

CAMDEN COUNTY COLLEGE
REPORT OF AUDIT
WITH SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2010



CAMDEN COUNTY COLLEGE
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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Trustees
Camden County College
Blackwood, New Jersey 08012

We have audited the accompanying basic financial statements of the business type activities and the discretely presented component unit of Camden County College (the College), State of New Jersey, a component unit of the County of Camden, State of New Jersey, as of and for the fiscal years ended June 30, 2010 and 2009, which collectively comprise the College's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Department of Treasury, State of New Jersey. The financial statements of Camden County College Foundation (a 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based upon our audits, the basic financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of Camden County College, State of New Jersey, and the discretely presented component unit, as of June 30, 2010 and 2009, and the respective changes in financial position and cash flows for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 28, 2011, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in assessing the results of our audit.

The accompanying management's discussion and analysis (MD&A) as listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the College. The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and are not a required part of the basic financial statements. In addition, supplemental schedules 1 through 9, as listed in the table of contents, are also presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subject to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial taken as a whole.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Woodbury, New Jersey
March 28, 2011

**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**

To the Members of the Board of Trustees
Camden County College
Blackwood, New Jersey 08012

We have audited the accompanying basic financial statements of the business-type activities and the discretely presented component unit of Camden County College, State of New Jersey, a component unit of the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2010 and have issued our report thereon dated March 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Department of Treasury, State of New Jersey. The financial statements of the discretely presented component unit (Camden County College 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the College's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the College's financial statements will not be prevented, or detected and corrected on a timely basis.

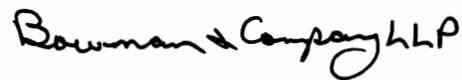
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the board of trustees and management of the College, the Department of Treasury, State of New Jersey, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink that reads "Bowman & Company LLP". The signature is written in a cursive, flowing style.

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Woodbury, New Jersey
March 28, 2011

REQUIRED SUPPLEMENTARY INFORMATION



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)**

This discussion and analysis of Camden County College's financial performance provides an overall review of the College's financial activities for the fiscal year ended June 30, 2010. The intent of this review is to look at the College's financial performance as a whole; readers should also review the financial statements and the notes to the financial statements to enhance their understanding of the College's financial performance.

This narrative explaining Management's review and analysis of the June 30, 2010 statements is divided into the following five parts:

- An overview of all of the College's financial statements and notes included in this report.
- An analysis of the College's Statement of Net Assets.
- An analysis of the College's Statement of Revenues, Expenditures and Changes in Net Assets.
- A review of factors that will effect the College's future financial statements.
- An analysis of the College Foundation's financial activity.

Overview of the Financial Statements

The first section of the report contains management's discussion and analysis, the basic financial statements and the accompanying note disclosures. For FY2010, the College included comparative data for FY2009 and FY2008 in the Notes to the Financial Statements. The following three financial statements are prescribed by the Governmental Accounting Standards Board (GASB): the Statement of Net Assets; the Statement of Revenues, Expenses and Changes in Net Assets; and the Statement of Cash Flows. These statements demonstrate the net value of assets and the results of operations on a college-wide basis. These statements also include the most recent audited financial statements for the Camden County College Foundation as a component unit in accordance with GASB 39.

The supplementary information section contains statements and schedules consistent with the presentation from previous years before the implementation of GASB 35. The Balance Sheet, Statement of Changes in Fund Balance and other supplementary information are reported in the traditional fund category. They are informational in their support of the College-wide financial statements. All statements are prepared using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting records all of the current year's revenues and expenses regardless of when cash is received or paid.

Camden County College
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
(Unaudited)

Throughout this analysis, the reader will note the impact of several events:

- Credit student enrollment increased 4.8% to 344,301 during FY2010 and increased 5.4% to 328,484 total credit hours during FY2009. Credit student enrollment increased 1.7% to 311,645 during FY2008. The increases in FY2010 and FY2009 continued the upward trend experienced over the past several years.
- The College continues to experience an increase in accounts receivable from multiple sources including a slowdown in payments from students and governmental entities.

Statement of Net Assets

The Statement of Net Assets includes all assets, liabilities, and net assets of the entire College. Current (available within one year) assets are distinguished from non-current (capital) assets. Liabilities are also distinguished between current (short term) and non-current (long term). As summarized in Table 1, net assets are displayed as:

- Amounts invested in capital assets (net of debt).
- Restricted assets.
- Unrestricted assets.

Table 1: Statement of Net Assets as of June 30
(In Millions)

	2010	2009	2008	10 to 09 Percent Change	09 to 08 Percent Change
<u>Assets</u>					
Current Assets	\$23.34	\$19.33	\$16.09	20.7%	20.1%
Non-Current (Capital) Assets					
Net of Depreciation	92.63	91.54	92.03	1.2%	(0.5%)
Total Assets	115.97	110.87	108.12	4.6%	2.5%
<u>Liabilities</u>					
Current Liabilities	12.61	11.97	11.93	5.3%	0.3%
Non-Current Liabilities	8.69	8.80	8.72	(1.3%)	0.9%
Total Liabilities	21.30	20.77	20.65	2.5%	0.6%
<u>Net Assets</u>					
Investment in Capital Assets	84.76	83.69	84.04	1.3%	(0.4%)
Restricted	3.58	2.19	1.96	63.5%	11.7%
Unrestricted	6.33	4.21	1.46	50.4%	188.4%
Total Net Assets	\$94.67	\$90.09	\$87.46	5.1%	3.0%

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Total Assets, which are composed of current assets and non-current or capital assets, increased in each of the last two years, by 4.6% in FY2010 and 2.5% in FY2009. These increases primarily result from increases in cash and cash equivalents and accounts receivable.

Current assets for FY2010 increased by \$4.01 million (20.7%) resulting from an increase in cash and cash equivalents and accounts receivable. Current assets for FY2009 increased by \$3.24 million (20.1%) resulting from an increase in cash and cash equivalents, an increase in accounts receivable and a decrease in prepaid expenses. The accounts receivable increase was comprised of an increase in County and Federal receivables.

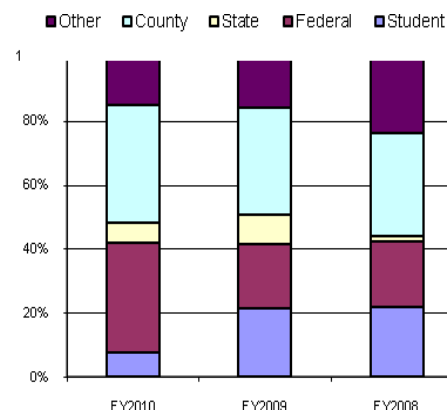
Table 2: Comparison of Current Assets

	2010	2009	2008	10 to 09 Percent Change	09 to 08 Percent Change
Cash & Cash Equivalents	\$11,898,127	\$9,029,033	\$7,249,302	31.8%	24.6%
Accounts Receivable – Net	10,409,218	9,340,719	8,188,146	11.4%	14.1%
Inventories	19,278	19,184	21,386	0.5%	(10.3%)
Prepaid Expenses	1,012,537	942,519	627,869	7.4%	50.1%
Total Current Assets	\$23,339,160	\$19,331,455	\$16,086,704	20.7%	20.2%

Over the examined three-year period, combined cash/cash equivalents and net accounts receivable have remained relatively stable at approximately 94.5% of current assets. The FY2010 increase in accounts receivable reflect an increase in Federal and County receivables, partially offset by a decrease in student receivables for FY1010 due to the placement of delinquent accounts placed in FY2011. The FY2009 accounts receivable reflect an increase in student accounts and other receivables and corresponding increases in Federal, State and County receivables. The county increase for FY2010 was a result of a delay by the College in billing costs associated with the College's construction costs funded by County Bonds. The decline in Other Receivables for FY2009 was a direct result in the decrease of non-credit and other billable accounts receivable. The following table and chart display the remaining components of the fluctuation in accounts receivable.

Table 3: Comparison of Accounts Receivable

	2010	2009	2008	10 to 09 Percent Change	09 to 08 Percent Change
Student	\$785,631	\$1,993,013	\$1,791,884	(60.6%)	11.2%
Federal	3,562,691	1,901,515	1,686,667	87.4%	12.7%
State	664,589	832,924	117,162	(20.2%)	610.9%
County	3,829,275	3,126,440	2,643,218	22.5%	18.3%
Other	1,567,032	1,486,826	1,949,214	5.4%	(23.7%)
Total	\$10,409,218	\$9,340,718	\$8,188,145	11.4%	14.1%



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The amount due from the federal government is primarily for student financial aid. In FY2010, the receivable accounts from the federal government increased by \$1,661,176 (87.4%). For FY2009, the receivable increased \$215,000 (12.7%). The amount due in this receivable at fiscal year-end is dependent on the College's ability to document the draw-downs required to balance the federally funded student financial aid programs.

The State of New Jersey receivable decreased from FY2009 to FY2010 by \$168,335 while this receivable increased from FY2008 to FY2009 by approximately \$716,000 due to the timely receipt of State aid funding during FY2009.

The receivable from Camden County fluctuates over the three year period due to the annual fluctuation in the Board of School Estimates calculation of the College's appropriation. The statutory calculation of the County appropriation has both "up years" and "down years" as the result of a reduction in the County appropriation over a decade ago. As shown in the following table, in "up years" the College will record a receivable for County revenue, and conversely, deferment of County revenue will be recorded in "down" years unless appropriation payments are not received on a timely basis. In FY2008, the College experienced a delay in its receipt of the County appropriation for June 2008 and subsequently recognized a receivable due from the county. During FY2009, the College experienced a delay in its receipt of the County appropriation resulting in the receivable of \$1,364,052. For FY2010, a similar delay existed in the County appropriation receipt.

Table 4: County Aid Fluctuations

	FY2010	FY2009	FY2008
	"Down Year"	"Up Year"	"Down Year"
County Revenue based on Board of School Estimates	\$9,725,814	\$12,251,698	\$9,725,814
Actual County Payments Received	9,624,704	10,887,646	9,516,371
Account Receivable or (Deferred Revenue)	\$101,110	\$1,364,052	\$209,443

In addition to the fluctuating receivable/deferred revenue of the annual County appropriation, there are other County receivables for funded capital projects. Since payment is made on a reimbursement basis, billing cannot occur until the payable is liquidated and the contractors are paid. The receivable for capital projects was \$3,612,585, \$1,762,388, and \$2,370,539 in FY2010, FY2009 and FY2008 respectively.

Receivable accounts classified as "other" include receivables for facility partnerships, customized training programs, and insurance claims. For FY2010, the college experienced an increase in other receivables in the amount of \$80,200 that included reductions in non-credit and credit other accounts receivables. For FY2009, the college experienced a decline in other receivables in the amount of \$462,000. For FY2008, multiple years of our facility partnerships remained outstanding yielding the increase in other receivables.

Concluding the analysis of assets, we need to review the second component: non-current or capital assets. Capital assets have grown by a net amount of \$19.370 million over the four year period covering FY2007 to FY2010. This growth is the result of several significant capital projects: the completion of the College's Conference Center at the Camden City Campus and the construction and renovation of Madison Hall and the Connector Building, the later two being part of Phase I of the Freeholder Initiative.

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The additions to capital assets were partially offset by annual depreciation of approximately \$2.6 million. Consistent with guidance in GASB 35, the College began including depreciation on its financial statements for the year ended June 30, 2002. Prior to FY2005, 41% of the College's assets were non-depreciable. The Conference Center at the Camden City campus received its certificate of occupancy during FY2007 and was placed into service during the same period. As of June 30, 2008, the final certificate of occupancy was not received and therefore, the renovated Madison Hall and Connector Building are still classified as construction in progress.

As shown in Table 5 below, the College had \$92,634,534 invested in land, buildings, furniture, equipment and other assets as of June 30, 2010.

Table 5: Calculation of Capital Asset Balances

	(In Millions)						
	FY 2008 Balance	FY2009 Net Additions	FY2009 Depreciation	FY 2009 Balance	FY2010 Net Additions	FY2010 Depreciation	FY 2010 Balance
Land	\$3.855			\$3.855			\$3.855
Land Improvements	1.050	.177	(.043)	1.184	.177	(.043)	1.318
Buildings	58.455	.221	(1.609)	57.067	.371	(1.618)	55.820
Infrastructure	1.719		(.076)	1.643		(.058)	1.585
Construction in Progress and Bond Issuance Costs	22.972	1.238		24.210	1.909		26.119
Furniture, Equipment and Vehicles	3.463	.458	(.659)	3.262	1.169	(.703)	3.728
Assets Under Capital Leases	.415		(.156)	.259		(.094)	.165
Capitalized Software	0.000			0.000			0.000
Library Books	.097	.011	(.053)	.055	.017	(.028)	.044
Total	\$92.026	\$2.105	(\$2,596)	\$91.535	\$3.643	(\$2,544)	\$92.634

Also displayed in the Statement of Net Assets, summarized in Table 1 are current and non-current liabilities. Total liabilities were \$21.30, \$20.77 and \$20.65 million in FY2010, FY2009 and FY2008 respectively. The division of current and non-current liabilities remained consistent from FY2008 to FY2010.

Current liabilities are composed of payables due within the next fiscal year, the current portion of long-term debt and deferred revenue. Accounts payable were \$4,933,189, \$4,365,569 and \$4,996,473 in FY2010, FY2009 and FY2008 respectively. In all the fiscal years presented in this report, over 25% of these payables are amounts due to contractors based on the College's retainage on construction contracts. Although technically due to various contractors, these funds are generally equal to 10% of the completed work and are withheld until the project is completed satisfactorily. Another 44% of these liabilities represent the College's current liabilities for operations.

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The current portion of long-term debt, the amount of long-term debt due within the next fiscal year, increased by \$15,300 in FY2010 and \$15,000 in FY2009. Camden County holds a mortgage on the facility that is paid from the proceeds of the parking garage operations. The current portion of long-term debt is \$431,500 and \$416,000 for fiscal years 2010 and 2009, respectively.

As previously discussed, the College alternately recognizes a receivable or deferred revenue for its County appropriation. In FY2010 the College recorded a receivable of \$101,110. In FY2009, the College recorded a receivable of \$1,364,052. The College did not recognize any deferred revenue beyond tuition and fees and summer Pell receipts. Deferred tuition and fee revenue, the amount of funds the College recognizes as payments on student registrations for classes in the subsequent fiscal year, increased from FY2009 to FY2010 by \$16,000 and from FY2008 to FY2009 by \$906,000.

Non-current liabilities include the preponderance of accrued compensated absences and the long-term portion of liabilities. As shown in Table 6, total non-current liabilities were relatively constant between the comparative fiscal years.

Table 6: Comparison of Annual Non-Current Liabilities

	2010	2009	2008	10 to 09 Percent Change	09 to 08 Percent Change
Accrued Compensated Sick Leave	\$896,232	\$786,927	\$750,685	13.9%	4.8%
Accrued Compensated Vacation Leave	\$1,695,718	\$1,791,657	\$1,618,456	(5.4%)	10.7%
Capital Leases Payable	\$107,246	\$209,255	\$328,119	(48.7%)	(36.2%)
Camden Technology Center Mortgage	\$5,987,866	\$6,007,673	\$6,027,054	(0.3%)	(0.3%)
Total	\$8,687,062	\$8,795,512	\$8,724,314	(1.2%)	0.8%

The total liability, current and non-current, for compensated absences was \$2,930,402, \$2,832,283 and \$2,601,662 in FY2010, FY2009 and FY2008, respectively. This liability represents full funding of earned but unused vacation time payable at employees' separation as well as funding of estimated earned but unused sick time that would be paid to retiring employees. The annual fluctuations reflect the pattern of individual staff vacation schedules and illnesses. For FY2010, the liabilities for compensated absences increased by 3.5% or \$98,000. For FY2009, the liabilities increased \$231,000 or 8.9%.

Two capital leases are related to energy saving HVAC and lighting equipment. In FY2000, the College entered into a lease for HVAC equipment at the Rohrer Center. The College entered into a second \$865,000 lease for energy efficient equipment at the Blackwood Campus Library in FY2002. The total balance of capital leases payable at June 30, 2010 is \$209,255 (including the current portion of the liability).

Finally, these financial statements record the long-term liability for the County's mortgage on the Camden Technology Center. The construction of the Center was funded from multiple sources: (1) three years of Chapter 12 funding from the State and County; (2) a state appropriation pursuant to the Camden Economic Recovery Act of 2002, and (3) College funds. The College memorialized its commitment to Camden County to re-pay \$6,383,500 of its Chapter 12 allocation in a mortgage dated July 2002. During FY2006 and FY2005, the County funded the principal and interest payments due for these periods. The change in the mortgage for the Camden Technology Center is the amount of

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the change in the current portion of the long-term debt obligation and the amortization of the 2002 revenue bond premium. The changes for FY2010 and FY2009 were \$19,807 and \$19,381, respectively.

The final component of the Statement of Net Assets, summarized in Table 1, is net assets. Conceptually, net assets are similar to the College's previous fund balances. Net assets are composed of capital assets like buildings and equipment as well as more liquid assets that are designated as either restricted or unrestricted. Table 7 summarizes the components of the College's net assets in the previous three fiscal years.

Table 7: Comparison and Composition of Net Assets as of June 30

	2010	2009	2008	10 to 09 Dollar Change	09 to 08 Dollar Change
<u>Investment in Capital Assets</u>					
Investment In Plant Fund Balance	\$58,808,000	\$68,243,283	\$61,282,926	\$(9,435,283)	\$6,960,357
Construction in Progress	25,950,220	15,451,086	22,761,492	10,499,134	(7,310,406)
Total	84,758,220	83,694,369	84,044,418	1,063,851	(350,049)
<u>Restricted Net Assets</u>					
Restricted Fund Balance	5,675	38,242	7,174	(32,567)	31,068
Financial Aid Fund Balance	92,272	22,636		69,636	22,636
Peter Cheeseman Facility Reserve	3,424	3,424	3,424		
Reserve for Parking Garage	279,785	237,750	190,200	42,035	47,550
Reserve for Camden Campus Renewal and Replacement	306,009	306,008	389,998		(83,990)
Reserve FY2011 Operations	1,742,607			1,742,607	
Unexpended Plant Fund Balance (Net of Construction in Progress)	1,153,416	322,758	321,391	830,658	1,366
Quasi-Endowment Fund Balance			1,045,558		(1,045,558)
Stabilization Reserve		1,262,942		(1,262,942)	1,262,942
Total	3,583,188	2,193,762	1,957,745	1,389,426	236,015
<u>Unrestricted Net Assets</u>					
Current Fund Balance	6,333,229	4,206,325	1,460,160	2,126,904	2,746,165
Total Net Assets	\$94,674,637	\$90,094,456	\$87,462,323	\$4,580,181	\$2,632,132

For FY2010 and FY2009, the respective increases of \$4.58 and \$2.63 million in Net Assets are primarily attributable to ongoing and finalization of construction/renovation projects at the Community Center, and Madison Hall and Connector Building construction-in-progress activities.

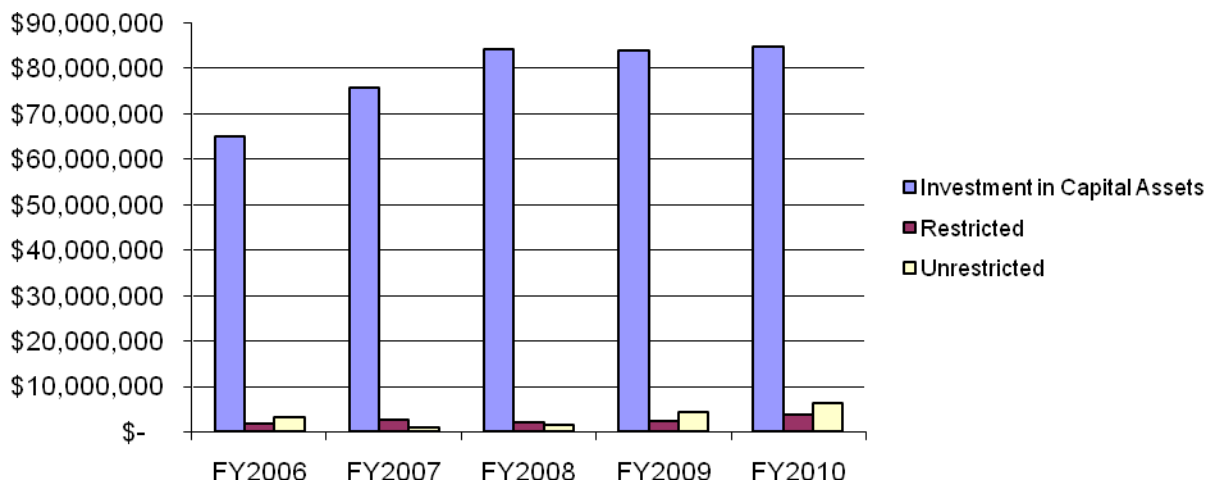
Restricted net assets for FY2010 increased by \$1.39 million primarily due to the appropriated reserve for the FY2011 operating budget. For FY2009, restricted net assets increased by \$0.24 million between FY2009 and FY2008. The notable change within the category is the use of the stabilization reserve from FY2009 to support FY2010 operations. The stabilization reserve fund is established every other fiscal year in order to equalize annual appropriations from Camden County. Budgeting and spending at the artificial levels of the Board of School Estimates calculation was extremely problematic for the College. Therefore, the College established a stabilization reserve in FY1999 to address these differences. The College now budgets and spends at the level of the County calendar

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year appropriation. The difference between the calendar appropriation and the statutory calculation is either “banked” or “spent” depending on whether it is an “up” or “down” year. During FY2006, the College established a reserve for the parking garage in accordance with the 2002 Revenue Bond documents.

Finally, the Current Unrestricted Fund Balance increased from \$2,135,808 to \$6,229,916, net of dedicated funds for student government, athletics and the College’s appropriation of reserves in the amount of \$1,742,607 for the FY2011 operating budget during FY2010, or 2.92% of total operating revenues. The amount of \$6,229,916 represents 8.5% of total operating revenues for FY2010. The Current Unrestricted Fund Balance increased by \$2,633,948 to \$4,094,108 or 80.4% of total operating revenues for FY2009. This amount represents 3.77% of total operating revenues for FY2009. As stated below, FY2010 reserves were slightly above the Board of Trustees’ policy, while in FY2009, the reserves were below the range of the targeted percentages. In addition, the College funded approximately \$1,155,551 in capital projects out of operations for FY2010 and \$357,000 in capital projects out of operations during FY2009 for projects not otherwise funded.

By Board policy, the Current Fund balance is targeted between 5% and 7.5% of total operating revenues. As stated above, for FY2010, the College was slightly higher than the targeted range at 8.5%. As a result of operations for fiscal year FY2010, approximately \$2,135,808 was added to the current fund reserve inclusive of the FY2010 stabilization reserve fund of \$1,262,942.



The composition of the College’s net assets shows a financially viable but tightly run institution. Unrestricted net assets make up only 1.7% of the total net assets. Additionally, only 20% of the net assets are relatively liquid assets as opposed to capital assets that must be sold to raise funds. The expected consistency between all three fiscal years is reflected in the preceding graph.

Statement of Revenues, Expenses and Change in Net Assets

The next statement in the first section of the audit report is the Statement of Revenues, Expenses and Changes in Net Assets (SRECNA). The SRECNA reports the results of college-wide operations using the business model prescribed by GASB. This model defines operating revenues as tuition and fees (net of scholarships), direct financial aid related to students’ tuition and fees, and other miscellaneous sources. Non-operating revenues include the state and county appropriations as well as investment earnings. Expenses related to the operational purposes of the College are functionally

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displayed. Table 8 summarizes this year's SRECNA and provides comparative data for the prior fiscal years.

Table 8: Statement of Revenues, Expenses & Changes in Net Assets for the Year Ended June 30
(In Millions)

	2010	2009	2008	10 to 09 Dollar Change	10 to 09 Percent Change	09 to 08 Dollar Change	09 to 08 Percent Change
Operating Revenues:							
Student Tuition And Fees	34.47	32.77	30.11	1.70	5.2%	2.66	8.8%
State and Local Grants/Contracts	7.34	6.37	5.22	0.97	15.2%	1.15	22.0%
Federal Grants and Contracts	40.72	29.56	25.60	11.16	37.8%	3.96	15.5%
Nongovernmental Grants/Contracts	0.04	0.22	0.11	(0.18)	(81.8%)	0.11	100.00%
Chargeback Revenue	0.09	0.08	0.08	0.01	12.5%		
Auxiliary Enterprises	0.66	0.63	0.54	0.03	4.8%	0.09	16.7%
Other Operating Revenues	2.23	2.03	1.83	0.20	9.9%	0.20	10.9%
Total Operating Revenues	85.55	71.66	63.49	13.89	19.4%	8.17	12.9%
Operating Expenses:							
Instruction	27.07	25.92	24.79	1.15	4.6%	1.13	4.6%
Public Services	1.30	1.20	1.24	0.10	(3.2%)	(0.04)	(3.2%)
Academic Support	8.43	8.32	8.03	0.11	3.6%	0.29	3.6%
Student Services	7.92	7.34	7.04	0.58	4.3%	0.30	4.3%
Institutional Support	12.42	12.02	11.89	0.40	3.3%	0.13	1.1%
Facilities	11.61	11.61	11.92	0.00	0.00%	(0.31)	(2.6%)
Student Aid	31.94	24.28	20.72	7.66	31.5%	3.56	17.2%
Depreciation	2.54	2.59	2.66	(0.05)	(1.9%)	(0.07)	(2.6%)
Other Expenditures	2.18	1.88	0.92	0.30	16.0%	0.96	104.3%
Total Operating Expenses	105.41	95.16	89.21	10.25	10.8%	5.95	6.7%
Operating Income (Loss)	(19.86)	(23.50)	(25.72)	3.64	(15.5%)	2.22	(8.6%)
Non-operating Revenues:							
State Appropriations	11.20	12.08	13.72	(0.88)	(7.3%)	(1.64)	(12.0%)
County Appropriations:	12.36	13.93	19.98	(1.57)	(11.3%)	(6.05)	(30.3%)
State and Local Grants/Contracts	0.65	-	-	0.65	-	-	-
Investment Income Earned	0.05	0.12	0.33	(0.07)	(58.3%)	(0.21)	(63.6%)
Gifts and Donations	-	-	-				
Insurance Claims - Net	0.18		0.11	(0.18)	(100.0%)	(0.11)	(100.0%)
Total Non-operating Revenues	24.44	26.13	34.14	(1.69)	(6.5%)	(8.01)	(23.5%)
Increase In Net Assets	4.58	2.63	8.42	1.95	74.1%	(5.79)	(68.8%)
Net Assets-Beginning of Year	90.09	87.46	79.04	2.63	3.0%	8.42	10.7%
Net Assets-End of Year	94.67	90.09	87.46	4.58	5.1%	2.63	3.0%

Operating revenues rose over the period, increasing by 19.4% for FY2010 and 12.9% for FY2009. The largest component of operating revenues is student tuition and fees paid both by students directly and through state and federal financial aid. During FY2010, the College experienced an increase in scholarships, inclusive of federal grants and contracts of \$11.16 million or 37.8%. For FY2009, the College experienced an increase in scholarships, inclusive of federal grants and contracts of \$3.96 million or 15.5% compared to the increase of .08 million or 0.4% for FY2008. These increases minimized the increase in operating revenues resulting from an increase in tuition rates and a growing increase in enrollment as student tuition and fees are presented net of scholarship allowances in these financial statements.

The College experienced credit enrollment increases during FY2010 and FY2009. For FY2010, the College experienced an increase of 4.8% and an increase of 5.4% for FY2009. During Fall 2010, the

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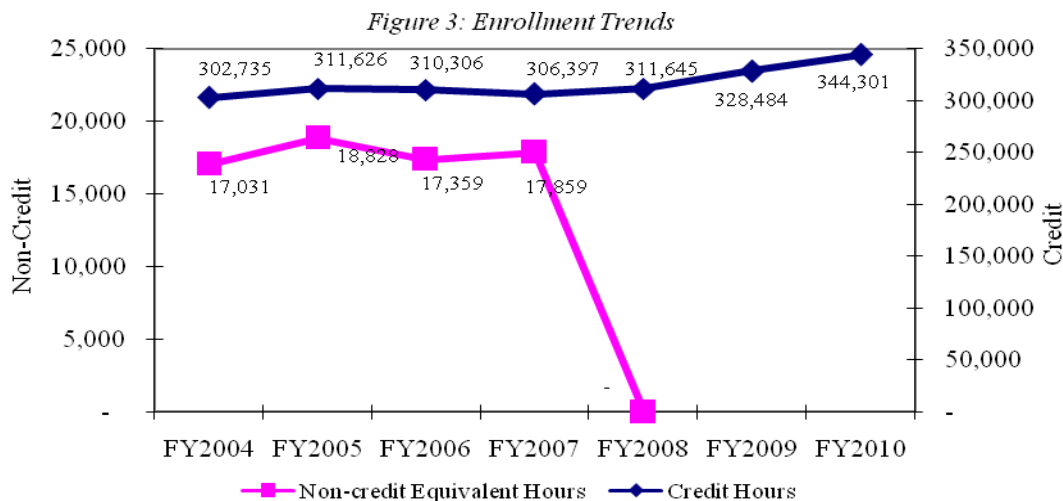
College experienced a decrease in credit hours of 5.08% over Fall 2009, reflective of a weakened economy.

During FY2008, the New Jersey County Colleges, in conjunction the New Jersey Council of County Colleges adopted a change in the method for which non-credit courses would be funded by the State of New Jersey. Non-credit hours will no longer be formula funded, instead, each of the County Colleges will receive a fixed dollar funding from the state appropriation as agreed upon the County College presidents. For Camden County College, the College will receive approximately \$400,000 annually to replace the previous funding process.

We anticipate credit enrollment will continue to decline. This decline is predicted based on our recent enrollments for Fall 2010 and Spring 2011. Although the student head count is within range of our prior experience, the decline in enrollments is in part related to full-time and part-time students taking fewer classes. We speculate that this change in enrollment is related to the current economic environment. The College continues to pursue means to cultivate new curriculum and expanded certificate programs with other educational institutions. (The College's tuition has historically been one of the lowest per credit hour rates among New Jersey community colleges.)

Table 9: Total Fundable Credit Hour Enrollment

	FY2010	FY2009	FY2008	FY2007	FY2006	FY2005	FY2004
Credit Hours	344,301	328,484	311,645	306,397	310,306	311,626	302,735
Non-Credit Hours					17,359	18,828	17,031
Total Credits Hours	344,301	328,484	311,645	306,397	327,665	330,454	319,766
% Change Total Hours					(0.8%)	3.3%	8.1%
% Change Credit Hours	4.8%	5.4%	1.71%	(1.26%)	(0.42%)	2.94%	7.61%



From the previous year, total tuition and fee revenue adjusted for the effect of scholarships and financial aid awards increased 5.2% during FY2010 and 8.8% during FY2009. The increase for FY2010 primarily resulted from an increase of \$5 per credit hour increase in tuition, a \$6 increase in

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the general service fees, and the establishment of a \$2 Facilities Fee per credit hour along with an increase in enrollment. The increase for FY2009 primarily resulted from an increase of \$5 per credit hour increase in tuition and a \$2 per credit hour increase in the general service fees along with a slight increase in enrollment. The increase for FY2008 primarily resulted from an increase of \$4 per credit hour increase in tuition and a \$2 per credit hour increase in the general service fees partially offset by a slight decrease in enrollment. The College experienced a decline in FY2010 of \$624,000 in Continuing Education revenues.

Federal and state financial aid programs increased \$12,211,776 or 37.90% in FY2010, \$5,656,216 or 21.3 % in FY2009 and \$4,885,496 or 22.54% in FY2008. This increase, in part, was attributable to the federal government updating its financial needs analysis formulas by bringing the State's tax tables current. The effect is that more students were eligible for or were eligible for higher amounts of Pell in FY2010 and FY2009. However, during the FY2010 and FY2009, the College received a significant increase in the number of students seeking financial assistance inclusive of student loans. The fluctuations in financial aid past five years are displayed in Table 10 below.

Table 10: Comparison of Financial Aid Program Revenue

	FY2010	FY2009	FY2008	FY2007	FY2006	FY2005
Pell Grants	\$21,697,019	\$13,376,676	\$10,408,940	\$8,749,858	\$8,987,898	\$9,653,579
Federal Education Loan Program	\$14,955,185	\$12,847,123	\$10,906,922	\$8,264,262	\$7,792,259	\$7,499,413
Other Federal Aid	\$1,013,057	\$594,842	\$965,505	\$693,637	\$788,248	\$789,734
New Jersey TAG	\$4,995,580	\$3,698,578	\$3,058,318	\$2,953,576	\$2,738,386	\$2,883,044
Other New Jersey Aid	\$1,771,545	\$1,703,390	\$1,224,708	\$1,017,564	\$697,041	\$502,424
Total Student Aid	\$44,432,386	\$32,220,609	\$26,564,393	\$21,678,897	\$21,003,832	\$21,328,193
Percent Change	37.90%	21.29%	22.54%	3.21%	(1.5%)	(4.2%)

Seventy-eight percent of the College's revenues are classified as operating revenues while 22% are classified by GASB as non-operating revenues for FY2010. Similarly for FY2009, 73% percent of the College's total revenues are classified as operating revenues while 27% are classified as non-operating revenues. Non-operating revenues include operating appropriations from the State and County as well as grants or contracts that are not related to student tuition and fees. As a public county college, the College views these annual subsidies as appropriate operating revenues. Non-operating revenues also include funding sources for the County's Capital Initiative.

Non-operating revenues were \$24.44, \$26.14 and \$34.14 million in FY2010, FY2009 and FY2008, respectively. These changes were the net result of the following shifts.

- Our calculated state operating appropriation was \$11,206,746, \$12,084,580 and \$13,721,740, in FY2010, FY2009 and FY2008 respectively. Camden County operating appropriation was \$9,725,814, \$12,251,698 and \$9,725,814 for FY2010, FY2009 and FY2008 respectively.
- The fluctuations in County aid are a result of changes in annual capital appropriations as well as the alternating calculation of the county appropriation reported in the College's budget. For FY2010, the college processed capital requests related to its annual capital appropriation from the county in the amount of \$985,751. In addition, the college processed requests in the amount of \$1.80 million related to Phase I of the County's Capital Initiative for the College.

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For FY2009, the college processed capital requests related to its annual capital appropriation from the county in the amount of \$298,524 and processed requests totaling \$1.38 million related to Phase I of the County's Capital Initiative for the College. For FY2008, the college processed capital requests related to its annual capital appropriation from the county in the amount of \$1.2 million and processed requests totaling \$9.04 million related to Phase I of the County's Capital Initiative for the College.

- Other non-operating revenues were \$0.05, \$0.34 and \$0.45 million in FY2010, FY2009 and FY2008, respectively. The composition of these non-operating revenues consists of investment earnings, gifts and donations and insurance claims proceeds. The other noteworthy trend is the decline in the rate of return on investments receiving \$54,000 for FY2010 and \$122,000 and \$446,000 in interest earnings during FY2009 and FY2008 respectively.

Figure 5 below graphically displays the components of the College's total operating and non-operating revenue in FY2010. Table 11 displays the relative changes between FY2010, FY2009 and FY2008. For FY2007 and FY2008, student and governmental paid tuition and fees represented about 60% of the College revenues. During FY2010 and FY2009, the amounts paid by students and governmental programs paid tuition and fees that represented approximately 75% and 70% of revenues for the respective years. For FY2010, governmental operating appropriations from the State and County represented another 21% of revenue, down from 27% of revenue for FY2009. For FY2008, governmental operating appropriations from the State and County represented another 34% of revenue, down from 39% of revenue for FY2007. The remaining percentage leaves miscellaneous revenues of 3%. Adjusting for one-time unique events, these percentages remained relatively constant over the last three fiscal years

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Figure 5: Composition of FY2010 Revenues

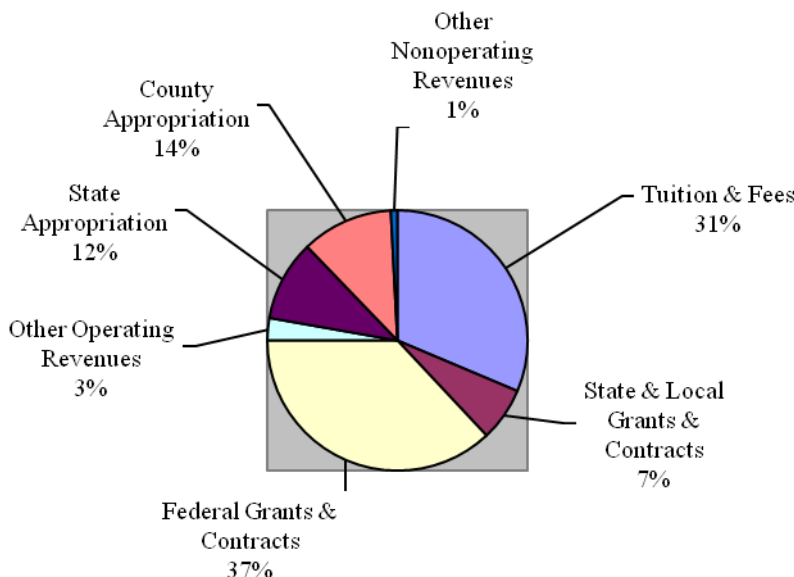


Table 11: Composition of Total Revenues

	FY2010	FY2009	FY2008	FY2007	FY2006	FY2005
Tuition & Fees	31.3%	33.5%	30.8%	29.8%	29.7%	31.7%
Operating Governmental Grants/Contracts	43.7%	36.7%	31.7%	26.8%	29.1%	31.4%
State Appropriations	10.0%	12.4%	14.0%	16.2%	17.4%	17.7%
County Appropriations	11.4%	14.3%	20.5%	23.7%	19.8%	15.7%
Other Operating and Non-operating Revenues	3.6%	3.1%	3.0%	3.5%	4.0%	3.5%

As noted in Table 8, operating expenses increased \$10.25 million or 10.8% from FY2009 to FY2010 and increased by \$5.95 million 6.7% from FY2008 to FY2009. Notable changes in FY2010 were in the following functions: (1) a \$7.7 million or 31.5% increase in Student Aid; (2) an increase in other operating expenditures of \$0.30 million or 16.0% increase; and increases in Academic and Student Support Services totaling approximately \$0.69 million combined, along with an increase of \$1.1 million in Instruction. Notable changes in FY2009 were in the following functions; (1) a \$3.56 million or 17.2% increase in Student Aid; (2) an increase of \$1.09 million or 4.4% increase in Other Expenditures. Notable changes in FY2008 were in the following functions; (1) a \$.54 million or 2.2% increase in Instruction; (2) a \$2.42 million or 2.71% increase in Other Expenditures inclusive of the reserve for the Community Center fire claim; and (3) \$.54 million or 2.2% increase in Institutional Support. These increases were partially offset by decreased expenditures in the remaining categories.

Approximately 70.0% of the College's expenditures are devoted to instruction and other services for students. The remaining 30% of the College's expenses are devoted to operation and maintenance of over 970,554 square feet of College facilities, depreciation and other institutional support. Expenses categorized as institutional support include those expenses not specifically attributable to one

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organizational unit of the College; it includes such expenses as property/casualty insurance and information technology.

Compared to other New Jersey county colleges, Camden County College is very cost efficient. For FY2008 and FY2009, the College had an operating cost of \$5,618 and \$5,490 per full-time equivalent student, respectively. This compares to the statewide average of \$6,891 for FY2008, a 22.6% difference, and \$6,764 for FY2009, a 23.2% difference. For FY2010, the College experienced operating costs of \$5,610 per full-time equivalent or a 2.2% increase over FY2009. This increase is primarily a result of the increase in student enrollment and the respective increase in credit hours. The \$5,610 per full-time equivalent compares to the statewide average of \$6,603 for FY2010, a 17.7% difference.

Figure 6 is a graphical illustration of operating expenses by function.

Figure 6: FY2010 Expenditures by Function

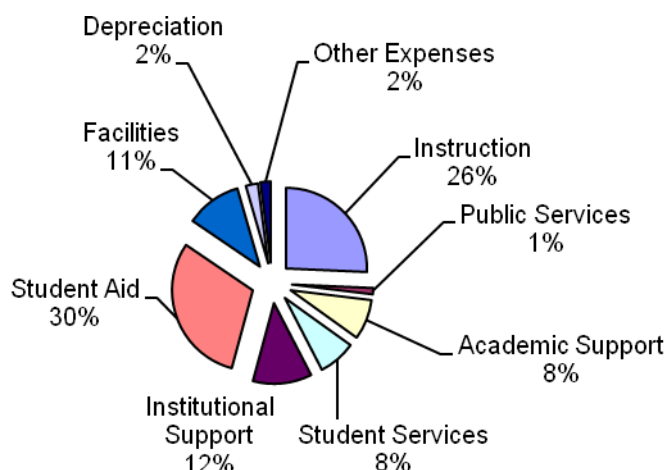


Table 12 displays the College's FY2010, FY2009 and FY2008 expenditures by object classification.

Table 12 Comparison of Expenditures by Object
(In Millions)

	FY2010 Expense	FY2010 Percent of Expense	FY2009 Expense	FY2009 Percent of Expense	FY2008 Expense	FY2008 Percent of Expense
Salaries and Wages	\$40.06	38.01%	\$38.47	40.4%	\$36.72	41.1%
Fringe Benefits	11.70	11.10%	10.73	11.3%	11.23	12.6%
Other Operating Costs	19.15	18.17%	19.08	20.1%	17.89	20.1%
Student Aid	31.94	30.30%	24.28	25.5%	20.72	23.2%
Depreciation	<u>2.56</u>	<u>2.43%</u>	<u>2.60</u>	<u>2.7%</u>	<u>2.66</u>	<u>3.0%</u>
Total Expenditures	\$105.41	100.0%	\$95.16	100.0%	\$89.22	100.0%

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As a labor-intensive organization, the College continues to monitor the amount it spends on compensation (salaries and fringe benefits). In Table 12, 49.1%, 51.7% and 53.7% of expenses are devoted to salaries and benefits in FY2010, FY2009, and FY2008 respectively. This amount is understated in comparison to the College's operating budget because of the additional expenditures for student aid and annual depreciation. Without these expenses, the College spent 73.1%, 76.1% and 76.0% of its expenditures on compensation in FY2010, FY2009 and FY2008, respectively. These percentages are within 72% to 77% of the operating budget target range set by the Board of Trustees.

Table 8 shows that the College had an operating loss when comparing operating expenses against what GASB defines as operating revenues; mostly those revenues associated with student charges. As a public community college, the College views the operating appropriations from the State and County governments as essential to its operations. Accounting for these revenue sources, the College had an operating deficit of \$0.43 million after the exclusion inclusion of the stabilization reserve for FY2010. For FY2009, the College had an operating deficit of \$1.70 million after the inclusion of the stabilization reserve for FY2009. The stabilization reserve is necessary due to "up" and "down" years in the county appropriation as calculated for the Board of School estimate. Since FY2009 is an "up" year, the College received a higher level of county funding due to the estimate, subsequently this amount is put aside to provide level funding for next fiscal year, a "down" year (FY2010).

Economic and Other Factors That Will Effect the Future

There are six significant events that will impact the College's future financial statements.

- First, the College is in the early stages of the Phase II projects that include a new science facility with an estimated 105,000 square feet along with roads and grounds projects including the completion of a ring road that will improve access and egress from the College. Although the construction will be funded, operating costs will increase as the new facility comes online. The College will also be participating in the servicing of the debt service related to the Science Building.
- Second, the economic climate has declined to appoint that reverses prior trends at the College. Typically, a downward economy would drive up enrollments, however, during the Fall 2010 and Spring 2011 the College has experienced a decline in enrollments and College's credit enrollment is in a downward trend estimated at 5.0% decreased. For Fall 2010 and Spring 2011 semesters, total credit hours are below the previous fall semester by 5.0% or 7,000 credit hours respectively. The gradual reduction of students participating in the Helene School of Nursing program is a partial contributor of this decline. Our enrollment is a critical element of the funding formula used by the State of New Jersey in distributing operating aid to the community colleges in the state. It is important for the College's enrollment to keep pace with or outperform the sector in order to maintain or increase its share of the State of New Jersey's operating appropriation. By not keeping pace with the sector, the College will face reductions in this funding method.
- Third, the College anticipates the state budget for FY2011 will be level funded for the FY2011 budget year. Previously, County colleges enjoyed their past success in receiving appropriation increases. Continuing budget cuts or level funding for the sector are certainly a possibility.

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- Fourth, the County of Camden funds annually approximately 13% of the College's revenue sources. This resource is also subject to potential reductions in funding in the coming years.
- Fifth, the College continues to pursue means to lower the costs of educating the students at Camden County College. The College participates in multiple activities including shared services within the County agencies, participation in the New Jersey County Colleges purchasing consortium in order to better control and minimize expenditures. The College also participates in the County's Cooperative Purchasing Program.
- Sixth, the College recently invested in a significant upgrade of its financial information system. The upgrade will enhance the College's ability to timely and efficiently present financial information to senior management and the Board of Trustees at Camden County College. In addition, financial information is more readily available to analyze revenue and expenditures in a concise and consistent manner. Quarterly reports and projections can be more efficiently created to assist management with up to the minute reporting in order to make improved financial decisions utilizing current information.
- Beginning with a report for the Fourth Quarter of FY2010, the College administration instituted a new financial reporting system to the Board of Trustees. More robust and informative quarterly reports replaced monthly reports. The new system contained the following information: year-to-date performance including a comparison of budget-to-actual revenues, a comparison of FY2010 revenues to FY2009, budget-to-actual expenditures, FY2010 expenditures compared to FY2009, (going forward) year-end projections and a narrative summary that commented and otherwise explained the operating results for the Trustees.

Review of Foundation Financial Statements

The Camden County Foundation exists to enhance the College's tradition of academic excellence. Its purpose is to provide additional resources to support the mission of the College principally in the form of student scholarships. In addition, the Foundation provides some financial support of strategic initiatives that are related to the continuing development of excellence of the College.

The Foundation's financial statements are presented for the twelve-month period ending June 30, 2010 and June 30, 2009. The Statement of Net Assets and Statement of Revenues, Expenses and Changes in Net Assets have been prepared in conformity with generally accepted accounting principles. Those statements along with comparative data are summarized in the following table.

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Table 13: Foundation Financial Activity

	FY2010	FY2009	FY2008	Dollar Change	Percent Change
Assets	\$1,385,185	\$1,231,304	\$1,446,763	\$153,881	12.50%
Liabilities	\$100,391	\$37,064		\$ 63,327	170.85%
Net Assets	\$1,284,794	\$1,194,240	\$1,446,763	\$ 90,554	7.58%
<hr/>					
Revenue & Investment Activity					
Unrestricted & Temporarily Restricted Revenues	\$ 327,689	\$ 421,118	\$ 357,599	\$ (93,429)	(22.19%)
Investment Returns	\$ 141,514	\$ (234,886)	\$ (39,054)	\$ 376,400	160.25%
Total	\$ 469,203	\$ 186,233	\$ 318,544	\$ 282,970	151.94%
Expenses					
Program Expenses	\$ 99,072	\$ 189,761	\$ 120,950	\$ (90,689)	(47.79%)
Fundraising and Management Expenses	\$ 279,577	\$ 248,995	\$ 221,257	\$ 30,582	12.28%
Total	\$ 378,649	\$ 438,756	\$ 342,208	\$ (60,107)	(13.70%)
Change in Net Assets	\$ 90,554	\$ (252,523)	\$ (23,663)	\$343,077	135.86%

Several significant events reflected in these statements.

- The Foundation had an operating surplus of \$90,554 in FY2010, a deficit of \$252,523 in FY2009 and an operating deficit of \$23,663 in FY2008. During FY2010, the Foundation restructured their investment portfolio and generated a surplus thereby reversing the two year trend of negative returns. Ninety-three percent of the loss in net assets resulted from losses on investments in FY2009. This loss is indicative of current market conditions. The Foundation continues to seek revenue sources to generate funds from gifts and donations along with other fund raising activities, most notable, the Annual Golf Outing and the cultivation of the alumni population of Camden County College.

BASIC FINANCIAL STATEMENTS

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Statements of Net Assets
As of June 30, 2010 and 2009

	2010		2009	
	<u>College</u>	<u>Component Unit CCC Foundation</u>	<u>College</u>	<u>Component Unit CCC Foundation</u>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 11,898,127	\$ 122,088	\$ 9,029,033	\$ 231,699
Accounts Receivable, Net	10,409,218		9,340,719	
Inventories	19,278		19,184	
Unconditional Promise to Give				3,000
Prepaid Expenses	1,012,537		942,519	
Total Current Assets	23,339,160	122,088	19,331,455	234,699
Noncurrent Assets:				
Investments		1,263,098		993,605
Unconditional Promise to Give				3,000
Capital Assets, Net	92,634,534		91,535,835	
Total Noncurrent Assets	92,634,534	1,263,098	91,535,835	996,605
Total Assets	115,973,694	1,385,186	110,867,290	1,231,304
LIABILITIES				
Current Liabilities:				
Account Payable	4,921,522	100,391	4,365,170	37,064
Accrued Salaries	539,204		522,153	
Accrued Compensated Absences - Current Portion	338,452		253,699	
Obligations Under Capital Lease - Current Portion	102,009		118,864	
Mortgage Payable - Current Portion	431,525		416,204	
Other Deferred Revenue	32,629		36,808	
Deferred Tuition and Fees Revenue	6,246,653		6,264,423	
Total Current Liabilities	12,611,995	100,391	11,977,321	37,064
Noncurrent Liabilities:				
Accrued Compensated Absences	2,591,950		2,578,584	
Obligations Under Capital Lease	107,246		209,255	
Mortgage Payable	5,987,866		6,007,673	
Total Noncurrent Liabilities	8,687,062	-	8,795,512	-
Total Liabilities	21,299,057	100,391	20,772,834	37,064.00
NET ASSETS				
Investment in Capital Assets, Net of Related Debt	84,758,220		83,694,369	
Restricted for:				
Nonexpendable:				
Other		304,429		294,600
Restricted for:				
Expendable:				
Other	3,583,189	588,864	2,193,761	525,488
Unrestricted	6,333,229	391,501	4,206,324	374,152
Total Net Assets	\$ 94,674,637	\$ 1,284,794	\$ 90,094,456	\$ 1,194,240

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

CAMDEN COUNTY COLLEGE
Statements of Revenues, Expenses, and Changes in Net Assets
For the Fiscal Years Ended June 30, 2010 and 2009

	2010		2009	
	College	Component Unit CCC Foundation	College	Component Unit CCC Foundation
REVENUES				
Operating revenues:				
Student Tuition and Fees (Net of Scholarship Allowance of \$12,838,120 in 2010 and \$8,587,107 in 2009)	\$ 34,467,629		\$ 32,776,587	
State and Local Grants and Contracts	7,340,983		6,371,053	
Federal Grants and Contracts	40,718,602		29,557,773	
Nongovernmental Grants and Contracts	34,721		216,549	
Chargeback Revenue	94,499		84,557	
Auxiliary Enterprises	657,518		626,421	
Gifts and Contributions		\$ 327,689		\$ 421,118
Other Operating Revenues	2,231,566		2,029,348	
Total Operating Revenues	85,545,516	327,689	71,662,288	421,118
EXPENSES				
Operating Expenses:				
Instruction	27,073,002		25,916,719	
Public Services	1,300,102		1,198,354	
Academic Support	8,431,629		8,315,564	
Student Services	7,915,680		7,342,319	
Institutional Support	12,418,104		12,020,954	
Student Aid	31,939,523		24,280,335	
Facilities	11,611,089		11,616,542	
Depreciation	2,537,590		2,596,124	
Amortization	16,583			
Other expenses	2,161,999	378,649	1,879,344	438,755
Total Operating Expenses	105,405,302	378,649	95,166,257	438,755
Operating Income (Loss)	(19,859,785)	(50,960)	(23,503,968)	(17,637)
NON-OPERATING REVENUES (EXPENSES)				
State Appropriations:				
State Aid	11,028,633		12,084,580	
County Appropriations:				
County Aid	9,725,814		12,251,698	
State and Local Grants and Contracts	4,188			
Federal Stimulus	658,470			
Investment Income Earned	54,234	141,514	122,686	(234,886)
Insurance Claims-Revenue	183,979			
On-Behalf Payments:				
State of New Jersey Alternative Benefits Program:				
Revenues	885,119		890,583	
Expenses	(885,119)		(890,583)	
Total Non-Operating Revenues	21,655,318	141,514	24,458,964	(234,886)
Income (Loss) before Other Revenues	1,795,532	90,554	954,996	(252,523)
OTHER REVENUES				
County Appropriations:				
Capital Appropriations	985,751		298,527	
Capital Initiative	1,798,899		1,378,610	
Total Other Revenues	2,784,649	-	1,677,137	-
Increase (Decrease) in Net Assets	4,580,182	90,554	2,632,131	(252,523)
NET ASSETS				
Net Assets-Beginning of Year	90,094,456	1,194,240	87,462,324	1,446,763
Net Assets-End of Year	\$ 94,674,637	\$ 1,284,794	\$ 90,094,456	\$ 1,194,240

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

CAMDEN COUNTY COLLEGE
 Statements of Cash Flows
 For the Fiscal Years Ended June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and Fees	\$ 35,132,026	\$ 33,790,562
Payments to Employees	(42,009,531)	(40,365,814)
Payments to Suppliers	(58,073,870)	(51,286,714)
Grants and Contracts	47,678,312	35,119,872
Auxiliary Enterprise Charges	657,518	626,421
Other	(66,658)	547,586
Net Cash Used in Operating Activities	<u>(16,682,203)</u>	<u>(21,568,087)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
County Appropriations	10,988,755	11,103,289
State Appropriations	11,275,103	12,084,580
Net Cash Flows Provided by Noncapital Financing Activities	<u>22,263,858</u>	<u>23,187,869</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Appropriations	818,873	475,405
Capital Initiative	(0)	1,866,916
Purchases of Capital Assets	(3,636,289)	(2,105,651)
Principal Paid on Capital Debt and Leases	(118,864)	(176,984)
Proceeds from Insurance Claims	183,979	
Interest Paid on Capital Debt and Leases	(14,495)	(22,424)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(2,766,796)</u>	<u>37,262</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	54,233	122,684
Net Cash Provided by Investing Activities	<u>54,233</u>	<u>122,684</u>
Net Increase (Decrease) in Cash	2,869,092	1,779,729
Cash - Beginning of the Year	9,029,033	7,249,303
Cash - End of Year	<u>\$ 11,898,127</u>	<u>\$ 9,029,033</u>
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ (19,859,785)	\$ (23,503,968)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	2,537,590	2,596,124
Change in Assets and Liabilities:		
Receivables, Net	50,524	(669,349)
Inventories	(94)	2,202
Prepaid Expenses	(70,019)	(314,650)
Accounts Payable	566,361	(747,760)
Accrued Salaries	17,051	(26,439)
Accrued Compensated Absences	98,119	230,622
Deferred Tuition	(21,949)	865,130
Net Cash Provided (Used) by Operating Activities	<u>\$ (16,682,203)</u>	<u>\$ (21,568,087)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

CAMDEN COUNTY COLLEGE
Notes to Financial Statements
For the Fiscal Years Ended June 30, 2010 and 2009

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

Description of Financial Reporting Entity - Camden County College is a comprehensive, co-educational, community college, founded in 1967 by the Board of Chosen Freeholders, the governing body of Camden County. Camden County College is an instrumentality of the State of New Jersey, established to function as a two-year community college. The College is an accredited member of the Middle States Association of Colleges and Schools. The college operates one main campus in Blackwood, New Jersey approximately twelve miles east of the City of Philadelphia. In addition to the main campus, the College operates a campus in the City of Camden and a center in the Township of Cherry Hill. In addition to offering courses at several county high schools, the College has instituted a distance learning program that allows students to choose from internet courses, telecourses, and hybrid courses.

The Board of Trustees of Camden County College consists of the Executive County Superintendent of Schools and ten persons, eight of whom shall be appointed by the appointing authority of the County with the advice and consent of the Board of Chosen Freeholders and two of whom shall be appointed by the Governor. The term of office of appointed members shall be for four years. The Board is responsible for the fiscal control of the College. A president is appointed by the Board and is responsible for the administrative control of the College. The College offers a wide range of academic programs, including associate degrees in arts, science and applied science.

Component Units - Camden County College is a component unit of the County of Camden as described in Governmental Accounting Standards Board Statement No. 14 – *The Financial Reporting Entity*. These financial statements 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 Camden currently follows a basis of accounting and reporting model prescribed by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. Therefore, the financial statements of the College are not presented with the County of Camden.

The Camden County College Foundation (the "Foundation") is a New Jersey non-profit corporation. The Foundation was formed to enhance the College's tradition of academic excellence. The Foundation receives and administers funds from private donations for the purpose of carrying out the educational goals of the College. The Foundation is governed by a board of directors. College employees and facilities are utilized for virtually all daily operating activities of the Foundation. During the fiscal years ending June 30, 2010 and June 30, 2009, the Foundation distributed \$132,599 and \$207,029 to the College for both restricted and unrestricted purposes, respectively. In accordance with GASB Statement No. 39 – *Determining Whether Certain Organizations Are Component Units*, the Foundation is discreetly presented in the financial statements of the College.

A separate report of audit for the Foundation for the fiscal year ended June 30, 2010 can be obtained at the Foundation's offices at the following address during normal business hours:

Camden County College Foundation
P. O. Box 200
Blackwood, New Jersey 08012

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

Basis of Presentation - The College financial statements are presented in accordance with 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 Statement No. 35 provides a comprehensive, entity-wide perspective of the College's assets, liabilities, net assets, revenues, expenses, changes in net assets, 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 only in 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, revenues are recognized when earned, and expenses are recorded when the obligation has been incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligible requirements imposed by the provider have been met.

Cash, 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.

The College accounts for its investments at fair value in accordance with GASB Statement No. 31 - *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the statement of revenues, expenses, and changes in net assets.

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

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 an investment policy which enables it to prudently invest available funds in a manner which will yield the highest possible return with minimum risk, while conforming to all federal, state, and local statutes governing the investment of public funds.

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.

Inventory – Inventory consists primarily of Ophthalmic Clinic supplies and is carried on an average cost basis. The cost is recorded as expenses as the inventory is consumed.

Tuition - Each year the Board of Trustees sets tuition rates based on a per credit hour rate. Rates vary based upon residence within Camden County, out of county and international students. Tuition revenue is earned in the fiscal year the classes are taken.

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

Federal Financial Assistance Programs – The College participates in the following federally funded financial assistance programs: Federal Pell Grants, Federal Supplemental Educational Opportunity Grants (FSEOG), Federal Work-Study Grants, and Federal Family Education Loan Programs (FFELP). Federal programs are audited in accordance with the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget Revised Circular A-133, *Audit of States, Local Governments and Non-Profit Organizations* and the OMB Circular A-133 Compliance Supplement.

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 a formula of funding as prescribed by N.J.S.A.18A:64A-22. Aid is based upon audited credit hour enrollments.

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 college in an amount no less than 25% of the operational expense in the base State Fiscal Year.

Deferred Revenue - Deferred revenue represent the tuition revenue that has been received before June 30, 2010 for classes that are scheduled in the summer and fall semesters of 2010. Deferred revenue represents cash, which has been received, but not yet earned.

Prepaid Expenses - Prepaid expenses represent payments made to vendors for services that will benefit periods beyond June 30, 2010.

Capital Assets – Capital assets include land, buildings, improvements, and infrastructure assets, such as roads and sidewalks. Assets acquired or constructed during the year are recorded at actual historical cost. The College defines capital assets as assets with an initial unit cost of \$2,500 or more and an estimated useful life in excess of five years. An exception to the \$2,500 threshold is made for improvements to buildings and site improvements which are capitalized at an initial cost of \$50,000. In addition, an exception to the \$2,500 threshold is made for the purchase of library books in bulk. Purchases of this nature are categorized as a composite group of assets and recorded as such. Donated capital assets are valued at their estimated fair market value on the date of donation. Expenditures that enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the fixed asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized.

The property, plant and equipment of the College are depreciated using straight-line method over the useful lives of the assets, generally 50 years for buildings, 5 to 20 years for equipment, and 25 to 50 years for infrastructure. Assets purchased under capital lease are depreciated over the term of the lease as opposed to the useful life of the asset. Construction in progress is depreciated when the asset is placed into service.

Fiscal Dependency – Among the College's largest revenue sources include appropriations from the State of New Jersey and County of Camden, including contributions made by the State on behalf of the College for the Alternative Benefit Program. The College is economically dependent on these appropriations to carry out its operations.

Compensated Absences - Compensated absences are those absences for which employees will be paid for vacation and sick leave when used. A liability is accrued for compensated absences that are earned and unused in accordance with College policy at June 30th of each fiscal year. Eligible employees earn a right to vacation benefits and some sick leave benefits based on seniority.

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 years collection rates. It is the College policy to write off uncollectible accounts after one year of delinquency. The allowances for June 30, 2010 and 2009 were \$3,686,894 and \$2,160,508 respectively.

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

Use of Estimates – The preparation of the financial statements in conformity of 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.

Non-Current Liabilities – Non-current liabilities include (1) principal amounts of mortgage notes and 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.

On-Behalf Payments for Pension Contributions – In fiscal year 1997, the College adopted the requirements of Governmental Accounting Standards Board (GASB) Statement No. 24 – *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*. GASB Statement No. 24 recommends that revenue and expenditures be recorded in the financial statements for the State of New Jersey Pension payments for Alternative Benefit Program (TIAA/CREF).

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 according to the following criteria:

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, investment income, and amounts paid by the State of New Jersey on behalf of the College for the employer contribution to the Alternative Benefit Program (ABP).

Net Assets – The College's net assets are classified as follows:

Invested in Capital Assets, Net of Related Debt – 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 invested in capital assets, net of related debt.

Restricted Net Assets – Expendable - Restricted expendable net assets include resources in which the College is legally or contractually obligated to spend resources in accordance with the restrictions imposed by external third parties.

Restricted Net Assets – Non-Expendable – Non-expendable restricted net assets consist of endowment and similar types of funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Net Assets (Cont'd)**

Unrestricted Net Assets – Unrestricted net assets 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.

Scholarship Discounts and Allowances – Student tuition and fees revenue, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statement of revenues, expenses, and changes in net assets. Scholarship discounts and allowance are the difference between the stated charge for goods and services provided by the College and the amount paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state or nongovernmental programs are recorded as either operating or non-operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance. The amount of scholarship discount and allowances for the fiscal years ending June 30, 2010 and 2009 were \$12,838,120 and \$8,587,107 respectively.

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 may not be returned to it. Although the College does not have a formal policy regarding custodial credit risk, as described in Note 1, 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. As of June 30, 2010 and 2009 the College's bank balances were exposed to custodial credit risk as follows:

	<u>2010</u>	<u>2009</u>
Insured	\$ 250,000	\$ 250,000
Collateralized under GUDPA	<u>9,456,792</u>	<u>4,529,377</u>
	<u><u>\$ 9,706,792</u></u>	<u><u>\$ 4,779,377</u></u>

New Jersey Cash Management Fund - During the 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 Fund's participants. Deposits with the New Jersey Cash Management Fund are not subject to categorization as defined above. At June 30, 2010 and 2009, the College had \$4,696,375 and \$4,680,156 invested in the Fund, respectively.

Note 3: **CAPITAL ASSETS**

A summary of changes in the various capital asset categories for the year ending June 30, 2010 is presented as follows:

	Balance June 30, 2009	Additions	Reductions	Balance June 30, 2010
Non-Depreciable Capital Assets				
Land	\$3,855,327			\$3,855,327
Construction in Progress	24,020,136	\$1,930,082		25,950,218
Bond Issuance Costs	189,626		(\$21,070)	168,557
Total Non-depreciable Capital Assets	28,065,090	1,930,082	(21,070)	29,974,102
Depreciable Capital Assets:				
Land Improvements	2,576,098	177,461		2,753,559
Buildings	78,858,742	370,669		79,229,411
Infrastructure	2,935,332			2,935,332
Equipment	8,288,527	1,052,821		9,341,349
Grouped Furniture	1,192,883	87,267		1,280,150
Vehicles	188,014	28,626		216,640
Assets Under Capital Lease	1,780,711		(7,250)	1,773,461
Capitalized Software	3,123,808			3,123,808
Library Books	2,926,077	17,683		2,943,760
Total Depreciable Capital Assets	101,870,192	1,734,527	(7,250)	103,597,470
Less Accumulated Depreciation For:				
Land Improvements	1,392,342	42,643		1,434,985
Buildings	21,791,269	1,618,770		23,410,039
Infrastructure	1,291,680	57,893		1,349,573
Equipment	6,100,947	551,071		6,652,018
Grouped Furniture	223,223	123,024		346,247
Vehicles	83,774	29,953		113,727
Assets Under Capital Lease	1,521,209	86,500		1,607,709
Capitalized Software	3,123,808			3,123,808
Library Books	2,871,195	27,735		2,898,930
Total Accumulated Depreciation	38,399,447	2,537,589	-	40,937,036
Depreciable Capital Assets	63,470,745	(803,062)	(7,250)	62,660,434
Total Capital Assets, Net	\$91,535,835	\$1,127,020	(\$28,320)	\$92,634,535

Depreciation expense for the year ended June 30, 2010 was \$2,537,590

Note 3: **CAPITAL ASSETS (CONT'D)**

A summary of changes in the various capital asset categories for the year ending June 30, 2009 is presented as follows:

	Balance			Balance
	<u>June 30, 2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2009</u>
Non-Depreciable Capital Assets				
Land	\$3,855,328			\$3,855,328
Construction in Progress	22,761,490	\$1,541,146	(\$282,500)	24,020,136
Bond Issuance Costs	210,696		(21,070)	189,626
Total Non-depreciable Capital Assets	26,827,514	1,541,146	(303,570)	28,065,090
Depreciable Capital Assets:				
Land Improvements	2,398,637	177,461		2,576,098
Buildings	78,637,410	221,332		78,858,742
Infrastructure	2,935,332			2,935,332
Equipment	7,953,132	335,395		8,288,527
Grouped Furniture	1,069,853	123,030		1,192,883
Vehicles	188,014			188,014
Assets Under Capital Lease	1,780,711			1,780,711
Capitalized Software	3,123,808			3,123,808
Library Books	2,915,220	10,857		2,926,077
Total Depreciable Capital Assets	101,002,117	868,075	-	101,870,192
Less Accumulated Depreciation For:				
Land Improvements	1,349,237	43,105		1,392,342
Buildings	20,182,138	1,609,131		21,791,269
Infrastructure	1,215,846	75,834		1,291,680
Equipment	5,566,865	534,082		6,100,947
Grouped Furniture	110,086	113,137		223,223
Vehicles	71,695	12,079		83,774
Assets Under Capital Lease	1,365,371	155,838		1,521,209
Capitalized Software	3,123,809			3,123,809
Library Books	2,818,277	52,918		2,871,195
Total Accumulated Depreciation	35,803,324	2,596,124	-	38,399,448
Depreciable Capital Assets	65,198,793	(1,728,049)	-	63,470,744
Total Capital Assets, Net	\$92,026,309	(\$186,903)	(\$303,570)	\$91,535,835

Depreciation expense for the year ended June 30, 2009 was \$2,596,124

Note 4: LEASES

Lease Obligations - At June 30, 2010 the College had operating lease agreements in effect for copiers and vehicles.

Operating Leases - Future minimum rental payments under operating lease agreements are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2010-11	\$ 68,161
2011-12	35,734
2012-13	6,107
2013-14	1,481

Rental payments under operating leases for the fiscal years ended June 30, 2010 and 2009 were \$158,333 and \$160,788 respectively.

Capital Leases Obligations – At June 30, 2010, the College had lease agreements in effect for the lease of energy management equipment to be used to reduce the College's energy requirements for heating, cooling, and operating buildings and other facilities. The following is a schedule of future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2010.

<u>Year Ending June 30,</u>	<u>Wolverton Center</u>	
	<u>Principal</u>	<u>Interest</u>
2011	\$ 102,009	\$ 9,332
2012	107,246	4,095
	<u>\$ 209,255</u>	<u>\$ 13,427</u>

During the fiscal year ended June 30, 2010, the College paid \$118,864 and \$14,495 for principal and interest respectively. During the fiscal year ended June 30, 2009, the College paid \$176,984 and \$22,424 for principal and interest respectively.

Note 5: REIMBURSEMENT AGREEMENT/LEASE PURCHASE AGREEMENT

On July 15, 2002, the Camden County Improvement Authority issued \$12,500,000 of County-Guaranteed Lease Revenue Bonds (Camden County College Project), Series 2002. A substantial portion of the 2002 Bonds, in the aggregate principal amount of \$12,233,000, are entitled to the benefits of the provisions of the County College Bond Act, P.L. 1971, c. 12 (N.J.S.A. 18A:64-22.1 et. seq). Proceeds from the bonds were used to finance the Camden Technology Center (CTC); an approximate 279,000 square foot eight-story multi-purpose structure containing approximately 640 parking spaces, a 13,800 square foot college bookstore as well as 39,400 square feet of classroom and office space; and the acquisition and installation of capital equipment. Construction of this facility was completed during fiscal year 2005.

The College entered into a lease purchase agreement dated July 1, 2002, by and among the Authority, as lessor, and the County College and the County as lessees pursuant to which the Authority will lease to the College the 2002 project described above in return for lease payments to be made by the County in amounts and at times sufficient to pay the principal and interest on the 2002 bonds. In addition to the lease purchase agreement, a mortgage was entered into between the College, as mortgagor, and the County, as mortgagee. The mortgage requires the College to pay from the proceeds of the garage parking fees amounts equal to the debt service on \$6,383,500. In the event the College does not have sufficient parking fee income to pay the garage's operating expenses as well as the debt service, the obligation carries forward to subsequent periods. At the end of fifteen years, if an amount remains unpaid, the County of Camden retains the right to foreclose and assume ownership of the property.

For the fiscal year ending June 30, 2010, the County of Camden made basic lease payments in the amount of \$570,507, net of interest earned on the investments held by the bond trustee. Under the terms of the Lease Purchase Agreement, the College is obligated to repay the County for these payments. Any payment obligation due and payable by the College under the Lease Purchase Agreement that remains outstanding continues to remain an obligation until paid in full by the College. These payments are included in the College's liabilities at June 30, 2010. This amount as well as prior and subsequent lease payments made by the County will be repaid to the County once revenues from the Parking Garage are sufficient to cover the lease payments in accordance with terms contained in the Lease Purchase Agreement.

Note 6: LONG-TERM LIABILITIES

The following is a summary of long-term liabilities at June 30, 2010:

<u>Analysis of Long-Term Liabilities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated Absences	\$ 2,832,284	\$ 98,119		\$ 2,930,403	\$ 338,452
Capital Leases	328,119		\$ (118,864)	209,255	102,009
Mortgage Agreement/ Lease Purchase of CTC	6,383,500			6,383,500	431,525
Premium on Bonds	40,378		(4,487)	35,891	4,486
	<u>\$ 9,584,281</u>	<u>\$ 98,119</u>	<u>\$ (123,351)</u>	<u>\$ 9,559,049</u>	<u>\$ 876,472</u>

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

The following is a summary of long-term liabilities at June 30, 2009:

<u>Analysis of Long-Term Liabilities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated Absences	\$ 2,601,662	\$ 230,622		\$ 2,832,284	\$ 253,699
Capital Leases	505,103		\$(176,984)	328,119	118,864
Mortgage Agreement/ Lease Purchase of CTC	6,383,500			6,383,500	416,204
Premium on Bonds	44,864		(4,486)	40,378	4,486
	<u>\$ 9,535,129</u>	<u>\$ 230,622</u>	<u>\$(181,470)</u>	<u>\$ 9,584,281</u>	<u>\$ 793,253</u>

Note 7: PENSION PLANS

Substantially all of the College's employees participate in one of the two following defined benefit pension plans or defined contribution pension plan: (1) the Public Employees' Retirement System or (2) the New Jersey Alternative Benefit Program, both of which are administered and/or regulated by the New Jersey Division of Pensions. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Public Employees' Retirement System - The Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan, which was established as of January 1, 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

Note 7: PENSION PLANS (CONT'D)

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that begins immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The College is billed annually for its normal contribution plus any accrued liability.

The College's contributions, equal to the required contribution for each year, were as follows:

Public Employees Retirement System

<u>Year Ended June 30,</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Group Life</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by College</u>
2010	\$ 560,136	\$ 719,709	\$ 177,485	\$ 1,457,330	\$ -	\$ 1,457,330
2009	503,426	582,276	134,955	1,220,657	-	1,220,657
2008	673,254	518,838	-	1,192,092	238,418	953,674
2007	594,919	308,930	-	903,849	361,540	542,309
2006	552,290	151,915	-	704,205	422,523	281,682

New Jersey Alternative Benefit Program - The New Jersey Alternative Benefit Program (ABP) is a defined contribution pension plan, which was established pursuant to P.L.1969, c. 242 (N.J.S.A. 18A:66-21400167 et seq.). The ABP provides retirement, death and disability, and medical benefits to qualified members.

The contribution requirements of plan members are determined by State statute. In accordance with N.J.S.A. 18A:66-173, required contributions, calculated on the employees' 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.

Note 7: PENSION PLANS (CONT'D)

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

Teacher's Insurance and Annuity Association (TIAA/CREF)
ING Life Insurance and Annuity Company
Equitable Life
The Variable Annuity Life Insurance Company (VALIC)
The Hartford Group
Citistreet – Travelers Educators Retirement Services

Camden County College contributions for ABP participants were as follows:

Year ended	
<u>June 30,</u>	
2010	\$ 429,160
2009	281,019
2008	177,369

Employee contributions to the Alternative Benefit Program in Fiscal Year 2010 and 2009 were \$821,403 and \$732,256, respectively.

Note 8: POSTEMPLOYMENT BENEFITS

Plan Description - The College contributes to the New Jersey State Health Benefits Program ("the SHBP"), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP provides medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Program Act is found in the New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pension and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SHBP. That report may be obtained by writing to Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295.

Funding Policy - P.L. 1987, c.384 of P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2009, there were 84,590 retirees eligible for postemployment medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a school district or county college with 25 years of service. The State paid \$116.9 million toward Chapter 126 benefits for 13,320 eligible retired members in Fiscal Year 2009.

Note 9: RISK MANAGEMENT

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

Property and Liability Insurance - The College maintains commercial insurance coverage for property (including crime and physical damage, liability (general and automobile), boiler and machinery, and surety bonds.

Joint Insurance Pool - The Camden County College is a member of the New Jersey County College Insurance Pool for the purpose of obtaining workers' compensation insurance coverage. Contributions to the Fund are payable in an annual premium and are based on actuarial assumptions determined by the Fund's actuary. Contributions to the pool for the Fiscal Years Ending June 30, 2010 and 2009 were \$245,267 and \$256,262 respectively.

Note 10: COMPENSATED ABSENCES

Compensated Absences - Accrued vacation and sick leave represents Camden County College's liability for the cost of unused employee vacation and sick time payable in the event of employee termination. College employees are granted vacation and sick time in varying amounts under the college personnel policies and negotiated agreements. In the event of retirement or termination, an employee is reimbursed for unused vacation and vested sick time at various amounts.

At June 30, 2010 and 2009 the Compensated Absences Liability was \$2,930,402 and \$2,832,284 respectively.

Note 11: DEFERRED COMPENSATION SALARY ACCOUNT

The College offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Service Code 457. The Plan, available to full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the College or its creditors.

Note 12: CAPITAL RENEWAL AND REPLACEMENT

In accordance with terms of a New Jersey Department of Higher Education Jobs, Education and Competitiveness Bond Act of 1988 project contract, the College has reserved fund balance in its Plant Fund. The contract requires a seven-year funding schedule for this Reserve Fund. As of June 30, 2010, the amount reserved was \$306,008. In addition, Rowan University has also reserved a portion of its fund balance in the amount of \$210,000. Also at June 30, 2010 the College reserved fund balance in its Plant Fund for the Camden Technology Center in the amount of \$279,785 and facilities reserve in the amount of \$672,581.

Note 13: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various fund balance sheets as of June 30, 2010:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Unrestricted Fund	\$ 4,493,549	
Restricted Fund		\$138,329
Financial Aid Fund		3,133,775
Athletic Fund		11,667
Unexpended Plant		1,209,778
	<u>\$ 4,493,549</u>	<u>\$ 4,493,549</u>

The following interfund balances were recorded on the various fund balance sheets as of June 30, 2009:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Unrestricted Fund	\$ 2,625,417	
Restricted Fund		\$542,533
Financial Aid Fund		1,674,879
Athletic Fund		18,468
Unexpended Plant		389,537
	<u>\$ 2,625,417</u>	<u>\$ 2,625,417</u>

Note 14: NET ASSETS

The following is a summary of the Reserved and Unreserved Net Asset balances of the College for the fiscal years ended June 30, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Invested in Capital Assets:		
Gross	\$ 92,634,535	\$ 91,535,835
Related Debt	<u>(7,876,314)</u>	<u>(7,841,466)</u>
	<u>\$ 84,758,220</u>	<u>\$ 83,694,369</u>
Restricted for Expendable Net Assets:		
Stabilization	\$ -	\$ 1,262,942
Appropriated for Operations	1,742,607	
Renewal and Replacement Reserve	1,742,635	869,941
Federal and State Grants	<u>97,947</u>	<u>60,878</u>
	<u>\$ 3,583,189</u>	<u>\$ 2,193,761</u>
Unrestricted Net Assets:		
Student Government and		
Intercollegiate Athletics	\$ 98,534	\$ 112,217
Undesignated	<u>6,234,695</u>	<u>4,094,108</u>
	<u>\$ 6,333,229</u>	<u>\$ 4,206,325</u>

Note 15: ACCOUNTS RECEIVABLE

Accounts receivable consists of the following at the end of fiscal years ending June 30, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Student tuition and fees	\$4,472,525	\$4,105,486
Auxiliary enterprises and other operating activities	1,538,119	1,534,863
Federal, state, county and private grants and contracts	<u>8,085,468</u>	<u>5,860,878</u>
	14,096,112	11,501,227
Less: allowance for doubtful accounts	<u>3,686,894</u>	<u>2,160,508</u>
Net accounts receivable	<u>\$ 10,409,218</u>	<u>\$ 9,340,719</u>

The College has \$3,493,024 in un-reimbursed expenses associated with the \$4,492,789 claim filed with the Philadelphia Insurance Company for a fire that took place on campus. The College has posted a reserve for this claim. The College will seek to recover the all the un-reimbursed expenses associated with the claim.

Note 16: TUITION STABILIZATION RESERVE

Beginning the fiscal year ended June 30, 1999, the Board of Trustees reserved a portion of the College's fund balance for the purpose of compensating for fluctuations in funding from the County of Camden and the resulting impact on tuition. These fluctuations in county funding are caused by differences in the College's fiscal year budget and the County's calendar year budget. Because the College and the County operate on a different overlapping twelve-month basis, fluctuations in funding are magnified. When the County makes a substantial increase or reduction from one calendar year to another, a cyclical fluctuation is triggered on the College's fiscal year budget.

At June 30, 2009 the College had reserved \$1,262,942 of its Unrestricted Fund Balance to support the College's budget for the fiscal year ending June 30, 2010.

Note 17: LEGAL, GOVERNMENTAL, AND PUBLIC RELATIONS EXPENSES

Legal expenses incurred by the College for the fiscal years ended June 30, 2010 and 2009 were \$249,448 and \$246,421 respectively. The College had no expenses relating to lobbying activities.

Note 18: CONTINGENCIES

The College receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended during the fiscal year ended June 30, 2010 were subject to Federal OMB Circular A-133 and New Jersey OMB Circular 04-04 which mandates that grant revenues and expenditures be audited in conjunction with the College's annual audit. In addition to the aforementioned annual audit, all grants and cost reimbursements are subject to financial and compliance audits by the State and Federal grantor agencies. The College management does not believe such an audit would result in material amounts of disallowed costs.

Note 19: LITIGATION

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

SUPPLEMENTAL SCHEDULES

CAMDEN COUNTY COLLEGE
Balance Sheets
As of June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>		<u>2010</u>	<u>2009</u>
<u>ASSETS</u>			<u>LIABILITIES, RESERVES AND FUND BALANCES</u>		
Current Funds:			Current Funds:		
Unrestricted:			Unrestricted:		
Cash and Cash Equivalents	\$ 11,313,079	\$ 8,577,854	Accounts Payable and Accrued Liabilities	\$ 5,578,191	\$ 5,345,779
Accounts Receivable:			Prepaid Tuition and Student Deposits	6,238,076	6,254,217
Student Accounts Receivable, net	1,147,340	1,993,013	Fund Balance - Appropriated	1,742,607	1,262,942
Other Accounts Receivable	1,172,222	1,431,992	Fund Balance	6,229,917	4,094,108
Interfunds Accounts Receivable	4,493,549	2,625,417			
Intergovernmental Accounts Receivable:					
Federal	2,095	3,015			
State of New Jersey	412,000				
County of Camden	216,690	1,364,052			
Inventory - Ophthalmic Clinic	19,278	19,184			
Prepaid Expenses	1,012,537	942,519			
Total Unrestricted	\$ 19,788,791	\$ 16,957,046	Total Unrestricted	\$ 19,788,791	\$ 16,957,046

(Continued)

CAMDEN COUNTY COLLEGE
Balance Sheets
As of June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>		<u>2010</u>	<u>2009</u>
<u>ASSETS (CONT'D)</u>			<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCES (CONT'D)</u>		
Restricted:			Restricted:		
Restricted Programs Fund:			Restricted Programs Fund:		
Cash and Cash Equivalents	\$ -	\$ -	Accounts Payable and Accrued Liabilities	\$ 396,389	\$ 334,769
Other Accounts Receivable			Interfunds Accounts Payable	138,329	542,533
Intergovernmental Accounts Receivable:			Deferred Revenue	32,629	36,408
Federal	508,643	142,695	Fund Balance	5,675	38,242
State of New Jersey	64,380	809,257			
	<u>573,022</u>	<u>951,952</u>			
Total Restricted Programs Fund	\$ <u>573,022</u>	\$ <u>951,952</u>	Total Restricted Programs Fund	\$ <u>573,022</u>	\$ <u>951,952</u>
Financial Aid Fund:			Financial Aid Fund:		
Cash and Cash Equivalents	\$ -	\$ -	Accounts Payable and Accrued Liabilities	\$ 7,980	\$ 4,596
Intergovernmental Accounts Receivable:			Due to Grantor:		
Federal	3,051,953	1,755,805	State	26,471	117,798
State	188,209	23,666	Interfunds Accounts Payable	3,133,775	1,674,879
Other	28,913	50,644	Deferred Revenue	8,577	10,206
	<u>3,269,075</u>	<u>1,830,116</u>	Fund Balance	92,272	22,636
Total Financial Aid Fund	\$ <u>3,269,075</u>	\$ <u>1,830,116</u>	Total Financial Aid Fund	\$ <u>3,269,075</u>	\$ <u>1,830,116</u>
Total Restricted	\$ <u>3,842,098</u>	\$ <u>2,782,068</u>	Total Restricted	\$ <u>3,842,098</u>	\$ <u>2,782,068</u>
Total Current Funds	\$ <u>23,630,889</u>	\$ <u>19,739,114</u>	Total Current Funds	\$ <u>23,630,889</u>	\$ <u>19,739,114</u>

(Continued)

CAMDEN COUNTY COLLEGE
Balance Sheets
As of June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>		<u>2010</u>	<u>2009</u>
<u>ASSETS (CONT'D)</u>			<u>LIABILITIES, RESERVES AND FUND BALANCES (CONT'D)</u>		
Student Activities Fund:			Student Activities Fund:		
Cash	\$ 110,608	\$ 128,848	Accounts Payable and Accrued Liabilities	\$ 408	\$ 3,083
			Fund Balance	110,201	125,765
Total Student Activities Fund	<u>\$ 110,608</u>	<u>\$ 128,848</u>	Total Student Activities Fund	<u>\$ 110,608</u>	<u>\$ 128,848</u>
Intercollegiate Athletic Fund:			Intercollegiate Athletic Fund:		
Cash	\$ -	\$ -	Interfunds Accounts Payable	\$ 11,667	\$ 18,468
Deficit	11,667	18,868	Deferred Revenue		400
Total Intercollegiate Athletic Fund	<u>\$ 11,667</u>	<u>\$ 18,868</u>	Total Intercollegiate Athletic Fund	<u>\$ 11,667</u>	<u>\$ 18,868</u>
General Agency:			General Agency:		
Cash and Cash Equivalents	\$ 474,439	\$ 322,330	Accounts Payable	\$ 469,661	\$ 321,201
Other Accounts Receivable		4,190	Fund Balance	4,778	5,319
Total General Agency	<u>\$ 474,439</u>	<u>\$ 326,520</u>	Total General Agency	<u>\$ 474,439</u>	<u>\$ 326,520</u>

(Continued)

CAMDEN COUNTY COLLEGE
Balance Sheets
As of June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>		<u>2010</u>	<u>2009</u>
<u>ASSETS (CONT'D)</u>			<u>LIABILITIES, RESERVES AND FUND BALANCES (CONT'D)</u>		
Plant Funds:			Plant Funds:		
Unexpended:			Unexpended:		
Cash and Cash Equivalents	\$ -	\$ -	Accounts Payable and Accrued Liabilities	\$ 664,359	\$ 502,910
Other Accounts Receivable	4,188		Interfunds Accounts Payable	1,209,778	389,537
Intergovernmental Accounts Receivable:			Fund Balance - Restricted	<u>1,742,635</u>	<u>869,941</u>
County of Camden	<u>3,612,585</u>	<u>1,762,388</u>			
Total Unexpended	\$ <u>3,616,773</u>	\$ <u>1,762,388</u>	Total Unexpended	\$ <u>3,616,773</u>	\$ <u>1,762,388</u>
Investment in Plant:			Investment in Plant:		
Construction in Progress	\$ 25,950,218	\$ 24,020,136	Accounts Payable and Accrued Liabilities	\$ 1,247,669	\$ 1,089,470
Land	3,855,327	3,855,327	Obligations Under Capital Lease	209,255	328,119
Land Improvements	1,318,574	1,183,756	Net Investment in Plant	84,758,220	83,694,369
Buildings	55,819,374	57,067,476	Long Term Debt	6,383,500	6,383,500
Equipment and Furnishings	3,623,233	3,157,240	Premium on Bonds	35,891	40,377
Infrastructure	1,585,759	1,643,652			
Library Books	44,829	54,882			
Vehicles	102,913	104,240			
Bond Issuance Cost	168,557	189,626			
Assets Under Capital Lease	<u>165,751</u>	<u>259,500</u>			
Total Investment in Plant	\$ <u>92,634,535</u>	\$ <u>91,535,835</u>	Total Investment in Plant	\$ <u>92,634,535</u>	\$ <u>91,535,835</u>
Total Plant Funds	\$ <u><u>96,251,308</u></u>	\$ <u><u>93,298,224</u></u>	Total Plant Funds	\$ <u><u>96,251,308</u></u>	\$ <u><u>93,298,224</u></u>

CAMDEN COUNTY COLLEGE
Statement of Changes in Fund Balances
For the Fiscal Year Ended June 30, 2010

	Current Funds			Agency Funds			Plant Funds		
	Unrestricted	Restricted Programs	Financial Aid Fund	Student Activities Fund	General Agency	Intercollegiate Athletic Fund	Unexpended	Renewal and Replacement	Investment In Plant
Revenue and Other Additions:									
Educational and General Revenues	\$ 47,400,327								
Governmental Appropriations and Grants--									
Federal	34,274	\$ 3,053,342	\$ 37,665,261						
Federal Stimulus	658,470								
State	11,913,752	573,859	6,767,124						
County	9,841,393						\$ 2,669,070		
Other Grants and Contracts--									
Restricted		34,721							
Intercollegiate Athletic Revenue						\$ 10,600			
Student Activities Revenue				\$ 18,452					
Other	3,069,819				\$ (5,848)		4,188		
Expended for Plant Assets									\$ 1,734,525
	<u>72,918,035</u>	<u>3,661,921</u>	<u>44,432,385</u>	<u>18,452</u>	<u>(5,848)</u>	<u>10,600</u>	<u>2,673,258</u>	<u>\$ -</u>	<u>1,734,525</u>
Expenditures and Other Deductions:									
Educational and General Expenditures	67,063,287	3,606,398	44,319,567		(5,307)				158,199
Intercollegiate Athletic Expenditures						59,296			
Increase in Accrued Compensated Absences	98,119								
Student Activities Expenditures				182,105					
Other Changes in Fund Balance	1,489,567						(1,904)		
Accounts Receivable Canceled	423,325								
Expended for Plant Assets							916,321		
Amortization									16,583
Depreciation									<u>2,537,590</u>
	<u>69,074,298</u>	<u>3,606,398</u>	<u>44,319,567</u>	<u>182,105</u>	<u>(5,307)</u>	<u>59,296</u>	<u>914,417</u>	<u>-</u>	<u>2,712,373</u>
Net Increase (Decrease) Before Transfers Among Funds	3,843,737	55,523	112,818	(163,653)	(541)	(48,696)	1,758,840	-	(977,847)
Additions (Deductions):									
From Financial Aid Fund:									
Administrative Expenses	43,182		(43,182)						
From Restricted Programs Fund:									
Indirect Costs	88,090	(88,090)							
To Plant Fund	(1,155,551)						1,043,936		111,615
Transfer CIP from Unexpended to Investment							(1,930,082)		1,930,082
To Intercollegiate Athletic Fund	(55,896)					55,896			
To Student Activities Fund	(148,089)			148,089					
Net Increase (Decrease) After Transfers	2,615,474	(32,568)	69,636	(15,565)	(541)	7,201	872,694	-	1,063,850
Fund Balance at Beginning of Year	5,357,050	38,243	22,636	125,765	5,319	(18,868)	866,517	3,424	83,694,369
Fund Balance End of Year	<u>\$ 7,972,524</u>	<u>\$ 5,675</u>	<u>\$ 92,272</u>	<u>\$ 110,201</u>	<u>\$ 4,778</u>	<u>\$ (11,667)</u>	<u>\$ 1,739,211</u>	<u>\$ 3,424</u>	<u>\$ 84,758,220</u>

CAMDEN COUNTY COLLEGE
Statement of Current Funds Revenues, Expenditures and Other Changes
For the Fiscal Year Ended June 30, 2010

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenues:			
Education and General:			
Student Tuition and Fees	\$ 47,305,828		\$ 47,305,828
Chargebacks from Other Counties	94,499		94,499
Governmental Appropriations	22,447,889	\$ 48,059,585	70,507,474
Other Sources	3,069,819	34,721	3,104,539
	<hr/>		<hr/>
Total Revenues	72,918,035	48,094,306	121,012,341
	<hr/>		<hr/>
Expenditures and Mandatory Transfers:			
Educational and General:			
Instruction	25,170,563	1,902,440	27,073,002
Academic Support	8,222,143	209,486	8,431,629
Student Services	7,200,663	473,616	7,674,280
Extension and Public Service	283,245	1,016,856	1,300,102
General Institutional	12,418,104		12,418,104
Operation and Maintenance of Plant	12,429,293		12,429,293
Scholarships & Fellowships	454,156	44,323,567	44,777,723
Other	885,119		885,119
	<hr/>		<hr/>
Total Expenditures	67,063,287	47,925,965	114,989,251
	<hr/>		<hr/>
Net Increase (Decrease) Before Other Transfers and Additions (Deductions) (Carried Forward)	5,854,748	168,341	6,023,089
Other Transfers and Additions (Deductions):			
Transfer from Restricted Programs Fund:			
Indirect Costs	88,090	(88,090)	
Transfer from Financial Aid Fund:			
Administrative Expenses	43,182	(43,182)	
Transfer to Plant Fund	(1,155,551)		(1,155,551)
Transfer to Intercollegiate Athletic Fund	(55,896)		(55,896)
Transfer to Student Activities Fund	(148,089)		(148,089)
Student Accounts Receivable Cancelled	(423,325)		(423,325)
Other Credits to Income	(1,489,567)		(1,489,567)
(Increase) in Accrued Compensated Absences	(98,119)		(98,119)
	<hr/>		<hr/>
Net Increase (Decrease) in Fund Balance	\$ 2,615,474	\$ 37,070	\$ 2,652,543
	<hr/>		<hr/>

CAMDEN COUNTY COLLEGE
Statement of Unrestricted Funds Revenues
For the Fiscal Year Ended June 30, 2010

Student Tuition and Fees:	
Non-Credit Tuition and Fees	\$ 3,757,433
Credit Tuition	31,289,644
Credit Fees	<u>12,258,752</u>
	<u>47,305,828</u>
 Chargebacks from Other Counties	 <u>94,499</u>
 Governmental Appropriations:	
Federal	34,274
Federal Stimulus	658,470
State of New Jersey	11,028,633
County of Camden	9,841,393
On-Behalf Payments - Alternate Benefit Program:	
State of New Jersey	<u>885,119</u>
	<u>22,447,889</u>
 Other Sources:	
Income from Investments	54,234
Commissions	657,518
Building Partnerships	781,048
Miscellaneous	<u>1,577,019</u>
	<u>3,069,819</u>
	<u><u>\$ 72,918,035</u></u>

CAMDEN COUNTY COLLEGE
Statement of Unrestricted Fund Expenditures
For the Fiscal Year Ended June 30, 2010

Instruction:

Instructional Fringe Benefits	\$ 4,241,722
Academic Skills (Math, English)	2,225,411
Academic/Student Support	17,650
Accounting, Economics and Finance	770,975
Adult Basic Skills	1,000
Allied Health	115,601
Automotive Technology	490,233
Automotive - Toyota	227
Biology	1,517,867
Biotechnology	2,049
Business and Management	405,096
Camden Board of Education	83,048
Camden County Surrogate Office	12,976
Chemistry	893,269
CIM	157,970
Communications	74,770
Computer Aided Drafting	128,403
Computer Science	399,219
Computer Systems Technology	101,472
Computer Information Systems	692,494
Customized Training-Continuing Education	222,679
Computer Graphics	272,085
Criminal Justice	265,162
Dental and Dental Hygiene	673,691
Elementary/Secondary Education	148,597
English as a Secondary Language	481,363
Engineering Technician	143,432
English	1,429,654
Fire Science Technology	93,890
Food & Nutrition Science	278,162
General Interest Programming - Continuing Education	922,191
Health and Physical Education	437,443
Health Information Technology	182,367
History and Political Science	958,366
Hospitality Technology Service	56,889
Human Services	209,159
K-12 School Contract	32,257
Languages	350,604
Laser Technology	93,793
Liberal Arts	7,508
Marketing and Retailing	49,422
Mathematics	979,930
Medical Lab Technician	114,884
Nursing and Respiratory Therapy	203,477
Occupational Skills-Continuing Ed	648,651
Office System Technology	104,267
Ophthalmic and Hearing Science	300,744
Paramedic Science	59,261
Paralegal	84,382
Physics	273,922
Basic Police Training - Alternate Route	14,339
Police Recruit	30,709
Police Training Seminar	1,772
Psychology	844,636
Sign Language Interpreter	184,726
Sociology / Anthropology	404,035
Surgical Technology	17,501
Veterinary Technology	213,155
Visual and Performing Arts	1,050,007
	<u>25,170,563</u>
	(Continued)

CAMDEN COUNTY COLLEGE
Statement of Unrestricted Fund Expenditures
For the Fiscal Year Ended June 30, 2010

Academic Support:

Academic Support Fringe Benefits	\$ 1,428,930
Office of Provost and Vice-President of Academic Affairs	493,077
Vice-President of Economic Development and Dean of Rohrer Campus	115,055
Dean of Business, Computer and Technical Studies	294,251
Dean of Arts, Humanities and Social Sciences	686,764
Dean of Mathematics, Science and Health Careers	405,847
General Interest Program Office	286,321
Customized Training Office	334,838
Occupational Skills Office	325,261
Library	899,351
Shared Library Costs	44,999
Instructional Support	277,169
Academic Information Systems	1,155,678
Camden Academic Support	151,885
Ophthalmic Clinic	27,571
School Relations Office	460,859
Institutional Research	256,610
Distance Learning	577,676
	<hr/>
	8,222,143

Student Services:

Student Services Fringe Benefits	1,234,380
Office of Admissions and Recruitment	106,199
Office of Records and Registration Services	688,407
Enrollment Services Camden	341,885
Office of Enrollment Services	781,685
Office of Financial Aid	888,468
Office of Student Life	54,217
Honors Convocations	1,190
Advisement Center	464,136
Commencement	64,702
ESL/International Students	129,872
Intercollegiate Sports	320,485
Transfer and Student Employment	73,470
Camden Campus Student Services	105,432
Food Service	122,582
Parking Garage Office	127,036
SSS Match	13,624
Disability Services	147,570
Rohrer Center	498,797
Academic/Student Services	314,817
Hearing Impaired	156,555
Assessment & Tutoring	512,068
EOF Support Program	53,088
	<hr/>
	7,200,663

Extension and Public Service:

Extension and Public Service Fringe Benefits	37,301
Center for Civic Leadership	56,185
Facility Scheduling	72,659
Theatre Production/Art Gallery	16,500
Faculty Development	26,385
Wellness	47,159
Summer Camps for Kids	5,815
Miscellaneous Expense	21,242
	<hr/>
	283,245
	<hr/>
	(Continued)

CAMDEN COUNTY COLLEGE
Statement of Unrestricted Fund Expenditures
For the Fiscal Year Ended June 30, 2010

Institutional Support

Institutional Support Fringe Benefits	\$ 2,816,079
Board of Trustees	170,237
President's Office	334,013
Office of Vice-President for Administrative Services	315,472
Office of Vice-President for Institutional Advancement	546,122
Office of Budgeting and Planning	231,581
Financial Services	956,901
Human Resources	493,815
Printing Services	417,300
Communication and Development	765,547
Foundation & Alumni	90,986
Administrative Information Systems	1,774,882
Compliance Office	170,870
Auxiliary Services/Conference Center	10,231
Salary Accruals	18,509
Consulting	313,230
Building Rentals	13,518
Audit	67,000
Solicitor	143,436
Memberships	149,250
Postage	227,833
Property and Casualty Insurance	885,944
In Lieu of Taxes	70,000
Credit Card Service Fees	324,332
Collection Agency Fee	45,997
Debt Service	597,027
Technology Priorities	332,849
Bitech Implementation	21,018
Miscellaneous	114,126
	<u>12,418,104</u>

Operation and Maintenance:

Operation and Maintenance Fringe Benefits	1,937,736
Operation and Maintenance	3,541,074
Materials and Repairs	705,672
Contractual Services	147,724
Financing Costs	90
Equipment	64,703
Service Contracts	228,671
Conferences and Meetings	10,363
Operation of Vehicles	214,613
Sewerage	219,861
Electricity	2,183,421
Gas	365,742
Water	107,962
Waste Collection	108,667
Telephone	420,007
Public Safety	2,172,986
	<u>12,429,293</u>

Scholarships & Fellowships:

Waivers	<u>454,156</u>
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Other:

On-Behalf Payments - Alternate Benefit Program	
Teachers Insurance Annuity Association (TIAA)	<u>885,119</u>

\$ 67,063,287

CAMDEN COUNTY COLLEGEStatement of Current Fund Expenditures by Function and Object
For the Fiscal Year Ended June 30, 2010

	<u>General Operating</u>	<u>Auxiliary Services</u>	<u>Continuing Education</u>	<u>Total Current Unrestricted</u>
Instruction:				
Salaries	\$ 18,675,600	\$ 9,960	\$ 1,349,158	\$ 20,034,718
Fringe	4,147,314	1,327	93,079	4,241,720
Contractual Services	48,895	11,412		60,307
Materials & Supplies	274,729	14,869	403,212	692,810
Conferences & Meetings	49,003		9,807	58,810
Fixed Charges	52,985		725	53,710
Utilities			13	13
Student Aid	4,290		8,538	12,828
Capital	4,962			4,962
Contingency	105	10,580		10,685
	<u>23,257,883</u>	<u>48,148</u>	<u>1,864,532</u>	<u>25,170,563</u>
Academic Support:				
Salaries	4,257,537		859,308	5,116,845
Fringe	1,184,596		244,332	1,428,928
Contractual Services	1,202,946		121,634	1,324,580
Materials & Supplies	198,484		6,560	205,044
Conferences & Meetings	59,488		9,077	68,565
Fixed Charges	9,612			9,612
Utilities	420		64,896	65,316
Student Aid				-
Capital	3,253			3,253
Contingency				-
	<u>6,916,336</u>	<u>-</u>	<u>1,305,807</u>	<u>8,222,143</u>
Student Services:				
Salaries	4,848,183	115,905		4,964,088
Fringe	1,197,350	37,022		1,234,372
Contractual Services	492,601	117,664		610,265
Materials & Supplies	154,742	2,983		157,725
Conferences & Meetings	98,286	1,323		99,609
Fixed Charges	122,480	9,230		131,710
Utilities	351			351
Student Aid				-
Capital				-
Contingency	28	2,515		2,543
	<u>6,914,021</u>	<u>286,642</u>	<u>-</u>	<u>7,200,663</u>
				(Continued)

CAMDEN COUNTY COLLEGEStatement of Current Fund Expenditures by Function and Object
For the Fiscal Year Ended June 30, 2010

	<u>General Operating</u>	<u>Auxiliary Services</u>	<u>Continuing Education</u>	<u>Total Current Unrestricted</u>
Extension and Public Service:				
Salaries	\$ 184,719	\$ 600	\$ 26,385	\$ 211,704
Fringe	34,069	49	3,184	37,302
Contractual Services	7,797			7,797
Materials & Supplies	14,379			14,379
Conferences & Meetings	6,848			6,848
Fixed Charges				-
Utilities				-
Student Aid				-
Capital				-
Contingency		5,215		5,215
	<u>247,812</u>	<u>5,864</u>	<u>29,569</u>	<u>283,245</u>
Institutional Support:				
Salaries	4,050,013			4,050,013
Fringe	2,816,082			2,816,082
Contractual Services	2,415,777			2,415,777
Materials & Supplies	485,195			485,195
Conferences & Meetings	248,880			248,880
Fixed Charges	2,023,987			2,023,987
Utilities	306,643			306,643
Student Aid	0			0
Capital	60,573			60,573
Contingency	10,954			10,954
	<u>12,418,104</u>	<u>-</u>	<u>-</u>	<u>12,418,104</u>
Operations & Maintenance:				
Salaries	5,250,848	427,175		5,678,023
Fringe	1,850,611	87,126		1,937,737
Contractual Services	425,712	23,154		448,866
Materials & Supplies	880,116	1,267		881,383
Conferences & Meetings	16,189			16,189
Fixed Charges	38,020			38,020
Utilities	3,120,433	226,362		3,346,795
Student Aid				-
Capital	82,280			82,280
Contingency				-
	<u>11,664,209</u>	<u>765,084</u>	<u>-</u>	<u>12,429,293</u>
				(Continued)

CAMDEN COUNTY COLLEGE
Statement of Current Fund Expenditures by Function and Object
For the Fiscal Year Ended June 30, 2010

	<u>General Operating</u>	<u>Auxiliary Services</u>	<u>Continuing Education</u>	<u>Total Current Unrestricted</u>
Scholarships & Fellowships:				
Salaries				-
Fringe				-
Contractual Services				-
Materials & Supplies				-
Conferences & Meetings				-
Fixed Charges				-
Utilities				-
Student Aid	454,156			454,156
Capital				-
Contingency				
	<u>454,156</u>	<u>-</u>	<u>-</u>	<u>454,156</u>
Other	<u>885,119</u>	<u>-</u>	<u>-</u>	<u>885,119</u>
Total	<u>\$ 62,757,640</u>	<u>\$ 1,105,738</u>	<u>\$ 3,199,908</u>	<u>\$ 67,063,287</u>
Total				
Salaries	\$ 37,266,900	\$ 553,640	\$ 2,234,851	\$ 40,055,391
Fringe	11,230,022	125,524	340,595	11,696,141
Contractual Services	4,593,728	152,230	121,634	4,867,592
Materials & Supplies	2,007,644	19,119	409,772	2,436,535
Conferences & Meetings	478,694	1,323	18,884	498,901
Fixed Charges	2,247,084	9,230	725	2,257,039
Utilities	3,427,847	226,362	64,909	3,719,118
Student Aid	458,447	-	8,538	466,985
Capital	151,068	-	-	151,068
Contingency	11,087	18,310	-	29,397
	<u>61,872,521</u>	<u>1,105,738</u>	<u>3,199,908</u>	<u>66,178,167</u>
Other	<u>885,119</u>	<u>-</u>	<u>-</u>	<u>885,119</u>
Total	<u>\$ 62,757,640</u>	<u>\$ 1,105,738</u>	<u>\$ 3,199,908</u>	<u>\$ 67,063,287</u>

CAMDEN COUNTY COLLEGE
Statement of Restricted Programs Fund
For the Fiscal Year Ended June 30, 2010

	Revenues			Expenditures and Other		Net Increase (Decrease)	Fund Balance at Beginning	Fund Balance
	Federal	State	Other	Deductions	Transfers	For Year	of Year	at End of Year
Upward Bound Food	\$ 11,133			\$ 11,133				
Upward Bound (end date 8/31/09)	159,674			146,131	\$ 13,543			
Upward Bound (end date 8/31/10)	276,324			256,171	20,153			
College Bound		\$ 322,982		322,982				
Dual Enrollment		13,919		13,919				
Upward Bound Parent Adv				104		\$ (104)	\$ 104	
Student Support Services(end date 8/31/09)	37,998			37,421	577			
Student Support Services (end date 8/31/10)	216,653			216,653				
Perkins	1,001,675			1,001,675		(0)	0	\$ 0
NSF - OP-TEC (end date 8/31/09)	13,102			11,310	1,793			
NSF - OP-TEC (end date 8/31/10)	69,159			42,191	26,969			
NSF-STEM (end date 8/31/10)	39,295			39,295				
NSF - ALICE (end 8/31/10)	44,346			26,206	18,140			
Title III Student Access	50			50				
Health Careers Opp Prog (HCOP) (end date 8/31/06)				69		(69)	69	
Tech Prep (end date 8/31/2009)	22,043			22,043				
Two Plus Two Tech Prep (end date 8/31/2010)	72,140			72,140				
Delaware Valley Innovation Partnership	72,345			72,345				
Advanced Manufacturing		1,816		1,816				
NSF - STEM (end date 8/31/09)	2,892			2,892				
The Big Read	20,000			20,000				
Adult Basic Skills	516,243			516,243				
English Literacy & Civics	307,007			307,007				
EOF		219,263		219,263				
21st Century Learning-CCVT(end date 8/30/10)	115,000			115,000				
21st Century -CCVT (end date 8/31/09)	36,035			36,035				
System on Chip	20,229			13,312	6,917			
Life Science Career Alliance			\$ 3,968	3,968				
Literacy Project				280		(280)	280	
Emergency Medical Technician				298		(298)	298	
American Cancer Society		1,200		1,200				
At History's Doorstep Yr 3				36		(36)	36	
Dwight Eisenhower				668		(668)	668	
India - Ancient Civilization		7,862		7,862				
Lindback Blended Learning			3,926	3,926				
Zoo in the Park							5,675	5,675
Walt Whitman - Celebrating		6,817		6,817				
Gateway United Way				31,093		(31,093)	31,093	
Gateway Danellie Foundation				21		(21)	21	
HOPE VI			22,826	22,826				
Lindback Foundation			4,000	4,000				
	<u>\$ 3,053,342</u>	<u>\$ 573,859</u>	<u>\$ 34,721</u>	<u>\$ 3,606,398</u>	<u>\$ 88,090</u>	<u>\$ (32,568)</u>	<u>\$ 38,243</u>	<u>\$ 5,675</u>
Transfer to (from) Unrestricted Current Funds:								
Fringe Benefits				\$ -				
Indirect Costs / Administrative Allowance				88,090				
				<u>\$ 88,090</u>				

CAMDEN COUNTY COLLEGE
Statement of Financial Aid Fund
For the Fiscal Year Ended June 30, 2010

	Revenues (Deobligations)		Expenditures and Other Deductions	Transfers	Net Increase (Decrease) For Year	Fund Balance at Beginning of Year	Fund Balance at End of Year
	<u>Federal</u>	<u>State</u>					
Pell Grant	\$21,697,019		\$21,697,019				
Supplemental Education	486,409		459,121	\$ 7,652	\$ 19,636	\$ 22,636	\$ 42,272
Federal Work Study Program	386,318		300,788	35,530	50,000		50,000
Federal Family Education Loan Program	14,955,185		14,955,185				
SSS Trio	37,792		37,792				
Academic Competiveness	41,955		41,955				
Plus Loans	60,583		60,583				
Tuition Aid Grant		4,995,580	4,995,580				
Educational Opportunity Fund		253,261	253,261				
New Jersey Gear Up		77,734	77,734				
NJ Class Loans		240,534	240,534				
New Jersey Stars Program		1,163,281	1,163,281				
Garden State Scholarships		36,735	36,735				
	<u>\$37,665,261</u>	<u>\$6,767,124</u>	<u>\$44,319,567</u>	<u>\$43,182</u>	<u>\$ 69,636</u>	<u>\$ 22,636</u>	<u>\$ 92,272</u>

CAMDEN COUNTY COLLEGE
Statement of Agency Fund Revenues, Expenditures and Transfers -
Student Activities Fund
For the Fiscal Year Ended June 30, 2010

	<u>Revenues</u>	<u>Expenditures</u>
<u>Student Government Association</u>		
Transfer from Unrestricted Current Fund - Student Activity Fees	\$ 148,089	
Student Activity Board	4,405	\$ 91,631
Graduation Activities	5,640	43,519
<u>Student Media</u>		
Newspaper-Campus Press	1,943	7,248
Radio Station		13,146
<u>Student Clubs</u>		
Accounting Club		1,376
Christian Connection		40
Criminal Justice Society	230	661
Dead Poets Society		145
Dental Assisting Club	1,892	4,081
Dental Hygiene Club	2,414	4,988
Dietetic Club		1,136
Game Design Club		1,248
Human Service Club	1,651	3,294
International Club		545
Kappa Delta Pi		1,666
NJ Business		1,002
Owning Our Ignorance		420
Paralegal Studies		495
Phi Theta Kappa Honor Society		550
PSI Beta		2,361
Rotary Club	278	411
Urban Unity		2,141
	<u>\$ 166,541</u>	<u>\$ 182,105</u>

CAMDEN COLLEGE COLLEGE
Statement of Agency Fund Revenues, Expenditures and Transfers -
Intercollegiate Athletic Fund
For the Fiscal Year Ended June 30, 2010

	<u>Revenues</u>	<u>Expenditures</u>
General	\$ 400	\$ 1,788
Men's Soccer Team		5,125
Men's Basketball Team		8,486
Men's Baseball Team	10,200	17,142
Women's Softball Team		6,143
Women's Basketball Team		8,037
Women's Soccer Team		7,395
Men's Golf Team		5,181
Transfer from Camps	5,896	
Transfer from Unrestricted Current Fund	50,000	
	<hr/>	<hr/>
	<u>\$ 66,496</u>	<u>\$ 59,296</u>

CAMDEN COUNTY COLLEGE
PART 2
SINGLE AUDIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND
STATE OF NEW JERSEY CIRCULAR 04-04-OMB**

To the Members of the Board of Trustees
Camden County College
Blackwood, New Jersey 08012

Compliance

We have audited Camden County College's (the College) compliance with the types of compliance requirements described in the OMB Circular A-133 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, 2010. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the College's management. Our responsibility is to express an opinion on the College's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Department of Treasury, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and State of New Jersey Circular 04-04-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the College's compliance with those requirements.

In our opinion, Camden County College 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, 2010.

Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the College's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of the board of trustees and management of the College, the Division of Treasury of the State of New Jersey, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Woodbury, New Jersey
March 28, 2011

CAMDEN COUNTY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDING JUNE 30, 2010

Federal Grantor/ Pass - through Grantor/ Program Title	Federal CFDA Number	Grant Number	Program or Award Amount	Matching Contribution	Grant Period		Balance June 30, 2009	Receipt or Revenues Recognized	Key	Adjustments	FY 10		(Memo Only)	
					From	To					Disbursements/ Expenditures	Balance June 30, 2010	Cash Received	Cumulative Expenditures
U.S. Department of Education:														
Direct Programs:														
Federal Supplemental Educational Opportunity Grants	84.007	E-P007-A992540	\$ 486,409	N/A	7/1/2009	6/30/2010	\$ 22,636	\$ 486,409			\$ 466,773	\$ 42,272	\$ 397,583	\$ 466,773
Federal Family Education Loans	84.032	Unavailable	14,955,185	N/A	7/1/2009	6/30/2010		14,955,185			14,955,185		14,909,995	14,955,185
Federal Pell Grant Program	84.063	E-P063P992308	21,697,019	N/A	7/1/2009	6/30/2010		21,697,019			21,697,019		19,099,871	21,697,019
Academic Competitiveness	84.375	P375AA062865	41,955	N/A	7/1/2009	6/30/2010		41,955			41,955		3,925	41,955
Plus Loans	84.032	N/A	60,583	N/A	7/1/2009	6/30/2010		60,583			60,583		60,583	60,583
SSS Trio	84.042	N/A	37,792	N/A	7/1/2009	6/30/2010		37,792			37,792		37,792	37,792
Federal Work-Study Program	84.033	E-P033-A992540	386,318	N/A	7/1/2009	6/30/2010		386,318			336,318	50,000	42,073	336,318
Total Student Financial Aid							22,636	37,665,261		-	37,595,625	92,272	34,551,822	37,595,625
Other U.S. Department of Education Programs:														
Direct Programs:														
Upward Bound	84.047	P047A070532-09	159,674	N/A	9/1/2008	8/31/2009		159,674			159,674		159,674	159,674
Upward Bound	84.047	P047A070532-09	450,792	N/A	9/1/2009	8/31/2010		276,324			276,324		243,393	276,324
Upward Bound Food	84.219	5120-100-034	11,133	N/A	7/1/2009	6/30/2010		11,133			11,133		11,133	11,133
Student Support Services	84.042	P042A060991	278,507	\$ 22,942	9/1/2009	12/31/2010		216,653	(1)	\$ 22,942	239,596		202,779	239,596
Student Support Services	84.042	P042A060991	37,998	N/A	9/1/2008	8/31/2009		37,998			37,998		37,998	37,998
Title III	84.031	PO31A030179-4	50	N/A	10/1/2008	9/30/2009		50			50		50	50
Passed Through State Department of Education:														
Vocational Education - Perkins	84.048	PSFS712010	1,001,675	N/A	7/1/2009	6/30/2010		1,001,675			1,001,675		896,090	1,001,675
Tech Prep	84.243	subcontract	22,043	N/A	9/1/2008	8/31/2009		22,043			22,043		15,043	22,043
Tech Prep	84.243	subcontract	93,764	N/A	9/1/2009	8/31/2010		72,140			72,140			72,140
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	84.394	N/A	658,470	N/A	7/1/2009	6/30/2010		658,470			658,470		658,470	658,470
Passed Through State Department of Labor and Workforce Development:														
Adult Basic Skills	84.002	ABS-FY10004	527,360	298,399	7/1/2009	6/30/2010		516,243	(1)	298,399	814,642		463,625	814,642
English Literacy and Civics	17.259	ABS-FY10004	326,400	N/A	7/1/2009	6/30/2010		307,007			307,007		233,273	307,007
Passed Through Camden County Vocational Technical School:														
21st Century-CCVT	84.287	subcontract	36,035	N/A	9/1/2008	8/31/2009		36,035			36,035		26,474	36,035
21st Century-CCVT	84.287	subcontract	115,000	N/A	9/1/2009	8/31/2010		115,000			115,000		105,000	115,000
Passed Through Delaware Valley Innovation Network														
Delaware Valley Innovation Partnership	17.xxx	N/A	76,005	N/A	9/1/2009	12/31/2009		72,345			72,345		72,345	72,345
Passed Through The National Endowment for the Arts														
The Big Read	45.024	53179	20,000	N/A	4/14/2009	6/30/2010		20,000			20,000		16,000	20,000
Passed Through The National Science Foundation:														
NSF-OP-TEC	47.076	DUE-0603275	115,000	N/A	9/1/2008	8/31/2009		13,102			13,102		13,102	115,531
NSF-OP-TEC	47.076	DUE-0603275	94,136	N/A	9/1/2009	8/31/2010		69,159			69,159		39,754	69,159
NSF-ALICE	47.076	DUE-0903271	71,054	N/A	9/1/2009	8/31/2010		44,346			44,346			44,346
SYSTEM ON CHIP	47.076	DUE-0633512	35,346	N/A	6/1/2007	9/30/2010		20,229			20,229			20,229
NSF-STEM	47.076	DUE-0631050	118,260	N/A	9/1/2008	8/31/2009		2,892			2,892		2,892	40,393
NSF-STEM	47.076	DUE-0631050	117,841	N/A	9/1/2009	8/31/2010		39,295			39,295		6,078	39,295
Total Other U.S. Department of Education Programs							-	3,711,812		321,341	4,033,153	-	3,203,170	4,173,083
Total Federal Financial Assistance							\$ 22,636	\$ 41,377,072		\$ 321,341	\$ 41,628,777	\$ 92,272	\$ 37,754,992	\$ 41,768,707

(1) Matching Funds

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

CAMDEN COUNTY COLLEGE
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

State Grantor/ Program Title	State GMIS Number	Program or Award Amount	Matching Contribution	Grant Period		Balance June 30, 2009	Receipts or Revenues Recognized	Key	Adjustments	FY 10 Disbursements/ Expenditures	Balance June 30, 2010	(Memo Only)	
				From	To							Cash Received	Cumulative Expenditures
Student Financial Aid Programs:													
<u>Department of the State - Commission on Higher Education:</u>													
Opportunities Program Grants:													
Educational Opportunities Fund - Article IV	100-074-2401-002	\$ 219,263	\$ 224,487	7/1/2009	6/30/2010	\$ 219,263	(1)	\$ 224,487	\$ 443,750	\$ 210,973	\$ 443,750		
Total Commission on Higher Education						-	219,263		224,487	443,750	-	210,973	443,750
<u>Department of the Treasury - Office of Student Assistance:</u>													
Educational Opportunities Fund - Article III	100-074-2401-001	\$ 253,261	N/A	6/1/2009	7/31/2010	253,261			253,261	253,261	253,261		
New Jersey Stars Program	100-074-2405-313	1,163,281	N/A	7/1/2009	6/30/2010	1,163,281			1,163,281	1,159,737	1,163,281		
Tuition Aid Grants	100-074-2405-007	4,995,580	N/A	7/1/2009	6/30/2010	4,995,580			4,995,580	4,814,509	4,995,580		
Garden State Distinguish Scholarship	100-074-2405-278	36,735	N/A	7/1/2009	6/30/2010	36,735			36,735	36,735	36,735		
NJ Gear Up Scholarship	100-074-2400-026	77,734	N/A	7/1/2009	6/30/2010	77,734			77,734	77,734	77,734		
NJ Class Loans	NA	240,534	N/A	7/1/2009	6/30/2010	240,534			240,534	236,940	240,534		
Total Student Financial Aid Programs						-	6,767,124		-	6,767,124	-	6,578,916	6,767,125
<u>State Department of Education:</u>													
Advanced Manufacturing	NJCHE08IPI-801080-0001	16,025	N/A	6/23/2008	7/31/2009	1,816			1,816		14,638		
Total State Department of Education						-	1,816		-	1,816	-	-	14,638
<u>State Department of Higher Education:</u>													
Operational Costs - County Colleges	100-082-2155-015	11,206,746	N/A	7/1/2009	6/30/2010	11,206,746			11,206,746	10,794,746	11,206,746		
P.L.1971, Chapter 12 Debt Service	100-082-2155-016	841,660	N/A	7/1/2009	6/30/2010	841,660			841,660		841,660		
Employer Contributions - Alternative Benefit Program:	100-082-2155-017	885,119	N/A	7/1/2009	6/30/2010	885,119			885,119	705,794	885,119		
College Bound	10YR3-800930-0055	337,406	313,290	7/1/2009	8/31/2010	322,982	(1)	313,290	636,272	269,925	636,272		
Dual Enrollment Project	100-074-2400-050	20,000	N/A	4/30/2009	6/30/2010	13,919			13,919	13,919	13,919		
Total State Department of Higher Education						-	13,270,426		313,290	13,583,716	-	11,784,384	13,583,716
<u>Passed Through NJ Tobacco Control Worksite Program</u>													
American Cancer Society	NA	1,200	N/A	7/1/2009	6/30/2010	1,200			1,200	1,200	1,200		
Total NJ Tobacco Control Worksite Program						1,200		-	1,200	-	1,200	1,200	
<u>New Jersey Council for the Humanities:</u>													
India: Ancient Civilization to Modern Democracy	2009-02	7,862	11,761	7/13/2009	12/31/2009	7,862	(1)	11,761	19,623	7,862	19,623		
Walt Whitman - Celebrating and Singing America's Bard	2009-34	8,491	20,725	12/1/2009	6/15/2010	6,817	(1)	20,725	27,542	6,817	27,542		
Total New Jersey Council for the Humanities						-	14,679		32,486	47,164	-	14,679	47,164
Total State Financial Assistance						-	\$ 20,274,508	\$ 570,263	\$ 20,844,770	-	\$ 18,590,152	\$ 20,857,593	

(1) Matching Funds

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

CAMDEN COUNTY COLLEGE
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2010

Note 1: **GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of Camden County College. The College is defined in Note 1 to the College's basic financial statements. All federal awards and state financial assistance 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 of expenditures of federal awards and state financial assistance.

Note 2: **BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the accrual basis of accounting. The accrual basis of accounting is described in Note 1 to the financial statements.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedules agree with amounts reported in the financial statements.

Note 4: **STUDENT LOAN PROGRAMS**

The College is responsible only for the performance of certain administrative duties with respect to the Federal Family Educational Loan Program (FFEL), 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 this program as of June 30, 2010.

Note 5: **MAJOR PROGRAMS**

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

Note 6: **OTHER**

In November of 2010, the United States Department of Education conducted a program review of the College's Federal Student Aid Programs. The Department of Education has not released a program review report as of March 28, 2011.

CAMDEN COUNTY COLLEGE
PART 3
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

CAMDEN COUNTY COLLEGE
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2010

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weaknesses identified? yes **x** no

Were significant deficiencies identified that were not considered to be a material weakness? yes **x** none reported

Noncompliance material to financial statements noted? yes **x** no

Federal Awards

Internal control over compliance:

Material weaknesses identified? yes **x** no

Were significant deficiencies identified that were not considered to be a material weakness? yes **x** none reported

Type of auditor's report on compliance for major programs Unqualified

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

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>84.007</u>	<u>Federal Supplemental Educational Opportunities Grants</u>
<u>84.032</u>	<u>Federal Family Educational Loans</u>
<u>84.063</u>	<u>Federal PELL Grant Program</u>
<u>84.375</u>	<u>Academic Competiveness Grant Program</u>
<u>84.033</u>	<u>Federal Work-Study Program</u>

Dollar threshold used to determine Type A programs \$ 1,248,863

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

CAMDEN COUNTY COLLEGE
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2010

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

State Financial Assistance

Internal control over compliance:

Material weaknesses identified? _____ yes ☒ no

Were significant deficiencies identified that were not considered to be a material weakness? _____ yes ☒ none reported

Type of auditor's report on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a)) or New Jersey Circular 04-04-OMB? _____ yes ☒ no

Identification of major programs:

<u>GMIS Numbers</u>	<u>Name of State Program</u>
<u>100-074-2401-001</u>	<u>Educational Opportunities Fund (EOF) - Article III</u>
<u>100-074-2405-007</u>	<u>Tuition Aid Grant Program</u>
<u>100-074-2405-278</u>	<u>Garden State Distinguished Scholarship Program</u>
<u>100-074-2400-026</u>	<u>New Jersey Gear Up Scholarship</u>
<u>100-074-2405-313</u>	<u>New Jersey Stars Program</u>
<u>NA</u>	<u>New Jersey Class Loans</u>
<u>100-082-2155-015</u>	<u>State Operating Subsidy</u>

Dollar threshold used to determine Type A programs \$ 625,343.00

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

CAMDEN COUNTY COLLEGE
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2010

Section 2- Schedule of Financial Statement Findings

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

No Current Year Findings.

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

No Current Year Findings.

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

No Current Year Findings.

CAMDEN COUNTY COLLEGE
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, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings.

FEDERAL AWARDS

Finding No. 2009-1

Programs

Federal Supplemental Educational Opportunities Grants – CFDA No. 84.007

Federal Family Educational Loans – CFDA No. 84.032

Federal PELL Grant Program – CFDA No. 84.063

Federal Academic Competitiveness Grant – CFDA No. 84.375

Condition

Title IV credit balances in four of seventy-three credit balances on student accounts sampled were not paid within 14 days.

Current Status

This condition has been resolved.

Finding No. 2009-2

Program

Vocational Education – Perkins – CFDA No. 84.048

Condition

The procedure to determine if liabilities are liquidated within 90 days after project period end did not operate effectively.

Current Status

This condition has been resolved.

Finding No. 2009-3

Program

Federal Family Educational Loans – CFDA No. 84.032

Condition

Unsubsidized and Subsidized Loans were not always awarded in the correct amounts.

Current Status

This condition has been resolved.

CAMDEN COUNTY COLLEGE
Summary Schedule of Prior Year Audit Findings
And Questioned Costs as Prepared by Management

FEDERAL AWARDS (CONT'D)

Finding No. 2009-4

Program

Federal Family Educational Loans – CFDA No. 84.032

Condition

Federal Family Education Loans received were not always disbursed to the student's account within 3 business days for five of thirty-one student loans sampled.

Current Status

This condition has been resolved.

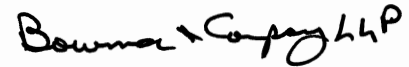
STATE FINANCIAL ASSISTANCE PROGRAMS

No Prior Year Findings.

APPRECIATION

We received the complete cooperation of all of the officials of the College and greatly appreciate the courtesies extended to us during the course of the audit.

Respectfully submitted,

A handwritten signature in black ink that reads "Bowman & Company LLP". The signature is written in a cursive, flowing style.

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

