

Changes in assumptions reflect an increase in the liability from June 30, 2019 to June 30, 2020 is due to the combined effect of the decrease in the assumed discount rate from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020; and changes in the trend, repeal of the excise tax, and updated mortality improvement assumptions.

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, associated with the College, as of the June 30, 2021 and June 30, 2020 measurement dates, using a discount rate of 2.16% and 2.21% respectively, as well as using a discount rate that is 1% lower or 1% higher than the current rate used are as follows:

	June 30, 2021 Measurement Date		
	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the College	$ 76,358,102.00	$ 63,746,335.00	$ 53,815,325.00

Note 8: 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)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate (Cont'd)

	June 30, 2020 Measurement Date		
	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the College	$ 92,105,865.00	$ 76,401,428.00	$ 64,122,071.00

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, associated with the College, as of the June 30, 2021 and the June 30, 2020 measurement dates, using the healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used are as follows:

	June 30, 2021 Measurement Date		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the College	$ 51,602,865.00	$ 63,746,335.00	$ 80,054,117.00

	June 30, 2020 Measurement Date		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the College	$ 61,673,809.00	$ 76,401,428.00	$ 93,938,749.00

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 years ended June 30, 2022 and June 30, 2021, the College recognized $2,903,194.00 and $3,270,464.00, respectively, in OPEB expense and revenue, for the State's proportionate share of the OPEB Plan's OPEB expense, associated with the College. These expenses and revenues were based on the OPEB Plan's June 30, 2021 and June 30, 2020 measurement dates.

Note 8: 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 College'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 College; however, at June 30, 2021 and June 30, 2020, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with College, from the following sources are as follows:

	June 30, 2021 Measurement Date		June 30, 2020 Measurement Date	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 9,609,477.00	$ 19,131,409.00	$ 11,599,727.00	$ 10,332,624.00
Changes of Assumptions	10,813,757.00	6,839,388.00	12,995,631.00	8,717,836.00
Changes in Proportion	1,238,326.00	11,005,355.00	1,491,207.00	8,650,612.00
	$ 21,661,560.00	$ 36,976,152.00	$ 26,086,565.00	$ 27,701,072.00

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 College, will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2023	$ (2,699,879.00)
2024	(2,699,879.00)
2025	(2,699,879.00)
2026	(2,699,879.00)
2027	(2,429,366.00)
Thereafter	(2,085,710.00)
	$(15,314,592.00)

Note 9: DEFERRED COMPENSATION

The College offers its employees a choice of deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457(b). The plans, which are administered by the entities listed below, 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:

403(b)
Valic
AXA Financial (Equitable)
Mass Mutual
TIAA-CREF
MetLife
VOYA

457(b)
TIAA-CREF
Metlife
Valic

Note 10: NET POSITION

The following is a summary of the College's Net Position at June 30, 2022 and 2021:

	2022	2021
Net Investment in Capital Assets:		
Capital Assets, net	$ 108,928,166.52	$ 112,071,665.45
Less Related Debt	(51,570,033.30)	(54,832,752.23)
	$ 57,358,133.22	$ 57,238,913.22
Unrestricted Net Position (Deficit):		
Designated for:		
Subsequent Years County Debt Service Agreement	$ 4,388,299.67	$ 4,584,211.22
Subsequent Year's Operating Budget	3,459,866.00	2,533,677.00
Equipment	500,000.00	500,000.00
Capital Improvements	3,500,000.00	3,500,000.00
Undesignated Before GASB 68 and 71 Pension Related Items	7,905,651.10	4,894,067.28
Effects of GASB 68 and 71 Pension Related Items	(22,780,330.00)	(26,581,410.00)
	$ (3,026,513.23)	$ (10,569,454.50)

Note 11: EDUCATION AND GENERAL EXPENSES BY NATURAL CLASSIFICATION

The College's operating expenses by natural classification for the fiscal years ended June 30, 2022 and 2021, are presented as follows:

	2022	2021
Salaries:		
Faculty	$ 9,094,860.17	$ 10,073,785.88
Other	14,308,866.04	13,978,173.53
Benefits	7,588,948.15	10,711,987.80
Travel and Transportation	239,747.25	118,420.08
Information and Communication	1,010,154.98	1,113,283.55
Materials and Supplies	1,895,145.49	1,346,841.60
Occupancy and Maintenance	3,099,467.74	2,974,475.52
Miscellaneous	15,864,600.14	9,439,377.66
Auxiliary Enterprises	1,390,907.82	1,976,056.07
Depreciation	4,669,291.78	4,705,537.92
	$ 59,161,989.56	$ 56,437,939.61

Note 12: RISK MANAGEMENT

The College is a member of the Burlington County Insurance Commission. The Commission provides its members with the following coverage:

Worker's Compensation and Employer's Liability
General Liability
Auto Liability, Auto Physical Damage
Property
Employee Dishonesty

Contributions to the Commission, including a reserve for contingencies, are based on actuarial assumptions determined by the Commission's actuary. The Commission may order additional assessments to supplement the Commission's claim, loss retention or administrative accounts to assure the payment of the Commission's obligations.

The Commission purchases excess insurance for coverage in excess of the Commission's self-insured retention limits.

The Commission publishes its own financial report for the year ended December 31, 2021, which can be obtained from:

Burlington County Insurance Commission
9 Campus Drive, Suite 216
Parsippany, NJ 07054

Note 12: RISK MANAGEMENT (CONT'D)

New Jersey Unemployment Compensation Insurance - The College has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the College 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 College is billed quarterly for amounts due to the State.

The following is a summary of the activity of the College's unemployment claims for the current and previous fiscal years:

Fiscal Year Ended	Employee Withholdings	Interest Income	Claims Incurred	Other Reduction	Ending Balance
2022	$ 119,291.28	$ 2.66	$ -	$ -	$ 795,837.58
2021	122,564.07	0.06	52,806.49	-	676,543.64
2020	135,439.06	21.13	89,273.83	-	606,786.00

Note 13: AUXILIARY OPERATIONS – BOOKSTORE

On May 10, 2016, the College contracted with a Follett Higher Education Group for the operation of the official Campus Store (Bookstore). The contract took effect July 1, 2016, and continues until June 30, 2021, with an option to renew for an additional five years. On May 19, 2021 the College renewed the contract for an additional five years ending on June 30, 2026. Under the contract Follett Higher Education Group has agreed to pay commission to the College in annual amounts equal to the sum of:

14.5% of all Net Revenue up to $5,000,000.00; plus
15.5 % of any part of Net Revenue over $5,000,000.00, but less than $7,000,000; plus
16.5% of any part of Net Revenue over $7,000,000.00
Additionally, Follet will pay 14.5% of all Net Revenue of digital course materials.

Note 14: COMMITMENTS

Computer Center Operations - The College entered into an agreement with Ellucian Inc., to provide support of management and operations of its computer center. The agreement commenced July 1, 2018 and extends through June 30, 2023. There is a termination clause within the contract that allows each party to terminate the contract for the failure by a party to timely perform any material obligation under the agreement. The College is required to make the following payments per the terms of the contract:

Fiscal Year Ending	Annual Payment
2023	$ 1,351,982.00

Capital Construction - The College has committed to expend the following amounts for capital projects:

Project Commenced	Project Description	Project Total Amount	Balance Remaining June 30, 2022
2019-2020	Mt. Laurel Campus Improvements	$ 2,000,000.00	$ 993,173.43

Note 15: 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. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the College expects such amount, if any, to be immaterial.

Litigation - Correspondence from the College's Solicitor indicated no pending or threatened litigation claims, contingent liabilities, unasserted claims, assessments, or statutory violations involving the College, which might materially affect its financial position or results of operations.

Note 16: CONCENTRATIONS

The College 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 College is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 17: IMPACT OF COVID-19

During the fiscal years ended June 30, 2022, 2021 and 2020, the College was awarded the following by the Federal Government in response to the COVID-19 pandemic:

	Amount Awarded	Total Amount Expended June 30, 2020 and 2021	Total Amount Expended June 30, 2022	Total Amount Expended Through June 30, 2022	Balance Remaining
Coronavirus Relief Fund (CRF):					
Passed Through N.J. Office of the Secretary of Higher Education (OSHE):					
CRF Grant - Round I (COVID-19)	$ 1,406,784.00	$ 1,406,784.00	$ -	$ 1,406,784.00	$ -
CRF Grant - Round II (COVID-19)	1,352,305.79	1,352,305.79	-	1,352,305.79	-
Passed Through State of N.J. Department of Labor and Workforce Development:					
Coronavirus Relief Fund (CRF) - Workforce Training & Reskilling	33,315.00	33,315.00	-	33,315.00	-
Total Coronavirus Relief Fund (CRF)	2,792,404.79	2,792,404.79	-	2,792,404.79	-
Education Stabilization Fund (ESF):					
Coronavirus Aid, Relief, and Economic Security Act (CARES Act):					
ESF Section 1 - Elementary and Secondary Education:					
Passed Through N.J. Office of the Secretary of Higher Education (OSHE):					
Governor's Emergency Education Relief (GEER I) Fund (COVID-19)	821,512.00	634,305.82	187,206.18	821,512.00	-
Governor's Emergency Education Relief (GEER II) Fund (COVID-19)	1,000,000.00	-	135,881.09	135,881.09	864,118.91
	1,821,512.00	634,305.82	323,087.27	957,393.09	864,118.91
ESF Section 2 - Higher Education:					
Higher Education Emergency Relief Fund (HEERF I):					
Student Aid Portion (COVID-19)	1,875,158.00	1,875,158.00	-	1,875,158.00	-
Institutional Award (COVID-19)	1,875,158.00	1,875,158.00	-	1,875,158.00	-
Strengthening Institutional Programs (COVID-19)	187,982.00	187,982.00	-	187,982.00	-
Total CARES Act (HEERF I)	3,938,298.00	3,938,298.00	-	3,938,298.00	-
Coronavirus Response and Relief Supplemtal Appropriation Act (CRRSAA):					
ESF Section 2 - Higher Education:					
Higher Education Emergency Relief Fund (HEERF II):					
Student Aid Portion Supplemental (COVID-19)	1,875,158.00	1,460,500.00	414,658.00	1,875,158.00	-
Institutional Award Supplemental (COVID-19)	6,980,296.00	6,853,646.09	126,649.91	6,980,296.00	-
Strengthening Institutional Programs Supplemental (COVID-19)	372,168.00	55,529.20	313,560.66	369,089.86	3,078.14
Total CRRSSA (HEERF II)	9,227,622.00	8,369,675.29	854,868.57	9,224,543.86	3,078.14
American Rescue Plan Act (ARP):					
ESF Section 2 - Higher Education:					
Higher Education Emergency Relief Fund (HEERF III):					
Student Aid Portion Supplemental (COVID-19)	8,985,021.00	-	8,122,552.00	8,122,552.00	862,469.00
Institutional Award Supplemental (COVID-19)	8,985,020.00	-	6,689,435.26	6,689,435.26	2,295,584.74
Strengthening Institutional Programs Supplemental (COVID-19)	798,250.00	-	99,926.96	99,926.96	698,323.04
Total ARP (HEERF III)	18,768,291.00	-	14,911,914.22	14,911,914.22	3,856,376.78
Total Education Stabilization Fund	33,755,723.00	12,942,279.11	16,089,870.06	29,032,149.17	4,723,573.83
Grand Total	$ 36,548,127.79	$ 15,734,683.90	$ 16,089,870.06	$ 31,824,553.96	$ 4,723,573.83

The College expects to expend the remainder of these funds during the fiscal year ended June 30, 2023.

Note 18: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES

The significant disclosures of the discretely presented component unit, Rowan College at Burlington County Foundation, are as follows:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities - Rowan College at Burlington County Foundation (the Foundation) is a New Jersey nonprofit corporation organized in March 1973. The purposes of the Foundation is to receive, hold, encourage, and solicit contributions from the general public for the benefit of Rowan College at Burlington County (the College). The Foundation's efforts benefit the College in the development and construction of physical facilities on campus; in the undertaking of projects which foster and promote educational philosophy, mission and goals of the College; in providing funds for the development of curriculum and education media; and in the creation of scholarships.

During the fiscal year ended June 30, 2019, the Foundation legally changed its name from Burlington County College Foundation to Rowan College at Burlington County Foundation.

Although the Foundation is a legally separate, non-for-profit organization, because of the significance of its operational and financial relationships with the College it is considered a component unit of the College. All of the Foundation's services fall under one program, providing support for the College's students.

The Foundation is governed by an independent, twenty-five-member volunteer board of trustees, with additional honorary trustees, as approved.

Basis of Accounting - The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Cash and Cash Equivalents - The Foundation considers all highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents. The Foundation places its cash and cash equivalents on deposit with financial institutions in the United States and include checking, savings and money market accounts.

Investments - The Foundation reports all investments in marketable securities with readily determinable fair values and all investments in debt securities at fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Certificates of Deposit with original maturities in excess of ninety days held for investment that are not debt securities are included in Investments. Cash Equivalents held within the Foundations investment portfolio are deemed to be held for the purchase of securities and have been classified as investments.

Income Taxes - The Foundation claims exemption from federal and state income taxes under section 501(c) (3) of the Internal Revenue Code and, accordingly, does not record a provision for income taxes on related income. The Foundation is eligible to receive a charitable contribution deduction under Section 170(b)(1)(A) and is classified as an organization other than a private foundation under Section 509(a)(2). The Foundation regularly reviews and evaluates its tax positions taken in previously filed information returns and as reflected in its financial statements, with regard to issues affecting its tax exempt status, unrelated business income, and related matters. The Foundation believes that in the event of an examination by taxing authorities, the Foundation's positions would prevail based upon the technical merits of such positions. Therefore, the Foundation has concluded that no tax benefits or liabilities are required to be recognized in accordance with the new requirements.

Note 18: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONT'D)

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fair Value Measurement - The Foundation follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B. CONCENTRATION OF CREDIT RISK FOR CASH AND INVESTMENTS

The Foundation maintains cash balances in their banking institutions, which are insured by the Federal Deposit Insurance Corporation (F.D.I.C) up to $250,000.00 per institution. At June 30, 2022, $772,578.23 of the Foundation's bank balances were covered by the F.D.I.C., and the remaining $631,142.43 were uninsured. At June 30, 2021, $707,534.06 of the Foundation's bank balances were covered by the F.D.I.C., and the remaining $581,051.23 were uninsured.

C. INVESTMENTS

Investments, stated at fair value, are composed of the following as of June 30, 2022 and 2021, respectively:

	2022	2021
Cash and Fixed Income:		
Certificates of Deposit	$ -	$ 135,311.71
Cash Equivalents	30,957.99	26,430.28
US Fixed Income	258,014.72	315,146.89
Non-US Fixed Income	342,376.61	348,195.86
Global Fixed Income	276,851.03	253,760.97
Public Traded Equities:		
U.S. Large CAP Equity	865,011.46	953,405.89
Europe, Australasia, Far East (EAFE) Equity	234,169.69	248,709.03
European Large CAP Equity	39,997.44	97,870.47
Japanese Large CAP Equity	56,674.02	92,756.58
Asia ex-Japan Equity	44,256.32	47,820.28
Emerging Markets Equity	-	49,103.67
US Corporate Stocks	2,970.30	2,266.36
Total	$ 2,151,279.58	$ 2,570,777.99

Note 18: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONT'D)

C. INVESTMENTS (CONT'D)

The following summarizes the investment returns as of June 30, 2022 and 2021, respectively:

	2022	2021
Interest and Dividends	$ 4,353.17	$ 8,067.58
Investment Fees	(18,364.83)	(10,598.40)
Net Realized and Unrealized Gains (Losses)	(265,821.87)	321,650.05
Net Investment Return	$ (279,833.53)	$ 319,119.23

D. FAIR VALUE MEASUREMENT

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, "Fair Value Measurements and Disclosures", established a hierarchy for inputs used in measuring fair value that maximized the use of observable inputs and minimized the use of unobservable inputs, requiring that inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace as the Foundation would use in pricing the Foundation's assets or liability based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of the Foundation are traded. The Foundation estimates the price of any assets for which there are only unobservable inputs by using assumptions that market participants that have investments in the same or similar assets would use as determined by the money managers for each investment based on best information available in the circumstances. The input hierarchy is broken down into three levels base on the degree to which the exit price is independently observable or determinable as follows:

Level 1 - Valuation based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2 - Valuation based on quoted market prices of investments that are not actively traded or for which certain significant inputs are observable, either directly or indirectly.

Level 3 - Valuation based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

The assets fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Any transfer between fair value hierarchy levels is recognized by the Foundation at the end of each reporting period.

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis. There have been no changes to the methodologies used at June 30, 2022 and 2021.

- Certificates of Deposit – Valued at amortized costs which approximates fair value.
- Cash Equivalents, Fixed Income Securities, Publicly Traded Equities and Corporate Stocks – Valued at quoted market prices in active markets on which individual securities are traded.

Note 18: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONT'D)

D. FAIR VALUE MEASUREMENT (CONT'D)

Fair Value on a Recurring Basis - The following tables below present the fair value of financial instruments as measured on a recurring basis as of June 30, 2022 and 2021:

		June 30, 2022		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Cash and Fixed Income:				
Cash Equivalents	$ 30,957.99	$ 30,957.99	$ -	$ -
US Fixed Income	258,014.72	258,014.72		
Non-US Fixed Income	342,376.61	342,376.61		
Global Fixed Income	276,851.03	276,851.03		
Public Traded Funds:				
U.S. Large CAP Equity	865,011.46	865,011.46		
Europe, Australasia, Far East (EAFE) Equity	234,169.69	234,169.69		
European Large CAP Equity	39,997.44	39,997.44		
Japanese Large CAP Equity	56,674.02	56,674.02		
Asia ex-Japan Equity	44,256.32	44,256.32		
US Corporate Stocks	2,970.30	2,970.30		
Total	$ 2,151,279.58	$ 2,151,279.58	$ -	$ -

		June 30, 2021		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Cash and Fixed Income:				
Certificates of Deposit	$ 135,311.71	$ -	$ 135,311.71	$ -
Cash Equivalents	26,430.28	26,430.28		
US Fixed Income	315,146.89	315,146.89		
Non-US Fixed Income	348,195.86	348,195.86		
Global Fixed Income	253,760.97	253,760.97		
Public Traded Funds:				
U.S. Large CAP Equity	953,405.89	953,405.89		
Europe, Australasia, Far East (EAFE) Equity	248,709.03	248,709.03		
European Large CAP Equity	97,870.47	97,870.47		
Japanese Large CAP Equity	92,756.58	92,756.58		
Asia ex-Japan Equity	47,820.28	47,820.28		
Emerging Markets Equity	49,103.67	49,103.67		
US Corporate Stocks	2,266.36	2,266.36		
Total	$ 2,570,777.99	$ 2,435,466.28	$ 135,311.71	$ -

Note 18: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONT'D)

E. NET ASSETS

Net assets with donor restrictions were as follows for the years ended June 30, 2022 and 2021:

	2022	2021
Purpose Restrictions:		
Scholarships	$ 736,337.85	$ 1,049,383.11
Other	588,061.48	587,291.66
Total Purpose Restrictions	1,324,399.33	1,636,674.77
Perpetual in Nature:		
Endowments	1,745,663.10	1,753,153.10
Total Net Assets with Donor Restrictions	$ 3,070,062.43	$ 3,389,827.87

REQUIRED SUPPLEMENTARY INFORMATION

PART II

ROWAN COLLEGE AT BURLINGTON COUNTY
Required Supplementary Information - Part II
Schedule of the College's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Nine Plan Years

	Plan Measurement Date Ending June 30,				
	2021	**2020**	**2019**	**2018**	**2017**
College's Proportion of the Net Pension Liability	0.107876825%	0.108927417%	0.124131104%	0.1245567255%	0.1231930458%
College's Proportionate Share of the Net Pension Liability	$ 12,779,627.00	$ 17,763,213.00	$ 22,366,542.00	$ 24,524,598.00	$ 28,677,372.00
College's Covered Payroll (Plan Measurement Date)	$ 7,891,272.00	$ 7,829,728.00	$ 8,725,840.00	$ 8,772,236.00	$ 8,555,456.00
College's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	161.95%	226.87%	256.33%	279.57%	335.19%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	52.67%	53.60%	48.10%

	Plan Measurement Date Ending June 30,			
	2016	**2015**	**2014**	**2013**
College's Proportion of the Net Pension Liability	0.1246936977%	0.1276914492%	0.1248674199%	0.1270873202%
College's Proportionate Share of the Net Pension Liability	$ 36,930,697.00	$ 28,664,172.00	$ 23,378,596.00	$ 24,288,912.00
College's Covered Payroll (Plan Measurement Date)	$ 8,776,328.00	$ 9,036,604.00	$ 8,686,016.00	$ 8,985,688.00
College's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	420.80%	317.20%	269.15%	270.31%
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.

ROWAN COLLEGE AT BURLINGTON COUNTY
Required Supplementary Information - Part II
Schedule of the College's Contributions
Public Employees' Retirement System (PERS)
Last Nine Fiscal Years

	Fiscal Year Ended June 30,				
	2022	**2021**	**2020**	**2019**	**2018**
Contractually Required Contribution	$ 1,166,984.00	$ 1,263,363.00	$ 1,191,612.00	$ 1,207,430.00	$ 1,238,937.00
Contributions in Relation to the Contractually Required Contribution	(1,166,984.00)	(1,263,363.00)	(1,191,612.00)	(1,207,430.00)	(1,238,937.00)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
College's Covered Payroll (Fiscal Year)	$ 6,814,495.00	$ 7,199,902.00	$ 7,839,164.00	$ 8,238,415.00	$ 8,549,213.00
Contributions as a Percentage of College's Covered Payroll	17.13%	17.55%	15.20%	14.66%	14.49%

	Fiscal Year Ended June 30,			
	2017	**2016**	**2015**	**2014**
Contractually Required Contribution	$ 1,141,252.00	$ 1,107,761.00	$ 1,097,804.00	$ 1,029,389.00
Contributions in Relation to the Contractually Required Contribution	(1,727,098.00)	(1,107,761.00)	(1,097,804.00)	(1,029,389.00)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
College's Covered Payroll (Fiscal Year)	$ 8,543,407.00	$ 8,385,309.00	$ 8,529,079.00	$ 8,774,209.00
Contributions as a Percentage of College's Covered Payroll	13.36%	13.21%	12.87%	11.73%

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.

ROWAN COLLEGE AT BURLINGTON COUNTY
Required Supplementary Information - Part II
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

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:

Year	Rate	Year	Rate
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:

Year	Rate	Year	Rate
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 III

ROWAN COLLEGE AT BURLINGTON COUNTY
Required Supplementary Information - Part III
Schedule of Changes in the College's Total OPEB Liability and Related Ratios
Last Five Plan Years

	Measurement Date Ending June 30,				
	2021	**2020**	**2019**	**2018**	**2017**
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the College					
Changes for the Year:					
Service Cost	$ 4,180,933.00	$ 2,531,553.00	$ 2,435,994.00	$ 4,802,691.00	$ 5,725,603.00
Interest Cost	1,653,647.00	1,770,359.00	2,135,713.00	2,675,675.00	2,248,951.00
Change in Benefit Terms	(67,850.00)	-	-	-	-
Difference Between Expected and Actual Experience	(17,224,379.00)	10,743,918.00	(8,626,570.00)	(17,114,494.00)	-
Changes in Assumptions	62,891.00	13,955,916.00	725,964.00	(6,135,797.00)	(9,745,319.00)
Gross Benefit Payments	42,276.00	40,315.00	(1,494,621.00)	(1,429,733.00)	(1,635,730.00)
Member Contributions	(1,302,611.00)	(1,330,086.00)	44,305.00	49,414.00	60,232.00
Net Change in Total Non-Employer OPEB Liability	(12,655,093.00)	27,711,975.00	(4,779,215.00)	(17,152,244.00)	(3,346,263.00)
Total Non-Employer OPEB Liability - Beginning of Fiscal Year	76,401,428.00	48,689,453.00	53,468,668.00	70,620,912.00	73,967,175.00
Total Non-Employer OPEB Liability - End of Fiscal Year	$ 63,746,335.00	$ 76,401,428.00	$ 48,689,453.00	$ 53,468,668.00	$ 70,620,912.00
College's Covered Payroll (Plan Measurement Period)	$ 12,402,344.50	$ 7,839,164.00	$ 14,180,780.13	$ 13,635,318.43	$ 13,629,516.32
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the College as a Percentage of Covered Payroll	513.99%	974.61%	343.35%	392.13%	518.15%

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.

ROWAN COLLEGE AT BURLINGTON COUNTY
Required Supplementary Information - Part III
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

Changes of 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 of Assumptions

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

Year	Rate	Year	Rate
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%.

SINGLE AUDIT SECTION

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

Board of Trustees
Rowan College at Burlington County
Mount Laurel, New Jersey 08054

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited ***Rowan College at Burlington County's*** (*the "College"*), 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 College's major federal and state programs for the fiscal year ended June 30, 2022. The College'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, ***Rowan College at Burlington County*** 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; 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 the audit requirements of 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 College 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 College'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 College's federal and state programs.

601 White Horse Road | Voorhees, NJ 08043 | P 856.435.6200 | F 856.435.0440 | www.bowman.cpa

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 College'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*; 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 College'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 College'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 College'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 College'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 a 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.

Report on Internal Control Over Compliance (Cont'd)

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

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
March 1, 2023

ROWAN COLLEGE AT BURLINGTON COUNTY
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/Program Title/Cluster Title	Federal Assistance Listing Number	Additional Award Identification	Pass Through Entity Identifying Number	FY 2022 Expenditures	Passed Through to Subrecipients
U.S. Department of Labor:					
H-1B Job Training Grants:					
Passed Through Bergen Community College:					
NJ Healthworks Grant	17.268	N/A	HG-33026-19-60-A-34	$ 188,458.12	$ -
WIOA National Dislocated Workers Grants:					
Passed Through N.J. Department of Labor and Workforce Development:					
Dislocated Workers Grant	17.277	COVID-19	DWG-2021-001	26,160.60	-
Total U.S. Department of Labor				214,618.72	-
National Endowment for the Humanities (NEH)					
Promotion of the Humanities - Federal/State Partnership:					
Passed Through New Jersey Council for the Humanities:					
Smithsonian's Museum on Main Street Voices and Votes	45.129	N/A	NJCH	7,500.00	-
U.S. Department of Education:					
Student Financial Aid Cluster (Direct Funding):					
Federal Supplemental Educational Opportunity Grants	84.007	N/A	N/A	254,632.34	
Federal Work-Study Program	84.033	N/A	N/A	125,000.00	
Federal Pell Grant Program	84.063	N/A	N/A	7,937,420.04	
Federal Direct Student Loans	84.268	N/A	N/A	3,265,980.51	
Total Student Financial Aid Cluster				11,583,032.89	-
Undergraduate International Studies and Foreign Language Programs Passed Through Rowan University	84.016	N/A	P016A200031	33,759.12	-
Higher Education Institutional Aid (Direct Funding)	84.031	84.031A	N/A	346,441.60	-

(Continued)

ROWAN COLLEGE AT BURLINGTON COUNTY
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/Program Title/Cluster Title	Federal Assistance Listing Number	Additional Award Identification	Pass Through Entity Identifying Number	FY 2022 Expenditures	Passed Through to Subrecipients
U.S. Department of Education (Continued):					
Education Stabilization Fund (ESF):					
Coronavirus Aid, Relief, and Economic Security Act (CARES Act):					
ESF Section 1 - Elementary and Secondary Education:					
Passed Through N.J. Office of the Secretary of Higher Education (OSHE):					
Governor's Emergency Education Relief (GEER I) Fund	84.425	COVID-19, 84.425C	N/A	$ 187,206.18	$ -
Governor's Emergency Education Relief (GEER II) Fund	84.425	COVID-19, 84.425C	N/A	135,881.09	
				323,087.27	-
Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA):					
ESF Section 2 - Higher Education:					
Higher Education Emergency Relief Fund (HEERF II) (Direct Funding):					
Student Aid Portion	84.425	COVID-19, 84.425E	N/A	414,658.00	
Institutional Award	84.425	COVID-19, 84.425F	N/A	126,649.91	
Strengthening Institutional Programs	84.425	COVID-19, 84.425M	N/A	313,560.66	
Total CRRSAA (HEERF II)				854,868.57	-
American Rescue Plan Act (ARP):					
ESF Section 2 - Higher Education:					
Higher Education Emergency Relief Fund (HEERF III):					
Student Aid Portion Supplemental (COVID-19)	84.425	COVID-19, 84.425E	N/A	8,122,552.00	
Institutional Award Supplemental (COVID-19)	84.425	COVID-19, 84.425F	N/A	6,689,435.26	
Strengthening Institutional Programs Supplemental (COVID-19)	84.425	COVID-19, 84.425M	N/A	99,926.96	
Total ARP (HEERF III)				14,911,914.22	-
Education Stabilization Fund				16,089,870.06	-
Career and Technical Education - Basic Grants:					
Passed Through State of N.J. Department of Education:					
Carl D. Perkins Vocational and Applied Technology Act	84.048	N/A	05-7116-035	475,312.61	-

(Continued)

Schedule A

ROWAN COLLEGE AT BURLINGTON COUNTY
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/Program Title/Cluster Title	Federal Assistance Listing Number	Additional Award Identification	Pass Through Entity Identifying Number	FY 2022 Expenditures	Passed Through to Subrecipients
U.S. Department of Education (Continued):					
Adult Education - Basic Grants to States:					
Passed Through State of N.J. Department of Labor and Workforce Development:					
Adult Education and Family Literacy:					
Adult Basic Skills	84.002	N/A	ABS-FY2022-002	$ 338,307.71	$ 145,398.19
English Literacy and Civics	84.002	N/A	ABS-FY2022-002	92,590.63	91,470.63
Total Adult Education - Basic Grants to States				430,898.34	236,868.82
Total U.S. Department of Education				28,959,314.62	236,868.82
U.S. Department of Health and Human Services:					
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers:					
Passed Through County of Burlington:					
Money Management Program	93.044	N/A	DOAS21AAA021	2,209.80	
Medicare Enrollment Assistance Program:					
Passed Through State of N.J. Department of Human Services:					
Medicare Beneficiary Outreach and Assistance Program	93.071	N/A	DOAS20MPA004	7,108.74	
State Health Insurance Assistance Program:					
Passed Through State of N.J. Department of Human Services:					
State Health Insurance Assistance Program	93.324	N/A	DOAS21SHF014	24,949.41	
Opioid STR:					
Passed Through State of N.J. Department of Human Services:					
Alternative Approaches to Pain Management for Older Adults	93.788	N/A	22-833-ADA	60,183.51	
Total U.S. Department of Health and Human Services				94,451.46	-
Total Federal Awards				$ 29,275,884.80	$ 236,868.82

The accompanying notes to the financial statements and notes to the schedules of expenditures of federal awards and state financial assistance are an integral part of this schedule.

Schedule B

ROWAN COLLEGE AT BURLINGTON COUNTY
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2022

State Grantor/Program Title	State GMIS Number	Program or Award Amount	Matching Contribution	Program Funds Received	Grant Period From	Grant Period To	FY 2022 Expenditures	Passed Through to Subrecipients	Cumulative Expenditures
Student Financial Aid:									
N.J. Office of the Secretary of Higher Education:									
Educational Opportunities Fund - Article III	100-074-2401-001	$ 139,100.00	$ -	$ 59,217.00	07/01/21	06/30/22	$ 57,773.00	$ -	$ 57,773.00
Educational Opportunities Fund - Article III Summer	100-074-2401-001	37,204.00			07/01/21	06/30/22	17,895.50		17,895.50
Educational Opportunities Fund - Article III Summer	100-074-2401-001	40,031.00		13,321.26	07/01/20	06/30/21	15,021.39		15,021.39
N.J. Higher Education Student Assistance Authority:									
New Jersey Stars Program	100-074-2405-313	543,727.00		545,797.00	07/01/21	06/30/22	543,727.00		543,727.00
New Jersey Stars Program	100-074-2405-313	628,533.00		897.00	07/01/20	06/30/21	-		628,533.00
Tuition Aid Grants	100-074-2405-007	1,317,102.00		1,297,059.00	07/01/21	06/30/22	1,317,102.00		1,317,102.00
Tuition Aid Grants	100-074-2405-007	1,561,809.00		1,610.00	07/01/20	06/30/21	(348.00)		1,561,461.00
Community College Opportunity Grant	100-074-2405-332	1,457,182.00		1,478,379.00	07/01/21	06/30/22	1,457,182.00		1,457,182.00
Community College Opportunity Grant	100-074-2405-332	1,616,163.00		90,757.00	07/01/20	06/30/21	(3,545.00)		1,616,163.00
NJ Best Grants	100-074-2405-316	10,000.00		10,000.00	07/01/21	06/30/22	2,500.00		2,500.00
NJ Class Loans	Unknown	65,874.57		57,643.22	07/01/21	06/30/22	65,874.57		65,874.57
Total Student Financial Aid							3,473,182.46	-	7,283,232.46
N.J. Office of the Secretary of Higher Education:									
College Readiness Now Grant (V)	100-074-2400-055	55,667.00			07/01/21	06/30/22	47,342.00	-	47,342.00
Educational Opportunity Fund - Article IV Special Project	100-074-2401-002	9,500.00			01/01/22	06/30/22	8,653.53		8,653.53
Educational Opportunity Fund - Article IV Special Project	100-074-2401-002	145,284.00	145,284.00	145,284.00	07/01/21	06/30/22	135,887.73		135,887.73
Educational Opportunity Fund - Article IV Special Project	100-074-2401-002	109,002.00	109,002.00		07/01/20	06/30/21	40.76		78,462.29
							144,582.02	-	223,003.55
Community College Opportunity Grant	100-074-2400-061	265,000.00		264,836.97	07/01/21	06/30/22	259,107.20		259,107.20
Community College Opportunity Grant	100-074-2400-061	265,000.00			10/01/20	06/30/21	36,065.20		256,668.55
							295,172.40	-	515,775.75
Total N.J. Office of the Secretary of Higher Education							487,096.42	-	786,121.30
N.J. Department of Labor and Workforce Development:									
Women and Minorities in Construction 2020 - Round 1	100-062-4545-008	51,849.00		2,632.00	02/01/20	01/31/21	1,986.37	-	48,248.00
N.J. Department of Treasury - Higher Education Administration:									
Operational Costs - County Colleges	100-082-2155-015	9,091,215.00		8,330,297.98	07/01/21	06/30/22	9,091,215.00	-	9,091,215.00
P.L. 1971, Chapter 12 Debt Service	100-082-2155-016	1,750,000.00		-	07/01/21	06/30/22	1,750,000.00	-	1,750,000.00
Employer Contributions - Alternate Benefit Program - FT Faculty	100-082-2155-017	453,761.47		367,325.57	07/01/21	06/30/22	453,761.47		453,761.47
Employer Contributions - Alternate Benefit Program - Adjunct	100-082-2155-017	225,432.66		-	07/01/21	06/30/22	225,432.66		225,432.66
Employer Contributions - Alternate Benefit Program - Eligible Employees Enrolled in PERS	100-082-2155-017	112,978.12		-	07/01/21	06/30/22	112,978.12		112,978.12
Total Employer Contributions - Alternate Benefit Program							792,172.25	-	792,172.25
Total N.J. Department of the Treasury - Higher Education Administration							11,633,387.25	-	11,633,387.25
Total State Financial Assistance							$ 15,595,652.50	$ -	$ 19,750,989.01

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 Rowan College at Burlington County (hereafter referred to as the "College"). The College is defined in note 1 to the College'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 College, it is not intended to and does not present the financial position and changes in operations of the College. Accordingly, some amounts presented in the respective schedules may differ from amounts presented in, or used in the preparation of, the College's June 30, 2022 financial statements.

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

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the accrual basis of accounting as described in note 1 to the College'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 College has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

Note 4: **OTHER STUDENT LOAN PROGRAMS**

The College is responsible only for the performance of certain administrative duties with respect to Federal Direct Student Loans and New Jersey Class Loans; accordingly, these loans balances are not included in the College's basic financial statements. It is not practical to determine the balance of loans outstanding to students of the College under these programs as of June 30, 2022.

Note 5: **DONATED PERSONAL PROTECTIVE EQUIPMENT (PPE)**

The College has not received any donations of Personal Protective Equipment (PPE) related to COVID-19.

Note 6: **MAJOR PROGRAMS**

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

ROWAN COLLEGE AT BURLINGTON COUNTY
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:

Assistance Listing Number(s)	Name of Federal Program or Cluster
	Student Financial Aid Cluster:
84.007	Federal Supplemental Educational Opportunity Grant
84.033	Federal Work Study Program
84.063	Federal Pell Program
84.268	Federal Direct Student Loans
	Education Stabilization Fund:
84.425C	Governor's Emergency Education Relief (GEER) Fund (COVID-19)
	Higher Education Emergency Relief Fund:
84.425E	Student Aid Portion (COVID-19)
84.425F	Institutional Portion (COVID-19)
84.425M	Strengthening Institutions Programs (COVID-19)

Dollar threshold used to determine Type A programs	$ 878,277.00
Auditee qualified as low-risk auditee?	_X_ yes ____ no

(Continued)

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
100-074-2400-061	**Community College Opportunity Grant**
100-082-2155-015	**Operational Costs - County College**
100-082-2155-016	**P.L. 1971, Chapter 12 Debt Service**

Dollar threshold used to determine Type A programs	$ 750,000.00
Auditee qualified as low-risk auditee?	__X__ yes ____ no

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 requires*.

There are no current year findings.

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).

There are no current year findings.

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.

There are no current year findings.

ROWAN COLLEGE AT BURLINGTON COUNTY
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

There were no prior year findings.

FEDERAL AWARDS

There were no prior year findings.

STATE FINANCIAL ASSISTANCE PROGRAMS

There were no prior year findings.

APPRECIATION

We received the complete cooperation of all of the officials of Rowan College at Burlington County, and we greatly appreciate the courtesies extended to us.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants