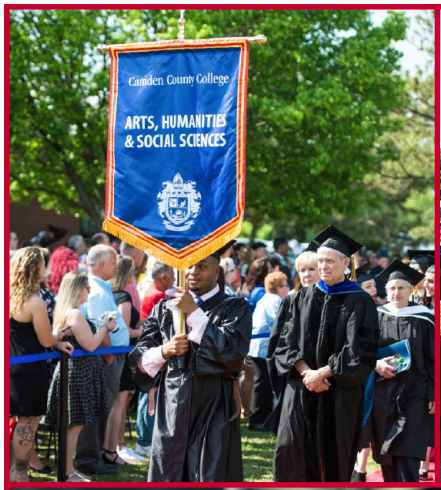

Camden County College

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

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

June 30, 2018 and 2017

(With Independent Auditor's Reports Thereon)

CAMDEN COUNTY COLLEGE
Table of Contents

Introductory Section

CAMDEN COUNTY COLLEGE
Members of the Board of Trustees and Executive Administration
As of June 30, 2018

BOARD OF TRUSTEES

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Karl McConnell, Esq., General Counsel

Maris Kukainis, Executive Director of Financial Administrative Services

Helen Antonakakis, Executive Director of Finance & Planning

Margo Venable, Acting, Dean of School Community and Workforce Training Programs

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Camden County College
Blackwood, New Jersey 08012

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of ***Camden County College*** (the "College"), a component unit of the County of Camden, State of New Jersey, and its discretely presented component unit (Camden County College Foundation), as of and for the fiscal years ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. The financial statements of the College's discretely presented component unit were audited in accordance with auditing standards generally accepted in the United States of America, but were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of ***Camden County College*** and the College's discretely presented component unit, as of June 30, 2018 and 2017, and the respective changes in financial position and, where applicable, cash flows, for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matter

Adoption of New Accounting Principles

As discussed in note 1 to the financial statements, during the fiscal year ended June 30, 2018, the College adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The adoption of this new accounting principle required the College to recognize revenues and expenses, in its financial statements, for the State's proportionate share of the postemployment expense associated with the College. The related disclosures for the implementation of this new accounting pronouncement are included in note 22 in the notes to financial statements. Our opinion is not modified with respect to this matter.

Prior Period Restatements

As discussed in note 21 to the financial statements, capital assets on the statements of net position have been restated to correct errors in reporting in prior years. Our opinion is not modified with respect to this matter.

Additionally, as discussed in note 23F to the financial statements, our report for the fiscal years ended June 30, 2018 and 2017 financial statements of the component unit (Camden County College Foundation) referred to a restatement of the beginning unrestricted, temporarily and permanently restricted net positions to correct errors in reporting in prior years. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the College's proportionate share of the net pension liability, schedule of the College's pension contributions, and schedule of changes in the College's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance*)* and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Matters (Cont'd)

Other Information (Cont'd)

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated February 21, 2019, on our consideration of ***Camden County 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ***Camden County College's*** internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
February 21, 2019

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

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Camden County College
Blackwood, New Jersey 08012

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of the business-type activities of ***Camden County College*** (the "College"), a component unit of the County of Camden, State of New Jersey, and its discretely presented component unit (Camden County College Foundation), as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated February 21, 2019. The financial statements of the College's 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*. In addition, our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting principle as well as a paragraph describing the restatement of the College's and component unit's prior period financial statements resulting from the correction of errors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered ***Camden County College's*** internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of ***Camden County College's*** internal control.

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

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

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Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
February 21, 2019

Required Supplementary Information

Part I

CAMDEN COUNTY COLLEGE

Management's Discussion and Analysis For The Fiscal Years Ended June 30, 2018 and 2017 (Unaudited)

INTRODUCTION

The intent of the Management's Discussion and Analysis (MD&A) is to provide readers with an overview of Camden County College's financial activities for the fiscal years ended (FY) June 30, 2018 and 2017 with fiscal year 2016 data presented for comparative purposes.

The Management's Discussion and Analysis is designed to focus on current activities, resulting changes, and currently known facts with respect to the College's financial position. It should be read in conjunction with the accompanying basic financial statements and note disclosures.

The following three financial statements are prescribed by the Governmental Accounting Standards Board (GASB) Statement No. 35 - *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*: The Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows.

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

FINANCIAL HIGHLIGHTS

- Over 26% of the College's revenue comes from tuition and fees. Total credit enrollments for the fiscal years ended June 30, 2018, 2017 and 2016 are as follows:

	2018	2017	2016	Change 2018-2017	Change 2017-2016
Credit Hours	**219,376**	229,469	239,141	(10,093)	(9,672)

- The College's total operating revenue increased by 5.1% mainly due to an increase in grant funding (NJCAP, Learning Resource Center) and due to an increase in K-12 School and Gateway Programs. These items more than offset the decline in enrollment related revenue.
- To keep education affordable and accessible, particularly in a difficult economy, Camden County College did not increase tuition and fees in FY 2018.
- A new Barnes & Noble contract was signed that included an increased commission rate and a signing bonus.
- The College earned additional investment on available balances by transferring primary banking services, reallocating investments, and from higher state cash management fund rates.
- The College implemented a new e-refund process that deposits student refunds checks directly into their bank accounts.

FINANCIAL HIGHLIGHTS (CONT'D)

- The County in Fiscal Year 2018 waived the debt service and interest payment for the transformation bonds.
- During Fiscal Year Ended June 30, 2018, the College implemented Governmental Accounting Standards Board Statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. See Note 1 and 22 regarding the effects of this implementation.

IMPACT OF GASB 68 AND 71 IMPLEMENTATION

In fiscal year 2015, the College adopted and implemented GASB 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27,* and GASB Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. The College's fiscal year 2014 net position has been restated due to this implementation.

Note 7 to the financial statements provides a thorough discussion of the College's pension plans and GASB 68 elements; however, the following table provides the effect GASB 68 had on net position for FY 2018, 2017and FY 2016.

	2018	2017	2016	Change 2018-2017	Change 2017-2016
Deferred Outflows Related to Pensions	**$ 12,282,833**	$ 18,082,500	$ 9,644,546	$ (5,799,667)	$ 8,437,954
Less: Accounts Payable - Related to Pensions	**(1,854,685)**	(1,727,098)	(1,800,953)	(127,587)	73,855
Less: Net Pension Liability	**(43,398,506)**	(60,040,432)	(54,754,974)	16,641,926	(5,285,458)
Less: Deferred Inflows Related to Pensions	**(16,859,270)**	(6,713,768)	(880,355)	(10,145,502)	(5,833,413)
Net Position Effect from GASBS 68 and 71 Implementation	**$ (49,829,628)**	$ (50,398,798)	$ (47,791,736)	$ 569,170	$ (2,607,062)

STATEMENTS OF NET POSITION

The Statement of Net Position represents the College's financial position in a snapshot as of the end of the fiscal year. The Statement of Net Position includes all assets, liabilities, and net position 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).

The Statements of Net Position at June 30, 2018, 2017, and 2016

	2018	2017	2016	Change 2018-2017	Change 2017-2016
Assets					
Current Assets	**$ 24,716,476**	$ 23,077,543	$ 25,176,754	$ 1,638,933	$ (2,099,211)
Non-Current Assets:					
Capital Assets, net of Depreciation	**156,268,807**	158,458,890	160,673,309	(2,190,083)	(2,214,419)
Total Assets	**180,985,283**	181,536,433	185,850,063	(551,150)	(4,313,630)
Deferred Outflows of Resources - Related to Pensions	**12,268,721**	18,082,500	9,644,546	(5,813,779)	8,437,954
Liabilities					
Current Liabilities	**13,421,124**	12,586,837	16,679,866	834,287	(4,093,029)
Non-Current Liabilities	**65,644,520**	83,302,768	78,589,595	(17,658,248)	4,713,173
Total Liabilities	**79,065,644**	95,889,605	95,269,461	(16,823,961)	620,144
Deferred Inflows of Resources - Related to Pensions	**16,859,270**	6,713,768	880,355	10,145,502	5,833,413
Net Position					
Net Investment in Capital Assets	**134,922,857**	136,081,465	137,300,560	(1,158,608)	(1,219,095)
Restricted	**616,991**	610,536	546,165	6,455	64,371
Unrestricted (Deficit)	**(38,210,758)**	(39,676,441)	(38,501,932)	1,465,683	(1,174,509)
Total Net Position	**$ 97,329,090**	$ 97,015,560	$ 99,344,793	$ 313,530	$ (2,329,233)

- Noncurrent liabilities decreased from FY 2017 to FY 2018 primarily due to the College's allocation of net pension liability.
- Capital assets decreased from FY 2017 to FY 2018 due to the demolition of the Wilson Buildings.
- Total assets decreased from FY 2016 to FY 2017 primarily due to a decrease in the county aid receivable and a decrease in the financial aid receivable.
- Current liabilities decreased from FY 2016 to FY 2017 primarily due to the decrease in Current Accounts Payable. This was mainly due to the payment to the US Department of Education for the debt of $1.6 million.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

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

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

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

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

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

The main sources of operating expenses are instructional, institutional support, student aid, academic support, student services and operation and maintenance of plant. With the implementation of GASB 35 the College is required to depreciate capital assets, therefore, depreciation expense is also a major component of operating expenses.

In FY2018, the total operating revenue increased nearly $2.0 million. Although the Student Tuition and Fees revenue decreased by $1.8 million in FY2018, the College had an increase in Federal and State grants of $2.4 million due to the addition of the Learning Resource Center and NJCAP grants. The College also had a $200 thousand increase in Auxiliary Services due to a new Barnes & Noble contract. In addition, the College's other revenue increased $1.2 million due to the K-12 School and Gateway Programs.

In FY2018, the total operating expenses decreased $684 thousand, which was a result of several factors. The increase in Operation and Maintenance due to the building of the Health Service Center in Camden was $1.7 million. The increase in Public Service due to the expenses related to the Learning Resource Center and NJCAP grants was $2.0 million. These large increases were offset by a $1.9 million decrease in Instructional expenses due to the decrease in enrollment. Also due to the implementation of GASB 75, there was a decrease in the GASB 75 expenses of $1.4 million that was allocated between the major sources of operating expenses.

From FY2016 to FY2017, the total operating revenue increased $1.3 million. This increase was due in part to the addition of two new state grants, NJCAP grant for $423,000 and the Talent Development Grant for $355,790.

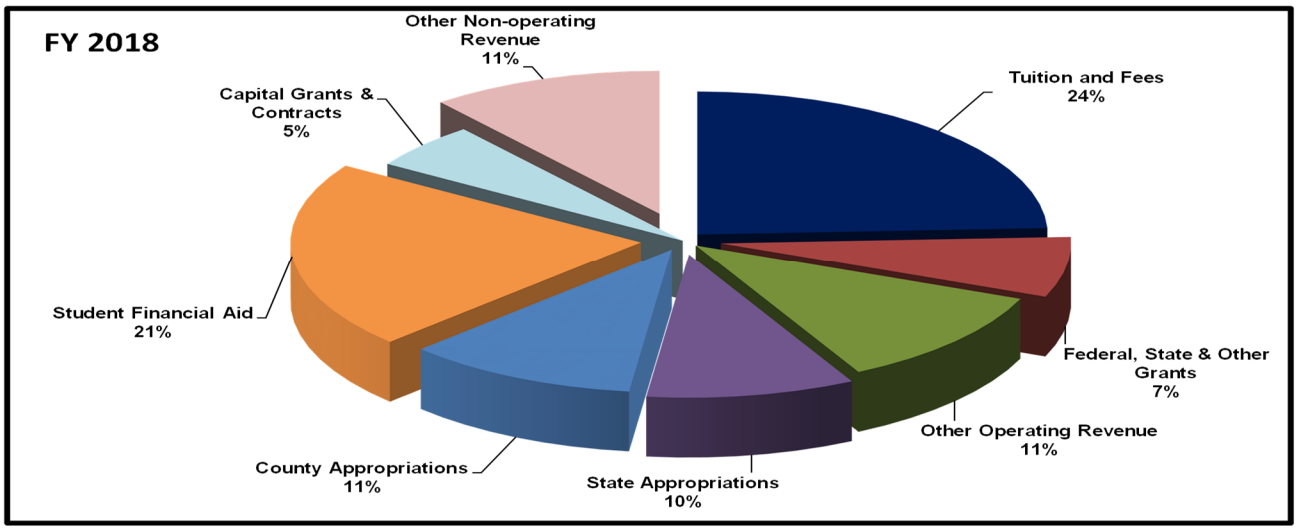
From FY2016 to FY2017, the total operating expenses increased $7.0 million due to the allocation of GASB 75 expenses of $8.8 million in FY2017 for comparative purposes with FY2018. There was also a decrease of $1.8 million in expenses due in part to the US Department of Education liability payment of $1.6 million that was included in the FY 2016 operating expenses.

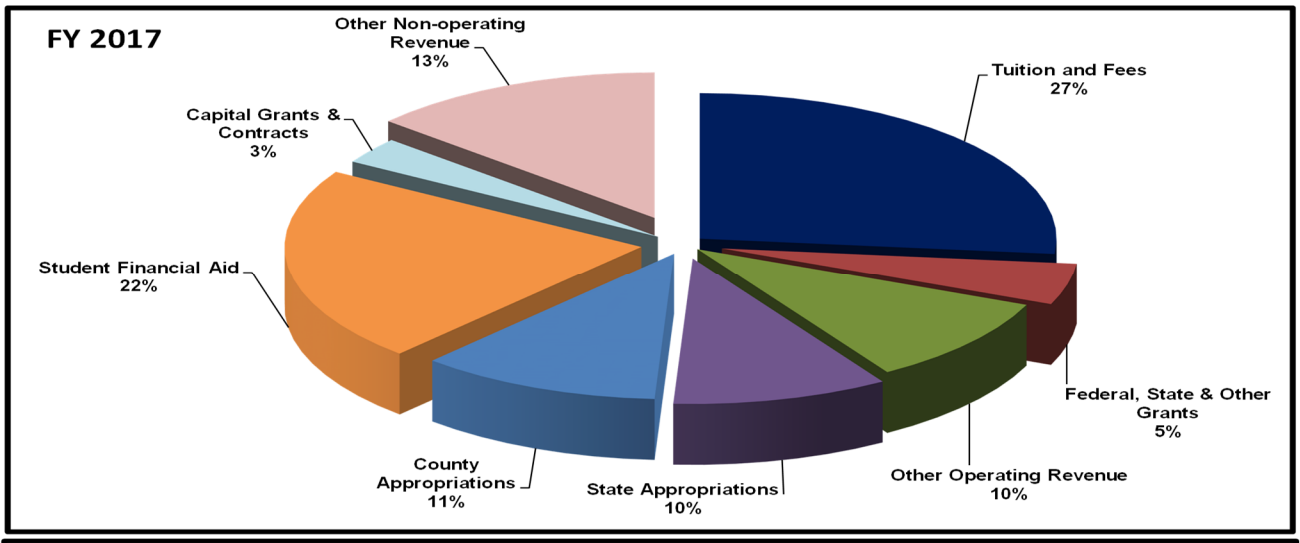
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (CONT'D)

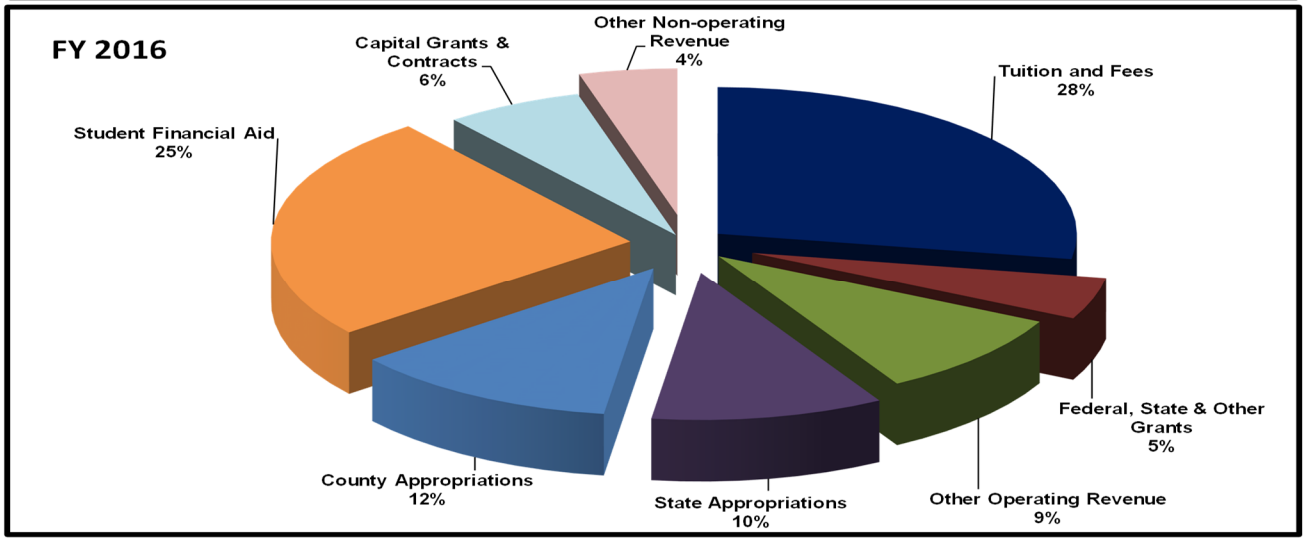
	2018	2017	2016	Change 2018-2017	Change 2017-2016
Operating Revenues					
Student Tuition and Fees, net	**$ 23,686,419**	$ 25,525,931	$ 25,243,557	$ (1,839,512)	$ 282,374
State and Local Grants and Contracts	**2,560,049**	1,211,353	557,265	1,348,696	654,088
Federal Grants and Contracts	**4,109,815**	3,051,317	3,525,209	1,058,498	(473,892)
Nongovernmental Grants and Contracts	**54,569**	179,041	155,348	(124,472)	23,693
Chargeback Revenue	**18,927**	15,685	17,854	3,242	(2,169)
Auxiliary Enterprises	**866,804**	559,415	745,371	307,389	(185,956)
Other Operating Revenues	**10,000,178**	8,750,201	7,700,904	1,249,977	1,049,297
Total Operating Revenue	**41,296,761**	39,292,943	37,945,508	2,003,818	1,347,435
Operating Expenses					
Instruction	**29,791,395**	32,607,486	27,700,958	(2,816,091)	4,906,528
Public Services	**3,795,483**	1,805,664	1,162,088	1,989,819	643,576
Academic Support	**8,644,828**	8,120,543	7,537,437	524,285	583,106
Student Services	**7,220,843**	7,867,683	6,906,197	(646,840)	961,486
Institutional Support	**12,880,496**	14,252,410	13,773,726	(1,371,914)	478,684
Operation and Maintenance of Plant	**18,917,114**	17,348,660	17,283,181	1,568,454	65,479
Scholarships and Awards	**10,319,151**	10,345,841	11,149,157	(26,690)	(803,316)
Depreciation	**4,846,118**	4,750,740	4,586,559	95,378	164,181
Total Operating Expenses	**96,415,428**	97,099,027	90,099,303	(683,599)	6,999,724
Operating Loss	**(55,118,667)**	(57,806,084)	(52,153,795)	2,687,417	(5,652,289)
Non-Operating Revenues (Expenses)					
State Appropriations:					
State Aid	**9,396,957**	9,363,397	9,516,309	33,560	(152,912)
On-Behalf Fringe Benefits:					
Alternate Benefit Program	**1,273,496**	1,356,620	1,604,175	(83,124)	(247,555)
Other Post Employment Benefits	**7,364,729**	8,804,623		(1,439,894)	8,804,623
County Appropriations	**10,488,856**	10,488,856	10,988,856	-	(500,000)
Student Financial Aid	**20,816,741**	20,848,966	22,810,768	(32,225)	(1,961,802)
Other Non-Operating Revenue	**1,745,793**	2,655,908	2,411,711	(910,115)	244,197
Investment Income Earned	**118,360**	26,487		91,873	26,487
Interest Expense	**(842,559)**	(881,249)	(918,211)	38,690	36,962
Total Non-Operating Revenues	**50,362,373**	52,663,608	46,413,608	(2,301,235)	6,250,000
Income (Loss) before Other Revenues	**(4,756,294)**	(5,142,476)	(5,740,187)	386,182	597,711
Capital Grants and Contributions	**5,083,936**	2,813,243	5,637,235	2,270,693	(2,823,992)
Increase (Decrease) in Net Position	**327,642**	(2,329,233)	(102,952)	2,656,875	(2,226,281)
Net Position					
Net Position - Beginning of Year	**97,015,560**	99,344,793	99,447,745	(2,329,233)	(102,952)
Net Position - End of Year	**$ 97,343,202**	$ 97,015,560	$ 99,344,793	$ 327,642	$ (2,329,233)

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

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

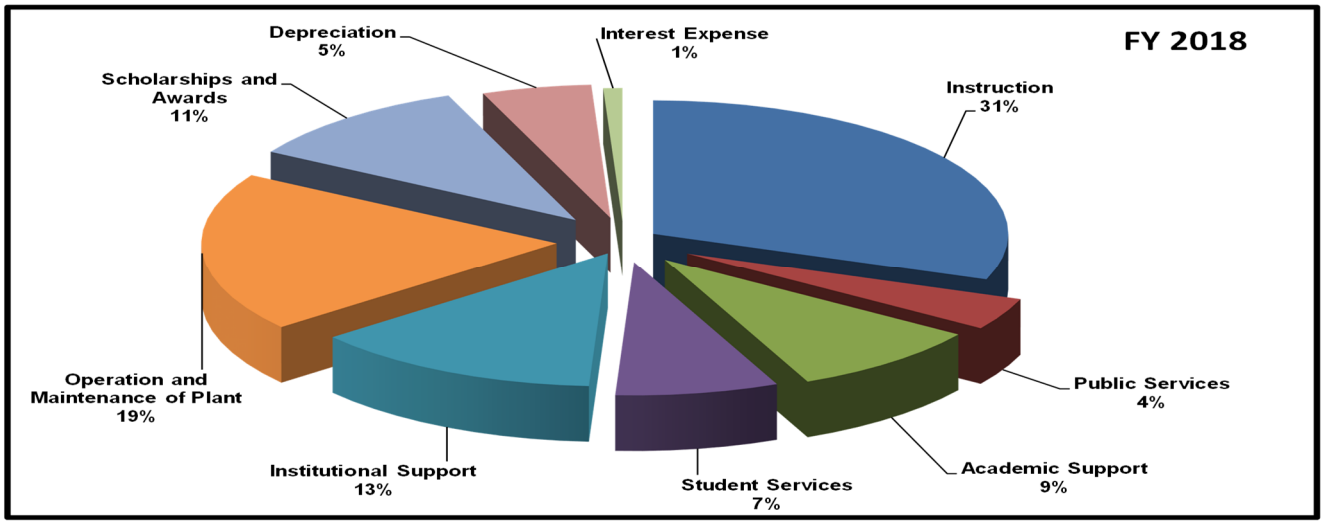


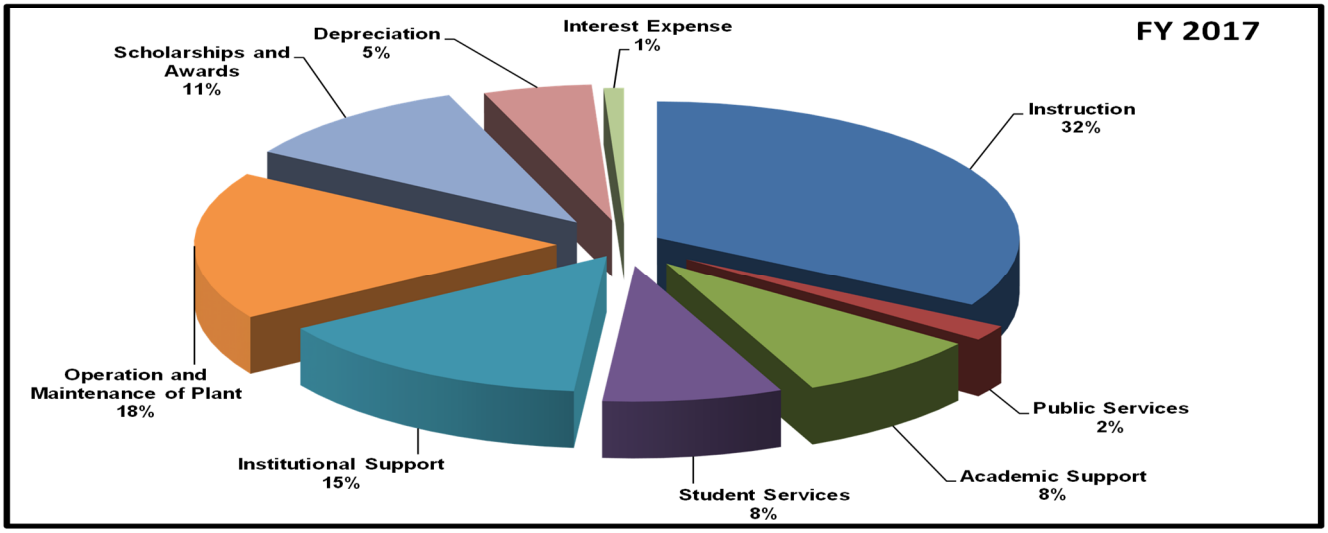


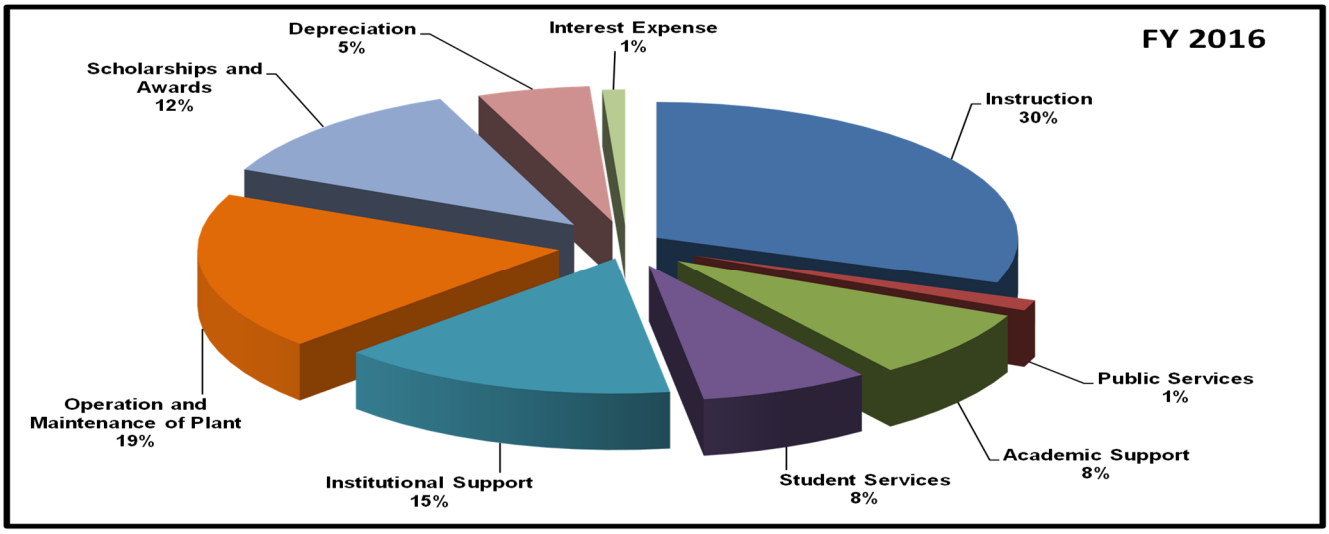


STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (CONT'D)

The following are graphic illustrations of expenses by function:







STATEMENTS OF CASH FLOWS

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

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

The following is financial information represented in the Statements of Cash Flows for the fiscal years ending June 30, 2018, 2017, and 2016:

	2018	2017	2016	Change 2018-2017	Change 2017-2016
Cash Provided by (Used in):					
Operating Activities	**$ (37,974,529)**	$ (38,021,322)	$ (42,094,380)	$ 46,793	$ 4,073,058
Non-Capital Financing Activities	**40,702,554**	40,493,175	43,565,933	209,379	(3,072,758)
Capital and Related Financing Activities	**(2,206,172)**	(1,959,111)	(2,477,473)	(247,061)	518,362
Investing Activities	**118,360**	26,487	-	91,873	26,487
Net Change in Cash	**640,213**	539,229	(1,005,920)	100,984	1,545,149
Cash, Beginning of Year	**12,729,509**	12,190,280	13,196,200	539,229	(1,005,920)
Cash, End of Year	**$ 13,369,722**	$ 12,729,509	$ 12,190,280	$ 640,213	$ 539,229

The increase in cash at the end of June 30, 2018 is principally due to an increase of the investment revenue due the College switching banks and receiving interest revenue in various bank accounts.

LONG-TERM DEBT

The College has the following debt outstanding at June 30, 2018:

Capital Leases Payable of $14,962,450 for various Campus Capital Construction Improvements.

Mortgage Payable of $6,383,500 for the Construction of a Parking Garage in the City of Camden.

CAPITAL ASSETS

At the end of FY 2018 and FY 2017, the College had capital assets as follows:

	Balance June 30, 2017	Additions	Reductions	Transfers	Balance June 30, 2018
Non-Depreciable Capital Assets:					
Land	$ 9,385,327	$ -	$ -	$ -	$ 9,385,327
Construction in Progress	4,859,384	3,372,836		(3,763,895)	4,468,325
Other Non-Depreciable Assets	21,067		(21,067)		
Total Non-Depreciable Capital Assets	14,265,778	3,372,836	(21,067)	(3,763,895)	13,853,652
Depreciable Capital Assets:					
Land Improvements	4,738,366			58,018	4,796,384
Buildings	168,692,775		(2,207,085)	3,705,877	170,191,567
Infrastructure	16,389,186				16,389,186
Equipment	7,241,125	407,743	(6,045)		7,642,823
Vehicles	1,307,486		(210,957)		1,096,529
Assets Under Capital Lease	1,773,461				1,773,461
Capitalized Software	3,364,941				3,364,941
Library Books	3,004,162	14,716			3,018,878
Total Depreciable Capital Assets	206,511,502	422,459	(2,424,086)	3,763,895	208,273,770
Less Accumulated Depreciation For:					
Land Improvements	(2,102,157)	(91,447)			(2,193,604)
Buildings	(43,101,770)	(3,641,244)	1,214,519		(45,528,495)
Infrastructure	(3,506,822)	(512,279)			(4,019,101)
Equipment	(4,874,363)	(483,096)	4,805		(5,352,654)
Vehicles	(795,284)	(86,573)	86,569		(795,288)
Assets Under Capital Lease	(1,773,461)				(1,773,461)
Capitalized Software	(3,187,373)	(15,632)			(3,203,005)
Library Books	(2,977,160)	(15,847)			(2,993,007)
Total Accumulated Depreciation	(62,318,390)	(4,846,118)	1,305,893	-	(65,858,615)
Depreciable Capital Assets	144,193,112	(4,423,659)	(1,118,193)	3,763,895	142,415,155
Total Capital Assets, Net	$ 158,458,890	$ (1,050,823)	$ (1,139,260)	$ -	$ 156,268,807

In FY 2018, the expenditures for Blackwood Campus Boiler replacement, Polk Hall Renovations, Jefferson Hall Renovations, and Library Renovations were transferred from Construction in Progress to a depreciable asset.

The College also incurred the following expenditures for FY 2018 that were charged to the Construction in Progress account.

- HVAC Truman Building $ 706,952
- Joint Health Center $ 645,574
- Energy Upgrades $ 119,442

ECONOMIC AND OTHER FACTORS THAT WILL AFFECT THE FUTURE

The College continues to take proactive steps to increase student enrollment and retention by providing students with accessible and affordable education opportunities to be successful.

A key academic goal is to implement programs to recruit and to retain students as well as to assist them with graduations and transfers. Important initiatives include:

- Investment in Guided Pathways to Success Planning to support students from enrollment to completion.
- Reestablishment of the Career & Transfer Office.
- Introduction of new academic programming, e.g., cybersecurity.
- An improved Learning Management System platform to support growth in on line classes.
- Development of a multi-year strategic enrollment management plan.
- Improvement of the placement testing platform.

In addition, the College has established many articulation agreements with other regional four year colleges.

The College continues to expand opportunities for high schools to provide remediation programs to help students with college readiness. We also expect an increase in students who have dropped out of high school to help them earn diplomas.

The College is investing in improved IT systems, including CRM, student portal, and network infrastructure.

We continue to improve the facilities infrastructure. Major renovation plans are scheduled for Lincoln Hall and Papiano Gym. Utility costs are expected to decline as a result of upgraded HVAC systems and the installation of efficient lighting.

Partnerships with Rutgers, NJCAP, Cooper and other institutions continue to generate revenue for the College.

The College will be part of a Joint Health Science Center being advanced by Rowan University/Rutgers Camden Board of Governors in Camden. This center will focus on educating and training the residents of Camden in health care.

The College is constantly looking for new ways to contain its expenditures, including the use of shared services and purchasing cooperatives.

REQUESTS FOR INFORMATION

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

Camden County College
Financial Administrative Services
P.O. Box 200
College Drive
Blackwood, New Jersey 08012-0200

BASIC FINANCIAL STATEMENTS

Exhibit A

CAMDEN COUNTY COLLEGE
Statements of Net Position
As of June 30, 2018 and 2017

	2018		2017	
	College	Component Unit CCC Foundation	(Restated) College	(Restated) Component Unit CCC Foundation
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 13,369,722	$ 267,406	$ 12,729,509	$ 120,923
Investments		788,194		855,916
Accounts Receivable, Net	10,579,783	240,000	9,576,102	
Inventories	26,020		24,015	
Prepaid Expenses	740,951		747,917	
Total Current Assets	24,716,476	1,295,600	23,077,543	976,839
Noncurrent Assets:				
Endowment Investments		993,422		882,867
Capital Assets, Net	156,268,807		158,458,890	
Total Noncurrent Assets	156,268,807	993,422	158,458,890	882,867
Total Assets	180,985,283	2,289,022	181,536,433	1,859,706
DEFERRED OUTFLOWS OF RESOURCES				
Related to Pensions	12,282,833	-	18,082,500	-
LIABILITIES				
Current Liabilities:				
Account Payable:				
Related to Pensions	1,854,685		1,727,098	
Other	5,774,717	111,459	5,129,641	80,007
Accrued Salaries	607,208		228,660	
Current Portion:				
Accrued Compensated Absences	592,881		606,783	
Obligations Under Capital Lease	985,597		948,436	
Mortgage Payable			4,487	
Higher Education Equipment Leasing Fund Payable			78,552	
Unearned Revenue:				
Tuition and Fees Revenue	3,438,879		3,757,350	
County Appropriation	41,956		41,956	
Other	125,201		63,874	
Total Current Liabilities	13,421,124	111,459	12,586,837	80,007
Noncurrent Liabilities:				
Accrued Compensated Absences	1,885,661		1,916,386	
Obligations Under Capital Lease	13,976,853		14,962,450	
Mortgage Payable	6,383,500		6,383,500	
Net Pension Liability	43,398,506		60,040,432	
Total Noncurrent Liabilities	65,644,520	-	83,302,768	-
Total Liabilities	79,065,644	111,459	95,889,605	80,007
DEFERRED INFLOWS OF RESOURCES				
Related to Pensions	16,859,270	-	6,713,768	-
NET POSITION				
Net Investment in Capital Assets	134,922,857		136,081,465	
Restricted for:				
Nonexpendable:				
Scholarships		993,422		882,867
Expendable:				
Scholarships		825,884		598,751
Other	616,991	193,955	610,536	156,533
Unrestricted (Deficit)	(38,196,646)	164,302	(39,676,441)	141,548
Total Net Position	$ 97,343,202	$ 2,177,563	$ 97,015,560	$ 1,779,699

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

Exhibit B

CAMDEN COUNTY COLLEGE
Statements of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years Ended June 30, 2018 and 2017

	2018		2017	
	College	Component Unit CCC Foundation	(Restated) College	Component Unit CCC Foundation
REVENUES				
Operating Revenues:				
Student Tuition and Fees, Net	$ 23,686,419	$ -	$ 25,525,931	$ -
State and Local Grants and Contracts	2,560,049		1,211,353	
Federal Grants and Contracts	4,109,815		3,051,317	
Nongovernmental Grants and Contracts	54,569		179,041	
Chargeback Revenue	18,927		15,685	
Auxiliary Enterprises	866,804		559,415	
Gifts and Contributions		680,655		317,807
Other Operating Revenues	10,000,178	85,441	8,750,201	11,627
Total Operating Revenues	41,296,761	766,096	39,292,943	329,434
EXPENSES				
Operating Expenses:				
Instruction	29,791,395		32,607,486	
Public Services	3,795,483		1,805,664	
Academic Support	8,644,828		8,120,543	
Student Services	7,220,843		7,867,683	
Institutional Support	12,880,496		14,252,410	
Operation and Maintenance of Plant	18,917,114		17,348,660	
Scholarships and Awards	10,319,151	229,084	10,345,841	156,406
Depreciation	4,846,118		4,750,740	
Other Expenses		258,147		293,239
Total Operating Expenses	96,415,428	487,231	97,099,027	449,645
Operating Income (Loss)	(55,118,667)	278,865	(57,806,084)	(120,211)
NON-OPERATING REVENUES (EXPENSES)				
State Appropriations:				
State Aid	9,396,957		9,363,397	
On-Behalf Fringe Benefits:				
Alternate Benefit Program	1,273,496		1,356,620	
Other Post Employment Benefits	7,364,729		8,804,623	
County Appropriations:				
County Aid	10,488,856		10,488,856	
Federal Student Financial Aid:				
Pell Grants	17,360,151		17,241,765	
SEOG	491,295		520,350	
State Student Financial Aid	2,965,295		3,086,851	
Other Non-Operating Revenues	1,745,793		2,655,908	
Investment Income	118,360	118,999	26,487	145,996
Interest Expense	(842,559)		(881,249)	
Total Non-Operating Revenues (Expenses)	50,362,373	118,999	52,663,608	145,996
Income (Loss) Before Other Revenues	(4,756,294)	397,864	(5,142,476)	25,785
CAPITAL GRANTS AND CONTRIBUTIONS	5,083,936		2,813,243	
Increase (Decrease) in Net Position	327,642	397,864	(2,329,233)	25,785
NET POSITION				
Net Position - Beginning of Year	97,015,560	1,779,699	99,344,793	1,753,914
Net Position - End of Year	$ 97,343,202	$ 2,177,563	$ 97,015,560	$ 1,779,699

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

Exhibit C

CAMDEN COUNTY COLLEGE
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2018 and 2017

	2018 College	2017 College
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Tuition and Fees	$ 23,245,597	$ 25,103,183
Receipts from Grants and Contracts	6,785,760	4,370,685
Other Receipts	13,307,536	14,521,044
Payments to Employees and Fringe Benefits	(55,649,119)	(54,686,078)
Payments to Vendors and Suppliers	(16,654,661)	(18,080,769)
Payments for Scholarships and Student Aid	(8,995,530)	(9,249,387)
Net Cash Used in Operating Activities	(37,960,417)	(38,021,322)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
County Appropriations	10,488,856	10,488,856
State Appropriations	9,396,957	9,363,397
Noncapital Grants Received - Student Financial Aid	20,816,741	20,848,966
Noncapital Grants Received - Other		(208,044)
Net Cash Provided by Noncapital Financing Activities	40,702,554	40,493,175
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Grants and Contributions	2,932,681	2,055,049
Purchases of Capital Assets	(4,070,720)	(2,964,105)
Principal Paid on Capital Debt and Leases	(1,031,475)	(995,324)
Interest Paid on Capital Debt and Leases	(50,770)	(54,731)
Net Cash Used in Capital and Related Financing Activities	(2,220,284)	(1,959,111)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	118,360	26,487
Net Increase in Cash and Cash Equivalents	640,213	539,229
Cash and Cash Equivalents - Beginning of the Year	12,729,509	12,190,280
Cash and Cash Equivalents - End of the Year	$ 13,369,722	$ 12,729,509
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH USED IN OPERATING ACTIVITIES		
Operating Loss	$ (55,118,667)	$ (57,806,084)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:		
Depreciation Expense	4,846,118	4,750,740
Pension Expense	1,160,276	4,408,015
State Appropriations - On-Behalf Fringe Benefits:		
Alternate Benefit Program	1,273,496	1,356,620
Other Post Employment Benefits	7,364,729	8,804,623
Miscellaneous Nonoperation Income	954,004	1,829,390
Change in Assets and Liabilities:		
Receivables, net	1,147,574	2,633,075
Inventories	(2,005)	(2,059)
Prepaid Expenses	6,966	105,552
Accounts Payable and Accrued Liabilities	2,563,548	(2,032,404)
Unearned Revenues	(257,144)	(260,573)
Accrued Compensated Absences	(44,627)	(81,119)
Deferred Outflows of Resources - Related to Pensions:		
Contributions Made After the Measurement Date	(1,854,685)	(1,727,098)
Net Cash Used in Operating Activities	$ (37,960,417)	$ (38,021,322)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Assets Acquired Through Assumption of a Liability	$ 740,773	$ 2,153,110
Increase in Receivables Related to Non-operating Income	2,151,255	758,194

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - Camden County College (the "College") is a comprehensive, co-educational, community college, founded in 1967 by the Board of Chosen Freeholders, the governing body of Camden County. The College is an instrumentality of the State of New Jersey, established to function as a two-year community college and 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.

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

Component Units - In evaluating how to define the College for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the College was made by applying the criteria set forth in GASB Statements No. 14, *The Financial Reporting Entity,* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34,* and GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14.* Blended component units, although legally separate entities, would in-substance be part of the College's operations, however, each discretely presented component unit would be reported in a separate column in the College's financial statements to emphasize that it is legally separate from the College.

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

A third criterion used to evaluate potential component units for inclusion or exclusion from the College is the existence of special financing relationships, regardless of whether the College is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the College could warrant its inclusion within the College's financial statements.

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

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

Camden County College Foundation is a New Jersey non-profit corporation. The Foundation was formed in 1992 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. The Foundation reports under Financial Accounting Standards Board (FASB) Standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features.

During the fiscal years ended June 30, 2018 and 2017, the Foundation distributed $326,979, and $250,155, respectively, to the College for both restricted and unrestricted purposes.

Separate reports of audit for the Foundation for the fiscal years ended June 30, 2018 and 2017, 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

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

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

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

Cash and Cash Equivalents (Cont'd) - Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

The College has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act.

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

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.

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

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

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

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

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.

Capital Assets - Capital assets include land, construction in progress, improvements, buildings, infrastructure assets, such as roads and sidewalks, equipment, vehicles, assets acquired under capital leases, capitalized software and library books. 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.

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

Capital Assets (Cont'd) - 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 is depreciated using the straight-line method over the useful lives of the assets, generally 20 years for land improvements, 50 years for buildings, 5 to 20 years for vehicles and equipment, 25 to 50 years for infrastructure, 5 to 10 years for capitalized software, and 5 years for library books. 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.

Allowance for Doubtful Accounts - The allowance for doubtful accounts represents the amount estimated to be uncollectible for student accounts receivable. The amount is adjusted annually based on past year's collection rates. It is the College policy to write off uncollectible accounts after one year of delinquency. The allowance for June 30, 2018 and 2017 was $874,201 and $813,271, respectively.

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

Scholarship Discounts and Allowances - Student tuition and 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 position. 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 allowance for the fiscal years ended June 30, 2018 and 2017 was $11,021,884 and $10,994,913, respectively.

Reclassifications - Certain 2017 amounts have been reclassified to conform to 2018 presentation.

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.

Financial 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 Alternate Benefit Program. The College is economically dependent on these appropriations to carry out its operations.

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

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

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

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

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

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

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS"), and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

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

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

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

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

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

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

Net Position (Cont'd)

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

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

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

The College implemented the following GASB Statements for the fiscal year ended June 30, 2018:

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The adoption of this Statement required the College to recognize a revenue and expense on the Statements of Revenues, Expenses and Changes in Net Position for the State's proportionate share of the postemployment expense associated with the College. In addition, the College was required to include additional note disclosures (see note 22) and required supplementary information related to postemployment benefits.

Statement No. 85, *Omnibus 2017*. This Statement addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The adoption of this Statement had no impact on the basic financial statements of the College.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements that will become effective for the College for fiscal years ending after June 30, 2018:

Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement will become effective for the College in the fiscal year ending June 30, 2021. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the College.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits might not be recovered. Although the College does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first $250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the College in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, athletic and student activity funds, or funds that may pass to the College relative to the happening of a future condition.

As of June 30, 2018, and 2017 College's bank balances were exposed to custodial credit risk as follows:

	2018	2017
Insured by FDIC and GUDPA	$ 5,770,987	$ 8,993,757
Uninsured and Uncollateralized	8,044	10,418
	$ 5,779,031	$ 9,004,175

New Jersey Cash Management Fund - During the fiscal years ended June 30, 2018 and 2017, 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, 2018 and 2017, the College had $8,844,386 and $4,754,205, invested in the Fund, respectively.

Note 3: CAPITAL ASSETS

A summary of changes in the various capital asset categories for the fiscal years ended June 30, 2018 and 2017 are presented as follows:

	Balance June 30, 2017	Additions	Reductions	Transfers	Balance June 30, 2018
Non-Depreciable Capital Assets:					
Land	$ 9,385,327	$ -	$ -	$ -	$ 9,385,327
Construction in Progress	4,859,384	3,372,836		(3,763,895)	4,468,325
Other Non-Depreciable Assets	21,067		(21,067)		
Total Non-Depreciable Capital Assets	14,265,778	3,372,836	(21,067)	(3,763,895)	13,853,652
Depreciable Capital Assets:					
Land Improvements	4,738,366			58,018	4,796,384
Buildings	168,692,775		(2,207,085)	3,705,877	170,191,567
Infrastructure	16,389,186				16,389,186
Equipment	7,241,125	407,743	(6,045)		7,642,823
Vehicles	1,307,486		(210,957)		1,096,529
Assets Under Capital Lease	1,773,461				1,773,461
Capitalized Software	3,364,941				3,364,941
Library Books	3,004,162	14,716			3,018,878
Total Depreciable Capital Assets	206,511,502	422,459	(2,424,086)	3,763,895	208,273,770
Less Accumulated Depreciation For:					
Land Improvements	(2,102,157)	(91,447)			(2,193,604)
Buildings	(43,101,770)	(3,641,244)	1,214,519		(45,528,495)
Infrastructure	(3,506,822)	(512,279)			(4,019,101)
Equipment	(4,874,363)	(483,096)	4,805		(5,352,654)
Vehicles	(795,284)	(86,573)	86,569		(795,288)
Assets Under Capital Lease	(1,773,461)				(1,773,461)
Capitalized Software	(3,187,373)	(15,632)			(3,203,005)
Library Books	(2,977,160)	(15,847)			(2,993,007)
Total Accumulated Depreciation	(62,318,390)	(4,846,118)	1,305,893	-	(65,858,615)
Depreciable Capital Assets	144,193,112	(4,423,659)	(1,118,193)	3,763,895	142,415,155
Total Capital Assets, Net	$ 158,458,890	$ (1,050,823)	$ (1,139,260)	$ -	$ 156,268,807

Depreciation expense for the fiscal year ended June 30, 2018 was $4,846,118.
Projects were completed during the fiscal year resulting in $3,763,895, being reclassified from Construction in Progress.

Note 3: CAPITAL ASSETS (CONT'D)

	Balance June 30, 2016 (As Restated)	Additions	Reductions	Transfers	Balance June 30, 2017
Non-Depreciable Capital Assets:					
Land	$ 9,385,327	$ -	$ -	$ -	$ 9,385,327
Construction in Progress	7,552,301	2,315,940		(5,008,857)	4,859,384
Other Non-Depreciable Assets	42,137		(21,070)		21,067
Total Non-Depreciable Capital Assets	16,979,765	2,315,940	(21,070)	(5,008,857)	14,265,778
Depreciable Capital Assets:					
Land Improvements	4,738,366				4,738,366
Buildings	164,099,068			4,593,707	168,692,775
Infrastructure	15,974,036			415,150	16,389,186
Equipment	7,030,531	213,539	(2,945)		7,241,125
Vehicles	1,282,181	25,305			1,307,486
Assets Under Capital Lease	1,773,461				1,773,461
Capitalized Software	3,364,941				3,364,941
Library Books	3,001,555	2,607			3,004,162
Total Depreciable Capital Assets	201,264,139	241,451	(2,945)	5,008,857	206,511,502
Less Accumulated Depreciation For:					
Land Improvements	(2,012,724)	(89,433)			(2,102,157)
Buildings	(39,535,792)	(3,565,978)			(43,101,770)
Infrastructure	(2,985,983)	(520,839)			(3,506,822)
Equipment	(4,429,783)	(447,525)	2,945		(4,874,363)
Vehicles	(699,568)	(95,716)			(795,284)
Assets Under Capital Lease	(1,773,461)				(1,773,461)
Capitalized Software	(3,171,741)	(15,632)			(3,187,373)
Library Books	(2,961,543)	(15,617)			(2,977,160)
Total Accumulated Depreciation	(57,570,595)	(4,750,740)	2,945	-	(62,318,390)
Depreciable Capital Assets	143,693,544	(4,509,289)	-	5,008,857	144,193,112
Total Capital Assets, Net	$ 160,673,309	$ (2,193,349)	$ (21,070)	$ -	$ 158,458,890

Depreciation expense for the fiscal year ended June 30, 2017 was $4,750,740.
Projects were completed during the fiscal year resulting in $5,008,857, being reclassified from Construction in Progress.

Note 4: LEASES

Capital Leases Obligations - At June 30, 2018, the College had lease agreements in effect, with the County of Camden, for various Campus Capital Construction Improvements. The following is a schedule of future minimum lease payments under these capital leases at June 30, 2018.

Fiscal Year Ended June 30,	Principal	Interest	Total
2019	$ 985,597	$ 754,451	$ 1,740,048
2020	1,011,747	713,346	1,725,092
2021	981,834	670,564	1,652,398
2022	1,023,410	628,239	1,651,648
2023	1,066,486	585,743	1,652,229
2024-2028	4,718,738	2,157,625	6,876,363
2029-2033	2,702,639	1,268,441	3,971,080
2034-2038	1,545,000	601,793	2,146,793
2039-2041	927,000	98,475	1,025,475
	$ 14,962,449	$ 7,478,677	$ 22,441,127

The County of Camden waived the College's required payments of $948,436 and $791,789 for fiscal year 2018 and $915,775 and $826,518 for fiscal year 2017 for principal and interest, respectively. These amounts have been reported in the financial statements as revenues and expenses.

Note 5: REIMBURSEMENT AGREEMENT/LEASE PURCHASE AGREEMENT (MORTGAGE PAYABLE)

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.

Note 5: REIMBURSEMENT AGREEMENT/LEASE PURCHASE AGREEMENT (MORTGAGE PAYABLE) (CONT'D)

For the fiscal years ended June 30, 2018 and 2017, the County of Camden made basic lease principal payments in the amount of $12,750 for both fiscal years, 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, 2018 and 2017. 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. During the fiscal years ended June 30, 2018 and 2017, the College did not reimburse the County for principal or interest paid.

Note 6: LONG-TERM LIABILITIES

The following is a summary of long-term liabilities for the fiscal years ended June 30, 2018 and 2017:

	Balance June 30, 2017	Increase	Decrease	Balance June 30, 2018	Due Within One Year
Compensated Absences	$ 2,523,169	$ 1,536,874	$ (1,581,501)	$ 2,478,542	$ 592,881
Capital Leases	15,910,886		(948,436)	14,962,450	985,597
Mortgage Payable	6,387,987		(4,487)	6,383,500	
Higher Education Equip. Leasing Fund Payable	78,552		(78,552)		
Net Pension Liability	60,040,432	18,299,844	(34,941,770)	43,398,506	
	$ 84,941,026	$ 19,836,718	$ (37,554,746)	$ 67,222,998	$ 1,578,478

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

	Balance June 30, 2016	Increase	Decrease	Balance June 30, 2017	Due Within One Year
Compensated Absences	$ 2,604,288	$ 1,389,189	$ (1,470,308)	$ 2,523,169	$ 606,783
Capital Leases	16,826,661		(915,775)	15,910,886	948,436
Mortgage Payable	6,392,473		(4,486)	6,387,987	4,487
Higher Education Equip. Leasing Fund Payable	153,615		(75,063)	78,552	78,552
Net Pension Liability	54,754,974	21,643,772	(16,358,314)	60,040,432	
	$ 80,732,011	$ 23,032,961	$ (18,823,946)	$ 84,941,026	$ 1,638,258

Note 7: PENSION PLANS

The College participates in several retirement plans, administered by the State of New Jersey, Division of Pensions and Benefits (the "Division"), covering its employees – the Public Employees' Retirement System (PERS), the New Jersey Alternate Benefit Program (ABP) and the Defined Contribution Retirement Program (DCRP). PERS is a defined benefit pension plan while ABP and DCRP are defined contribution pension plans. Generally, all employees, except certain part-time employees, participate in one of these plans.

The State issues a publicly available Comprehensive Annual Financial Report (CAFR) of the State of New Jersey Division of Pensions and Benefits, which includes financial statements, required supplementary information and detailed information about the PERS plan fiduciary net position. This CAFR can be obtained by writing to, or by visiting the website below.

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
http://www.nj.gov/treasury/pensions/gasb-notices.shtml

General Information About the Pension Plans

Plan Descriptions

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

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

Note 7: PENSION PLANS (CONT'D)

General Information About the Pension Plans (Cont'd)

Plan Descriptions (Cont'd)

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least $5,000 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least $5,000 annually.

Vesting and Benefits Provisions

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

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
4	Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

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

Note 7: PENSION PLANS (CONT'D)

General Information About the Pension Plans (Cont'd)

Vesting and Benefits Provisions (Cont'd)

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

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

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rates were 7.34% and 7.20% in State fiscal years 2018 and 2017, respectively. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) was 10%. Employer contribution amounts are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The College's contractually required contribution rates were 14.01% and 13.48% of the College's covered payroll for the fiscal years ended June 30, 2018 and 2017, respectively. These amount were actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2017, the College's contractually required contribution to the pension plan for the fiscal year ended June 30, 2018 was $1,727,098, and was paid by April 1, 2018. College employee contributions to the pension plan during the fiscal year ended June 30, 2018 were $989,348.

Based on the PERS measurement date of June 30, 2016, the College's contractually required contribution to the pension plan for the fiscal year ended June 30, 2017 was $1,800,953, and was paid by April 1, 2017. College employee contributions to the pension plan during the fiscal year ended June 30, 2017 were $931,705.

Note 7: PENSION PLANS (CONT'D)

General Information About the Pension Plans (Cont'd)

Contributions (Cont'd)

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

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

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

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

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

During the fiscal year end June 30, 2018, the College's share of the employer contributions for participants not eligible for State reimbursement was $414,033, employee contributions to the plan were $920,386, and the State of New Jersey made on-behalf payments for the College contributions of $1,273,495. During the fiscal year end June 30, 2017, the College's share of the employer contributions for participants not eligible for State reimbursement was $396,675, employee contributions to the plan were $945,490, and the State of New Jersey made on-behalf payments for the College contributions of $1,356,620.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the College contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the fiscal year ended June 30, 2018, employee contributions totaled $81,037, and the College recognized pension expense of $44,183. There were no forfeitures during this fiscal year. For the fiscal year ended June 30, 2017, employee contributions totaled $77,664, and the College recognized pension expense of $42,369. There were no forfeitures during this fiscal year.

Note 7: PENSION PLANS (CONT'D)

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

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

The College reported a liability of $43,398,506 and $60,040,432 for its proportionate share of the net pension liability for the fiscal years ended June 30, 2018 and 2017, respectively.

The net pension liability reported at June 30, 2018 was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The College's proportion of the net pension liability was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2017 measurement date, the College's proportion was .1864324995%, which was a decrease of .0162894675% from its proportion measured as of June 30, 2016.

The net pension liability reported at June 30, 2017 was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. The College's proportion of the net pension liability was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2016 measurement date, the College's proportion was .2027219670%, which was a decrease of .0411972402% from its proportion measured as of June 30, 2015.

The College recognized $1,160,276 and $4,408,015, in its financial statements for pension expense for PERS, for the fiscal years ended June 30, 2018 and 2017, respectively. These amounts were based on the plans June 30, 2017 and 2016 measurement dates, respectively.

Note 7: PENSION PLANS (CONT'D)

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

At June 30, 2018 and 2017, the College reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Measurement Date June 30, 2017		Measurement Date June 30, 2016	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 1,021,885	$ -	$ 1,116,570	$ -
Changes of Assumptions	8,743,303	8,711,249	12,437,171	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	295,515	-	2,289,396	-
Changes in Proportion and Differences between College Contributions and Proportionate Share of Contributions	367,445	8,148,021	512,265	6,713,768
College Contributions Subsequent to the Measurement Date	1,854,685	-	1,727,098	-
	$ 12,282,833	$ 16,859,270	$ 18,082,500	$ 6,713,768

$1,854,685 and $1,727,098 included in deferred outflows of resources, for the June 30, 2017 and 2016 measurement dates, respectively, will be included as a reduction of the net pension liability in fiscal year ending June 30, 2019 and 2018, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	
2019	$ (950,702)
2020	(430,661)
2021	(1,105,178)
2022	(2,727,917)
2023	(1,216,664)
	$ (6,431,122)

Note 7: PENSION PLANS (CONT'D)

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

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

		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience			
Year of Pension Plan Deferral:			
	June 30, 2014	-	-
	June 30, 2015	5.72	-
	June 30, 2016	5.57	-
	June 30, 2017	5.48	-
Changes of Assumptions			
Year of Pension Plan Deferral:			
	June 30, 2014	6.44	-
	June 30, 2015	5.72	-
	June 30, 2016	5.57	-
	June 30, 2017	-	5.48
Net Difference between Projected and Actual Earnings on Pension Plan Investments			
Year of Pension Plan Deferral:			
	June 30, 2014	-	5.00
	June 30, 2015	-	5.00
	June 30, 2016	5.00	-
	June 30, 2017	5.00	-
Changes in Proportion and Differences between College Contributions and Proportionate Share of Contributions			
Year of Pension Plan Deferral:			
	June 30, 2014	6.44	6.44
	June 30, 2015	5.72	5.72
	June 30, 2016	5.57	5.57
	June 30, 2017	5.48	5.48

Note 7: PENSION PLANS (CONT'D)

Actuarial Assumptions

The net pension liability at June 30, 2018 was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017.

The net pension liability at June 30, 2017 was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016.

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

	Measurement Date June 30, 2017	Measurement Date June 30, 2016
Inflation	2.25%	3.08%
Salary Increases:		
Through 2026	1.65% - 4.15% Based on Age	1.65% - 4.15% Based on Age
Thereafter	2.65% - 5.15% Based on Age	2.65% - 5.15% Based on Age
Investment Rate of Return	7.00%	7.65%
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2011 - June 30, 2014	July 1, 2011 - June 30, 2014

For the June 30, 2017 measurement date, pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

Note 7: PENSION PLANS (CONT'D)

Actuarial Assumptions (Cont'd)

For the June 30, 2016 measurement date, pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at the June 30, 2017 measurement date and 7.65% at the June 30, 2016 measurement date) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in target asset allocation are summarized in the following tables:

	Measurement Date June 30, 2017	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Absolute Return/Risk Mitigation	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Asset	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%
	100.00%	

Note 7: PENSION PLANS (CONT'D)

Actuarial Assumptions (Cont'd)

Asset Class	Measurement Date June 30, 2016 Target Allocation	Long-Term Expected Real Rate of Return
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment Grade Credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds / Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global Debt ex U.S.	5.00%	-0.25%
REIT	5.25%	5.63%
	100.00%	

Discount Rate June 30, 2017 Measurement Date - The discount rate used to measure the total pension liability at June 30, 2017 was 5.00%. The respective single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined amount and the local employers contributed 100% of the actuarially determined amount. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Discount Rate June 30, 2016 Measurement Date - The discount rate used to measure the total pension liability at the June 30, 2016 measurement date was 3.98%. The respective single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85%, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Note 7: PENSION PLANS (CONT'D)

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

The following presents the College's proportionate share of the net pension liability at the June 30, 2017 and 2016 measurement dates, respectively. These amounts were calculated using a discount rate of 5.00% for June 30, 2017 and 3.98% for June 30, 2016, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	June 30, 2017 Measurement Date		
	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
College's Proportionate Share of the Net Pension Liability	$ 53,838,792	$ 43,398,506	$ 34,700,454

	June 30, 2016 Measurement Date		
	1% Decrease (2.98%)	Current Discount Rate (3.98%)	1% Increase (4.98%)
College's Proportionate Share of the Net Pension Liability	$ 73,572,542	$ 60,040,432	$ 48,868,502

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the PERS and additions to/deductions from PERS' respective fiduciary net position have been determined on the same basis as they are reported by PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about PERS, please refer to the plan's Comprehensive Annual Financial Report (CAFR), which can be found at http://www.nj.gov/treasury/pensions/gasb-notices.shtml.

Note 8: 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 - 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 ended June 30, 2018 and 2017 were $295,872 and $388,246, respectively.

The audit report for the fund can be obtained from:

New Jersey County College Worker's Compensation Pool
1200 Old Trenton Road
Trenton, New Jersey 08690

Note 9: 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, 2018 and 2017, the Compensated Absences Liability was $2,478,542 and $2,523,169, respectively.

Note 10: DEFERRED COMPENSATION SALARY ACCOUNT

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

403(b)
AXA Financial (Equitable)
MassMutual Retirement Services (the Hartford)
Met Life (*Travelers/CitiStreet)*
Met Life – Roth
Prudential
Teacher's Insurance and Annuity Association / College Retirement Equities Fund (TIAA/CREF)
Variable Annuity Life Insurance Company (VALIC)
VOYA Financial Services

457(b)
Met Life (*Travelers/CitiStreet)*
Teacher's Insurance and Annuity Association / College Retirement Equities Fund (TIAA/CREF)

Note 11: 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, 2018 and 2017, the amount reserved was $52,436 and $76,972, respectively. Also at June 30, 2018 and 2017, the College reserved fund balance in its Plant Fund for the Camden Technology Center in the amount of $396,509 and $348,959, respectively, and a Facilities Reserve in the amount of $1,305,914, at both June 30, 2018 and 2017.

Note 12: AUXILIARY OPERATIONS - BOOKSTORE

The College has an agreement with Barnes & Noble, Inc., for the operation of the official *Campus Store* (Bookstore) at the Blackwood Campus and Rohrer Center. The agreement commenced on August 1, 2017 and continues through July 31, 2022.

In addition, the College has a separate agreement with Barnes & Noble, Inc. for the operation of the *University District Bookstore* (Joint Bookstore) at the Camden County College's Technology Center in Camden, New Jersey. This bookstore serves Camden County College, Rutgers University-Camden Campus, and Rowan University. These institutions have jointly subcontracted for the provision of bookstore services at this facility. The agreement is in effect for five years commencing June 2015.

Net commissions paid to the College for the fiscal years ended June 30, 2018 and 2017 were $866,804 and $559,415, respectively.

Note 13: NET POSITION

The following is a summary of net position balances of the College for the fiscal years ended June 30, 2018 and 2017:

	2018	2017
Net Investment in Capital Assets:		
Total Capital Assets, Net	$ 156,268,807	$ 158,458,890
Related Debt	(21,345,950)	(22,377,425)
	$ 134,922,857	$ 136,081,465
Restricted for Expendable Net Position:		
Construction and Improvements	$ 527,088	$ 518,101
Restricted	5,435	5,435
Federal and State Grants	84,468	87,000
	$ 616,991	$ 610,536
Unrestricted Net Position (Deficit):		
Designated for Student Government and Intercollegiate Athletics	$ 59,822	$ 66,807
Designated for Grants	89,904	87,117
Designated for Construction and Improvements	6,502,703	6,493,715
Designated for Future Year Budgets	3,564,419	2,600,000
Undesignated (Deficit)	(48,413,494)	(48,924,080)
	$ (38,196,646)	$ (39,676,441)
Reconciliation of Unrestricted Net Position (Deficit):		
Effects of GASB 68 and 71 Pension Related Items	$ (49,829,628)	$ (50,398,798)
Designated for Student Government and Intercollegiate Athletics	59,822	66,807
Designated for Grants	89,904	87,117
Designated for Construction and Improvements	6,502,703	6,493,715
Designated for Future Year Budgets	3,564,419	2,600,000
Undesignated Before GASB 68 and 71 Pension Related Items	1,416,134	1,474,718
	$ (38,196,646)	$ (39,676,441)

Note 14: EDUCATIONAL AND GENERAL EXPENSES BY NATURAL CLASSIFICATION

The College's operating expenses by natural classification for the fiscal years ended June 30, 2018 and 2017 are presented as follows:

	2018	2017
Salaries and Benefits	$ 62,653,420	$ 66,090,000
Supplies and Materials	5,737,631	5,522,975
Services	8,587,088	6,954,073
Scholarships and Fellowships	10,071,328	10,105,930
Utilities	4,519,843	3,675,309
Depreciation	4,846,118	4,750,740
	$ 96,415,428	$ 97,099,027

Note 15: ACCOUNTS RECEIVABLE

Accounts receivable consists of the following at the end of fiscal years ended June 30, 2018 and 2017:

	2018	2017
Student Tuition and Fees	$ 1,775,141	$ 1,591,860
Auxiliary Enterprises and Other Operating Activities	2,933,611	3,192,817
Federal, State, County and Private Grants and Contracts	6,745,232	5,604,696
	11,453,984	10,389,373
Less: Allowance for Doubtful Accounts	874,201	813,271
	$ 10,579,783	$ 9,576,102

Note 16: ACCOUNTS PAYABLE

Accounts payable as of June 30, 2018 and 2017, consists of the following amounts:

	2018	2017
Due to Vendors and Students	$ 4,886,747	$ 4,367,549
Health Benefits Payable	881,669	723,019
Payroll Deductions Payable	6,301	39,073
	$ 5,774,717	$ 5,129,641

Note 17: COMMITMENTS

Joint Health Sciences Center

The College has entered into an agreement with the Rowan University/Rutgers-Camden Board of Governors (Board of Governors), to be part of a Joint Health Sciences Center (the building) to be located in Camden, New Jersey. The building will be shared by Camden County College, Rowan University and Rutgers-Camden University. Once the building is completed, each of the three College's will own a share of the building and contribute to its maintenance. In total, Camden County College has committed $10,000,000 towards the building ($7,500,000 grant from the State of New Jersey – Building Our Future Bond Act Grant and $2,500,000 from the County of Camden). To date the College has expended $2,375,342 against the project and is committed to pay $7,624,658 in future fiscal years.

Note 18: CONTINGENCIES

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

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.

Note 19: CONCENTRATIONS

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

Note 20: SUBSEQUENT EVENTS

The College evaluated subsequent events through February 21, 2019, the date the financial statements were available to be issued. The College is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

Note 21: PRIOR PERIOD ADJUSTMENT

During fiscal years ending prior to June 30, 2017, the College's deprecation schedule inadvertently omitted depreciating a group of fixed assets. As a result, depreciation expense was not properly computed. An adjustment was made to properly record accumulated depreciation in prior years. The adjustment had the following net effect.

	Balance June 30, 2016 (As Previously Reported)	Prior Period Adjustment	Balance June 30, 2016 (As Restated)
Accumulated Depreciation - Land Improvements	$ 928,125	$ 1,084,599	$ 2,012,724
Capital Assets, Net	161,757,908	(1,084,599)	160,673,309
Net Investment in Capital Assets	138,385,159	(1,084,599)	137,300,560
Net Position - Beginning of Year	100,429,392	(1,084,599)	99,344,793

Note 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN

General Information about the OPEB Plan

Plan Description and Benefits Provided - The State Health Benefit Local Education Retired Employees Plan (the "OPEB Plan") is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75 - *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the "Division") and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publically available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

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

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

Note 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

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

General Information about the OPEB Plan (Cont'd)

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

Employees Covered by Benefit Terms - At June 30, 2016, the most recent actuarial valuation date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

Active Plan Members	223,747
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	142,331
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
	366,078

Total Non-Employer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP participants. The College's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the College did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. The State's proportionate share of the net OPEB liability associated with the College as of June 30, 2018 and 2017 was $95,257,829 and $101,163,560, respectively. Since the OPEB liability associated with the College is 100% attributable to the State, the OPEB liability will be referred to as the total Non-Employer OPEB Liability.

The total Non-Employer OPEB Liability was measured as of June 30, 2017, and was determined by an actuarial valuation as of June 30, 2016, which was rolled forward to June 30, 2017. The total Non-Employer OPEB Liability as of June 30, 2016 was determined by an actuarial valuation as of June 30, 2016. For the June 30, 2017 and 2016 measurement dates, the State's proportionate share of the Non-Employer OPEB Plan Liability associated with the College was .1775878260% and .174927678%, respectively, which represents an increase of .0026605581% between the fiscal years.

Note 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

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

Total Non-Employer OPEB Liability (Cont'd)

Actuarial Assumptions and Other Inputs - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2016 used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases -

	TPAF/ABP (1)	PERS (2)	PFRS (2)
Through 2026	1.55% - 4.55%	2.15% - 4.15%	2.10% - 8.98%
Thereafter	2.00% - 5.45%	3.15% - 5.15%	3.10% - 9.98%

(1) - Based on years of service
(2) - Based on age

Inflation Rate - 2.50%

Mortality Rates - Preretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2014 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

Experience Studies - The actuarial assumptions used in the June 30, 2016 valuation were based on the results of actuarial experience studies for the periods July 1, 2012 - June 30, 2015, July 1, 2010 - June 30, 2013, and July 1, 2011 - June 30, 2014 for TPAF, PFRS and PERS, respectively.

Health Care Trend Assumptions - For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.9% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Discount Rate - The discount rate for June 30, 2017 and 2016 was 3.58% and 2.85%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Note 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

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

Changes in the Total Non-Employer OPEB Liability

The below table summarizes the State's proportionate share of the change in the Total Non-Employer OPEB Liability associated with the College:

Balance at June 30, 2017		$ 101,163,560
Changes for the Year:		
Service Cost	$ 5,523,537	
Interest Cost	3,010,512	
Changes in Assumptions	(12,314,651)	
Gross Benefit Payments	(2,206,373)	
Member Contributions	81,244	
Net Changes		(5,905,731)
Balance at June 30, 2018		$ 95,257,829

Due to the first year of implementation of GASB 75, information related to the change between June 30, 2016 and June 30, 2017 is not available.

There were no changes in benefit terms between the June 30, 2016 measurement date and the June 30, 2017 measurement date.

Changes of assumptions and other inputs reflect a change in the discount rate from 2.85% for the June 30, 2016 measurement date to 3.58% for the June 30, 2017 measurement date.

Note 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

Changes in the Total Non-Employer OPEB Liability (Cont'd)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate - The State's proportionate share of the total Non-Employer OPEB Liability, associated with the College, as of the June 30, 2017 and 2016 measurement dates, using a discount rate of 3.58% and 2.85%, respectively, as well as using a discount rate that is 1% lower or 1% higher than the current rate used are as follows:

	June 30, 2017 Measurement Date		
	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the College	$ 113,077,916	$ 95,257,829	$ 81,122,767

	June 30, 2016 Measurement Date		
	1% Decrease (1.85%)	Current Discount Rate (2.85%)	1% Increase (3.85%)
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the College	$ 121,196,092	$ 101,163,560	$ 85,395,389

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates - The State's proportionate share of the total Non-Employer OPEB Liability, associated with the College, as of the June 30, 2017 and 2016 measurement dates, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used are as follows:

	June 30, 2017 Measurement Date		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the College	$ 78,340,356	$ 95,257,829	$ 117,724,034

	June 30, 2016 Measurement Date		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the College	$ 83,007,518	$ 101,163,560	$ 125,436,459

Note 22: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

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

For the fiscal year ended June 30, 2018 and 2017, the College recognized $7,364,729 and $8,804,623, respectively, in OPEB expense and revenue, for the State's proportionate share of the OPEB Plan's OPEB Expense, associated with the College. This expense and revenue was based on the OPEB Plan's June 30, 2017 and 2016 measurement dates, respectively.

In accordance with GASBS No. 75, the College's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the College. However, at June 30, 2018, the State's proportionate share of the total Non-Employer OPEB Liability's deferred outflows of resources and deferred inflows of resources, associated with College, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Proportion	$ 1,215,804	$ -
Changes of Assumptions or Other Inputs	-	11,265,761
	$ 1,215,804	$ 11,265,761

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total Non-Employer OPEB Liability, associated with the College, will be recognized in OPEB expense as follows:

Year Ending June 30,	
2019	$ (1,176,810)
2020	(1,176,810)
2021	(1,176,810)
2022	(1,176,810)
2023	(1,176,810)
Thereafter	(4,165,908)
	$ (10,049,957)

Note 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES

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

A. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities - Camden County College Foundation (the "Foundation") exists to enhance Camden County College's (the "College") tradition of academic excellence. Its purpose is to provide additional resources to support the comprehensive mission of the College. Specifically, additional resources provided by the Foundation support four areas critical to College excellence and to ensure student access to college-level study: student scholarships for those with financial need and special talents; academic equipment to ensure that students and faculty are applying skills using state-of-the-art technologies; faculty and staff development to ensure that the College's investment in its human resources is equivalent to its investment in physical and technological resources; and innovation to support strategic initiatives that are related to the continuing development and excellence of the College.

Although the Foundation is a legally separate, non-for-profit organization, because of the significance of its operational and financial relationships with the College it is considered a component unit of the College.

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

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

Investments - The Foundation reports all investments in marketable securities with readily determinable fair values and all investments in debt securities at fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Alternative investments are stated at fair value based on valuations provided by the general partner. Individual investment holdings within the alternative investment may include investments in both nonmarketable and market-traded securities. The Foundation has adopted the provisions provided for in the Financial Accounting Standards Board ("FASB") Accounting Standards Update number 2009-12 – "Fair Value Measurements and Disclosures", in which the FASB developed a practical expedient, allowing the Foundation to record certain alternative investments at net asset value ("NAV"), without adjustment for restrictions, if any. Investment valuations may be based on estimates that require varying degrees of judgment where readily available fair values do not exist. Generally, fair value reflects net contributions to the investee and an ownership share of realized and unrealized investment income and expenses.

Income Taxes - The Foundation claims exemption from federal and state income taxes under section 501(c) (3) of the Internal Revenue Code and, accordingly, does not record a provision for income taxes on related income. The Foundation is eligible to receive a charitable contribution deduction under Section 170(b)(1)(A) and is classified as an organization other than a private foundation under Section 509(a)(2).

Note 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONT'D)

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

Income Taxes (Cont'd) - The Foundation regularly reviews and evaluates its tax positions taken in previously filed information returns and as reflected in its financial statements, with regard to issues affecting its tax exempt status, unrelated business income, and related matters. The Foundation believes that in the event of an examination by taxing authorities, the Foundation's positions would prevail based upon the technical merits of such positions. Therefore, the Foundation has concluded that no tax benefits or liabilities are required to be recognized in accordance with the new requirements.

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

Allowance for Doubtful Accounts - Pledges and accounts receivable are stated net of an allowance for doubtful accounts. The Foundation estimates the allowance based on an analysis of specific donors, taking into consideration the age of past due amounts and an assessment of the donor's ability to pay. The Foundation has determined that there was no allowance for doubtful accounts for receivables at June 30, 2018 and 2017.

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

B. CONCENTRATION OF CREDIT RISK

The Foundation maintains cash balances in their banking institutions, which are insured by the Federal Deposit Insurance Corporation (F.D.I.C) up to $250,000 per institution. At June 30, 2018 and 2017, the Foundation's balance did not exceed the insured limit.

In addition, the Foundation invests funds in the UBS Financial Services Inc. and Morgan Stanley money market funds. These funds are not insured by the F.D.I.C. At June 30, 2018 and 2017 the balance in these funds totaled $140,618 and $54,599, respectively.

Note 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONT'D)

C. NET ASSETS

Temporarily restricted net assets are available for scholarships, tuition and college improvements. Donor restrictions are maintained on file by the foundation.

The following is a summary of Net Asset balances of the Foundation at June 30:

	2018	(As Restated) 2017
Unrestricted:		
Undesignated	$ 164,302	$ 141,548
Temporarily Restricted:		
Scholarships	825,884	598,751
Other Program Expenses	193,955	156,533
Permanently Restricted:		
Endowment	993,422	882,867
Total Net Assets	$ 2,177,563	$ 1,779,699

D. INVESTMENTS

Investments, stated at fair value, are composed of the following as of June 30, 2018 and 2017, respectively:

	2018	2017
Marketable Securities:		
Corporate Stocks	$ 788,944	$ 752,679
Corporate Bonds and Notes	538,310	342,810
Preferred Securities	267,809	357,221
Nonmarketable Securities:		
Alternative Investments	186,553	286,073
Total	$ 1,781,616	$ 1,738,783

Note 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONT'D)

D. INVESTMENTS (CONT'D)

The following summarizes the investment returns as of June 30, 2018 and 2017, respectively:

	2018	2017
Interest and Dividends	$ 53,061	$ 53,841
Realized Gains (Losses)	57,705	(5,575)
Unrealized Gains (Losses)	8,233	97,731
Total Investment Return	$ 118,999	$ 145,996

E. FAIR VALUE MEASUREMENT

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

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

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

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

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

Note 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONT'D)

E. FAIR VALUE MEASUREMENT (CONT'D)

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis. There have been no changes to the methodologies used at June 30, 2018 and 2017.

- Corporate Stocks – Valued at quoted market prices in active markets on which individual securities are traded.

- Preferred Stocks – Valued at quoted market prices in active markets on which individual securities are traded.

- Corporate Fixed Income and Government Securities – Valued based upon quotes from independent pricing vendors based upon independent pricing models or other model-based valuation techniques such as present value of the stream of expected cash flows adjusted for the security's credit rating and other factors such as credit loss assumptions.

- Alternative investments – include hedge funds estimated by using the NAV provided by the fund's managers. The Foundation generally records alternative investment at NAV provided by the fund's managers, as the managers have the greatest insight into their investments of their funds and related industry. The Foundation's determination of fair value is based upon the best available information provided by the investment manager and may incorporate management assumptions and best estimates after considered a variety of internal and external factors.

Note 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONT'D)

E. FAIR VALUE MEASUREMENT (CONT'D)

Fair Value on a Recurring Basis

The following tables below present the fair value of financial instruments as measured on a recurring basis as of June 30, 2018 and 2017:

2018		Fair Value		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Corporate Stocks:				
Technology	$ 134,928	$ 134,928		
Financial	144,829	144,829		
Industrial Goods	106,345	106,345		
Consumer Goods	157,474	157,474		
Basic Materials	127,039	127,039		
Services	31,717	31,717		
Utilities	20,304	20,304		
Healthcare	100,903	100,903		
Preferred Stocks	267,809	267,809		
Corporate Fixed Income:				
Corporate Bonds:				
(AAA to A)	260,171		$ 260,171	
(BBB to BBB-)	151,969		151,969	
Fixed-Rate Capital Securities				
(BBB to BBB-)	91,575		91,575	
Total	$ 1,595,063	$ 1,091,348	$ 503,715	$ -
Hedge Funds (at NAV)	186,553			
	$ 1,781,616			

2017		Fair Value		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Corporate Stocks:				
Technology	$ 62,570	$ 62,570		
Financial	130,523	130,523		
Industrial Goods	63,256	63,256		
Consumer Goods	57,506	57,506		
Basic Materials	63,348	63,348		
Services	139,168	139,168		
Healthcare	69,784	69,784		
Undesignated Sector	166,524	166,524		
Preferred Stocks	251,002	251,002		
Corporate Fixed Income:				
Corporate Bonds:				
(AAA to A)	203,045		$ 203,045	
(BBB to BBB-)	139,765		139,765	
Fixed-Rate Capital Securities				
(AAA to A)	6,171		6,171	
(BBB to BBB-)	100,047		100,047	
	$ 1,452,710	$ 1,003,681	$ 449,028	$ -
Hedge Funds (at NAV)	286,073			
	$ 1,738,783			

Note 23: DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONT'D)

F. PRIOR PERIOD ADJUSTMENT

During the fiscal year ended June 30, 2018, Foundation officials reviewed all net asset classifications and noted errors in designations. Adjustments were completed to properly show the net assets in prior years. The adjustments had the following net effect:

	Balance June 30, 2016 As Previously Reported	Prior Period Adjustment	Balance June 30, 2016 As Restated
Net Assets:			
Unrestricted	$ 140,096	$ (500)	$ 139,596
Temporarily Restricted	804,673	(82,037)	722,637
Permanently Restricted	809,145	82,537	891,681

Required Supplementary Information

Part II

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

	Plan Measurement Date Ending June 30,		
	2017	**2016**	**2015**
College's Proportion of the Net Pension Liability	0.1864324995%	0.2027219670%	0.2439192072%
College's Proportionate Share of the Net Pension Liability	$ 43,398,506	$ 60,040,432	$ 54,754,974
College's Covered Payroll (Plan Measurement Date)	$ 13,298,568	$ 14,394,928	$ 17,152,104
College's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	326.34%	417.09%	319.23%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%

	Plan Measurement Date Ending June 30,	
	2014	**2013**
College's Proportion of the Net Pension Liability	0.2424243043%	0.2392396635%
College's Proportionate Share of the Net Pension Liability	$ 45,388,460	$ 45,723,453
College's Covered Payroll (Plan Measurement Date)	$ 17,300,240	$ 16,805,620
College's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	262.36%	272.07%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%

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

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

	Fiscal Year Ended June 30,		
	2018	**2017**	**2016**
Contractually Required Contribution	$ 1,854,685	$ 1,727,098	$ 1,800,953
Contributions in Relation to the Contractually Required Contribution	$ (1,854,685)	$ (1,727,098)	$ (1,800,953)
Contribution Deficiency (Excess)	$ -	$ -	$ -
College's Covered Payroll (Fiscal Year)	$ 13,238,108	$ 12,815,990	$ 13,273,818
Contributions as a Percentage of College's Covered Payroll	14.01%	13.48%	13.57%

	Fiscal Year Ended June 30,	
	2015	**2014**
Contractually Required Contribution	$ 2,097,051	$ 1,998,511
Contributions in Relation to the Contractually Required Contribution	$ (2,097,051)	$ (1,998,511)
Contribution Deficiency (Excess)	$ -	$ -
College's Covered Payroll (Fiscal Year)	$ 14,454,313	$ 16,948,692
Contributions as a Percentage of College's Covered Payroll	14.51%	11.79%

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

CAMDEN COUNTY COLLEGE
Required Supplementary Information - Part II
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2018

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None

Changes in Assumptions - For 2017, the discount rate changed to 5.00% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65% from 7.90%, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 4.90%. In addition, the social security wage base was set at $118,500 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at $265,000 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the discount rate was 5.39%.

Required Supplementary Information

Part III

CAMDEN COUNTY COLLEGE
Required Supplementary Information - Part III
Schedule of Changes in the College's Total OPEB Liability and Related Ratios
Last Plan Year

	Measurement Date Ending June 30, 2017
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the College	
Changes for the Year:	
Service Cost	$ 5,523,537
Interest Cost	3,010,512
Changes in Assumptions	(12,314,651)
Gross Benefit Payments	(2,206,373)
Member Contributions	81,244
Net Change in Total Non-Employer OPEB Liability	(5,905,731)
Total Non-Employer OPEB Liability - Beginning of Fiscal Year	101,163,560
Total Non-Employer OPEB Liability - End of Fiscal Year	$ 95,257,829
College's Covered Payroll (Plan Measurement Period)	$ 23,938,415
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the College as a Percentage of Covered Payroll	397.93%

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

CAMDEN COUNTY COLLEGE
Required Supplementary Information - Part III
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2018

Changes of Benefit Terms - None

Changes of Assumptions - The discount rate changed from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017.

Single Audit Section

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

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Camden County College
Blackwood, New Jersey 08012

Report on Compliance for Each Major Federal and State Program

We have audited ***Camden County College's*** (*the "College"*), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the College's major federal and state programs for the fiscal year ended June 30, 2018. 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.*

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-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 on compliance for each major federal and state program. However, our audit does not provide a legal determination of the College's compliance.

Opinion on Each Major Federal and State Program

In our opinion, ***Camden County College*** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2018.

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Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying *Schedule of Findings and Questioned Costs* as items 2018-001 and 2018-002. Our opinion on the major federal program is not modified with respect to these matters.

The College's responses to the noncompliance findings identified in our audit are described in the accompanying *Schedule of Findings and Questioned Costs*. The College's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of ***Camden County College*** is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying *Schedule of Findings and Questioned Costs* as items 2018-001 and 2018-002, which we consider to be significant deficiencies.

The College's responses to the internal control over compliance findings identified in our audit are described in the accompanying *Schedule of Findings and Questioned Costs*. The College's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
February 21, 2019

CAMDEN COUNTY COLLEGE
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

Federal Grantor/Pass-through Grantor/Program Title/Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Education:				
Student Financial Aid Cluster (Direct Funding):				
Federal Supplemental Educational Opportunity Grants (includes administrative costs of $3,143	84.007	N/A	$ 492,166	$ -
Federal Work-Study Program (includes administrative costs of $43,598)	84.033	N/A	355,296	
Federal Pell Grant Program	84.063	N/A	17,360,151	
Federal Direct Student Loans	84.268	N/A	7,764,115	
Total Student Financial Aid Cluster			25,971,728	-
Higher Education Institutional Aid (Direct Funding):				
iPOWERS Grant	84.031	N/A	676,133	-
Career and Technical Education - Basic Grants to States:				
Passed Through State of NJ Department of Education:				
Carl D. Perkins Vocational and Applied Technology Act	84.048	V048A1500030	783,501	-
Adult Education - Basic Grants to States:				
Passed Through State of NJ Department of Labor and Workforce Development:				
Adult Education and Family Literacy:				
Adult Basic Skills ($248,462 Matching Share)	84.002	ABS-FY2018-019	457,143	261,215
English Literacy and Civics	84.002	ABS-FY2018-019	174,382	114,000
			631,525	375,215
Special Education Grants to States:				
Passed Through State of NJ Department of Education:				
Southern Learning Resource Center Project				
I.D.E.A., Part B.	84.027	402-20180004	1,209,189	-
Twenty-First Century Community Learning Centers:				
Passed Through State of NJ Department of Education:				
21st Century Community Learning Centers Program	84.287	18E00051	377,546	-
			29,649,622	375,215
U.S. Department of Labor:				
WIOA Dislocated Worker National Reserve Demonstration Grants:				
Passed Through Rutgers University:				
Camden Corps Plus Grant	17.280	805368	29,846	-
Apprenticeship USA Grants:				
Passed Through State of NJ Department of Labor and Workforce Development:				
State Apprenticeship Accelerator Program	17.285	Unknown	17,058	-
			46,904	-
U.S. Department of Agriculture:				
1890 Institution Capacity Building Grants:				
Passed Through National Institute of Food and Agriculture via Delaware State University				
Delaware Food and Nutrition	10.216	2014-38821-22449	27,212	-
National Science Foundation:				
Education and Human Resources:				
Pass Through Rochester Institute of Technology:				
Deaf STEM Community Alliance	47.076	31204-01	4,858	-
U.S. Department of Health and Human Services:				
Community-Based Child Abuse Prevention Grants:				
Passed Through State of NJ Department of Children and Families:				
Community Based Child Abuse Prevention (NJCAP)	93.590	18JTDP	29,157	
Total Federal Awards			$ 29,757,753	$ 375,215

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

CAMDEN COUNTY COLLEGE
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2018

State Grantor/Program Title	State GMIS Number	Program or Award Amount	Matching Contribution	Program Funds Received	Grant Period From	Grant Period To	Expenditures	Passed Through to Subrecipients	Cumulative Expenditures
Student Financial Aid Cluster:									
N.J. Commission on Higher Education:									
Educational Opportunities Fund - Article III	100-074-2401-001	$ 195,664	$ -	$ 195,664	07/01/17	06/30/18	$ 195,664	$ -	$ 195,664
Educational Opportunities Fund - Article III Summer	100-074-2401-001	56,236		56,236	07/01/17	06/30/18	56,236		56,236
N.J. Higher Education Student Assistance Authority:									
New Jersey Stars Program	100-074-2405-313	369,376		369,376	07/01/17	06/30/18	369,376		369,376
Tuition Aid Grants	100-074-2405-007	2,359,483		2,359,483	07/01/17	06/30/18	2,359,483		2,359,483
NJ Class Loans	Not Applicable	37,812		37,812	07/01/17	06/30/18	37,812		37,812
Total Student Financial Aid Cluster							3,018,571	-	3,018,571
N.J. Office of the Secretary of Higher Education:									
NJ Gear Up Scholarship	100-074-2400-026	2,960		2,960	07/01/17	06/30/18	2,960	-	2,960
N.J. Commission on Higher Education:									
Educational Opportunities Fund - Article IV	100-074-2401-002	247,282	248,404	217,343	07/01/17	06/30/18	247,282	-	247,282
N.J. State Council on the Arts									
Local Arts Programming	100-074-2530-032-6130	59,732	5,000	34,783	01/01/18	12/31/18	34,783		34,783
Local Arts Programming	100-074-2530-032-6130	59,732	19,628	23,231	01/01/17	12/31/17	23,231		50,081
							58,014	-	84,864
History Partnership Grant	Unknown	12,950		5,963	01/01/18	12/31/18	5,963		5,963
History Partnership Grant	Unknown	12,950		6,134	01/01/17	12/31/17	6,134		12,950
							12,097	-	-
							70,111	-	84,864
N.J. Department of Treasury - Higher Education Administration:									
Operational Costs - County Colleges	100-082-2155-015	9,396,957		9,396,957	07/01/17	06/30/18	9,396,957		9,396,957
Higher Education Equipment Leasing Fund (ELF)	100-082-2155-036	1,281,890			01/01/14	Project Completion	65,043		945,716
Building Our Future Bond Act - Joint Health Sciences Center	Unknown	7,420,276	2,579,724	1,729,608	03/01/17	Project Completion	1,729,768	1,729,768	2,212,761
P.L.1971, Chapter 12 Debt Service:									
Demolition of Wilson Hall, Papiano Gym Renovations	100-082-2155-016	7,200,000		1,217,453	07/01/17	Project Completion	445,308		445,308
Lincoln Hall Renovations, Roosevelt Roof	100-082-2155-016	3,600,000			07/01/17	Project Completion	18,490		18,490
Lincoln Hall HVAC, Energy Upgrades, Camden Parking Garage	100-082-2155-016	1,500,000		119,310	07/01/16	Project Completion	119,310		250,063
							583,108	-	713,861
Employer Contributions - Alternate Benefit Program - FT Faculty	100-082-2155-017	806,336		647,522	07/01/17	06/30/18	803,336		803,336
Employer Contributions - Alternate Benefit Program - Adjunct	100-082-2155-017	214,349			07/01/17	06/30/18	214,349		214,349
Employer Contributions - Alternate Benefit Program - Eligible Employees Enrolled in PERS	100-082-2155-017	255,810			07/01/17	06/30/18	255,810		255,810
							1,273,495	-	1,273,495
							13,048,371	1,729,768	14,542,790

(Continued)

Schedule B

CAMDEN COUNTY COLLEGE
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2018

State Grantor/Program Title	State GMIS Number	Program or Award Amount	Matching Contribution	Program Funds Received	Grant Period From	Grant Period To	Expenditures	Passed Through to Subrecipients	Cumulative Expenditures
N.J. Council of Community Colleges:									
N.J. College Access Challenge Grant - College Readiness Now	Unknown	$ -	$ -	$ -	07/01/17	06/30/18	$ 61,776	$ -	$ 61,776
N.J. Department of Children and Families:									
Child Assault Prevention									
Purchase of Social Services	100-016-1610-039	178,449		178,449	07/01/17	06/30/18	178,449		178,449
School Based Youth Program	100-016-1630-013	1,530,287		1,530,287	07/01/17	06/30/18	1,530,287	-	1,530,287
							1,708,736	-	1,708,736
N.J. Department of Law and Public Safety:									
Law Enforcement Officers Training and Equipment Fund	100-066-1020-314	31,510		35,110	07/01/17	06/30/18	31,510	-	31,510
N.J. Department of Labor and Workforce Development									
Workforce Development Youth Program:									
County Apprenticeship Coordinator Grant	780-062-4545-006	20,000		16,230	07/01/17	06/30/18	20,000		20,000
Advanced Manufacturing Talent Development Center	Unknown	117,323		117,323	05/01/17	04/30/18	117,323		117,323
Advanced Manufacturing Talent Development Center	Unknown	610,832		255,042	05/01/16	04/30/17	255,042		610,832
							392,365	-	748,155
Total State Financial Assistance							$ 18,581,682	$ 1,729,768	$ 20,446,644

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

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance ("the schedules") include federal and state award activity of Camden County College (hereafter referred to as the "College"). The College is defined in note 1 to the College's basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.* All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the College, it is not intended to and does not present the financial position and changes in operations of the College. Accordingly, some amounts presented in the respective schedules may differ from amounts presented in, or used in the preparation of, the College's June 30, 2018 financial statements.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedules are presented using the accrual basis of accounting as described in note 1 to the College's basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3: INDIRECT COST RATE

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

Note 4: OTHER STUDENT LOAN PROGRAMS

The College is responsible only for the performance of certain administrative duties with respect to Federal Direct Student Loans and New Jersey Class Loans; accordingly, these loans balances are not included in the College's basic financial statements. It is not practical to determine the balance of loans outstanding to students of the College under these programs as of June 30, 2018.

Note 5: MAJOR PROGRAMS

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

CAMDEN COUNTY COLLEGE
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2018

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	____ yes X no
Significant deficiency(ies) identified?	____ yes X none reported
Noncompliance material to financial statements noted?	____ yes X no

Federal Awards

Internal control over major programs	
Material weakness(es) identified?	____ yes X no
Significant deficiency(ies) identified?	X yes ____ none reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)?	X yes ____ no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
	Student Financial Aid Cluster:
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal Work Study Program
84.063	Federal Pell Program
84.268	Federal Direct Student Loans
	Higher Education Institutional Aid:
84.031	iPowers Grant
	Special Education Grants to States:
84.027	IDEA Part B

Dollar threshold used to determine Type A programs	$ 892,733.00
Auditee qualified as low-risk auditee?	X yes ____ no

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

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? ____ yes __X__ no

Significant deficiency(ies) identified? ____ yes __X__ none reported

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

Any audit findings disclosed that are required to be reported in accordance with New Jersey Circular 15-08-OMB? ____ yes __X__ no

Identification of major programs:

GMIS Number(s)	Name of State Program
	Student Financial Aid Cluster:
100-074-2401-001	Educational Opportunities Fund - Article III
100-074-2401-001	Educational Opportunities Fund - Article III Summer
100-074-2405-313	New Jersey Stars Program
100-074-2405-007	Tuition Aid Grants
Not Available	NJ Class Loans
100-082-2155-016	Chapter 12 Debt Service
Not Available	Building Our Futures Bond Act - GO Bond
100-082-2155-017	Employer Contributions - Alternate Benefit Program
	N.J. Dept. of Children and Families - Child Assault Prevention:
100-016-1610-039	Purchase of Social Services
100-016-1630-013	School Based Youth Program

Dollar threshold used to determine Type A programs: $ 750,000.00

Auditee qualified as low-risk auditee? __X__ yes ____ no

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There are 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Finding No. 2018-001 (*Return of Title IV Funds)*

Information on the Federal Program
U.S. Department of Education - Student Financial Aid Cluster (Federal Award Year 7/1/17 to 6/30/18):
Federal Supplemental Educational Opportunities Grants:
(CFDA 84.007) (Federal Grant Number P007A172540) (FAIN – not applicable)
Federal Pell Grant Program:
(CFDA 84.063) (Federal Grant Number P063P172865) (FAIN – not applicable)
Federal Direct Student Loans:
(CFDA 84.268) (Federal Grant Number P268K182865) (FAIN – not applicable)

Statistically Valid Sample
The sample was not intended to be, and was not, a statistically valid sample.

Finding Type
Significant Deficiency and Noncompliance

Prior Year Finding
Not Applicable

Criteria
34 CFR sections 668.22(a)(1) through (a)(5) – *Treatment of Title IV Funds When a Student Withdraws*:

When a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV aid earned by the student as of the student's withdrawal date. If the total amount of Title IV assistance earned by the student is less than the amount that was disbursed to the student or on his or her behalf as of the date of the institution's determination that the student withdrew, the difference must be returned to the Title IV programs as outlined in this section and no additional disbursements may be made to the student for the payment period or period of enrollment. If the amount the student earned is greater than the amount disbursed, the difference between the amounts must be treated as a post-withdrawal disbursement.

34 CFR sections 668.22(c) and (d) – *Withdrawal Date*:

If an institution is not required to take attendance, the withdrawal date is (1) the date, as determined by the institution, that the student began the withdrawal process prescribed by the school; (2) the date, as determined by the institution, that the student otherwise provided official notification to the school, in writing or orally, of his or her intent to withdraw; (3) if the student ceases attendance without providing official notification to the institution of his or her withdrawal, the midpoint of the payment period or, if applicable, the period of enrollment; (4) if the institution determines that a student did not begin the withdrawal process or otherwise notify the school of the intent to withdraw due to illness, accident, grievous personal loss or other circumstances beyond the student's control, the date the institution determines is related to that circumstance; (5) if a student does not return from an approved leave of absence, the date that the institution determines the student began the leave of absence; or (6) if the student takes an unapproved leave of absence, the date that the student began the leave of absence. Notwithstanding the above, an institution that is not required to take attendance may use as the withdrawal date, the last date of attendance at an academically related activity as documented by the institution.

Section 3- Schedule of Federal Award Findings and Questioned Costs (Cont'd)

Finding No. 2018-001 (*Return of Title IV Funds)(Cont'd)*

Criteria (Cont'd)

34 CFR section 668.173(b) – *Timing of Return of Title IV Funds*:
Returns of Title IV Funds are required to be deposited or transferred into the SFA account or electronic fund transfers initiated to ED or the appropriate FFEL lender as soon as possible, but no later than 45 days after the date the institution determines that the student withdrew. Returns by check are late if the check is issued more than 45 days after the institution determined the student withdrew or the date on the canceled check shows the check was endorsed more than 60 days after the date the institution determined that the student withdrew.

Condition
Remittances resulting from Return of Title IV Calculations ("Return Calculations") were not always returned back to the Department of Education within 45 days after the institution determined the student withdrew.

Questioned Costs
None.

Context
We sample 40 students who were awarded federal student financial aid and examined all Return Calculations applicable to those students. In addition, we expanded our testing so that we examined a total of 15 Return Calculations and noted the following exceptions. In 4 instances, funds were not returned to the Department of Education within 45 days of the last grade being entered for those students (the College is a non-attendance taking school). In one instance, the funds were returned 15 days late, in two instances the funds were returned 21 days late, and in one instance, the funds were returned 29 days late.

Effect
Noncompliance with Return of Title IV Funds requirements.

Cause
Due to changes with the College's computer system, the College was unable to timely identify students who ceased attendance and required a Return of Title IV Funds Calculation for the spring 2018 semester.

Recommendation
That the College establish procedures to timely identify students who cease attendance and require a Return of Title IV Funds Calculation in order for funds to be remitted back to the Department of Education within the required 45 day period.

View of Responsible Official and Planned Corrective Action
The responsible officials and College agree with the finding and will address the matter as part of their corrective action plan.

Section 3- Schedule of Federal Award Findings and Questioned Costs (Cont'd)

Finding No. 2018-002 (*Federal Work Study)*

Information on the Federal Program
U.S. Department of Education - Student Financial Aid Cluster (Federal Award Year 7/1/17 to 6/30/18):
Federal Work Study Program:
(CFDA 84.033) (Federal Grant Number P033A172540) (FAIN – not applicable)

Statistically Valid Sample
The sample was not intended to be, and was not, a statistically valid sample.

Finding Type
Significant Deficiency and Noncompliance

Prior Year Finding
Not Applicable

Criteria
34 CFR section 675.19(b) – *Fiscal Procedures and Records*:

> An institution must establish and maintain program and fiscal records that include a certification by the student's supervisor, an official of the institution or off-campus agency, that each student has worked and earned the amount being paid. The certification must include or be supported by, for students paid on an hourly basis, a time record showing the hours each student worked in clock time sequence, or the total hours worked per day.

Condition
Timesheets for federal work study students are not always approved by the student's supervisor.

Questioned Costs
None.

Context
In our sample of 25 students who received federal work study wages, we noted 3 instances where the student's timesheet was not approved by the student's supervisor.

Effect
Noncompliance with federal work study requirements.

Cause
A box that prevents employees from being paid without a supervisor's sign off was unchecked in the College's electronic personnel system.

Recommendation
That the College establish procedures to ensure federal work study timesheets are properly approved by supervisors.

View of Responsible Official and Planned Corrective Action
The responsible officials and College agree with the finding and will address the matter as part of their corrective action plan.

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 State of New Jersey Circular 15-08-OMB.

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

FINANCIAL STATEMENT FINDINGS

There were no prior year findings.

FEDERAL AWARDS

There were no prior year findings.

STATE FINANCIAL ASSISTANCE PROGRAMS

There were no prior year findings.

APPRECIATION

We received the complete cooperation of all of the officials of Camden County College and we greatly appreciate the courtesies extended to us.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants